
JUNE 1976

FEDERAL RESERVE BULLETIN

Changes in the Liquidity of Major Sectors of the U.S. Economy

Industrial Production—1976 Revision

Federal Reserve Operations in Payments Mechanisms

Foreign Exchange Operations: Interim Report

The Independence of the Federal Reserve System

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Recent Changes in the Liquidity of Major Sectors of the U.S. Economy

This article was prepared in the Government Finance Section of the Division of Research and Statistics.

The financial condition of most sectors of the U.S. economy has improved markedly over the past 2 years, following an erosion of financial strength during the preceding decade. The nearly uninterrupted expansion of economic activity during the 1960's and early 1970's, and the inflation that accompanied it, caused changes in the attitudes and behavior of many economic units, thereby leading them to adopt financial positions that greatly increased their vulnerability to economic adversity. The recent recession revealed this heightened exposure to risk and prompted widespread efforts to reduce indebtedness (especially short-term indebtedness), to increase holdings of liquid assets, to rebuild equity cushions, and thus generally to restructure financial positions. These efforts have been reflected in a number of important indicators of financial activity, such as repayments of consumer and business loans and flotations of new bond and stock issues.

The process of strengthening financial positions has interacted in several ways with the recent course of economic activity. During the course of the recession, business firms and households reduced their expenditures relative to income in order to channel resources into the restoration of financial soundness. More recently, during the recovery, rising incomes, profits, and stock prices have abetted the financial restructuring process. Also, declines in loan demand, together with large deposit inflows, have provided financial intermediaries with an opportunity to improve their balance sheets. The progress made toward sounder financial positions could have an important bearing on the durability of the current recovery.

Governmental policies contributed to the success of financial rebuilding efforts. Various fiscal measures, including tax cuts and expanded income transfer programs, increased disposable personal income and after-tax corporate profits. These policy initiatives combined with the slowdown in economic activity created a record Federal budget deficit in 1975 that was financed largely through issuance of Treasury bills and shorter-term coupon securities. The ability of the Government to sell such a large quantity of debt with little upward movement of interest rates can be attributed not only to declines in private demands for money and credit but also to the desire of private investors to hold Federal securities to improve the safety and liquidity of their asset portfolios. By concentrating the bulk of its offerings in the shorter end of the maturity spectrum, the Treasury also minimized its direct competition with businesses seeking to fund their short-term debt through the sale of longer-term issues.

At the same time, the Federal Reserve sought to foster an expansion of liquidity consistent with both a vigorous recovery and a gradual unwinding of inflationary pressures. In this environment, interest rates—particularly those on short-term instruments—declined sharply in late 1974 and early 1975 and changed little, on balance, during the first year of recovery. The lower level of interest rates on market instruments encouraged rapid growth in consumer time and savings deposits at banks and nonbank thrift institutions. These deposits, an important component of household liquid assets, grew at an annual rate of nearly 15 per cent from the end of 1974 through the first quarter of 1976. In contrast, the narrowly defined money stock (M_1)—currency plus demand deposits—expanded only moderately in 1975 and early 1976, suggesting that there were increased efforts by

the public to economize on non-interest-bearing assets. More recently, demands for money have shown signs of strengthening, and growth in M_1 has picked up. Also, interest rates have begun to edge up, as the Federal Reserve, in light of the strengthening money demands, has become less accommodative in providing reserves to the banking system and as private demands for credit have increased.

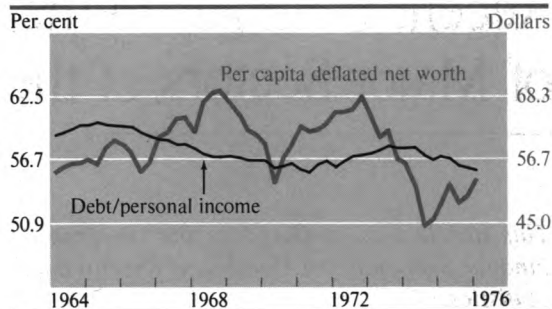
Although sharing this common backdrop, the financial restructuring has varied widely in different sectors of the economy. This article reviews recent changes in the financial positions of several important sectors, relating recent patterns to financial developments since the mid-1960's.

HOUSEHOLDS

Financial positions began to improve for households somewhat earlier than for other sectors. The leveling-off of demand for consumer durable goods in late 1973 resulted in a slowing of credit growth and contributed to a downturn in the ratio of total household debt to personal income in 1974. This ratio had also fallen in the late 1960's, when the rapid growth in consumer indebtedness was more than matched by an expansion of personal income. Growth in both home mortgage and consumer loans accelerated between 1970 and 1973, however, fostered by the rise in economic activity, by accommodative credit conditions early in the period, and by demographic factors favoring an increase in new household formation. The unusual surge in indebtedness may have also been stimulated by rising stock prices, which greatly increased the financial assets of households, and by a desire to acquire real assets prior to the removal of price controls—although there is little direct evidence on this last point.

Financial pressures on households became apparent in late 1973. The rapid rise in borrowing over the preceding few years had increased the proportion of household income required to service debt. In 1973 price increases—particularly for food—cut into the amount of income available to meet such obligations, and declines

Households



Data for all charts are seasonally adjusted, with flows at annual rates. Unless otherwise noted, all data are from the flow of funds accounts.

Household figures include personal trusts and nonprofit organizations. Per capita deflated net worth is financial assets minus financial liabilities divided by population and the consumer price index.

Population, Bureau of Census; consumer price index (1967 = 100), Bureau of Labor Statistics.

in stock prices eroded net financial wealth. One indication of the problem was a sharp rise in the delinquency rate on consumer instalment loans beginning in the second half of 1973.

Under these conditions, households drew back from their extended financial positions. The retrenchment was due not only to desires to restructure finances, but also to substantial reductions in auto purchases reflecting uncertainties about the price and availability of gasoline. Households assumed new debt at a much more modest pace and accelerated their repayments of existing debt. Extensions of new instalment debt, for example, increased only slightly in 1974 and remained unchanged through most of 1975, whereas repayments increased in both years. A rise in instalment debt extensions near the end of 1975 and continuing into 1976 appears to signal a change in consumer attitudes. Despite this increase, the ratio of total debt to personal income fell further through the first quarter of 1976 to reach a level 4 per cent below its peak in 1973.

Household efforts to restore real net worth positions over the past few years have also been evidenced by high rates of savings. However, real per capita financial net worth decreased through the middle of 1974 mainly because of falling stock prices. At that time, this measure of economic well-being had reached its lowest

point since 1958. The rise in stock prices and a rapid accumulation of time and savings deposits and Government securities since late 1974 have restored a portion of the decline in the real per capita net worth of households, which nevertheless remains well below its previous peak.

NONFINANCIAL CORPORATIONS

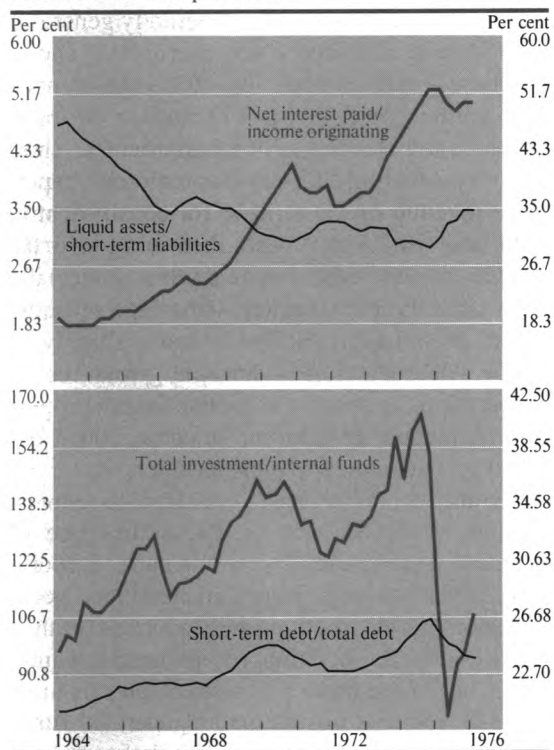
Nonfinancial corporations have been restructuring their balance sheets since late 1974. The major elements of this process have been the funding of short-term debt, an accumulation of liquid assets, and a sharp reduction in reliance on external sources of funds to finance investment expenditures. These measures were made necessary by the severe deterioration that had occurred in financial positions in preceding years.

The deterioration of balance sheets was rooted in the growing discrepancy after the mid-1960's between the amount of corporate investment and the volume of funds generated internally through retained earnings and depreciation allowances. When corporations are forced to rely on external financing, they typically find that the tax deductibility of interest payments provides an incentive to favor debt over equity issues. Corporations may also have been reluctant to issue new shares because they wished to promote growth in earnings per share through increases in their debt to equity ratios. As a result, the cushion against adverse developments provided by profits was reduced as the share of income originating in the corporate sector required for net interest payments doubled between 1964 and 1974, and the ratio of after-tax profits to income originating fell 20 per cent. Moreover, an increasing reliance on short-term borrowing and a declining ratio of liquid assets to short-term debt during much of the same period made firms' profitability, and even their solvency, more vulnerable to shifting economic and financial conditions.

Lenders might have discouraged these trends by demanding commensurate risk premiums. However, steady economic growth in the 1960's

and the mildness of the 1970 recession led credit market participants to the view that the possibility of major financial problems was remote. That assessment was proved wrong when the general credit squeeze that developed in 1974 and the subsequent steep declines in output and income late that year and early in 1975 exposed the weakened financial positions of many nonfinancial corporations. As the public became aware of corporate financial problems, risk premiums on the securities of lower-rated corporations rose sharply.

Nonfinancial corporations



Liquid assets are currency, demand and time deposits, U.S. Government and State and local government securities, commercial paper, and security repurchase agreements. Short-term debt includes short-term credit market instruments and 60 per cent of bank loans. Short-term liabilities are short-term debt plus tax liabilities and trade debt. Net interest paid is interest paid less interest received. Income originating is domestic national income originating in nonfinancial corporations. Internal funds are undistributed profits, capital consumption allowance, and inventory valuation adjustment. Total investment includes fixed investment and changes in inventories.

Income originating and net interest paid are from Dept. of Commerce GNP accounts.

Nonfinancial corporations reacted to the increased threat of insolvency and the rising cost of maintaining risky financial positions by devoting a large part of their financial flows in 1975 and early 1976 to the restoration of safer balance-sheet relationships. A better balance between financing needs and internally generated funds was achieved by inventory reductions and sluggish capital spending on the one hand and by rising profits combined with stable levels of dividends on the other. External financing activity was shifted away from short-term credit markets toward the bond and equity markets where a total of \$37 billion was raised in 1975—a 50 per cent increase over the previous year. The proceeds from these offerings and the increased volume of internally generated cash were used to retire short-term debt and to purchase liquid assets. In 1975 nonfinancial corporations paid down \$13 billion of bank loans—a major portion of which were of short maturity—and \$2 billion of commercial paper, thereby reducing the ratio of short-term debt to total debt by 11 per cent. Reflecting also the sizable liquid asset acquisitions—especially U.S. Government securities—the ratio of liquid assets to short-term liabilities rose sharply in 1975. The reduction in financial pressures on corporations is seen in a decline in the proportion of income originating in corporations devoted to net interest payments.

As the economy has continued to expand through the early part of 1976, the pace of financial restructuring by nonfinancial corporations has slackened. Renewed inventory accumulation in the first quarter, coupled with a modest rise in spending for plant and equipment, has raised financing requirements by more than the increase in internally generated funds during that quarter. Although a large amount of bank loans were again repaid, short-term business borrowing from other sources rose sufficiently to produce a stable level of over-all short-term indebtedness.

Whereas nonfinancial corporations have made marked progress in restructuring their financial positions, by many conventional measures they remain less liquid and more exposed to financial

risk than they were in the 1960's and even the early 1970's. Furthermore, the degree of their financial vulnerability may be understated because of increases in contractually fixed payments that must be made out of income such as for equipment leases and unfunded pension liabilities. On the other hand, some corporations may not feel a need to re-establish the more conservative financial ratios that had prevailed earlier because of significant changes that have since evolved in the economic environment. For example, the need to hold liquid assets may have been reduced to some extent by the removal in the early 1970's of Regulation Q ceilings on large-denomination bank certificates of deposit (CD's). This change may be viewed by businesses as decreasing the risk of a restriction in credit supplies brought about by an abrupt diversion of savings flows away from the banking system. Also, despite lower interest rates and higher stock prices, the nominal cost of raising capital remains quite high by historical standards, and tax laws continue to encourage use of debt financing.

STATE AND LOCAL GOVERNMENTS

A number of State and local governments found themselves in straitened financial circumstances last year. Mounting deficits and the reluctance of lenders to extend additional credit forced cutbacks in spending plans and the development of special financing arrangements. The aggregate data in the accompanying chart, however, do not indicate a marked financial deterioration for the State and local sector as a whole over the past decade. In fact, the debt burden of State and local governments, as measured by the ratio of debt to tax revenues, actually declined through much of the 1960's and the early 1970's—although rising interest rates caused some increase in the proportion of income devoted to debt service. The ratio of debt to tax revenue changed little from mid-1973 to mid-1975, and it subsequently resumed its downward movement as a high, but stable, rate of

new debt issuance has been accompanied by a climb in tax revenues.

A more serious problem for some State and local governments in the late 1960's was the growing reliance on short-term debt. To some extent the increase in such debt reflected expansion of a program in which the Federal Government guaranteed local short-term public housing notes, but it also resulted from the reluctance of State and local treasurers to issue long-term debt as interest rates rose and from the efforts by some units to accelerate inflows of cash through the sale of bond, revenue, and tax anticipation notes. In 1971, with the advent of revenue sharing and a decline in interest rates, the share of total municipal debt represented by short-term issues began to fall. It continued to decline through mid-1974 before picking up again late in the year. When these short-term debt figures are disaggregated, it becomes apparent that much of the increase in such debt in the late 1960's and early 1970's took place in a few localities. State and local units in New York, for example, accounted for 50 per cent of the rise in short-term debt in the late 1960's, and by the early 1970's they had issued nearly 40 per cent of all short-dated municipal debt outstanding. If the obligations of New York governmental units are excluded, the 1971 peak in the ratio of short-term to total debt is reduced by about one-third. The very sharp reduction

in municipal short-term debt in the third quarter of 1975 and in the first quarter of 1976 largely reflects the restructuring efforts of financially troubled localities, including special arrangements made by New York City.

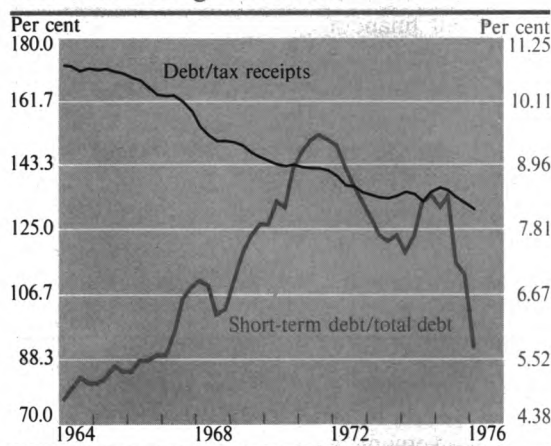
COMMERCIAL BANKING

Financial restructuring has not been confined to the spending sectors. Commercial banks and other financial intermediaries have also been rearranging their liabilities and rebuilding their asset liquidity following a prolonged period of decreasing financial safety.

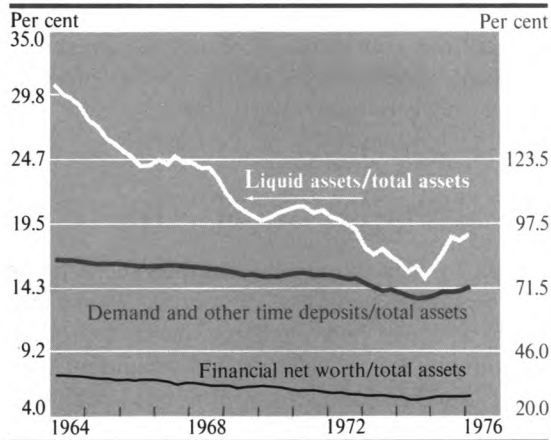
The development of a market for large negotiable CD's in the early 1960's enabled many commercial banks to control the size of their liabilities and led to a trend away from largely passive reliance on inflows of demand and consumer time and savings deposits. This trend accelerated greatly in the early 1970's when ceilings on the rates of interest banks could pay on large time deposits were suspended. However, because of the short maturity and limited Federal insurance protection of most liabilities subject to direct commercial bank management, banks that rely heavily on such liabilities, especially to finance longer-term assets, are potentially vulnerable to credit conditions in which short-term rates (at which they obtain these funds) rise above longer-term rates (at which they have made loans), and to loss of creditor confidence. The latter threat became apparent in 1974 after the difficulties of the Franklin National Bank were perceived.

Bank risk exposure over this period was also heightened by changes in the composition of asset portfolios. Holdings of liquid assets were reduced as banks became convinced that markets for managed liabilities lessened the need to hold secondary reserves. In addition, increased risk exposure in the spending sectors caused a lowering of the quality of the bank loan portfolio, although this was not fully recognized before the onset of the recession. Finally, the growth of bank equity positions lagged the growth of asset portfolios, reducing

State and local governments



Commercial banking



Commercial banking consists of chartered commercial banks, their domestic affiliates, Edge Act corporations, agencies of foreign banks, and banks in U.S. possessions. Demand and other time deposits are total deposits less large negotiable CD's. Liquid assets are U.S. Government securities, vault cash, and deposits at F.R. Banks.

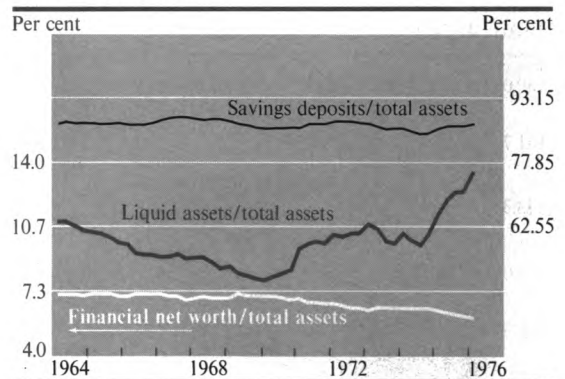
the cushion available to absorb whatever losses might arise.

The weakness in loan demand and the rapid inflows of time and savings deposits associated with the lower market interest rates since the sharp contraction of 1974 facilitated commercial banks in their restructuring efforts in 1975 and early 1976. Savings and smaller time deposits grew fast enough to permit banks to reduce their CD's outstanding by \$20 billion between the end of 1974 and March 1976, while increasing the liquid assets in their portfolios. Loan volume remained unchanged, on balance, over this time span, but holdings of U.S. Government securities rose \$40 billion. By March 1976 the ratio of liquid assets to total assets had increased 23 per cent from its trough in 1974. During this period banks tried to bolster profits by maintaining a substantial spread between their loan rates and the cost of funds, and even though large losses were incurred on some loans and other loans provided no current income, they managed to expand their equity base. The ratio of financial net worth to total assets rose in 1975 for the first time in several years.

NONBANK
THRIFT INSTITUTIONS

Savings and loan associations and mutual savings banks play a key role in providing credit to the residential mortgage market. Consequently, the financial health of these institutions has an important impact on the housing sector. Thrift institutions have repeatedly experienced financial difficulties in periods of sharply rising interest rates because their liabilities have shorter maturities than their assets. In other respects, the balance sheets of thrift institutions as a group had not weakened severely in the 1960's and early 1970's. Although there had been some increase in borrowings by savings and loan associations from the Federal home loan banks in the late 1960's, the proportion of assets acquired from inflows of savings and of consumer time deposits changed very little. In the late 1960's liquid asset totals held steady while total assets grew rapidly, but in early 1971 the thrift institutions began accumulating liquidity again, and the ratio of liquid to total assets remained above its 1970 trough through the 1973-74 period of high interest rates. The equity cushion of thrift institutions, on the other hand, as measured by the ratio of financial net worth to total assets, declined steadily.

Thrift institutions



Liquid assets are currency, demand and time deposits, commercial paper, and security repurchase agreements.

Inflows of savings and consumer time deposits into nonbank thrift institutions have been quite heavy in 1975 and 1976. They have been used to accumulate liquid assets and home mortgages and to repay debt. The ratio of financial net worth to total assets has continued to fall, but the negative impact of this development has been somewhat mitigated by the build-up in liquid assets, which carry reduced

potential for capital loss. By the first quarter of 1976 the proportion of total assets held in liquid form had climbed 70 per cent from its trough in 1970 and stood at its highest level since the early 1960's. Under these circumstances, the favorable balance-sheet positions of the thrift institutions leave them in a good position to meet new mortgage demands in a normal financial climate. □

Industrial Production—1976 Revision

This article was prepared by Clayton Gehman, formerly Chief of the Business Conditions Section, Division of Research and Statistics.

The first general revision of the industrial production index in 5 years has just been completed—the fifth revision since the index was first published 50 years ago. Revisions in the total index have generally been upward, by small amounts from 1963 to 1971 and by 3 to 5 per cent since then, except during the 1974–75 curtailment period (Chart 1). These higher levels reflect in large part upward revisions in output of business equipment, durable consumer goods, and industrial materials used to produce these and other products.¹

According to the revised index as well as the old, expansion in total industrial production came to an end in the autumn of 1973. The revised index shows that production fluctuated within a narrow range for almost a year after that, whereas the old index showed some easing. Both indexes dropped sharply from September 1974 to March 1975—with the revised index down 15 per cent compared with 12 per cent for the old. This period of contraction—6 months—was the shortest for any major recession on record. Recovery since March 1975 has been faster than the old index indicated, and by May 1976 the revised total was estimated to be up to 129 per cent of the 1967 average

as compared with its pre-recession high of 132. Production of consumer goods in May was about 5 per cent higher than in September 1974, while business equipment and materials were still below their earlier highs. Output of materials was up about one-fifth from its 1975 low point and at about 80 per cent of capacity. Stocks of materials were reduced in 1975, and recently they have shown little increase as use of materials in output of products has expanded about as fast as output of materials (Charts 2 and 3). Meanwhile, total inventories have been rising, reflecting increases in stocks of final products.

The main improvements in the industrial production (IP) measures relate to more detailed and comprehensive information for analyzing output developments in oil and gas extraction and refining, in electric and gas utility operations, and in industries that produce chemicals, construction products, and motor vehicles. Additional measures of energy production by stage of processing have been developed to provide new U.S. summary measures, which account for about one-eighth of total IP.

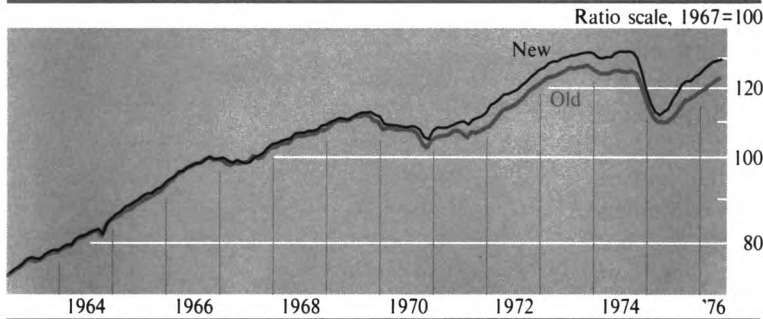
These revisions in IP provide improved and/or new monthly physical data for use in measuring and analyzing industrial use of energy, labor, materials, and plant capacity² and changes in physical stocks of goods, labor productivity, and unit labor costs. Data for these related measures have been calculated to provide historical comparisons with IP and with

¹A table at the end of this article shows monthly figures for the total index and three major market groups back to 1963. Recent figures for both the total index and individual series will be released regularly in the G.12.3 release, "Industrial Production," beginning in mid-July. The July release will include estimates for June and revised indexes from June 1975 to May 1976. The G.12.3 release is available without charge on request from the Board's Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

²The new capacity measure for all materials in the revised IP, shown in Chart 2 and described briefly in an announcement on pp. 553–54 of this BULLETIN, is of strategic analytical importance because capacity utilization margins for materials have typically been much narrower than for industrial products and because output and inventories of materials exhibit large cyclical changes. Also, these compilations are based on relatively firm data.

CHART 1

Industrial production index



Seasonally adjusted data; latest are May 1976 estimates.
Major auto strike in late 1970.

each other for analysis of economic developments (Chart 2).

The generally higher levels shown by IP in recent years suggest greater growth in industrial plant capacity and in output per unit of energy and of labor input than was implied by the index published earlier. Also, the revised IP continues to suggest, partly on the basis of output differences between materials and products, that inventories had been accumulated at an extraordinary rate over an extended period before the end of 1974. More recently, the IP-based data have indicated greater liquidation and then an earlier turnaround than the deflated book-value data.

A detailed discussion of this revision, analyses of developments shown by the revised index and related economic series, and complete statistical tables for the revised total index and its components will be published in *Industrial Production—1976 Edition*.³

³This volume is now scheduled to be available later this year, as are revised figures in machine-readable form. Readers are asked *not* to request these materials until their availability is announced in the BULLETIN.

In addition to a reprint of the present article, *Industrial Production—1976 Edition* will present analytical and descriptive material on the 1976 revision—including details on classifications, relative weights, and sources of underlying data; a review of economic developments as indicated by the revised index and its major components—consumer goods, business equipment, and industrial materials—and by related data; and statistical tables showing data for the total index back to 1919, and figures for the components of IP as far back as they are available.

SUMMARY OF REVISIONS

The number of individual series in IP has been increased from 227 to 235, and about 30 additional subdivisions of the index have been developed for publication. All of the individual component series of IP have been adjusted, where necessary, to the Censuses of Manufactures and Minerals benchmark data for changes from 1963 to 1967 and to comprehensive annual data from a variety of other sources through 1973. For the motor vehicle group, the adjustments to new annual production levels have raised the series by amounts that are substantially higher now than in 1963. Separate series beginning with 1967 are now shown for large and small autos, consumer-type utility vehicles, and business vehicles.

The earlier published components for the period before 1963 have been linked in 1963 to the revised series. The 1967 comparison base (1967=100) has been retained for the new index, and 1967 value-added weights continue to be used for the compilations beginning in 1967. The revised gross-value series for IP products are based on 1972 dollar weights instead of the previously used 1963 dollars. Allowances for seasonal fluctuations and for irregular monthly movements have been revised.⁴

⁴Revisions of seasonal adjustment factors have been based on data through 1974. That year rather than the latest year, 1975, has been used as the terminal year for these calculations in order to provide measures

In the general revision of IP, the levels of the broad divisions for materials and products in the market grouping (Chart 3-A) and for durable and nondurable manufacturing in the industry grouping (Chart 3-B) are raised by about the same relative amounts. Hence, the relationships between those major divisions of total IP are changed only a little.

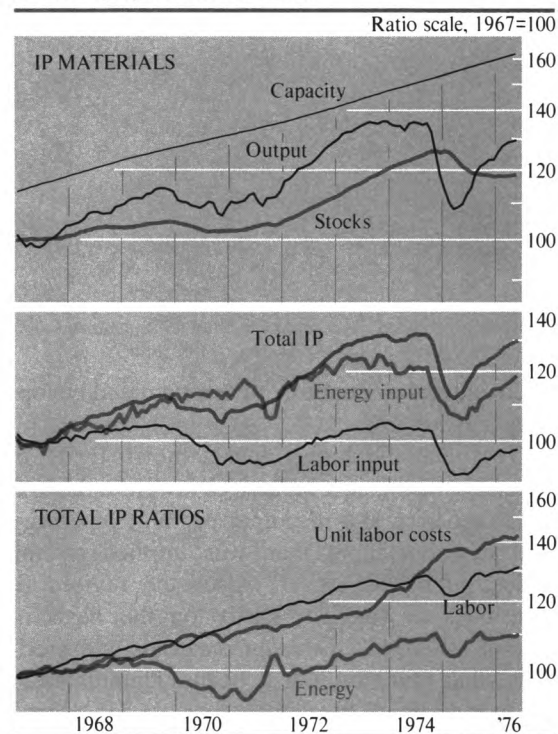
As already indicated, most of the upward revisions in the index are for business equipment and durable consumer goods (Charts 3-C and 3-E) and for their component parts, which are produced in the machinery, transportation equipment, and furniture industries, and for nondurable goods materials produced in the textile and plastics products industries. These upward revisions are partly offset in total IP by decreases in the fabricated metal products, ordinance, and food industries. Reduced levels of output for consumer paper products, as well as for foods, contribute to some downward revisions that were made for the market group for nondurable consumer goods. The revised construction products group (Chart 3-F) shows more growth than did the previous series, because of the additional representation of rapidly growing plastics and aluminum products and of mobile homes (formerly classified in durable consumer goods).

In the mining industries, there have been upward revisions for stone and earth materials and for oil and gas well drilling. In the utility industry, new measures are introduced to represent natural gas transmission activity and electricity generation beginning in 1967. Both of these series, however, show less growth than the old utility series. The addition of natural gas transmission has increased the scope of the combined mining and utility industry divisions to 12 per cent of total IP, and these two divisions now include all major energy industries except petroleum refining. Their combined movement is close to that of the IP supplementary market

largely free of the temporary effects of the cyclical downturn and recovery on seasonal patterns. As a result of this choice of procedure, the revised seasonally adjusted indexes show more cyclical change in the 12 months ending September 1975 than if 1975 had been used as the terminal year.

CHART 2

Industrial production and related physical measures



Seasonally adjusted monthly data except for new quarterly capacity series for all materials in revised IP. Physical stocks based on weighted combination of series for materials other than farm products. Energy input based on IP use of coal, electricity, natural gas, and refined petroleum; series combined with value-of-purchase weights. Labor input represents all-employee hours, including government-owned plants. IP ratios for energy, labor, and unit labor costs are 2-month averages lagged. Major coal strike affected energy series in 1971. Latest figures are based on May 1976 estimates.

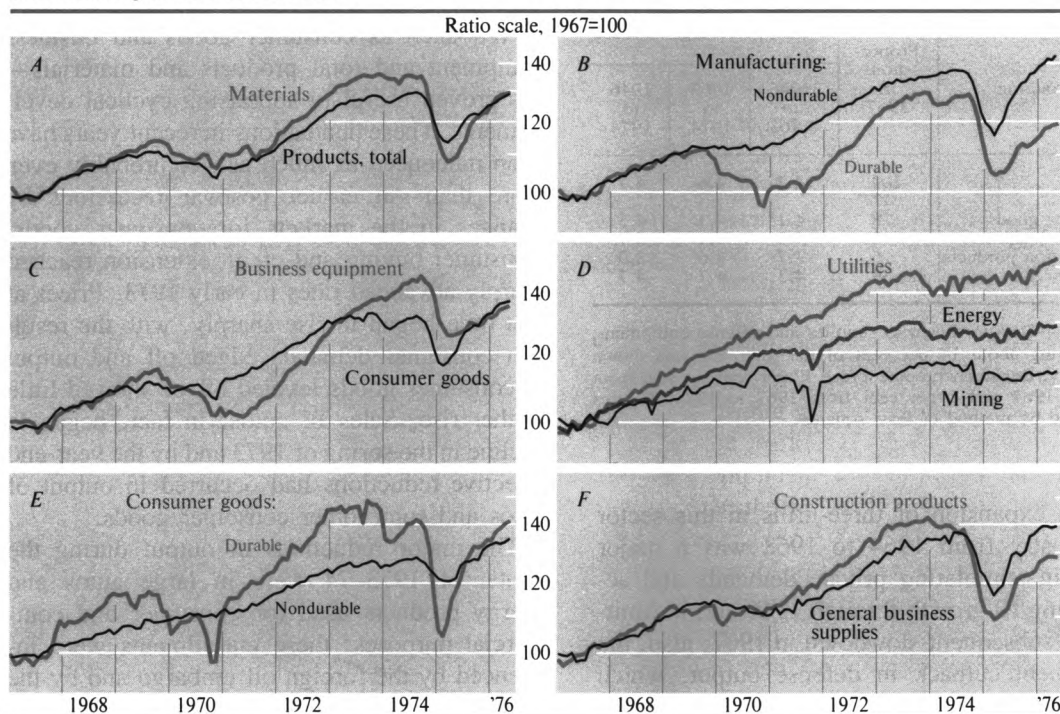
group for total energy, which has been published separately since late 1973 (Chart 3-D).⁵

Revisions in IP for the period from 1963 to 1967 reflect only adjustments to the final Census benchmark production indexes for those years, and they are generally smaller than the revisions for the more recent period. Total IP for 1967

⁵Related to these energy production series are newly published monthly data, beginning in 1963, on industrial electric power use. About 130 group and individual industry series are shown separately, including many not used in the IP index; these data were described in the BULLETIN for January 1976, pp. 11-14.

CHART 3

Industrial production revised



Seasonally adjusted monthly data; latest are May 1976 estimates. Major auto and coal strikes affect series in 1970, 1971, and 1974. Energy is a supplementary market group, including various manufacturing, mining, and utility series.

is raised relative to 1963 by only 0.4 per cent, but changes in major industry and market groups are generally much larger. One reason for the small revision in the total is that some 1967 Census data then available had been introduced in IP at the time of the 1971 general revision.

The revisions in the total index and its components beginning with 1963 affect the published major groups back to 1954 or 1947 and the major market and industry divisions back to 1939 or 1919 because all of these indexes, on a 1967 base, continue to be linked in benchmark years.

GROWTH TRENDS

From 1963 to 1974 the revised total IP expanded at an average annual rate of 4.6 per cent (Table 1). Despite the slowdown in 1966–67 and the recessions in 1969–70 and late 1974, the indus-

trial portion of the economy has grown moderately faster since 1963 than it did in the earlier postwar period when growth was interrupted by the recessions of 1948–49, 1953–54, and 1957–58 and the average rise amounted to 4.2 per cent.

The rate of growth for consumer goods has been somewhat faster in the recent period than earlier (4.3 versus 4.1 per cent); for business equipment, the expansion has been considerably faster (6.1 versus 4.0 per cent), with the most rapid rises occurring from 1963 to 1966 and from 1972 to 1974. For output of construction products and of industrial materials, the larger increases in recent years have reflected the accelerated impact of private investment demands.

The major remaining portion of IP consists of defense and space output, which accounts for about one-eighth of total industrial products and, allowing for defense use of industrial materials, for almost as much of total

TABLE 1
Expansion in Industrial Production

Grouping	Proportion in 1967	Annual percentage increase		
		1946 to 1963	1963 to 1974	1946 to 1974
Total	100	4.2	4.6	4.7
Consumer goods	28	4.1	4.3	4.5
Business equipment	13	4.0	6.1	5.1
Construction products	6	3.7	4.6	3.9
Materials	39	4.3	4.7	4.7

NOTE.—Data for business supplies and defense equipment, representing about 14 per cent of the total, are not shown separately. Business equipment rose 12 per cent per year from 1963 to 1967 and 5 per cent from 1967 to 1974. Figures calculated by method of least squares.

IP. An expansion of three-fifths in this sector of industry from 1964 to 1968 was a major factor in stimulating private demands and accelerating IP growth through 1966 and in limiting the subsequent slowdown in 1967; also, the subsequent cutback in defense output, which amounted to 30 per cent over the 1969–71 period, was an important factor in the 1969–70 industrial curtailment.

For the entire period from 1946 to 1974, the average annual rate of increase for IP has been 4.7 per cent. From the beginning of this century the rate has been around 4.0 per cent; any rate for such an extended interval, however, is less firmly based because of widespread changes in the economy and in the types of data used to measure growth.

CYCLICAL FLUCTUATIONS

Cyclical fluctuations during the 1960's were limited in large part by sustained, upward demand pressures associated with worldwide economic expansion and the war in Vietnam. For example, total IP, which traces monthly developments for a highly volatile sector of the economy, showed only relatively minor fluctuations until 1969–70 when there was a moderate but extended downturn. Then in 1974–75, after rapid expansion from 1971 to mid-1973, there

came a major recession at least as intense as that in 1957–58.⁶

Analysis of the behavior of component groups of IP—such as consumer goods and business equipment and total products and materials—has proved useful in appraising cyclical developments. These fluctuations in recent years have been influenced as much as—or probably even more than—in earlier postwar recessions by changes in the markets for consumer goods. Consumer buying and credit extension reached sharply advanced rates in early 1973. Prices at that time began to rise sharply, with the result that consumer demands edged off and output of consumer goods leveled off or showed little further rise. Sales of autos, in fact, began to decline in the spring of 1973 and by the year-end selective reductions had occurred in output of autos and some other consumer goods.

The major reductions in output during the winter of 1973–74 were in large autos and energy products used for consumer and commercial purposes; these curtailments were influenced by the foreign oil embargo and by the accompanying shifts in cost and availability of petroleum products. Output of mobile homes, which had been sharply reduced in 1973, continued downward throughout 1974. New housing starts were also reduced sharply during 1973 and 1974 from the peak levels reached in 1972—about one-half above earlier record rates. Nevertheless, IP construction products and home goods were maintained at high levels during 1973 and most of 1974.

Output of industrial materials—chemicals, paper, textiles, metals, and mineral fuels—came so close to capacity levels in 1973 that there was little room for further expansion (Chart 2-A). Meanwhile, market availability of these materials during 1973 and most of 1974 was being limited by continued heavy accumulations for inventory. This is indicated for materials by the accompanying experimental monthly indicator of physical stocks. Use of materials in the

⁶The 1974–75 IP decline is presently shown to have been 15 per cent, while the 1957–58 curtailment was 13 per cent. This difference is not especially significant considering the measurement problems involved and the preliminary nature of the data for 1975.

manufacture of products continued high for some months during 1974 after consumer and business demand had begun to decline and consequently some materials were going into inventories of products.

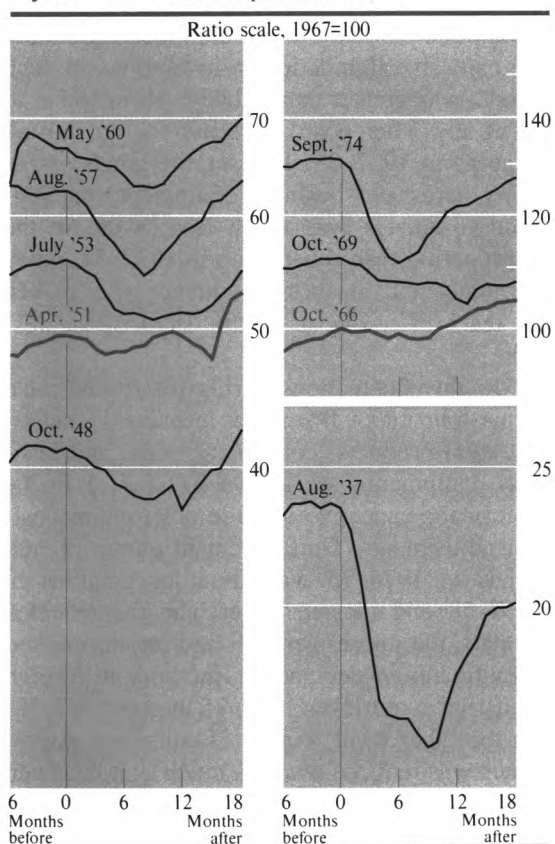
For a time, the lack of adequate market supplies of materials limited increases in output of some industrial products. Nevertheless, output of business equipment, equipment parts, non-durable consumer goods other than clothing, and general business supplies, together with coal and metal mining, continued to expand until the autumn of 1974. These increases in production were accompanied by some expansion in the industrial input of materials and of energy—both electricity and total energy—from the moderately reduced levels of early 1974. Meanwhile, industrial labor input eased off somewhat further (Charts 2-B and 2-C).

The IP revision provides considerable evidence that the boom in business and consumer investment activities was greater than had previously been indicated. In the context of rapidly rising prices, expansion during 1972–74 in output of business equipment, durable consumer goods, construction products, and materials for business inventory holdings brought output for investment purposes to such high levels in 1973 and 1974 that continued expansion at earlier rates became increasingly unlikely. Meanwhile inventories were built up so rapidly and to such high levels relative to sales that a subsequent cutback in production became almost inevitable.

These and other economic developments, domestic and foreign, set the stage for the broadest and deepest curtailment in industrial output since 1957–58. That recession had previously been the most severe of the postwar period, as shown in Chart 4, which compares the monthly patterns of IP during seven major cyclical downturns and recoveries—including the prewar 1937–38 period. The color curves in the chart show to what extent production was affected during two periods of limited slow-downs—1951–52 and 1966–67—when decreases in some industries were offset to a large extent by expansion in output of goods influenced by demands associated with the Korean and Vietnam wars.

CHART 4

Cycles in industrial production



Seasonally adjusted data; latest month shown for 1976 is March. Each date indicates the last month preceding the general decline in industrial production.

While the cycles have varied considerably in pattern and extent, as Chart 4 shows, the length of the curtailment phase in each period except 1937–38 and 1974–75 has been about 8 months. The decline continued much longer in the 1937–38 recession than in either 1957–58 or 1974–75, and it was about twice as deep. The 1957–58 cycle shows the most pronounced V shape. The reduction in output during the recent recession most closely resembled the 1957–58 downturn. According to the revised index, the recovery has been faster than the old index indicated but not so fast as the recovery in 1958–59—even if allowance is made for the advance effects of an impending national work-stoppage in the steel industry in June 1959.

Fluctuations in durable and nondurable manufacturing have varied considerably from cycle to cycle. In the latest recession the reduction in output of nondurable goods, reflecting mainly the extensive liquidation in inventories of such goods, was greater than it had been in 1957–58 or in any other postwar recession, but not so large as in 1937–38. For durable goods, especially autos and business equipment, the production cutback was much less severe in the latest period than it had been in 1937–38, when consumer and business confidence was shaken by fears of a repeat of the 1929–32 depression.

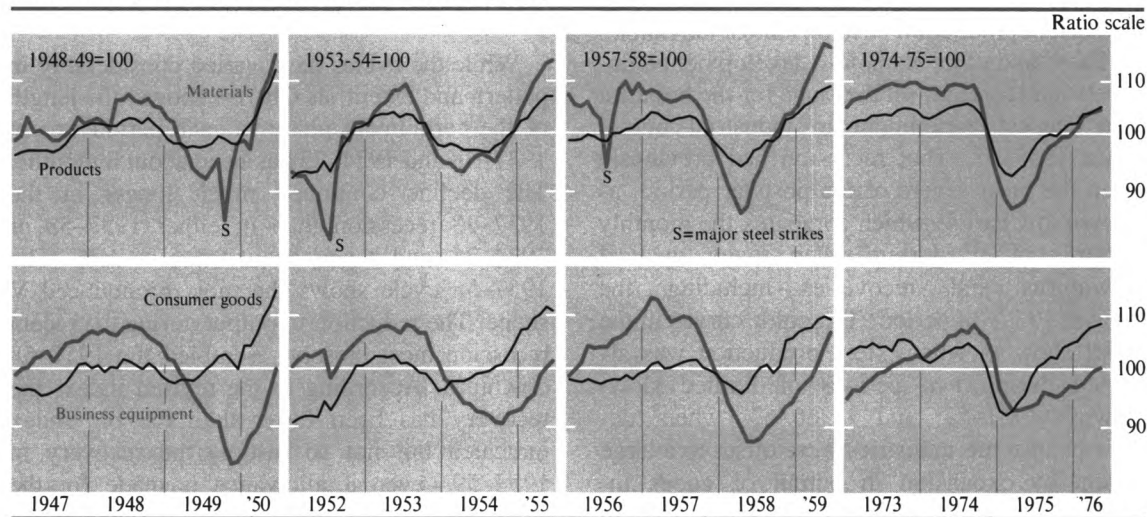
Monthly fluctuations during the recent cycle in the four major IP market measures—materials, total products, consumer goods, and business equipment—are shown in Chart 5 in the historical perspective of three other major postwar adjustments. Curtailment in output of materials in 1974–75 was about as great as in 1957–58, and it lasted longer. This fact reflected in part the more general and more marked curtailments in demand and activity in foreign industrial countries in 1974–75 than in 1957–58. On the other hand, output of consumer goods, which was reduced twice as much as it had been

in 1957–58, recovered more quickly. In contrast to the larger decline in consumer goods in the recent recession, output of business equipment was reduced less than in 1957–58, and its recovery has been less rapid than in 1958–59.

Both the 1974–75 and 1957–58 curtailments were preceded by rising prices for long periods during which output of materials was high relative to output of products, and large inventories of both materials and products were being accumulated. In the subsequent liquidation in 1974–75, materials output was reduced much more than output of products, and in the recovery phase materials rose faster than products. For nondurable goods materials the readjustment was relatively prompt; output of these materials, after declining one-fourth to a low in March 1975, rose sharply, and by early 1976 it had reached its pre-recession level. Output of durable goods materials—carrying about twice as much weight in the IP index as nondurable materials—showed no upturn until mid-1975, and by May 1976 it had regained only about two-thirds of its recession decline. This slower recovery can be attributed in part to the lagged upturn in output of business equipment and in construction activity.

CHART 5

Industrial production by major market groups



Seasonally adjusted data; latest are May 1976 estimates.

COMPARISONS WITH RELATED DATA

The basis for further analysis of current and longer-run economic developments using IP is provided by the series in Chart 2 on use of industrial resources—energy and labor—and on plant capacity, stocks of materials, labor productivity, and unit labor costs. These related data can be viewed in part as showing the interrelationships of the goods portion of the economy. For such analysis, it is necessary to use many series, and on some occasions problems of interpretation arise when measures usually expected to move together do not. This may be caused by differences in areas represented, types of data used, or statistical conventions adopted to handle the data.

One major difference appears in 1974 when total IP was maintained at advanced levels through the third quarter, while total gross national product (GNP) in constant dollars, as recently revised, was declining.⁷ Consequently,

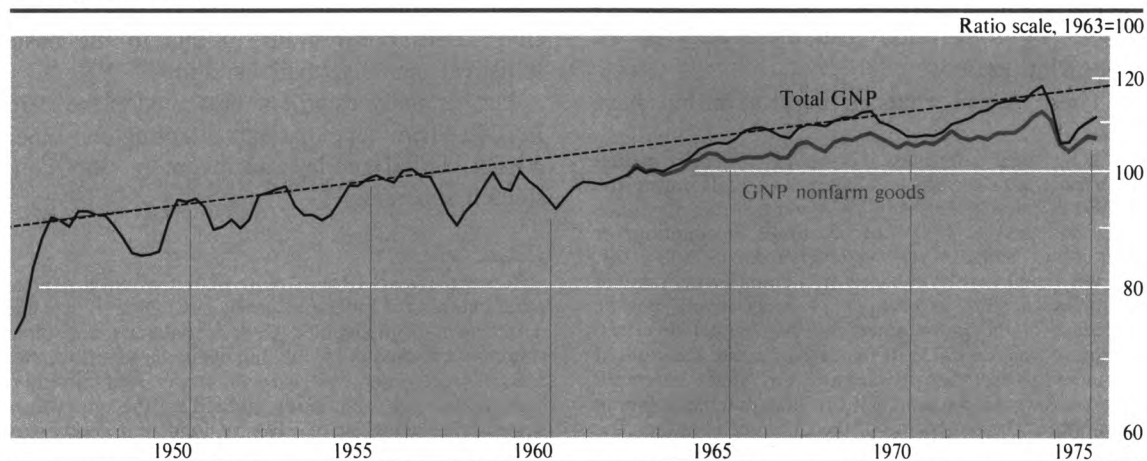
⁷The GNP data are compiled by the Bureau of Economic Analysis of the U.S. Department of Commerce. It may be noted that the revised constant-dollar series for total GNP and for goods output that were published

it is of more interest than usual to compare these two series over a longer period, noting differences in growth as well as in cyclical fluctuation. Such a comparison is made in Chart 6, where the ratio of IP to GNP is shown quarterly since 1946. This chart also presents a similar comparison of IP with GNP data for nonfarm goods output since 1963.

According to the revised figures for both IP and GNP, the ratio of IP to GNP has risen over the past three decades at about 1 per cent a year on the average. Also, as the ratio shows, IP has fluctuated more cyclically than GNP. Such

in early 1976 were reported as showing somewhat less increase than the previously published series from 1963 to 1974. This fact apparently reflected in part the change from a 1958 to a 1972 valuation period for the time span covered. In contrast, IP uses different initial-year valuation data for different time periods and then "links" the separately weighted indexes. The increase in total GNP for 1963–74 was at a 3.5 per cent annual average compounded rate, according to Part 1 of the *Survey of Current Business*, January 1976, Table 13, p. 25. This rate was about the same as the rate implied from 1948 to 1963. A least-squares comparison of total GNP, which includes years other than the terminal years, also showed little difference between the two time periods. Terminal-year compounded annual rates for IP are 4.8 per cent from 1963 to 1974 and 4.2 per cent from 1948 to 1963.

CHART 6
Total IP/GNP



Seasonally adjusted quarterly averages of total IP converted to 1963 base. Constant-dollar GNP data are reported by BEA and converted to 1963 base by F.R. Latest data, 1976 Q1.

differences in behavior clearly need to be taken into account in current comparisons.

Cyclical fluctuations in IP are greater than in GNP primarily because IP measures production in a volatile sector of the economy. The GNP includes, in addition, farm output, structures, distribution activities, and all types of services, private and public.

The accelerated expansion after 1963 in production of business equipment, construction products, and equipment parts, and of other materials included in inventory investment—for both domestic use and export—has already been noted (Table 1). Output of durable consumer goods also grew faster after 1963. The expansion in all of these goods, which together represent a larger portion of IP than of GNP, came in wave-like movements that caused total IP and the IP/GNP ratio to crest at successively higher levels in 1966, 1969, and 1974.

Another reason why IP rose considerably more than GNP during the 1972–74 expansion period was the especially heavy accumulation of inventories of many types of industrial materials and products, which affected IP more than GNP. From the reduced level reached during the previous readjustment—in the third quarter of 1971—the IP/GNP ratio rose about one-tenth to the third quarter of 1974. Then came reduced final demands for goods and cutbacks in inventories, and as a result the ratio of IP to GNP dropped by about that amount within a two-quarter period. Later, with economic recovery under way, the ratio rose moderately in the following period.⁸

These recent changes in relationship have

⁸It has been suggested that buyers probably shifted their purchases toward less expensive goods during the period of price increases in 1974 and that this may have been reflected in GNP but not in IP, accounting for part of the change in relative levels from 1973 to 1974. To the extent that IP is based on a count of the number of units, a shift to cheaper products would not be reflected in the index since the last annual level adjustment was for 1973. In the case of autos, the revised IP index is designed to measure any shifts in output between large and small cars. Shifts in purchases cannot account for the narrowing of the difference between the two measures in the first half of 1975 when prices rose further and increases in incomes slowed.

been broadly similar to those preceding and accompanying earlier major postwar recessions. They are shown more clearly by comparing the quarterly ratios with a trend line drawn through the postwar cyclical highs during the half-dozen earlier periods. The indicated increase in the ratio of about 1 per cent a year is somewhat higher than that shown by the old data.

While curtailments in production of equipment, which is more heavily weighted in IP than in GNP, were smaller during the latest downturn than in earlier postwar recessions, decreases were larger in output of consumer goods and construction products, which are also relatively more important in IP. Furthermore, liquidation of inventories was much greater than in earlier recessions, and it is believed that these changes are usually more fully reflected in the direct production measures than in the constant-dollar derivations supplied by the available book-value inventory data.

The constant-dollar GNP data for nonfarm goods output usually show more cyclical fluctuation and more growth than the rest of GNP, which includes services, structures, and farm output—and in that sense they are more like IP. The ratio of IP to this GNP component has generally shown less increase and a more stable relationship than the ratio of IP to total GNP (Chart 6). The remaining variations in movements between the two series are a result of differences in scope (freight transportation and other distribution activities are included in the GNP series but not in IP) and in the basic statistical data and their handling.⁹

Further analyses will be presented in the *1976 Edition* where developments affecting consumer goods, capital goods, and inventories are considered separately. □

⁹Over the years IP rises more than it would if general price indexes for industrial goods rather than unit-value data drawn from detailed Census materials and other sources were used in calculating benchmark adjustments and, indirectly, some adjustment factors used currently. The smaller price increases implied by the unit values suggest that actual price rises for industrial goods may not have been so large as those shown by the available general price measures.

Revised Indexes of Industrial Production—Total and market groupings

Seasonally adjusted, 1967 = 100

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Q 1	Q 2	Q 3	Q 4	Annual Average
TOTAL INDEX																	
1963.....	73.8	74.5	75.0	75.7	76.6	76.9	76.6	76.7	77.5	78.1	78.4	78.3	74.4	76.4	77.0	78.2	76.5
1964.....	79.0	79.5	79.5	80.8	81.3	81.5	82.1	82.5	82.8	81.7	84.3	85.2	79.3	81.2	82.5	83.7	81.7
1965.....	86.2	86.7	87.8	88.2	88.9	89.5	90.4	90.9	91.0	92.0	92.3	93.5	86.9	88.9	90.8	92.6	89.8
1966.....	94.4	95.0	96.3	96.5	97.4	97.9	98.4	98.5	99.4	100.0	99.4	99.6	95.2	97.3	98.8	99.7	97.7
1967.....	99.8	99.0	98.5	99.2	98.7	98.4	98.7	100.0	100.3	101.2	102.6	103.5	99.1	98.8	99.7	102.4	100.0
1968.....	103.7	104.3	104.7	104.9	106.2	106.6	106.5	107.1	107.1	107.4	108.6	108.8	104.2	105.9	106.9	108.3	106.3
1969.....	109.5	110.2	110.8	110.6	110.3	111.2	111.8	112.3	112.3	112.5	111.4	111.2	110.2	110.7	112.1	111.7	111.1
1970.....	109.1	108.8	108.8	108.6	108.3	108.1	108.4	108.3	107.6	105.4	104.8	107.2	108.9	108.3	108.1	105.8	107.8
1971.....	108.1	108.0	108.0	108.5	109.1	109.6	109.8	108.9	110.3	110.9	111.3	112.3	108.0	109.1	109.7	111.5	109.6
1972.....	114.6	115.3	116.5	117.7	118.1	118.7	119.3	120.7	121.8	123.4	124.4	125.8	115.0	118.2	120.6	124.5	119.7
1973.....	126.3	127.8	128.5	128.5	129.6	129.9	130.4	130.4	131.1	131.4	131.6	131.3	127.5	129.3	130.6	131.4	129.8
1974.....	129.9	129.6	130.0	129.9	131.3	131.9	131.8	131.7	131.8	129.5	124.9	119.3	129.8	131.0	131.8	124.6	129.3
1975.....	115.2	112.7	111.7	112.6	113.7	116.4	118.4	121.0	122.1	122.2	123.5	124.4	113.2	114.2	120.5	123.4	117.8
CONSUMER GOODS																	
1963.....	79.2	80.1	80.4	80.7	80.9	81.4	81.2	81.8	82.0	82.6	82.7	83.1	79.9	81.0	81.7	82.8	81.3
1964.....	84.0	83.8	83.4	85.5	86.2	86.0	87.2	87.0	86.1	84.4	87.5	89.3	83.7	85.9	86.8	87.1	85.8
1965.....	90.6	90.9	91.7	91.5	92.0	92.3	92.3	92.2	93.6	94.1	94.6	95.1	91.1	91.9	92.7	94.6	92.6
1966.....	95.6	95.8	96.6	96.9	96.9	97.3	97.1	96.8	97.2	99.2	98.7	98.5	96.0	97.0	97.1	98.8	97.3
1967.....	99.0	98.4	98.8	99.3	99.0	98.8	98.6	99.7	100.0	101.5	103.1	104.0	98.7	99.0	99.4	102.9	100.0
1968.....	103.3	104.1	104.3	104.5	105.2	105.7	105.5	106.8	107.1	107.8	108.9	108.3	103.9	105.1	106.5	108.3	105.9
1969.....	108.9	109.8	110.0	109.1	108.2	109.3	110.9	111.3	110.5	110.6	109.4	109.5	109.6	108.9	110.9	109.8	109.8
1970.....	108.0	108.8	109.1	109.6	110.1	110.3	110.5	109.2	108.4	106.9	106.3	110.5	108.6	110.0	109.4	107.9	109.0
1971.....	112.2	112.1	112.3	113.0	113.2	113.9	115.5	115.1	115.8	117.0	117.9	118.8	112.2	113.4	115.5	117.9	114.7
1972.....	119.8	120.6	121.5	122.5	123.0	123.2	124.0	125.5	126.2	127.5	128.4	130.4	120.6	122.9	125.2	128.8	124.4
1973.....	129.5	130.5	131.4	131.2	132.1	131.2	131.4	130.2	132.9	133.1	132.4	130.5	130.5	131.5	131.5	132.0	131.5
1974.....	128.3	127.8	128.4	129.6	130.3	131.2	131.2	132.2	131.1	129.7	126.2	121.0	128.2	130.4	131.5	125.6	128.9
1975.....	117.0	116.1	117.0	119.0	120.4	124.3	126.6	127.5	129.0	128.7	131.1	132.3	116.7	121.2	127.7	130.7	124.0
BUSINESS EQUIPMENT																	
1963.....	63.4	64.3	64.0	64.5	64.3	64.6	65.6	67.1	66.9	68.1	68.6	68.5	63.9	64.5	66.5	68.4	65.8
1964.....	70.3	69.9	70.8	72.4	73.2	73.5	74.5	74.4	75.1	74.5	77.0	78.3	70.3	73.1	74.7	76.6	73.7
1965.....	78.2	79.6	80.6	81.3	82.5	83.7	85.2	85.1	86.8	88.0	89.7	91.6	79.4	82.5	85.7	89.8	84.4
1966.....	93.5	93.2	95.0	95.8	97.0	97.9	99.5	99.9	101.0	100.7	99.2	100.6	93.9	96.9	100.1	100.2	97.8
1967.....	100.3	100.4	100.0	100.5	100.4	99.8	97.5	99.4	99.3	98.4	101.5	102.4	100.2	100.2	98.7	100.8	100.0
1968.....	103.2	103.5	104.5	104.1	105.7	105.4	104.0	105.8	106.3	107.5	107.7	108.1	103.7	105.1	105.4	107.8	105.5
1969.....	109.9	109.5	111.1	112.3	111.7	112.8	113.9	113.9	114.5	115.0	112.2	112.2	110.2	112.3	114.1	113.1	112.5
1970.....	109.8	109.9	109.7	109.4	108.8	108.1	108.1	107.2	105.3	102.2	102.0	104.0	109.8	108.8	106.9	102.7	107.0
1971.....	101.9	103.0	102.3	102.1	101.5	102.3	103.8	104.1	105.9	106.7	106.9	108.2	102.4	102.0	104.6	107.3	104.1
1972.....	110.1	111.7	114.0	115.1	116.2	117.3	116.6	119.2	120.8	123.2	125.1	126.2	111.9	116.2	118.9	124.8	118.0
1973.....	128.2	130.3	130.1	131.7	133.1	134.3	134.7	135.8	136.7	137.7	137.8	138.6	129.5	133.0	135.7	138.0	134.2
1974.....	137.7	139.2	140.3	141.3	143.6	143.8	145.2	144.4	146.5	144.4	143.0	138.7	139.1	142.9	145.4	142.0	142.4
1975.....	130.8	128.0	125.7	125.6	126.0	126.6	127.3	129.9	129.2	128.8	129.6	131.6	128.2	126.1	128.8	130.0	128.2
MATERIALS																	
1963.....	72.9	74.1	75.1	75.7	77.6	77.8	77.1	76.4	77.9	78.4	78.8	78.3	74.0	77.1	77.1	78.5	76.7
1964.....	79.0	80.3	80.3	81.2	81.8	82.3	82.5	84.2	85.5	83.9	86.5	87.6	79.9	81.8	84.1	86.0	82.9
1965.....	88.6	88.9	90.3	91.2	91.6	92.7	93.5	94.4	93.6	94.6	94.2	95.4	89.3	91.8	93.8	94.7	92.4
1966.....	96.7	97.7	99.5	99.3	100.4	101.1	101.3	102.1	103.1	103.5	102.0	102.0	98.0	100.3	102.1	102.5	100.7
1967.....	101.1	99.5	98.1	99.1	98.1	98.0	98.6	100.0	100.1	101.2	102.4	103.6	99.6	98.4	99.6	102.4	100.0
1968.....	103.8	104.1	104.6	105.4	107.0	107.4	107.4	106.9	107.0	107.2	108.8	109.1	104.2	106.6	107.1	108.4	106.5
1969.....	109.7	110.8	111.4	111.4	111.2	112.7	112.9	114.0	114.3	114.3	113.8	113.3	110.6	111.8	113.7	113.8	112.5
1970.....	110.8	110.4	110.2	109.4	109.0	108.6	109.3	110.4	110.1	107.1	106.4	108.7	110.5	109.0	109.9	107.4	109.2
1971.....	110.4	110.0	110.4	110.8	112.3	112.8	110.5	109.2	111.4	111.5	111.8	113.4	110.3	112.0	110.4	112.2	111.3
1972.....	116.5	117.1	118.4	120.2	120.6	121.3	112.1	123.4	124.8	126.6	127.7	128.9	117.3	120.7	123.4	127.7	122.3
1973.....	129.9	131.7	132.3	132.4	133.5	134.3	135.1	135.8	135.4	135.2	136.0	136.0	131.3	133.4	135.4	135.7	133.9
1974.....	134.9	134.4	134.5	132.9	135.2	135.7	135.4	134.8	135.4	132.4	125.2	118.0	134.6	134.6	135.2	125.2	132.4
1975.....	113.7	110.1	108.3	108.8	109.8	112.6	114.5	119.0	121.0	122.0	123.1	123.3	110.7	110.4	118.2	122.8	115.5

NOTE.—Major market groups for intermediate products and defense and space equipment are not shown separately. Figures for total manufacturing, durable manufacturing, nondurable manufacturing, and mining and utilities are available on request.

Federal Reserve Operations in Payment Mechanisms: A Summary

Since its origin in 1913, the Federal Reserve System has been an active participant in the Nation's payments mechanisms. At present the System is operationally involved in check processing, distribution of currency and coin, wire transfer of reserve account balances, wire transfer of Federal Government securities, and clearing payments exchanged on magnetic tape. The System also performs an operating function as the fiscal agent of the U.S. Government and of several Government agencies and handles certain financial transactions on behalf of foreign central banks and governments.

Recently, the Board of Governors was asked to provide a summary of the System's operational role in such payments mechanisms. The history, present scope of operations, and legal authority are outlined in this article for each major area of the System's involvement in each payments mechanism. This review does not present an exhaustive treatment of these activities, nor does it examine other Federal Reserve collection activities—notably, the collection of so-called noncash items, such as bonds and coupons of corporations and municipalities.

In addition, this summary describes two of the Board's regulatory actions permitting member banks to transfer funds from savings accounts to third parties. Although these types of transfers are not processed by the Federal Reserve, they are of importance in obtaining a better understanding of current fund transfer systems.

CHECK COLLECTION

HISTORY AND STATUTORY BASIS FOR PARTICIPATION

Prior to the enactment of the Federal Reserve Act, checks were exchanged through a system of clearinghouses (or exchanges). Often ex-

change charges were levied by the bank that finally paid the check,¹ and since the checks were not paid in full, the practice was termed "nonpar banking." The exchange charge was generally $\frac{1}{4}$ of 1 per cent of the face value of the checks paid, and many banks engaged in circuitous routing of checks to avoid such exchange charges. Hence, exchange charges resulted in a slow, cumbersome, and costly check collection system and were considered an impediment to commerce and economic growth. The Federal Reserve Act changed these relationships because member banks were required to pay for checks presented to them by Reserve Banks at par and the Reserve Banks were authorized to exercise the functions of a clearinghouse for member banks.

In July 1916 the Board of Governors required all Federal Reserve Banks to function as clearinghouses for member banks. Reserve Banks would receive checks from members that were drawn on a member or nonmember bank agreeing to pay at par for items presented by the Federal Reserve. After that, nonpar clearance was eliminated in many sections of the country and in the major money centers. However, it has continued in certain States in the South; as of June 1, 1976, there were still 64 nonpar

NOTE.—This article was prepared by the staff of the Board of Governors for presentation to the National Commission on Electronic Fund Transfers.

¹ "Exchange charges" should be distinguished from "collection charges." Collection charges are levied on the payee by the payee's bank for collecting the check. Exchange charges are exacted by the bank on which the check is drawn (the "drawee bank"). Exchange charges developed because funds, except when paid over the counter, were transferred by remitting a draft on the drawee bank's correspondent in the city in which the presenting bank was located. For the service rendered by the drawee bank in remitting funds available for use in the city in which the payee's bank was located, a small exchange charge was made and deducted from the amount of the remittance.

banks, operating chiefly in Louisiana, South Carolina, and Texas.

The general provisions of law under which the Federal Reserve Banks exercise check collection functions are as follows:²

1. The first paragraph of Section 13 of the Federal Reserve Act (12 U.S.C. 342) that provides in part:

Any Federal reserve bank may receive from any of its member banks, and from the United States, deposits of current funds in lawful money, national-bank notes, Federal reserve notes, or checks, and drafts, payable upon presentation, and also, for collection, maturing notes and bills; or, solely for purposes of exchange or of collection, may receive from other Federal reserve banks deposits of current funds in lawful money, national-bank notes, or checks upon other Federal reserve banks, and checks and drafts, payable upon presentation within its district, and maturing notes and bills payable within its district; or, solely for the purposes of exchange or of collection, may receive from any nonmember bank or trust company deposits of current funds in lawful money, national-bank notes, Federal reserve notes, checks and drafts payable upon presentation, or maturing notes and bills; *Provided*, Such nonmember bank or trust company maintains with the Federal reserve bank of its district a balance sufficient to offset the items in transit held for its account by the Federal reserve bank:

2. The thirteenth paragraph of Section 16 of the Act (12 U.S.C. 360) that provides:

Every Federal reserve bank shall receive on deposit at par from member banks or from Federal reserve banks checks and drafts drawn upon any of its depositors, and when remitted by a Federal reserve bank, checks and drafts drawn by any depositor in any other Federal reserve bank or member bank upon funds to the credit of said depositor in said reserve bank or member bank.

²Other important sections of the Act, insofar as payment mechanism services, are Section 4 (12 U.S.C. 341), which permits Reserve Banks to carry on the business of banking, Section 11 (12 U.S.C. 248(i)), which authorizes the Board to establish regulations to enable the Board to accomplish the functions detailed in the Act, and Section 19(f) (12 U.S.C. 464), which permits members to check against and withdraw funds from reserve accounts maintained at Federal Reserve Banks, subject to regulations of the Board of Governors.

3. The fourteenth paragraph of Section 16 (12 U.S.C. 248(o)) that provides in part:

The Board of Governors of the Federal Reserve System shall make and promulgate from time to time regulations governing the transfer of funds and charges therefor among Federal reserve banks and their branches, and may at its discretion exercise the functions of a clearing house for such Federal reserve banks, or may designate a Federal reserve bank to exercise such functions, and may also require each such bank to exercise the functions of a clearing house for its member banks.

In nontechnical language, these provisions have been interpreted to mean that a Federal Reserve Bank:

1. *Must* receive deposits at par—that is, must accept deposits for the full face value—and the deposits may be in the form of checks drawn on member or nonmember clearing banks if sent to it by its member banks or other Reserve Banks or by a member bank in another district if permitted by the Reserve Bank of that district;

2. *May* receive from member banks checks payable at par upon presentation anywhere in the country, whether drawn upon member or nonmember banks;

3. *May*, solely for purposes of exchange or collection, receive from other Reserve Banks checks payable at par upon presentation within the receiving Bank's district; and

4. *May*, solely for purposes of exchange or collection, receive from any nonmember bank in its district checks payable at par upon presentation at any bank in the country, provided such nonmember bank maintains a clearing balance with such Reserve Bank.³

Pursuant to Sections 11, 13, and 16, the Board has promulgated Regulation J (12 CFR Part 210) designed to afford the public and the

³The right of the Reserve Bank to present checks to nonmember banks was acknowledged in *American Bank and Trust Co. v. Federal Reserve Bank*, 262 U.S. 643. The Federal Reserve does not have the authority, however, to *require* nonpar banks to pay at par. See *Farmers Bank v. Federal Reserve Bank*, 262 U.S. 649. Therefore, checks drawn on nonpar banks cannot enter the Federal Reserve clearing system but must be sent directly to the bank on which drawn or presented by a correspondent bank.

banks of the country a direct, expeditious, and economical system for the collection of checks. Regulation J details the rights and liabilities of parties using Federal Reserve collection facilities and permits the Reserve Banks to adopt "operating circulars" that detail, in part, the time limits and procedures established by the Reserve Bank for collecting checks as well as other operating matters. Regulations and operating circulars have been issued by the Federal Reserve since 1914. The operating circulars are viewed as contracts between the Federal Reserve and the banks and, as specifically provided in Section 4-103 of the Uniform Commercial Code, the Federal Reserve operating circulars constitute agreements that can vary the effect of the provisions of the Code.

Section 210.4 of Regulation J authorizes any "sender," that is, a member or nonmember clearing bank in the district, to send to the Reserve Bank of the district checks payable at par in any Federal Reserve district. This authorization to senders in effect means that Reserve Banks are required to receive such items in accordance with the provisions of the regulation. Hence, the Reserve Banks do not refuse a sender's items, and the permissive statutory authority described above has been made an obligation on the part of Reserve Banks.

The Federal Reserve Act does not expressly authorize a Reserve Bank to receive checks directly from banks in other districts. Regulation J provides, however, that, as permitted or required by a Reserve Bank, a member bank in one district may send checks directly to the Reserve Bank of any other Federal Reserve district in which the checks are payable. This rule provides an efficient mechanism to handle interdistrict sendings and avoids processing (and the attendant delay) by an intermediate Reserve Bank.

During the late 1950's and early 1960's, the banking industry and the Federal Reserve moved toward automation in handling the mounting volume of paper checks being processed. The initial step permitted the check to be machine processed by adding the MICR (Magnetic Ink Character Recognition) numbers at the bottom of the check. The use of computers and high-speed check handling equipment in-

creased significantly the speed and efficiency with which checks were cleared. During the early 1970's the Federal Reserve implemented the Regional Check Processing Center (RCPC) program aimed at increasing the number of checks cleared on an overnight basis through Federal Reserve facilities. Continued growth in the number of checks led to experimentation with use of encoding payment information on magnetic tape. (Developments in handling magnetic tapes are summarized later.)

PRESENT SCOPE OF OPERATIONS

By way of background to the entire check payment system, several relationships and costs should be considered. For example, it can be assumed that the bank receiving a deposit in the form of a check will move expeditiously to obtain possession of the funds from the bank on which the check is drawn. Checks for large amounts are often segregated and subject to expedited handling, and bank messengers may make over-the-counter presentment to the drawee for immediate credit in order that the proceeds of the check may be immediately available. Other items may be sent directly to the bank on which they are drawn, to a clearing house, to a correspondent, or to the nearest Federal Reserve office. A correspondent may, in turn, collect certain items and turn others over to the Federal Reserve. Even though there are a variety of alternative collection arrangements available, after "on us"⁴ and local clearing items are removed, most of the checks cleared in the Nation enter directly or indirectly into the Federal Reserve clearing system.

Check collection involves processing and transportation costs. The bank of first deposit must ready the check for subsequent processing and pay the cost of delivering it to the bank on which it is drawn or to a clearing agent—the Federal Reserve, a clearinghouse, or a corre-

⁴Items that the payee deposits at the drawee bank are termed "on us" items, and often a predominant portion of the total number of checks deposited are of this character, especially in areas in which there are large branching systems or concentrations in demand deposits.

spondent. Thereafter the clearing agent, if there is one, has the responsibility for delivery and presentation of items to the bank on which the items are drawn. The transportation costs associated with that delivery may be substantial. Clearinghouses (and check processors permitting "in house" banks to exchange checks) incur nominal delivery costs, but delivery by other clearing agents involves substantial contractual costs for surface and air courier delivery under prevailing operations. Correspondents recoup costs they bear by fees charged or by earnings on collected funds in correspondent balances.

A final but vital aspect of check clearing is the actual movement of funds. The check serves as documentation for crediting and debiting individual accounts in banks. The matrix of total credits and debits arising from individual items processed at particular times provides the basis for net settlement among all pairs of banks. Generally, settlement takes the form of charges and credits to reserve accounts maintained by member banks at the Federal Reserve, at present amounting to about \$35 billion. However, settlements are also made through correspondent balances.

As to the specific Federal Reserve operations, the Federal Reserve presently maintains 46 check-clearing operations with two more to become operational during 1976. The Federal Reserve clears checks and check-like instruments⁵ that have been deposited with member banks⁶ and forwarded to the Federal Reserve for collection. The Federal Reserve ultimately presents these items for payment either directly to the financial institution upon which the items are drawn—member or nonmember—or to a processing center designated by that institution.

The Federal Reserve credits the depositing bank with funds in accordance with the Reserve Bank's "availability schedule." This schedule

reflects the time that the Federal Reserve normally takes to receive payment from the bank on which the check is drawn. Under current schedules, credit for checks deposited at a Federal Reserve office may be given on the day of deposit, the following day, or the second following day even if the actual time necessary to present the check extends beyond the day credit is made available to the bank depositing the checks. If the item is not collected until after the credit is passed, Federal Reserve float is generated. Currently, Federal Reserve float averages about \$2.0 billion. Since the extension of Federal Reserve credit through float has a random effect on the availability of reserves, it hampers the measurement of the money supply. Thus, Federal Reserve System operations are geared to holding float at the lowest possible level.

To accomplish the rapid delivery of checks among Federal Reserve offices (about 40 per cent of the volume is deposited outside the zone in which the item is payable), the System utilizes an air charter service, commercial airlines, and other air courier services. In-zone transportation of checks from Federal Reserve offices to financial institutions on which checks are drawn is accomplished at Federal Reserve expense by contract courier services and the U.S. Postal Service. For all intraterritorial items, however, institutions that deposit items with the Federal Reserve pay for the courier cost of delivering such items to the Federal Reserve.

The Federal Reserve introduces checks received from the Federal Government into this clearing system. With this exception, the Federal Reserve's entire clearing function is determined by the volume of items delivered by member banks and to a limited degree by nonmembers. Thus, in its clearing operations the Federal Reserve's role is one of reacting to flows generated by commercial banks. If the U.S. banking system were concentrated and more like those of the European countries, there would undoubtedly be a less significant clearing role for the Federal Reserve because of the high proportion of "on us" and direct exchange items.

The volume of items cleared through the Federal Reserve's check collection system has

⁵Among the check-like documents handled by the System are the "NOW account" drafts for thrift and commercial bank institutions, the "share-drafts" for credit unions, and the payable-through draft used by corporations.

⁶In RCPC zones nonmember banks—as agents for member banks—may forward to the Federal Reserve all items payable in the zone.

grown substantially as shown below (in millions):

Year	Volume	Year	Volume
1920	504	1950	1,955
1930	904	1960	3,419
1940	1,057	1970	7,158
		1975	11,410

AUTOMATED CLEARINGHOUSES

HISTORY AND STATUTORY BASIS FOR PARTICIPATION

The automated clearinghouse (ACH) concept was designed in response to the growing volume and increased cost of processing paper checks. In 1968 a group of commercial bankers in California formed the Special Committee on Paperless Entries (SCOPE) to study the feasibility of exchanging payments on magnetic tape. This system was to augment the check system by providing a more convenient and less costly alternative to the use of checks. As a result of this study, more than 100 banks in California formed an ACH association, and the Federal Reserve Bank of San Francisco was requested and agreed to provide the clearing and settlement facilities for the exchange of such payments on magnetic tape. Subsequently, other Reserve Banks were requested to utilize existing facilities to process the magnetic tapes for other ACH associations. Currently, the Federal Reserve provides the clearing and settlement facilities for such operations in 19 offices, and 5 more offices are expected to begin operations in 1976. The statutory basis for System involvement is the same as that for checks.

PRESENT SCOPE OF OPERATIONS

ACH operations are designed to handle repetitive funds transfers of small dollar amounts, such as salaries and wages and mortgage and insurance premium payments. The Federal Reserve uses its existing computer and courier facilities to clear and deliver such items.

Automated clearinghouse operations and the Federal Reserve's role in such operations es-

entially parallel check-clearing operations except that the payment information is exchanged on magnetic tape as opposed to paper checks. In an ACH operation, financial institutions create computer tapes of debit and credit items based upon customer instructions and deliver the tapes to their local Federal Reserve clearing and settlement facility, just as those institutions would deliver checks to the Federal Reserve's check-clearing and settlement facility. A Federal Reserve computer—which is also used for other operational purposes—reads, edits, and balances the information on the tape, sorts according to the receiving financial organization, and makes the debit and credit entries in member bank reserve accounts for settlement for both the originating and the receiving financial organization. When the processing has been completed, the computer creates output media consisting of magnetic tapes or descriptive paper listings. The Federal Reserve sends the output media to the receiving financial organization using the same delivery system as that used for delivering checks.

The Federal Reserve is not the sole processor of automated payments. As noted previously, paper checks are cleared through private clearing arrangements apart from the Federal Reserve facilities, and it should be expected that private facilities will handle certain automated payments.

At the present time, the Federal Reserve will receive items on tapes from any member bank and any member of an ACH association. The Federal Reserve will deliver such items to member banks and members of ACH associations under the following guidelines:

1. Items may be delivered directly to institutions offering demand deposit accounts in the same manner that checks are presented.
2. Items may be delivered directly to institutions not offering demand deposit accounts provided such institution receives a sufficient volume of such items to warrant separate delivery and is located on an existing check-courier route.
3. Items may be delivered to a data processing service bureau provided the service bureau receives a sufficient volume of such items to

warrant separate delivery and is located on an existing check-courier route.

4. Items may be picked up at the local Federal Reserve office provided that the volume is sufficient to warrant such action.

5. Items may be delivered to an endpoint that currently receives checks directly from the Federal Reserve office and the institutions may arrange for delivery from that endpoint (that is, the pass-through method).

6. Items may be mailed by the Federal Reserve to any financial organization regardless of its location.

The volume of payments processed in this manner is quite small at present, compared with the volume of checks processed. The 19 operational Federal Reserve offices cleared and settled for approximately 270,000 such automated payments in May 1976.

FEDERAL RESERVE WIRE NETWORK

HISTORY AND STATUTORY BASIS FOR PARTICIPATION

From the first days of the Federal Reserve, there was a need for rapid movement of both financial and administrative messages among Federal Reserve offices. Initially, communication was through Western Union and Postal Telegraph facilities. In 1918 the Federal Reserve, in recognition of the need for more rapid and secure communication facilities, installed a private Morse code system. This method of transfer continued until 1937 when it was converted into a teletype system. In 1940, in response to a growing volume of traffic, the Board of Governors and the Federal Reserve Bank of Chicago were designated as primary relay stations. The relay station, or "switch," concept was also incorporated when an automatic message system using advanced teletype machines was installed in 1953 with the Richmond Bank designated as the switching center. This system handled 6,000 messages per day initially and linked Reserve Banks and branches, the Board of Governors,

the U.S. Treasury, the Commodity Credit Corporation, and the Reconstruction Finance Corporation.

In 1970 the first components of the present automated network were installed, and the system was fully automated in late 1973. Each of the district offices now have installed communications switches to which Reserve Banks, branches, offices, the Treasury, and a number of member banks are interconnected nationwide through a central switch facility in Culpeper, Virginia. This system allows for virtually instantaneous movement of funds among member banks of the System and aids banks in the efficient handling of reserve balances. In view of the need for a quick and efficient method of handling funds transfers of very large amounts in the Nation's money markets, the Board regards wire operations as a necessary and vital tool in conducting its monetary affairs.

During 1975, 17.4 million funds transfers, valued at \$31.4 trillion, were handled on the network, as well as 1.5 million Government and Government agency securities transfers and 1.0 million administrative messages. The System's network is designed to handle the very large transfers and to discourage small transfers; a \$1.50 charge is imposed for transfers of less than \$1,000, and large transfers are handled without charge to members.

The statutory basis for the System's involvement in transferring member banks' reserve balances is basically the same as its involvement in the check-clearing mechanism that has been discussed previously. In addition, paragraph 14 of Section 16 of the Federal Reserve Act authorizes the Board to regulate the transfers of funds among Reserve Banks, and Section 13 authorizes Reserve Banks to receive deposits from their members.

PRESENT SCOPE OF OPERATIONS

Three types of messages are handled on the network: (1) transfers of reserve account balances (almost exclusively in large dollar amounts) from one member bank to another, (2) transfers of U.S. Government and Federal agency securities, and (3) administrative and research information. The transfer of reserve

balances is used by member banks of the Federal Reserve System to transfer (1) funds as a result of purchasing and selling Federal funds, (2) correspondent bank balances, and (3) funds to other members on behalf of customers. Transfers to other members made by member banks on behalf of their customers include (1) the purchasing and selling of commercial paper, bonds, and other securities, and (2) replenishing corporate demand deposits. For the latter, the Federal Reserve is involved only in crediting and debiting the banks involved in the transfer, and the System does not collect and/or store information related to the corporation that originates or receives the funds transferred.

All money transfers of reserve balances are credit transfers—that is, a member bank instructs the Federal Reserve to transfer funds to another member bank. If the members maintain balances at the same Federal Reserve Bank, each reserve balance is debited and credited accordingly. If the institutions do not maintain balances at the same Federal Reserve Bank, the first Federal Reserve Bank debits the reserve account of the sending bank and credits the account of the Federal Reserve Bank in whose district the receiving bank is located. The latter Federal Reserve Bank debits the account of the sending Federal Reserve Bank and credits the account of the receiving bank. Reserve Banks settle by use of the Interdistrict Settlement Fund. Nonmember banks, other financial institutions, businesses, and consumers may request a member bank to send funds through the Reserve System.

CURRENCY AND COIN

HISTORY AND STATUTORY BASIS FOR PARTICIPATION

Section 16 of the Federal Reserve Act authorizes the issuance and redemption of Federal Reserve notes. The Federal Reserve Banks have issued and redeemed such notes since 1914.

On May 29, 1920, the Congress authorized the Secretary of the Treasury to transfer to the

Federal Reserve Banks the duties and functions of the Assistant Treasurers in connection with the exchange of paper currency and coin of the United States (41 Stat. 654). Pursuant to this authority, Reserve Banks have been authorized and directed by the Treasury to make an equitable and impartial distribution of available supplies of currency and coin in all cases directly to member banks and to nonmember commercial banks (see 31 CFR 100).

PRESENT SCOPE OF OPERATIONS

The volume of currency and coin distribution operations, in millions of pieces, has grown substantially as shown below:

Year	Currency	Coin
1925	1,947	2,329
1935	2,148	2,590
1945	3,016	4,562
1955	4,282	7,008
1965	5,144	5,855
1975	6,551	13,611

There are 37 Federal Reserve offices that process currency and coin. During 1975, 6.5 billion pieces of currency and 13.6 billion pieces of coin were received and counted. In addition 2.6 billion pieces of currency were retired from circulation and destroyed. Fourteen Federal Reserve offices provide coin wrapping services. Almost one-half of the cost of currency and coin operations is for transportation by armored truck of the money requirements of the more than 18,000 banking offices serviced directly by the Federal Reserve.

FISCAL AGENT

HISTORY AND STATUTORY BASIS FOR PARTICIPATION

Section 15 of the Federal Reserve Act states that Federal Reserve Banks, when required by the Secretary of the Treasury, “shall act as fiscal agents of the United States; and the revenues of the Government . . . may be deposited in such banks, and disbursements may be made by checks drawn against such deposits.” The Federal Reserve has also been designated as

depository and fiscal agent for several international agencies (such as the Inter-American Development Bank) in various other sections of the U.S. Code.

PRESENT SCOPE OF OPERATIONS

Federal Reserve Banks act as the Government's principal fiscal agents. Among the activities performed, the Banks maintain banking accounts for the Treasury, handle Government checks, receive applications from the public for the purchase of securities being sold by the U.S. Treasury, allot the securities among bidders, deliver securities, collect payment from the buyers, register and redeem securities, make wire transfers of securities to other cities, make denominational exchanges of securities, pay interest on coupons, and conduct transactions in the market for various Treasury accounts. Most of these activities are under the general supervision of the Treasury, which reimburses the Reserve Banks for most fiscal agency functions.

In addition, the Reserve Banks perform fiscal agency services in connection with the financial activities of various Federal or Federally sponsored credit agencies, and reimbursement is provided by the Treasury (or other Government agencies) for much of the expense incurred.

The fiscal agency functions that relate to the payments mechanism are as follows:

1. **DIRECT DEPOSIT OF FEDERAL RECURRING PAYMENTS PROGRAM.** Certain Federal recurring payments are received on magnetic tape from Government disbursing centers, processed, and distributed to financial organizations.

The same general procedures and the same computer systems are used to process electronic data representing U.S. Government payments as are used for commercial payments through the Federal Reserve's automated clearing and settlement facilities discussed earlier. Currently, each month approximately 540,000 U.S. Air Force payroll payments are processed and delivered to 9,000 financial institutions. In February 1976 the Federal Reserve Bank of Atlanta distributed the first social security payments

under the Treasury's Direct Deposit of Federal Recurring Payments Program. This program will expand nationwide by the end of 1976 with all Federal Reserve offices distributing an estimated 7.5 million payments monthly.

2. **TREASURY TAX ACCOUNTS.** Payments of Federal taxes (income, Federal Insurance Contributions Act, and so on) made by corporations and some individuals are received from commercial banks, processed, and credited to the account of the Treasury. About 45 million tax payment forms were processed in 1975.

3. **GOVERNMENT CHECKS.** Government checks are received from banks for charge to the Treasurer's account. This activity, which is essentially a check-collection function, processed more than 800 million Treasury check payments in 1975.

4. **INTEREST PAYMENT COUPONS.** Coupons representing the payment of interest on U.S. Government securities are processed for the Treasury. Approximately 9 million coupons were processed in 1975.

5. **U.S. POSTAL SERVICE MONEY ORDERS.** U.S. Postal Service money orders are received from banks for payment. Money orders are charged to the Treasurer's account and shipped to the U.S. Postal Money Order processing center in St. Louis. This activity processed more than 170 million items in 1975.

6. **U.S.D.A. FOOD COUPONS.** Food coupons are received from banks for payment, counted, and destroyed. This activity processed about 2.5 billion items in 1975.

TRANSFERS FROM SAVINGS ACCOUNTS

BILL PAYER SERVICES

In July 1975, in recognition of a need for more convenient banking services, the Board amended Regulation Q to authorize member

banks of the Federal Reserve System to permit depositors to withdraw funds from savings accounts pursuant to nontransferable orders or authorizations. Prior to this change, the depositor generally⁷ had to make requests for withdrawal in person, but the bank could permit regular transfers from savings for mortgage loans and related payments. The Board was requested to permit banks to offer a full range of bill payment services without regard to the nature of the depositor's indebtedness. In promulgating the changes, the Board relied upon its authority under Section 19 of the Federal Reserve Act (12 U.S.C. 461) to define terms used therein.

The actual transfer from a savings account is not handled by the Federal Reserve since that transfer is an "on us" transfer.

The amendment to Regulation Q authorized member banks to offer bill-paying services but did not specify the form for that service. The following examples may be useful:

1. The depositor will sign a contract with the bank specifying the conditions under which withdrawals will be permitted. Such a contract will be the *authorization* to the bank to honor the depositor's instructions. The bank may be authorized to pay a certain creditor, such as a utility company, every month upon receipt of information by the bank that funds are due and owing. If the creditor maintains a deposit with

the same bank, the transfer will be made on the books of the bank; otherwise, the bank would write a check to the creditor.

2. The depositor may write *individual withdrawal orders* to the bank requesting transfers to be made to parties named in the order. These orders may be given at irregular intervals and in irregular amounts. The bank would transfer the funds according to the order. The orders are nontransferable, and only the depositor may send instructions to the bank.

TELEPHONIC TRANSFERS

In April 1975 the Board authorized member banks to permit their customers to transfer funds from a savings account based upon the customer's telephonic instructions. The Board believed that it was no longer true that unrestricted use of the telephone would absolutely destroy the distinction between savings and demand accounts. In its statement, the Board noted that the telephone was an accepted medium for transmitting financial data and that its action would permit more flexibility in communicating the customer's instructions to a bank. In permitting such withdrawals, the Board relied upon its authority under 12 U.S.C. 371b to establish rules governing the payment of deposits.

As with bill payer amendments, the Federal Reserve is not operationally involved in such transfers. However, it appears that growing numbers of banks are now offering such a service to their customers. □

⁷There were exceptions for creditors, administrators of estates, court orders, and so on. See 12 CFR 217.5(c)(i)-(vi).

Treasury and Federal Reserve

Foreign Exchange Operations: Interim Report

This interim report, covering the period February through April 1976, is the seventh of a series providing information on Treasury and System foreign exchange operations to supplement the regular series of semiannual reports that are usually issued each March and September. It was prepared by Alan R. Holmes, Manager, System Open Market Account, and Executive Vice President of the Federal Reserve Bank of New York, and Scott E. Pardee, Deputy Manager for Foreign Operations of the System Open Market Account and a Vice President of the Federal Reserve Bank of New York.

In early 1976 the dollar was largely shielded from the variety of tensions that developed in markets for other currencies. By that time the latest economic indicators suggested that the U.S. recovery was regaining momentum and was more solidly based than were the more recent upturns in other industrial countries.

Moreover, with the United States already having one of the lowest rates of inflation among industrial countries, the further moderation in the uptrend of prices here bolstered sentiment toward the dollar.

Elsewhere, divergent price and productivity performances among European countries had led many market participants to expect that exchange-rate adjustments might again be necessary—both by those within the Economic Community (EC) “snake” arrangement and by other European countries whose trade is closely linked to that group. During January concern over political and economic developments in Europe generated speculative pressures in markets for several European currencies. The Italian lira declined after the Bank of Italy withdrew temporarily from the market to conserve its reserves during a prolonged Cabinet crisis. In several other markets central banks intervened

sometimes heavily to moderate fluctuations in their currencies. The dollar occasionally came on offer against the German mark, Dutch guilder, and Swiss franc in late January, but Federal Reserve intervention was limited to modest sales of marks out of existing balances without renewed recourse to the System’s swap arrangements with foreign central banks.

By early February intense two-way speculation had developed within the EC snake arrangement. With the French franc heavily on offer and the German mark in demand, the two currencies were pushed toward the opposite extremes of the EC band. Strains also developed within the 1.5 per cent Benelux band, driving the Belgian franc to the bottom and the Dutch guilder to the top. Since the dollar figured heavily in these various dealings—both as a vehicle currency for many market participants and as an intervention currency for central banks—it was soon caught up in the crossfire. With several central banks defending their own currencies through dollar sales, the potential for even larger accumulations of dollar balances in traders’ positions began to weigh on market psychology. Dealers, therefore, sought to shift into currencies that they believed would be more likely to rise in the very near future. In the process, the German mark began to rise more sharply, exerting an upward pull on other European currencies including those still under generalized selling pressure. Consequently, the dollar, which by February 2 had already slipped by 2.5 per cent against the mark from the late 1975 highs, declined a further 1.5 per cent by February 11.

As speculative pressures mounted, the French and German central banks stepped up their intervention to defend the limits of the snake, not only in dollars but in each other’s currencies as well. At the same time, with the New York

market also becoming unsettled, the Federal Reserve intervened on 4 days between February 2 and 11. The System sold a total of \$137.4 million equivalent of marks, financed by \$80.9 million of drawings under the swap arrangement with the German Federal Bank and by use of existing balances. In addition, the System sold \$19.6 million equivalent of Dutch guilders, drawn on the swap line with the Netherlands Bank.

The immediate strains on the snake then eased, as the concerted intervention by the member central banks was reinforced by strong statements by their respective governments denying the need or advisability of rate adjustment. Trading conditions gradually improved during late February, and the Federal Reserve intervened on only two occasions when the dollar dropped abruptly against the mark, selling a total of \$15.8 million equivalent from balances. Otherwise, the dollar gradually rose against the main continental currencies to above the levels of early February, providing the opportunity for the System to acquire \$54.1 million of marks in the market and from correspondents. Part of these acquisitions was used in early March to repay \$26.4 million of the recently incurred swap indebtedness with the German Federal Bank.

This temporary calm in the European exchange markets was again broken early in March, when sterling suddenly came under selling pressure and fell below the \$2.00 level. Market fears of widespread readjustments in European currency relationships quickly resurfaced. By March 5 the EC snake was again stretched to its limits and required substantial intervention to maintain the prescribed margins. As market concern over the durability of existing parities in the European snake progressively deepened, intervention in EC currencies swelled to massive proportions. With markets increasingly nervous and unsettled, the Federal Reserve entered the New York market on March 5 and March 12 with offerings of marks, selling \$52.8 million equivalent of which \$23.2 million was financed under the swap line with the German Federal Bank and the rest from balances.

Following a meeting of EC Finance Ministers

over the weekend of March 13–14, the French Government announced that it would withdraw the franc from the snake. At the same time, the Dutch and Belgian authorities announced the suspension of the separate 1.5 per cent Benelux band. Over subsequent days, however, speculation persisted over the possibility of further adjustments in rates for other European currencies and bidding for marks remained strong, pushing the dollar down a further 1 per cent. These pressures spilled into the New York market on March 16–17, and the Federal Reserve again intervened in marks, selling \$34.9 million equivalent, of which \$29.8 million was drawn under the swap line and the remainder from balances. Thereafter, further sizable intervention in European currencies, supported by restrictive monetary measures by those countries whose currencies were pinned to the bottom of the snake, and firm denials by German and other EC government officials of any intention of altering existing parities led to a gradual relaxation of these speculative tensions.

Meanwhile, evidence of additional improvement in production and employment levels in the United States, coupled with further encouraging price developments, reinforced the generally favorable market sentiment toward the dollar. Market expectations of an early firming of U.S. short-term interest rates also had a steadying influence. Consequently, although the dollar was at times caught up in the backwash of further flows out of sterling and the Italian lira in late March and April, it traded fairly narrowly against the mark and other currencies in the EC snake. The Federal Reserve therefore intervened only once in late March, selling \$9.9 million of marks from balances. Otherwise, taking advantage of the dollar's basic buoyancy on quiet days, the Federal Reserve acquired currencies needed to repay swap debt. The System thus purchased \$119.6 million of marks in the market and from correspondents, liquidating a further \$27.5 million of commitments in that currency, and bought sufficient guilders in the market to liquidate in full the \$19.6 million swap on the Netherlands Bank incurred in February.

In summarizing operations over February–April, the Federal Reserve sold in the mar-

ket a total of \$270.4 million equivalent of foreign currencies. In marks, System sales amounted to \$250.8 million, with \$133.9 million financed by drawings under the swap arrangement with the German Federal Bank and \$116.9 million from balances. Mark purchases totaled \$173.7 million equivalent, of which \$53.9 million was used to liquidate swap drawings on the German Federal Bank, leaving \$80 million equivalent outstanding at the end of the period. The System also sold \$19.6 million equivalent of Netherlands guilders financed by a swap drawing, which was subsequently repaid with balances acquired in the market.

In addition, the Federal Reserve made further progress in repaying swap debt outstanding since August 1971. Throughout the period the

TABLE 1
Federal Reserve System
drawings and repayments
under reciprocal currency arrangements
In millions of dollars equivalent

Transactions with—	System swap commit- ments Jan. 31, 1976	Drawings, or re- payments (-) Feb. 1— Apr. 30, 1976	System swap commit- ments Apr. 30, 1976
National Bank of Belgium	252.9	- 81.3	171.7
German Federal Bank .....	.....	{ 133.9 }	80.0
		{ - 53.9 }	
Netherlands Bank .....	.....	{ 19.6 }	.....
		{ - 19.6 }	
Swiss National Bank	567.2	{ 600.0 } ¹	1,147.2
		{ - 20.0 }	
Bank for International Settle- ments (Swiss francs) ..	600.0	¹ -600.0	.....
Total	1,420.1	{ 753.5 } { -774.8 }	1,398.8

¹Consolidation of Swiss franc swap debt.

NOTE.—Discrepancies in totals are due to rounding.

TABLE 2
Drawings and repayments
on Federal Reserve System under
reciprocal currency arrangements

In millions of dollars

Banks drawing on System	Drawings on System Jan. 31, 1976	Drawings, or re- payments (-) Feb. 1— Apr. 30, 1976	Drawings on System Apr. 30, 1976
Bank of Italy	250.0	250.0	500.0
Bank of Mexico .....	.....	360.0	360.0
Total	250.0	610.0	860.0

System continued to buy Belgian francs in the market and from correspondents, purchasing \$74.9 million equivalent. These acquisitions, together with some existing balances, were used to repay \$81.3 million equivalent of the drawings on the National Bank of Belgium, leaving \$171.7 million outstanding at the end of April. The Federal Reserve in February transferred its \$600 million of Swiss franc swap debt from the Bank for International Settlements to the Swiss National Bank. During the period, the System purchased \$33.2 million equivalent of Swiss francs from correspondents and liquidated \$20 million of its debt with the Swiss central bank. Swiss franc commitments outstanding at the end of April totaled \$1,147.2 million.

Also during the period, the Bank of Italy, after having resumed market operations in early March, drew \$250 million on its swap line with the Federal Reserve, raising total drawings to \$500 million. In addition, in early April, the Bank of Mexico drew the full \$360 million available under its swap line with the Federal Reserve. □

The Independence of the Federal Reserve System

It is a pleasure to be here on this beautiful campus and to join the audience in honoring the graduating class of Bryant College.

In earlier and calmer times, it was customary for a commencement orator to address the principles of life that he thought would be most helpful to members of the graduating class. Such pronouncements are less fitting in our turbulent age, which has sharply narrowed the gap in knowledge—if not also in wisdom—that once separated the generations.

Yet each of us, and here your elders may have some advantage, has had opportunity to reflect with more than ordinary care on his own range of responsibilities. I therefore want to share with you today a few thoughts about the Federal Reserve System, which serves as our Nation's authority for controlling the supply of money and credit.

Industrial nations, including our own, nowadays rely heavily on monetary policy to promote expansion of production and employment, to limit any decline that may occur in over-all economic activity, or to blunt the forces of inflation. There are two major reasons for the emphasis on monetary policy. In the first place, manipulation of governmental expenditures has proved to be a rather clumsy device for dealing with rapidly changing economic developments. Secondly, the process of reaching a consensus on needed tax changes usually turns out to be complex and time consuming. Experience has thus taught us that alterations of fiscal policy, once undertaken, frequently have a large part of their economic effect too late to be of much

value in moderating fluctuations in business activity.

Even when the economy is booming, legislatures are rarely willing to increase tax rates or to restrain the rising curve of governmental expenditures. Such reluctance also limits the discretionary use of fiscal measures to counter the forces of recession that develop from time to time in a free enterprise economy. Once reduced, tax rates cannot easily be increased again, and new expenditure programs to stimulate a lagging economy all too often are the source of a new inflationary problem later on.

Fortunately, monetary policy is relatively free of these shortcomings. Flexibility is the great virtue of instruments of monetary and credit policy. Changes in the course of monetary policy can be made promptly and—if need be—frequently. Under our scheme of governmental organization, the Federal Reserve can make the hard decisions that might be avoided by decision-makers subject to the day-to-day pressures of political life. And experience indicates that the effects of substantial changes in the supply of money and credit are rather speedily transmitted through financial markets to the workshops of the economy—that is, our factories, mines, construction yards, and the range of service establishments.

The founders of the Federal Reserve System were well aware of the dangers that would inhere in the creation of a monetary authority subservient to the executive branch of Government—and thus subject to political manipulation. Senator Nelson Aldrich, Chairman of the National Monetary Commission, whose investigations of central banking laid the basis for establishing the Federal Reserve System, was deeply impressed with the need for a strong monetary authority capable of exercising discipline over the financial affairs of a nation. Carter

NOTE.—Address by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, at the One Hundred and Thirteenth Commencement Exercises of Bryant College, Smithfield, Rhode Island, May 22, 1976.

Glass, Chairman of the House Banking and Currency Committee when the Federal Reserve Act was passed in 1913, reported that the Committee regarded the Federal Reserve Board "as a distinctly nonpartisan organization whose functions are to be wholly divorced from politics." That view was fully shared by President Woodrow Wilson, who was extremely careful to avoid any suggestion of interference with the newly created monetary authority, thereby setting a precedent that has usually been followed by succeeding Presidents.

The concept of independence of the monetary authority within the structure of Government is congenial to the basic principles of our Constitution. As Alexander Hamilton put it in one of the *Federalist Papers*, our system of Government is based on the precept that partitions between the various branches of Government "ought to be so contrived as to render the one independent of the other." Such a division of power, according to another of the *Federalist Papers*, is "essential to the preservation of liberty."

The principle of independence of the monetary authority within the structure of our Federal Government was embodied in the original Federal Reserve Act in several ways. First, individuals appointed to the Federal Reserve Board by the President were to have 10-year terms, and they could be removed from office only for cause. A President could not, therefore, remove a Board Member from office simply because he disagreed with his views, and the term of office was long enough to minimize the threat of covert political pressure on Board Members. Moreover, the law provided for staggered terms in order to avoid Presidential "packing" of the monetary authority.

Second, the newly created Federal Reserve Board was required to report on, and to account for, its actions to the legislative branch of Government, not to the Administration.

Third, the operations of the Federal Reserve System were to be financed from its own internal sources, and thus protected from the political pressures that may be exercised through the congressional appropriations process.

Fourth, power was to be diffused within the

Federal Reserve System, so that the interests of borrowers, lenders, and the general public were to be recognized and blended in the new regional Federal Reserve Banks.

In the years that followed creation of the Federal Reserve System, experience—particularly during the Great Depression—suggested that the degree of independence assigned to the monetary authority was insufficient. The Banking Acts of 1933 and 1935 sought to rectify this and also other defects in the financial structure.

Under the new legislation, the Secretary of the Treasury and the Comptroller of the Currency, who originally were ex officio members of the Board, were relieved of this responsibility. The terms of the members of the Board were lengthened from 10 years to 12 years, and then to 14 years, to insulate the Board still more from political pressures. A new agency—the Federal Open Market Committee, including representatives of the regional Federal Reserve Banks as well as members of the Board located in Washington—was established to conduct open market operations, which by the early 1930's had come to play a major role in implementing monetary policy. Moreover, the principle was reaffirmed that funds used by the Federal Reserve to finance its operations were not to be construed as Government funds or as appropriated monies. All of these legislative changes strengthened the ability of the Federal Reserve System to resist efforts by the Treasury, or the White House, or any other agency in the executive branch to influence unduly the course of monetary and credit policy.

Senator Carter Glass once stated that intelligent and fearless performance of the functions of the monetary authority "involves as much of sanctity and of consequence to the American people as a like discharge of duty by the Supreme Court of the United States." We at the Federal Reserve have in fact sought to model our conduct on that of the Supreme Court.

In the exercise of our adjudicatory responsibilities, the members of the Board scrupulously avoid any contact with interested parties. In our deliberations on monetary and credit policies, not the slightest consideration is given

to questions of political partisanship. Every member of the Board, and every member of the Federal Open Market Committee, weighs the issues of monetary and credit policy solely from the viewpoint of the public interest and the general welfare. My colleagues at the Federal Reserve are highly qualified individuals possessing a diversity of skills essential to the management of the Nation's financial affairs. They live and work under a Spartan code that avoids political entanglement, conflicts of interest, or even the appearance of such conflicts. At the same time, the members of the Board, particularly its Chairman, maintain close contact with members of the executive branch and the Congress in order to assure that the activities of the Federal Reserve are appropriately coordinated with what other branches of Government are doing.

Our system of monetary management, I believe, is thus working in the way the founders of the Federal Reserve intended. Nonetheless, there are now, as there have been over the years, some well-meaning individuals in our country who believe that the authority of the Federal Reserve to make decisions about the course of monetary policy should be circumscribed. The specific proposals that have been put forth over the years differ greatly, but they usually have had one feature in common—namely, control by the executive branch of Government over the monetary authority.

A move in this direction would be unwise and even dangerous. It is encouraging to find that, despite occasional outbursts of temper, a majority of the Congress share this belief. I doubt that the American people would want to see the power to create money lodged in the presidency—which may mean that it would in fact be exercised by political aides in the White House. Such a step would create a potential for political mischief or abuse on a larger scale than we have yet seen. Certainly, if the spending propensities of Federal officials were given freer rein, the inflationary tendency that has weakened our economy over much of the past decade would in all likelihood be aggravated.

The need for a strong monetary authority to discipline the inflationary tendency inherent in

modern economies is evident from the historical experience of the nations around the world. Among the major industrial countries, West Germany and the United States appear to have achieved the greatest success—albeit woefully insufficient success—in resisting inflationary pressures in the period since World War II. It is no accident that both countries have strong central banks. In some other countries, where the monetary authority is dominated by the executive or the legislature, inflationary financial policies have brought economic chaos and even extinguished political freedom.

It is, of course, essential that the monetary authority observe the spirit as well as the letter of our laws. In our democratic society the independence of a governmental agency can never be absolute. The Federal Reserve System is thus subject not only to the provisions of the Federal Reserve Act but also to the Employment Act and numerous other statutes. The original design of the Federal Reserve System recognized this duty by requiring the Federal Reserve to account for its stewardship to the Congress. The oversight responsibilities of the Congress for the conduct of the monetary authority do not, however, require congressional involvement in the details of implementing monetary policy. The technical complexities of adjusting monetary or credit instruments to the needs of a modern industrial economy are far too great to be dealt with by a large deliberative body. At the same time, there is a significant role for the Congress in setting forth the economic and financial objectives that the monetary authority is expected to observe and honor.

Over the past year, the Congress has been exercising its vital oversight function through a new and more systematic procedure, spelled out in House Concurrent Resolution No. 133. That resolution requires the Federal Reserve to report to the Congress at quarterly intervals on the course of monetary policy and to project ranges of growth in the major monetary and credit aggregates for the year ahead.

We at the Federal Reserve regard the dialogue between the monetary authority and the Congress stimulated by the Concurrent Resolution as constructive. It has given the Congress a

better opportunity to express its views on the appropriateness of our actions. It has also provided us at the Federal Reserve with an opportunity to explain fully the reasons for our actions, and to communicate to the Congress and to the public at large our firm intention to adhere to a course of monetary policy that is consistent not only with continued economic expansion at a satisfactory rate but also with further gradual unwinding of inflationary tendencies.

Such a course of policy, I believe, is the only option open to us if we as a Nation are to have any hope of regaining price stability and maintaining a robust economy. Our country is passing through a fateful stage in its history. Economic, social, and political trends of the past

several decades have released powerful forces of inflation that threaten the vitality of our Nation's economy and also the freedom of our people.

Defeating the forces of inflation requires determined action. Greater discipline is needed in our fiscal affairs, and structural reforms are required to improve the functioning of our labor and product markets. But all such reforms would come to naught in the absence of a prudent course of monetary policy. At this critical time in our history, any interference with the ability of the Federal Reserve to stick to a moderate rate of monetary expansion could have grave consequences for the economic and political future of our country. □

Membership of the Board of Governors of the Federal Reserve System, 1913-76

APPOINTIVE MEMBERS¹

<i>Name</i>	<i>Federal Reserve district</i>	<i>Date of initial oath of office</i>	<i>Other dates and information relating to membership²</i>
Charles S. Hamlin	Boston	Aug. 10, 1914	Reappointed in 1916 and 1926. Served until Feb. 3, 1936. ³
Paul M. Warburg	New York	do.....	Term expired Aug. 9, 1918.
Frederic A. Delano	Chicago	do.....	Resigned July 21, 1918.
W. P. G. Harding	Atlanta	do.....	Term expired Aug. 9, 1922.
Adolph C. Miller	San Francisco	do.....	Reappointed in 1924. Reappointed in 1934 from the Richmond District. Served until Feb. 3, 1936. ³
Albert Strauss	New York	Oct. 26, 1918	Resigned Mar. 15, 1920.
Henry A. Moehlenpah	Chicago	Nov. 10, 1919	Term expired Aug. 9, 1920.
Edmund Platt	New York	June 8, 1920	Reappointed in 1928. Resigned Sept. 14, 1930.
David C. Wills	Cleveland	Sept. 29, 1920	Term expired Mar. 4, 1921.
John R. Mitchell	Minneapolis	May 12, 1921	Resigned May 12, 1923.
Milo D. Campbell	Chicago	Mar. 14, 1923	Died Mar. 22, 1923.
Daniel R. Crissinger	Cleveland	May 1, 1923	Resigned Sept. 15, 1927.
George R. James	St. Louis	May 14, 1923	Reappointed in 1931. Served until Feb. 3, 1936. ³
Edward H. Cunningham	Chicago	do.....	Died Nov. 28, 1930.
Roy A. Young	Minneapolis	Oct. 4, 1927	Resigned Aug. 31, 1930.
Eugene Meyer	New York	Sept. 16, 1930	Resigned May 10, 1933.
Wayland W. Magee	Kansas City	May 18, 1931	Term expired Jan. 24, 1933.
Eugene R. Black	Atlanta	May 19, 1933	Resigned Aug. 15, 1934.
M. S. Szymczak	Chicago	June 14, 1933	Reappointed in 1936 and 1948. Resigned May 31, 1961.
J. J. Thomas	Kansas City	do.....	Served until Feb. 10, 1936. ³
Marriner S. Eccles	San Francisco	Nov. 15, 1934	Reappointed in 1936, 1940, and 1944. Resigned July 14, 1951.
Joseph A. Broderick	New York	Feb. 3, 1936	Resigned Sept. 30, 1937.
John K. McKee	Cleveland	do.....	Served until Apr. 4, 1946. ³
Ronald Ransom	Atlanta	do.....	Reappointed in 1942. Died Dec. 2, 1947.
Ralph W. Morrison	Dallas	Feb. 10, 1936	Resigned July 9, 1936.
Chester C. Davis	Richmond	June 25, 1936	Reappointed in 1940. Resigned Apr. 15, 1941.
Ernest G. Draper	New York	Mar. 30, 1938	Served until Sept. 1, 1950. ³
Rudolph M. Evans	Richmond	Mar. 14, 1942	Served until Aug. 13, 1954. ³
James K. Vardaman, Jr.	St. Louis	Apr. 4, 1946	Resigned Nov. 30, 1958.
Lawrence Clayton	Boston	Feb. 14, 1947	Died Dec. 4, 1949.
Thomas B. McCabe	Philadelphia	Apr. 15, 1948	Resigned Mar. 31, 1951.
Edward L. Norton	Atlanta	Sept. 1, 1950	Resigned Jan. 31, 1952.
Oliver S. Powell	Minneapolis	do.....	Resigned June 30, 1952.
Wm. McC. Martin, Jr.	New York	Apr. 2, 1951	Reappointed for term beginning Feb. 1, 1956. Term expired Jan. 31, 1970.
A. L. Mills, Jr.	San Francisco	Feb. 18, 1952	Reappointed in 1958. Resigned Feb. 28, 1965.
J. L. Robertson	Kansas City	do.....	Reappointed for term beginning Feb. 1, 1964. Resigned Apr. 30, 1973.

¹For notes see page 498.

<i>Name</i>	<i>Federal Reserve district</i>	<i>Date of initial oath of office</i>	<i>Other dates and information relating to membership²</i>
Paul E. Miller	Minneapolis	Aug. 13, 1954	Died Oct. 21, 1954.
C. Canby Balderston	Philadelphia	Aug. 12, 1954	Served through Feb. 28, 1966.
Chas. N. Shepardson	Dallas	Mar. 17, 1955	Retired Apr. 30, 1967.
G. H. King, Jr.	Atlanta	Mar. 25, 1959	Reappointed in 1960. Resigned Sept. 18, 1963.
George W. Mitchell	Chicago	Aug. 31, 1961	Reappointed for term beginning Feb. 1, 1962. Served until Feb. 13, 1976. ³
J. Dewey Daane	Richmond	Nov. 29, 1963	Served until Mar. 8, 1974. ³
Sherman J. Maisel	San Francisco ..	Apr. 30, 1965	Served through May 31, 1972.
Andrew F. Brimmer	Philadelphia	Mar. 9, 1966	Resigned Aug. 31, 1974.
William W. Sherrill	Dallas	May 1, 1967	Reappointed for term beginning Feb. 1, 1968. Resigned Nov. 15, 1971.
Arthur F. Burns	New York	Jan. 31, 1970	Term began Feb. 1, 1970.
John E. Sheehan	St. Louis	Jan. 4, 1972	Resigned June 1, 1975.
Jeffrey M. Bucher	San Francisco ..	June 5, 1972	Resigned Jan. 2, 1976.
Robert C. Holland	Kansas City	June 11, 1973	Resigned May 15, 1976.
Henry C. Wallich	Boston	Mar. 8, 1974	
Philip E. Coldwell	Dallas	Oct. 29, 1974	
Philip C. Jackson, Jr.	Atlanta	July 14, 1975	
J. Charles Partee	Richmond	Jan. 5, 1976	
Stephen S. Gardner	Philadelphia	Feb. 13, 1976	
David M. Lilly	Minneapolis	June 1, 1976	

CHAIRMEN⁴

Charles S. Hamlin ...	Aug. 10, 1914–Aug. 9, 1916.
W. P. G. Harding ...	Aug. 10, 1916–Aug. 9, 1922.
Daniel R. Crissinger	May 1, 1923–Sept. 15, 1927.
Roy A. Young	Oct. 4, 1927–Aug. 31, 1930.
Eugene Meyer	Sept. 16, 1930–May 10, 1933.
Eugene R. Black ...	May 19, 1933–Aug. 15, 1934.
Marriner S. Eccles ...	Nov. 15, 1934–Jan. 31, 1948.
Thomas B. McCabe ...	Apr. 15, 1948–Mar. 31, 1951.
Wm. McC. Martin, Jr.	Apr. 2, 1951–Jan. 31, 1970.
Arthur F. Burns	Feb. 1, 1970–

VICE CHAIRMEN⁴

Frederic A. Delano ...	Aug. 10, 1914–Aug. 9, 1916
Paul M. Warburg	Aug. 10, 1916–Aug. 9, 1918
Albert Strauss	Oct. 26, 1918–Mar. 15, 1920
Edmund Platt	July 23, 1920–Sept. 14, 1930
J. J. Thomas	Aug. 21, 1934–Feb. 10, 1936
Ronald Ransom	Aug. 6, 1936–Dec. 2, 1947
C. Canby Balderston	Mar. 11, 1955–Feb. 28, 1966
J. L. Robertson	Mar. 1, 1966–Apr. 30, 1973
George W. Mitchell ...	May 1, 1973–Feb. 13, 1976
Stephen S. Gardner ...	Feb. 13, 1976–

EX-OFFICIO MEMBERS¹

SECRETARIES OF THE TREASURY

W. G. McAdoo	Dec. 23, 1913–Dec. 15, 1918
Carter Glass	Dec. 16, 1918–Feb. 1, 1920
David F. Houston ...	Feb. 2, 1920–Mar. 3, 1921
Andrew W. Mellon ...	Mar. 4, 1921–Feb. 12, 1932
Ogden L. Mills	Feb. 12, 1932–Mar. 4, 1933
William H. Woodin ...	Mar. 4, 1933–Dec. 31, 1933
Henry Morgenthau, Jr.	Jan. 1, 1934–Feb. 1, 1936

COMPTROLLERS OF THE CURRENCY

John Skelton Williams	Feb. 2, 1914–Mar. 2, 1921
Daniel R. Crissinger ..	Mar. 17, 1921–Apr. 30, 1923
Henry M. Dawes	May 1, 1923–Dec. 17, 1924
Joseph W. McIntosh ..	Dec. 20, 1924–Nov. 20, 1928
J. W. Pole	Nov. 21, 1928–Sept. 20, 1932
J. F. T. O'Connor ...	May 11, 1933–Feb. 1, 1936

¹ Under the provisions of the original Federal Reserve Act the Federal Reserve Board was composed of seven members, including five appointive members, the Secretary of the Treasury, who was ex-officio chairman of the Board, and the Comptroller of the Currency. The original term of office was 10 years, and the five original appointive members had terms of 2, 4, 6, 8, and 10 years, respectively. In 1922 the number of appointive members was increased to six, and in 1933 the term of office was increased to 12 years. The Banking Act of 1935, approved Aug. 23, 1935, changed the name of the Federal Reserve Board to the Board of Governors of the Federal Reserve System and provided that the Board should be composed of seven appointive members; that the Secretary of the Treasury and the Comptroller

of the Currency should continue to serve as members until Feb. 1, 1936; that the appointive members in office on the date of that Act should continue to serve until Feb. 1, 1936, or until their successors were appointed and had qualified; and that thereafter the terms of members should be 14 years and that the designation of Chairman and Vice Chairman of the Board should be for a term of 4 years.

² Date after words "Resigned" and "Retired" denotes final day of service.

³ Successor took office on this date.

⁴ Chairman and Vice Chairman were designated Governor and Vice Governor before Aug. 23, 1935.

Statements to Congress

Statement by J. Charles Partee, Member, Board of Governors of the Federal Reserve System, before the Committee on Banking, Housing, and Urban Affairs, U.S. Senate, May 20, 1976.

I appreciate the opportunity to present the views of the Board of Governors of the Federal Reserve System on S. 50, the "Full Employment and Balanced Growth Act of 1976." This bill would amend the Employment Act of 1946, which requires the Federal Government to utilize all of its resources in order to foster conditions that "promote maximum employment, production and purchasing power." The Federal Reserve Board fully recognizes its responsibility under the 1946 Act and has reported regularly to the Congress on its efforts to further the objectives of the law. The central question facing the Congress as it considers S. 50 is whether or not the proposed amendments will help to advance the goals of the original Act. I am sorry to say that we do not believe they will. The bill is both too rigid and too inflationary and, on balance, would likely prove to be inconsistent with the long-term economic well-being of the Nation.

Unemployment has been a very serious problem recently in the United States, as in many other countries. But this condition is mainly a product of the recession, which in turn was caused by the excesses and imbalances that had developed earlier in the economy. With economic recovery, good progress is being made in restoring jobs, and the unemployment rate has dropped 1½ percentage points over the past year.

Substantial further progress is necessary in creating new job opportunities, thereby reducing unemployment and providing for the absorption of a steadily growing labor force. This must be a primary objective of governmental economic policy. Also of crucial importance, however, is

that we avoid recreating the conditions that led to the past recession, and could do so again. This means that continued attention must be directed to questions of economic structure and balance, including avoidance of the extremely injurious effects of rapid inflation.

We at the Board are gravely concerned that the net effect of S. 50 would be to add substantially to the inflationary bias already evident in the performance of the Nation's economy, without generating a lasting increase in productive employment opportunities. The events of recent years have demonstrated again that rapid inflation can undermine prosperity and exacerbate unemployment. The inflation of 1973 and 1974, with its adverse effects on real incomes, attitudes, and the quality of economic decision-making, was a major force contributing to the subsequent deep economic recession. It should be clear from this experience that such conditions exact their toll in terms of economic inequity and social discontent. The American people have become painfully aware of the costs of inflation and of the need to control it.

It is of critical importance, we believe, that the containment of inflation be recognized explicitly as a national objective inseparable from the goals of maximum employment and production. Indeed, a principal flaw in the 1946 Act is its failure to identify clearly price stability as a long-run economic goal. S. 50 shares and extends this shortcoming. In the Board's judgment, the anti-inflation provisions of the bill are too weak and too vague to be satisfactory. Nowhere are there workable safeguards against inflation. Instead, the bill has many provisions that would contribute further to conditions and practices that would likely result in an intensification of upward price pressures.

Certainly, one inflationary feature is the bill's objective of 3 per cent adult unemployment to be reached and sustained within 4 years follow-

ing enactment. This is a most arbitrary target. Historically, a 3 per cent adult unemployment rate is very low. Over the past 30 years, the jobless rate for those 18 and over has been in the neighborhood of 3 per cent only during 1952–53 and 1968–69, years in which the number of men in the Armed Forces was more than 3½ million—half again as high as the present level. Moreover, both of these periods of heightened economic activity were characterized by demand-pull inflationary pressures and were followed eventually by major recessions. Thus, our postwar experience has been that achievement of 3 per cent unemployment is likely to be accompanied by substantial upward price pressures and followed by economic decline, rather than by sustained full employment.

In addition, the setting of a rigid unemployment goal ignores the dynamic character of the American labor force. The jobless rate of a decade or so ago does not have the same meaning as the current rate, principally because of the shifting composition of the labor force and the more liberal nature of our Federal income-support programs. Today's labor force has relatively more new entrants and re-entrants—chiefly young persons and married women—than it did then. These groups typically have higher rates of joblessness as they search—often intermittently and through trial and error—for a satisfactory job. It is reasonable to think that this has biased the official jobless rate in an upward direction.

Indeed, the fact that the bill sets forth an unemployment target while making no mention of a comparable specific objective with regard to inflation is illustrative of its uneven treatment of these two economic problems. I would not urge that any fixed target for short-run price behavior be set; the meaning of an inflation rate, in its own way, can be as changeable as the meaning of a jobless rate. My purpose simply is to point out the bias of S. 50 in favor of one important national goal at the expense of another.

Some of the countercyclical and structural programs of S. 50 are likely to introduce important new elements of inflationary bias into our economic system. A significant problem of

many past stabilization programs has been timing. Although the bill calls for the establishment of triggers and allocation formulas, I believe it is still unlikely that we would avoid the pitfall of applying the aid too late in an economic downturn and continuing it too far into a recovery, when the effect on price pressures can be most pronounced. Experience has shown that such defects in timing have been particularly marked in programs of accelerated public works—one of the bill's recommended options. The inflationary implications of some of the other suggested programs—including those to stabilize State and local government budgets over the cycle and to extend unemployment insurance—also require careful evaluation.

The major inflationary thrust from the countercyclical programs, however, would come from the specific provisions of this bill that make the Federal Government the employer of last resort. While worthy in principle, the program as specified in S. 50 has a critical flaw. It requires the payment of prevailing wages, defined where applicable as the highest of the following: the Federal minimum wage, the State or local minimum wage, the prevailing wage in State or local government, or the prevailing wage in construction as specified by the Davis-Bacon Act.

This program—and these wages—would have profound inflationary consequences for several reasons. First, the program would result in substantial cost-push pressures. Private labor markets would be tightened, and this would cause private employers to bid up wage rates in order to obtain and retain workers. Also, by making public jobs available at attractive wages as a matter of right, the program would encourage workers now employed in the private sector to press for even larger wage gains, or to transfer to governmental jobs. As an example, any construction project under this bill would pay the going union rate; but since a large proportion of building in the United States is nonunion, this wage would be higher than many construction workers now receive and would provide an alternative preferable to their existing jobs.

Second, the employer-of-last-resort program, as specified, would very likely come to generate

significant demand-pull pressures on prices. Given our national reluctance to raise taxes sufficiently to cover increases in Government spending, the financing of the program would tend to add to the Federal deficit—very substantially so, at some points in time. In this fiscal year, for example, the Federal Government is spending close to \$3 billion to support some 320,000 public service employment jobs in State and local government. The program proposed by S. 50 has the potential of being many times larger than this. Its attractive wage provisions would draw not only from the unemployed but also from those working part-time or at less desirable jobs and from those not presently in the labor force, including retired persons, housewives, and students. The upper bound of potential participation cannot be estimated with any degree of accuracy. But it seems quite possible that several million jobs might come to be needed to employ all of those seeking these positions at the relatively attractive rates of pay that would be offered. Such a program might therefore involve \$30 billion or more in outlays at current average pay scales.

I might note also that we have learned from the existing public service employment programs that cost offsets in terms of reduced transfer payments under other programs may not be so large as is often thought. Only about one-fourth of public service program enrollees in 1975 had been receiving unemployment insurance or public assistance prior to participation in the program.

Far and away the most significant defect of the bill as far as inflation is concerned, however, results from the limitations it places on the exercise of monetary and fiscal policy. If I interpret S. 50 correctly, such policies are to be directed solely to the achievement of the 3 per cent unemployment goal until this target is reached. Only when that rate is below 3 per cent can macro-economic tools be directed in any degree to the problems of inflation and economic instability. Instead, these fundamental techniques of demand management—used throughout the world in governmental efforts to combat inflation as well as unemployment—are to be supplanted in the bill by a series of specific program initiatives. The list of these substitute

measures includes the following: a comprehensive information system to monitor inflationary trends; programs to encourage greater supplies of goods, services, and factors of production; export licensing; establishment of stockpile reserves of food and critical materials; encouragement to labor and management to raise productivity through voluntary action; and proposals to increase competition.

Whatever the individual merits of these programs—and some are worthy of careful consideration—one fact is abundantly clear. These programs do not constitute an effective policy of inflation control. We believe that it would be a most serious mistake to discard the use of monetary and fiscal policy for stabilization purposes without first finding some effective alternative means of constraining inflation on an enduring basis.

Moreover, the bill's adoption of a trigger point with regard to economic goals simply does not provide a workable basis for employing accumulated knowledge about the behavior of the economy. It would not be practicable, in my view, to focus macro-economic policies exclusively toward a full employment goal and then, at a given point, abruptly shift attention to the containment of inflation. That is analogous to approaching a stoplight at top speed, and then applying the brakes with equal vigor; the momentum would be sure to carry one into the intersection, or the deceleration to send one through the car's windshield, or more probably both. There needs to be the latitude to modulate and balance policy objectives to changing economic circumstances if we are to have any hope of achieving a lasting economic prosperity.

The changes required by the bill would go considerably beyond narrowing the options for modulating macro-economic policy objectives in accord with perceived needs of the economy. They would also alter dramatically the features of the existing process for review and oversight of the monetary policy function. In this regard, I would like to direct my comments to two specific provisions. First, the President is required to recommend a particular plan for monetary policy and to submit it annually to the Congress along with his numerical goals for employment, production, and purchasing

power. Second, within 15 days of the President's report, the Federal Reserve Board is required to submit its intended policies for the coming year to the Congress, indicating the extent to which its plans support the goals of S. 50 and providing justification for any variation from the recommendations that were made by the President.

The Federal Reserve Board strongly objects to these proposed new procedures on two grounds: (1) They would alter the traditional relationships among the Congress, the Federal Reserve, and the executive branch in a way that could well prove detrimental to the economic well-being of the Nation, and (2) the procedures specified would seriously impair the current operational flexibility needed in the formulation and conduct of monetary policy.

The Federal Reserve Act was carefully drawn up to specify a relationship between the Congress and the Federal Reserve System that would serve to insulate the monetary authority from short-run political pressures. This feature of the Act stemmed from a well-founded concern that excessive government spending could be aided and abetted if the executive were granted the authority to control a nation's money supply. It is a fact of economic history that governments everywhere have come under great pressure to engage in massive deficit spending, at one time or another, even though this patently jeopardizes the longer-run health of the economy. History also is replete with the inflationary consequences that have followed when governments have given in to such temptations and have then simply run the printing presses in order to supply the money needed to finance their deficits.

The need to turn to private financial markets in order to finance deficit public spending performs an important function. The process of financing shifts purchasing power from private savers to the government, thus neutralizing much of the potential inflationary effect of deficit financing, while the necessity of finding willing investors imposes a market discipline on the scale of such deficits. But even in the United States, where this discipline has largely prevailed, the Federal budget has been in deficit every year but one since 1960. There is nothing

in this record that suggests that we can relent in the battle to avoid excessive deficit financing. But instead, S. 50 proposes to weaken one key safeguard against inflationary public finance by introducing the executive branch explicitly and publicly into the making of monetary policy. And were the Congress to mandate these new procedures, it also would significantly dilute its pre-eminent role in the oversight of the monetary policy process.

Moreover, the proposed procedures for the planning and evaluation of monetary policy are, for operational reasons, inferior to those now in place. Under House Concurrent Resolution 133, the Federal Reserve Board reports on economic and financial developments and specifies its current expectations for a variety of monetary aggregates on a quarterly schedule, alternately before the banking committees of the House and Senate. The great advantage of this reporting procedure is that it permits the Federal Reserve the flexibility necessary to adapt monetary policy to changing economic conditions. The procedures proposed in S. 50 would curtail such flexibility.

There are two major changes in the existing process required by S. 50: (1) Policy planning is moved from a quarterly to what would effectively be a 12- to 15-month reference period, and (2) there would appear to be a fixed commitment to longer-term plans for monetary policy in support of specified numerical national economic goals. On the basis of experience, the Board is convinced that these changes would make the proposed planning and evaluation process too rigid to be workable. As this committee is aware, the ability of economists to forecast economic events for a year or more into the future with any high degree of reliability simply does not exist. Two rather notable recent illustrations of forecasting imprecision come quickly to mind: the extraordinarily high rates of inflation that developed in 1973 and 1974 that virtually no one foresaw, and the severity of the 1974-75 recession, which was also quite unexpected. In either case, it would have been a serious error to adhere to outdated plans based upon economic forecasts that proved to be wide of the mark.

In addition, the current state of knowledge

about the relationship between movements in the monetary aggregates and real economic activity is not nearly so precise as the comments of some economists would have you believe. In recent quarters, for example, there appears to have been a dramatic reduction in the amount of money needed to accommodate the expansion in gross national product. Under these circumstances, holding to a course of monetary growth that might have been suggested by historical money/GNP relationships could have been quite damaging. Speculative activities would have been encouraged, thus sowing the seeds for future economic instability, and the foundation might well have been laid for a renewal of intensified inflationary pressures.

Technical and financial innovations, accompanied by regulatory changes, undoubtedly have accounted in part for the slower growth in the narrowly defined money stock. For example, the spread of overdraft checking-account credit privileges, increased use of credit cards to facilitate transactions, and the introduction of savings accounts at commercial banks for business firms all have tended to encourage greater economizing in the use of currency and checking-account balances. These effects could not have been estimated with any accuracy in advance, however, and in any event, I do not think that they provide a complete explanation. The fact is that there is a potential for short-run volatility in monetary relationships that can make economic forecasts based on monetary inputs quite treacherous.

These uncertainties about monetary and economic relationships require exceptional vigilance and flexibility by the Federal Reserve, and serve to point out the need for flexibility as an attribute of the monetary policy process. Ours is a complex and dynamic economy; its linkages and responses are still imperfectly understood and probably always will be. Thus, in order to accomplish the objectives of economic stabilization, the formulation and conduct of monetary policy need to retain the flexibility to adapt to unforeseen developments in our economic and financial system. For these reasons we believe the provisions of S. 50 with respect to the monetary policy planning process would serve to impair the contribution the Federal Reserve

can make in helping to achieve our national economic goals.

Let me turn now to what this bill has to offer by way of improving the trade-off between unemployment and inflation.

We have all painfully learned that the unemployment-inflation trade-off—generally thought to be shaped by our human and material resources, our economic institutions and processes, and our social practices and aspirations—has grown distinctly more unfavorable in recent years. A simple but useful illustration of this deterioration is the so-called discomfort index, which adds together the unemployment rate and the rate of increase in consumer prices. Last year, that index was 15.6, while a decade ago it was 6.4 and two decades ago, 4.8.

High unemployment side by side with high rates of inflation presents the most difficult problem facing economic policy-makers, not only in the United States but throughout the world. The sources of this problem are far from fully understood, but an important part appears to be structural in nature and, therefore, relatively immune to monetary and fiscal policy. A look at the composition of unemployment figures illustrates some of the structural impediments in labor markets. Groups experiencing the greatest barriers—discrimination, marginal skills, location in depressed areas—have jobless rates well above the national average, even when the economy is not in a recession. For example, in the pre-recession year of 1973, when the national average unemployment rate was 4.9 per cent, black joblessness was 8.9 per cent while 14.5 per cent of all teenagers in the labor force were unemployed.

The bill properly recognizes the importance of structural problems and suggests a variety of programs to alleviate them. There are many such programs that might prove beneficial, but I believe that two broad areas deserve special emphasis. First are programs that would help to increase competition in product and factor markets. There is need to reassess the effectiveness of our antitrust legislation—with regard to both business and labor practices—and the anticompetitive effects of Federal regulation of all kinds. We need also to re-examine the costs and benefits of such Federally mandated pro-

grams as the Davis-Bacon Act, the minimum wage for teenagers, and extended unemployment insurance. Second are programs that would serve to increase over time the employability of the jobless. We need better and more imaginative training programs and an improved labor market information system that would match job vacancies with available people, perhaps on a national basis.

Other programs are worthy of consideration. We should find effective ways to encourage more investment in productive plant and equipment, through stronger incentives and perhaps some revisions in the tax laws. We should stress programs to improve efficiency in both private and public sectors. The Board would endorse the principle of zero-base budgeting, which appears to be contemplated by the feature of S. 50 requiring the review of one-fifth (by dollar value) of all Federal programs annually.

A new emphasis on structural programs such as these, together with prudent monetary and fiscal policies, will provide our best hope for achieving the goals of the Employment Act of 1946. But the Board believes that S. 50, while reasserting these goals, would in the end be counterproductive in the effort to achieve them. The bill would release a powerful combination of demand-pull and cost-push pressures on prices.

As has been demonstrated by the experience of many other countries—and, to a degree, by our own experience of recent years—rapid inflation can breed economic instability and ultimately retard—not promote—the growth of productive jobs. If we are truly to commit ourselves to the broad goals of the 1946 Act, we need programs and policies that achieve a greater balance among our economic objectives than is recognized in S. 50. □

Statement by Stephen S. Gardner, Vice Chairman, Board of Governors of the Federal Reserve System, before the Committee on Government Operations, U.S. Senate, May 24, 1976.

It is a pleasure to appear before this committee on behalf of the Board of Governors of the Federal Reserve System to present the Board's views on Senate bills 2812, 3428, 2258, 2716, 2878, and 2903.

I am sure the committee is aware that the Federal Reserve Board's unique responsibility for monetary policy not only gives rise to changes in the price and availability of money and credit but also is implemented through a modest amount of regulation that affects credit flows in the economy. But the reorganization bills are not directed at monetary policy actions, and it might be well to make this an explicit exception.

I would like to begin by discussing S. 2812. The Board agrees with the objectives of this bill as expressed in the title and with the findings and purposes of the bill. The proposed legislation was brought to the Board's attention by

Senator Percy. In acknowledging his letter, Chairman Burns warmly endorsed the broad and responsible objectives contained in the proposal and concurred that the cost of regulation places heavy burdens on the economy.

I specifically refer to statements in the findings and purposes that "Government economic regulation all too often has become a burden rather than a benefit." There can be little doubt that regulatory agencies have contributed to inflation and forced rigidities in our economy by limiting competition and at times even contributing to "monopolistic and cartel-like market patterns contrary to the public interest." The charge that regulators have often failed to set clear priorities and have contributed to excessive paperwork and delay in the regulatory process is hard to deny. The conclusion that regulatory agencies "consistently fail to take consumer and small business interests adequately into account" may have been particularly true in years past, but the Congress and the regulatory agencies are obviously moving to correct this deficiency.

In view of this preface to S. 2812, it seems

appropriate to point out that in its regulatory role the Federal Reserve does not set fares or prices or rates charged to the public. In addition, in the matter of competition, the Board cannot take actions that it determines to be anticompetitive under the provisions of the Bank Merger and Bank Holding Company Acts unless these considerations are outweighed by other public interest factors of greater merit. In administering those Acts, the Board does deny applications on the basis of anticompetitive considerations, even though such adverse competitive issues are not of sufficient magnitude to constitute a violation under antitrust law. Appendix A of my testimony is a summary of the procedures that the Board follows in assessing the competitive impact of bank structural changes.¹

The Board has also been charged in recent years by the Congress with a variety of responsibilities to protect consumer interests. This is a familiar role since the Board must frequently work in concert with the Federal Deposit Insurance Corporation and the Comptroller of the Currency to protect depositors in prospective bank failures. Appendix B is a digest of the Board's regulations and activities related to consumer protection.

If one compares the title and findings and purposes stated in both S. 2812 and S. 3428 with the statutes that the depositary institution regulators are charged with administering and if one assesses the competitive situation in the industry being regulated, it seems clear that much of the present regulation of financial institutions is entirely consistent with many of the purposes of the two regulatory reform proposals. I do not mean, however, to recommend exemption of the depositary institution regulators and their processes from such reforms. The regulation of banks and thrift institutions does involve considerable paperwork and often delays the implementation of services that financial institutions can offer. In addition, there is some overlap among Federal agencies in the regulation of depositories, and regulators fre-

quently have to face conflicting mandates in trying to carry out their regulatory responsibilities. I could cite the notorious Regulation Q, which limits the interest paid to small savers and limits the competition among financial institutions for the express and equally desirable purpose of protecting the supply of mortgage credit.

In other areas, the Congress has frequently addressed issues that have social merit but conflict with other desirable goals. For example, much financial institution regulation is directed at protecting the public and maintaining sound financial institutions. But the Congress has also expressed concern about the availability of credit to small business and urban development and housing that bears a higher-than-normal degree of risk.

The Board is very impressed with the mounting evidence of serious interest on the part of the Congress and the administration in meaningful and objective regulatory reform to resolve the problems of regulation. Having already endorsed the thrust of S. 2812, we also believe that S. 3428 should be given careful consideration. It is obviously important to include all interrelated industry regulations in the consideration of each agency reorganization plan as proposed in the administration bill. This is particularly true, as you know, because both bills are concerned with rationalizing conflicting Government agency directives. We have the further concern that the time allowed for consideration of each industry or agency review be sufficient to prevent the sheer size of the project from affecting the ability of the administration and the Congress to act judiciously. The initial date of January 31, 1978, for planned submission of S. 3428 may be more realistic than the March 31, 1977 date prescribed in S. 2812.

We are also concerned about the provision in S. 2812 that invalidates all rules and regulations of an agency covered by a reorganization plan 15 months after its submission if the Congress has not completed action on that plan in the meantime. Such a rigid provision may result in inadequately considered legislation changing or reconstituting existing agencies, or in a lapse in regulatory authority that may be needed in the public interest. We believe that it would be

¹The appendixes to this statement are available on request from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

better not to create a legal framework in which a regulatory lapse is the forcing mechanism for action.

On the subject of review of agency regulations, S. 2258, S. 2716, S. 2878, and S. 2903 all contain a provision for congressional veto of agency regulations. The Board opposes such a congressional veto. Delegations of authority to the agencies to administer laws by rules and regulations have been made by the Congress in most cases because the subjects involved are of such a technical or specialized nature that the Congress has concluded that they should be governed by an expert body. When the Congress amended the Bank Holding Company Act in 1970, it rejected the concept that specific holding company activities permitted should be determined by the Congress and committed this responsibility to the Board of Governors to be exercised under a broad legislative standard. We believe that it would be a mistake to take the authority for these determinations and comparable actions of other agencies away from the organizations charged with the day-to-day administration of the laws. It would seem preferable to consider changes in the governing standards set forth in the substantive law when the Congress is dissatisfied with agency administration rather than to provide for new procedures that could lead to less efficient administration.

Many of the problems that give rise to these proposals for a congressional veto could be offset by improved congressional oversight. The Board has recently proposed to the Senate and House banking committees a program for congressional oversight of the bank supervision function under which the Congress would review the supervisory process with more frequency. This proposal envisages providing the banking committees with information as to trends of capital, liquidity, earnings, classified loans, and portfolio losses. The Board believes that these data and other information about the bank examination process would provide a factual basis for the banking committees to evaluate the effectiveness of bank supervision and regulation.

Similar arrangements for furnishing information and analyses could be arranged between other regulatory agencies and the appropriate

committees of the Congress in order to provide for continuing and effective oversight.

S. 2878 also provides for the establishment of an Office of Regulatory Policy Oversight. The Board believes that it is important for the Congress to give attention to oversight jurisdiction to avoid duplication of oversight activities and to establish standards and principles for such processes. A review of oversight organization is as appropriate as the proposed review of regulations.

There is much that can be done to improve the regulation of financial depository institutions, but I must point out that this subject has received significant congressional attention in the last 2 years. As you know, there have been recent and detailed hearings and congressional interest in many phases of financial institution regulation. The banking committees of the Senate and the House have both had hearings on reorganization proposals in 1975 and 1976. Governors of the Federal Reserve Board have testified before these committees on proposals for financial agency reorganization on four separate occasions between July 1975 and March 1976. Neither committee of the Congress has agreed to adopt any of the various reorganization proposals submitted to them.

In addition, there are a number of current initiatives germane to the purpose of S. 2878 in other proposed legislation being debated in the appropriate Senate and House committees. Further, the financial agencies have made a number of changes that are addressed to improving regulatory procedures and performance. Federal Reserve Board initiatives are listed in Appendix C. The Board has also been monitoring the continuing need for regulations and report forms. The Board now has under review an analysis of its regulations by a study group whose objective was to find areas where simplification and reduction of regulations could take place. Appendix D lists changes in Board reporting requirements since 1970.

Finally, I would like to comment briefly on the U.S. banking industry of which the Federal Reserve is a primary regulator. We have supported the purposes and objectives of S. 2812 and S. 3428 because we believe that a balanced and objective assessment of banking and bank

regulation is in the public interest. In this process analyses of the competitiveness and safety of the banking system will inevitably be made and contrasts can be drawn with the past and with systems developed in other industrialized nations. I expect that attention will be focused on the performance of banks and bank regulators during the extraordinarily difficult period of 1973-75. Our recent experience does give us useful guidelines for improving regulation and assessing the adequacy of the tools

needed by regulators. But if we are to achieve effective regulatory reforms, it is also important to achieve a consensus evaluation of the system.

It is our view that through growing liquidity, improved earnings, and additions to capital, the banking system remains sound with its competitiveness undiminished. The Board commends the committee's initiative in undertaking this study of these important and complex problems, and we would be pleased to contribute to the further work of the committee. □

Statement by John D. Hawke, Jr., General Counsel, Board of Governors of the Federal Reserve System before the Subcommittee on Commerce, Consumer, and Monetary Affairs of the Committee on Government Operations, U.S. House of Representatives, June 9, 1976.

I am pleased to appear on behalf of the Board of Governors of the Federal Reserve System to discuss the limitations of existing laws with respect to the Board's ability to deal with the participation of U.S. banks in foreign boycott practices.

At the outset, I should state that the only evidence the Board has of bank participation in boycott practices relates to the financing of exports from the United States to Middle Eastern countries. Specifically, the Board has received complaints that certain American banks have been giving effect to the Arab boycott of Israel by processing letters of credit containing boycott provisions. Letters of credit are a conventional means by which an importer arranges to make a payment in an international business transaction. In the typical case, an importer will open a letter of credit through a bank in his own country, which will then arrange to have the credit confirmed by a correspondent bank in the exporter's country. A letter of credit is simply an undertaking that the issuing or confirming bank will honor a draft presented to it for payment when the draft is accompanied by certain documents specified in the letter of credit itself. In the normal case, these would include

such commercial documents as invoices, bills of lading, and certificates of insurance.

In connection with exports to certain Middle Eastern countries, however, it has become customary for importers to include requirements in letters of credit calling for the presentation of various types of certificates intended to give effect to the Arab boycott of Israel. For example, the importer may require that the exporter certify that the goods are not of Israeli origin, that the goods are not being shipped in an Israeli vessel or a vessel that will call at an Israeli port, or that the exporter itself is not on, or affiliated with a company on, the Arab boycott list or will otherwise agree to abide by the terms of the Arab boycott of Israel.

Federal law does not generally prohibit U.S. banks from issuing or confirming letters of credit containing such boycott clauses. While the Export Administration Act of 1969 declares it to be the policy of the United States to oppose boycotts against foreign countries friendly to the United States, the Act does not prohibit domestic concerns engaged in the export trade from taking action that has the effect of furthering such a boycott. In this regard, the Act merely states that it is U.S. policy to "encourage and request" domestic concerns not to take such action. Regulations of the Department of Commerce under the Act prohibit all exporters and related service organizations, including banks, from taking any action in connection with an export transaction that has the effect of furthering or supporting a boycott against a

country friendly to the United States when that practice would have the effect of discriminating against U.S. citizens or firms on the basis of race, color, religion, sex, or national origin. However, as to other boycotts—that is, boycotts other than those having the prohibited discriminatory effect—the Department's regulations simply reiterate the statutory encouragement and request to domestic concerns not to participate.

On December 12, 1975, the Board of Governors issued a policy statement dealing with the participation by member banks in foreign boycott activities. The Board's statement called the attention of member banks to the policy of the United States as set forth in the Export Administration Act and to the newly adopted regulations of the Department of Commerce under the Act, and expressed the view that it was inappropriate for U.S. banks to give effect to a boycott against a friendly foreign country. The Board's statement made reference to the inclusion of boycott provisions in letters of credit, and it noted that the agreement by a U.S. bank to observe such provisions in a letter of credit could constitute a violation of Federal antitrust laws or applicable State anti-boycott laws. The Board's views were reaffirmed in a clarifying statement on January 20, 1976.

Following the issuance of these statements, it was called to the Board's attention that some U.S. banks were continuing to process letters of credit containing boycott clauses, and the Board was urged to take enforcement action to terminate that practice. In this connection, the Board's legal staff has given consideration to the extent to which action by the Board might be authorized under existing law.

The principal enforcement power that the Board has is its authority under the Financial Institutions Supervisory Act of 1966 to issue cease-and-desist orders against State banks that are members of the Federal Reserve System. Under the Act such orders may be issued to remedy violations of law or regulations or unsafe or unsound banking practices. The Comptroller of the Currency and the Federal Deposit Insurance Corporation have identical powers with respect to national banks and nonmember insured banks, respectively. If the involvement of a U.S. bank in a boycott practice would

constitute a violation of law or regulation by that bank, I believe that the Supervisory Act would empower the appropriate banking agency to institute a cease-and-desist proceeding to terminate and remedy that practice. The cease-and-desist power could be invoked, therefore, where a bank took action in furtherance or support of a boycott against a friendly foreign country under circumstances in which the effect was to discriminate against U.S. citizens on the basis of race, color, religion, sex, or national origin. For example, such a case might arise if a bank enforced a provision in a letter of credit that required the exporter to certify that it had no officers or directors of the Jewish faith. The Board has no evidence that banks have engaged in such prohibited boycott practices, however, and while our cease-and-desist authority would empower the Board to take remedial action in such a case, the violation in issue would relate to the Commerce Department's Export Administration Regulations and not to any present regulation of the Board. The Congress has, of course, given the Department of Commerce principal responsibility for implementing U.S. policy under the Export Administration Act.

Under the Supervisory Act a cease-and-desist proceeding could be instituted to remedy an unsafe or unsound practice by a bank, even though no violation of law or regulation were present. Although the participation by a bank in a boycott might be argued by some to be an "unsound" practice, this provision of the Supervisory Act has generally been viewed as reaching practices that threaten the financial safety or soundness of the bank itself. Thus, in the absence of a violation of law or regulation I do not believe the Supervisory Act would provide an effective sanction against boycott practices by banks.

The Legal Division has also considered whether the Board's authority under the Federal Trade Commission Improvement Act to adopt regulations defining unfair or deceptive trade practices by banks would afford a remedy. The Board's power to define unfair or deceptive practices is a new one, and its boundaries have not yet been fully explored. Even if boycott practices could be considered "unfair" within the meaning of this Act, it is ques-

tionable—particularly in light of the fact that the Congress has given the Department of Commerce principal responsibility for enforcing U.S. policy with respect to foreign boycott activities—whether it would be appropriate for the Board to use this authority to prohibit boycott practices that the Congress has decided not to declare unlawful under the Export Administration Act.

Finally, our staff has considered the Board's authority under the Equal Credit Opportunity Act amendments of 1976 to adopt regulations relating to discrimination in credit transactions on the basis of race, color, religion, or national origin. Again, I believe this authority would be of limited utility in reaching boycott practices that were not otherwise prohibited by law or regulation. As I have mentioned, the Commerce Department's regulations already prohibit banks from taking any steps to further a foreign boycott where the effect would be to discriminate against U.S. citizens on the basis of race, color, religion, or national origin. The Equal Credit Opportunity Act prohibits such discrimination against an applicant for credit in any aspect of a credit transaction. The relevant question here—and it is a difficult one—is whether the

exporter-beneficiary of a letter of credit can be considered to be an "applicant" for credit within the meaning of the Act. In any event, even if the Board has authority under the Equal Credit Opportunity Act to protect exporters in such transactions, regulations under this Act would seem to be duplicative of those already in force at the Department of Commerce under the Export Administration Act. I have serious reservations about whether the Board's legal staff could find authority under the Equal Credit Opportunity Act to prohibit the enforcement of boycott provisions in letters of credit that give effect to the Arab boycott of Israel but that do not have the effect of discriminating against U.S. citizens on the basis of race, religion, or national origin.

In short, while the Board has ample authority to take enforcement measures with respect to banks that engage in boycott activities that violate a clear statutory prohibition, or even a regulation adopted by another agency of Government, our legal staff has serious doubt about the Board's ability to take regulatory or coercive corrective action with respect to boycott practices that are not prohibited by law or regulation. □

Statement by J. Charles Partee, Member, Board of Governors of the Federal Reserve System, before the Subcommittee on Domestic Monetary Policy of the Committee on Banking, Currency, and Housing, U.S. House of Representatives, June 10, 1976.

I am pleased to participate in these hearings on monetary policy and its effects on the economy. During the past year, aided by the implementation of House Concurrent Resolution 133, a constructive dialogue has developed between the Board of Governors of the Federal Reserve System and the Congress on the course of monetary policy. I am hopeful that this morning's session, which I understand to be exploratory and educational in nature, will help further our mutual understanding of the issues involved. I

would like to begin with some brief comments on the monetary policy process, based on my experience over the years working in this area, and then I shall be happy to respond to any questions the members of the committee may have.

Although economists differ in their theoretical approaches to the channels through which monetary policy works, there is little or no disagreement in the profession that monetary conditions have a profound impact on the performance of the economy. One view is that monetary policy influences economic events primarily by changing the stock of liquidity—particularly, the supply of money and near-money substitutes—and thereby the willingness of consumers and businesses to spend and invest out of these more, or less, ample balances. Another view

is that the influence of monetary policy stems mainly from its effects on the money and capital markets; by affecting the cost and availability of credit, policy actions will tend to encourage more, or less, consumption and investment based on the use of credit.

In fact, these theoretical approaches are not contradictory. They both find that an expansive monetary policy will tend to encourage more spending while a restrictive policy will tend to restrain it. But they do approach the process from different vantage points, and the quantitative measures they suggest we look to in monitoring the conduct of monetary policy differ sharply. The liquidity approach emphasizes the rates of growth in the various measures of the money supply— M_1 , M_2 , M_3 , and still broader definitions encompassing successively larger proportions of what might be considered to be the public's total stock of liquid financial assets. The credit approach to monetary policy, on the other hand, emphasizes changes in the flows of credit through banks, other financial institutions, and the securities markets, as well as changes in the terms—including interest rates—on which such credit is made available. This difference in measurement technique, I believe, gives rise to much of the confusion and disagreement in the evaluations of current monetary policy that one often encounters in the press and elsewhere.

The fact is that observed monetary measures, regardless of current policy intent, also will always reflect the interaction over time of monetary policy with underlying conditions in the economy. Output, employment, and prices are affected directly by powerful forces apart from monetary policy—such as governmental tax and spending policies; the attitudes and spending proclivities of businessmen and consumers; the wage increases being obtained by labor and the pricing policies of business firms; the availability of foodstuffs, energy supplies, and essential industrial raw materials; and economic conditions and developing trends abroad. In these circumstances, whether interest rates are comparatively high or low or whether the demand for credit is strong or weak will depend on many factors other than the rate at which the Federal Reserve is providing reserves to the banking system—the basic policy instrument at

its disposal. Indeed, even the observed pace of expansion in the various measures of money supply may reflect short-run variations in the public's demand for such balances or longer-run changes in liquidity preference in response to technological innovations in financial management, the level and trend of interest rates, and present and prospective rates of inflation.

It is important also to recognize that the impact of changes in monetary policy on various aspects of the economy tend to be reflected with differing time lags. If financial conditions tighten, for example, the effects are likely to appear much more promptly in securities market values—and hence on such wealth-sensitive variables as consumer purchases of durable goods—than in business fixed-capital outlays, which require long lead times from planning to fruition. Similarly, the effects of a change in financial conditions will be more pronounced in markets that are heavily dependent on the use of credit—such as for housing and other large investments—than in markets where demand is financed mainly by current income flows, such as for consumer soft goods and services. Ultimately, of course, these areas of the economy too will be affected by induced changes in the income flows themselves.

There is one further timing aspect that requires especially careful evaluation in the formulation and conduct of monetary policy. As I have already noted, the economic influence of monetary conditions—whether measured in aggregate or financial market terms—will be to encourage either faster or slower expansion in spending, depending on whether such conditions are easing or tightening. But this effect on the nominal gross national product (GNP) does not distinguish between real activity and inflation. In my view, a shift in monetary policy can be expected to affect real activity, as demands for goods and labor tend to be augmented or restricted, before it reflects itself in the rate of inflation. This is because it ordinarily takes some time for business and labor to adjust wage and price policies to changing market conditions. The time lag involved and the intensity of the inflationary effect will depend on the initial state of the economy and the sensitivity of expectations. But the inflationary effects will

sooner or later develop, and this argues strongly against a policy course that calls for large injections of liquidity into the economic system as a temporary panacea. In theory, it might be possible to withdraw the excess liquidity in time, before the inflationary forces begin importantly to work. But in practice this will likely be very difficult—if not impossible—to do.

The complexity of the relationship between monetary policy and the economy, and the need to move cautiously in modulating financial conditions as economic circumstances and investor and saver attitudes change, indicate clearly the importance of flexibility in the conduct of monetary policy. House Concurrent Resolution 133 fully recognizes this need. Under this resolution, the Board reports quarterly on economic and financial developments, and specifies the current expectations of the Federal Open Market Committee for the probable growth rate ranges in a variety of monetary aggregates, alternately before the House and Senate banking committees. This procedure is one that permits frequent re-evaluation, and appropriate adjustments in current monetary policy aims to the economy's changing needs, which I believe to be a highly desirable attribute. Quarterly accounting for the stewardship of monetary policy also implicitly recognizes the difficulty of projecting economic developments very far into the future with any high degree of confidence—an assessment with which, on the basis of experience, I heartily concur.

In the congressional deliberations leading to the present wording of House Concurrent Resolution 133, and in further discussions since then, a recurring issue has been the question of whether monetary policy intentions should be specified in terms of interest rates as well as monetary aggregates. The Resolution does of course require that the Board specify 12-month growth ranges for the various monetary aggregates, and it provides ample leeway for adjustment of such ranges as conditions change. In my view, this approach is far preferable to any attempt to specify interest rate objectives.

While it is theoretically possible to specify the course of monetary policy in terms of interest rate levels as well as the monetary aggregates, it must be recognized that interest rates

are particularly exposed to the influence of many variables external to the scope of monetary policy, and that there is thus a large risk of specification error. The announcement of interest rate intentions or expectations could lead borrowers and lenders to believe that the Federal Reserve could—and in practice would—guarantee particular levels of interest rates. But the System does not have the power to do so, for interest rates are influenced not only by the interaction of demands for credit with the available supply of funds but also by the strength of the economy and the public's willingness to defer current consumption in order to save for the future. Interest rates are also importantly affected by the expectations of both borrowers and lenders about the rate of inflation.

If the Federal Reserve did nevertheless attempt to maintain selected interest rates at some pre-determined level, the effort could well lead to inappropriate rates of growth in bank reserves and the money stock. If interest rates came under upward pressure because of rising demands for funds, for example, System efforts to prevent interest rate increases would inevitably generate more rapid monetary expansion, thereby feeding new inflationary pressures. If, on the other hand, interest rates came under downward pressure because of slackening business activity and declining demands for funds, System efforts to prevent the decline in rates would inevitably retard monetary growth rates and quite possibly exacerbate the recessionary problem.

Thus, any serious effort to specify monetary policy aims in terms of interest rate intentions or expectations could well prove inconsistent with stated objectives for growth rates in the monetary aggregates. Of course, the central bank might attempt to hold to the interest rate objectives, regardless of the performance of the monetary aggregates. But even in this extreme case the result would very likely be self-defeating, as lenders and borrowers moved to protect themselves against the prospect of accelerating inflation or deepening recession, foreshadowed by what might be very high or very low monetary growth rates. Needless to say, these effects would be quite perverse from the standpoint of economic stabilization.

In closing, I would like to stress that monetary policy alone cannot be expected to deal with all of the Nation's economic problems. Fiscal policy has a powerful influence on the course of economic activity, and outsized deficits can and do contribute to inflation. Monopolistic behavior with respect to the setting of wages or prices lies outside the scope of monetary policy and strongly influences the character of the inflationary bias also. Restrictive trade practices, whether imposed by private power or Government regulation, serve to limit produc-

tivity and raise costs to the same end. It will require the efforts of all elements of our complex society if healthy economic growth is to be sustained, unemployment reduced to appropriately low levels, and inflation brought under control.

Mr. Chairman, at your request, I have tried to be brief in my treatment of a very complicated topic. It may be that I have raised more questions than I have answered. But I will be glad to respond to questions that committee members may have. □

Record of Policy Actions of the Federal Open Market Committee

MEETING HELD ON APRIL 20, 1976

Domestic Policy Directive

Preliminary estimates of the Commerce Department indicated that growth in real output of goods and services had picked up to an annual rate of 7.5 per cent in the first quarter—from a rate of 5 per cent in the fourth quarter of 1975—and that the rate of increase in the GNP fixed-weighted price index had slowed substantially. Staff projections for the remaining quarters of this year suggested that growth in output would be moderate and that the rise in prices would be above the relatively low first-quarter pace.

In March retail sales had risen sharply—according to the advance report of the Commerce Department—reflecting a strong increase in sales at food stores and widespread gains among other types of stores. The increase in the first quarter as a whole was substantially larger than that in the fourth quarter of 1975.

Industrial production continued to recover in March, owing mainly to increases in output of automobiles, some other consumer goods, business equipment, and durable goods materials. For the second month in a row, output of all durable goods rose more than the over-all index of industrial production.

Gains in nonfarm employment were again widespread in March, and they were sizable in durable goods manufacturing industries, in trade, and in services and finance. The increase in total employment exceeded that in the civilian labor force, and the unemployment rate edged down from 7.6 to 7.5 per cent.

Private housing starts declined moderately in March—following a sharp rebound in February to the highest level in 2 years—while permits issued for private housing units remained at about the level of the preceding 2 months. Outstanding mortgage loan commitments at savings and loan associations had remained strong in February—the latest month for which data were available—and downpayment requirements on mortgage loans had been easing during recent weeks.

New orders for nondefense capital goods rose substantially

further in February, recovering to about the pace of last October and November. The level of new orders was still relatively low, however, and the backlog of unfilled orders continued to decline. Nonresidential construction activity remained depressed.

The index of average hourly earnings for private nonfarm production workers rose at a less rapid pace over the first quarter of 1976 than it had on the average in 1975. In the first quarter the schedule of labor contract negotiations was light and relatively few cost-of-living wage adjustments went into effect. In April, however, a new agreement was reached in one major industry which—if approved by the union membership—would result in substantial increases in wages and other benefits over a 3-year period, including a large increase in wage rates effective April 1.

The wholesale price index of all commodities rose slightly in March—following 2 months of decline—as a continuing increase in average prices of industrial commodities was not quite offset by a further decline in prices of farm products and foods. Over the first quarter average wholesale prices of farm products, foods, and fuels declined appreciably, but average wholesale prices of other commodities rose almost as fast as during the second half of 1975. In February the rise in the consumer price index had slowed appreciably further, reflecting additional declines in retail prices of food and energy items.

The acceleration of growth in real GNP in the first quarter reflected in large part a shift to accumulation of business inventories. In addition, personal consumption expenditures rose appreciably. On the other hand, State and local government expenditures changed little, and net exports of goods and services fell sharply.

Staff projections for the remaining three quarters of 1976 suggested that personal consumption expenditures would expand at a rate near the average of the past few quarters; that residential construction and business fixed investment would continue to recover; that State and local government purchases of goods and services would rise at a relatively slow pace; and that business inventory accumulation would be substantial.

In recent weeks the average value of the dollar against leading foreign currencies had been relatively steady; the dollar had appreciated substantially against the British pound and the Italian lira—which had remained under considerable downward pressure—while

it had depreciated somewhat against most other major foreign currencies. In February, as in January, the U.S. foreign trade balance registered a sizable deficit, in contrast with the large surpluses in almost all months of 1975. Reported net outflows of private capital remained moderate.

Total loans and investments at U.S. commercial banks continued to expand in March, in large part because banks again added a substantial amount to their holdings of Treasury securities. Business short-term credit demands remained weak: Outstanding bank loans to businesses declined for the second consecutive month, and the outstanding volume of commercial paper issued by nonfinancial corporations also fell.

M_1 growth in March—at an annual rate of $6\frac{1}{2}$ per cent—was little changed from that in February. Growth in M_2 and M_3 also was moderate in March, compared with relatively high rates in the preceding 2 months. At commercial banks, inflows of time and savings deposits other than negotiable CD's fell substantially from the exceptional pace of January and February. Inflows to nonbank thrift institutions remained strong.

On the basis of quarterly-average data, M_1 grew at an annual rate of 3 per cent in the first quarter, compared with a rate of $2\frac{1}{2}$ per cent in the fourth quarter of 1975. However, M_2 and M_3 grew at rates of $6\frac{1}{2}$ and 11 per cent, respectively, in the first quarter, compared with rates of 6 and 9 per cent in the preceding quarter.

System open market operations since the March 15–16 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 period ahead. Data that became available week by week during the inter-meeting period suggested that in the March–April period M_1 and M_2 would grow at rates near the midpoints of the ranges that had been specified by the Committee. Accordingly, System operations were directed toward maintaining conditions of reserve availability consistent with a Federal funds rate of about $4\frac{3}{4}$ per cent—the rate prevailing at the time of the March meeting and the midpoint of the operating range that the Committee had specified for the inter-meeting period.

Market interest rates in general declined during the inter-meeting period, as attitudes apparently were influenced not only by the

stability of the Federal funds rate but also by indications of a slowing in the rate of inflation and by reports of continued sluggish business demands for short-term credit. In the short-term area, the outstanding volume of money market instruments was reduced. At the time of this meeting the market rate on 3-month Treasury bills was about 4.75 per cent, down from about 4.95 per cent on the day before the March meeting.

In the intermediate- and longer-term area, the decline in interest rates occurred even though in March the volume of funds raised by corporations, the Treasury, and State and local governments was exceptionally large. Offerings of new corporate bonds and stocks was the second highest monthly amount on record. Interest rates on new commitments for home mortgages declined slightly in the inter-meeting period.

The Treasury was expected to announce the terms of its mid-May refunding on April 28. Of the maturing issues, \$4.1 billion were held by the public.

At this meeting the Committee reviewed its 12-month ranges for growth in the monetary aggregates. At the January meeting the Committee had specified the following ranges for growth over the period from the fourth quarter of 1975 to the fourth quarter of 1976: M_1 , 4½ to 7½ per cent; M_2 , 7½ to 10½ per cent; and M_3 , 9 to 12 per cent. The associated range for growth in the bank credit proxy was 6 to 9 per cent. The ranges being considered at this meeting were for the period from the first quarter of 1976 to the first quarter of 1977.

During the discussion of policy, many members of the Committee observed that the economic recovery had been making good progress. It was noted that expansion in output of goods and services in the first quarter had been more rapid than had been anticipated and that the expansion in activity during the period ahead might well exceed the pace suggested by the staff projections. At the same time, inflation remained a problem, and upward price pressures could intensify in the near future.

In commenting on the longer-run growth ranges, many members favored reducing the upper end of the range for M_1 by ½ percentage point, to 7 per cent. It was noted that the recovery in economic activity had been under way for 1 year and that the end of the new period for the growth ranges would fall 2 years after the

recession trough. Moreover, the recovery recently had gained strength. Accordingly, it was observed that this might be an opportune time for the Committee to take a small step toward its longer-range objective of returning growth in the monetary aggregates toward rates consistent with general price stability.

It was stressed during the discussion that the rate of growth in M_1 needed to accommodate a good economic recovery had been overestimated earlier: Although M_1 growth in the past two quarters had fallen short of the lower limit of the range that had been specified by the Committee, it obviously had been sufficient to accommodate a strong recovery. In any case, the proposed upper limit of 7 per cent exceeded actual growth during both 1974 and 1975.

Some sentiment was expressed for reducing both the lower and the upper end of the range for M_1 by $\frac{1}{2}$ percentage point—or even by 1 percentage point—with a view to giving more emphasis to the Committee's longer-run objective of general price stability. It was also suggested that it would be desirable to preserve the width of the range adopted by the Committee at its January meeting—by reducing the lower as well as the upper end of the range—in view of the uncertainties associated with growth in M_1 in this period of change in the public's demands for currency and demand deposits. No member advocated raising either the lower or the upper limit of the longer-run range.

For M_2 , many Committee members favored reducing the upper end of the range by $\frac{1}{2}$ percentage point for most of the same reasons that they favored reducing the upper limit for M_1 . However, most members advocated retaining the 9 to 12 per cent range for M_3 that had been adopted at the January meeting. Over the past year, growth in M_3 had been faster in relation to growth in both M_1 and M_2 than had been projected, as inflows of funds into nonbank thrift institutions—which typically have been a major source of financing for home purchases—had been especially strong. By retaining the 12 per cent upper limit for M_3 , the Committee would allow for the possibility that this relatively strong performance would persist.

At the conclusion of the discussion, the Committee agreed that the ranges for M_1 and M_2 should be narrowed by reducing the upper end of each by $\frac{1}{2}$ percentage point; thus, the ranges projected

were $4\frac{1}{2}$ to 7 per cent for M_1 and $7\frac{1}{2}$ to 10 per cent for M_2 . The range specified for M_3 , as before, was 9 to 12 per cent. The associated range for growth in the bank credit proxy remained 6 to 9 per cent.

As at earlier meetings, it was agreed that the longer-term ranges, as well as the particular list of aggregates for which such ranges were specified, would be subject to review and modification at subsequent meetings. It was also understood that, as a result of short-run factors, growth rates from month to month might well fall outside the ranges contemplated for annual periods.

In the discussion of current policy at this meeting, the Committee took note of a staff analysis suggesting that M_1 was expanding at a rapid rate in April, in large part because of a substantial decline in Treasury balances. In addition, it appeared that a somewhat more typical relationship between growth in M_1 and growth in nominal GNP might be in the process of being re-established. It was expected that in the period ahead growth of time and savings deposits other than negotiable CD's would remain relatively strong. Accordingly, the staff analysis suggested that, if prevailing money market conditions were maintained over the 4 weeks until the next meeting, growth in both M_1 and M_2 in the April-May period was likely to be high relative to the Committee's longer-run target ranges.

In view of their assessment that the pace of economic expansion would be relatively strong, most members favored directing operations in the period immediately ahead toward restraining growth of the monetary aggregates within ranges not very much higher than the longer-run ranges agreed upon at this meeting and indicated that they would tolerate some modest firming in money market conditions. It was observed that some firming in money market conditions in this period would reduce the likelihood of excessive monetary growth in subsequent months.

During the discussion, the view was expressed that an appreciable tightening in money market conditions in the period immediately ahead would be premature, for a number of reasons. Although the recovery had made satisfactory progress, the rate of unemployment was still well above a desirable level. Residential construction was just picking up again, and indications of a recovery in business expenditures for plant and equipment were only now beginning

to appear. Business loan demands at banks remained weak. From the third quarter of 1975 to the first quarter of this year, moreover, growth of M_1 —and to a lesser extent, growth of M_2 —had been low relative to the Committee's longer-run ranges. Finally, financial markets were particularly sensitive at this time, and any appreciable tightening in money market conditions could have a substantial effect on short-term interest rates and could adversely affect flows of time and savings deposits at both banks and nonbank thrift institutions.

At the conclusion of the discussion the Committee decided to seek bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the period ahead. Specifically, the members concluded that growth in M_1 and M_2 over the April–May period at annual rates within ranges of $4\frac{1}{2}$ to $8\frac{1}{2}$ per cent and 8 to 12 per cent, respectively, would be acceptable. The Committee decided that, in assessing the behavior of the aggregates, approximately equal weight should be given to M_1 and M_2 .

The members agreed that until the next meeting the weekly-average Federal funds rate might be expected to vary in an orderly way within a range of $4\frac{1}{2}$ to $5\frac{1}{4}$ per cent. They also agreed that, in the conduct of operations, account should be taken of developments in domestic and international financial markets.

In accordance with the understanding reached at a special meeting held on March 29, 1976,¹ the Committee did not specify an expected range for growth in reserves available to support private nonbank deposits (RPD's). At the March 29 meeting, the Committee had agreed it should consider the rates of growth in several reserve measures—including nonborrowed reserves, total reserves, and the "monetary base" (total reserves plus currency)—that were likely to be associated with growth in the monetary aggregates at the rates it specified for 2-month periods. It was contemplated that further experimentation and analysis would help the Committee to evaluate the relative usefulness of several possible reserve measures for operational purposes.

¹The March 29 meeting had been called for the purpose of reviewing procedures for formulating and implementing the Committee's instructions to the Manager of the System Open Market Account at the Federal Reserve Bank of New York.

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

The information reviewed at this meeting suggests that growth in real output of goods and services picked up in the first quarter. In March retail sales rose sharply further and recovery in industrial production continued. Gains in nonfarm employment were again widespread and the unemployment rate declined from 7.6 to 7.5 per cent. Over the first quarter wholesale prices of farm products, foods, and fuels declined appreciably, but average wholesale prices of other commodities rose almost as rapidly as during the second half of 1975. Over recent months, the advance in the index of average wage rates has moderated somewhat.

The average value of the dollar against leading foreign currencies has been relatively steady in recent weeks, while the British pound and the Italian lira have remained under considerable downward pressure. In February the U.S. foreign trade balance registered a second successive monthly deficit; reported net outflows of private capital remained moderate.

Monetary aggregates expanded moderately in March. At commercial banks, inflows of time and savings deposits other than negotiable CD's fell substantially from the exceptional pace of February; inflows to nonbank thrift institutions remained strong. Since mid-March, both short- and long-term market interest rates have declined.

In light of the foregoing developments, it is the policy of the Federal Open Market Committee to foster financial conditions that will encourage continued economic recovery, while resisting inflationary pressures and contributing to a sustainable pattern of international transactions.

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

Votes for this action: Messrs. Burns, Volcker, Balles, Black, Coldwell, Gardner, Jackson, Kimbrel, Partee, Wallich, and Winn. Votes against this action: None. Absent and not voting: Mr. Holland.

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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 a month after the meeting and are subsequently published in the BULLETIN.

Law Department

Statutes, regulations, interpretations, and decisions

Privacy Act of 1974

Effective May 20, 1976, the Board of Governors adopted a notice of the existence and character of systems of records maintained as set forth below.

BGFRS—1

System name: FRB—Recruiting and Placement Records

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Persons who have applied for employment with or are employed by the Federal Reserve Board.

Categories of records in the system: These records may contain information relating to the education, training, employment history and earnings, appraisal of past performance, convictions for offenses against the law; results of tests, appraisal of potential, honors, awards of fellowships; military service; veteran status, school transcripts, work samples; birth date; social security number; shipping authorizations; travel vouchers, offer letters and correspondence, reference checks, and home address of persons who have applied for Board employment or are employed by the Federal Reserve Board.

Authority for maintenance of the system: Section 11 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Information in these records may be used:

a. To refer applicants for purposes of consideration for placement in positions for which an applicant has applied and is qualified. This includes various government organizations.

b. To refer current Board employees for con-

sideration for reassignment and promotion within the Board.

c. As a data source for management information for production of summary descriptive statistics and analytical studies in support of the function for which the records are collected and maintained, or for related personnel management functions or manpower studies; may also be utilized to respond to general requests for statistical information (without personal identification of individuals) under the Freedom of Information Act or to locate specific individuals for personnel research of other personnel management functions.

d. To refer, where there is an indication of a violation or potential violation of law, whether civil, criminal or regulatory in nature, to the appropriate agency, whether Federal, State or local, charged with the responsibility of investigating or prosecuting such violation or with enforcing or implementing the statute, or rule, regulation or order issued pursuant thereto.

e. To request information from a Federal, State or local agency maintaining civil, criminal, or other relevant enforcement or other pertinent information, such as licenses, if necessary to obtain relevant information to an agency decision concerning the hiring or retention of an employee, the issuance of a security clearance, the letting of a contract, or the issuance of a license, grant or other benefit.

f. To provide information or disclose to a Federal agency, or any other employer or prospective employer in response to its request, in connection with the hiring or retention of an employee, the letting of a contract, or issuance of a license, grant or other benefit by the requesting agency to the extent that the information is relevant and necessary to the requesting agency's decision on that matter.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Records are maintained on magnetic tapes, punched cards, microfilm, cards, lists, forms, and in folders.

Retrievability: Records are indexed by name, combination of birth date, social security account number, and applicable identification number.

Safeguards: Access to and use of these records are limited to those persons whose official duties require such access.

Retention and disposal:

a. Files of eligibles. Retained for a minimum of one year after date of determination that no suitable position exists currently.

b. Index cards. Destroyed when no longer needed.

c. Cancelled and ineligible applications. Same as "a" above.

d. Inquiries and replies regarding availability for appointment. Same as "a" above.

System manager(s) and address:

Director of Personnel
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: Individuals should provide name, date of birth, social security number, identification number (if known), approximate date of record, and type of position with which concerned to the System Manager, address above.

Record access procedures: Individuals should provide name, date of birth, social security number, identification number (if known), approximate date of record, and type of position with which concerned to the System Manager, address above.

Record source categories: Information in this system of record either comes from the individual to whom it applies or is derived from information he or she supplied, except reports from medical personnel on physical qualifications and statements supplied by references.

Systems exempted from certain provisions of the Act: Pursuant to subsections (k)(2) and (k)(5) of the Privacy Act and the Board's regulation relating thereto (12 CFR 261a), certain portions of this system of records may be exempted from certain provisions of the Act where: (1) such portions represent investigatory material compiled for law enforcement purposes, or (2) such portions represent investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Board employment to the extent that disclosure of such portions would reveal the identity of a source who furnished information under a promise of confidentiality.

BGFRS—2

System name: FRB Personnel Background Investigation Reports

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Current and former applicants for employment by the Board of Governors; Federal Reserve System employees considered for access to classified information or restricted areas and/or security determinations as contractors, employees of contractors, experts, instructors, and consultants to the Board. Individuals who are neither applicants nor employees of the Board but are or were involved in Board programs under a cooperative assignment or similar agreement; individuals who are neither applicants nor employees of the Board but are or were involved in matters related to the operation of the Board.

Categories of records in the system: These records may contain investigative information regarding an individual's character, financial responsibility, conduct, behavior; arrests and convictions for any violations against the law; reports of interviews with former supervisors, co-workers, associates, educators, etc.; reports about the qualifications of an individual for a specific position; reports of inquiries with law enforcement agencies; former employers; educational institutions attended; and other information developed from the above.

Authority for maintenance of the system: Section 11 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: The contents of these records may be disclosed to and used as follows:

a. To assist in determining the suitability for access to classified information.

b. To designated officers and employees of other agencies and departments of the Federal Government, and the District of Columbia Government, having an interest in the individual for employment purposes, in connection with performance of a service to the Federal Government, under a contract or other agreement, including a security clearance or access determination, and a need to

evaluate qualifications, suitability, and loyalty to the United States Government.

c. To the intelligence agencies of the Department of Defense, National Security Agency, Central Intelligence Agency, and the Federal Bureau of Investigation for use in intelligence activities.

d. To any source from which information is requested by the Board in the course of an investigation, to the extent necessary to identify the individual, inform the source of the nature and purpose of the investigation and to identify the type of information requested.

e. In the event of an indication of any violation or potential violation of the law, whether civil, criminal, or regulatory in nature, and whether arising by statute or by regulation, rule or order issued pursuant thereto, the relevant records in the system of records may be referred, as a routine use, to the appropriate agency, whether Federal, State, or local, charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing the statute, or rule, regulation or order issued pursuant thereto; such referral shall also include, and be deemed to authorize any and all appropriate and necessary uses of such records in a court of law and before an administrative board or hearing.

f. As a data source for management information for production of descriptive statistics and analytical studies in support of the function for which the records are collected and maintained or for related personnel management functions or manpower studies; may also be utilized to respond to general requests for statistical information (without personal identification of individuals) under the Freedom of Information Act or to locate specific individuals for personnel research or other personnel management functions.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Files are maintained in folders and index cards in steel file cabinets with manipulation-proof combination lock.

Retrievability: Records are indexed by name in alphabetical order.

Safeguards: Access to and use of these records are limited to those persons whose official duties require access and who have appropriate security clearance.

Retention and disposal: The indexing cards are retained indefinitely; while the reports of investi-

gation are returned to the originating agency after separation of employment.

System manager(s) and address:

Assistant Director
for Contingency Planning
Office of Staff Director
for Management
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: An individual may inquire as to whether or not the system contains a record pertaining to him or to her by addressing a written request to:

Director of Personnel
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

The request should include the full name and date and place of birth of the individual, and any available information regarding the type of record involved, and the category of individual under which the inquirer feels he or she fits.

Record access procedures: In response to a written request by an individual to determine whether or not the system contains a record pertaining to him or to her, the Director will set forth the procedure for gaining access to the record. If the individual desires to contest the contents of a record, he or she may do so by writing to the:

Director of Personnel
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Record source categories: Information contained in the system is obtained from the following:

1. Applications and other personnel and security forms furnished by the individual.
2. Investigative material furnished by other Federal agencies. Notices of personnel actions furnished by other Federal agencies.
3. By personal investigation or written inquiry from sources such as:
 - Employers
 - Schools
 - References
 - Neighbors
 - Associates

Police Departments
 Courts
 Credit Bureau
 Medical Records
 Probation Officials
 Prison Officials

4. Newspapers, magazines, periodicals, and other publications.

5. Published hearings of Congressional Committees.

Systems exempted from certain provisions of the Act: Pursuant to subsections (k)(2) and (k)(5) of the Privacy Act and the Board's regulation relating thereto (12 CFR 261a), certain portions of this system of records may be exempted from certain provisions of the Act where: (1) such portions represent investigatory material compiled for law enforcement purposes, or (2) such portions represent investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Board employment to the extent that disclosure of such portions would reveal the identity of a source who furnished information under a promise of confidentiality.

BGFRS—3

System name: FRB—Medical Records

System location:

Board of Governors
 Federal Reserve System
 20th and Constitution, N.W.
 Washington, D.C. 20551

Categories of individuals covered by the system: 1. Applicants who have been medically examined for Board employment.

2. Applicants for disability retirement under the Civil Service Retirement Law or Federal Reserve System Retirement Plan.

3. Current and former Federal Reserve Board employees.

Categories of records in the system: 1. Information relating to an individual's medical qualifications to hold a position with the Board.

2. Medical information relating to an individual's capability (physical and mental) to satisfactorily perform the duties of the position he or she holds or held.

3. Information relating to an employee's participation in an occupational health services program.

4. Information relating to pre-employment or periodic medical examinations to assure that the incumbent is qualified (physically and mentally)

to satisfactorily perform the duties of the position.

5. Information attesting to an annuitant's state of health as required for "insurable interest" survivor annuity elections.

6. Information relating to handicaps.

7. Information relating to employee participation in the Federal Civilian Employee Alcoholism and Drug Abuse Programs.

Authority for maintenance of the system: Section 11 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: 1. Information in these records is used to:

a. determine veteran disability status

b. support applications for Disability Retirement

c. support "insurable interest" survivor annuity elections.

d. determine suitability for employment or continued employment

e. assist in medical counseling.

2. Information in these records may be provided to officials of other Federal agencies responsible for Federal benefit programs administered by:

a. Office of Workmen Compensation Programs

b. Retired Military Pay Centers

c. Veterans Administration

d. Social Security Administration

e. Specific private contractors engaged in providing benefits under Federal contracts.

f. Civil Service Commission.

3. Information in these records is used:

a. to refer, where there is an indication of a violation or potential violation of law, whether civil, criminal or regulatory in nature, to the appropriate agency, whether Federal, State, or local, charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing the statute or rule, regulation or order issued pursuant thereto.

b. to request information from a Federal, State or local agency maintaining civil, criminal or other relevant enforcement or other pertinent information, such as a license, if necessary to obtain relevant information to the Board's decision concerning the hiring or retention of an employee, the issuance of a security clearance, the letting of a contract or the issuance of a grant or other benefit.

c. to provide information or disclose to a Federal agency, in response to its request, in connection with the hiring or retention of an employee, the

letting of a contract or issuance of a license, grant or other benefit by the requesting agency to the extent that the information is relevant and necessary to the requesting agency's decision on the matter.

d. as a data source for management information for production of descriptive statistics and analytical studies in support of the function for which the records are collected and maintained, or for related personnel management functions or manpower studies; may also be utilized to respond to general requests for information (without personal identification of individuals) under the Freedom of Information Act or to locate specific individuals for personnel research or other personnel management functions.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Records are in folders.

Retrievability: Records are indexed by name, social security number, identification number, date of birth and/or claim number.

Safeguards: Access to and use of these records are limited to those persons whose official duties require such access. Records are stored in lockable metal containers.

Retention and disposal:

a. Medical certificates and other medical records of examination used to determine an employee's fitness for a job 6 years after separation.

b. Miscellaneous medical records, correspondence, dispensary records and similar papers, 6 months after separation.

c. Applicant's medical records, 6 years after separation.

d. Disability retirement medical files, 6 years after separation.

Systems exempted from certain provisions of the Act: None; however, see special procedures provided at 12 CFR 261a.6.

System manager(s) and address:

Director of Personnel
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: Individuals requesting information about this system of records should provide their full name, date of birth, social security number, name of office or division in which currently or formerly employed, and annuity ac-

count number, if any has been assigned, to the System Manager, address above.

Record access procedures: Individuals requesting information about this system of records should provide their full name, date of birth, social security number, name of office or division in which currently or formerly employed, and annuity account number, if any has been assigned, to the System Manager, address above.

Record source categories:

1. The individual to whom the record pertains.

2. Personal physicians.

3. Medical institutions.

4. Official records of other Federal agencies.

5. Federal Reserve Board Official Personnel Records.

6. Federal Reserve System Personnel Management Records Systems.

BGFRS—4

System name: FRB—General Personnel Records

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Current and former employees of and consultants to the Federal Reserve Board and the surviving spouses, and children of former Board employees, if any.

Categories of records in the system: This system of records consists of a variety of documents relating to personnel actions of the Board and its determinations made about an individual for, and during the course of, his employment by the Board. These records may contain information about employees and former employees relating to employment, placement, personnel actions, performance considerations and evaluations; training and development activities and plans, background investigations; reference checks; salary history and other personnel matters. It also includes minority group designator; records relating to benefits and designation of beneficiary; emergency contact, documentation supporting personnel actions or decisions made about an individual; awards; employee parking and other information relating to the status of the individual either while considered for employment or while employed by the Board.

Authority for maintenance of the system: Sections 10 and 11 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Information in these records is used:

a. For purposes of review in connection with appointments, transfers, promotions, reassignments, training and development needs, adverse actions, disciplinary actions, and determination of qualifications of an individual, and in assisting the individual in locating other employment.

b. For purposes of making a decision when a Board employee or former Board employee is questioning the validity of a specific document in the individual's record.

c. By the courts to render a decision.

d. To provide information to a prospective employer of a current or former Board employee.

e. To provide data for the automated Personnel records.

f. To provide information to a Federal agency, or any other employer or prospective employer, in response to its request in connection with the hiring or retention of an employee, the letting of a contract, or issuance of a license, grant, or other benefit by the requesting agency, to the extent that the information is relevant and necessary to the requesting agency's decision on the matter.

g. To request information from a Federal, State, or local agency maintaining civil, criminal, or other relevant enforcement or other pertinent information, such as licenses, if necessary to obtain relevant information or other pertinent information to a Board decision concerning the hiring or retention of a n employee, the issuance of a security clearance, the letting of contract, or the issuance of a grant or other benefit.

h. To refer, where there is an indication of a violation or potential violation of law, whether civil, criminal or regulatory in nature, to the appropriate agency, whether Federal, State, or local, charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing the statute, or rule, regulation, or order issued pursuant thereto.

i. As a data source of management information for production of statistical and analytical studies and reports in support of the function for which the records are collected and maintained, or for related personnel management functions or manpower studies; may also be utilized to respond to

general requests for statistical information (without personal identification of individuals) under the Freedom of Information Act or to locate specific individuals for personnel research or other personnel management functions.

j. Determine eligibility for coverage, benefits due, and payment of benefits under the various benefits programs available to the Board and its staff.

k. Transfer information necessary to support a claim for benefits under the various benefit programs in operation at the Federal Reserve Board.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Records are maintained in file folders, magnetic tape, disk, punched cards, index cards and microfilm.

Retrievability: Records are indexed by any combination of name, date of birth, social security number, or identification number.

Safeguards: Records are located in lockable metal file cabinets or in metal file cabinets in secured rooms with access limited to those whose official duties require it.

Retention and disposal: The General Personnel Record is retained until five years after death or an individual achieves age 75 where he or she does not separate employment by retirement.

System manager(s) and address: For current and former Federal Reserve Board employees:

Director of Personnel
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: Inquiries, including name, date of birth, and social security number should be addressed to the System Manager, address above.

Record access procedures: Current and former Federal Reserve Board employees who wish to gain access to or contest their records should contact the System Manager, address above. Former Board employees should direct such a request in writing, including their name, date of birth, and social security number.

Record source categories: Information in this system of records comes from the individual to whom it applies or is derived from the information the individual supplied, except information provided by Board officials. Information is also ob-

tained from the following sources for administration of the benefits portion of the system:

1. CSC Personnel Management Records System
2. Personnel records of other Government agencies
3. Personnel records of Federal Reserve Banks.

Systems exempted from certain provisions of the Act: Pursuant to subsections (k)(2) and (k)(5) of the Privacy Act and the Board's regulation relating thereto (12 CFR 261a), certain portions of this system of records may be exempted from certain provisions of the Act where: (1) such portions represent investigatory material compiled for law enforcement purposes, or (2) such portions represent investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Board employment to the extent that disclosure of such portions would reveal the identity of a source who furnished information under a promise of confidentiality.

BGFRS—5

System name: FRB—EEO Discrimination Complaint File

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Applicants for Board employment, current and former Board employees, and annuitants who file a complaint of discrimination or appeal a determination made by an official of the Board relating to equal employment opportunities.

Categories of records in the system: This system of records contains information or documents relating to a complaint, the decision or determination made by the Board affecting an individual under the Board's EEO regulations and procedures. The records consist of the initial complaint or appeal letters or notices to the individual, record of hearings when conducted, materials placed into the record to support the decision or determination, affidavits or statements, testimonies of witnesses, investigative reports, instructions to the Board and/or individual about action to be taken to comply with decisions, and related correspondence, opinions and recommendations.

Authority for maintenance of the system: Section 11 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: The information in the records may be used:

- a. To respond to a request from a Member of Congress regarding the status of an appeal, complaint or grievance.
- b. To provide information to the public on the decision of an appeal, complaint, or grievance required by the Freedom of Information Act.
- c. To respond to a Court subpoena and/or to refer to a District court in connection with a civil suit.
- d. To adjudicate an appeal, complaint, or grievance.
- e. As a data source for management information for production of summary descriptive statistics and analytical studies in support of the function for which the records are collected and maintained, or for related personnel management functions or manpower studies; may also be utilized to respond to general requests for statistical information (without personal identification of individuals) under the Freedom of Information Act or to locate specific individuals for personnel research or other personnel management functions.
- f. To refer, where there is an indication of a violation or potential violation of law, whether civil, or regulatory in nature, to the appropriate agency, whether Federal, State, or local, charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing the statute, rule, regulation or order issued pursuant thereto.

g. To provide information or disclose to a Federal agency, in response to its request, in connection with the hiring or retention of an employee, the letting of a contract, or issuance of a license, grant, or other benefit by the requesting agency to the extent that the information is relevant and necessary to the requesting agency's decision on that matter.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: These records are maintained in file folders, binders, and index cards.

Retrievability: These records are indexed by the names of the individuals on whom they are maintained.

Safeguards: Access to and use of these records are limited to those persons whose official duties

require such access. Personnel screening is employed to prevent unauthorized disclosure.

Retention and disposal: The records are maintained indefinitely.

System manager(s) and address:

Director of Personnel
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: Individuals who have filed appeals or grievances are aware of that fact and have been provided a copy of the records. They may, however, contact the System Manager, address above. Individuals should provide their name, date of birth, and the approximate date of employment or application, and the kind of action taken by the Board when making inquiries about records.

Record access procedures: Individuals who have appealed or filed a grievance about a decision or determination made by the Board or about conditions existing in the Board already have been provided a copy of the records. However, to gain access to or contest the records in this system, individuals should contact the System Manager, address above. Individuals should provide their name, date of birth, approximate date of employment or application, and the kind of action taken by the Board when requesting access to, or contest of records.

Record source categories:

- a. Individual to whom the record pertains
- b. Board employees
- c. Affidavits or statements from employee
- d. Testimonies of witnesses
- e. Official document relating to the appeal, grievance, or complaints
- f. Correspondence from specific organization or persons

Systems exempted from certain provisions of the Act: Pursuant to subsection (k)(2) of the Privacy Act and the Board's regulations relating thereto (12 CFR 261a), certain portions of this system of records may be exempted from certain provisions of the Act where such portions represent investigatory material compiled for law enforcement purposes.

BGFRS—6

System name: FRB—Adverse Information and Action, Disciplinary, Outside Business Ac-

tivity and Financial Responsibility Records.

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Current and former Board employees (including special employees) and annuitants who are involved in an Adverse Action; Board officials providing annual financial responsibility statements; employees who suffer a withholding of a Progress Step Increase; employees who file an Outside Business Activity application; and those employees who have creditors contacting the Board relative to credit problems.

Categories of records in the system: This system of records may contain information or documents relating to a determination made by the Board affecting an individual. The records consist of the letters or notices to the individual, record of hearings when conducted, materials placed into the record to support the decision or determination, affidavits or statements, testimonies of witnesses, investigative reports, and related correspondence, opinions and recommendations. Also, copies of Financial Responsibility Statements and Outside Business Interest applications filed by the employee; and letters from creditors.

Authority for maintenance of the system:

Section 11 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: The information in the records may be used:

- a. To respond to a request from a Member of Congress regarding the status of an appeal, complaint or grievance.
- b. To provide information to the public on the decision of an appeal, complaint, or grievance required by the Freedom of Information Act.
- c. To respond to a court subpoena and/or to refer to a District court in connection with a civil suit.
- d. To adjudicate an appeal, complaint, or grievance.
- e. As a data source for management information for production of descriptive statistics and analytical studies in support of the function for which the records are collected and maintained, or for related personnel management functions or manpower studies; may also be utilized to respond to

general requests for statistical information (without personal identification of individuals) under the Freedom of Information Act or to locate specific individuals for personnel management functions.

f. To refer, where there is an indication of a violation or potential violation of law, whether civil, criminal or regulatory in nature, to the appropriate agency, whether Federal, State, or local, charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing the statute, rule, regulation or order issued pursuant thereto.

g. To request information from a Federal, State or local agency maintaining civil, criminal, or other relevant enforcement or other pertinent information, such as licenses, if necessary to obtain relevant information to a Board decision concerning the hiring or retention of an employee, the issuance of a security clearance, the letting of a contract, or the issuance of a grant, or other benefit.

h. To provide information or disclose to a Federal agency, in response to its request, in connection with the hiring or retention of an employee, the letting of a contract, or issuance of a license, grant or other benefit by the requesting agency to the extent that the information is relevant and necessary to the requesting agency's decision on that matter.

i. To identify or determine conflict of interest situations or potential conflict of interest.

j. To advise an employee of potential problems.

k. To administer various aspects of established personnel management programs.

Storage: These records are maintained in file folders, binders, index cards, magnetic tape and disk.

Retrievability: These records are indexed by the names of the individuals on whom they are maintained.

Safeguards: Access to an use of these records are limited to those persons who official duties require such access. Personnel screening is employed to prevent unauthorized disclosure.

Retention and disposal: The records are maintained indefinitely after cessation of employment unless deemed unnecessary, and thus destroyed.

System manager(s) and address:

Director of Personnel
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: Individuals should provide name, date of birth, social security number, identification number (if known), approximate date of record, and type of situation with which concerned to the System Manager, address above.

Record access procedures: Individuals should provide name, date of birth, social security number, identification number (if known), approximate date of record, and type of situation with which concerned to the System Manager, address above.

Record source categories: a. Individual to whom the record pertains

b. Board officials

c. Affidavits or statements from employees

d. Testimonies of witnesses

e. Official documents relating to an action, appeal, grievance, or complaint.

f. Correspondence from specific organizations or persons.

Systems exempted from certain provisions of the Act: None.

BGFRS—7

System name: FRB—Payroll

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Past and present employees and members of the Board.

Categories of records in the system: Varied payroll records including payment vouchers, comprehensive listing of employees, requests for deductions, tax forms, W-2 forms, overtime requests, leave data, workmen's compensation data.

Authority for maintenance of the system: Section 11 of the Federal Reserve Act (12 U.S.C. Sec 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used in the preparation of Board payroll, as input to several management reports and, from time to time, input to other contributing programs and as input to Board studies, analyses, and reports.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: On tape, disk, punched cards, index cards, folders and document files.

Retrievability: Filed by name, social security

number, and employee number.

Safeguards: Access is restricted to authorized personnel only. Records are stored in cabinets and a safe. Access to computer records is by "limited access" employees.

Retention and disposal: Various: minimum of one year from date of annual audit; maximum of indefinite.

System manager(s) and address:

Director of Personnel
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: Current and former employees who wish to gain access or contest their records should contact System Manager, address above. Individuals should provide name, date of birth, social security number, identification number (if known).

Record access procedures: Current and former employees who wish to gain access or contest their records should contact System Manager, address, above. Individuals should provide name, date of birth, social security number, and identification number (if known).

Record source categories: Internal personnel forms, Federal, State, and local tax forms, employee authorizations and directive forms, insurance forms, leave and overtime reports, Federal and State garnishment forms.

Systems exempted from certain provisions of the Act: None.

BGFRS—8

System name: FRB—Leave Records

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Present employees, former employees for a period of three years following their separation from the Board.

Categories of records in the system: Contains timekeeper records, leave cards, payroll notifications, supporting memorandum, periodic leave statements, and creditable service documentation.

Authority for maintenance of the system: Section 11 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the

system, including categories of users and the purposes of such uses: Used as a data source for management information and payment of leave, for production of statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions and manpower studies.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Punched card, tape, disk, index card, folder, and print out.

Retrievability: Filed by date, but may be filed by name or identifying number.

Safeguards: Stored in locked metal file cabinets, other records stored in secured limited access computer facilities.

Retention and disposal: Detailed information destroyed after two years. Summary data is a part of permanent official personnel file.

System manager(s) and address:

Division of Personnel
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: Individuals wishing to know whether information about them is maintained in this system of records should address inquiries to the System Manager above. Former Board employees should direct such a request in writing, including their name, date of birth, and social security number.

Record access procedures: Individuals wishing to gain access or contest their records should contact the System Manager, address above. Former Board employees should direct such a request in writing, including their name, date of birth, and social security number.

Record source categories: Records, files and forms of the Board, information provided by the employee and previous Federal Government employers.

Systems exempted from certain provisions of the Act: None.

BGFRS—9

System name: FRB—Consultant File

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Individuals providing consulting services to the Board in accordance with a formal agreement.

Categories of records in the system: Documents, letters, memorandum of understanding relating to agreement, rates of pay, payment records, vouchers, invoices, and selection; negotiations, implementation, scope and performance of work. Additional information may be found on re-employed annuitants in the FRB-General Personnel Records.

Authority for maintenance of the system: Section 11 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Routine uses include, but are not restricted to, selection, monitoring, evaluation and control, audit and analysis, routine management activity, and statistical use without individual identification; verification and confirmation; and referral when used as a basis for prospective employment by other than the Board; to provide information or disclose to a Federal agency, or any other employer or prospective employer, in response to its request, in connection with the hiring or retention of an employee, the letting of a contract, or issuance of a license, grant, or other benefit by the requesting agency, to the extent that the information is relevant and necessary to the requesting agency's decision on the matter.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Folder, punched card, tape, disk and index card.

Retrievability: File by name, and cross index by voucher number and date, or identifying number.

Safeguards: Stored in secured area.

Retention and disposal: Retained indefinitely.

System manager(s) and address:

Director of Personnel
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: Individuals who have filed appeals or grievances are aware of that fact and have been provided a copy of the records. They may, however, contact the System Manager, address, above. Individuals should provide their

name, date of birth, and the approximate date of employment or application, and the kind of action taken by the Board when making inquiries about records.

Record access procedures: Individuals who have appealed or filed a grievance about a decision or determination made by the Board or about conditions existing in the Board already have been provided a copy of the records. However, to gain access or contest the records in this system, individuals should contact the System Manager, address above. Individuals should provide their name, date of birth, approximate date of employment or application, and the kind of action taken by the Board when requesting access to, or contest of records.

Record source categories: Information in this system of records is obtained from the individual to whom it applies or is derived from information supplied by the individual, except information provided by Board staff, and for re-employed annuitants where the inactive General Personnel File is activated.

Systems exempted from certain provisions of the Act: Pursuant to subsections (k)(2) and (k)(5) of the Privacy Act and the Board's regulation relating thereto (12 CFR 261a), certain portions of this system of records may be exempted from certain provisions of the Act where: (1) such portions represent investigatory material compiled for law enforcement purposes, or (2) such portions represent investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Board employment to the extent that disclosure of such portions would reveal the identity of a source who furnished information under a promise of confidentiality.

BGFRS—10

System name: FRB—General File on Board Members

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Past and present members of the Board of Governors.

Categories of records in the system: Biographies of past and present members of the Board, oaths of office, and miscellaneous correspondence

relating to such Governors.

Authority for maintenance of the system: Section 10 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used for background information to determine qualifications for appointment and reappointment, for compiling information for news releases and other publications, and for recording correspondence concerning the Governors.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Paper records.

Retrievability: Indexed by name.

Safeguards: Locked in diebold power file. Access limited to Board staff on a restricted basis.

Retention and disposal: Retained indefinitely.

System manager(s) and address:

Secretary of the Board
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedures: Same as System Manager, address above.

Record access procedures: Same as System Manager, address above.

Record source categories: Generated by individuals' incoming correspondence and staff response thereto.

Systems exempted from certain provisions of the Act: Pursuant to subsection (k)(5) of the Privacy Act and the Board's regulations relating thereto (12 CFR 261a), certain portions of this system of records may be exempted from certain provisions of the Act where such portions represent investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Board employment to the extent that disclosure of such portions would reveal the identity of a source who furnished information under a promise of confidentiality.

BGFRS—11

System name: FRB—Official General Files

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Correspondents with the Board and System Personnel.

Categories of records in the system: Incoming and outgoing correspondence concerning Board business. Records relating to System Personnel in official capacities such as instructors, consultants, and Board representatives to various committees, conferences, etc.

Authority for maintenance of the system: Sections 10 and 11 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used for reference purposes in preparing responses to inquiries from the public and used in recording official duties of System Personnel.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Paper records.

Retrievability: Indexed by name.

Safeguards: Locked in diebold power file. Access limited to Board staff on a restricted basis.

Retention and disposal: Retained indefinitely.

System manager(s) and address:

Secretary of the Board
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: System Manager, address above.

Record access procedures: System Manager, address above.

Record source categories: Generated by individuals' incoming correspondence and staff response thereto.

Systems exempted from certain provisions of the Act: Pursuant to subsection (k)(5) of the Privacy Act and the Board's regulations relating thereto (12 CFR 261a), certain portions of this system of records may be exempted from certain provisions of the Act where such portions represent investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Board employment to the extent that disclosure of such portions would reveal the identity of a source who furnished information under a promise of confidentiality.

BGFRS—12

System name: FRB—Biographical File of Federal Reserve Personnel

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Current and former Federal Reserve System officers, and their staff.

Categories of records in the system: This system consists of a variety of records relating to personnel actions and determinations made about an individual while employed in the Federal Reserve System. These records, contain information about an individual relating to birth date; education; veteran status; tenure; handicap; past and present salaries, grades, and position titles; personnel actions, including, but not limited to, appointment, reassignment, demotion, detail, promotion, transfer, and separation; photograph, awards; and other information relating to the status of the individual.

Authority for maintenance of the system: Sections 4, 11 and 22 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Information in these records may be used:

a. By Federal Reserve System officials for purposes of review in connection with appointments, transfers, promotions, reassignments, adverse actions, disciplinary actions, and determination of qualifications of an individual.

b. By the Board of Governors for purposes of making a decision when a listed employee or former listed employee is questioning the validity of a specific document in the individual's record.

c. By the courts to render a decision when the Board has refused to release to a current or former System employee a record under the Freedom of Information Act.

d. To publish name and title data for the directory of officers of Federal Reserve Banks.

e. To provide reports to the Congress, agencies, and the public on characteristics of the System work force.

f. To refer, where there is an indication of a violation or potential violation of law, whether

civil, criminal, or regulatory in nature, to the appropriate agency, whether Federal, State, or local, charged with the responsibility of investigating or prosecuting such violation or charged with enforcing or implementing the statute, rule, regulation, or order issued pursuant thereto.

g. As a data source for management information for production of summary descriptive statistics and analytical studies in support of the function for which the records are collected and maintained, or for related personnel management functions or manpower studies; may also be utilized to respond to general requests for information (without personal identification of individuals) under the Freedom of Information Act or to locate specific individuals for personnel research or other personnel management functions.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Records are maintained in file folders, magnetic tape, punched cards and disk.

Retrievability: Records are indexed by combination of name or identification number.

Safeguards: Records are located in lockable metal file cabinets or in metal file cabinets in secured rooms with access limited to those whose official duties require access.

Retention and disposal: Retained indefinitely.

System manager(s) and address:

Director of Personnel
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: Inquiries, including name, date of birth, and social security numbers should be addressed to the System Manager, address above.

Record access procedures: Current and former System employees who wish to gain access to and contest their records, should direct such a request in writing, including their name, date of birth, and social security number to the System Manager, address above.

Record source categories: Information in this system of records comes from either the individual to whom it applies, extracted from documents he supplied, or data provided by Federal Reserve System officials and employees.

Systems exempted from certain provisions of the Act: None.

BGFRS—13

System name: FRB—General File of Examiners at Federal Reserve Banks.

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Past and present examiners and assistant examiners at Federal Reserve Banks.

Categories of records in the system: Brief biographies of past and present examiners and assistant examiners, oaths of office, and miscellaneous correspondence.

Authority for maintenance of the system: Section 11 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as background information for determining qualifications for appointment, reappointment, etc.; for compiling information for news releases and other publications, and recording correspondence concerning such persons.

Policies and practices for storing, accessing, retaining, and disposing of records in the system:

Storage: Paper records.

Retrievability: Indexed by name.

Safeguards: Locked in diebold power file. Access limited to Board staff on a restricted basis.

Retention and disposal: Indefinite.

System manager(s) and address:

Secretary of the Board
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: System Manager, as indicated above.

Record access procedures: Same as "notification" above.

Record source categories: Individuals themselves, references such as "Who's Who" and miscellaneous correspondence from System personnel and others.

Systems exempted from certain provisions of the Act: Pursuant to subsection (k)(5) of the Privacy Act and the Board's regulations relating thereto, certain portions of this system of records

may be exempted from certain provisions of the Act where such portions represent investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Board employment to the extent that disclosure of such portions would reveal the identity of a source who furnished information under a promise of confidentiality.

BGFRS—14

System name: FRB—General File of Federal Reserve Bank and Branch Directors.

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Past and present Federal Reserve Bank and Branch Directors.

Categories of records in the system: Biographies of past and present Federal Reserve Bank and Branch Directors, oaths of office, resignations, and miscellaneous correspondence.

Authority for maintenance of the system: Sections 3, 4 and 11 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as background information for determining qualifications for appointment, reappointment, etc.; for compiling information for news releases and other publications, and recording correspondence concerning such persons.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Paper records.

Retrievability: Indexed by name.

Safeguards: Locked in diebold power file. Access limited to Board staff on a restricted basis.

Retention and disposal: Retained indefinitely.

System manager(s) and address:

Secretary of the Board
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: Same as System Manager, address above.

Record access procedures: Same as System Manager, address above.

Record source categories: Generated by individuals' incoming correspondence and staff response thereto.

Systems exempted from certain provisions of the Act: Pursuant to subsection (k)(5) of the Privacy Act and the Board's regulations relating thereto, certain portions of this system of records may be exempted from certain provisions of the Act where such portions represent investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Board employment to the extent that disclosure of such portions would reveal the identity of a source who furnished information under a promise of confidentiality.

BGFRS—15

System name: FRB—General Files of Federal Reserve Agents, Alternates and Representatives at Federal Reserve Banks.

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Past and present Federal Reserve Agents, Alternates and Representatives at Federal Reserve Banks.

Categories of records in the system: Biographies of past and present examiners, oaths of office and miscellaneous correspondence relating to such persons.

Authority for maintenance of the system: Sections 20 and 21 of the Federal Reserve Act (12 U.S.C. Sec. 221 et seq.).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as background information for determining qualifications for appointment, reappointment, etc.; for completing information for news releases and other correspondence; and recording correspondence concerning such persons.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Paper records.

Retrievability: Indexed by name.

Safeguards: Locked in diebold power file. Access limited to Board staff on a restricted basis.

Retention and disposal: Retained indefinitely.

System manager(s) and address:

Secretary of the Board
Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Notification procedure: Same as System Manager, address above.

Record access procedures: Same as System Manager, address above.

Record source categories: Generated by individuals' incoming correspondence and staff response thereto.

Systems exempted from certain provisions of the Act: Pursuant to subsection (k)(5) of the Privacy Act and the Board's regulations relating thereto (12 CFR 261a), certain portions of this system of records may be exempted from certain provisions of the Act where such portions represent investigatory material compiled solely for the purpose of determining suitability, eligibility, or qualifications for Board employment to the extent that disclosure of such portions would reveal the identity of a source who furnished information under a promise of confidentiality.

BGFRS—16

System name: FRB—Regulation G Reports

System location:

Board of Governors
Federal Reserve System
20th and Constitution, N.W.
Washington, D.C. 20551

Categories of individuals covered by the system: Individuals other than banks, brokers and dealers who extend credit in specified amounts secured by margin securities.

Categories of records in the system: Reports filed by persons registered pursuant to Regulation G.

Authority for maintenance of the system: Sections 7, 17, and 23 of the Securities Exchange Act of 1934 and Regulation G (12 CFR 207).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Aid the Federal Reserve System in securing compliance with Regulation G, assist registrants regarding interpretation, and where this system indicates a violation or potential violation of the law, whether civil, criminal or regulatory in nature, and whether arising by general statute or particular program statute, or by

regulation, rule or order issued pursuant thereto, the relevant records in the system of records may be referred, as a routine use, to the appropriate agency, whether Federal, State, local, or foreign, charged with the responsibility of investigating or prosecuting such violation, or charged with enforcing or implementing the statute, or rule, regulation or order issued pursuant thereto.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Paper forms and files.

Retrievability: Indexed by name.

Safeguards: Retained in locked metal file cabinets. Access to Board staff on restricted basis.

Retention and disposal: Retained indefinitely.

System manager(s) and address:

Director, Office of

Saver and Consumer Affairs

Board of Governors

Federal Reserve System

Washington, D.C. 20551

Notification procedure:

Secretary of the Board

Board of Governors

Federal Reserve System

20th and Constitution, N.W.

Washington, D.C. 20551

Record access procedures: Same as System Manager, address above.

Record source categories: Reports and forms filed by individuals to whom records pertain.

Systems exempted from certain provisions of the Act: Pursuant to subsection (k)(2) of the Privacy Act and the Board's regulations relating thereto (12 CFR 261a) certain portions of this system of records may be exempted from certain provisions of the Act where such portions represent investigatory material compiled for law enforcement purposes.

Rules Regarding Delegation of Authority

The Board of Governors has amended its Rules Regarding Delegation of Authority to delegate to the Director of the Division of Banking Supervision and Regulation the authority under the provisions of section 17A(c)(3)(C) of the Securities Exchange Act of 1934, as amended, to withdraw or cancel by order certain transfer agent registration.

Effective May 10, 1976, paragraph (c) of section 265.2 is amended by adding subparagraph (18) as follows:

Section 265.2—Specific Functions Delegated to Board Employees and to Federal Reserve Banks

* * * * *

(c) **The Director of the Division of Banking Supervision and Regulation** (or in his absence the Acting Director) is authorized:

* * * * *

(18) Under the provisions of section 17A(c)(3)(C) of the Securities Exchange Act of 1934, as amended, (15 U.S.C. § 78q-1(c)(3)(C)) to withdraw or cancel the transfer agent registration of a member State bank or a subsidiary thereof, a bank holding company, or a subsidiary bank of a bank holding company that is a bank as defined in section 3(a)(6) of the Act (other than a bank specified in clause (i) or (iii) of section 3(a)(34)(B) of the Act (15 U.S.C. § 78c(c)(a)(34)(B)) that has filed a written notice of withdrawal with the Board or upon a finding that such transfer agent is no longer in existence or has ceased to do business as a transfer agent.

FEDERAL OPEN MARKET COMMITTEE

Rules Regarding Availability of Information

At its meeting on May 18, 1976 the Federal Open Market Committee decided to reduce the delay in publication of records of policy actions taken at its monthly meetings. Incident to this action, the Committee amended § 271.5(a) of its Rules Regarding Availability of Information by deleting the second sentence.

Effective May 18, 1976, section 271.5(a) is amended to read as follows:

Section 271.5—Deferment of Availability of Certain Information

(a) **Deferred availability of information.**—In some instances, certain types of information of the Committee are not published in the Federal Register or made available for public inspection or copying until after such period of time as the Committee may determine to be reasonably nec-

essary to avoid the effects described in paragraph (b) of this section or as may otherwise be necessary to prevent impairment of the effective discharge of the Committee's statutory responsibilities.

Interpretation of Regulation Y

Acting as underwriter (reinsurer) for credit life and credit accident and health (disability) insurance—assuring continuing public benefits. Under the provisions of Section 4(c)(8) of the Bank Holding Company Act of 1956, as amended [“Act”] (12 U.S.C. §1843), a bank holding company may acquire shares of any company the activities of which the Board after due notice and opportunity for hearing has determined (by order or regulation) to be so closely related to banking or managing or controlling banks as to be a proper incident thereto. In making its determination, the Board is required to consider whether the performance of a particular activity by an affiliate of a holding company can reasonably be expected to produce benefits to the public that outweigh possible adverse effects.

On December 11, 1972, pursuant to this authority, the Board amended its Regulation Y, by adding section 225.4(a)(10), to authorize as a permissible activity for bank holding companies the underwriting of credit life insurance and credit accident and health insurance that is directly related to extensions of credit by the bank holding company system. In authorizing this activity, the Board, in a footnote to section 225.4(a)(10) of Regulation Y (fn. 7), stated:

To assure that engaging in the underwriting of credit life and credit accident and health insurance can reasonably be expected to be in the public interest, the Board will only approve applications in which an applicant demonstrates that approval will benefit the consumer or result in other public benefits. Normally such a showing would be made by a projected reduction in rates or increase in policy benefits due to bank holding company performance of this service.

In the course of considering a recent application, the Board became aware of pending legislation in the applicant's State that, if adopted, would provide new, lower premium rate standards applicable to the sale of such credit-related insurance. Because the applicant had already proposed, as one of the public benefits of its application, that it would offer premium rates below the then-existing State rates generally being charged by others,

enactment of the legislation would have had the effect of nullifying the proposed public benefits unless the applicant were to commit to lower its rates, concurrently, so as to assure the continuation of meaningful public benefits. Accordingly, the Board's Order granting the application made clear that the applicant's obligation to offer lower rates was a continuing one.

While the Board does assure that such a public benefit exists at the time of approval of a credit insurance underwriting application, the Board is also concerned that this public benefit be maintained on a *continuing* basis, not only by new applicants, but by those applicants who have heretofore received approval of such applications. In the event that a State's insurance regulations were amended to provide for new premium rate standards that would establish new, and possibly lower, *prima facie* rates, it is possible that the public benefit involved in a previously approved application could be nullified unless the bank holding company, in light of such new premium rate standards, continued to offer this insurance to their customers at reduced rates. The Board believes that without such a continuing public benefit, a bank holding company's continuing to engage in the activity of underwriting credit insurance would be contrary to the requirements of the Act. In order to avoid such a situation, the Board has interpreted section 4(c)(8) of the Act and section 225.4(a)(10) of Regulation Y and its accompanying footnote as imposing a continuing obligation upon all bank holding companies authorized to underwrite such credit insurance pursuant to section 4(c)(8) of the Act and the Board's Regulation Y, to maintain a public benefit such as was anticipated and considered by the Board at the time of the original approval of each application, and was envisioned by the Board when this activity was adopted as a permissible non-banking activity under section 4(c)(8) of the Act.¹

¹ It should be noted that every Board Order granting approval under section 4(c)(8) of the Act contains the following paragraph:

This determination is subject . . . 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 Board believes that, even apart from this Interpretation, this language preserves the authority of the Board to require the revisions contemplated in this Interpretation.

BANK HOLDING COMPANY AND BANK MERGER ORDERS ISSUED BY THE BOARD OF GOVERNORS**Orders Under Section 3
of Bank Holding Company Act**

First Banc Group, Inc.,
Creve Coeur, Missouri
Order Approving Acquisition of Bank

First Banc Group, Inc., Creve Coeur, 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 50 per cent or more of the voting shares of American State Bank of Flat River, Flat River, 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 all comments received in light of the factors set forth in § 3(c) of the Act (12 U.S.C. § 1842(c)).

Applicant, the eighteenth largest banking organization in Missouri, controls five banks with aggregate deposits of \$92.0 million, representing approximately .57 per cent of the total deposits in commercial banks in the State.¹ Acquisition of Bank (deposits of \$16.0 million) would increase Applicant's share of commercial bank deposits in Missouri by .1 per cent and would have no appreciable effect upon the concentration of banking resources in Missouri.

Bank, the third largest of seven banks in the relevant market,² holds approximately 17.1 per cent of total market deposits. Applicant has no banking office in the relevant market, and the nearest office of any of Applicant's subsidiary banks to any office of Bank is approximately 42 miles.

No meaningful competition presently exists between any of Applicant's subsidiary banks and Bank, and it appears unlikely that such competition would develop in the future in view of the distances involved. Moreover, the population and economic characteristics do not indicate that the

relevant area is especially attractive for *de novo* entry. Accordingly, on the basis of the facts of record, the Board concludes that competitive considerations are consistent with approval of the application.

The financial condition, managerial resources, and future prospects of Applicant and its present and proposed subsidiaries are regarded as generally satisfactory and consistent with approval even though Applicant will incur debt as a result of this acquisition. It appears that the proposed affiliation of Bank with Applicant is likely to result in an expansion of the services presently offered by Bank. Considerations relating to the convenience and needs of the community to be served, therefore, 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 in the case,³ 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 St. Louis pursuant to delegated authority.

By order of the Board of Governors, effective May 3, 1976.

Voting for this action: Vice Chairman Gardner and Governors Holland, Wallich, Coldwell, and Partee. Absent and not voting: Chairman Burns and Governor Jackson.

(Signed) J. P. GARBARINI,
[SEAL] *Assistant Secretary of the Board.*

³In its consideration of the subject application, the Board also considered the comments submitted on behalf of a shareholder of Bank. Having examined such submissions, the Board is of the view that, based upon the entire record, the arguments put forth by the protestant are not sufficient to warrant denial of the application.

Central Wisconsin Bankshares, Inc.,
Wausau, Wisconsin

Order Denying Acquisition of Bank

Central Wisconsin Bankshares, Inc., Wausau,
Wisconsin, a bank holding company within the

¹Banking data are as of June 30, 1975.

²The relevant banking market is approximated by St. Francois County plus the town of Fredericktown in northern Madison County.

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 80 per cent or more of the voting shares of Central National Bank of Wausau, Wausau, Wisconsin ("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, including those submitted by Peoples State Bank, Wausau, Wisconsin, in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the eleventh largest commercial banking organization in Wisconsin, controls two subsidiary banks with aggregate deposits of approximately \$132 million, representing 0.9 per cent of the total deposits in commercial banks in the State.¹ Applicant's acquisition of Bank would increase Applicant's share of State deposits by 0.04 per cent and would not result in a significant increase in the concentration of banking resources in Wisconsin. However, as discussed below, consummation of the proposal would have some adverse effects on concentration in the relevant banking market.

Bank has deposits of approximately \$6.2 million, representing 2.5 per cent of the total deposits in commercial banks in the relevant banking market,² and is the smallest of seven banks operating in that market. Applicant's lead bank, First American National Bank of Wausau, is the largest bank operating in the relevant market and has deposits of \$120.5 million, representing approximately 49 per cent of the total deposits in commercial banks in the market.

Applicant is the largest banking organization in the Wausau RMA banking market, controlling approximately 53 per cent of the total deposits in commercial banks in the market. The second and third largest banking organizations in the market control, respectively, approximately 14 and 10 per cent of the market's deposits. Thus, it appears that Applicant is a dominant factor in this banking market which is regarded as a highly concentrated market. Consummation of the proposed acquisi-

tion would increase Applicant's share of the total commercial bank deposits in this market to approximately 55 per cent, and would result in a further increase in the concentration of banking resources in the market. The Board regards this as an adverse factor lending weight toward denial of the proposal.

The Board notes that there already exists common ownership and management between Applicant and Bank,³ and Applicant argues that this fact mitigates to some extent the amount of existing competition that would be eliminated between Bank and Applicant's subsidiary banks if this application were approved. However, the competitive situation that gave rise to the Board's previous denial of Applicant's proposal to acquire Bank *de novo* in 1966 has not changed significantly over the years, and the structure of the Wausau banking market has not been altered so as to warrant a different conclusion with respect to the adverse effects. Applicant remains the largest banking organization in the market, and the Board believes that approval of this application would virtually foreclose the possibility that Bank may eventually become independent of Applicant and develop into a more effective competitor in the Wausau RMA banking market. On the other hand, denial of the subject acquisition would preserve the possibility that a dissolution of the affiliation relationship could occur in the future. Such a dissolution would be likely to result in increased competition and a deconcentration in the Wausau banking market. The Board regards this latter consideration as particularly important because few independent banks remain available in this market for acquisition by out-of-area banking organizations. Thus, the facts of record show that this proposal offers no positive competitive effects, but instead, would result in significant adverse effects upon competition in the relevant banking market by further increasing the concentration of banking resources and by eliminating the possibility that increased competition would develop in

³Bank was organized by several officers and directors of Applicant. Prior to Bank's opening, Applicant applied for Board approval to acquire Bank. Although the Board denied the application, 52 Fed. Res. BULLETIN 29 (1966), Bank opened for business on April 26, 1967. Currently, various shareholders of Applicant own 82 per cent of Bank's shares. In addition, Applicant's president is the chairman of the board of Bank. A director of Applicant also serves as the president of Bank. Another individual serves as a director of both Applicant and Bank.

¹All banking data are as of June 30, 1975.

²The relevant banking market is approximated by the Wausau RMA.

the future. In the Board's view, such considerations require denial of the application unless they are clearly outweighed in the public interest by other considerations reflected in the record.⁴

The financial condition, managerial resources and future prospects of Applicant, its subsidiary banks, and Bank are satisfactory. Although the banking factors are consistent with approval of the application, they provide no significant support for approval of the application. Applicant states that, following the consummation of this proposal, Bank would offer to its customers trust and payroll services, and would extend its banking hours. While these improved services lend some weight toward approval, the Board does not consider these convenience and needs considerations sufficient to outweigh the anticompetitive effects of the application described above. Accordingly, it is the Board's judgment that approval of the proposed acquisition would not be in the public interest and the application should be denied.

On the basis of the record, the application is denied for the reasons summarized above.

By order of the Board of Governors, effective May 26, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Coldwell, Jackson, and Partee. Absent and not voting: Governor Wallich.

(Signed) GRIFFITH L. GARWOOD,
[SEAL] *Assistant Secretary of the Board.*

⁴The Board's conclusion as to the effects on competition of the subject proposal are similar to its findings in the Order denying Applicant's previous application to acquire Bank, cited above.

CleveTrust Corporation,
Cleveland, Ohio

Order Approving Acquisition of Bank

CleveTrust Corporation, Cleveland, Ohio ("Applicant"), 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 successor by merger to The Savings Deposit Bank Company, Medina, Ohio ("Bank"). The bank into which Bank is to be merged has no significance except as a means to facilitate the acquisition of the voting shares of

Bank. Accordingly, the proposed acquisition of shares of the successor organization is treated herein as the proposed acquisition of the shares of 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, the largest banking organization in Ohio, controls eight banks with aggregate deposits of approximately \$3.2 billion, representing 10.8 per cent of the total deposits in commercial banks in the State.¹ Acquisition of Bank (deposits of \$18.3 million) would increase Applicant's share of Statewide deposits by only 0.06 per cent, and would have no appreciable effect upon the concentration of banking resources in Ohio.

Bank, which is located in the city of Medina about 25 miles south of downtown Cleveland, competes on the fringe of the Cleveland banking market² and controls about 0.2 per cent of total market deposits.³ Some 37 banking organizations (including Ohio's eight largest) with a total of 432 banking offices, compete in the Cleveland banking market. Applicant is the largest banking organization in the market and holds approximately 31.1 per cent of market deposits. Bank is one of the smaller banking organizations in the Cleveland market and ranks 26th among the banking organizations in that market. Thus, in view of Bank's relative size (Bank also ranks only 5th out of 9 banks in Medina County), its acquisition by Applicant would increase only slightly Applicant's market share and the concentration of deposits in Cleveland. However, the evidence of record shows that the Cleveland banking market has become less concentrated over time.⁴ Applicant's banking sub-

¹Unless otherwise indicated, all banking data are as of September 30, 1975, and reflect bank holding company formations and acquisitions approved through April 30, 1976.

²The Cleveland banking market, which is the relevant banking market, is approximated by all of Cuyahoga, Lake and Geauga Counties, the northwestern quarter of Portage County, the northern third of Summit County, all but the southern-most tier of townships in Medina and Lorain Counties (which appear to have stronger ties to Akron) and the City of Vermilion which straddles the border of Lorain and Erie Counties.

³All market data are as of June 30, 1974.

⁴During the period June 1968 to June 1974, the deposit share of the four largest banking organizations in the Cleveland banking market declined from 77.8 per cent to 72.3 per cent.

subsidiary closest to Bank is located 11.4 miles north of Bank, in Cuyahoga County, and is separated from Bank by a number of intervening banking offices. Even though Applicant and Bank operate in the same market, the facts of record show there is no overlap of service areas nor would approval result in the elimination of any significant amount of existing competition.

In assessing the effects of the proposal on potential competition, the Board is of the view that although Applicant may possess the capabilities to enter Medina County *de novo* and acquisition of Bank would eliminate one independent banking alternative in the relevant market, there are several other facts of record which mitigate these slightly adverse competitive effects. Ohio's restrictive branching law, which limits branching to home office counties, prohibits Applicant's present subsidiaries from branching into the Medina County portion of the market; moreover, it appears unlikely that Applicant would enter Medina County *de novo* since its population and deposits-per-banking-office ratios are well below State averages. Furthermore, following approval, there would remain 19 other independent banks as possible entry points into the market for competitors. Accordingly, it is concluded that consummation of the proposal would have only slightly adverse effects on potential competition.

However, the Board's inquiry does not end here. Under the provisions of § 3(c) of the Bank Holding Company Act of 1956, as amended, the Board must determine whether these anticompetitive effects are outweighed by other positive considerations reflected in the record such as financial and managerial resources and future prospects of Applicant and Bank or the convenience and needs of the communities to be served.

The financial and managerial resources and future prospects of Applicant and its subsidiaries are regarded as satisfactory. However, while the financial resources of Bank are satisfactory, its net earnings have been declining over time (from 1971 to 1975).⁵ Furthermore, Bank appears to possess limited managerial resources. Affiliation with Applicant will result in the strengthening of Bank's financial and managerial base. Therefore, banking factors lend weight toward approval. Moreover,

Bank's physical plant appears to be somewhat inadequate. Affiliation with Applicant will result in a remodeling and modernizing of Bank's physical plant. Other benefits to be derived from affiliation are that Applicant would enable Bank to expand and improve the range of banking services presently offered to Bank's customers. Applicant has also indicated it will make available to Bank, and Bank's customers, equipment leasing, trust management services, accounts receivable financing, and data processing services for maintaining account records. The Board concludes, therefore, that considerations relating to the convenience and needs of the community to be served outweigh the slight anticompetitive effects of the proposal. Accordingly, 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 Cleveland pursuant to delegated authority.

By order of the Board of Governors, effective May 10, 1976.

Voting for this action: Vice Chairman Gardner and Governors Wallich and Jackson. Voting against this action: Governor Coldwell. Absent and not voting: Chairman Burns and Governors Holland and Partee.

(Signed) GRIFFITH L. GARWOOD,
[SEAL] Assistant Secretary of the Board.

Southwest Florida Banks, Inc.,
Fort Myers, Florida

Order Approving Acquisition of Bank

Southwest Florida Banks, Inc., Fort Myers, 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 80 per cent or more of the voting shares of First National Bank and Trust Company of Naples, Naples, Florida ("Bank").

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with § 3(b)

⁵In 1974, the average percentage of net income to total assets for member banks in the Fourth District of the same deposit-size group was 1.1 per cent, while the figure for Bank was 0.45 per cent.

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, the seventeenth largest banking organization in Florida, controls eight banks with aggregate deposits of approximately \$284 million, representing 1.2 per cent of the total deposits in commercial banks in the State.¹ Applicant's acquisition of Bank would increase Applicant's share of total State deposits by 0.3 per cent and would not result in a significant increase in the concentration of banking resources in the State. Upon consummation of the subject proposal, Applicant would become the 16th largest banking organization in Florida.

Bank holds deposits of approximately \$68.5 million, representing 29.1 per cent of the total deposits in commercial banks operating in the Naples banking market, and ranks as the second largest of eight banks in the market.² Applicant does not have a subsidiary bank in the relevant market, although an office of one of Applicant's subsidiary banks is located in an adjacent banking market. It appears that no meaningful competition presently exists between any of Applicant's subsidiary banks and Bank, nor do the facts of record indicate that such competition is likely to develop in the foreseeable future. Moreover, it appears unlikely that Applicant would expand *de novo* into the Naples banking market since the population per banking office ratio of the market is well below the respective State average. In addition, Applicant has committed to terminate four interlocking directorships between Bank and Vanderbilt Bank, Naples, Florida, within 30 days of Bank's acquisition. This should have a salutary effect on competition in the market. On the basis of the entire record, the Board concludes that consummation of the subject proposal would not have any significant adverse effects on existing or potential competition in any relevant area and that the competitive considerations are consistent with approval of the application.

¹ All banking data are as of June 30, 1975, and represent holding company formations and acquisitions approved by the Board through April 30, 1976.

² The Naples banking market, the relevant geographic market for purposes of analyzing the competitive effects of this proposal, is approximated by all of Collier County, Florida, excluding therefrom the town of Immokalee.

The financial and managerial resources of Applicant, its subsidiaries and Bank are considered to be generally satisfactory and the future prospects for each appear favorable. Thus, the banking factors are consistent with approval. Bank's affiliation with Applicant should enable Bank to offer expanded and improved services by drawing on Applicant's expertise and resources. These considerations relating to the convenience and needs of the community to be served lend some weight toward approval of the application. Accordingly, it is the Board's judgment that consummation of the proposal to acquire Bank 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 Atlanta pursuant to delegated authority.

By order of the Board of Governors, effective May 19, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Wallich, Coldwell, and Partee. Absent and not voting: Governor Jackson.

(Signed) GRIFFITH L. GARWOOD,
[SEAL] Assistant Secretary of the Board.

Orders Under Section 4 of Bank Holding Company Act

Central Mortgage Bancshares, Inc.,
Warrensburg, Missouri

Order Approving Acquisition of Cenco Insurance Company

Central Mortgage Bancshares, Inc., Warrensburg, Missouri, 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 direct or indirect ownership or control of all of the voting shares of Cenco Insurance Company ("Cenco"), Phoenix, Arizona. Cenco would engage *de novo* in the activity of underwriting, as reinsurer, credit life and credit accident and health insurance directly related to

extensions of credit by Applicant's subsidiary banks: Barton County State Bank, Lamar, Missouri; Citizens Bank of Warrensburg Mo., Warrensburg, Missouri; Farmer's Bank of Stover, Stover, Missouri; and Jackson County State Bank, Kansas City, Missouri, ("Banks"). Such activity has been determined by the Board to be closely related to banking (12 CFR 225.4(a)(10)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (41 Federal Register 826 (1976)). The time for filing comments and views has expired, and the Board has considered the application and all comments received in the light of the public interest factors set forth in § 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant, the twenty-seventh largest banking organization in Missouri, controls four subsidiary banks with aggregate deposits of approximately \$62 million, representing about 0.4 per cent of the total deposits in commercial banks in the State.¹

Cenco's activities will be limited to acting as reinsurer of credit life and credit accident and health insurance directly related to extensions of credit by Banks. Cenco will be formed as an Arizona insurance corporation and will be qualified to underwrite insurance directly only in Arizona. Accordingly, the insurance sold by Applicant's subsidiary banks will be directly underwritten by an unaffiliated insurance company qualified to do business in Missouri, and will thereafter be assigned or ceded to Cenco under a reinsurance agreement. Since this proposal involves a *de novo* acquisition, consummation of the transaction would not have any adverse effects on existing or potential competition in any relevant market.

Credit life and credit accident and health insurance are generally made available by banks and other lenders and are designed to assure repayment of a loan in the event of death or disability of the borrower. In connection with its addition of the underwriting of such insurance to the list of permissible activities for bank holding companies, the Board stated:

To assure that engaging in the underwriting of credit life and credit accident and health insurance can reasonably be expected to be in the public interest, the Board will only approve applications

in which an applicant demonstrates that approval will benefit the consumer or result in other public benefits. Normally, such a showing would be made by a projected reduction in rates or increase in policy benefits to bank holding company performance of this service. (12 CFR §225.4(a)(10) n. 7).

Applicant has stated that following consummation of the acquisition, Cenco will offer at reduced premiums the several types of credit insurance policies that it will reinsure. Cenco will offer decreasing term credit life insurance on instalment loans and level term credit life insurance on single payment loans at a premium rate 15 per cent below the statutory maximum allowable rates in Missouri. Applicant also proposes that Cenco will offer a 5 per cent reduction on the premium rate its subsidiary banks charge for credit accident and health insurance.

The Board notes that proposed legislation had been pending in the State of Missouri which, if adopted, would have reduced the maximum allowable rates for credit life and credit accident and health insurance. In order to ensure that Applicant's proposal would provide a continuing benefit to the public should such legislation ever become effective, Applicant further committed that Cenco would reduce its rates below the maximum levels established by the new legislation by amounts which would be consistent with rate reductions previously approved by the Board in connection with applications involving premium rate structures comparable to those which would be adopted in Missouri. The Board is of the view that the reductions in insurance premiums that Applicant proposes to establish are, and will continue to be, in the public interest.

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 §4(c)(8) is favorable. Accordingly, the application 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 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

¹All banking data are as of June 30, 1975.

Kansas City pursuant to authority hereby delegated.

By order of the Board of Governors, effective May 14, 1976.

Voting for this action: Vice Chairman Gardner and Governors Holland, Jackson, and Partee. Absent and not voting: Chairman Burns and Governors Wallich and Coldwell.

(Signed) GRIFFITH L. GARWOOD,
[SEAL] *Assistant Secretary of the Board.*

Dakota Bancorporation
Rapid City, South Dakota

*Order Approving
Retention of Insurance Agency Activities*

Dakota Bancorporation, Rapid City, South Dakota ("Applicant"), a bank holding company within the meaning of the Bank Holding Company Act ("Act"), has applied for the Board's approval, under section 4(c)(8) of the Act (12 U.S.C. §1843(c)(8)) and section 225.4(b)(2) of the Board's Regulation Y (12 CFR §225.4(b)(2)), to continue to engage in the activity of a general insurance agency, through Columbus Insurance Agency ("Company"),¹ in Columbus, North Dakota, a community having a population not exceeding 5,000. Such activity has been determined by the Board to be closely related to banking (12 CFR §225.4(a)(9)(iii)(a)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (41 Federal Register 11363). The time for filing comments and views has expired, and the Board has considered the application and all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act.

The Board regards the standards of section 4(c)(8) to be as applicable to the retention of a "ten year grandfathered" activity as to a proposed section 4(c)(8) acquisition.

Applicant controls one banking subsidiary, Co-

lumbus National Bank, with deposits of \$3.1 million, representing approximately 0.1 of one per cent of the total commercial bank deposits in North Dakota.² Upon Applicant's formation in November 1968, Company was acquired by Applicant. Presently, Company competes with several other insurance agencies located in the relevant market which is approximated by the northern half of Burke County and the northeastern corner of Divide County. Following its acquisitions of Forthun Agency and Darras Agency, Company became the only general insurance agency in Columbus. However, the evidence of record shows that at the time of acquisition Forthun Agency and Darras Agency were small in the relevant market and they were not particularly strong competitors. Thus, it is the Board's judgment that whatever slight adverse competitive effects might have resulted, these are outweighed by the public benefits resulting from Applicant's retention of Company which would assure the residents of Columbus of the continued availability of a convenient source of general insurance agency activities. The Board's review of the record of the affiliation indicates that the benefits have continued to outweigh such slight adverse effects.

There is no evidence in the record indicating that retention of Company would result in any undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices or other adverse effects on the public interest.

In accord with the Board's position with respect to violations of the Act, the Board has scrutinized the underlying facts surrounding the acquisition of the assets of Forthun Agency and Darras Agency without the Board's prior approval. Upon an examination of all the facts of record, the Board believes that the facts surrounding the violations in this case are not such as would call for denial of this application.

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

¹ Applicant indirectly acquired without Board approval the assets of Forthun Agency (in January 1971) and Darras Agency (in September 1973), both general insurance agencies located in Columbus, North Dakota. Acquisition of the assets of Forthun Agency did not require Board approval by virtue of the provisions of §225.4(d) of Regulation Y. Furthermore, it appears from the facts of record that the acquisition of the assets of Darras Agency was based on a *bona fide* misinterpretation of applicable statutes and regulations.

² All banking data are as of June 30, 1975.

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.

By order of the Board of Governors, effective May 17, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Wallich, Coldwell, Jackson, and Partee.

(Signed) GRIFFITH L. GARWOOD,
[SEAL] Assistant Secretary of the Board.

Republic of Texas Corporation,
Dallas, Texas

*Order Approving Retention
of The Howard Corporation with
Respect to its Lending Activities Only*

Republic of Texas Corporation, Dallas, Texas, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under Section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to continue the lending activities of its trustee affiliate, The Howard Corporation, Dallas, Texas ("Howard"). Such activities have been determined by the Board to be closely related to banking (12 CFR § 225.4(a)(1)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (41 Federal Register 1331). The time for filing comments and views has expired, and the Board has considered the application and all comments received in the light of the public interest factors set forth in Section 4(c)(8) of the Act (12 U.S.C. § 1843(c)).

By Order dated October 25, 1973, the Board approved the formation of Applicant for the purpose of becoming a bank holding company through the acquisition of Republic National Bank of Dallas, Dallas, Texas ("Republic Bank").¹ Republic Bank was itself a bank holding company by virtue of the 1970 Amendments to the Act and owned various bank and nonbank interests. At the time of its formation, Applicant also obtained indirect control of The Howard Corporation. The Board has previously ruled that Applicant would

not be a successor to the grandfather privileges of Republic Bank, and Applicant has committed, and is required to dispose of the nonpermissible activities within the statutory period prescribed in § 4(a)(2) of the Act or, in the alternative, to apply to the Board for approval to retain them. In this proposal, Applicant has applied to retain the lending activities of Howard. The Board regards the standards under § 4(c)(8) of the Act to continue to engage in activities to be the same as the standards for a proposed acquisition.

Applicant, the 4th largest banking organization in Texas, controls three subsidiary banks with aggregate deposits of approximately \$2.8 billion, representing approximately 6.5 per cent of the total deposits in commercial banks in the State.² Applicant received approval from the Federal Reserve Bank of Dallas, acting pursuant to § 225.4(b)(1) of the Board's Regulation Y (12 CFR 225), to engage *de novo* in direct lending activities on August 19, 1974. Effective with that date, Howard began reducing its loan and commitment activity and has, in fact, ceased making any new loans and commitments.

Howard, a group of companies held in trust for the sole benefit of Applicant, engages in a wide range of activities.³ A substantial portion of Howard's assets is subject to divestiture under the provisions of § 4(a)(2) of the Act. This application seeks Board approval for Howard to retain certain loans made prior to 1974 and maturing not later than September 1983. Howard's current loan portfolio consists of secured real estate loans, interim construction loans, home mortgages, secured and unsecured commercial loans, working capital loans, and personal loans. Since Howard has already ceased making any new loans and is no longer an active competitor in any relevant market, approval of this application would have no adverse effects on existing or potential competition in any market. Approval of this application should enable Applicant to arrange an orderly disposition of the loans previously made by How-

²Banking data are as of June 30, 1975.

³These activities include ownership of royalty, net profits, working and other interests in oil and gas properties; ownership of minority interests in several Dallas-area banks; direct lending activities; and ownership of a number of nonbank subsidiaries conducting activities such as credit life and disability insurance, the sale of money orders and travelers checks, and mortgage banking. For a full discussion of Howard's activities, see the Board's determination of Applicant's grandfather privileges dated September 10, 1973, 59 Federal Reserve BULLETIN 768 (October 1973).

¹38 Federal Register 30580 (November 6, 1973).

ard. There is no evidence in the record to indicate that the proposed continuation of Howard's lending activities would lead to an undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices, or other adverse effects.

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 § 4(c)(8) is favorable, and the application should be approved. Accordingly, the application is hereby approved. This determination is subject to the conditions set forth in section 225.4(c) of Regula-

tion 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.

By order of the Board of Governors, effective May 18, 1976.

Voting for this action: Chairman Burns and Governors Gardner, Wallich, Coldwell, Jackson, and Partee.

(Signed) GRIFFITH L. GARWOOD,
[SEAL] *Assistant Secretary of the Board.*

ORDERS APPROVED UNDER BANK HOLDING COMPANY ACT—

By the Board of Governors

During May 1976, the Board of Governors approved the applications listed below. The orders have been published in the Federal Register, and copies are available upon request to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Section 3

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
BUYA Corp., Wakefield, Nebraska	The Wakefield National Bank Wakefield, Nebraska	5/3/76	41 F.R. 19263 5/11/76
Merrill Bankshares Company, Bangor, Maine	Firstbank, N.A., Farmington, Maine	5/28/76	41 F.R. 22995 6/8/76

Section 4

<i>Applicant</i>	<i>Nonbanking company (or activity)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Commercial National Corporation, Peoria, Illinois	Commercial National Life Insurance Company, Scottsdale, Arizona	5/28/76	41 F.R. 22994 6/8/76
Marshall & Ilsley Corporation, Milwaukee, Wisconsin	Clayton Mitchell Agency, Endeavor, Wisconsin and Darrell J. Schellkopf Agency, Oxford, Wisconsin	5/24/76	41 F.R. 21846 5/28/76

Sections 3 and 4

<i>Applicant</i>	<i>Bank(s)</i>	<i>Nonbanking company (or activity)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Crawford State Company, Crawford, Nebraska	Crawford State Bank, Crawford, Nebraska	Crawford Bank Agency, Crawford, Nebraska	5/21/76	41 F.R. 21845 5/28/76
Sumner County Bancshares, Inc., Wellington, Kansas	The National Bank of Commerce of Wellington, Wellington, Kansas	Insurance agency activities	5/14/76	41 F.R. 20929 5/21/76
Woodbine Agency, Inc., Woodbine, Kansas	The Citizens State Bank, Woodbine, Kansas	Insurance agency activities	5/19/76	41 F.R. 21701 5/27/76

By Federal Reserve Banks

During May 1976, applications were approved by the Federal Reserve Banks as listed below. The orders have been published in the Federal Register, and copies are available upon request to the Reserve Bank.

Section 3

<i>Applicant</i>	<i>Bank(s)</i>	<i>Reserve Bank</i>	<i>Effective date</i>	<i>Federal Register citation</i>
Valley of Virginia Bankshares, Inc., Harrisonburg, Virginia	The First National Bank of Troutville, Troutville, Botetourt County, Virginia	Richmond	5/4/76	41 F.R. 193083 5/12/76

Sections 3 and 4

<i>Applicant</i>	<i>Bank(s)</i>	<i>Nonbanking company (or activity)</i>	<i>Reserve Bank</i>	<i>Effective date</i>	<i>Federal Register citation</i>
Adair Insurance Agency, Inc., Adair, Iowa	Exchange State Bank, Adair, Iowa	Insurance agency activities	Chicago	5/13/76	41 F.R. 21410 5/25/76

ORDER APPROVED UNDER BANK MERGER ACT—

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Manufacturers Hanover Trust Company, New York	Manufacturers Hanover Trust Company/Mid-Hudson, Monroe, New York, and Manufacturers Hanover Trust Company/ Suffolk, National Association, Bay Shore, New York	5/12/76	41 F.R. 20453 5/18/76

PENDING CASES INVOLVING THE BOARD OF GOVERNORS*

Save Needed Environmental Levels League v. Southern California Company, et al., filed May 1976, U.S.D.C. for the Central District of California.

National Urban League, et al. v. Office of the Comptroller of the Currency, et al., filed April 1976, U.S.D.C. for the District of Columbia Circuit.

Farmers & Merchants Bank of Las Cruces, New Mexico v. Board of Governors, filed April 1976, U.S.C.A. for the District of Columbia Circuit.

Blackstone Valley National Bank v. Board of Governors, filed April 1976, U.S.C.A. for the First Circuit.

United States ex rel. A.R. Martin-Trigona v. Arthur F. Burns, et al., March 1976, U.S.D.C. for the District of Columbia.

Grandview Bank & Trust Company v. Board of Governors, filed March 1976, U.S.C.A. for the Eighth Circuit.

Federated Capital Corporation v. Board of Governors, filed March 1976, U.S.C.A. for the District of Columbia.

Association of Bank Travel Bureaus, Inc. v. Board of Governors, filed February 1976, U.S.C.A. for the Seventh Circuit.

Memphis Trust Company v. Board of Governors, filed February 1976, U.S.D.C. for the Western District of Tennessee.

First Lincolnwood Corporation v. Board of Governors, filed February 1976, U.S.C.A. for the Seventh Circuit.

Helen C. Hatten, et al. v. Board of Governors, filed January 1976, U.S.D.C. for the District of Connecticut.

International Bank v. Board of Governors, filed December, 1975, U.S.C.A. for the District of Columbia.

Roberts Farms, Inc. v. Comptroller of the Currency, et al., filed November 1975, U.S.D.C. for the Southern District of California.

National Computer Analysts, Inc. v. Decimus Corporation, et al., filed November 1975, U.S.D.C. for the District of New Jersey.

†*Peter E. Blum v. First National Holding Corporation*, filed November 1975, U.S.D.C. for the Northern District of Georgia.

Harlan National Co. v. Board of Governors, filed November 1975, U.S.C.A. for the Eighth Circuit.

†*Peter E. Blum v. Morgan Guaranty Trust Co., et al.*, filed October 1975, U.S.D.C. for the Northern District of Georgia.

A.R. Martin-Trigona v. Board of Governors, et al., filed September 1975, U.S.D.C. for the Northern District of Illinois.

A.R. Martin-Trigona v. Board of Governors, et al., filed September 1975, U.S.D.C. for the Northern District of Illinois.

†*Logan v. Secretary of State, et al.*, filed September 1975, U.S.D.C. for the District of Columbia.

*This list of pending cases does not include suits against the Federal Reserve Banks in which the Board of Governors is not named a party.

†Decisions have been handed down in these cases, subject to appeals noted.

Florida Association of Insurance Agents, Inc., v. Board of Governors, and National Association of Insurance Agents, Inc. v. Board of Governors, filed August 1975, actions consolidated in U.S.C.A. for the Fifth Circuit.

Henry M. Smith v. National Bank of Boulder, et al., filed June 1975, U.S.D.C. for the Northern District of Texas.

Bank of Boulder v. Board of Governors, et al., filed June 1975, U.S.C.A. for the Tenth Circuit.

†‡*David R. Merrill, et al., v. Federal Open Market Committee of the Federal Reserve System*, filed May 1975, U.S.D.C. for the District of Columbia, appeal pending, U.S.C.A. for the District of Columbia.

Curvin J. Trone v. United States, filed April 1975, U.S. Court of Claims.

Richard S. Kaye v. Arthur F. Burns, et al., filed April 1975, U.S.D.C. for the Southern District of New York.

Louis J. Roussel v. Board of Governors, filed April 1975, U.S.D.C. for the Eastern District of Louisiana.

Georgia Association of Insurance Agents, et al. v. Board of Governors, filed October 1974, U.S.C.A. for the Fifth Circuit.

Alabama Association of Insurance Agents, et al. v. Board of Governors, filed July 1974, U.S.C.A. for the Fifth Circuit.

†*Investment Company Institute v. Board of Governors*, dismissed July 1975, U.S.D.C. for the District of Columbia, appeal pending, U.S.C.A. for the District of Columbia Circuit.

East Lansing State Bank v. Board of Governors, filed December 1973, U.S.C.A. for the Sixth Circuit.

†*Consumers Union of the United States, Inc., et al. v. Board of Governors*, filed September 1973, U.S.D.C. for the District of Columbia.

Bankers Trust New York Corporation v. Board of Governors, filed May 1973, U.S.C.A. for the Second Circuit.

‡The Board of Governors is not named as a party in this action.

†Decisions have been handed down in these cases, subject to appeals noted.

Announcements

APPOINTMENT:

David M. Lilly as Member of the Board of Governors

President Ford on April 15, 1976, announced his intention to appoint David M. Lilly as a member of the Board of Governors of the Federal Reserve System. Mr. Lilly's appointment was subsequently confirmed by the Senate on May 28, and his oath of office was administered on June 1.

The text of the White House announcement follows:

The President has announced his intention to nominate David M. Lilly, of St. Paul, Minnesota, to be a member of the Board of Governors of the Federal Reserve System for the unexpired term of fourteen years from February 1, 1964. He will succeed Robert C. Holland who resigned effective May 15, 1976.

Born on June 14, 1917, in St. Paul, Minnesota, Mr. Lilly received his A.B. degree from Dartmouth in 1939. He served in the United States Army from 1942 to 1945.

In 1941, Mr. Lilly became Assistant to the Under Secretary of the Treasury. He joined the Toro Company in 1945 and became President of the Company in 1950. He became Chairman of the Board in 1968 and since 1970 has served as Chairman of the Board and President.

Mr. Lilly is married to the former Perrin Brown and they have three children. They reside in St. Paul, Minnesota.

NEW REGULATION C

The Board of Governors on June 9, 1976, announced adoption of a new regulation to implement the Home Mortgage Disclosure Act of 1975.

The Act, and the new Regulation C implementing it, became effective June 28. The regulation was adopted substantially as proposed by the Board on March 29.

Regulation C requires lending institutions subject to the Act to disclose publicly where their

mortgage loans are made. Depository institutions subject to the Act are those that have \$10 million or more in assets, that have offices in principal metropolitan areas (Standard Metropolitan Statistical Areas—SMSA's), that make first mortgage loans on 1- to 4-family residences, and that are Federally insured or regulated. The Act defines depository institutions as commercial banks, savings banks, savings and loan associations, building and loan associations or homestead associations (including cooperative banks), and credit unions. Some 4,400 commercial banks, 3,000 savings and loan associations, 470 mutual savings banks, and 600 credit unions are affected.

The Home Mortgage Disclosure Act makes the Board responsible for writing a regulation to implement it. The regulation is to be enforced by the Board, the other Federal bank regulatory agencies, the Federal Home Loan Bank Board, and the Administrator of the National Credit Union Administration.

The Home Mortgage Disclosure Act grew out of allegations that there were credit shortages in some parts of large urban areas. The Act and Regulation C specify that nothing in them is meant to encourage unsound lending practices or allocation of credit.

The principal provisions of the proposed new regulation are:

—Designation of the mortgage loan information to be disclosed.

—A sample form, suggesting how required data may be reported.

—Establishment of procedures to be followed by State-chartered depository institutions seeking exemption from the Act.

—Requirements for reporting by geographic areas. Initial disclosure statements for fiscal years ending before July 1, 1976, may be made by zip code. In general, loans originated or purchased after that date on property in the areas where the lender has offices must be reported by census tract.

The data to be disclosed are to be made available at lending institutions subject to the Act. Informa-

tion to be disclosed includes: (1) first mortgage loans to purchase residential property; and (2) secured and unsecured home improvement loans.

The principal changes in the regulation from the earlier proposal are:

—The definition of “mortgage loan” has been narrowed, to exclude junior liens (except for home improvement purposes) and first mortgages taken as additional collateral for business purposes.

—The deadline for the initial disclosures required by the regulation has been extended by 1 month, to September 30, to give adequate time after issuance of the regulation for lenders to prepare the required disclosure reports.

—A provision has been added to require lenders to notify their depositors as to when the mortgage disclosure statement of the institution is available, and to provide the name and address of the appropriate Federal enforcement agency.

The regulation defines a mortgage loan subject to disclosure as a “residential mortgage loan” or any “home improvement loan.” A residential mortgage loan is described as a loan secured by a first mortgage on residential real property located in a State, the District of Columbia, or Puerto Rico. A home improvement loan subject to disclosure under the regulation is an unsecured loan or a loan secured by collateral other than a first mortgage if the proceeds are to be used for residential repairs, rehabilitation, or remodeling and is recorded on the lender’s books as a home improvement loan.

As required by the Act, the regulation requires the breakdown of the disclosed mortgage loan information into two main categories and several classes under each main category.

The main categories are: (1) loans made originally by the depository institution; and (2) loans originated by another institution but purchased by the depository institution.

Within each of these categories loan data are to be divided according to loans on property located within the SMSA’s where the headquarters or branches of depository mortgage lenders are located and loans outside those SMSA’s. In each case the following itemizations of information are to be made for loans on 1- to 4-family residences:

1. Loans insured or guaranteed by the Federal Housing Administration, the Veterans Administration, and Farmers Home Administration.

2. Conventional mortgage loans.

3. Home improvement loans.

Loans on multifamily dwellings (more than four units) are to be reported separately.

When the property is located in an SMSA where the lender has offices, the lender is also required to indicate mortgage loans on 1- to 4-family residences made to borrowers who did not, at the time of execution of the mortgage, intend to live in the mortgaged residence.

To implement a further provision of the Act, the regulation requires, as a general rule, that mortgage loan disclosures on properties within SMSA’s where the lender is headquartered or has a branch be itemized according to the census tract in which the property is located. However, in certain limited circumstances reporting by zip code is permissible. Loans on properties not located in SMSA’s where the lender has an office will be reported but not itemized by either census tract or zip code.

A census tract is a small geographical territory, containing about 4,000 inhabitants, into which counties in SMSA’s have been divided for purposes of statistical analysis. Census tracts are laid out with the objective of achieving some uniformity of population characteristics and economic status.

On the basis of the 1970 census, the Census Bureau has issued a series entitled “1970 Census Population and Housing: Census Tracts, Final Reports/PHC(1) Series.” This contains tract maps for every portion of all the SMSA’s designated at that time and for some adjacent areas. Since 1970 the Office of Management and Budget has redefined many SMSA’s and added others. Tract maps for the new or redefined SMSA’s are readily available only to the extent that they appear on the PHC(1) series of 1970.

A list of currently defined SMSA’s showing portions for which census tract itemization would be required will be made available through the Board and Reserve Banks. The Board said it would inform lenders of future changes in SMSA’s.

The regulation provides that:

1. An institution with more than \$10 million in assets should refer to currently designated SMSA’s to determine if it is subject to the Act.

2. Institutions subject to the Act will determine if itemization by census tract is required by referring to the 1970 census tract series.

3. Loans in areas not included in the 1970 census tract series are to be itemized by zip code areas.

The regulation permits use of zip code itemiza-

tion in *initial* disclosure statements for full fiscal years ending before July 1, 1976. In general, loans originated or purchased after that date, on property in areas where the lender has offices, must be reported by census tracts.

These provisions are intended to give institutions subject to the Act an opportunity to begin keeping a record of mortgage loans by census tract before the loans must be reported in that way. They provide time for distribution of census tract maps and materials for converting street addresses to census tracts and for computer programming and training personnel, and are designed to reduce errors and reporting burdens.

For fiscal years ending by June 30, 1976, mortgage loan disclosure statements are due by September 30, 1976. Statements for later years are due within 90 days after the end of the fiscal year. For fiscal years straddling June 30, 1976, reporting dates differ according to whether reporting is done by zip code or by census tract.

Complete mortgage loan data are to be made available at the home office of each institution subject to the Act. In addition, at least one branch office in each SMSA is required to make available mortgage loan data on properties located in that SMSA.

State-chartered lenders, or a State, may apply to the Board of Governors for an exemption from Regulation C when State laws are substantially similar to Federal requirements.

As required by the Act, the Board will carry out a study to determine the feasibility and usefulness of requiring depository institutions outside SMSA's to make disclosures comparable to those under the regulation. To this end, the Board welcomes comment and data from lenders and from the public regarding the costs of compiling such information and itemization by zip code areas or census tracts; the number of requests received to inspect data or to make copies; the use made of the information by the public; and changes in lending practices that may have resulted from evaluation of the information.

U.S. PARTICIPATION IN STANDBY CREDITS

The Federal Reserve System and the Treasury Department announced on June 7, 1976, that they would participate with central banks of other Group of Ten countries, Switzerland, and the Bank for International Settlements in making available

to the Bank of England standby credits totaling \$5 billion. These arrangements have been made in the light of the recent fall in the value of the pound sterling under exchange market pressures that have led to disorderly market conditions and in the common interest in the stability and efficient functioning of the international monetary system.

Of the total amount, the Federal Reserve System will stand ready to make available \$1 billion under its existing \$3 billion reciprocal currency arrangement with the Bank of England, and the Treasury, through the Exchange Stabilization Fund, will stand ready to make available \$1 billion under a swap arrangement with the Bank of England.

RECORDS OF FOMC POLICY

ACTIONS: Speed-up of Publication

The Federal Open Market Committee announced on May 24, 1976, that it had voted to speed up publication of the records of policy actions taken at each of its monthly meetings.

At its meeting on May 18, 1976, the Committee decided that the policy record for a meeting should be released a few days after the next regularly scheduled meeting, rather than 45 days after the meeting to which the record relates. Since the majority of meetings are held at 4-week intervals, the delay will most often be about a month. For the minority of meetings that are followed by a 5-week interval, it will be about a week longer.

In view of this action, the FOMC and the Board of Governors on May 24, 1976, released the record of policy actions taken at the FOMC meeting of April 20, 1976. Under previous rules, this record would not have been made available until June 7.

A delay of approximately 45 days had been in effect since early 1975. From mid-1967 to early 1975, a delay of approximately 90 days had been in effect. Prior to mid-1967, when the rules were changed to comply with the Freedom of Information Act, the records of policy actions were published only in the Board's *Annual Report to Congress*.

As in the past, the policy record for a meeting will include information on any changes in the Committee's instructions to the Desk during the period before the next regularly scheduled meeting. Such changes in instructions ordinarily arise out of Committee consultations by telephone or telegraph that are held whenever necessitated by special developments.

It was understood that the record of policy actions would be expanded to include more information concerning members' views on longer-run and current policy. At the same time, the Committee voted to discontinue its Memorandum of Discussion. These Memoranda, which are detailed accounts of proceedings at meetings of the Committee, have been available to the public 5 years after the end of the year to which they apply.

The records of policy actions also are published in the Federal Reserve BULLETIN and in the Board's *Annual Report*. The summary descriptions of economic and financial conditions they contain are based solely on information that was available to the Committee at the time of the meeting.

ANNUAL REPORT: Publication

The Sixty-Second Annual Report of the Board of Governors of the Federal Reserve System, covering operations for the calendar year 1975, is available for distribution. Copies may be obtained upon request to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

CHANGES IN BOARD STAFF

The Board of Governors has announced the following changes in its official staff:

Peter M. Keir, Adviser, Division of Research and Statistics, has been named Assistant to the Board in the Office of Staff Director for Monetary Policy, effective June 6, 1976.

Thomas E. Mead, Assistant Director in the Division of Federal Reserve Bank Examinations and Budgets, has been named Assistant Director in the Division of Banking Supervision and Regulation, as of May 23, 1976.

CAPACITY AND ITS UTILIZATION IN MATERIALS INDUSTRIES

The Federal Reserve has compiled new series on capacity and its utilization in the materials-producing industries for the period since 1967. These new series will replace the previously published series for major materials. The capacity utilization rates for total materials and for eight groupings of materials-producing industries representing different market categories will be pub-

lished monthly beginning with estimates for June.¹ Included are three major component groupings—durable goods materials, nondurable goods materials, and energy materials. For durable goods materials a subtotal for basic metals will be provided. For nondurable goods materials four subtotals will be included—textiles, paper, chemical, and the textile, paper, and chemical groups combined. The Federal Reserve series on capacity and utilization for all manufacturing are being revised, and the new data are expected to be published later this year.

The new index of capacity for production of materials and the companion series on production are each constructed from 96 individual series corresponding to those classified under materials in the Federal Reserve revised index of industrial production (discussed on pp. 470–79) of this BULLETIN). The new total materials series are considerably more comprehensive in coverage than were the former major materials series, and they should be more useful in evaluating production and price developments related to supply limitations in the materials industries.

The new materials capacity series are derived from data on capacity or operating rates for a large number of industries assembled from a wide variety of sources. Included in these are the capacity or operating rate surveys taken by the Bureau of the Census, the Bureau of Economic Analysis (both of the Department of Commerce), and the Economics Department of McGraw-Hill Publications Company, as well as data from a number of trade associations—notably those for iron and steel, petroleum, paper, aluminum, plywood, textiles, and plastics. Also considered in compiling the series are business investment outlays for new plant and equipment and business equipment production data.

A detailed description of these new series, indicating the sources of the data and methodology used in compiling them, will be published later in the BULLETIN. The quarterly utilization rates for the nine materials series to be published regu-

¹ Monthly capacity utilization rates for the nine materials groupings for the period June 1975 to June 1976 will be published in the Federal Reserve G.12.3 press release, "Industrial Production," for July and in the July BULLETIN. In addition, quarterly capacity utilization rates for these series for the period 1975 to 1976 will be published in the July "Industrial Production" release. Historical data for these series will be available from the Board's Division of Research and Statistics, after the June estimates have been released.

larly are provided in the following table for the period from 1973 through 1975.

Capacity Utilization Rates for Materials Industries

In per cent

Year	Q1	Q2	Q3	Q4
Materials, total				
1973	92.1	92.6	92.9	92.1
1974	90.5	89.6	89.1	81.7
1975	71.5	70.6	74.8	76.9
Durable goods materials				
1973	90.7	91.7	92.3	91.3
1974	88.5	87.4	87.7	79.9
1975	66.9	64.4	68.8	70.3
Basic metal materials				
1973	95.6	97.3	97.5	96.9
1974	94.8	93.9	92.0	86.0
1975	75.2	67.2	70.4	69.9
Nondurable goods materials				
1973	93.9	93.6	93.4	93.8
1974	94.0	93.1	91.6	81.5
1975	70.0	72.5	79.9	84.4
Textile, paper, and chemical materials				
1973	94.1	93.8	94.0	93.9
1974	93.7	93.3	92.1	81.2
1975	68.0	70.6	78.5	83.9
Textile materials				
1973	93.0	93.0	93.8	94.6
1974	93.6	90.4	85.4	70.1
1975	60.9	71.5	82.7	87.0
Paper materials				
1973	98.4	99.5	98.8	98.2
1974	98.0	98.4	97.0	89.9
1975	78.3	73.4	81.2	86.2
Chemical materials				
1973	93.2	92.4	92.5	92.4
1974	92.5	92.7	92.7	82.1
1975	67.2	69.4	76.5	82.3
Energy materials				
1973	93.8	93.4	94.1	92.0
1974	90.5	90.3	89.4	87.0
1975	86.8	85.1	84.3	84.8

COMMERCIAL BANK LOANS AND INVESTMENTS: Revisions in Series

The seasonally adjusted series for bank credit and its major components that are published regularly in the BULLETIN (page A-13) have been revised to take account of changes in seasonal factors and of adjustments to benchmarks for the latest available call report data, December 31, 1975. Revisions in seasonal factors affect the seasonally adjusted data from 1968 to date, with principal changes in the more recent years. The benchmark revisions affect data that are not seasonally adjusted for July 1975 through April 1976. However, data prior to July 1975 may vary slightly from those published earlier because of rounding differences associated with the current computer operation.

The revised historical data will not be published in the BULLETIN but will be available on request from the Banking Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

NEW RELEASE: Security Credit Extensions

Data collected by the Board of Governors in annual surveys of margin account credit extensions by lenders subject to the provisions of Regulations T, U, and G (covering brokers, banks, and other lenders, respectively) are now being summarized in a special release, C.2, "Aggregate Summaries of Annual Surveys of Security Credit Extension." This information heretofore had been released in supplemental tables in the BULLETIN. Beginning this year, with data as of June 30, 1975, the information will be available both in the C.2 special release and in the *Annual Statistical Digest* (publication of which will be announced later).

REVISED OTC STOCK LIST

The Board of Governors has published a list of over-the-counter (OTC) stocks that are subject to its margin regulations, revised as of May 24, 1976. The list, which supersedes the revised list of OTC margin stocks that was issued on September 29, 1975, is available on request from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

SYSTEM MEMBERSHIP:**Admission of State Banks**

The following banks were admitted to membership in the Federal Reserve System during the period May 16, 1976, through June 15, 1976:

Michigan

Grandville Old Kent Bank
of Grandville

Utah

South Salt Lake The Valley Bank
and Trust Company

Industrial Production

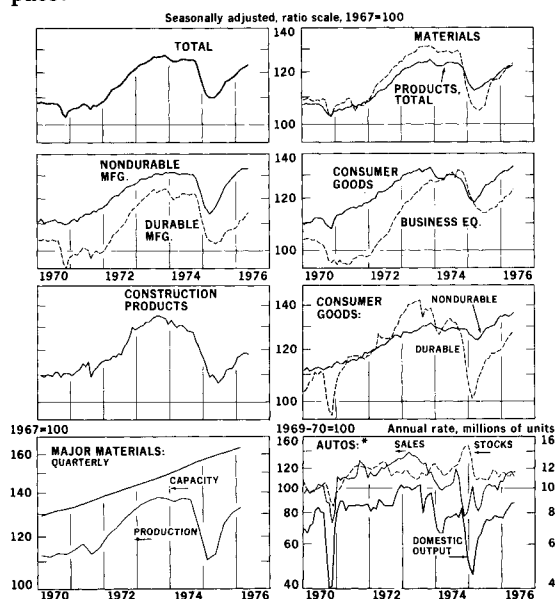
Released for publication June 16

Industrial production increased by an estimated 0.7 per cent in May, following a downward-revised increase of 0.5 per cent now indicated for April. The increases for both April and May were held down somewhat by the strike in the rubber industry. Growth in output was widespread among product groupings again in May. The total index for May, at 123.2 per cent of the 1967 average, was 12 per cent above the April 1975 low.

Auto assemblies changed little in May, as reductions in output of compact and subcompact models offset gains in other lines. Production of automotive parts and goods was curtailed further because of the rubber strike. Output of consumer durable home goods rose sharply again in May, and production of nondurable consumer goods showed appreciable gains. Production of business equipment also increased quite sharply, but output of construction products declined.

Production of steel, nonferrous metals, and most other durable goods materials rose further, while output of nondurable goods materials, which had

paced the early recovery, increased at a slower pace.



F.R. indexes, seasonally adjusted. Latest figures: May.
*Auto sales and stocks include imports.

Industrial production	Seasonally adjusted = 100				Per cent changes from—		
	1976						
	Feb.	Mar.	Apr. ^a	May ^e	Month ago	Year ago	Q4 to Q1
Total	120.8	121.7	122.3	123.2	.7	11.9	2.6
Products, total	121.4	121.4	122.0	122.8	.7	8.3	2.5
Final products	120.7	120.7	121.4	122.6	1.0	7.8	1.9
Consumer goods	132.0	131.8	132.8	133.9	.8	10.5	2.3
Durable goods	123.1	124.9	126.5	127.7	.9	15.6	3.5
Nondurable goods	135.4	134.4	135.1	136.3	.9	8.8	1.7
Business equipment	120.4	120.9	121.8	123.8	1.6	7.7	2.7
Intermediate products	123.5	124.0	124.1	123.5	-.5	9.9	4.0
Construction products	117.6	118.4	118.7	118.2	-.4	9.9	4.0
Materials	120.0	122.2	122.7	123.8	.9	18.0	3.0

^aPreliminary.

^eEstimated.

Financial and Business Statistics

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MEMBER BANK RESERVES, FEDERAL RESERVE BANK CREDIT, AND RELATED ITEMS

(In millions of dollars)

Period or date	Factors supplying reserve funds									
	Reserve Bank credit outstanding							Gold stock	Special Drawing Rights certificate account	Treasury currency outstanding
	U.S. Govt. securities ¹			Loans	Float ³	Other F.R. assets ⁴	Total ⁵			
	Total	Bought outright ²	Held under repurchase agreement							
Averages of daily figures										
1969—Dec.....	57,500	57,295	205	1,086	3,235	2,204	64,100	10,367	6,841	
1970—Dec.....	61,688	61,310	378	321	3,570	1,032	66,708	11,105	7,145	
1971—Dec.....	69,158	68,868	290	107	3,905	982	74,255	10,132	7,611	
1972—Dec.....	71,094	70,790	304	1,049	3,479	1,138	76,851	10,410	8,293	
1973—Dec.....	79,701	78,833	868	1,298	3,414	1,079	85,642	11,567	8,668	
1974—Dec.....	86,679	85,202	1,477	703	2,734	3,129	93,967	11,630	9,179	
1975—May.....	91,918	89,355	2,563	60	1,877	3,039	97,845	11,620	9,464	
June.....	88,912	87,618	1,294	271	2,046	3,098	95,119	11,620	9,536	
July.....	88,166	87,882	284	261	1,911	3,100	94,144	11,620	9,616	
Aug.....	86,829	86,348	481	211	1,691	2,953	92,395	11,604	9,721	
Sept.....	89,191	87,531	1,660	396	1,823	3,060	95,277	11,599	9,797	
Oct.....	90,476	89,547	929	191	1,945	3,521	96,931	11,599	9,877	
Nov.....	90,934	89,560	1,374	61	2,480	3,481	97,817	11,599	10,010	
Dec.....	92,108	91,225	883	127	3,029	3,534	99,651	11,599	10,094	
1976—Jan.....	92,998	91,524	1,474	79	2,684	3,505	100,172	11,599	10,177	
Feb.....	94,610	92,812	1,798	76	2,375	3,384	101,369	11,599	10,267	
Mar.....	94,880	93,503	1,377	58	2,204	3,412	101,336	11,599	10,436	
Apr.....	93,243	92,187	1,056	44	2,236	4,144	100,317	11,599	10,501	
May ^p	95,967	94,049	1,918	121	2,201	4,051	103,081	11,599	10,554	
Week ending—										
1976—Mar. 3.....	96,404	94,161	2,243	85	2,115	3,081	102,832	11,599	10,356	
10.....	92,768	92,113	655	48	2,577	3,232	99,358	11,599	10,430	
17.....	93,316	93,316	.....	40	2,446	3,347	99,762	11,599	10,436
24.....	96,724	94,409	2,315	78	2,041	3,501	103,091	11,599	10,442	
31.....	95,638	93,917	1,721	36	1,657	3,687	101,850	11,599	10,442	
Apr. 7.....	91,538	91,538	.....	24	2,101	3,816	98,014	11,599	10,452
14.....	90,257	89,946	311	61	2,061	4,079	97,002	11,599	10,507	
21.....	94,821	92,737	2,084	40	2,520	4,340	102,544	11,599	10,514	
28.....	95,155	93,967	1,188	54	2,249	4,301	102,386	11,599	10,522	
May 5.....	97,490	94,289	3,201	30	2,464	4,402	105,278	11,599	10,499	
12.....	93,718	93,099	619	55	2,395	4,361	101,105	11,599	10,535	
19.....	95,119	93,777	1,342	122	2,377	4,015	102,296	11,599	10,541	
26 ^p	96,984	94,798	2,186	135	1,893	3,737	103,560	11,599	10,581	
End of month										
1976—Mar.....	96,647	93,900	2,747	54	2,110	3,707	103,401	11,599	10,403	
Apr.....	98,553	94,468	4,085	31	2,067	4,280	105,926	11,599	10,459	
May ^p	97,593	94,334	3,259	397	1,133	3,888	103,886	11,599	10,588	
Wednesday										
1976—Mar. 3.....	96,716	94,287	2,429	317	3,120	3,153	104,433	11,599	10,427	
10.....	87,567	87,567	.....	36	3,283	3,264	94,773	11,599	10,433
17.....	92,430	92,430	.....	72	3,869	3,370	100,326	11,599	10,440
24.....	95,920	94,671	1,249	324	2,668	3,613	103,140	11,599	10,446	
31.....	96,647	93,900	2,747	54	2,110	3,707	103,401	11,599	10,403	
Apr. 7.....	87,563	87,563	.....	41	2,539	3,713	94,381	11,599	10,452
14.....	91,957	89,779	2,178	322	2,755	4,321	100,028	11,599	10,511	
21.....	98,151	92,916	5,235	173	2,923	4,677	106,774	11,599	10,519	
28.....	98,180	93,842	4,338	246	2,579	4,351	106,165	11,599	10,526	
May 5.....	96,440	94,240	2,200	41	3,340	4,537	105,072	11,599	10,533	
12.....	96,324	94,136	2,188	258	3,181	4,385	104,866	11,599	10,540	
19.....	97,044	93,814	3,230	541	3,027	3,542	105,035	11,599	10,548	
26 ^p	96,885	94,780	2,105	644	2,264	3,820	104,328	11,598	10,588	

¹ Includes Federal agency issues held under repurchase agreements beginning Dec. 1, 1966, and Federal agency issues bought outright beginning Sept. 29, 1971.

² Includes, beginning 1969, securities loaned—fully guaranteed by U.S. Govt. securities pledged with F.R. Banks—and excludes (if any) securities sold and scheduled to be bought back under matched sale—purchase transactions.

³ Beginning 1960 reflects a minor change in concept; see Feb. 1961 BULLETIN, p. 164.

⁴ 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."

⁵ Includes industrial loans and acceptances until Aug. 21, 1959, when industrial loan program was discontinued. For holdings of acceptances on Wed. and end-of-month dates, see p. A-10. See also note 3.

⁶ Beginning July 1973, this item includes certain deposits of domestic nonmember banks and foreign-owned banking institutions held with member banks and redeposited in full with F.R. Banks in connection

Notes continued on opposite page.

MEMBER BANK RESERVES, FEDERAL RESERVE BANK CREDIT, AND RELATED ITEMS—Continued

(In millions of dollars)

Factors absorbing reserve funds										Period or date
Cur- rency in cir- cu- la- tion	Treas- ury cash hold- ings	Deposits, other than member bank reserves with F.R. Banks			Other F.R. ac- counts ⁴	Other F.R. lia- bilities and capital ⁴	Member bank reserves			
		Treas- ury	For- eign	Other ^{3, 6}			With F.R. Banks	Cur- rency and coin ⁷	Total ⁸	
Averages of daily figures										
53,591	656	1,194	146	458	.....	2,192	23,071	4,960	28,031	.....1969—Dec.
57,013	427	849	145	735	.....	2,265	23,925	5,340	29,265	.....1970—Dec.
61,060	453	1,926	290	728	.....	2,287	25,653	5,676	31,329	.....1971—Dec.
66,060	350	1,449	272	631	.....	2,362	24,830	6,095	31,353	.....1972—Dec.
71,646	323	1,892	406	717	.....	2,942	28,352	6,635	35,068	.....1973—Dec.
78,951	220	1,741	357	874	.....	3,266	29,767	7,174	36,941	.....1974—Dec.
79,102	326	8,115	262	746	.....	3,231	27,576	6,916	34,492	.....1975—May
80,607	355	3,353	272	989	.....	3,191	28,007	6,969	34,976	.....June
81,758	358	2,207	269	711	.....	3,135	27,442	7,213	34,655	.....July
81,822	368	818	274	660	.....	3,096	27,183	7,299	34,482	.....Aug.
81,907	362	3,415	308	798	.....	3,169	27,215	7,431	34,646	.....Sept.
82,215	387	4,940	271	632	.....	3,208	27,254	7,313	34,567	.....Oct.
83,740	415	4,333	297	649	.....	3,276	27,215	7,356	34,571	.....Nov.
85,810	452	3,955	259	906	.....	3,247	27,215	7,773	34,989	.....Dec.
84,625	496	5,903	287	916	.....	3,225	26,995	8,445	35,575	.....1976—Jan.
84,002	527	8,811	280	716	.....	3,231	26,168	7,646	33,953	.....Feb.
85,014	511	7,653	264	810	.....	3,252	26,366	7,456	33,967	.....Mar.
86,565	524	5,211	254	815	.....	3,203	26,345	7,568	34,063	.....Apr.
87,388	510	7,215	286	655	.....	3,314	26,366	7,838	34,356	.....May ^p
Week ending—										
84,077	513	9,911	312	813	.....	3,289	26,371	7,577	34,088	.....1976—Mar. 3
84,776	510	7,227	288	740	.....	3,061	25,283	7,955	33,379	.....10
85,261	498	6,036	262	950	.....	3,217	26,072	7,493	33,710	.....17
85,168	514	8,972	267	822	.....	3,343	26,547	6,869	33,562	.....24
85,124	522	7,705	246	724	.....	3,433	26,635	7,453	34,236	.....31
85,713	523	4,268	277	914	.....	3,030	25,840	7,600	33,587	.....Apr. 7
86,794	529	2,421	261	698	.....	3,148	25,756	7,856	33,762	.....14
87,106	527	6,003	232	846	.....	3,236	27,208	7,088	34,447	.....21
86,627	516	6,861	238	821	.....	3,334	26,610	7,623	34,384	.....28
86,745	526	8,910	284	815	.....	3,389	27,208	7,937	35,296	.....May 5
87,422	522	6,427	327	632	.....	3,136	25,271	8,297	33,720	.....12
87,502	514	6,473	300	568	.....	3,234	26,346	7,638	34,136	.....19
87,402	493	8,055	232	624	.....	3,409	26,024	7,513	33,689	.....26 ^p
End of month										
85,498	524	7,144	305	796	.....	3,490	28,150	7,453	35,751	.....1976—Mar.
86,481	536	9,806	305	762	.....	3,456	27,140	7,937	35,228	.....Apr.
87,760	470	6,745	303	679	.....	3,500	27,115	7,830	35,098	.....May ^p
Wednesday										
84,601	505	9,820	233	690	.....	2,994	28,115	7,577	35,832	.....1976—Mar. 3
85,330	510	5,300	255	936	.....	3,106	21,868	7,955	29,964	.....10
85,454	507	9,531	234	982	.....	3,220	22,936	7,493	30,574	.....17
85,307	524	8,838	271	755	.....	3,330	26,660	6,869	33,675	.....24
85,498	524	7,144	305	796	.....	3,490	28,150	7,453	35,751	.....31
86,527	522	1,456	246	767	.....	2,978	24,435	7,600	32,185	.....Apr. 7
87,297	525	2,257	242	788	.....	3,161	28,368	7,856	36,374	.....14
87,158	511	7,894	252	1,114	.....	3,460	29,003	7,088	36,242	.....21
86,802	517	9,023	287	741	.....	3,447	27,973	7,623	35,747	.....28
87,289	513	6,046	298	795	.....	3,061	29,702	7,937	37,791	.....May 5
87,818	510	5,795	332	588	.....	3,207	29,255	8,297	37,704	.....12
87,611	493	7,861	230	518	.....	3,336	27,632	7,638	35,422	.....19
87,782	480	7,655	251	941	.....	3,435	26,470	7,513	34,135	.....26 ^p

with voluntary participation by nonmember institutions in the F.R. System's program of credit restraint.

As of Dec. 12, 1974, the amount of voluntary nonmember bank and foreign-agency and branch deposits at F.R. Banks that are associated with marginal reserves are no longer reported. However, two amounts are reported: (1) deposits voluntarily held as reserves by agencies and branches of foreign banks operating in the United States; and (2) Euro-dollar liabilities.

⁷ Part allowed as reserves Dec. 1, 1959—Nov. 23, 1960; all allowed thereafter. Beginning Jan. 1963, figures are estimated except weekly averages. Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.

⁸ Beginning with week ending Nov. 15, 1972, includes \$450 million of

reserve deficiencies on which F.R. Banks were allowed to waive penalties for transition period associated with bank adaptation to Regulation J, as amended effective Nov. 9, 1972. For 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, \$279 million; Q2, \$172 million; Q3, \$112 million; Q4, \$84 million. For 1974, Q1, \$67 million, Q2, \$58 million. Transition period ended after 1974, Q2.

Beginning with week ending Nov. 19, 1975, adjusted to include waivers of penalties for reserve deficiencies in accordance with Board policy, effective Nov. 19, 1975, of permitting transitional relief on a graduated basis over a 24-month period when a nonmember bank merges into an existing member bank, or when a nonmember bank joins the Federal Reserve System.

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		Excess	Borrowings
	Total held ¹	Required	Excess ¹	Total	Seasonal	Excess	Borrowings	Excess	Borrowings	Excess	Borrowings		
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—Dec.....	35,068	34,806	262	1,298	41	-23	74	43	28	28	761	133	435
1974—Dec.....	36,941	36,602	339	703	32	132	80	5	18	39	323	163	282
1975—May.....	34,492	34,493	-1	60	9	-28	24	-21	.....	-89	13	137	23
June.....	34,976	34,428	548	271	11	142	90	47	2	217	114	142	65
July.....	34,655	34,687	-32	261	17	-22	54	-24	23	-118	62	132	122
Aug.....	34,482	34,265	217	211	38	-18	14	5	1	98	51	132	145
Sept.....	34,646	34,447	199	396	61	17	68	27	2	23	141	132	185
Oct.....	34,567	34,411	156	191	65	42	31	-23	.....	3	32	134	128
Nov.....	34,571	34,281	290	61	28	50	7	34	.....	42	5	164	49
Dec.....	34,989	34,727	262	127	13	64	63	-18	.....	89	26	127	38
1976—Jan.....	35,575	35,366	209	79	9	52	9	-18	17	3	13	172	40
Feb.....	33,953	33,939	14	76	11	-147	20	-14	1	-2	16	177	39
Mar.....	33,967	33,531	436	58	8	177	21	36	2	108	14	115	21
Apr.....	34,063	33,974	89	44	11	2	.....	-4	8	-47	15	138	21
May ^p	34,356	33,845	511	121	11	-27	30	16	2	183	31	124	58
Week ending—													
1975—May 7.....	35,237	34,926	311	34	11	177	.....	21	.....	-5	.....	118	34
14.....	34,517	34,518	-1	17	8	-106	.....	-26	.....	-17	1	148	16
21.....	34,702	34,631	71	121	7	-33	98	9	.....	-34	2	129	21
28.....	34,209	34,045	164	84	9	53	9	4	.....	-5	54	112	21
Dec. 3.....	34,817	34,504	313	66	21	119	16	-18	.....	61	6	151	44
10.....	34,419	34,276	143	28	14	-56	.....	26	.....	37	1	136	27
17.....	35,139	34,906	233	44	13	111	.....	-12	.....	7	11	128	33
24.....	34,836	34,625	211	219	12	7	140	-5	.....	75	42	134	37
31.....	35,611	35,197	414	253	13	57	140	20	.....	129	57	208	56
1976—Jan. 7.....	35,551	35,227	324	67	10	59	.....	-12	.....	102	11	175	56
14.....	35,802	35,639	163	45	8	71	.....	-2	.....	-94	2	188	43
21.....	36,193	35,996	197	153	10	-62	28	-2	77	91	18	170	30
28.....	35,072	34,907	165	58	8	49	10	28	.....	-23	15	111	33
Feb. 4.....	35,069	34,652	417	57	12	94	.....	-14	.....	139	16	198	41
11.....	33,779	33,729	50	51	12	-83	.....	20	.....	-31	14	144	37
18.....	34,540	34,040	500	56	10	180	.....	-7	4	95	10	232	42
25.....	33,656	33,773	-117	148	10	-157	82	-5	.....	-43	24	88	42
Mar. 3.....	34,088	33,678	410	85	8	98	31	11	11	122	14	179	29
10.....	33,379	33,276	103	48	8	53	26	-18	.....	-67	3	135	19
17.....	33,710	33,509	201	40	8	26	.....	21	.....	13	22	141	18
24.....	33,562	33,451	111	78	8	-27	36	-13	.....	70	23	81	19
31.....	34,236	33,838	398	36	10	105	.....	10	.....	109	14	174	22
Apr. 7.....	33,587	33,464	123	24	11	-13	.....	-16	.....	17	4	135	20
14.....	33,762	33,589	173	61	10	29	.....	8	15	-15	32	151	14
21.....	34,447	34,317	130	40	10	-4	.....	-22	18	41	2	115	20
28.....	34,384	34,272	112	54	11	16	.....	27	.....	-43	26	112	28
May 5.....	35,296	34,855	441	30	11	65	3	6	.....	216	.....	154	27
12.....	33,720	33,753	-33	55	9	-43	34	3	3	-112	2	119	16
19.....	34,136	33,891	245	122	11	40	40	-14	6	80	34	139	42
26 ^p	33,689	33,514	175	135	11	-91	53	40	.....	-57	31	86	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, \$84 million. Beginning 1974, Q1, \$67 million; Q2, \$58 million. Transition period ended after second quarter, 1974. For weeks for which figures are preliminary, figures by class of bank do not add to the total because adjusted data by class are not available.

Beginning with week ending Nov. 19, 1975, adjusted to include waivers of penalties for reserve deficiencies in accordance with Board policy, effective Nov. 19, 1975, of permitting transitional relief on a graduated basis over a 24-month period when a nonmember bank merges into an

existing member bank, or when a nonmember bank joins the Federal Reserve System.

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 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.

Borrowings at F.R. Banks: Based on closing figures.

Effective Apr. 19, 1973, the Board's Regulation A, which governs lending by F.R. 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 re-serves ¹	Less—		Net surplus, or deficit (—)		Gross transactions		Total two-way trans- actions ²	Net transactions		Loans to dealers ³	Bor- row- ings from dealers ⁴	Net loans
		Bor- row- ings at F.R. Banks	Net inter-bank Federal funds trans.	Amount	Per cent of avg. required reserves	Pur- chases	Sales		Pur- chases of net buying banks	Sales of net selling banks			
Total—46 banks													
1976—Apr. 7.....	80		16,432	-16,352	109.4	22,084	5,652	4,498	17,586	1,155	3,953	*655	*3,297
14.....	18	43	19,322	-19,346	127.7	24,269	4,947	4,235	20,033	711	4,156	*801	*3,355
21.....	43	20	16,895	-16,872	109.6	22,904	6,008	4,968	17,936	1,040	2,665	*874	*1,791
28.....	-68	15	12,665	-12,747	84.4	19,508	6,843	4,715	14,793	2,128	2,248	*1,303	*945
May 5.....	229		11,833	-11,604	74.5	19,850	8,018	4,721	15,130	3,297	2,128	1,696	432
12.....	3	34	15,423	-15,455	103.0	21,837	6,414	4,332	17,505	2,082	3,207	1,208	1,999
19.....	57	46	13,323	-13,313	87.4	20,624	7,301	4,526	16,098	2,775	2,680	1,441	1,239
26.....	58	60	11,305	-11,308	76.8	18,203	6,898	4,228	13,974	2,669	2,272	1,398	874
8 in New York City													
1976—Apr. 7.....	19		5,838	-5,819	96.5	6,277	439	439	5,838		2,007	201	1,806
14.....	21		6,706	-6,686	109.5	7,404	698	697	6,707		1,806	233	1,574
21.....	12		5,028	-5,016	80.1	6,105	1,078	1,078	5,028		1,678	288	1,390
28.....	11		3,544	-3,533	58.8	4,584	1,041	980	3,605	61	1,385	259	1,127
May 5.....	61		4,275	-4,214	66.4	5,280	1,005	1,006	4,274		1,088	339	750
12.....	-3	34	6,089	-6,126	100.6	6,779	690	690	6,089		1,430	211	1,219
19.....	18	40	4,768	-4,789	76.5	5,868	1,101	1,101	4,768		1,344	317	1,026
26.....	-29	46	3,108	-3,183	53.8	4,143	1,035	804	3,339	231	1,236	299	937
38 outside New York City													
1976—Apr. 7.....	61		10,594	-10,533	118.1	15,807	5,213	4,059	11,748	1,155	1,945	*455	*1,491
14.....	-3	43	12,615	-12,660	140.1	16,865	4,250	3,538	13,327	711	2,349	*568	*1,781
21.....	32	20	11,868	-11,856	129.7	16,798	4,930	3,890	12,908	1,040	987	*586	*1,401
28.....	-79	15	9,121	-9,215	101.4	14,923	5,802	3,735	11,188	2,067	862	*1,044	*-182
May 5.....	169		7,558	-7,390	80.1	14,571	7,012	3,715	10,855	3,297	1,040	1,357	-318
12.....	6		9,334	-9,329	104.7	15,058	5,724	3,642	11,416	2,082	1,777	997	780
19.....	39	7	8,555	-8,523	95.1	14,756	6,201	3,426	11,330	2,775	1,336	1,124	212
26.....	87	14	8,197	-8,124	92.3	14,060	5,863	3,425	10,635	2,438	1,037	1,099	-62
5 in City of Chicago													
1976—Apr. 7.....	-11		5,231	-5,242	330.0	5,816	585	542	5,274	43	458	*163	*294
14.....	2	15	6,202	-6,215	380.2	6,695	493	460	6,235	33	533	*258	*274
21.....	-21	18	6,184	-6,224	382.0	6,843	659	644	6,199	15	412	*223	*188
28.....	12		4,722	-4,710	304.5	5,503	781	781	4,722		397	*643	*-246
May 5.....	19		4,594	-4,575	286.4	5,375	781	781	4,594		457	550	-93
12.....	17		4,960	-4,943	319.0	5,715	755	755	4,960		565	503	63
19.....	-5		4,873	-4,879	312.6	5,525	651	651	4,873		584	528	56
26.....	40		4,521	-4,481	298.7	5,240	718	713	4,527	6	437	481	-44
33 others													
1976—Apr. 7.....	72		5,362	-5,290	72.2	9,991	4,629	3,517	6,474	1,112	1,488	291	1,196
14.....	-4	28	6,414	-6,446	87.1	10,170	3,756	3,078	7,092	679	1,817	310	1,507
21.....	53	2	5,684	-5,633	75.0	9,955	4,272	3,246	6,709	1,025	576	363	213
28.....	-91	15	4,399	-4,505	59.7	9,421	5,022	2,955	6,466	2,067	466	402	64
May 5.....	150		2,965	-2,815	36.9	9,196	6,231	2,934	6,261	3,297	583	808	-225
12.....	-11		4,374	-4,385	59.6	9,344	4,969	2,887	6,456	2,082	1,212	495	717
19.....	44	7	3,682	-3,645	49.2	9,231	5,549	2,775	6,456	2,775	753	596	157
26.....	47	14	3,676	-3,643	49.9	8,820	5,144	2,712	6,108	2,432	600	619	-19

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. Beginning with week ending Jan. 7, 1976, adjusted to include waivers of penalties for reserve deficiencies in accordance with Board policy change effective Nov. 19, 1975.

² Derived from averages for individual banks for entire week. Figure for each bank indicates extent to which the bank's weekly average purchases and sales are offsetting.

³ Federal funds loaned, net funds supplied to each dealer by clearing

banks, repurchase agreements (purchases of securities from dealers subject to resale), or other lending arrangements.

⁴ Federal funds borrowed, net funds acquired from each dealer by clearing banks, reverse repurchase agreements (sales of securities to dealers subject to repurchase), resale agreements, and borrowings secured by Govt. or other issues.

NOTE.—Weekly averages of daily figures. For description of series and back data, see Aug. 1964 BULLETIN, pp. 944-74. Revised data for Jan. 1976 may be obtained from the Public Information Office, Office of the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

CURRENT RATES

(Per cent per annum)

Federal Reserve Bank	Loans to member banks—									Loans to all others under last par. Sec. 13 ⁴		
	Under Secs. 13 and 13a ¹			Under Sec. 10(b) ²								
				Regular rate			Special rate ³					
	Rate on 5/31/76	Effective date	Previous rate	Rate on 5/31/76	Effective date	Previous rate	Rate on 5/31/76	Effective date ³	Previous rate	Rate on 5/31/76	Effective date	Previous rate
Boston.....	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
New York.....	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Philadelphia.....	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Cleveland.....	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Richmond.....	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Atlanta.....	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Chicago.....	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
St. Louis.....	5½	1/23/76	6	6	1/23/76	6½	6½	1/23/76	7	8½	1/23/76	9
Minneapolis.....	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Kansas City.....	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
Dallas.....	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9
San Francisco.....	5½	1/19/76	6	6	1/19/76	6½	6½	1/19/76	7	8½	1/19/76	9

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.

² Advances secured to the satisfaction of the F.R. Bank. Advances secured by mortgages on 1- to 4-family residential property are made at the Section 13 rate.

³ Applicable to special advances described in Section 201.2(e)(2) of Regulation A.

⁴ 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.

SUMMARY OF EARLIER CHANGES

(Per cent per annum)

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.	Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.	Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1955.....	2½	2½	1964—Nov. 24.....	3½-4	4	1971—Nov. 11.....	4¾-5	5
1956—Apr. 13.....	2½-3	2¾	30.....	4	4	19.....	4¾	4¾
20.....	2¾-3	2¾	1965—Dec. 6.....	4 -4½	4½	Dec. 13.....	4½-4¾	4¾
Aug. 24.....	2¾-3	3	13.....	4½	4½	17.....	4½-4¾	4½
31.....	3	3				24.....	4½	4½
1957—Aug. 9.....	3 -3½	3	1967—Apr. 7.....	4 -4½	4	1973—Jan. 15.....	5	5
23.....	3½	3½	14.....	4	4	Feb. 26.....	5 -5½	5½
Nov. 15.....	3 -3½	3	Nov. 20.....	4 -4½	4½	Mar. 2.....	5½	5½
Dec. 2.....	3	3	27.....	4½	4½	Apr. 23.....	5½-5¾	5½
1958—Jan. 22.....	2¾-3	3	1968—Mar. 15.....	4½-5	4½	May 4.....	5¾	5¾
24.....	2¾-3	2¾	22.....	5	5	11.....	5¾-6	6
Mar. 7.....	2¾-3	2¾	Apr. 19.....	5 -5½	5½	18.....	6	6
13.....	2¾-2¾	2¾	26.....	5½	5½	June 11.....	6 -6½	6½
21.....	2¾	2¾	Aug. 16.....	5½-5½	5½	15.....	6½	6½
Apr. 18.....	1¾-2¼	1¾	30.....	5¼	5¼	July 2.....	7	7
May 9.....	1¾	1¾	Dec. 18.....	5¼-5½	5½	Aug. 14.....	7 -7½	7½
Aug. 15.....	1¾-2	1¾	20.....	5½	5½	23.....	7½	7½
Sept. 12.....	1¾-2	2	1969—Apr. 4.....	5½-6	6	1974—Apr. 25.....	7½-8	8
23.....	2	2	8.....	6	6	30.....	8	8
Oct. 24.....	2 -2½	2	1970—Nov. 11.....	5¾-6	6	Dec. 9.....	7¾-8	7¾
Nov. 7.....	2½	2½	13.....	5¾-6	5¾	16.....	7¾	7¾
1959—Mar. 6.....	2½-3	3	16.....	5¾	5¾	1975—Jan. 6.....	7¼-7¾	7¾
16.....	3	3	Dec. 1.....	5½-5¾	5¾	10.....	7¼-7¾	7¼
May 29.....	3 -3½	3½	4.....	5½-5¾	5½	24.....	7¼	7¼
June 12.....	3½	3½	11.....	5½	5½	Feb. 5.....	6¾-7¼	6¾
Sept. 11.....	3½-4	4	1971—Jan. 8.....	5¼-5½	5¼	7.....	6¾	6¾
18.....	4	4	15.....	5¼	5¼	Mar. 10.....	6¼-6¾	6¼
1960—June 3.....	3½-4	4	19.....	5 -5¼	5¼	14.....	6¼	6¼
10.....	3½-4	3½	22.....	5 -5¼	5	May 16.....	6 -6¼	6
14.....	3½	3½	29.....	5	5	23.....	6	6
Aug. 12.....	3 -3½	3	Feb. 13.....	4¾-5	5	1976—Jan. 19.....	5½-6	5½
Sept. 9.....	3	3	19.....	4¾	4¾	23.....	5½	5½
1963—July 17.....	3 -3½	3½	July 16.....	4¾-5	5	In effect May 31, 1976....	5½	5½
26.....	3½	3½	23.....	5	5			

NOTE.—Rates under Secs. 13 and 13a (as described in table and notes above). For data before 1956, 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.)

Effective date ¹	Net demand ²				Time ³ (all classes of banks)		
	Reserve city		Other		Savings	Other time	
	0-5	Over 5	0-5	Over 5		0-5	Over 5
In effect Jan. 1, 1963.....	16½		12		4		
1966—July 14, 21.....					4	4	5
Sept. 8, 15.....							6
1967—Mar. 2.....					3½	3½	
Mar. 16.....					3	3	
1968—Jan. 11, 18.....	16½	17	12	12½			
1969—Apr. 17.....	17	17½	12½	13			
1970—Oct. 1.....					5		

Beginning Nov. 9, 1972												
Effective date	Net demand ^{2,4}					Savings	Time ³					
	0-2	2-10	10-100	100-400	Over 400		Other time					
							0-5, maturing in—			Over 5½, maturing in—		
							30-179 days	180 days to 4 years	4 years or more	30-179 days	180 days to 4 years	4 years or more
1972—Nov. 9.....	8	10	12	6 16½	17½	7 3	7 3			7 5		
Nov. 16.....				13								
1973—July 19.....		10½	12½	13½	18							
1974—Dec. 12.....					17½					6	3	
1975—Feb. 13.....	7½	10	12	13	16½							
Oct. 30.....							3		8 1		3	8 1
1976—Jan. 8.....							3	8 2½			8 2½	
In effect May 31, 1976....	7½	10	12	13	16½	3	3	8 2½	8 1	6	8 2½	8 1

Present legal limits:		Minimum	Maximum
Net demand deposits, reserve city banks.....		10	22
Net demand deposits, other banks.....		7	14
Time deposits.....		3	10

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 balances 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 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 classifications is 4 per cent. The requirement was 10 per cent originally, was increased to 20 per cent on Jan. 7, 1971, was reduced to 8 per cent effective June 21, 1973, and was reduced to the current 4 per cent effective May 22, 1975. 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 D and M.

³ Effective Jan. 5, 1967, time deposits such as Christmas and vacation club accounts became subject to same requirements as savings deposits. Beginning Nov. 10, 1975, profitmaking businesses may maintain savings deposits of \$150,000 or less at member banks. For details of 1975 action, see Regulations D and Q, and also BULLETINS for Oct., p. 708, and Nov., p. 769.

Notes 2(b) and 2(c) above are also relevant to time deposits.

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 net demand deposits of more than \$400 million is considered to have the character of business of a reserve city bank, and the presence of the head 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 less are considered to have the character of business of banks outside of reserve cities and are permitted to maintain reserves at ratios set for banks not in reserve cities. For details, see Regulation D and appropriate supplements and amendments.

⁵ A marginal reserve requirement was in effect between June 21, 1973, and Dec. 11, 1974, against increases in the aggregate of the following types of obligations: (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 existing reserve requirements on time deposits, and (c) beginning July 12, 1973, funds from sales of finance bills. The requirement applied to balances above a specified base, but was not applicable to banks having obligations of these types aggregating less than \$10 million. For details, including percentages and maturity classifications, see "Announcements" in BULLETINS for May, July, Sept., and Dec. 1973 and Sept. and Nov. 1974.

⁶ The 16½ 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.

⁷ See columns above for earliest effective date of this rate.

⁸ The average of reserves on savings and other time deposits must be at least 3 per cent, the minimum specified by law. For details, see Regulation D.

NOTE.—Required reserves must be held in the form of deposits with F.R. Banks or vault cash.

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Rates July 20, 1966—June 30, 1973					Rates beginning July 1, 1973				
Type and size of deposit	Effective date				Type and size of deposit	Effective date			
	July 20, 1966	Sept. 26, 1966	Apr. 19, 1968	Jan. 21, 1970		July 1, 1973	Nov. 1, 1973	Nov. 27, 1974	Dec. 23, 1974
Savings deposits.....	4	4	4	4½	Savings deposits.....	5	5	5	5
Other time deposits: ¹					Other time deposits (multiple- and single-maturity): ^{1, 2}				
Multiple maturity: ²					Less than \$100,000:				
30-89 days.....	4	4	4	4½	30-89 days.....	5	5	5	5
90 days to 1 year.....				5	90 days to 1 year.....	5½	5½	5½	5½
1-2 years.....	5	5	5	5½	1-2½ years.....	6	6	6	6
2 years or more.....				5¾	2½ years or more.....	6½	6½	6½	6½
Single-maturity:					Minimum denomination of \$1,000: ⁴				
Less than \$100,000:					4-6 years.....	(5)	7¼	7¼	7¼
30 days to 1 year.....				5	6 years or more.....	(5)	(6)	7½	7½
1-2 years.....	5½	5	5	5½	Governmental units.....	(6)	(6)	(7½)	(7½)
2 years or more.....				5¾	\$100,000 or more.....	(3)	(3)	(3)	(3)
\$100,000 or more:									
30-59 days.....			5½	(3)					
60-89 days.....			5¾	(3)					
90-179 days.....	5½	5½	6	(3)					
180 days to 1 year.....			6¼	(3)					
1 year or more.....				(3)					

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	6¼ per cent	June 24, 1970
60-89 days	6½ per cent	
90-179 days	6¾ per cent	May 16, 1973
180 days to 1 year	7 per cent	
1 year or more	7½ per cent	

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

⁴ Effective Dec. 4, 1975, the \$1,000 minimum denomination does not apply to time deposits representing funds contributed to an Individual Retirement Account established pursuant to 26 U.S.C. (I.R.C. 1954) §408.

⁵ Between July 1 and Oct. 31, 1973, there was no ceiling for certificates maturing in 4 years or more with minimum denominations 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 6½ per cent ceiling that applies to time deposits maturing in 2½ years or more.

Effective Nov. 1, 1973, a ceiling rate of 7¼ per cent was imposed on certificates maturing in 4 years or more with minimum denominations of \$1,000. There is no limitation on the amount of these certificates that banks may issue.

⁶ Prior to Nov. 27, 1974, no distinction was made between the time deposits of governmental units and of other holders, insofar as Regulation Q ceilings on rates payable were concerned. Effective Nov. 27, 1974, governmental units were permitted to hold savings deposits and could receive interest rates on time deposits with denominations under \$100,000 irrespective of maturity, as high as the maximum rate permitted on such deposits at any Federally insured depository institution.

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)

Period		For credit extended under Regulations T (brokers and dealers), U (banks), and G (others than brokers, dealers, or banks)						
Beginning date	Ending date	On margin stocks			On convertible bonds			On short sales (T)
		T	U	G	T	U	G	
1937—Nov. 1	1945—Feb. 4	40						50
1945—Feb. 5	July 4	50						50
July 5	1946—Jan. 20	75						75
1946—Jan. 21	1947—Jan. 31	100						100
1947—Feb. 1	1949—Mar. 29	75						75
1949—Mar. 30	1951—Jan. 16	50						50
1951—Jan. 17	1953—Feb. 19	75						75
1953—Feb. 20	1955—Jan. 3	50						50
1955—Jan. 4	Apr. 22	60						60
Apr. 23	1958—Jan. 15	70						70
1958—Jan. 16	Aug. 4	50						50
Aug. 5	Oct. 15	70						70
Oct. 16	1960—July 27	90						90
1960—July 28	1962—July 9	70						70
1962—July 10	1963—Nov. 5	50						50
1963—Nov. 6	1968—Mar. 10	70						70
1968—Mar. 11	June 7	70				50		70
June 8	1970—May 5	80				60		80
1970—May 6	1971—Dec. 3	65				50		65
1971—Dec. 4	1972—Nov. 22	55				50		55
1972—Nov. 23	1974—Jan. 2	65				50		65
Effective Jan. 3, 1974		50				50		50

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 per cent) and the maximum loan value. The term margin stocks is defined in the corresponding regulation.

Regulation G and special margin requirements for bonds convertible into stocks were adopted by the Board of Governors effective Mar. 11, 1968.

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Period	Outright transactions in U.S. Govt. securities, by maturity (excluding matched sale-purchase transactions)														
	Treasury bills ¹			Others within 1 year ²			1-5 years			5-10 years			Over 10 years		
	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Exch., maturity shifts, or redemptions	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts
1970.....	11,074	5,214	2,160	99	.....	-3,483	848	.....	5,430	249	.....	-1,845	93	.....	-102
1971.....	8,896	3,642	1,064	1,036	.....	-6,462	1,338	.....	4,672	933	.....	685	311	.....	150
1972.....	8,522	6,467	2,545	125	.....	2,933	789	.....	-1,405	539	.....	-2,094	167	.....	250
1973.....	15,517	4,880	3,405	1,396	.....	-140	579	.....	-2,028	500	.....	895	129	.....	87
1974.....	11,660	5,830	4,550	450	.....	-1,314	797	.....	-697	434	.....	1,675	196	.....	205
1975.....	11,562	5,599	6,431	3,886	.....	-3,553	2,863	.....	4,275	1,510	.....	-4,697	1,070	.....	848
1975-Apr....	2,119	318	506	148	.....	.....	485	.....	.....	274	.....	.....	164	.....	.....
May.....	903	354	407	50	.....	-3,131	.....	.....	6,635	.....	.....	-3,801	.....	.....	298
June.....	421	161	612	20	.....	691	488	.....	-529	180	.....	.....	109	.....	.....
July.....	312	1,505	800	.....	.....	.....	.....	.....	.....	64	.....	.....	.....	.....	.....
Aug.....	2,118	282	400	2,002	.....	-2,144	150	.....	1,299	.....	.....	-1,444	47	.....	300
Sept.....	1,263	766	200	.....	.....	278	562	.....	-278	137	.....	.....	124	.....	.....
Oct.....	1,263	766	400	.....	.....	48	.....	.....	-48	.....	.....	.....	.....	.....	.....
Nov.....	1,983	652	919	43	.....	-265	267	.....	-135	155	.....	300	244	.....	100
Dec.....	1,984	.....	200	31	.....	28	118	.....	-28	78	.....	.....	71	.....	.....
1976-Jan....	243	1,239	600	37	.....	.....	110	.....	.....	100	.....	.....	73	.....	.....
Feb.....	1,664	.....	389	40	.....	-1,153	177	.....	174	63	.....	968	59	.....	200
Mar.....	1,069	511	600	38	.....	349	185	107	-349	63	.....	.....	24	.....	.....
Apr.....	2,869	1,355	1,000	27	.....	72	249	70	-72	51	.....	.....	38	.....	.....

Period	Total outright ¹			Matched sale-purchase transactions (U.S. Govt. securities)		Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities	Federal agency obligations			Bankers acceptances, net		Net change ³	
	Gross purchases	Gross sales	Redemptions	Gross sales	Gross purchases	Gross purchases	Gross sales		Gross purchases	Sales or redemptions	Repurchase agreements, net	Out-right	Repurchase agreements		
1970.....	12,362	5,214	2,160	12,177	12,177	33,859	33,859	4,988	.....	.....	.....	-6	.....	4,982
1971.....	12,515	3,642	2,019	16,205	16,205	44,741	43,519	8,076	485	.....	101	22	181	8,866
1972.....	10,142	6,467	2,862	23,319	23,319	31,103	32,228	-312	1,197	370	-88	-9	-145	272	
1973.....	18,121	4,880	4,592	45,780	45,780	74,755	74,795	8,610	865	239	29	-2	-36	9,227	
1974.....	13,537	5,830	4,682	64,229	62,801	71,333	70,947	1,984	3,087	322	469	511	420	6,149	
1975.....	20,892	5,599	9,559	151,205	152,132	140,311	139,538	7,434	1,616	246	-392	163	-35	8,539	
1975-Apr....	3,189	318	506	12,375	12,216	12,774	8,551	6,428	.....	2	883	24	496	7,829
May.....	953	354	407	2,996	3,044	19,489	21,952	-2,224	.....	97	-567	55	-375	-3,207
June.....	1,217	161	450	12,914	13,026	15,219	16,810	-873	.....	6	-255	-62	-121	-1,317
July.....	.....	1,505	800	15,532	15,139	5,977	6,146	-2,866	.....	2	-61	3	.....	-2,926
Aug.....	2,574	282	2,389	14,234	13,730	8,146	6,881	663	353	40	90	-1	156	1,222	
Sept.....	2,940	.....	200	19,931	19,835	16,664	14,857	4,451	394	1	203	14	94	5,155
Oct.....	1,263	766	400	15,886	16,113	13,699	13,838	186	284	.....	-124	49	50	445
Nov.....	1,693	652	919	14,442	15,207	14,342	17,275	-2,047	.....	1	-169	-21	-300	-2,537
Dec.....	2,281	.....	200	10,559	10,058	8,464	7,247	2,797	.....	.....	118	15	385	3,315
1976-Jan....	563	1,239	600	11,407	11,503	18,135	14,919	2,037	239	.....	187	5	98	2,567
Feb.....	2,003	.....	200	7,551	7,957	17,753	20,943	-982	297	1	-236	-70	-109	-1,101
Mar.....	1,380	618	600	12,697	12,082	16,000	14,783	763	.....	.....	217	-138	-31	812
Apr.....	3,233	1,425	1,000	15,138	14,899	17,456	15,963	2,061	.....	.....	-155	-50	162	2,019

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 (millions of dollars): June 1971, 955; Sept. 1972, 38; Aug. 1973, 351; Sept. 1973, 836; Nov. 1974, 131; Mar. 1975, 1,560; Aug. 1975, 1,989.

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. Details may not add to totals because of rounding.

CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1976					1976		1975
	May 26	May 19	May 12	May 5	Apr. 28	May 31	Apr. 30	May 31
Assets								
Gold certificate account.....	11,598	11,599	11,599	11,599	11,599	11,598	11,599	11,620
Special Drawing Rights certificate account.....	500	500	500	500	500	500	500	500
Cash.....	349	343	339	325	337	357	342	366
Loans:								
Member bank borrowings.....	644	541	258	41	246	397	31	24
Other.....								
Acceptances:								
Bought outright.....	435	461	481	488	486	439	490	744
Held under repurchase agreements.....	280	420	237	226	323	436	505	121
Federal agency obligations:								
Bought outright.....	6,827	6,607	6,607	6,607	6,607	6,827	6,607	5,091
Held under repurchase agreements.....	105	150	85	72	196	154	132	316
U.S. Govt. securities:								
Bought outright:								
Bills.....	37,096	36,350	36,672	36,776	36,379	36,650	37,004	37,411
Certificates—Special.....								
Other.....								
Notes.....	44,856	44,856	44,941	44,941	44,940	44,856	44,941	42,038
Bonds.....	6,001	6,001	5,916	5,916	5,916	6,001	5,916	4,413
Total bought outright ¹	87,953	87,207	87,529	87,633	87,235	87,507	87,861	83,862
Held under repurchase agreements.....	2,000	3,080	2,103	2,128	4,142	3,105	3,953	1,760
Total U.S. Govt. securities.....	89,953	90,287	89,632	89,761	91,377	90,612	91,814	85,622
Total loans and securities.....	98,244	98,466	97,300	97,195	99,235	98,865	99,579	91,918
Cash items in process of collection.....	^p 7,831	8,980	8,586	9,121	8,266	^p 5,879	6,375	6,326
Bank premises.....	341	340	339	340	338	343	337	284
Operating equipment.....	18	19	18	18	18	18	18	2
Other assets:								
Denominated in foreign currencies.....	934	928	936	936	936	938	932	4
All other.....	2,527	2,255	3,092	3,243	3,059	2,589	2,993	2,694
Total assets.....	^p 122,342	123,430	122,709	123,277	124,288	^p 121,087	122,675	113,714
Liabilities								
F.R. notes.....	78,023	77,900	78,127	77,594	77,130	77,999	76,898	70,852
Deposits:								
Member bank reserves.....	^p 26,470	27,632	29,255	29,702	27,973	^p 27,115	27,140	26,445
U.S. Treasury—General account.....	7,655	7,861	5,795	6,046	9,023	6,745	9,806	7,036
Foreign.....	251	230	332	298	287	303	305	310
Other:								
All other ²	941	518	588	795	741	679	762	1,159
Total deposits.....	^p 35,317	36,241	35,970	36,841	38,024	^p 34,842	38,013	34,950
Deferred availability cash items.....	5,567	5,953	5,405	5,781	5,687	4,746	4,308	4,516
Other liabilities and accrued dividends.....	1,122	1,138	1,124	1,096	1,119	1,117	1,091	1,099
Total liabilities.....	^p 120,029	121,232	120,626	121,312	121,960	^p 118,704	120,310	111,417
Capital accounts								
Capital paid in.....	953	952	947	946	946	953	947	908
Surplus.....	929	929	929	929	929	929	929	897
Other capital accounts.....	431	317	207	90	453	501	489	492
Total liabilities and capital accounts.....	^p 122,342	123,430	122,709	123,277	124,288	^p 121,087	122,675	113,714
Marketable U.S. Govt. securities held in custody for foreign and international accounts.....	45,512	46,349	45,723	45,624	45,384	45,867	45,603	40,502

Federal Reserve Notes—Federal Reserve Agents' Accounts

F.R. notes outstanding (issued to Bank).....	82,998	82,788	82,614	82,488	82,446	83,093	82,456	75,777
Collateral held against notes outstanding:								
Gold certificate account.....	11,596	11,596	11,596	11,584	11,597	11,596	11,546	9,876
Special Drawing Rights certificate account.....	302	302	302	302	302	302	302	190
Acceptances.....								
U.S. Govt. securities.....	73,035	72,735	73,595	72,680	72,580	73,035	72,680	69,850
Total collateral.....	84,933	84,633	85,493	84,566	84,479	84,933	84,528	79,916

¹ See note 2 on p. A-2.² See note 6 on p. A-2.

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

(In millions of dollars)

Item	Wednesday					End of month		
	1976					1976		1975
	May 26	May 19	May 12	May 5	Apr. 28	May 31	Apr. 20	May 31
Loans—Total.....	644	542	258	41	246	397	30	23
Within 15 days.....	642	539	254	39	244	390	27	20
16-90 days.....	2	3	4	2	2	7	3	3
91 days to 1 year.....								
Acceptances—Total.....	715	881	718	714	809	875	995	865
Within 15 days.....	343	500	316	291	379	515	556	229
16-90 days.....	186	193	199	206	235	183	226	394
91 days to 1 year.....	186	188	203	217	195	177	213	242
U.S. Govt. securities—Total.....	89,953	90,287	89,632	89,761	91,377	90,612	91,814	85,622
Within 15 days ¹	5,981	7,064	7,447	6,885	8,412	5,218	7,515	5,087
16-90 days.....	18,257	17,392	14,771	15,274	16,781	19,637	17,358	21,911
91 days to 1 year.....	25,570	25,686	24,697	24,885	23,395	25,612	24,224	20,117
1-5 years.....	27,496	27,496	30,570	30,570	30,642	27,496	30,570	28,463
5-10 years.....	8,088	8,088	7,671	7,671	7,671	8,088	7,671	6,957
Over 10 years.....	4,561	4,561	4,476	4,476	4,476	4,561	4,476	3,087
Federal agency obligations—Total.....	6,932	6,757	6,692	6,679	6,803	6,981	6,739	5,407
Within 15 days ¹	277	257	129	72	238	326	174	390
16-90 days.....	98	208	270	315	273	199	273	189
91 days to 1 year.....	1,004	962	962	962	962	903	962	529
1-5 years.....	3,356	3,255	3,255	3,255	3,255	3,356	3,255	2,529
5-10 years.....	1,504	1,422	1,422	1,422	1,422	1,504	1,422	1,209
Over 10 years.....	693	653	654	653	653	693	653	561

¹ Holdings under repurchase agreements are classified as maturing within 15 days in accordance with maximum maturity of the agreements.

BANK DEBITS AND DEPOSIT TURNOVER

(Seasonally adjusted annual rates)

Period	Debits to demand deposit accounts ¹ (billions of dollars)					Turnover of demand deposits				
	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's
		N.Y.	6 others ²				N.Y.	6 others ²		
1975—Apr.....	22,705.7	10,810.3	4,770.6	11,895.4	7,124.9	127.5	330.3	114.3	81.8	68.8
May.....	22,738.6	10,826.1	4,852.6	11,912.5	7,059.9	128.9	333.9	120.1	82.8	68.2
June.....	22,503.5	10,612.2	4,756.7	11,891.3	7,134.6	124.4	328.6	114.2	80.0	66.7
July.....	22,827.9	10,709.5	4,841.1	12,118.3	7,277.2	126.2	331.0	115.7	81.6	68.2
Aug.....	23,269.4	10,628.8	5,125.1	12,640.5	7,515.4	130.4	335.0	124.4	86.2	71.2
Sept.....	23,181.9	10,585.0	5,153.0	12,596.9	7,443.8	128.8	330.7	123.8	85.1	70.0
Oct.....	24,137.1	11,801.5	4,921.3	12,335.6	7,414.3	134.0	364.0	118.7	83.5	69.8
Nov.....	24,067.7	11,529.9	4,937.3	12,537.8	7,600.5	134.0	360.8	119.5	84.9	71.5
Dec.....	23,565.1	10,970.9	4,932.5	12,594.2	7,661.8	131.0	351.8	118.4	84.7	71.6
1976—Jan.....	23,845.0	11,517.7	4,789.0	12,327.3	7,538.3	132.4	366.0	115.4	82.9	70.3
Feb.....	25,524.9	12,212.0	5,321.1	13,312.9	7,991.8	140.9	375.4	128.0	89.6	74.6
Mar.....	26,475.0	12,629.6	5,561.5	13,845.4	8,283.9	144.6	377.5	131.4	92.5	77.2
Apr.....	25,777.3	12,482.8	5,282.1	13,294.5	8,012.4	140.3	374.9	124.1	88.4	74.3

¹ Excludes interbank and U.S. Govt. demand deposit accounts.

² Boston, Philadelphia, Chicago, Detroit, San Francisco—Oakland, and Los Angeles—Long Beach.

NOTE.—Total SMSA's include some cities and counties not designated as SMSA's.

For back data see pp. 634-35 of the July 1972 BULLETIN.

MEASURES OF THE MONEY STOCK

(In billions of dollars)

Period	Seasonally adjusted					Not seasonally adjusted				
	M ₁	M ₂	M ₃	M ₄	M ₅	M ₁	M ₂	M ₃	M ₄	M ₅
Composition of measures is described in the NOTE below.										
1973—Dec.....	270.5	571.4	919.5	634.9	982.9	278.3	576.5	921.8	640.5	985.8
1974—Dec.....	283.1	612.4	981.6	702.2	1,071.4	291.3	617.5	983.8	708.0	1,074.3
1975—Apr.....	284.9	626.7	1,012.7	715.1	1,101.1	286.5	631.1	1,020.0	716.9	1,105.8
May.....	287.6	633.7	1,025.3	718.8	1,110.4	282.9	631.9	1,025.7	716.0	1,109.8
June.....	291.0	642.4	1,040.2	726.5	1,124.3	290.3	643.5	1,044.5	725.8	1,126.8
July.....	291.9	647.5	1,051.6	729.6	1,133.7	292.1	647.8	1,055.0	729.1	1,136.3
Aug.....	293.2	650.6	1,060.6	729.3	1,139.3	290.0	647.2	1,057.1	728.4	1,138.3
Sept.....	293.6	652.9	1,068.1	731.9	1,147.1	291.7	649.5	1,062.8	732.2	1,145.5
Oct.....	293.4	655.8	1,075.8	736.7	1,156.6	292.3	653.2	1,070.4	736.9	1,154.1
Nov.....	295.6	662.1	1,086.5	743.9	1,168.3	297.4	660.2	1,080.6	743.0	1,163.5
Dec.....	294.8	664.3	1,092.9	747.2	1,175.8	303.2	669.3	1,094.6	752.8	1,178.1
1976—Jan.....	295.1	670.2	1,103.7	749.4	1,182.9	301.0	675.3	1,107.1	753.7	1,185.6
Feb.....	296.5	678.5	1,117.2	753.8	1,192.6	292.9	675.3	1,113.3	748.4	1,186.3
Mar.....	298.0	683.4	1,127.3	756.5	1,200.5	295.2	683.3	1,129.0	755.1	1,200.8
Apr.....	301.7	691.9	1,141.3	763.4	1,212.7	303.3	696.7	1,149.7	766.1	1,219.1

NOTE.—Composition of the money stock measures is as follows:

M₁: 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.

M₂: Averages of daily figures for M₁ plus savings deposits, time deposits open account, and time certificates of deposit other than negotiable CD's of \$100,000 of large weekly reporting banks.

M₃: M₂ plus the average of the beginning and end-of-month deposits

of mutual savings banks, savings and loan shares, and credit union shares (nonbank thrift).

M₄: M₂ plus large negotiable CD's.

M₅: M₃ plus large negotiable CD's.

For a description of the latest revisions in M₁, M₂, M₃, M₄, and M₅, see "Revision of Money Stock Measures" on pp. 82-87 of the Feb. 1976 BULLETIN. Beginning Oct. 1975, money stock measures and related data have been revised to incorporate Benchmark Data from the Dec. 31, 1975, call report.

Latest monthly and weekly figures are available from the Board's H.6 release. Back data are available from the Banking Section, Division of Research and Statistics.

COMPONENTS OF MONEY STOCK MEASURES AND RELATED ITEMS

(In billions of dollars)

Period	Seasonally adjusted						Not seasonally adjusted								U.S. Govt. deposits ³
	Cur- ren- cy	De- mand de- pos- its	Commercial banks			Non- bank thrift insti- tutions ²	Cur- ren- cy	Commercial banks						Non- bank thrift insti- tutions ²	
			Time and savings deposits					Demand deposits			Time and savings deposits				
			CD's ¹	Other	Total			Mem- ber	Do- mes- tic non- mem- ber	Total	CD's ¹	Other	Total		
1973—Dec.....	61.5	209.0	63.5	300.9	364.4	348.0	62.7	156.5	56.3	215.7	64.0	298.2	362.2	345.3	6.3
1974—Dec.....	67.8	215.3	89.8	329.3	419.1	369.2	69.0	159.7	58.5	222.2	90.5	326.3	416.7	366.3	4.9
1975—Apr.....	69.5	215.4	88.4	341.8	430.1	386.0	69.1	156.9	57.4	217.4	85.8	344.6	430.4	388.9	4.0
May.....	70.2	217.4	85.1	346.1	431.2	391.6	70.0	153.4	56.6	212.9	84.1	349.1	433.2	393.8	4.1
June.....	71.0	220.0	84.1	351.4	435.5	397.8	71.2	157.2	58.9	219.1	82.3	353.2	435.5	401.0	4.2
July.....	71.3	220.6	82.1	355.5	437.6	404.1	71.9	157.9	59.4	220.3	81.3	355.7	436.9	407.2	3.4
Aug.....	71.9	221.3	78.8	357.4	436.2	410.0	72.1	155.8	59.0	217.8	81.1	357.3	438.4	409.2	3.9
Sept.....	72.0	221.6	79.1	359.2	438.3	415.2	71.9	157.0	59.7	219.9	82.7	357.7	440.4	413.3	2.9
Oct.....	72.6	220.8	80.9	362.4	443.3	420.0	72.5	156.6	60.3	219.9	83.7	360.8	444.5	417.2	3.4
Nov.....	73.4	222.1	81.8	366.5	448.3	424.4	73.9	159.0	61.4	223.5	82.9	362.8	445.6	420.4	3.5
Dec.....	73.7	221.0	82.9	369.6	452.4	428.6	75.1	162.1	62.6	228.1	83.5	366.2	449.6	425.3	4.1
1976—Jan.....	74.2	220.8	79.2	375.2	454.4	433.5	73.8	162.0	62.1	227.2	78.5	374.3	452.8	431.9	3.8
Feb.....	75.1	221.5	75.4	381.9	457.3	438.8	74.1	155.7	59.9	218.8	73.0	382.5	455.5	438.0	4.5
Mar.....	75.7	222.3	73.2	385.4	458.5	444.0	75.1	156.8	60.2	220.1	71.8	388.1	459.9	445.7	3.9
Apr.....	76.7	225.0	71.4	390.2	461.6	449.4	76.3	161.7	62.3	227.0	69.4	393.4	462.8	453.0	3.8

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, for savings capital at savings and loan associations, and for credit union shares.

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-bor- rowed	Re- quired	Avail- able ²	S.A.				N.S.A.					
					Total	Time and savings	Demand		Total	Time and savings	Demand			
							Private	U.S. Govt.			Private	U.S. Govt.		
1973—Dec....	34.98	33.69	34.68	32.78	442.8	279.7	158.1	5.0	447.5	278.5	164.0	5.0	449.4	454.0
1974—Dec.1..	36.63	35.90	36.37	34.42	486.9	322.9	160.6	3.4	491.8	321.7	166.6	3.5	495.3	500.2
1975—Apr....	35.08	34.97	34.92	33.00	494.1	329.7	161.7	2.7	495.4	329.1	163.2	3.1	500.8	502.2
May1..	34.74	34.67	34.58	32.77	493.7	328.6	162.6	2.5	491.8	329.8	159.0	3.0	501.2	499.2
June...	35.07	34.85	34.87	32.90	499.5	330.5	165.8	3.2	497.5	330.2	164.2	3.1	506.5	504.5
July...	34.98	34.68	34.79	32.89	498.3	330.8	164.9	2.6	497.2	330.2	164.5	2.5	505.1	504.0
Aug....	34.88	34.67	34.69	32.77	496.3	328.4	165.1	2.8	494.8	330.5	162.3	2.0	503.3	501.8
Sept....	34.99	34.59	34.80	32.77	498.4	329.8	165.6	3.0	499.1	332.2	164.0	2.9	505.5	506.1
Oct.1..	34.79	34.60	34.58	32.61	500.1	333.1	164.0	3.0	500.4	334.7	163.3	2.5	508.0	508.3
Nov....	34.73	34.67	34.44	32.43	505.9	336.1	165.9	3.9	503.6	334.3	166.7	2.6	514.1	511.9
Dec....	34.75	34.62	34.49	32.44	506.0	338.7	164.4	3.0	510.9	337.2	170.7	3.1	514.4	519.3
1976—Jan.1..	34.32	34.24	34.08	32.17	506.2	338.9	164.7	2.6	511.1	337.9	170.3	2.9	514.1	519.0
Feb....	34.05	33.97	33.83	31.85	507.6	339.5	165.5	2.6	504.2	337.5	163.4	3.4	*515.6	*512.2
Mar....	34.00	33.95	33.78	31.75	507.8	339.4	165.8	2.5	506.4	339.6	163.9	2.9	*516.0	*514.7
Apr....	34.02	33.98	33.87	31.87	509.8	340.2	167.2	2.5	511.9	340.2	168.8	2.9	517.3	519.4

¹ Averages of daily figures. Member bank reserve series reflect actual reserve requirement percentages with no adjustment to eliminate the effect of changes in Regulations D and M. There are breaks in series because of changes in reserve requirements effective Dec. 12, 1974, Feb. 13, May 22, and Oct. 30, 1975, and Jan. 8, 1976. In addition, effective Jan. 1, 1976, statewide branching in New York was instituted. The subsequent merger of a number of banks raised required reserves because of higher reserve requirements on aggregate deposits at these banks.

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, loans sold to bank-related institutions, and certain other nondeposit items. This series for deposits is referred to as "the adjusted bank credit proxy."

NOTE.—Back data and estimates of the impact of required reserve changes 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 ¹	Loans				Securities	
		Total ¹	Plus loans sold ²	Commercial and industrial ³		U.S. Treasury	Other ⁴		Total ¹	Plus loans sold ²	Commercial and industrial ³		U.S. Treasury	Other ⁴
				Total	Plus loans sold ²						Total	Plus loans sold ²		
1971—Dec. 31	485.7	320.9	323.7	116.1	117.7	60.6	104.2	497.9	328.3	331.1	118.5	120.2	64.9	104.7
1972—Dec. 31	558.0	378.9	381.5	130.2	131.9	62.6	116.5	571.4	387.3	389.9	132.7	134.4	67.0	117.1
1973—Dec. 31	633.4	449.0	453.3	156.4	159.0	54.5	129.9	647.3	458.5	462.8	159.4	162.0	58.3	130.6
1974—Dec. 31 ⁵	690.4	500.2	505.0	183.3	186.0	50.4	139.8	705.6	510.7	515.5	186.8	189.6	54.5	140.5
1975—June 30	705.0	490.8	495.5	176.7	179.6	71.5	142.7	709.3	497.2	501.9	179.0	181.9	68.2	143.9
July 30	705.8	489.9	494.4	176.7	179.5	72.3	143.6	703.9	491.1	495.6	176.7	179.5	69.4	143.4
Aug. 27	709.3	490.2	494.7	176.5	179.3	75.0	144.1	706.1	490.3	494.8	175.3	178.1	72.0	143.8
Sept. 24	712.7	491.5	496.0	175.3	178.1	76.7	144.5	712.5	492.8	497.3	175.7	178.5	75.4	144.3
Oct. 29	716.3	495.0	499.7	176.1	179.0	76.0	145.3	714.6	493.7	498.4	175.1	178.0	75.9	144.9
Nov. 26	722.2	498.5	503.2	176.8	179.6	76.8	146.9	722.4	497.6	502.3	176.2	179.0	79.4	145.4
Dec. 31	721.1	496.9	501.3	175.6	178.1	79.4	144.8	737.0	507.4	511.8	179.0	181.5	84.1	145.5
1976—Jan. 28 ^p	723.3	497.3	501.6	176.2	178.7	81.0	145.0	721.4	492.6	496.9	174.0	176.5	84.8	144.0
Feb. 25 ^p	726.7	497.8	502.3	174.7	177.4	84.4	144.5	720.8	491.9	496.4	173.1	175.8	85.4	143.6
Mar. 31 ^p	731.2	499.7	503.9	171.0	173.6	88.2	143.3	729.6	496.9	501.1	170.9	173.5	89.3	143.5
Apr. 28 ^p	734.5	500.5	504.7	170.1	172.7	90.0	144.0	732.1	496.7	500.9	170.2	172.8	90.2	145.2
May 26 ^p	737.6	500.6	504.9	170.3	173.0	93.0	144.0	735.1	500.0	504.3	170.4	173.1	90.5	144.6

¹ Adjusted to exclude domestic commercial interbank loans.

² Loans sold are those sold outright for banks' own foreign branches, nonconsolidated nonbank affiliates of the bank, the banks' holding company (if not a bank), and nonconsolidated nonbank subsidiaries of the holding company. Prior to Aug. 28, 1974, the institutions included had been defined somewhat differently, and the reporting panel of banks was also different. On the new basis, both "Total loans" and "Commercial and industrial loans" were reduced by about \$100 million.

³ Reclassification of loans at one large bank reduced these loans by about \$400 million as of June 30, 1972 and by about \$1.2 billion as of March 31, 1976.

⁴ Farmers Home Administration insured notes included in "Other securities" rather than in loans beginning June 30, 1971, when such notes totaled about \$700 million.

⁵ Data beginning June 30, 1974, include one large mutual savings bank that merged with a nonmember commercial bank. As of that date there were increases of about \$500 million in loans, \$100 million in "Other securities," and \$600 million in "Total loans and investments."

As of Oct. 31, 1974, "Total loans and investments" of all commercial banks were reduced by \$1.5 billion in connection with the liquidation of one large bank. Reductions in other items were: "Total loans," \$1.0 billion (of which \$0.6 billion was in "Commercial and industrial loans"), and "Other securities," \$0.5 billion. In late November "Commercial and industrial loans" were increased by \$0.1 billion as a result of loan reclassifications at another large bank.

NOTE.—Total loans and investments: Seasonally adjusted data revised beginning 1968. Not seasonally adjusted data revised beginning July 1975. See this BULLETIN, p. 554. Back data for 1959–75 available from Banking Section, Division of Research and Statistics; for 1948–58, See, Aug. 1968 BULLETIN, pp. A-94–A-97. For description of seasonally adjusted series for total loans and investments, see Dec. 1971 BULLETIN, pp. 971–73 and for commercial and industrial loans, see July 1972 BULLETIN, p. 683. Data are for last Wed. of month except for June 30 and Dec. 31; data are partly or wholly estimated except when June 30 and Dec. 31 are call dates.

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				Cash assets ³	Total assets— Total liabilities and capital accounts ⁴	Deposits					Bor- row- ings	Total capital ac- counts ⁶	Num- ber of banks	
	Total	Loans ¹	Securities				Total ³	Interbank ³		Other					
			U.S. Treas- ury	Other ²				De- mand	Time	Demand					Time ⁵
										U.S. Govt.	Other				
Last-Wednesday-of-month series ⁷															
All commercial banks:															
1941—Dec. 31...	50,746	21,714	21,808	7,225	26,551	79,104	71,283	10,982	44,349	15,952	23	7,173	14,278		
1947—Dec. 31 ⁸	116,284	38,057	69,221	9,006	37,502	155,377	144,103	12,792	94,367	35,360	65	10,059	14,181		
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		
1970—Dec. 31 ⁹	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		
1971—Dec. 31...	516,564	346,930	64,930	104,704	99,832	640,255	537,946	32,205	2,908	10,169	220,375	272,289	25,912		
1972—Dec. 31...	598,808	414,696	67,028	117,084	113,128	739,033	616,037	33,854	4,194	10,875	252,223	314,891	38,083		
1973—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		
1974—Dec. 31...	744,107	549,183	54,451	140,473	128,042	919,552	747,903	43,483	11,496	4,807	267,506	420,611	58,369		
1975—May 28...															
June 30...	733,690	527,030	65,000	141,660	114,400	901,280	725,590	32,510	11,200	2,950	246,410	432,520	61,700		
July 30...	747,551	535,493	68,191	143,868	128,716	930,719	754,324	42,582	11,209	3,117	264,027	433,389	62,420		
Aug. 27...	738,060	525,250	69,400	143,410	106,840	899,590	723,730	33,180	10,830	2,220	243,000	434,500	61,870		
Sept. 24...	741,630	525,780	72,020	143,830	104,750	900,870	724,650	31,540	10,570	2,830	242,590	437,120	59,920		
Oct. 29...	743,970	524,270	75,360	144,340	106,220	906,410	726,840	31,330	10,990	3,180	240,570	440,770	61,030		
Nov. 26...	747,250	526,420	75,940	144,890	110,670	915,890	736,870	31,900	11,210	2,650	247,590	443,520	60,640		
Dec. 31...	757,450	532,660	79,400	145,390	123,150	939,310	753,000	34,560	11,160	3,530	257,640	446,110	66,780		
	775,794	546,172	84,119	145,503	133,614	964,918	786,252	41,811	12,020	3,174	278,692	450,615	60,224		
1976—Jan. 28 ^p															
Feb. 28 ^p	756,630	527,820	84,770	144,040	112,720	927,140	743,140	32,110	11,540	3,790	245,600	450,100	67,250		
Mar. 31 ¹⁰	757,540	528,560	85,420	143,560	111,470	928,540	741,230	31,560	11,370	4,010	242,810	451,480	68,490		
Apr. 28 ^p	767,260	534,530	89,260	143,470	120,870	934,440	766,680	37,510	11,860	2,430	256,930	457,950	63,420		
May 26 ^p	765,550	530,170	90,180	145,200	113,210	926,370	753,150	32,280	10,990	4,120	250,200	455,560	68,480		
	767,070	531,990	90,470	144,610	111,740	928,140	755,000	33,620	10,530	3,660	247,630	459,560	66,170		
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	4		
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		
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		
1970—Dec. 31 ⁹	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		
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		
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		
1973—Dec. 31...	528,124	391,032	41,494	95,598	100,098	655,898	526,837	34,782	5,843	8,273	202,564	275,374	55,611		
1974—Dec. 31...	568,532	429,537	38,921	100,073	106,995	715,615	575,563	41,062	10,052	3,183	204,203	317,064	52,850		
1975—May 28...															
June 30...	551,264	405,803	46,918	98,543	96,455	691,485	549,996	30,191	9,751	2,178	187,439	320,437	56,140		
July 30...	562,667	412,939	49,610	100,118	107,152	716,364	573,382	39,847	9,576	2,166	201,197	320,596	56,334		
Aug. 27...	552,727	403,137	49,938	99,652	89,743	687,844	546,420	30,980	9,198	1,539	184,225	320,478	56,084		
Sept. 24...	554,007	402,281	51,899	99,827	87,208	686,266	545,021	29,335	8,932	2,099	183,283	321,372	54,175		
Oct. 29...	555,096	400,695	54,355	100,046	88,004	689,717	546,360	29,150	9,360	2,343	181,340	324,167	54,929		
Nov. 26...	556,383	401,492	54,546	100,345	91,397	695,312	552,649	29,568	9,578	1,952	186,851	324,700	54,250		
Dec. 31...	564,023	405,805	57,471	100,747	102,103	714,112	564,835	32,064	9,527	2,708	194,492	326,044	60,162		
	578,560	416,366	61,519	100,675	108,489	733,635	590,776	38,569	10,015	2,255	210,824	329,113	53,646		
1976—Jan. 28...															
Feb. 28...	563,387	402,020	61,704	99,663	93,808	705,093	556,274	29,712	9,529	2,908	185,773	328,352	61,022		
Mar. 31 ¹⁰	562,940	401,731	61,869	99,340	91,914	704,537	552,942	29,145	9,357	2,777	183,458	328,005	62,051		
Apr. 28 ^p	569,913	406,148	64,636	99,129	100,455	710,228	573,878	34,934	9,848	1,969	194,932	332,395	57,470		
May 26 ^p	567,384	402,147	64,892	100,345	93,743	702,130	561,110	29,923	8,978	3,281	189,361	329,567	62,002		
	567,221	402,436	65,058	99,727	92,340	702,515	561,386	30,676	8,517	2,702	187,097	332,394	59,591		
Call date series															
Insured banks:															
Total:															
1941—Dec. 31...	49,290	21,259	21,046	6,984	25,788	76,820	69,411	10,654	1,762	41,298	15,699	10	6,844		
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		
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		
1970—Dec. 31 ⁹	438,919	312,006	61,438	85,475	92,708	572,682	479,174	30,233	1,874	7,898	208,037	231,132	19,149		
1972—Dec. 31...	594,502	411,525	66,679	116,298	111,333	732,519	612,822	33,366	4,113	10,820	250,693	313,830	37,556		
1973—Dec. 31...	678,113	490,527	57,961	129,625	116,266	827,081	677,358	36,248	6,429	9,856	261,530	363,294	57,531		
1974—Dec. 31...															
1975—June 30...	734,516	541,111	54,132	139,272	125,375	906,325	741,665	42,587	10,693	4,799	265,444	418,142	55,988		
Dec. 31...	736,164	526,272	67,833	142,060	125,181	914,781	746,348	41,244	10,252	3,106	261,903	416,962	59,310		
	762,400	535,170	83,629	143,602	128,256	944,654	775,209	40,259	10,733	3,108	276,384	433,352	56,775		
National member:															
1941—Dec. 31...	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786	1,088	23,262	8,322	4	3,640		
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		
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		
1970—Dec. 31 ⁹	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		
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		
1973—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		
1974—Dec. 31...															
1975—June 30...	428,433	321,466	29,075	77,892	76,523	534,207	431,039	23,497	6,750	2,437	154,397	243,959	39,603		
Dec. 31...	428,167	312,229	37,606	78,331	75,686	536,836	431,646	21,096	6,804	1,723	152,576	242,492	41,954		
	441,135	315,738	46,799	78,598	78,026	553,285	447,590	22,305	7,302	1,788	159,840	250,493	40,875		

For notes see opposite page.

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				Cash assets ³	Total assets— Total liabilities and capital accounts ⁴	Deposits					Bor- row- ings	Total capital ac- counts ⁶	Num- ber of banks	
	Total	Loans ¹	Securities				Total ³	Interbank ³		Other					
			U.S. Treas- ury	Other ²				De- mand	Time	Demand					Time ⁵
										U.S. Govt.	Other				
Call date series															
Insured banks (cont.):															
State member:															
1941—Dec. 31....	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739		621	13,874	4,025	1	2,246	1,502
1947—Dec. 31....	32,566	11,200	19,240	2,125	10,822	43,879	40,505	3,978	15	381	27,068	9,062	9	3,055	1,918
1960—Dec. 31....	58,073	36,240	16,394	5,439	17,081	77,316	68,118	6,608	1,028	2,022	40,733	17,727	20	6,299	1,644
1970—Dec. 31 ⁹ ...	94,760	66,963	11,196	16,600	25,472	125,460	101,512	11,091	750	1,720	45,734	42,218	5,478	9,232	1,147
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—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
1974—Dec. 31....	140,373	108,346	9,846	22,181	30,473	181,683	144,799	17,565	3,301	746	49,807	73,380	13,247	12,425	1,074
1975—June 30 ...	134,759	100,968	12,004	21,787	31,466	179,787	141,995	18,751	2,771	443	48,621	65,654	14,380	12,773	1,064
1975—Dec. 31 ...	137,620	100,823	14,720	22,077	30,451	180,495	143,409	16,265	2,712	467	50,984	67,656	12,771	13,105	1,046
Nonmember:															
1941—Dec. 31....	5,776	3,241	1,509	1,025	2,668	8,708	7,702	129		53	4,162	3,360	6	959	6,810
1947—Dec. 31....	16,444	4,958	10,039	1,448	4,083	20,691	19,342	262	4	149	12,366	6,558	7	1,271	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. 31 ⁹ ...	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
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—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
1974—Dec. 31....	165,709	111,300	15,211	39,199	18,380	190,435	165,827	1,525	642	1,616	61,240	100,804	3,138	14,799	8,436
1975—June 30 ...	173,238	113,074	18,223	41,942	18,029	198,157	172,707	1,397	676	940	60,706	108,816	2,976	15,730	8,526
1975—Dec. 31 ...	183,645	118,609	22,109	42,927	19,778	210,874	184,210	1,689	719	853	65,560	115,203	3,128	16,400	8,585
Noninsured nonmember:															
1941—Dec. 31....	1,457	455	761	241	763	2,283	1,872	329		1,291		253	13	329	852
1947—Dec. 31 ⁸ ...	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 ⁹ ...	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—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
1974—Dec. 31....	9,981	8,461	319	1,201	2,667	13,616	6,627	897	803	8	2,062	2,857	2,382	611	249
1975—June 30 ...	11,725	9,559	358	1,808	3,534	16,277	8,314	1,338	957	11	2,124	3,320	3,110	570	253
1975—Dec. 31 ...	13,674	11,283	490	1,902	5,359	20,544	11,323	1,552	1,291	6	2,308	5,115	3,449	651	261
Total nonmember:															
1941—Dec. 31....	7,233	3,696	2,270	1,266	3,431	10,992	9,573	457		5,504		3,613	18	1,288	7,662
1947—Dec. 31....	18,454	5,432	11,318	1,703	4,659	23,334	21,591	439	190	167	13,758	7,036	12	1,596	7,261
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. 31 ⁹ ...	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—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
1974—Dec. 31....	175,690	119,761	15,530	40,400	21,047	204,051	172,454	2,422	1,445	1,624	63,302	103,661	5,520	15,410	8,685
1975—June 30 ...	184,963	122,633	18,581	43,750	21,563	214,434	181,021	2,735	1,633	951	62,830	112,136	6,086	16,300	8,779
1975—Dec. 31 ...	197,319	129,892	22,599	44,829	25,137	231,418	195,533	3,241	2,010	859	67,868	120,318	6,577	17,051	8,846

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-16.

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.

Effective Mar. 31, 1976, includes "reserves for loan losses" and "unearned income on loans."

See also table (and notes) at the bottom of p. A-24.

² See first 2 paragraphs of note 1.

³ Reciprocal balances excluded beginning with 1942.

⁴ Includes items not shown separately. See also note 1.

Effective Mar. 31, 1976, "reserves for loan losses" and unearned income on loans," which for all commercial banks are estimated to be approximately \$14.5 billion, have been netted against "other assets" and "other liabilities" and, therefore, against "total assets/liabilities."

⁵ See third paragraph of note 1 above.

⁶ Effective Mar. 31, 1976, includes "reserves for securities" and a portion of "reserves for loan losses."

⁷ For the last-Wednesday-of-the-month series, figures for call dates are shown for June and December as soon as they became available.

⁸ Beginning with Dec. 31, 1947, the series was revised; for description, see note 4, p. 587, May 1964 BULLETIN.

⁹ 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 majority-owned 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.

¹⁰ See last paragraph of note 1, second paragraph of note 4, and note 6.

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; nondeposit trust companies; and U.S. branches of foreign banks.

Figures for member banks before 1970 include mutual savings banks as follows: 3 before Jan. 1960 and 2 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, exclude 1 national bank in Puerto Rico.

Beginning Dec. 31, 1973, June 30, 1974, and Dec. 31, 1974, June 30, 1975, respectively, member banks exclude and noninsured nonmember banks include 1, 2, 3, and 4 noninsured trust companies that are 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, 1975

(Assets and liabilities are shown in millions of dollars.)

Account	All commercial banks	Insured commercial banks	Member banks ¹					Non-member banks ¹
			Total	Large banks			All other	
				New York City	City of Chicago	Other large		
Cash, bank balances, items in process.....	133,614	128,256	108,477	24,778	3,888	43,730	36,081	25,137
Currency and coin.....	12,256	12,248	9,243	774	200	3,081	5,188	3,013
Reserves with F.R. Banks.....	26,776	26,776	26,776	3,349	1,433	12,283	9,712	.....
Demand balances with banks in United States.....	34,866	32,091	19,389	6,496	195	3,752	8,947	15,477
Other balances with banks in United States.....	8,866	7,367	5,184	151	29	1,995	3,008	3,683
Balances with banks in foreign countries.....	3,598	2,605	2,356	588	27	1,044	696	1,242
Cash items in process of collection.....	47,251	47,169	45,530	13,421	2,003	21,575	8,531	1,721
Total securities held—Book value.....	229,622	227,230	162,194	18,499	7,134	53,616	82,945	67,428
U.S. Treasury.....	84,119	83,629	61,519	9,005	3,212	21,411	27,892	22,600
Other U.S. Govt. agencies.....	34,409	33,941	21,186	1,508	485	6,031	13,162	13,223
States and political subdivisions.....	102,029	101,757	74,079	7,204	3,162	24,679	39,035	27,950
All other securities.....	9,065	7,903	5,410	783	275	1,496	2,855	3,655
Trading-account securities.....	5,338	5,332	5,182	1,902	563	2,484	232	156
U.S. Treasury.....	2,982	2,976	2,858	1,072	364	1,315	107	124
Other U.S. Govt. agencies.....	711	711	698	247	51	351	50	13
States and political subdivisions.....	1,142	1,142	1,130	357	102	602	70	12
All other.....	502	502	495	227	47	216	5	7
Bank investment portfolios.....	224,284	221,898	157,012	16,597	6,570	51,132	82,712	67,272
U.S. Treasury.....	81,137	80,653	58,661	7,933	2,848	20,096	27,785	22,476
Other U.S. Govt. agencies.....	33,698	33,230	20,488	1,262	434	5,680	13,112	13,209
States and political subdivisions.....	100,887	100,614	72,949	6,847	3,060	24,077	38,965	27,938
All other.....	8,563	7,401	4,914	556	229	1,280	2,850	3,649
Federal funds sold and securities purchased under agreements to resell.....	39,250	37,323	29,122	2,488	1,520	14,562	10,551	10,129
Commercial banks.....	34,099	32,172	24,075	2,080	998	11,094	9,903	10,023
Brokers and dealers.....	3,700	3,700	3,646	62	468	2,614	501	53
Others.....	1,452	1,452	1,400	346	54	854	146	52
Other loans.....	507,202	497,846	387,439	73,495	22,261	143,701	147,982	119,763
Real estate loans.....	134,770	134,588	96,018	8,448	1,371	35,198	51,002	38,752
Secured by farmland.....	6,237	6,224	2,702	8	11	302	2,381	3,534
Secured by residential properties.....	82,307	82,177	59,791	4,138	917	22,650	32,087	22,516
1- to 4-family residences.....	76,456	76,331	55,190	3,259	840	20,588	30,503	21,267
FHA insured.....	5,510	5,493	4,786	238	47	2,619	1,882	724
VA guaranteed.....	3,081	3,058	2,610	174	20	1,353	1,063	471
Other.....	67,865	67,780	47,793	2,847	773	16,616	27,557	20,071
Multifamily properties.....	5,850	5,846	4,601	879	77	2,062	1,584	1,249
FHA insured.....	493	492	449	91	24	158	175	44
Other.....	5,358	5,354	4,153	787	53	1,904	1,409	1,205
Secured by other properties.....	46,226	46,187	33,525	4,302	443	12,245	16,534	12,702
Loans to domestic and foreign banks.....	12,624	9,553	8,686	3,366	584	3,905	831	3,938
Loans to other financial institutions.....	29,611	29,276	28,088	10,187	4,442	11,199	2,259	1,523
Loans on securities to brokers and dealers.....	7,175	7,055	6,964	4,477	911	1,400	176	210
Other loans for purch./carry securities.....	3,916	3,822	3,193	415	289	1,560	929	723
Loans to farmers.....	20,158	20,129	11,244	94	162	2,564	8,424	8,914
Commercial and industrial loans.....	178,959	174,316	145,930	38,553	12,002	55,749	39,626	33,029
Loans to individuals.....	106,741	106,019	75,536	4,854	1,717	26,871	42,093	31,205
Installment loans.....	83,594	82,969	58,830	3,153	925	21,178	33,574	24,765
Passenger automobiles.....	33,790	33,279	21,963	432	163	6,600	14,769	11,827
Residential-repair/modernize.....	5,859	5,845	4,189	222	36	1,731	2,199	1,670
Credit cards and related plans.....	12,312	12,311	10,846	1,107	509	6,048	3,181	1,466
Charge-account credit cards.....	9,501	9,500	8,506	815	478	4,817	2,395	995
Check and revolving credit plans.....	2,811	2,810	2,340	293	31	1,231	785	471
Other retail consumer goods.....	15,318	15,283	10,615	164	108	3,749	6,594	4,704
Mobile homes.....	8,721	8,719	6,276	97	39	2,221	3,919	2,445
Other.....	6,597	6,564	4,338	67	69	1,527	2,675	2,259
Other instalment loans.....	16,315	16,251	11,217	1,228	109	3,049	6,831	5,098
Single-payment loans to individuals.....	23,147	23,050	16,706	1,701	792	5,694	8,520	6,441
All other loans.....	13,248	13,087	11,781	3,100	784	5,255	2,643	1,466
Total loans and securities.....	776,074	762,400	578,755	94,483	30,915	211,880	241,478	197,319
Fixed assets—Buildings, furniture, real estate.....	17,474	17,390	13,061	1,415	539	5,232	5,875	4,413
Investments in subsidiaries not consolidated.....	2,015	1,993	1,970	835	146	958	31	45
Customer acceptances outstanding.....	8,952	8,679	8,424	4,319	249	3,538	318	527
Other assets.....	27,069	25,937	23,093	6,586	1,287	11,117	4,103	3,976
Total assets.....	965,198	944,654	733,780	132,416	37,024	276,454	287,886	231,418
Number of banks.....	14,633	14,372	5,787	12	9	155	5,611	8,846

¹ Member banks exclude and nonmember banks include 4 noninsured trust companies that are members of the Federal Reserve System, and member banks exclude 2 national banks outside the continental United States.

² See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. 24.

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.

NOTE.—Data include consolidated reports, including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries. Figures for total loans and for individual categories of securities are reported on a gross basis—that is, before deduction of valuation reserves.

Back data in lesser detail were shown in previous BULLETINS. Beginning with the fall Call Report, data for future spring and fall Call Reports will be available from the Data Production Section of the Division of Data Processing.

Details may not add to totals because of rounding.

LIABILITIES AND CAPITAL BY CLASS OF BANK, DECEMBER 31, 1975

(Assets and liabilities are shown in millions of dollars.)

Account	All commercial banks	Insured commercial banks	Member banks ¹					Non-member banks ¹
			Total	Large banks			All other	
				New York City	City of Chicago	Other large		
Demand deposits	323,617	319,751	251,649	54,236	10,378	91,528	95,507	71,968
Mutual savings banks	1,325	1,160	1,063	494	1	221	347	262
Other individuals, partnerships, and corporations	246,559	245,471	187,632	30,546	7,754	70,913	78,419	58,927
U.S. Government	3,114	3,108	2,255	139	34	809	1,274	859
States and political subdivisions	18,726	18,595	13,058	779	191	3,867	8,221	5,667
Foreign governments, central banks, etc.	1,859	1,659	1,610	1,318	18	261	13	248
Commercial banks in United States	33,768	33,453	32,048	14,436	1,868	11,442	4,302	1,720
Banks in foreign countries	6,719	5,646	5,459	3,906	213	1,212	129	1,259
Certified and officers' checks, etc.	11,548	10,659	8,523	2,618	299	2,804	2,802	3,025
Time and savings deposits	462,915	455,458	339,350	45,551	16,302	124,194	153,303	123,565
Savings deposits	160,087	159,725	114,228	7,061	2,402	40,647	64,118	45,860
Accumulated for personal loan payments ²	280	280	223			76	146	58
Mutual savings banks	517	499	490	195	5	239	52	26
Other individuals, partnerships, and corporations	229,414	224,878	168,882	25,975	10,467	61,277	71,163	60,531
U.S. Government	573	573	462	75	1	183	203	111
States and political subdivisions	48,113	47,896	34,355	1,114	1,055	15,307	16,879	13,758
Foreign governments, central banks, etc.	12,424	11,373	11,187	7,216	1,212	2,719	39	1,238
Commercial banks in United States	9,550	9,038	8,379	2,997	1,079	3,612	691	1,171
Banks in foreign countries	1,957	1,196	1,145	918	80	135	12	812
Total deposits	786,532	775,209	590,999	99,788	26,680	215,722	248,810	195,534
Federal funds purchased and securities sold under agreements to repurchase	53,811	52,126	49,305	9,043	6,367	26,601	7,294	4,506
Other liabilities for borrowed money	6,412	4,649	4,342	2,114	25	1,828	374	2,071
Mortgage indebtedness	765	763	548	54	16	300	178	217
Bank acceptances outstanding	9,548	9,267	9,012	4,884	252	3,555	321	536
Other liabilities	29,964	25,190	20,206	4,605	888	7,715	6,997	9,758
Total liabilities	887,033	867,204	674,411	120,489	34,228	255,721	263,974	212,622
Minority interest in consolidated subsidiaries	5	4	1				1	4
Total reserves on loans/securities	9,035	8,972	7,293	1,629	482	2,777	2,405	1,742
Reserves for bad debts (IRS)	8,696	8,641	7,078	1,627	482	2,672	2,297	1,619
Other reserves on loans	150	145	92	1		43	49	57
Reserves on securities	189	187	123	1		62	60	66
Total capital accounts	69,125	68,474	52,074	10,298	2,314	17,956	21,506	17,051
Capital notes and debentures	4,479	4,379	3,494	779	80	1,681	954	985
Equity capital	64,646	64,095	48,580	9,519	2,235	16,275	20,551	16,066
Preferred stock	53	48	28			10	18	25
Common stock	15,601	15,495	11,498	2,275	568	3,755	4,900	4,103
Surplus	26,775	26,617	19,975	3,848	1,145	7,079	7,902	6,800
Undivided profits	21,340	21,143	16,562	3,396	472	5,310	7,385	4,777
Other capital reserves	876	792	516		49	121	346	360
Total liabilities, reserves, minority interest, capital accounts	965,198	944,654	733,780	132,416	37,024	276,454	287,886	231,418
Demand deposits adjusted ³	239,484	236,021	171,816	26,241	6,473	57,702	81,401	67,668
Average total deposits (past 15 days)	762,528	753,182	572,278	95,301	25,851	207,553	243,574	190,250
Average total loans (past 15 days)	514,414	505,174	388,589	74,436	21,931	143,973	148,249	125,826
Selected ratios:								
Percentage of total assets								
Cash and balances with other banks	13.8	13.6	14.8	18.7	10.5	15.8	12.5	10.9
Total securities held	23.8	24.1	22.1	14.0	19.3	19.4	28.8	29.1
Trading account securities	.6	.6	.7	1.4	1.5	.9	.9	.1
U.S. Treasury	.3	.3	.4	.8	1.0	.5		.1
States and political subdivisions	.1	.1	.2	.3	.3	.2		
All other trading account securities	.1	.1	.2	.4	.3	.2		
Bank investment portfolios	23.2	23.5	21.4	12.5	17.7	18.5	28.7	29.1
U.S. Treasury	8.4	8.5	8.0	6.0	7.7	7.3	9.7	9.7
States and political subdivisions	10.5	10.7	9.9	5.2	8.3	8.7	13.5	12.1
All other portfolio securities	4.4	4.3	3.5	1.4	1.8	2.5	5.5	7.3
Other loans and Federal funds sold	56.6	56.7	56.8	57.4	64.2	57.2	55.1	56.1
All other assets	5.8	5.7	6.3	9.9	6.0	7.5	3.6	3.9
Total loans and securities	80.4	80.7	78.9	71.4	83.5	76.6	83.9	85.3
Reserves for loans and securities	.9	.9	1.0	1.2	1.3	1.0	.8	.8
Equity capital—Total	6.7	6.8	6.6	7.2	6.0	5.9	7.1	6.9
Total capital accounts	7.2	7.2	7.1	7.8	6.3	6.5	7.5	7.4
Number of banks	14,633	14,372	5,787	12	9	155	5,611	8,846

For notes see opposite page.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲

(In millions of dollars)

Wednesday	Total loans and invest- ments ¹	Loans														
		Federal funds sold, etc. ²					Other									
		Total	To com- mer- cial banks	To brokers and dealers involving—		To others	Total ¹	Com- mer- cial and indus- trial	Agri- cul- tural	For purchasing or carrying securities				To nonbank financial institutions		Real estate
				U.S. Treas- ury se- curities ¹	Other se- curities					To brokers and dealers		To others		Pers. and sales finance cos., etc.	Other	
										U.S. Treas- ury secs.	Other secs.	U.S. Treas- ury secs.	Other secs.			
Large banks— Total																
1975																
May 7	387,217	17,321	14,191	1,631	868	631	279,982	125,284	3,470	1,066	2,665	78	2,343	9,361	20,229	59,564
14	385,495	17,171	14,052	1,555	842	722	278,348	124,535	3,475	949	2,664	81	2,340	9,095	20,156	59,551
21	384,495	16,230	13,073	1,755	828	574	277,881	123,737	3,461	894	2,943	79	2,352	9,110	20,147	59,573
28	384,955	17,618	14,010	2,276	720	612	277,025	122,824	3,478	735	3,196	77	2,340	9,274	20,193	59,634
1976																
Apr. 7	394,198	24,437	17,878	4,792	681	1,086	266,967	112,726	3,710	1,373	5,173	73	2,384	8,350	18,041	60,777
14	390,499	20,535	16,032	2,869	694	940	267,020	112,411	3,742	1,268	5,353	73	2,391	8,021	18,074	60,884
21	388,269	17,494	14,182	1,729	683	900	267,191	112,628	3,754	904	5,669	73	2,371	7,976	18,098	60,954
28	385,436	17,987	15,192	1,331	573	891	266,373	112,475	3,770	776	5,454	71	2,381	7,835	18,138	60,933
May 5	387,336	18,806	15,881	1,643	637	645	267,399	113,047	3,790	1,008	5,341	77	2,367	7,882	18,074	60,896
12	385,628	18,311	15,343	1,762	600	606	266,362	112,443	3,808	782	5,320	75	2,384	7,654	18,042	61,049
19	386,028	17,145	13,914	1,938	583	710	267,175	112,243	3,829	900	5,858	84	2,470	7,880	18,030	61,261
26	384,378	16,830	13,743	1,797	580	710	266,829	112,228	3,837	886	5,787	89	2,428	7,646	17,947	61,331
New York City																
1975																
May 7	90,254	1,709	1,550	96	.....	63	72,939	39,505	122	886	1,883	19	455	3,231	7,898	8,834
14	89,771	1,662	1,500	18	.....	144	72,105	39,163	120	809	1,815	19	450	3,123	7,886	8,818
21	90,180	1,942	1,799	24	.....	119	72,005	38,823	114	813	2,066	17	467	3,120	7,870	8,830
28	89,038	1,053	857	24	.....	172	71,823	38,537	113	588	2,262	18	459	3,263	7,936	8,854
1976																
Apr. 7	89,028	1,981	945	754	.....	282	68,254	34,609	81	1,138	3,329	17	396	2,829	6,835	9,386
14	88,655	2,453	1,786	108	.....	559	68,173	34,392	81	1,053	3,409	16	396	2,693	6,833	9,401
21	89,467	2,905	1,863	427	49	566	67,967	34,263	78	777	3,734	16	385	2,671	6,884	9,402
28	87,232	1,924	1,297	132	.....	495	66,921	34,146	78	657	3,549	13	386	2,640	6,904	9,360
May 5	87,342	1,328	874	230	4	220	67,289	34,199	77	864	3,353	13	388	2,668	6,911	9,327
12	87,452	2,023	1,526	276	4	217	66,537	33,717	78	661	3,402	13	389	2,562	6,916	9,317
19	89,102	2,580	1,902	339	.....	339	66,871	33,475	78	815	3,850	14	389	2,647	6,845	9,406
26	88,144	2,572	2,045	199	.....	328	66,648	33,604	79	749	3,818	14	384	2,514	6,832	9,413
Outside New York City																
1975																
May 7	296,963	15,612	12,641	1,535	868	568	207,043	85,779	3,348	180	782	59	1,888	6,130	12,331	50,730
14	295,724	15,509	12,552	1,537	842	578	206,243	85,372	3,355	140	849	62	1,890	5,972	12,270	50,733
21	294,315	14,288	11,274	1,731	828	455	205,876	84,914	3,347	81	877	62	1,885	5,990	12,277	50,743
28	295,917	16,565	13,153	2,252	720	440	205,202	84,287	3,365	147	934	59	1,881	6,011	12,257	50,780
1976																
Apr. 7	305,170	22,456	16,933	4,038	681	804	198,713	78,117	3,629	235	1,844	56	1,988	5,521	11,206	51,391
14	301,844	18,082	14,246	2,761	694	381	198,847	78,019	3,661	215	1,944	57	1,995	5,328	11,241	51,483
21	298,802	14,589	12,319	1,302	634	334	199,224	78,365	3,676	127	1,935	57	1,986	5,305	11,214	51,552
28	298,204	16,063	13,895	1,199	573	396	199,452	78,329	3,692	119	1,905	58	1,995	5,195	11,234	51,573
May 5	299,994	17,478	15,007	1,413	633	425	200,110	78,848	3,713	144	1,988	64	1,979	5,214	11,163	51,569
12	298,176	16,288	13,817	1,486	596	389	199,825	78,726	3,730	121	1,918	62	1,995	5,092	11,126	51,732
19	296,926	14,565	12,012	1,599	583	371	200,304	78,768	3,751	85	2,008	70	2,081	5,233	11,185	51,855
26	296,234	14,258	11,698	1,598	580	382	200,181	78,624	3,758	137	1,969	75	2,044	5,132	11,115	51,918

▲ Effective with changes in New York State branch banking laws, beginning Jan. 1, 1976, three large New York City banks are now reporting combined totals for previously affiliated banks that have been converted to branches.

The principal effects of these changes were to increase the reported data for New York City (total assets, by about \$5.5 billion) and to decrease the

reported data for "Outside New York City" (total assets, by about \$4.0 billion).

Historical data (from Jan. 1972) on a basis comparable with 1976 data are available from the Public Information Department of the Federal Reserve Bank of New York on request.

For other notes see p. A-22.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲—Continued

(In millions of dollars)

Loans (cont.)						Investments										Wednesday
Other (cont.)						U.S. Treasury securities					Other securities					
To commercial banks		Consumer instalment	Foreign govts. ³	All other	Loan loss reserve and unearned income on loans ¹	Total	Bills	Notes and bonds maturing—			Total	Obligations of States and political subdivisions		Other bonds, corp. stocks, and securities		
Do-mes-tic	For-eign							Within 1 yr.	1 to 5 yrs.	After 5 yrs.		Tax war-rants ⁴	All other	Certif. of partici-pation ⁵	All other ⁶	
Large banks—Total																
1975																
2,615	5,387	34,105	1,435	18,116	5,736	29,426	5,962	4,064	15,932	3,468	60,488	6,170	39,780	2,381	12,157	..... May 7
2,459	5,271	34,147	1,229	18,131	5,735	29,623	6,061	4,203	15,920	3,439	60,353	5,970	39,526	2,414	12,443	..... 14
2,392	5,289	34,124	1,328	18,176	5,724	29,906	5,900	4,241	16,135	3,630	60,478	6,101	39,708	2,431	12,238	..... 21
2,200	5,377	34,142	1,348	17,948	5,741	30,347	5,778	4,326	16,647	3,596	59,965	5,981	39,662	2,396	11,926	..... 28
1976																
1,998	5,074	35,582	1,765	18,152	8,211	43,967	14,368	6,039	21,080	2,480	58,827	5,488	39,593	2,352	11,394	..... Apr. 7
2,009	5,185	35,725	1,801	18,359	8,276	44,039	14,320	6,187	20,933	2,599	58,905	5,642	39,571	2,390	11,302	..... 14
1,958	5,020	35,767	1,864	18,414	8,259	43,651	14,122	6,265	20,733	2,531	59,933	6,386	39,848	2,386	11,313	..... 21
1,867	4,948	35,891	1,893	18,246	8,305	41,406	11,986	6,160	20,766	2,494	59,670	6,110	39,812	2,369	11,379	..... 28
1975																
1,990	5,045	35,937	1,874	18,357	8,286	42,052	12,413	6,397	20,763	2,479	59,079	5,986	39,628	2,393	11,072	..... May 5
1,982	5,269	36,013	1,895	17,997	8,351	42,087	12,652	6,400	20,535	2,500	58,868	5,984	39,438	2,405	11,041	..... 12
2,034	5,238	36,097	1,745	17,918	8,412	42,140	12,343	6,447	20,620	2,730	59,568	6,322	39,927	2,366	10,953	..... 19
2,028	5,241	36,204	1,807	17,795	8,425	41,454	12,228	6,547	19,978	2,701	59,265	6,323	39,705	2,364	10,873	..... 26
New York City																
1975																
1,288	2,535	3,550	676	3,779	1,722	6,257	1,239	523	3,523	972	9,349	1,634	5,296	179	2,240	..... May 7
1,216	2,399	3,555	553	3,906	1,727	6,679	1,489	628	3,513	1,049	9,325	1,606	5,246	177	2,296	..... 14
1,163	2,383	3,563	608	3,896	1,728	6,767	1,339	626	3,761	1,041	9,466	1,669	5,385	175	2,237	..... 21
1,092	2,447	3,551	617	3,822	1,736	6,868	1,191	672	3,985	1,020	9,294	1,569	5,374	178	2,173	..... 28
1976																
601	2,331	3,735	588	3,984	1,605	10,045	3,580	868	5,026	571	8,748	860	6,117	193	1,578	..... Apr. 7
691	2,370	3,724	634	4,074	1,594	9,276	3,042	836	4,751	647	8,753	901	6,096	240	1,516	..... 14
696	2,196	3,730	654	4,086	1,605	9,304	3,183	829	4,628	664	9,291	1,472	6,134	212	1,473	..... 21
536	2,046	3,737	641	3,834	1,606	8,921	2,771	826	4,679	645	9,466	1,491	6,132	215	1,628	..... 28
1975																
675	2,140	3,723	639	3,955	1,643	9,469	3,047	850	4,932	640	9,256	1,467	6,036	213	1,540	..... May 5
659	2,382	3,727	638	3,730	1,654	9,612	3,353	881	4,740	638	9,280	1,512	5,863	260	1,645	..... 12
694	2,296	3,777	614	3,640	1,669	9,889	3,234	1,057	4,874	724	9,762	1,810	6,172	195	1,585	..... 19
675	2,243	3,784	650	3,568	1,679	9,402	3,199	1,136	4,399	668	9,522	1,743	6,107	192	1,480	..... 26
Outside New York City																
1975																
1,327	2,852	30,555	759	14,337	4,014	23,169	4,723	3,541	12,409	2,496	51,139	4,536	34,484	2,202	9,917	..... May 7
1,243	2,872	30,592	676	14,225	4,008	22,944	4,572	3,575	12,407	2,390	51,028	4,364	34,280	2,237	10,147	..... 14
1,229	2,906	30,561	720	14,280	3,996	23,139	4,561	3,615	12,374	2,589	51,012	4,432	34,323	2,256	10,001	..... 21
1,108	2,930	30,591	731	14,126	4,005	23,479	4,587	3,654	12,662	2,576	50,671	4,412	34,288	2,218	9,753	..... 28
1976																
1,397	2,743	31,847	1,177	14,168	6,606	33,922	10,788	5,171	16,054	1,909	50,079	4,628	33,476	2,159	9,816	..... Apr. 7
1,318	2,815	32,001	1,167	14,285	6,682	34,763	11,278	5,351	16,182	1,952	50,152	4,741	33,475	2,150	9,786	..... 14
1,262	2,824	32,037	1,210	14,328	6,654	34,347	10,939	5,436	16,105	1,867	50,642	4,914	33,714	2,174	9,840	..... 21
1,331	2,902	32,154	1,252	14,412	6,699	32,485	9,215	5,334	16,087	1,849	50,204	4,619	33,680	2,154	9,751	..... 28
1975																
1,315	2,905	32,214	1,235	14,402	6,643	32,583	9,366	5,547	15,831	1,839	49,823	4,519	33,592	2,180	9,532	..... May 5
1,323	2,887	32,286	1,257	14,267	6,697	32,475	9,299	5,519	15,795	1,862	49,588	4,472	33,575	2,145	9,396	..... 12
1,340	2,942	32,320	1,131	14,278	6,743	32,251	9,109	5,390	15,746	2,006	49,806	4,512	33,755	2,171	9,368	..... 19
1,353	2,998	32,420	1,157	14,227	6,746	32,052	9,029	5,411	15,579	2,033	49,743	4,580	33,598	2,172	9,393	..... 26

For notes see pp. A-18 and A-22.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday		Cash items in process of collection	Re-serves with F.R. Banks	Cur-rency and coin	Bal-ances with do-mestic banks	Invest-ments in sub-sidiar-ies not con-sol-idated	Other assets	Total assets/total liabil-ities ¹	Deposits										
									Demand						States and polit-ical sub-divi-sions	U.S. Govt.	Domestic interbank		For-eign govts., etc. ³
									Total	IPC			Com-mer-cial	Mutual sav-ings					
Large banks— Total																			
1975																			
May	7	30,063	21,342	4,347	12,033	1,741	35,492	492,235	156,082	111,954	6,168	1,669	22,779	885	1,300				
	14	33,061	23,225	4,728	11,812	1,741	35,247	495,309	157,622	116,972	6,011	1,100	21,235	686	1,025				
	21	30,532	25,842	4,701	11,421	1,765	34,420	493,176	154,826	113,779	6,015	1,476	20,758	689	1,062				
	28	35,893	23,312	4,993	11,787	1,735	35,757	498,432	161,862	117,952	5,949	1,430	22,676	780	1,208				
1976																			
Apr.	7	32,805	18,481	4,780	12,652	2,031	40,938	505,885	164,032	119,286	5,699	1,233	24,262	843	1,122				
	14	36,610	22,227	5,276	12,363	2,052	42,922	511,949	168,597	124,478	5,933	1,409	22,860	777	1,009				
	21	33,787	22,426	5,403	11,384	2,050	41,920	505,239	165,549	121,487	5,732	3,546	21,823	765	939				
	28	33,587	21,281	5,510	11,599	2,044	42,158	501,615	162,628	118,064	6,003	2,442	21,981	744	1,275				
May	5	34,410	23,238	4,710	12,529	2,049	43,776	508,048	164,974	117,561	6,548	2,962	23,953	838	1,322				
	12	34,536	22,844	5,274	11,538	2,062	43,649	505,531	161,914	118,472	5,954	1,663	21,929	710	1,103				
	19	33,153	21,026	5,202	11,805	2,116	42,397	501,727	159,830	116,487	5,854	2,729	21,990	707	1,046				
	26	32,972	19,984	5,497	11,951	2,143	43,467	500,392	160,626	116,082	5,968	1,968	23,020	686	1,115				
New York City																			
1975																			
May	7	10,780	7,849	649	5,358	801	12,343	128,034	46,152	25,942	558	195	11,257	555	1,093				
	14	12,151	7,428	659	5,087	810	12,042	127,948	45,900	27,786	660	133	9,988	386	844				
	21	10,925	8,364	682	4,761	810	11,407	127,129	45,321	26,848	614	195	9,878	391	882				
	28	12,667	8,500	702	4,983	787	12,389	129,066	48,195	28,016	570	271	10,662	466	1,024				
1976																			
Apr.	7	10,975	5,948	766	5,206	866	13,713	126,502	46,167	26,470	475	101	11,005	476	901				
	14	12,781	6,447	747	5,039	866	14,460	128,995	48,307	28,574	516	147	10,713	431	800				
	21	10,388	5,602	776	4,377	869	13,923	125,402	46,246	27,604	588	690	9,890	408	727				
	28	12,165	6,678	829	4,824	867	13,927	126,522	48,189	27,333	558	453	10,843	405	1,039				
May	5	11,394	7,723	746	4,870	870	14,477	127,422	47,122	26,567	617	579	11,022	448	1,099				
	12	11,950	6,664	753	4,902	871	14,691	127,283	46,033	25,963	575	296	10,403	362	886				
	19	11,121	4,714	730	5,321	932	13,826	125,746	45,609	26,605	581	403	10,397	367	829				
	26	11,943	4,467	763	5,517	927	15,137	126,898	47,800	26,696	574	373	11,617	370	881				
Outside New York City																			
1975																			
May	7	19,283	13,493	3,698	6,675	940	23,149	364,201	109,930	86,012	5,610	1,474	11,522	330	207				
	14	20,910	15,797	4,069	6,725	931	23,205	367,361	111,722	89,186	5,351	1,967	11,247	300	181				
	21	19,607	17,478	4,019	6,660	955	23,013	366,047	109,505	86,931	5,401	1,281	10,880	298	180				
	28	23,226	14,812	4,291	6,804	948	23,368	369,366	113,667	89,936	5,379	1,159	12,014	314	184				
1976																			
Apr.	7	21,830	12,533	4,014	7,446	1,165	27,225	379,383	117,865	92,816	5,224	1,132	13,257	367	221				
	14	23,829	15,780	4,529	7,324	1,186	28,462	382,954	120,290	95,904	5,417	1,262	12,147	346	209				
	21	23,399	16,824	4,627	7,007	1,181	27,997	379,837	119,303	93,883	5,144	2,856	11,933	357	212				
	28	21,422	14,603	4,681	6,775	1,177	28,231	375,093	114,439	90,731	5,445	1,989	11,138	339	236				
May	5	23,016	15,515	3,964	7,659	1,179	29,299	380,626	117,852	90,994	5,931	2,383	12,931	390	223				
	12	22,586	16,180	4,521	6,636	1,191	28,958	378,248	115,881	92,509	5,379	1,367	11,526	348	217				
	19	22,032	16,312	4,472	6,484	1,184	28,571	375,981	114,221	89,882	5,273	2,326	11,593	340	217				
	26	21,029	15,517	4,734	6,434	1,216	28,330	373,494	112,826	89,386	5,394	1,595	11,403	316	234				

For notes see pp. A-18 and A-22.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲—Continued

(In millions of dollars)

Deposits (cont.)								Federal funds purchased, etc. ⁸	Borrowings from—		Other liabilities, etc. ⁹	Total equity capital and sub. notes/debentures ¹⁰	Wednesday
Demand (cont.)		Time and savings							F.R. Banks	Other			
Foreign commercial banks	Certified and officers' checks	Total ⁷	IPC		States and political subdivisions	Domestic inter-bank	Foreign govts. ³						
			Savings	Other									
Large banks—Total													
1975													
5,014	6,313	224,586	63,104	113,645	25,430	8,171	12,345	49,456	2	3,672	23,213	35,224	..... May 7
5,013	5,580	226,032	63,390	114,860	25,425	8,053	12,467	49,732	5	3,675	23,083	35,160	..... 14
4,670	6,377	226,164	63,771	114,395	25,683	8,092	12,453	49,649	711	3,585	23,168	35,073	..... 21
4,681	7,186	225,491	64,092	113,745	25,543	8,011	12,541	49,108	459	3,256	23,141	35,115	..... 28
1976													
5,163	6,424	224,592	79,066	106,703	21,407	7,696	8,150	54,949	27	3,701	19,848	38,736	..... Apr. 7
5,196	6,935	223,380	78,813	105,820	21,707	7,579	7,917	56,870	312	3,747	20,271	38,772	..... 14
5,138	6,119	222,198	79,183	104,391	21,776	7,390	7,903	54,533	142	3,398	20,650	38,769	..... 21
5,155	6,964	221,616	79,349	104,228	21,660	7,301	7,555	54,273	206	3,504	20,496	38,892	..... 28
5,435	6,355	221,987	79,921	104,399	21,334	7,110	7,724	57,232	20	3,480	21,378	38,977	..... May 5
5,300	6,783	221,635	80,167	104,087	21,205	6,797	7,881	58,270	241	3,531	20,924	39,016	..... 12
5,249	5,768	221,719	80,370	104,067	21,083	6,658	8,015	55,516	505	3,837	21,206	39,114	..... 19
4,832	6,955	222,797	80,166	104,981	21,162	6,852	8,059	51,741	598	3,768	21,579	39,283	..... 26
New York City													
1975													
3,714	2,838	48,924	7,095	27,103	1,840	3,696	7,796	13,598	.....	1,259	8,499	9,602	..... May 7
3,668	2,435	48,960	7,158	27,122	1,811	3,649	7,876	13,718	.....	1,264	8,505	9,601	..... 14
3,442	3,071	48,488	7,205	26,702	1,859	3,629	7,778	13,328	685	1,224	8,506	9,577	..... 21
3,370	3,816	47,999	7,248	26,354	1,794	3,611	7,894	13,900	62	1,077	8,238	9,595	..... 28
1976													
3,913	2,826	43,348	9,070	23,609	1,438	3,139	5,072	15,190	.....	1,812	9,026	10,959	..... Apr. 7
3,870	3,256	42,989	9,039	23,379	1,460	3,035	5,079	15,810	.....	1,814	9,093	10,982	..... 14
3,814	2,525	42,642	9,131	22,986	1,441	3,021	5,079	14,475	.....	1,577	9,495	10,967	..... 21
3,835	3,723	42,232	9,147	22,936	1,429	2,992	4,762	14,035	.....	1,686	9,398	10,982	..... 28
4,069	2,721	42,588	9,211	23,218	1,371	2,920	4,931	15,422	.....	1,677	9,580	11,033	..... May 5
3,933	3,615	42,289	9,216	23,011	1,343	2,730	5,042	16,630	240	1,729	9,318	11,044	..... 12
3,890	2,537	42,520	9,274	23,184	1,292	2,662	5,165	14,893	278	1,909	9,432	11,105	..... 19
3,534	3,755	42,999	9,232	23,481	1,321	2,839	5,133	13,287	372	1,644	9,479	11,317	..... 26
Outside New York City													
1975													
1,300	3,475	175,662	56,009	86,542	23,590	4,475	4,549	35,858	2	2,413	14,714	25,622	..... May 7
1,345	3,145	177,072	56,232	87,738	23,614	4,404	4,591	36,014	5	2,411	14,578	25,559	..... 14
1,228	3,306	177,676	56,566	87,693	23,824	4,463	4,675	36,321	26	2,361	14,662	25,496	..... 21
1,311	3,370	177,492	56,844	87,391	23,749	4,400	4,647	35,208	397	2,179	14,903	25,520	..... 28
1976													
1,250	3,598	181,244	69,996	83,094	19,969	4,557	3,078	39,759	27	1,889	10,822	27,777	..... Apr. 7
1,326	3,679	180,391	69,774	82,441	20,247	4,544	2,838	41,060	312	1,933	11,178	27,790	..... 14
1,324	3,594	179,556	70,052	81,405	20,335	4,369	2,824	40,058	142	1,821	11,155	27,802	..... 21
1,320	3,241	179,384	70,202	81,292	20,231	4,309	2,793	40,238	206	1,818	11,098	27,910	..... 28
1,366	3,634	179,399	70,710	81,181	19,963	4,190	2,793	41,810	20	1,803	11,798	27,944	..... May 5
1,367	3,168	179,346	70,951	81,076	19,862	4,067	2,839	41,640	1	1,802	11,606	27,972	..... 12
1,359	3,231	179,199	71,096	80,883	19,791	3,996	2,850	40,623	227	1,928	11,774	28,009	..... 13
1,298	3,200	179,798	70,934	81,500	19,841	4,013	2,926	38,454	226	2,124	12,100	27,966	..... 26

For notes see pp. A-18 and A-22.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS▲—Continued

(In millions of dollars)

Wednesday	Memoranda														Gross liabilities of banks to their foreign branches
	Total loans (gross) ad-justed ¹¹	Total loans and investments (gross) ad-justed ¹¹	De-mand deposits ad-justed ¹²	Large negotiable time CD's included in time and savings deposits ¹³			All other large time deposits ¹⁴			Savings ownership categories					
				Total	Issued to IPC's	Issued to others	Total	Issued to IPC's	Issued to others	Individuals and non-profit organizations	Part-nerships and cor-porations for profit ¹⁵	Do-mestic govern-mental units	All other ¹⁶		
Large banks—Total															
1975															
May 7	286,233	370,411	101,571	83,864	55,217	28,647	36,485	18,800	17,685	63,104					2,323
14	284,743	368,984	102,226	84,952	56,231	28,721	36,459	18,856	17,603	63,390					2,098
21	284,370	369,030	102,060	84,325	55,634	28,691	36,575	18,910	17,665	63,771					3,212
28	284,174	368,745	101,863	83,535	54,986	28,549	36,282	18,718	17,564	64,092					2,613
1976															
Apr. 7	279,739	374,322	105,732	70,771	46,668	24,103	28,873	15,071	13,802	75,384	2,601	961	120		2,942
14	277,790	372,458	107,718	69,534	45,880	23,654	29,051	14,867	14,184	75,125	2,627	930	131		2,480
21	276,804	372,129	106,393	67,885	44,433	23,452	29,012	14,755	14,257	75,285	2,698	1,092	108		3,324
28	275,606	368,377	104,618	67,203	44,215	22,988	28,828	14,696	14,132	75,424	2,751	1,061	113		2,728
May 5	276,620	369,465	103,649	67,135	44,127	23,008	28,438	14,653	13,785	75,781	2,862	1,162	116		2,684
12	275,699	368,303	103,786	66,821	43,861	22,960	28,084	14,492	13,592	75,949	2,936	1,181	101		2,704
19	276,784	370,080	101,958	66,962	43,905	23,057	27,723	14,326	13,397	75,985	3,029	1,260	96		3,456
26	276,313	368,607	102,666	68,042	44,647	23,395	27,777	14,325	13,452	75,774	3,054	1,235	103		2,815
New York City															
1975															
May 7	73,532	87,416	23,920	29,564	18,641	10,923	8,788	5,180	3,608	7,095					1,606
14	72,778	87,055	23,628	29,590	18,657	10,933	8,766	5,184	3,582	7,158					1,504
21	72,713	87,218	24,323	29,013	18,233	10,780	8,759	5,158	3,601	7,205					2,228
28	72,663	87,089	24,595	28,557	17,932	10,625	8,662	5,093	3,569	7,248					1,682
1976															
Apr. 7	70,294	87,482	24,086	24,121	15,676	8,445	6,260	4,103	2,157	8,596	214	180	80		2,276
14	69,743	86,178	24,666	23,930	15,545	8,385	6,154	4,027	2,127	8,557	226	181	75		1,965
21	69,918	86,908	25,278	23,604	15,198	8,406	6,033	3,977	2,056	8,579	240	244	68		2,343
28	68,618	85,399	24,728	23,269	15,156	8,113	5,971	3,998	1,973	8,575	248	242	82		1,835
May 5	68,711	85,793	24,127	23,496	15,332	8,164	5,949	4,024	1,925	8,613	260	251	87		2,124
12	68,029	85,267	23,384	23,270	15,176	8,094	5,860	3,958	1,902	8,627	273	242	74		2,057
19	68,524	86,506	23,688	23,429	15,293	8,136	5,861	3,980	1,881	8,646	290	268	70		2,660
26	68,179	85,424	23,867	23,922	15,607	8,315	5,849	3,927	1,922	8,612	292	254	74		2,237
Outside New York City															
1975															
May 7	212,701	282,995	77,651	54,300	36,576	17,724	27,697	13,620	14,077	56,009					717
14	211,965	281,929	78,598	55,362	37,574	17,788	27,693	13,672	14,021	56,232					594
21	211,657	281,812	77,737	55,312	37,401	17,911	27,816	13,752	14,064	56,566					984
28	211,511	281,656	77,268	54,978	37,054	17,924	27,620	13,625	13,995	56,844					931
1976															
Apr. 7	209,445	286,840	81,646	46,650	30,992	15,658	22,613	10,968	11,645	66,788	2,387	781	40		666
14	208,047	286,280	83,052	45,604	30,335	15,269	22,897	10,840	12,057	66,568	2,401	749	56		515
21	206,886	285,221	81,115	44,281	29,235	15,046	22,979	10,778	12,201	66,706	2,458	848	40		981
28	206,988	282,978	79,890	43,934	29,059	14,875	22,857	10,698	12,159	66,849	2,503	819	31		893
May 5	207,909	283,672	79,522	43,639	28,795	14,844	22,489	10,629	11,860	67,168	2,602	911	29		560
12	207,670	283,036	80,402	43,551	28,685	14,866	22,224	10,534	11,690	67,322	2,663	939	27		647
19	208,260	283,574	78,270	43,533	28,612	14,921	21,862	10,346	11,516	67,339	2,739	992	26		796
26	208,134	283,183	78,799	44,120	29,040	15,080	21,928	10,398	11,530	67,162	2,762	981	29		578

▲ See p. A-18.

¹ Loan loss reserve and unearned income on loans had been reported as liability items through Mar. 24, 1976. Since then the item is netted against total loans, and therefore against total assets also. As a proxy for this item prior to Mar. 31, 1976, reserves for loans have been used to calculate year-ago figures.

² Includes securities purchased under agreements to resell.

³ Includes official institutions and so forth.

⁴ Includes short-term notes and bills.

⁵ Federal agencies only. ⁶ Includes corporate stocks.

⁷ Includes U.S. Govt. and foreign bank deposits, not shown separately.

⁸ Includes securities sold under agreements to repurchase.

⁹ Includes minority interest in consolidated subsidiaries. Beginning Mar. 31, 1976, also includes deferred tax portion of reserves for loans.

¹⁰ Includes reserves for securities. Beginning Mar. 31, 1976, also includes contingency portion of reserves for loans.

¹¹ Exclusive of loans and Federal funds transactions with domestic commercial banks.

¹² All demand deposits except U.S. Govt. and domestic commercial banks, less cash items in process of collection.

¹³ Certificates of deposit issued in denominations of \$100,000 or more.

¹⁴ All other time deposits issued in denominations of \$100,000 or more (not included in large negotiable CD's).

¹⁵ Other than commercial banks. ¹⁶ Domestic and foreign commercial banks, and official international organizations.

NOTE.—Effective Mar. 24, 1976, reclassification of loans in Chicago resulted in the following major revisions: commercial and industrial, —\$675 million; other nonbank financial institutions, —\$185 million; real estate, \$580 million. These reclassifications are not reflected in data prior to Mar. 24, 1976.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding					Net change during—								
	1976					1976			1976	1975			1975	
	May 26	May 19	May 12	May 5	Apr. 28	May	Apr.	Mar.	I	IV	III	2nd half	1st half	
Durable goods manufacturing:														
Primary metals.....	2,108	2,070	2,088	2,070	2,054	54	29	-28	-48	62	-12	50	18	
Machinery.....	5,225	5,250	5,317	5,253	5,246	-21	-217	-13	-296	-781	-887	-1,668	-1,314	
Transportation equipment.....	2,659	2,700	2,751	2,728	2,790	-131	-203	-80	-52	-267	-198	-465	-302	
Other fabricated metal products...	1,783	1,821	1,858	1,846	1,860	-77	-26	-137	-87	-473	-277	-750	-188	
Other durable goods.....	3,529	3,538	3,580	3,558	3,579	-50	73	-66	53	-514	-174	-688	-718	
Nondurable goods manufacturing:														
Food, liquor, and tobacco.....	3,048	3,059	3,070	3,142	3,158	-110	-113	-261	-509	455	13	468	-1,609	
Textiles, apparel, and leather.....	3,136	3,149	3,179	3,153	3,099	37	100	98	308	-477	-55	-532	-287	
Petroleum refining.....	2,416	2,344	2,359	2,363	2,341	75	117	-189	-138	-234	118	-116	228	
Chemicals and rubber.....	2,506	2,521	2,564	2,587	2,602	-96	-49	-39	-40	-178	-253	-431	-260	
Other nondurable goods.....	1,874	1,874	1,888	1,916	1,936	-62	62	-37	66	-268	-147	-415	-283	
Mining, including crude petroleum and natural gas.....	6,607	6,563	6,501	6,516	6,486	121	85	206	448	789	276	1,065	-149	
Trade: Commodity dealers.....	1,670	1,674	1,618	1,642	1,543	127	-104	62	65	340	137	477	-972	
Other wholesale.....	5,718	5,691	5,710	5,730	5,792	-74	16	324	337	-103	-78	-181	-1,108	
Retail.....	6,062	6,163	6,103	6,082	5,988	74	63	176	133	-208	-309	-517	-398	
Transportation.....	5,784	5,786	5,857	5,847	5,830	-46	-7	-97	-231	127	124	3	-321	
Communication.....	1,715	1,739	1,753	1,767	1,653	62	-42	-128	-289	-49	-109	-158	-357	
Other public utilities.....	6,073	5,997	5,976	6,028	5,940	133	-173	-381	-884	33	-231	-198	-1,423	
Construction.....	4,239	4,291	4,292	4,348	4,357	-118	-67	-435	-701	-381	-55	-436	-622	
Services.....	10,619	10,622	10,692	10,839	10,763	-144	-125	232	69	285	-300	-15	-1,120	
All other domestic loans.....	7,278	7,334	7,342	7,432	7,582	-304	-234	-1,095	-2,587	628	15	643	-372	
Bankers' acceptances.....	2,954	2,937	2,907	3,138	3,117	-163	-185	-166	-1,643	2,855	-170	2,685	599	
Foreign commercial and industrial loans.....	5,751	5,681	5,614	5,661	5,650	101	280	77	82	222	535	757	294	
Total classified loans.....	92,754	92,804	93,019	93,646	93,366	-612	-720	-1,977	-5,944	1,863	-2,285	-422	-10,664	
Comm. paper included in total classified loans ¹	356	.....	.....	.....	456	-100	12	24	7	153	44	197	240
Total commercial and industrial loans of large commercial banks.....	112,228	112,243	112,443	113,047	112,475	-247	-924	-2,511	-7,255	1,680	-2,622	-942	-10,370	

For notes see table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding									Net change during—				
	1976					1975				1976	1975			
	May 26	Apr. 28	Mar. 31	Feb. 25	Jan. 28	Dec. 31	Nov. 26	Oct. 29	Sept. 24	I	IV	III	II	2nd half ^r
Durable goods manufacturing:														
Primary metals.....	1,293	1,283	1,291	1,335	1,341	1,372	1,381	1,320	1,338	r-81	34	50	4	84
Machinery.....	3,088	3,055	3,144	3,072	3,117	3,313	3,451	3,538	3,737	r-169	-424	-240	-94	-664
Transportation equipment.....	1,488	1,632	1,691	1,643	1,686	1,615	1,727	1,624	1,693	76	-78	-47	68	-125
Other fabricated metal products.....	879	919	909	1,035	1,041	1,024	1,087	1,175	1,268	-115	-244	46	-90	-198
Other durable goods.....	1,843	1,871	1,793	1,838	1,874	1,823	1,905	1,950	2,012	-30	-189	-78	-161	-267
Nondurable goods manufacturing:														
Food, liquor, and tobacco. Textiles, apparel, and leather.....	1,334	1,366	1,391	1,536	1,547	1,578	1,544	1,451	1,471	-187	107	-43	-47	64
Petroleum refining.....	1,075	1,044	993	1,055	1,032	995	1,072	1,074	1,103	-2	-108	8	-63	-100
Chemicals and rubber.....	1,781	1,785	1,685	1,886	1,859	1,831	1,860	1,914	1,967	-146	-136	258	226	122
Other nondurable goods..	1,462	1,495	1,540	1,603	1,588	1,622	1,549	1,605	1,665	-82	-43	-97	-84	-140
Mining, including crude petroleum and natural gas.....	961	979	962	942	925	888	955	995	1,056	74	-168	-87	13	255
Trade: Commodity dealers..	5,117	5,015	4,904	4,731	4,528	4,484	3,867	3,896	3,847	420	637	113	197	750
Other wholesale.....	206	180	190	182	196	172	168	162	150	18	22	2	-2	24
Retail.....	1,355	1,312	1,344	1,279	1,290	1,276	1,308	1,403	1,319	68	-43	-10	-121	-53
Transportation.....	2,031	2,036	2,008	1,987	2,007	1,996	2,115	2,150	2,153	r12	-157	17	-147	-140
Communication.....	4,246	4,252	4,250	4,329	4,291	4,390	4,324	4,420	4,391	-140	-1	-34	-99	-35
Other public utilities.....	1,008	984	998	1,095	1,101	1,081	1,112	1,122	1,132	-83	-51	-1	-2	-32
Construction.....	3,811	3,770	3,898	3,940	3,995	3,979	3,942	4,027	3,966	-81	13	-79	11	-66
Services.....	1,755	1,877	1,915	2,141	2,258	2,181	2,207	2,267	2,359	r-266	-178	45	117	-133
All other domestic loans...	5,266	5,310	5,368	5,147	5,038	5,135	5,082	5,097	5,122	233	13	-18	-290	-5
Foreign commercial and industrial loans.....	2,349	2,513	2,700	3,093	3,396	3,299	3,116	3,054	3,244	r-599	55	-14	176	41
Total loans.....	3,121	3,085	2,984	3,001	2,999	2,921	2,851	2,834	2,763	63	158	169	66	327
Total loans.....	45,469	45,763	45,958	46,870	47,109	46,975	46,623	47,078	47,756	r-1,017	-781	-40	-322	-821

¹ Reported the last Wednesday of each month.

NOTE.—For description of series see article "Revised Series on Commercial and Industrial Loans by Industry," Feb. 1967 BULLETIN, p. 209.

Commercial and industrial "term" loans are all outstanding loans with an original maturity of more than 1 year and all outstanding loans granted under a formal agreement—revolving credit or standby—on which the original maturity of the commitment was in excess of 1 year.

GROSS DEMAND DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS¹

(In billions of dollars)

Class of bank, and quarter or month	Type of holder					Total deposits, IPC
	Financial business	Nonfinancial business	Consumer	Foreign	All other	
All insured commercial banks:						
1970—Dec.....	17.3	92.7	53.6	1.3	10.3	175.1
1971—Dec.....	18.5	98.4	58.6	1.3	10.7	187.5
1972—Dec.....	18.9	109.9	65.4	1.5	12.3	208.0
1973—Mar.....	18.6	102.8	65.1	1.7	11.8	200.0
June.....	18.6	106.6	67.3	2.0	11.8	206.3
Sept.....	18.8	108.3	69.1	2.1	11.9	210.3
Dec.....	19.1	116.2	70.1	2.4	12.4	220.1
1974—Mar.....	18.9	108.4	70.6	2.3	11.0	211.2
June.....	18.2	112.1	71.4	2.2	11.1	215.0
Sept.....	17.9	113.9	72.0	2.1	10.9	216.8
Dec.....	19.0	118.8	73.3	2.3	11.7	225.0
1975—Mar.....	18.6	111.3	73.2	2.3	10.9	216.3
June.....	19.4	115.1	74.8	2.3	10.6	222.2
Sept.....	19.0	118.7	76.5	2.2	10.6	227.0
Dec.....	20.1	125.1	78.0	2.4	11.3	236.9
1976—Mar.....	19.9	116.9	77.2	2.4	11.4	227.9
Weekly reporting banks:						
1971—Dec.....	14.4	58.6	24.6	1.2	5.9	104.8
1972—Dec.....	14.7	64.4	27.1	1.4	6.6	114.3
1973—Dec.....	14.9	66.2	28.0	2.2	6.8	118.1
1974—Dec.....	14.8	66.9	29.0	2.2	6.8	119.7
1975—Apr.....	15.0	63.3	30.1	2.2	6.5	117.0
May.....	14.2	63.1	29.2	2.3	6.2	115.0
June.....	15.1	65.1	29.5	2.2	6.2	118.1
July.....	15.0	65.3	29.8	2.2	6.5	118.7
Aug.....	14.4	64.6	29.1	2.0	5.9	116.1
Sept.....	14.7	65.5	29.6	2.1	6.2	118.1
Oct.....	15.1	66.7	29.0	2.2	6.3	119.3
Nov.....	15.4	68.1	29.4	2.2	6.4	121.6
Dec.....	15.6	69.9	29.9	2.3	6.6	124.4
1976—Jan.....	15.2	68.0	30.3	2.2	6.7	122.4
Feb.....	15.3	65.6	29.2	2.2	6.4	119.0
Mar.....	15.4	65.2	30.8	1.8	6.2	119.5
Apr.....	15.1	65.5	33.6	1.8	6.0	122.0

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 BULLETIN, p. 466.

DEPOSITS ACCUMULATED FOR PAYMENT OF PERSONAL LOANS

(In millions of dollars)

Class of bank	Dec. 31, 1973	Dec. 31, 1974	June 30, 1975	Dec. 31, 1975	Class of bank	Dec. 31, 1973	Dec. 31, 1974	June 30, 1975	Dec. 31, 1975
All commercial.....	507	389	338	280	All member—Cont.				
Insured.....	503	387	335	280	Other large banks ¹	58	69	74	76
National member.....	288	236	223	188	All other member ¹	294	206	186	146
State member.....	64	39	36	35	All nonmember.....	155	115	79	58
All member.....	352	275	260	223	Insured.....	152	112	76	58
					Noninsured.....	3	3	3	.....

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).

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 p. A-14; from the figures for weekly reporting banks as shown on pp. A-18-A-22 (consumer instalment loans); and from the figures in the table at the bottom of p. A-13. But they are included in the figures for "Time deposits" and "Loans" for call dates as shown on pp. A-14-A-17.

LOANS SOLD OUTRIGHT BY LARGE COMMERCIAL BANKS

(Amounts outstanding; in millions of dollars)

Date	To selected related institutions ¹			
	Total	By type of loan		
		Commercial and industrial	Real estate	All other
Feb. 4.....	4,313	2,560	208	1,545
11.....	4,455	2,710	208	1,537
18.....	4,441	2,719	203	1,517
25.....	4,478	2,725	200	1,553
Mar. 3.....	4,482	2,731	201	1,550
10.....	4,390	2,653	197	1,540
17.....	4,348	2,604	200	1,544
24.....	4,239	2,531	201	1,507
31.....	4,234	2,552	197	1,485
Apr. 7.....	4,050	2,459	195	1,396
14.....	4,082	2,480	197	1,405
21.....	4,121	2,531	194	1,396
28.....	4,176	2,560	200	1,416
May 5.....	4,174	2,567	195	1,412
12.....	4,346	2,727	193	1,426
19.....	4,307	2,704	192	1,411
26.....	4,334	2,682	208	1,444

¹ To bank's own foreign branches, nonconsolidated non-bank affiliates of the bank, the bank's holding company (if not a bank), and nonconsolidated nonbank subsidiaries of the holding company.

NOTE.—Series changed on Aug. 28, 1974. For a comparison of the old and new data for that date, see p. 741 of the Oct. 1974 BULLETIN. Revised figures received since Oct. 1974 that affect that comparison are shown in note 2 to this table in the Dec. 1974 BULLETIN, p. A-27.

COMMERCIAL PAPER AND BANKERS ACCEPTANCES OUTSTANDING

(In millions of dollars)

End of period	Commercial paper						Dollar acceptances										
	All issuers	Financial companies ¹		Non-financial companies ⁴	Bank-related ⁵		Total	Held by—						Based on—			
		Dealer-placed ²	Di-rectly-placed ³		Dealer-placed	Di-rectly-placed		Accepting banks			F.R. Banks		Others	Im-ports into United States	Ex-ports from United States	All other	
								Total	Own bills	Bills bought	Own acct.	For-ign corr. ⁶					
1966.....	13,645	2,332	10,556	757	.....	.....	3,603	1,198	983	215	193	191	2,022	997	829	1,778
1967.....	17,085	2,790	12,184	2,111	.....	.....	4,317	1,906	1,447	459	164	156	2,090	1,086	989	2,241
1968.....	21,173	4,427	13,972	2,774	.....	.....	4,428	1,544	1,344	200	58	109	2,717	1,423	952	2,053
1969.....	32,600	6,503	20,741	5,356	1,160	3,134	5,451	1,567	1,318	249	64	146	3,674	1,889	1,153	2,408	
1970.....	33,071	5,514	20,424	7,133	352	1,997	7,058	2,694	1,960	735	57	250	4,057	2,601	1,561	2,895	
1971.....	32,126	5,297	20,582	6,247	524	1,449	7,889	3,480	2,689	791	261	254	3,894	2,834	1,546	3,509	
1972.....	34,721	5,655	22,098	6,968	1,226	1,411	6,898	2,706	2,006	700	106	179	3,907	2,531	1,909	2,458	
1973.....	41,073	5,487	27,204	8,382	1,938	2,943	8,892	2,837	2,318	519	68	581	5,406	2,273	3,499	3,120	
1974.....	49,144	4,611	31,839	12,694	1,814	6,518	18,484	4,226	3,685	542	999	1,109	12,150	4,023	4,067	10,394	
1975-Mar..	50,827	5,342	31,221	14,264	1,682	7,272	18,730	4,773	4,085	688	665	263	13,029	3,845	4,296	10,589	
Apr..	51,623	5,461	32,144	14,018	1,618	7,002	18,727	4,485	3,900	585	1,185	235	12,822	3,690	4,206	10,831	
May..	51,317	5,889	32,821	12,607	1,543	7,096	18,108	4,450	3,892	558	865	234	12,559	3,665	4,186	10,257	
June..	48,765	5,604	31,115	12,045	1,561	7,230	17,740	4,774	4,224	550	682	319	11,965	3,466	4,080	10,193	
July..	49,352	6,018	31,263	12,072	1,649	7,038	16,930	4,778	4,275	503	685	329	11,138	3,474	3,865	9,591	
Aug..	49,810	5,645	32,172	11,993	1,511	7,392	16,456	4,546	3,988	558	840	304	10,766	3,305	3,806	9,344	
Sept..	48,257	5,574	30,496	12,187	1,482	7,316	16,790	5,002	4,190	812	948	302	10,538	3,313	3,783	9,693	
Oct..	50,394	6,360	32,308	11,726	1,634	7,114	17,304	5,213	4,288	924	1,047	284	10,760	3,467	3,947	9,890	
Nov..	49,512	6,389	32,003	11,120	1,715	6,974	17,875	6,497	5,684	813	727	279	10,372	3,545	3,888	10,443	
Dec..	47,690	6,239	31,276	10,175	1,762	6,892	18,727	7,333	5,899	1,435	1,126	293	9,975	3,726	4,001	11,000	
1976-Jan..	48,858	6,072	31,305	11,481	1,657	6,918	18,677	6,294	5,367	927	1,230	248	10,904	3,891	3,906	10,880	
Feb..	49,927	6,401	31,534	11,992	1,567	6,753	19,060	5,950	5,255	695	1,051	231	11,827	3,977	4,039	11,044	
Mar..	49,300	6,428	31,239	11,633	1,654	6,773	18,901	6,340	5,651	689	883	245	11,433	4,027	4,193	10,681	

¹ Financial companies are institutions engaged primarily in activities such as, but not limited to, commercial, savings, and mortgage banking; sales, personal, and mortgage financing; factoring, finance leasing, and other business lending; insurance underwriting; and other investment activities.

² As reported by dealers; includes all financial company paper sold in the open market.

³ As reported by financial companies that place their paper directly with investors.

⁴ Nonfinancial companies include public utilities and firms engaged primarily in activities such as communications, construction, manufacturing, mining, wholesale and retail trade, transportation, and services.

⁵ Included in dealer- and directly-placed financial company columns. Coverage of bank-related companies was expanded in Aug. 1974. Most of the increase resulting from this expanded coverage occurred in directly-placed paper.

⁶ Beginning November 1974, the Board of Governors terminated the System guarantee on acceptances purchased for foreign official accounts.

PRIME RATE CHARGED BY BANKS

(Per cent per annum)

Effective date	Rate	Effective date	Rate	Effective date	Rate	Monthly average rate
1974—Apr. 11.....	10	1975—Jan. 9.....	10¼	1975—July 18.....	7¼	1975—Jan. 10.05
19.....	10¼	15.....	10	28.....	7½	Feb. 8.96
25.....	10½	20.....	9¾			Mar. 7.93
May 2.....	10¾	28.....	9½	Aug. 12.....	7¾	Apr. 7.50
6.....	11	Feb. 3.....	9¼	Sept. 15.....	8	May 7.40
10.....	11¼	10.....	9			June 7.07
17.....	11½	18.....	8¾	Oct. 27.....	7¾	July 7.15
June 26.....	11¾	24.....	8½			Aug. 7.66
July 5.....	12	Mar. 5.....	8¼	Nov. 5.....	7½	Sept. 7.88
		10.....	8	Dec. 2.....	7¼	Oct. 7.96
Oct. 7.....	11¾	18.....	7¾			Nov. 7.53
21.....	11½	24.....	7½	1976—Jan. 12.....	7	Dec. 7.26
28.....	11¼	May 20.....	7¼	21.....	6¾	1976—Jan. 7.00
Nov. 4.....	11	June 9.....	7	June 1.....	7	Feb. 6.75
14.....	10¾					Mar. 6.75
25.....	10½					April 6.75
						May 6.75

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	
	Feb. 1976	Nov. 1975	Feb. 1976	Nov. 1975	Feb. 1976	Nov. 1975	Feb. 1976	Nov. 1975	Feb. 1976	Nov. 1975	Feb. 1976	Nov. 1975
Short-term												
35 centers.....	7.54	8.29	9.03	9.56	8.44	9.15	7.80	8.62	7.55	8.38	7.33	8.04
New York City.....	7.14	7.99	8.64	9.34	8.20	8.98	7.52	8.52	7.40	8.17	7.03	7.87
7 Other Northeast.....	7.93	8.53	9.46	10.01	8.69	9.36	8.06	8.83	7.77	8.61	7.71	8.15
8 North Central.....	7.50	8.15	8.51	9.13	8.21	8.97	7.63	8.51	7.50	8.27	7.37	7.91
7 Southeast.....	7.86	8.70	9.44	9.68	8.78	9.39	8.16	8.74	7.62	8.62	7.29	8.36
8 Southwest.....	7.56	8.37	8.76	9.38	8.16	8.94	7.57	8.44	7.44	8.18	7.35	8.15
4 West Coast.....	7.77	8.67	9.17	9.73	8.60	9.29	8.06	8.77	7.70	8.76	7.61	8.56
Revolving credit												
35 centers.....	7.50	8.26	9.50	9.93	8.40	9.15	7.79	8.59	7.74	8.41	7.42	8.20
New York City.....	7.51	8.08	8.56	9.01	8.31	8.90	7.68	8.54	7.46	8.44	7.50	8.03
7 Other Northeast.....	8.06	8.63	10.66	10.38	7.57	8.91	7.47	8.09	7.80	8.19	8.16	8.72
8 North Central.....	7.64	8.62	9.88	10.11	9.23	9.57	8.34	9.34	7.46	8.65	7.53	8.49
7 Southeast.....	7.49	9.50	9.59	10.12	9.02	9.53	8.09	8.74	8.43	8.30	6.75	10.12
8 Southwest.....	7.73	8.51	8.81	9.18	8.14	9.15	7.89	8.62	8.02	8.49	7.49	8.42
4 West Coast.....	7.32	8.15	8.69	9.71	8.15	8.99	7.59	8.34	7.87	8.32	7.20	8.09
Long-term												
35 centers.....	8.02	8.88	9.44	9.76	8.96	9.18	8.40	9.11	8.26	9.16	7.89	8.79
New York City.....	7.68	8.44	7.43	7.37	8.08	9.09	8.01	9.13	7.25	9.46	7.68	8.32
7 Other Northeast.....	8.16	9.10	9.36	9.84	9.32	9.39	8.38	9.02	8.10	8.02	7.98	9.33
8 North Central.....	7.96	9.03	9.23	9.71	8.56	8.55	8.35	8.94	7.90	9.90	7.86	8.97
7 Southeast.....	8.90	8.87	9.69	7.82	9.69	8.84	9.20	9.06	7.97	9.36	8.57	8.54
8 Southwest.....	8.14	8.88	10.65	11.60	8.69	9.44	8.10	9.39	8.79	8.97	7.84	8.65
4 West Coast.....	8.46	9.27	8.63	9.90	9.33	9.90	8.85	9.32	9.12	9.49	8.28	9.21

MONEY MARKET RATES

(Per cent per annum)

Period	Prime commercial paper ¹		Finance co. paper placed directly, 3 to 6 months ²	Prime bankers' acceptances, 90 days ³	Federal funds rate ⁴	U.S. Government securities ⁵						
	90-119 days	4 to 6 months				3-month bills ⁶		6-month bills ⁶		9- to 12-month issues		3- to 5-year issues ⁷
						Rate on new issue	Market yield	Rate on new issue	Market yield	1-year bill (market yield) ⁶	Other ⁷	
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	7.31	7.17	6.458	6.39	6.562	6.51	6.49	6.90	7.37
1971.....		5.11	4.91	4.85	4.66	4.348	4.33	4.511	4.52	4.67	4.75	5.77
1972.....	4.66	4.69	4.52	4.47	4.44	4.071	4.07	4.466	4.49	4.77	4.86	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
1974.....	10.05	9.87	8.62	9.92	10.51	7.886	7.84	7.926	7.95	7.71	8.25	7.81
1975.....	6.26	6.33	6.16	6.30	5.82	5.838	5.80	6.122	6.11	6.30	6.70	7.55
1975—May.....	5.70	5.82	5.74	5.76	5.22	5.315	5.23	5.649	5.59	5.91	6.31	7.49
June.....	5.67	5.79	5.53	5.70	5.55	5.193	5.34	5.463	5.61	5.86	6.26	7.26
July.....	6.32	6.44	6.02	6.40	6.10	6.164	6.13	6.492	6.50	6.64	7.07	7.72
Aug.....	6.59	6.70	6.39	6.74	6.14	6.463	6.44	6.940	6.94	7.16	7.55	8.12
Sept.....	6.79	6.86	6.53	6.83	6.24	6.383	6.42	6.870	6.92	7.20	7.54	8.22
Oct.....	6.35	6.48	6.43	6.28	5.82	6.081	5.96	6.385	6.25	6.48	6.89	7.80
Nov.....	5.78	5.91	5.79	5.79	5.22	5.468	5.48	5.751	5.80	6.07	6.40	7.51
Dec.....	5.88	5.97	5.86	5.72	5.20	5.504	5.44	5.933	5.85	6.16	6.51	7.50
1976—Jan.....	5.15	5.27	5.16	5.08	4.87	4.961	4.87	5.238	5.14	5.44	5.71	7.18
Feb.....	5.13	5.23	5.09	4.99	4.77	4.852	4.88	5.144	5.20	5.53	5.78	7.18
Mar.....	5.25	5.37	5.27	5.18	4.84	5.047	5.00	5.488	5.44	5.82	6.12	7.25
Apr.....	5.08	5.23	5.13	5.03	4.82	4.878	4.86	5.201	5.18	5.54	5.85	6.99
May.....	5.44	5.54	5.38	5.53	5.29	5.185	5.20	5.600	5.62	5.98	6.36	7.35
Week ending—												
1976—Feb. 7.....	5.05	5.15	5.00	4.95	4.82	4.811	4.90	5.066	5.15	5.45	5.71	7.16
14.....	5.13	5.25	5.13	4.97	4.73	4.872	4.85	5.133	5.13	5.47	5.74	7.17
21.....	5.22	5.28	5.13	5.02	4.70	4.854	4.87	5.171	5.22	5.58	5.79	7.20
28.....	5.13	5.25	5.13	5.04	4.80	4.870	4.90	5.204	5.28	5.62	5.86	7.18
Mar. 6.....	5.25	5.38	5.23	5.26	4.95	5.258	5.20	5.724	5.65	5.98	6.30	7.36
13.....	5.25	5.38	5.28	5.21	4.86	5.060	4.99	5.487	5.47	5.86	6.19	7.30
20.....	5.35	5.45	5.38	5.19	4.77	4.981	4.98	5.459	5.43	5.82	6.13	7.25
27.....	5.23	5.35	5.28	5.12	4.79	4.890	4.87	5.283	5.26	5.67	5.93	7.14
Apr. 3.....	5.15	5.30	5.13	5.10	4.84	4.929	4.97	5.327	5.34	5.76	6.03	7.14
10.....	5.18	5.38	5.18	5.05	4.73	4.957	4.91	5.293	5.22	5.59	5.94	7.04
17.....	5.09	5.19	5.09	5.01	4.77	4.830	4.80	5.068	5.04	5.36	5.66	6.88
24.....	5.00	5.13	5.13	4.94	4.78	4.763	4.78	5.089	5.11	5.47	5.76	6.92
May 1.....	5.03	5.15	5.13	5.07	4.93	4.909	4.88	5.230	5.24	5.61	5.90	7.04
8.....	5.20	5.30	5.15	5.21	5.03	4.921	4.91	5.339	5.30	5.68	5.98	7.11
15.....	5.30	5.43	5.30	5.39	5.02	5.072	5.11	5.426	5.51	5.89	6.21	7.28
22.....	5.53	5.63	5.45	5.67	5.28	5.250	5.33	5.726	5.79	6.11	6.56	7.46
29.....	5.73	5.83	5.63	5.87	5.50	5.495	5.47	5.908	5.89	6.26	6.68	7.56

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 Beginning Aug. 15, 1974, the rate is the average of the midpoint of the range of daily dealer closing rates offered for domestic issues; prior data are averages of the most representative daily offering rate quoted by dealers.⁴ Seven-day averages of daily effective rates for week ending Wednesday. Since July 19, 1973, the daily effective Federal funds rate is an average of the rates on a given day weighted by the volume of transactions at these

rates. Prior to this date, the daily effective rate was the rate considered most representative of the day's transactions, usually the one at which most transactions occurred.

⁵ Except for new bill issues, yields are averages computed from daily closing bid prices.⁶ Bills quoted on bank-discount-rate basis.⁷ 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 (long-term)	State and local			Aaa utility		Total ¹	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total ¹	Aaa	Baa	New issue	Recently offered		Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
Seasoned issues															
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	7.12
1974.....	6.99	6.19	5.89	6.53	9.33	9.34	8.98	8.57	9.50	8.78	8.98	9.27	8.23	4.47	11.60
1975.....	6.98	7.05	6.42	7.62	9.40	9.41	9.46	8.83	10.39	9.25	9.39	9.88	8.38	4.31	9.03
1975—May.....	6.99	6.95	6.42	7.48	9.63	9.65	9.55	8.90	10.46	9.37	9.49	9.93	8.51	4.08	.....
June.....	6.86	6.96	6.28	7.48	9.25	9.32	9.45	8.77	10.40	9.29	9.40	9.81	8.34	4.02	8.29
July.....	6.89	7.07	6.39	7.60	9.41	9.42	9.43	8.84	10.33	9.26	9.37	9.81	8.24	4.02	.....
Aug.....	7.06	7.12	6.40	7.71	9.46	9.49	9.51	8.95	10.35	9.29	9.41	9.93	8.41	4.36	.....
Sept.....	7.29	7.40	6.70	7.96	9.68	9.57	9.55	8.95	10.38	9.35	9.42	9.98	8.56	4.39	9.12
Oct.....	7.29	7.40	6.67	8.01	9.45	9.43	9.51	8.86	10.37	9.32	9.40	9.94	8.58	4.22	.....
Nov.....	7.21	7.41	6.64	8.08	9.20	9.26	9.44	8.78	10.33	9.27	9.36	9.83	8.50	4.07	.....
Dec.....	7.17	7.29	6.50	7.96	9.36	9.21	9.45	8.79	10.35	9.26	9.37	9.87	8.57	4.14	8.61
1976—Jan.....	6.94	7.08	6.22	7.81	8.70	8.79	9.33	8.60	10.24	9.16	9.32	9.68	8.16	3.80	.....
Feb.....	6.92	6.94	6.04	7.76	8.63	8.63	9.23	8.55	10.10	9.12	9.25	9.50	8.00	3.67	.....
Mar.....	6.87	6.90	5.99	7.72	8.62	8.61	9.18	8.52	9.99	9.10	9.16	9.43	8.07	3.65	.....
Apr.....	6.73	6.61	5.68	7.50	8.48	8.52	9.04	8.40	9.83	8.98	9.05	9.27	8.04	3.66	.....
May.....	6.99	6.85	5.88	7.75	8.82	8.77	9.06	8.58	9.76	9.00	8.96	9.31	8.06	3.76	.....
Week ending—															
1976—Apr. 3..	6.78	6.70	5.77	7.56	8.60	8.54	9.10	8.46	9.92	9.04	9.11	9.34	8.14	3.61	.....
10..	6.72	6.67	5.74	7.53	8.50	8.50	9.08	8.42	9.90	9.01	9.09	9.31	8.14	3.64	.....
17..	6.65	6.56	5.63	7.47	8.42	8.44	9.03	8.36	9.85	8.97	9.07	9.27	8.07	3.71	.....
24..	6.70	6.56	5.63	7.47	8.38	8.54	9.01	8.36	9.81	8.95	9.02	9.24	8.01	3.61	.....
May 1..	6.80	6.57	5.63	7.47	8.58	8.57	9.01	8.41	9.76	8.95	8.99	9.23	7.95	3.67	.....
8..	6.88	6.70	5.75	7.60	8.68	8.62	9.03	8.48	9.75	8.98	8.97	9.25	8.03	3.77	.....
15..	6.98	6.81	5.85	7.71	8.82	8.78	9.05	8.56	9.75	8.98	8.96	9.30	8.04	3.69	.....
22..	7.04	6.89	5.92	7.79	8.82	8.83	9.07	8.62	9.76	9.02	8.95	9.33	8.12	3.75	.....
29..	7.05	6.98	6.00	7.89	8.95	8.84	9.09	8.65	9.77	9.04	8.93	9.37	8.03	3.83	.....
Number of issues ²	15	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 Number of issues varies over time; figures shown reflect most recent count.

NOTE.—Annual yields are averages of weekly, 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 Federal Reserve Bank of New York. (2) State and local

govt., general obligations only, based on Thurs. figures, from Moody's Investors Service. (3) Corporate, rates for "New issue" and "Recently offered" Aaa utility bonds, weekly averages compiled by the Board of Governors of the Federal Reserve System; and rates for seasoned issues, 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 as of end of period. Preferred stock ratio based on 8 median yields for a sample of non-callable issues—12 industrial and 2 public utility. Common stock ratios on the 500 stocks in the price index. Quarterly earnings are seasonally adjusted at annual rates.

NOTES TO TABLES ON OPPOSITE PAGE:

Security Prices:

NOTE.—Annual data are averages of daily or weekly 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-28 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, presently conducted 5 days per week for 6 hours per day.

Stock Market Customer Financing:

¹ Margin credit includes all credit extended to purchase or carry stocks or related equity instruments and secured at least in part by stock (Dec. 1970 BULLETIN, p. 920). 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.

² In addition to assigning a current loan value to margin stock generally, 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.

SECURITY PRICES

Period	Bond prices (per cent of par)			Common stock prices											Volume of trading in stocks (thousands of shares)	
				New York Stock Exchange												
				Standard and Poor's index (1941-43= 10)				New York Stock Exchange index (Dec. 31, 1965= 50)							Amer- ican Stock Ex- change total index (Aug. 31, 1973= 100)	NYSE	AMEX
	U.S. Govt. (long- term)	State and local	Cor- porate AAA	Total	Indus- trial	Rail- road	Public utility	Total	Indus- trial	Trans- porta- tion	Utility	Fi- nance				
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	15,381	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	
1974.....	57.45	76.3	58.8	82.85	92.91	37.53	38.91	43.84	48.08	31.89	29.82	49.67	79.97	13,883	1,908	
1975.....	57.44	68.9	56.2	85.17	96.15	37.48	41.21	45.73	51.88	30.73	31.45	46.62	83.15	18,568	2,150	
1975—May.....	57.40	69.6	56.6	90.10	101.05	38.92	39.69	47.76	53.22	32.28	31.02	49.97	86.94	21,785	2,521	
June.....	58.33	69.8	56.7	92.40	103.68	38.97	43.65	49.21	54.61	32.38	32.78	52.20	90.57	21,286	2,743	
July.....	58.09	68.5	56.6	92.49	103.84	38.04	43.67	49.54	54.96	32.90	32.98	52.51	93.28	20,076	2,750	
Aug.....	56.84	68.3	55.6	85.71	96.21	35.13	41.04	45.71	50.71	30.08	31.02	46.55	85.74	13,404	1,476	
Sept.....	55.23	66.1	55.8	84.62	94.96	34.94	40.53	44.97	50.05	29.46	30.65	43.38	84.26	12,717	1,439	
Oct.....	55.23	66.2	56.0	88.57	99.29	36.92	42.59	46.87	52.26	30.79	31.87	44.36	83.46	15,893	1,629	
Nov.....	55.77	66.2	56.3	90.07	100.86	37.81	43.77	47.64	52.91	32.09	32.99	45.10	85.60	16,795	1,613	
Dec.....	56.03	67.4	56.1	88.74	94.89	37.07	43.25	46.78	63.70	31.61	32.75	43.86	82.50	15,859	1,977	
1976—Jan.....	57.75	69.7	57.0	96.86	108.45	41.42	46.99	51.31	56.72	35.77	35.23	48.83	91.47	32,794	3,070	
Feb.....	57.86	68.8	57.1	100.64	113.43	43.40	47.22	53.73	59.79	38.53	36.12	52.06	100.58	31,375	4,765	
Mar.....	58.23	69.2	57.3	101.08	113.73	44.54	45.67	54.01	61.60	39.19	35.44	52.59	104.04	23,069	3,479	
Apr.....	59.33	71.3	58.2	101.93	114.67	44.91	46.07	54.28	60.62	38.66	35.69	52.71	103.00	18,770	2,368	
May.....	57.38	69.1	56.5	101.16	113.76	46.09	45.70	53.87	60.22	39.71	35.40	50.99	103.65	17,796	2,127	
Week ending—																
1976—May 1.....	58.76	71.4	57.6	102.14	114.77	45.52	46.13	54.38	60.65	39.66	35.91	52.02	102.93	16,268	1,944	
8.....	58.19	70.1	57.4	101.26	113.85	45.53	46.01	53.89	60.11	39.06	35.89	51.35	102.21	16,280	1,996	
15.....	57.41	69.2	56.6	102.46	115.23	46.77	46.21	54.58	60.99	40.30	35.95	51.75	104.76	19,678	2,396	
22.....	57.00	69.1	56.2	101.36	113.98	46.44	45.68	53.99	60.40	40.24	35.31	50.86	104.60	18,374	2,090	
29.....	56.93	68.1	56.0	99.57	111.97	45.63	44.88	53.02	59.39	39.23	34.46	49.99	103.02	16,850	2,024	

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									Unregu- lated ³		
	By source			By type						Nonmargin stock credit at banks		
	Total	Brokers	Banks	Margin stock		Convertible bonds		Subscription issues				
				Brokers	Banks	Brokers	Banks	Brokers	Banks			
1975—Apr.....	5,327	4,503	824	4,360	781	138	30	5	13	1,885	505	1,790
May.....	5,666	4,847	819	4,700	779	140	27	7	13	1,883	520	1,705
June.....	5,984	5,140	844	4,990	805	146	28	4	11	2,434	520	1,790
July.....	6,266	5,446	820	5,300	780	143	29	3	10	2,387	555	1,710
Aug.....	6,197	5,365	832	5,220	791	142	30	3	11	2,457	515	1,500
Sept.....	6,251	5,399	852	5,250	811	145	30	4	10	2,520	470	1,455
Oct.....	6,455	5,448	1,007	5,300	956	144	36	4	15	2,311	545	1,495
Nov.....	6,527	5,519	1,008	5,370	958	146	37	3	13	2,270	490	1,470
Dec.....	6,500	5,540	960	5,390	909	147	36	3	15	2,281	475	1,525
1976—Jan.....	6,568	5,568	1,000	5,420	946	146	34	2	20	2,321	655	1,975
Feb.....	7,152	6,115	1,037	5,950	984	162	34	3	20	2,333	685	2,065
Mar.....	.....	.....	.....	6,410	.....	163	.....	3	.....	.....	795	1,935
Apr.....	.....	.....	.....	6,690	.....	163	.....	3	.....	.....	570	1,740

For notes see opposite page.

**EQUITY STATUS OF MARGIN ACCOUNT DEBT
AT BROKERS**

(Per cent of total debt, except as noted)

End of period	Total debt (millions of dollars) ¹	Equity class (per cent)					
		80 or more	70-79	60-69	50-59	40-49	Under 40
1975—Apr.	4,360	7.1	8.7	16.1	28.7	23.5	15.9
May	4,700	7.0	9.1	16.7	31.5	21.0	13.4
June	4,990	7.4	9.9	18.3	32.7	20.4	11.4
July	5,300	6.0	8.3	13.9	23.6	30.4	17.9
Aug.	5,220	5.5	6.8	11.3	20.7	31.0	24.7
Sept.	5,250	5.1	7.3	10.6	19.6	31.0	26.5
Oct.	5,300	5.5	6.7	11.2	21.8	29.7	25.2
Nov.	5,370	5.2	6.7	12.2	23.2	28.6	24.0
Dec.	5,390	5.3	6.9	11.6	22.3	28.8	25.0
1976—Jan.	5,420	7.0	9.4	18.3	21.3	28.8	15.5
Feb.	5,950	6.8	8.9	17.4	29.0	22.6	15.3
Mar.	6,410	6.0	8.7	16.0	29.0	25.0	16.0
Apr.	6,690	6.1	7.7	12.9	27.7	30.2	15.4

¹ Note 1 appears at the bottom of p. A-28.

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.

**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)
		60 per cent or more	Less than 60 per cent	
1975—Apr.	45.2	41.1	13.7	7,505
May	44.5	43.2	12.3	7,601
June	45.9	43.1	11.0	7,875
July	45.6	41.1	13.1	7,772
Aug.	43.5	40.6	16.0	7,494
Sept.	45.3	38.9	15.8	7,515
Oct.	44.4	40.1	15.5	7,362
Nov.	45.3	40.2	14.5	7,425
Dec.	43.8	40.8	15.4	7,290
1976—Jan.	45.8	44.0	10.3	7,770
Feb.	44.4	44.7	10.9	8,040
Mar.	44.0	46.0	10.4	8,050
Apr.	43.0	45.0	12.0	7,990

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 assets— Total liabilities and general reserve acct's.	Deposits	Other liabilities	General reserve ac- counts	Mortgage loan commitments ² classified by maturity (in months)				
	Mort- gage	Other	U.S. Govt.	State and local govt.	Corpo- rate and other ¹							3 or less	3-6	6-9	Over 9	Total
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
1972 ³	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.....	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.....	74,891	3,812	2,555	930	22,550	2,167	2,645	109,550	98,701	2,888	7,961	664	418	232	726	2,040
1975.....	77,127	4,028	4,777	1,541	27,964	2,367	3,195	120,999	109,796	2,770	8,433	896	301	203	403	1,803
1975—Mar....	75,127	4,736	2,975	1,095	24,339	2,101	2,672	113,045	102,285	2,712	8,049	824	312	294	564	1,994
Apr.....	75,259	4,407	3,419	1,121	24,994	1,841	2,780	113,821	102,902	2,849	8,071	913	335	312	538	2,098
May.....	75,440	4,593	3,616	1,137	25,579	2,077	2,811	115,252	104,056	3,080	8,116	955	383	300	573	2,211
June.....	75,763	4,492	3,744	1,240	26,470	2,088	2,954	116,751	105,993	2,594	8,164	973	510	195	565	2,243
July.....	76,097	4,396	3,965	1,436	26,976	1,835	3,004	117,709	106,533	2,970	8,208	957	463	266	526	2,212
Aug.....	76,310	4,405	4,187	1,451	27,104	1,730	3,067	118,254	106,745	3,255	8,254	981	431	237	573	2,222
Sept.....	76,429	4,487	4,279	1,495	27,033	1,783	3,136	118,643	107,560	2,778	8,304	1,011	372	256	499	2,138
Oct.....	76,655	4,481	4,368	1,523	27,106	1,805	3,152	119,089	107,812	2,950	8,328	950	368	275	394	1,987
Nov.....	76,855	4,550	4,601	1,551	27,421	1,872	3,223	120,073	108,480	3,215	8,378	972	323	222	379	1,896
Dec.....	77,221	4,023	4,740	1,545	27,992	2,330	3,205	121,056	109,873	2,755	8,428	896	301	203	403	1,803
1976—Jan....	77,308	4,839	4,918	1,581	28,473	1,961	3,245	122,325	110,979	2,892	8,455	923	315	195	426	1,859
Feb.....	77,413	5,243	5,211	1,765	29,035	1,853	3,301	123,821	112,019	3,275	8,527	930	352	184	401	1,867
Mar.....	77,738	5,366	5,452	1,867	30,043	1,740	3,321	125,526	114,090	2,859	8,577	1,092	360	251	427	2,130

¹ Also includes securities of foreign governments and international organizations and nonguaranteed issues of U.S. Govt. agencies.² 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.³ Balance sheet data beginning 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 estimates for all savings banks in the United States.

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				
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.....	252,436	11,403	4,328	3,412	3,663	117,715	91,796	25,919	81,369	7,693	20,199	14,057
1974 [*]	263,349	11,965	4,437	3,667	3,861	118,572	96,652	21,920	86,234	8,331	22,862	15,385
1975.....	289,084	14,582	5,894	4,440	4,248	135,014	106,755	28,259	89,358	9,634	24,389	16,107
1975—Jan. [*]	266,331	12,118	4,517	3,670	3,931	121,526	98,286	23,240	86,533	8,395	23,012	14,747
Feb. [*]	269,379	12,230	4,595	3,685	3,950	123,638	98,945	24,693	86,959	8,499	23,177	14,876
Mar. [*]	271,639	12,364	4,695	3,696	3,973	124,934	99,371	25,563	87,246	8,668	23,326	15,101
Apr. [*]	273,523	12,374	4,608	3,719	4,047	126,256	99,725	26,531	87,638	8,782	23,459	15,014
May.....	275,816	12,464	4,678	3,739	4,047	127,847	100,478	27,369	87,882	8,843	23,570	15,210
June.....	278,343	12,560	4,738	3,762	4,060	129,838	101,238	28,600	88,035	8,989	23,675	15,246
July.....	279,354	12,814	4,843	3,902	4,069	130,298	102,675	27,623	88,162	9,058	23,794	15,228
Aug.....	280,482	13,022	4,895	4,039	4,088	130,659	103,496	27,163	88,327	9,112	23,919	15,443
Sept.....	281,847	13,150	4,914	4,122	4,114	131,524	104,529	26,995	88,445	9,210	24,048	15,470
Oct.....	284,829	13,793	5,505	4,148	4,140	133,237	105,473	27,764	88,655	9,356	24,171	15,617
Nov.....	286,975	14,129	5,762	4,210	4,157	134,495	106,385	28,110	88,850	9,464	24,271	15,766
Dec.....	289,084	14,582	5,894	4,440	4,248	135,014	106,755	28,259	89,358	9,634	24,389	16,107
1976—Jan.....	293,870	15,380	6,446	4,652	4,282	138,965	108,130	30,835	89,395	9,661	24,498	15,971
Feb. [*]	296,479	16,142	6,458	4,790	4,894	140,332	109,321	31,011	89,543	9,726	24,633	16,103

¹ Issues of foreign governments and their subdivisions and bonds of the International Bank for Reconstruction and Development.

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."

NOTE.—Institute of Life Insurance estimates for all life insurance companies in the United States.

SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

End of period	Assets				Total assets— Total liabilities	Liabilities					Mortgage loan commitments outstanding at end of period ⁴
	Mortgages	Investment securities ¹	Cash	Other		Savings capital	Net worth ²	Borrowed money ³	Loans in process	Other	
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 ⁵	231,733	21,055		19,117	271,905	226,968	17,056	17,172	4,667	6,042	9,526
1974.....	249,293	23,240		22,991	295,524	242,959	18,436	24,780	3,244	6,105	7,454
1975.....	278,693	30,900		28,802	338,395	286,042	19,776	20,730	5,187	6,659	10,675
1975—Apr.....	254,727	29,047		24,868	308,642	258,875	18,882	*19,829	3,608	*7,448	11,653
May.....	257,911	30,648		25,520	314,079	262,770	19,128	*19,301	4,105	*8,775	12,557
June.....	261,336	30,880		25,786	318,003	268,978	18,992	*18,863	4,446	*6,724	12,363
July.....	264,458	32,054		26,311	322,823	272,032	19,266	*18,744	4,771	*8,010	12,611
Aug.....	267,717	31,694		27,127	326,538	273,504	19,495	*19,216	4,995	*9,328	12,673
Sept.....	270,600	30,786		27,745	329,131	277,201	19,414	*20,031	5,128	*7,357	12,585
Oct.....	273,596	31,652		28,145	333,393	279,465	19,663	*20,306	5,207	*8,752	11,748
Nov.....	275,919	32,498		28,610	337,027	281,711	19,919	*20,413	5,164	*9,820	11,365
Dec.....	278,693	30,900		28,802	338,395	286,042	19,776	*20,709	5,187	*6,680	10,675
1976—Jan.....	280,071	34,271		29,716	344,058	291,418	19,948	*19,630	5,051	*8,011	11,111
Feb.....	282,487	36,128		30,251	348,866	295,364	20,162	*18,746	5,134	*9,460	12,878
Mar.....	286,556	36,722		30,462	353,740	302,436	2,0211	18,220	5,379	7,494	14,445
Apr. [*]	290,680	36,437		30,697	357,814	305,243	20,474	17,740	5,789	8,568	15,551

¹ Excludes stock of the Federal Home Loan Bank Board. Compensating changes have been made in "Other" assets.

² Includes net undistributed income, which is accrued by most, but not all, associations.

³ Advances from FHLBB and other borrowing.

⁴ Data comparable with those shown for mutual savings banks (on opposite page) except that figures for loans in process are not included above but are included in the figures for mutual savings banks.

⁵ Beginning 1973, participation certificates guaranteed by the Federal Home Loan Mortgage Corporation, loans and notes insured by the Farmers Home Administration, and certain other Govt.-insured 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 pass-through 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.

FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	U.S. budget			Means of financing								
	Receipts	Outlays	Surplus or deficit (-)	Borrowings from the public						Less: Cash and monetary assets		Other means of financing, net ²
				Public debt securities	Agency securities	Less: Invest- ments by Govt. accounts		Less: Special notes ¹	Equals: Total	Treasury operating balance	Other	
						Special issues	Other					
Fiscal year:												
1972.....	208,649	231,876	-23,227	29,131	-1,269	6,796	1,623	.....	19,442	1,362	1,108	6,255
1973.....	232,225	246,526	-14,301	30,881	216	11,712	109	.....	19,275	2,459	-1,613	-4,129
1974.....	264,932	268,392	-3,460	16,918	903	13,673	1,140	.....	3,009	-3,417	889	-2,077
1975.....	280,997	324,601	-43,604	58,953	-1,069	8,112	-1,081	.....	50,853	-1,570	1,890	-6,920
Half year:												
1974—Jan.—June.....	140,676	138,030	2,646	5,162	426	8,297	295	.....	-3,005	-1,215	1,208	352
July—Dec.....	139,607	153,147	-13,540	18,429	-689	2,840	150	.....	14,751	-3,228	557	-3,881
1975—Jan.—June.....	141,189	171,202	-30,013	40,524	-423	5,272	-1,231	.....	36,059	1,657	1,643	-2,746
July—Dec.....	139,453	184,545	-45,092	43,460	-39	-4,739	-1,186	.....	49,347	866	-980	-4,368
Month:												
1975—Apr.....	31,392	29,130	2,261	7,081	-24	10	-451	.....	7,499	7,666	1,814	-280
May.....	12,793	28,186	-15,394	11,418	-6	3,296	-440	.....	8,556	-5,757	-732	349
June.....	31,817	30,296	1,521	5,030	-55	4,131	276	.....	567	-949	56	-2,981
July.....	20,197	31,249	-11,052	5,051	-23	-2,427	-346	.....	7,800	-3,390	-1,373	-1,511
Aug.....	23,584	30,634	-7,050	9,472	6	2,384	-94	.....	7,189	-630	-263	-1,032
Sept.....	28,615	29,044	-429	5,935	9	-2,151	-367	.....	8,463	6,961	446	-627
Oct.....	19,316	32,425	-13,109	8,352	-5	-3,656	260	.....	11,743	-203	-348	815
Nov.....	21,745	29,401	-7,656	4,800	-3	-749	-390	.....	5,936	-3,844	392	-1,732
Dec.....	25,995	31,792	-5,797	9,850	-24	1,860	-249	.....	8,215	1,971	166	-281
1976—Jan.....	25,634	30,725	-5,091	7,757	-2	-393	328	.....	7,820	3,532	114	918
Feb.....	20,845	29,833	-8,987	9,465	5	1,062	-564	.....	8,972	64	-125	-46
Mar.....	20,431	29,054	-8,623	6,620	-6	-623	-83	.....	7,320	-4,032	-288	-3,018
Apr.....	33,348	32,476	872	1,483	-32	50	4	.....	1,398	3,517	545	1,792

End of period	Selected balances									Memo: Debt of Govt.-sponsored corps.—Now private ⁴	
	Treasury operating balance				Borrowing from the public.						
	F.R. Banks	Tax and loan accounts	Other depositaries ³	Total	Public debt securities	Agency securities	Less: Investments of Govt. accounts		Less: Special notes ¹		Equals: Total
							Special issues	Other			
Fiscal year:											
1971.....	1,274	7,372	109	8,755	398,130	12,163	82,740	22,400	825	304,328	37,086
1972.....	2,344	7,634	139	10,117	427,260	10,894	89,536	24,023	825	323,770	41,814
1973.....	4,038	8,433	106	12,576	458,142	11,109	101,248	24,133	825	343,045	51,325
1974.....	2,919	6,152	88	9,159	475,060	12,012	114,921	25,273	825	346,053	65,411
1975.....	5,773	1,475	343	7,591	533,188	10,943	123,033	24,192	(⁵)	396,906	76,092
Calendar year:											
1973.....	2,543	7,760	70	10,374	469,898	11,586	106,624	24,978	825	349,058	59,857
1974.....	3,113	2,745	70	5,928	492,664	11,323	117,761	25,423	(⁵)	360,804	76,459
1975.....	7,286	1,159	7	8,452	576,649	10,904	118,294	23,006	.....	446,253	.....
Month:											
1975—Apr.....	8,364	5,415	521	14,299	516,740	11,004	115,606	24,355	.....	387,783	77,124
May.....	7,040	984	521	8,545	528,158	10,998	118,902	23,916	.....	396,339	75,140
June.....	5,773	1,475	343	7,591	533,188	10,943	123,033	24,192	.....	396,906	76,092
July.....	2,776	878	444	4,098	538,240	10,920	120,606	23,847	.....	404,707	77,173
Aug.....	2,349	1,214	-141	3,423	547,711	10,926	122,990	23,752	.....	411,895	76,659
Sept.....	8,074	2,162	529	10,765	553,647	10,935	120,839	23,385	.....	420,358	77,026
Oct.....	8,517	1,251	559	10,327	561,999	10,931	117,183	23,645	.....	432,102	78,016
Nov.....	4,919	1,558	9	6,485	566,799	10,928	116,434	23,255	.....	438,037	78,451
Dec.....	7,286	1,159	7	8,452	576,649	10,904	118,294	23,006	.....	446,253	78,842
1976—Jan.....	10,075	1,905	7	11,987	584,405	10,902	117,901	23,333	.....	454,072	79,355
Feb.....	10,366	1,678	7	1,205	593,871	10,907	118,963	22,770	.....	463,045	78,359
Mar.....	7,144	868	7	8,019	600,490	10,901	118,340	22,686	.....	470,365	78,712
Apr.....	9,806	1,723	7	11,536	601,973	10,870	118,390	22,690	.....	471,763	.....

¹ 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.

² Includes accrued interest payable on public debt securities until June 1973 and total accrued interest payable to the public thereafter; deposit funds; miscellaneous liability (includes checks outstanding) and asset accounts; seigniorage; increment on gold; fiscal 1974 conversion of interest receipts of Govt. accounts to an accrual basis; gold holdings, gold certificates and other liabilities, and gold balance beginning Jan. 1974; and net gain/loss for U.S. currency valuation adjustment beginning June 1975.

³ 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 depositories that have been converted from a time to a demand basis to permit greater flexibility in Treasury cash management).

⁴ Includes debt of Federal home loan banks, Federal land banks, R.F.K. Stadium Fund, FNMA (beginning Sept. 1968), and Federal intermediate credit banks and banks for cooperatives (both beginning Dec. 1968).

⁵ Beginning July 1974, public debt securities excludes \$825 million of notes issued to International Monetary Fund to conform with Office of Management and Budget's presentation of the budget.

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)

Budget receipts																	
Period	Total	Individual income taxes					Corporation income taxes		Social insurance taxes and contributions					Excise taxes	Cus-toms	Estate and gift	Misc. re-ceipts ⁴
		With-held	Pres. Elec-tion Cam-paign Fund ¹	Non-with-held	Re-funds	Net total	Gross re-ceipts	Re-funds	Employment taxes and contribution ²		Un-empl. insur.	Other net re-ceipts ³	Net total				
									Pay-roll taxes	Self-empl.							
Fiscal year:																	
1972.....	208,649	83,200	.....	25,679	14,143	94,737	34,926	2,760	44,088	2,032	4,357	3,437	53,914	15,477	3,287	5,436	3,633
1973.....	232,225	98,093	.....	27,017	21,866	103,246	39,045	2,893	52,505	2,371	6,051	3,614	64,542	16,260	3,188	4,917	3,921
1974.....	264,932	112,092	.....	28,30,812	23,952	118,952	41,744	3,125	62,878	3,008	6,837	4,051	76,780	16,844	3,334	5,035	5,369
1975.....	280,997	122,071	.....	32,34,296	34,013	122,386	45,747	5,125	71,789	3,417	6,770	4,466	86,441	16,551	3,676	4,611	6,711
Half year:																	
1974—Jan.—June...	140,676	59,100	.....	28,24,605	22,953	60,782	25,155	1,631	32,919	2,807	3,862	2,084	41,671	7,878	1,701	2,521	2,601
July—Dec....	139,607	61,378	.....	7,098	1,016	67,461	18,247	2,016	34,418	254	2,914	2,187	39,774	8,761	1,958	2,284	3,140
1975—Jan.—June...	141,190	60,694	.....	27,198	32,997	54,926	27,500	3,109	37,371	3,163	3,856	2,279	46,667	7,790	1,718	2,327	3,370
July—Dec....	139,453	59,549	.....	7,649	1,362	65,835	18,810	2,735	35,443	268	2,861	2,314	40,886	8,759	1,927	2,573	3,397
Month:																	
1975—Apr.....	31,392	9,542	15	12,766	6,258	16,065	5,819	726	5,438	1,743	557	388	8,126	1,166	286	317	339
May.....	12,793	10,300	.....	819	12,749	—1,630	1,192	18	7,689	340	2,209	350	10,588	1,373	270	459	559
June.....	31,817	10,027	.....	4,541	1,444	13,123	10,241	664	5,552	373	92	413	6,431	1,464	301	412	508
July.....	20,197	9,205	.....	908	498	9,615	1,838	471	5,309	.....	444	374	6,128	1,514	313	503	757
Aug.....	23,584	10,246	.....	488	331	10,403	1,045	425	8,085	.....	1,257	372	9,713	1,394	302	430	723
Sept.....	28,615	9,182	.....	4,809	382	13,609	6,277	264	5,555	251	75	400	6,280	1,430	312	431	539
Oct.....	19,316	9,983	.....	589	—81	10,653	1,694	821	4,551	.....	259	395	5,206	1,462	343	396	382
Nov.....	21,745	10,195	.....	283	124	10,354	1,072	399	6,900	.....	716	377	7,994	1,476	310	428	511
Dec.....	25,995	10,738	.....	571	109	11,200	6,884	354	5,043	17	110	395	5,565	1,482	347	386	485
1976—Jan.....	25,634	9,518	1	5,843	86	15,276	1,771	218	5,540	225	223	442	6,430	1,335	348	401	292
Feb.....	20,845	10,938	7	933	4,100	7,778	1,203	422	8,330	237	693	370	9,631	1,354	288	475	538
Mar.....	20,431	11,377	9	2,532	8,646	5,272	6,485	621	5,796	275	129	435	6,635	1,344	384	450	482
Apr.....	33,348	10,029	7	12,723	7,512	15,248	6,727	607	6,179	1,832	952	386	9,349	1,353	357	387	535
Budget outlays																	
Period	Total	National defense	Intl. affairs	General sci-ence, space, and tech.	Agricul-ture	Natural re-sources, envir., and energy	Com-merce and transp.	Com-mun. and region. develop-ment	Educa-tion, training, employ-ment, and social serv.	Health and wel-fare	Vet-erans	Inter-est	General Govt., law en-force., and justice	Re-venue shar. and fiscal assist-ance	Undis-trib. off-setting re-ceipts ⁵		
Fiscal year:																	
1973.....	246,526	75,072	2,956	4,030	4,855	5,947	9,930	5,529	11,874	91,790	12,013	22,813	4,813	67,222	—12,318		
1974.....	268,392	78,569	3,593	3,977	2,230	6,571	13,096	4,911	11,598	106,505	13,386	28,072	5,789	6,746	—16,651		
1975.....	324,601	86,585	4,358	3,989	1,660	9,537	16,010	4,431	15,248	136,252	16,597	30,974	6,031	7,005	—14,075		
1976.....	373,535	92,759	5,665	4,311	2,875	11,796	17,801	5,802	18,900	160,646	19,035	34,835	6,949	7,169	—15,208		
TQ ⁷⁸	97,971	25,028	1,334	1,157	742	3,289	4,819	1,529	4,403	41,033	4,362	9,769	1,875	2,046	—3,589		
1977 ⁷	394,237	101,129	6,824	4,507	1,729	13,772	16,498	5,532	16,615	171,508	17,196	41,297	6,859	7,351	—18,840		
Month:																	
1975—Apr.....	29,130	7,545	303	359	132	695	1,079	297	1,789	11,948	1,519	2,716	16	1,787	—1,055		
May.....	28,186	8,000	408	384	42	679	995	383	1,647	11,968	1,468	2,607	479	.....	—873		
June.....	30,296	7,854	557	256	179	788	1,289	453	1,684	14,158	1,412	2,521	759	.....	—1,601		
July.....	31,249	7,307	531	476	270	821	2,256	402	1,237	13,092	1,367	2,637	321	1,625	—1,094		
Aug.....	30,634	8,229	448	402	117	770	2,165	568	1,690	12,431	1,447	2,672	553	213	—1,071		
Sept.....	29,044	6,923	47	398	507	844	1,899	440	1,571	12,738	1,334	2,859	548	4	—1,068		
Oct.....	32,425	8,192	362	398	312	740	1,965	462	896	13,575	1,518	2,957	492	1,592	—1,035		
Nov.....	29,401	7,533	419	405	196	786	1,203	315	1,653	12,612	1,624	2,996	531	15	—887		
Dec.....	31,792	7,981	290	409	175	814	1,994	433	1,515	13,721	1,704	2,820	1,154	1	—1,221		
1976—Jan.....	30,725	6,915	351	336	228	718	1,819	421	1,478	13,714	1,626	2,813	121	1,627	—1,441		
Feb.....	29,833	6,120	320	413	315	1,833	900	421	1,530	13,360	1,696	3,143	570	53	—841		
Mar.....	29,054	7,752	320	379	44	935	—672	270	1,809	14,382	1,659	3,407	567	16	—1,814		
Apr.....	32,476	7,994	249	360	—51	984	1,610	464	1,606	13,679	1,652	3,356	420	1,605	—1,452		

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 F. R. Banks and other miscellaneous receipts.

⁵ Consists of interest received by trust funds, rents and royalties on the Outer Continental Shelf, and Govt. contributions for employee retirement.

⁶ Contains retroactive payments of \$2,617 million for fiscal 1972.

⁷ Estimates presented in *Budget of the U.S. Government, Fiscal Year*

1977. Figures for outlay categories exclude special allowances for contingencies and civilian agency pay raises totaling \$200 million for fiscal year 1976, \$175 million for the transition quarter (TQ), and \$2,260 million for fiscal year 1977, and therefore do not add to totals.

⁸ Effective in calendar year 1976, the fiscal year for the U.S. Govt. is being changed from July 1–June 30 to Oct. 1–Sept. 30. The period July 1–Sept. 30 of 1976, data for which are shown separately from fiscal year 1976 and fiscal year 1977 totals, will be a transition quarter.

NOTE.—Half years may not add to fiscal year totals due to revisions in series that are not yet available on a monthly basis.

GROSS PUBLIC DEBT, BY TYPE OF SECURITY

(In billions of dollars)

End of period	Total gross public debt ¹	Public issues (interest-bearing)									Special issues ⁵	
		Total	Marketable					Con-vertible bonds	Nonmarketable			
			Total	Bills	Certifi-cates	Notes	Bonds ²		Total ³	Foreign issues ⁴		Savings bonds and notes
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—Dec.....	469.9	360.7	270.2	107.8	.....	124.6	37.8	2.3	88.2	26.0	60.8	107.1
1974—Dec.....	492.7	373.4	282.9	119.7	.....	129.8	33.4	2.3	88.2	22.8	63.8	118.2
1975—May.....	528.2	407.8	314.9	131.5	.....	146.5	36.8	2.3	90.6	23.5	65.5	119.2
June.....	533.2	408.8	315.6	128.6	.....	150.3	36.8	2.3	90.9	23.2	65.9	123.3
July.....	538.2	416.3	323.7	133.4	.....	153.6	36.7	2.3	90.4	22.2	66.3	120.9
Aug.....	547.7	423.5	331.1	138.1	.....	155.2	37.8	2.3	90.1	21.6	66.6	123.3
Sept.....	553.6	431.5	338.9	142.8	.....	158.5	37.7	2.3	90.3	21.5	66.9	121.1
Oct.....	562.0	443.6	350.9	147.1	.....	166.3	37.6	2.3	90.5	21.2	67.2	117.4
Nov.....	566.8	447.5	355.9	151.1	.....	166.1	38.7	2.3	89.3	21.3	67.6	116.7
Dec.....	576.6	457.1	363.2	157.5	.....	167.1	38.6	2.3	91.7	21.6	67.9	118.5
1976—Jan.....	584.4	463.8	369.3	159.6	.....	171.1	38.6	2.3	92.2	21.6	68.2	118.1
Feb.....	593.9	473.7	378.8	162.1	.....	177.6	39.1	2.3	92.7	21.7	68.6	119.2
Mar.....	600.5	480.7	385.3	163.1	.....	183.1	39.0	2.3	93.1	21.7	69.0	118.5
Apr.....	602.0	482.4	386.4	161.8	.....	185.8	38.9	2.3	93.6	21.6	69.4	118.6
May.....	610.7	484.4	388.0	161.8	.....	186.5	39.7	2.3	94.1	21.5	69.8	123.7

¹ Includes non-interest-bearing debt (of which \$610 million on May 31, 1976, 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, Rural Electrification Administration bonds, State and local government bonds, and Treasury deposit funds.

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 *Monthly Statement of the Public Debt of the United States*, published by U.S. Treasury. See also second paragraph in NOTE to table below.

OWNERSHIP OF PUBLIC DEBT

(Par value, in billions of dollars)

End of period	Total gross public debt	Held by—		Held by private investors									
		U.S. Govt. agencies and trust funds	F.R. Banks	Total	Com-mercial banks	Mutual savings banks	Insur-ance companies	Other corpo-rations	State and local govts.	Individuals		Foreign and inter-national ¹	Other misc. inves-tors ²
										Savings bonds	Other securities		
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—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—Dec.....	492.7	141.2	80.5	271.0	55.6	2.5	6.1	11.0	29.2	63.4	21.5	58.4	23.2
1975—Apr.....	516.7	138.0	87.8	290.9	64.1	3.2	6.7	12.5	29.8	64.7	21.4	64.9	23.6
May.....	528.2	140.9	85.6	301.7	67.7	3.4	6.9	13.7	29.8	65.1	21.5	66.8	26.8
June.....	533.2	145.3	84.7	303.2	69.2	3.5	7.1	13.2	29.6	65.5	21.6	66.0	27.4
July.....	538.2	142.5	81.9	313.8	71.4	3.7	7.3	16.2	31.3	65.9	21.8	66.7	29.5
Aug.....	547.2	144.8	82.5	320.4	75.4	3.9	7.4	16.0	31.2	66.2	22.6	67.3	30.5
Sept.....	553.6	142.3	87.0	324.4	78.4	4.0	7.6	15.0	32.2	66.5	23.0	65.5	32.3
Oct.....	562.0	138.8	87.2	336.0	80.5	4.2	7.9	17.5	33.8	66.8	23.2	66.9	35.2
Nov.....	566.8	137.7	85.1	343.9	82.6	4.4	8.8	20.0	33.9	67.1	23.5	66.1	37.5
Dec.....	576.6	137.4	87.9	349.4	85.8	4.5	9.3	20.2	33.8	67.3	23.6	66.5	38.3
1976—Jan.....	584.4	139.3	89.8	355.3	87.0	4.7	9.9	21.2	34.6	67.7	23.6	68.3	38.3
Feb.....	593.9	139.7	89.0	365.1	88.0	4.9	10.0	23.2	36.4	68.0	24.5	69.6	40.3
Mar. ^p	600.5	139.1	89.8	371.7	92.7	5.1	10.4	23.0	37.8	68.4	24.6	68.1	41.4

¹ Consists of investments of foreign and international accounts in the United States.

² Consists of savings and loan assns., nonprofit institutions, corporate pensions 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. Beginning in July 1974, total gross public debt includes Federal Financing Bank bills and excludes notes issued to the IMF (\$825 million).

OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value, in millions of dollars)

Type of holder and date	Total	Within 1 year			1-5 years	5-10 years	10-20 years	Over 20 years
		Total	Bills	Other				
All holders:								
1973—Dec. 31.....	270,224	141,571	107,786	33,785	81,715	25,134	15,659	6,145
1974—Dec. 31.....	282,891	148,086	119,747	28,339	85,311	27,897	14,833	6,764
1975—Dec. 31.....	366,191	199,692	157,483	42,209	112,270	26,436	14,264	10,530
1976—Mar. 31.....	385,296	203,780	163,140	40,640	123,933	32,386	14,131	11,066
Apr. 30.....	386,444	203,983	161,764	42,219	124,967	32,381	14,067	11,045
U.S. Govt. agencies and trust funds:								
1973—Dec. 31.....	20,962	2,220	631	1,589	7,714	4,389	5,019	1,620
1974—Dec. 31.....	21,391	2,400	588	1,812	7,823	4,721	4,670	1,777
1975—Dec. 31.....	19,347	2,769	207	2,562	7,058	3,283	4,233	2,053
1976—Mar. 31.....	19,110	3,018	457	2,561	6,674	3,082	4,246	2,089
Apr. 30.....	19,110	3,110	526	2,584	6,661	3,039	4,233	2,068
Federal Reserve Banks:								
1973—Dec. 31.....	78,516	46,189	36,928	9,261	23,062	7,504	1,577	184
1974—Dec. 31.....	80,501	45,388	36,990	8,399	23,282	9,664	1,453	713
1975—Dec. 31.....	87,934	46,845	38,018	8,827	30,518	6,463	1,507	2,601
1976—Mar. 31.....	89,753	46,504	38,330	8,174	31,045	7,766	1,534	2,904
Apr. 30.....	91,814	47,433	38,793	8,640	32,108	7,745	1,592	2,935
Held by private investors:								
1973—Dec. 31.....	170,746	93,162	70,227	22,935	50,939	13,241	9,063	4,341
1974—Dec. 31.....	180,999	100,298	82,168	18,130	54,206	13,512	8,710	4,274
1975—Dec. 31.....	255,860	150,078	119,258	30,820	74,694	16,690	8,524	5,876
1976—Mar. 31.....	276,433	154,258	124,353	29,905	86,214	21,538	8,351	6,073
Apr. 30.....	275,520	153,440	122,445	30,995	86,198	21,597	8,242	6,042
Commercial banks:								
1973—Dec. 31.....	45,737	17,499	7,901	9,598	22,878	4,022	1,065	272
1974—Dec. 31.....	42,755	14,873	6,952	7,921	22,717	4,151	733	280
1975—Dec. 31.....	64,398	29,875	17,481	12,394	29,629	4,071	552	271
1976—Mar. 31.....	69,742	29,290	17,841	11,449	35,362	4,337	517	236
Apr. 30.....	69,329	28,757	16,584	12,173	35,538	4,304	507	223
Mutual savings banks:								
1973—Dec. 31.....	1,955	562	222	340	750	211	300	131
1974—Dec. 31.....	1,477	399	207	192	614	174	202	88
1975—Dec. 31.....	3,300	983	554	429	1,524	448	232	112
1976—Mar. 31.....	3,895	1,074	585	489	1,924	562	220	115
Apr. 30.....	3,903	1,046	487	559	2,015	550	214	78
Insurance companies:								
1973—Dec. 31.....	4,956	779	312	467	1,073	1,278	1,301	523
1974—Dec. 31.....	4,741	722	414	308	1,061	1,310	1,297	351
1975—Dec. 31.....	7,565	2,024	1,313	511	2,359	1,592	1,154	436
1976—Mar. 31.....	8,577	2,055	1,546	509	3,100	1,854	1,150	418
Apr. 30.....	8,498	1,840	1,337	503	3,123	1,928	1,152	455
Nonfinancial corporations:								
1973—Dec. 31.....	4,905	3,295	1,695	1,600	1,281	260	54	15
1974—Dec. 31.....	4,246	2,623	1,359	764	1,423	115	26	59
1975—Dec. 31.....	9,363	7,105	5,829	1,276	1,967	175	61	57
1976—Mar. 31.....	11,275	9,168	7,890	1,278	1,865	120	56	66
Apr. 30.....	11,933	9,507	8,235	1,272	2,239	82	55	51
Savings and loan associations:								
1973—Dec. 31.....	2,103	576	121	455	1,011	320	151	45
1974—Dec. 31.....	1,663	350	87	263	835	282	173	23
1975—Dec. 31.....	2,793	914	518	396	1,558	216	82	22
1976—Mar. 31.....	4,180	1,781	1,265	516	2,120	175	88	16
Apr. 30.....	4,414	1,918	1,386	532	2,219	173	85	20
State and local governments:								
1973—Dec. 31.....	9,829	5,845	4,483	1,362	1,870	778	1,003	332
1974—Dec. 31.....	7,864	4,121	3,319	802	1,796	815	800	332
1975—Dec. 31.....	9,285	5,288	4,566	722	1,761	782	896	558
1976—Mar. 31.....	11,334	6,852	5,871	981	2,040	886	832	724
Apr. 30.....	11,294	6,877	5,891	986	2,147	836	815	619
All others:								
1973—Dec. 31.....	101,261	64,606	55,493	9,113	22,076	6,372	5,189	3,023
1974—Dec. 31.....	118,253	77,210	69,330	7,880	25,760	6,664	5,479	3,141
1975—Dec. 31.....	159,154	103,889	88,797	15,092	35,894	9,405	5,546	4,420
1976—Mar. 31.....	167,431	104,038	89,354	14,684	39,803	13,604	5,488	4,498
Apr. 30.....	166,148	103,495	88,525	14,970	38,917	13,725	5,415	4,595

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) 5,522 commercial banks, 470 mutual savings

banks, and 729 insurance companies combined, each about 90 per cent; (2) 454 nonfinancial corporations and 486 savings and loan assns., each about 50 per cent; and (3) 501 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.

DAILY-AVERAGE DEALER TRANSACTIONS

(Par value, in millions of dollars)

Period	U.S. Government securities									U.S. Govt. agency securities
	Total	By maturity				By type of customer				
		Within 1 year	1-5 years	5-10 years	Over 10 years	U.S. Govt. securities dealers	U.S. Govt. securities brokers	Com- mercial banks	All other ¹	
1975—Apr.....	5,197	3,682	1,096	285	134	704	1,450	1,242	1,801	904
May.....	6,419	4,181	1,615	466	158	981	1,917	1,454	2,067	1,049
June.....	5,732	3,745	1,484	372	132	801	1,689	1,336	1,906	1,217
July.....	4,675	3,301	1,131	172	71	669	1,294	1,100	1,613	778
Aug.....	5,183	3,375	1,340	333	134	742	1,405	1,185	1,851	845
Sept.....	5,566	4,032	1,315	128	91	931	1,405	1,198	2,033	787
Oct.....	8,714	5,929	2,332	309	144	1,271	2,675	1,839	2,929	1,250
Nov.....	7,594	5,519	1,353	534	189	1,070	2,176	1,875	2,474	1,217
Dec.....	7,586	5,919	1,270	278	120	1,190	2,217	1,977	2,202	1,059
1976—Jan.....	9,509	7,049	1,765	569	126	1,265	3,118	2,192	2,935	1,417
Feb.....	8,329	5,863	1,553	755	158	951	2,389	2,196	2,793	1,163
Mar.....	9,044	6,763	1,807	358	116	1,308	2,777	2,276	2,683	1,185
Apr.....	10,293	7,667	2,186	306	134	1,341	3,154	2,426	3,372	1,665
Week ending—										
1976—Apr. 7.....	10,520	7,914	2,196	271	138	1,297	3,334	2,476	3,413	1,845
14.....	11,736	8,379	2,744	458	156	1,640	3,462	2,957	3,677	1,984
21.....	8,814	6,728	1,738	256	93	1,396	2,200	2,184	3,033	1,831
28.....	9,986	7,647	1,984	224	131	1,218	3,377	2,114	3,277	1,271
May 5.....	9,403	7,358	1,630	266	149	1,112	2,939	2,229	3,124	969
12.....	9,474	5,793	2,035	1,205	441	1,008	3,203	2,502	2,762	981
19.....	7,903	5,660	1,203	744	295	827	2,697	2,015	2,364	1,524
26.....	8,276	5,643	1,881	556	197	910	2,983	1,972	2,412	1,098

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
	All maturities	Within 1 year	1-5 years	5-10 years	Over 10 years	
1975—Apr.	4,453	3,123	1,036	218	77	937
May.	6,332	4,917	1,094	248	73	896
June.	6,768	5,923	748	100	—3	790
July.	5,736	4,978	775	47	—64	626
Aug.	5,501	4,491	609	262	138	610
Sept.	5,718	5,214	410	56	39	529
Oct.	7,322	6,019	1,091	111	102	491
Nov.	6,752	5,011	640	594	506	953
Dec.	6,061	5,274	322	218	247	982
1976—Jan.	6,305	5,287	449	398	170	694
Feb.	6,263	5,477	381	224	183	602
Mar.	6,884	6,360	286	122	116	537
Apr.	6,733	6,328	190	131	84	508
Week ending—						
1976—Mar. 3.	5,282	4,899	138	102	144	476
10.	7,079	6,414	454	94	117	443
17.	6,666	6,581	—115	102	98	463
24.	7,096	6,572	286	128	111	464
31.	7,446	6,515	611	186	133	812
Apr. 7.	7,762	7,328	194	136	104	572
14.	8,109	7,554	257	174	124	499
21.	7,159	6,731	202	151	74	520
28.	4,803	4,578	96	79	50	469

NOTE.—The figures include all securities sold by dealers under repurchase contracts regardless of the maturity date of the contract, unless the contract is matched by a reverse repurchase (resale) agreement or delayed delivery sale with the same maturity and involving the same amount of securities. Included in the repurchase contracts are some that more clearly represent investments by the holders of the securities rather than dealer trading positions.

Average of daily figures based on number of trading days in the period.

DAILY-AVERAGE DEALER FINANCING

(In millions of dollars)

Period	All sources	Commercial banks		Corporations ¹	All other
		New York City	Elsewhere		
1975—Apr.	5,696	1,655	1,326	583	2,132
May.	6,656	1,684	1,567	452	2,953
June.	7,682	1,955	1,979	737	3,012
July.	6,594	1,365	1,435	929	2,865
Aug.	6,167	1,009	1,148	1,120	2,890
Sept.	6,576	1,160	1,640	972	2,804
Oct.	6,940	1,658	1,792	817	2,673
Nov.	7,215	1,958	1,393	991	2,873
Dec.	7,107	2,001	1,304	1,086	2,716
1976—Jan.	6,766	1,757	1,337	1,147	2,526
Feb.	6,700	1,705	850	1,017	3,128
Mar.	7,175	1,865	1,138	1,225	2,947
Apr.	7,587	1,966	1,734	1,126	2,761
Week ending—					
1976—Mar. 3.	6,059	1,503	627	1,181	2,747
10.	7,030	2,223	870	1,273	2,665
17.	7,489	2,340	1,266	1,243	2,640
24.	7,175	1,681	1,107	1,238	3,149
31.	7,666	1,501	1,570	1,171	3,425
Apr. 7.	7,929	2,249	1,790	1,244	2,646
14.	8,603	2,146	2,483	1,625	2,348
21.	8,309	2,108	1,629	894	3,678
28.	6,016	1,579	1,257	837	2,343

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.

MAJOR BALANCE SHEET ITEMS OF SELECTED FEDERALLY SPONSORED CREDIT AGENCIES

(In millions of dollars)

End of period	Federal home loan banks						Federal National Mortgage Assn. (secondary market operations)		Banks for cooperatives		Federal intermediate credit banks		Federal land banks	
	Assets			Liabilities and capital			Mortgage loans (A)	Debentures and notes (L)	Loans to cooperatives (A)	Bonds (L)	Loans and discounts (A)	Bonds (L)	Mortgage loans (A)	Bonds (L)
	Advances to members	Investments	Cash and deposits	Bonds and notes	Member deposits	Capital Stock								
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.....	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.....	21,804	3,094	144	21,878	2,484	2,624	29,709	28,201	3,575	3,561	8,848	8,400	13,643	12,427
1975—Apr....	17,528	6,836	98	20,738	2,651	2,660	29,931	28,257	3,650	3,329	9,520	9,061	14,917	13,571
May.....	17,145	5,745	98	19,463	2,708	2,656	29,977	27,962	3,499	2,982	9,763	9,231	15,180	13,571
June.....	16,803	6,259	134	19,396	2,831	2,653	30,136	28,237	3,371	2,948	10,031	9,357	15,437	13,961
July.....	16,685	6,174	119	19,446	2,436	2,656	30,453	28,419	3,520	2,914	10,163	9,556	15,654	14,351
Aug.....	16,945	4,680	89	18,736	2,281	2,660	30,881	28,718	3,738	3,004	10,176	9,715	15,851	14,351
Sept....	17,482	4,247	114	18,720	2,275	2,679	31,157	28,933	3,847	3,109	10,100	9,657	16,044	14,351
Oct.....	17,578	4,368	70	18,766	2,291	2,685	31,466	29,373	4,087	3,453	9,933	9,505	16,247	14,774
Nov.....	17,606	4,439	87	18,874	2,527	2,690	31,647	29,319	4,041	3,664	8,784	9,319	16,380	14,774
Dec....	17,845	4,376	109	18,863	2,701	2,705	31,916	29,963	3,979	3,643	9,947	9,211	16,564	14,773
1976—Jan....	17,106	5,549	97	18,850	2,971	2,802	31,866	29,809	4,356	3,793	9,944	9,201	16,746	15,243
Feb....	16,380	5,286	69	17,738	3,085	2,829	31,704	29,758	4,546	3,878	10,013	9,254	16,930	15,120
Mar....	15,757	6,063	110	17,714	3,182	2,827	31,564	30,021	4,656	3,918	10,272	9,812	17,264	15,120
Apr....	15,336	6,394	113	17,713	2,990	2,829	31,468	30,148	4,590	3,921	10,762	9,877	17,514	15,834

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) are not guaranteed by the U.S. Govt. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

NEW ISSUES OF STATE AND LOCAL GOVERNMENT SECURITIES

(In millions of dollars)

Period	All issues (new capital and refunding)								Total amount delivered ³	Issues for new capital						
	Total	Type of issue				Type of issuer				Total	Use of proceeds					
		General obligations	Revenue	HAA ¹	U.S. Govt. loans	State	Special district and stat. auth.	Other ²			Education	Roads and bridges	Utilities ⁴	Housing ⁵	Veterans' aid	Other purposes
1971.....	24,963	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.....	23,653	13,305	9,332	959	57	4,991	9,496	9,165	19,959	4,981	1,689	4,638	1,910	.....	.....	6,741
1973.....	23,969	12,257	10,632	1,022	58	4,212	9,505	10,249	22,397	4,311	1,458	5,654	2,639	.....	.....	8,335
1974.....	24,315	13,563	10,212	461	79	4,784	8,638	10,817	23,508	4,730	768	5,634	1,064	.....	.....	11,312
1975.....	30,607	16,020	14,511	.....	76	7,438	12,441	10,660	29,495	4,689	1,277	7,209	647	.....	.....	15,673
1975—Mar....	2,137	1,284	851	.....	2	376	717	1,048	2,083	471	94	474	35	.....	.....	1,009
Apr.....	2,413	1,501	905	.....	7	368	880	1,161	2,316	405	61	734	38	.....	.....	1,078
May.....	2,905	1,885	1,015	.....	5	811	1,197	889	2,784	419	211	559	25	.....	.....	1,570
June.....	3,066	1,772	1,292	.....	2	938	1,137	989	2,840	430	164	821	28	.....	.....	1,397
July.....	3,586	1,371	2,209	.....	6	1,577	1,063	941	3,554	400	123	879	37	.....	.....	2,115
Aug.....	2,786	1,058	1,725	.....	3	376	1,665	747	2,561	379	55	626	67	.....	.....	1,434
Sept....	2,171	907	1,252	.....	12	357	1,185	614	2,123	279	134	447	48	.....	.....	1,215
Oct.....	2,337	1,120	1,203	.....	14	482	979	855	2,241	212	60	487	44	.....	.....	1,438
Nov.....	2,385	1,040	1,341	.....	4	470	1,244	667	2,318	219	88	618	28	.....	.....	1,365
Dec....	2,062	995	1,057	.....	10	434	1,043	576	1,990	287	29	495	20	.....	.....	1,159
1976—Jan....	2,355	1,135	1,209	.....	11	639	1,070	637	2,270	432	95	600	88	.....	.....	1,055
Feb....	2,694	1,304	1,375	.....	15	446	1,449	782	2,594	335	135	572	130	.....	.....	1,422
Mar....	3,328	2,159	1,162	.....	7	1,254	816	1,253	3,163	428	215	707	692	.....	.....	1,121
Apr....	2,363	1,191	1,163	.....	11	455	1,181	718	2,252	341	25	665	358	.....	.....	863

¹ Only bonds sold pursuant to 1949 Housing Act, which are secured by contract requiring the Housing Assistance Administration to make annual contributions to the local authority.

² Municipalities, counties, townships, school districts.

³ Excludes U.S. Govt. loans. Based on date of delivery to purchaser and payment to issuer, which occurs after date of sale.

⁴ Water, sewer, and other utilities.

⁵ Includes urban redevelopment loans.

NOTE.—Security Industries Assn. data; par amounts of long-term issues based on date of sale unless otherwise indicated. Components may not add to totals due to rounding.

TOTAL NEW ISSUES

(In millions of dollars)

Period	Gross proceeds, all issues ¹										
	Total	Noncorporate				Total	Corporate				
		U.S. Govt. ²	U.S. Govt. agency ³	State and local (U.S.) ⁴	Other ⁵		Bonds			Stock	
							Total	Publicly offered	Privately placed	Preferred	Common
1972 ^r	84,792	17,080	12,825	23,070	1,589	40,228	26,132	17,425	8,706	3,370	10,725
1973 ^r	99,050	19,057	23,883	22,700	1,385	32,025	21,049	13,244	7,802	3,337	7,642
1974 ^r						38,311	32,066	25,903	6,160	2,253	3,994
1975 ^r						53,714	42,830	32,603	10,227	3,458	7,426
1975—Jan.....						5,365	4,792	3,657	1,135	235	338
Feb.....						4,530	3,908	3,201	707	173	449
Mar.....						5,378	4,481	3,971	510	253	644
Apr.....						4,294	3,194	2,771	423	349	751
May.....						5,798	4,298	3,796	502	346	1,154
June.....						5,618	4,613	3,943	670	230	775
July.....						4,390	3,733	2,658	1,075	198	459
Aug.....						2,398	1,835	1,356	479	129	434
Sept.....						2,845	2,009	1,414	595	308	528
Oct.....						4,710	3,163	2,389	774	332	1,215
Nov.....						4,087	3,304	1,666	1,638	440	343
Dec.....						4,279	3,482	1,761	1,721	462	335
1976—Jan.....						3,216	2,646	2,189	457	139	431

Period	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	Bonds	Stocks
1972 ^r	4,560	1,833	2,526	2,786	1,258	148	6,349	4,966	3,709	1,126	7,728	3,242
1973 ^r	4,199	638	1,318	1,532	1,084	26	5,578	4,691	3,523	1,348	5,344	2,745
1974 ^r	9,867	544	1,845	940	1,550	22	8,873	3,964	3,710	217	6,218	562
1975 ^r	17,098	1,670	2,750	1,489	3,447	1	9,652	6,235	3,464	1,002	6,420	490
1975—Jan.....	1,901	3	179	58	84	.....	764	507	933	5	931	.....
Feb.....	1,631	44	65	60	75	.....	1,471	486	128	1	539	32
Mar.....	2,368	111	271	74	83	.....	828	679	317	.....	614	34
Apr.....	1,498	233	294	211	97	.....	794	586	354	61	156	9
May.....	2,266	384	242	141	415	1	845	704	153	260	379	10
June.....	2,195	123	384	194	231	.....	838	640	362	.....	603	47
July.....	1,116	64	229	231	338	.....	715	324	254	16	1,081	22
Aug.....	610	101	141	70	17	.....	719	305	93	19	255	68
Sept.....	528	106	54	37	151	.....	720	541	249	48	306	105
Oct.....	813	142	337	152	626	.....	571	676	373	555	443	23
Nov.....	886	229	81	68	1,000	.....	848	420	45	10	443	57
Dec.....	1,263	130	470	193	330	.....	536	363	204	27	679	83
1976—Jan.....	968	39	284	87	290	.....	649	435	15	.....	440	9

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

NOTE.—Securities and Exchange Commission estimates of new issues maturing in more than 1 year sold for cash in the United States.

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			
1972.....	42,306	10,224	32,082	27,065	8,003	19,062	15,242	2,222	13,018			
1973.....	33,559	11,804	21,754	21,501	8,810	12,691	12,057	2,993	9,064			
1974.....	39,334	9,935	29,399	31,554	6,255	25,098	7,980	3,678	4,302			
1975.....	53,255	10,991	42,263	40,468	8,583	31,886	12,787	2,408	10,377			
1974—IV.....	12,272	2,871	9,401	10,086	2,004	8,082	2,186	866	1,319			
1975—I.....	15,211	2,088	13,123	12,759	1,587	11,172	2,452	501	1,951			
II.....	15,602	3,211	12,390	11,460	2,336	9,124	4,142	875	3,266			
III.....	9,079	2,576	6,503	6,654	2,111	4,543	2,425	465	1,960			
IV.....	13,363	3,116	10,247	9,595	2,549	7,047	3,768	567	3,200			
Period	Type of issues											
	Manu- facturing		Commercial and other ²		Transpor- tation ³		Public utility		Communi- cation		Real estate and financial ¹	
	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks
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	1,399	3,523	1,181
1974.....	7,404	17	1,116	—135	341	—20	7,308	3,834	3,499	398	5,428	207
1975.....	13,219	1,607	1,605	1,137	2,165	65	7,236	6,015	2,980	1,084	4,682	468
1974—IV.....	3,098	126	240	—47	342	9	2,079	1,107	628	107	1,695	17
1975—I.....	5,134	262	373	77	1	1	2,653	1,569	1,269	24	1,742	18
II.....	4,574	500	483	490	429	7	1,977	1,866	810	359	852	43
III.....	1,442	412	221	108	147	53	1,395	1,043	472	97	866	247
IV.....	2,069	433	528	462	1,588	4	1,211	1,537	429	604	1,222	160

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 preceding 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 ⁴			Assets (market value at end of period)		
	Sales ¹	Redemptions	Net sales	Total ²	Cash position ³	Other		Sales ¹	Redemptions	Net sales	Total ²	Cash position ³	Other
1963.....	2,460	1,504	952	25,214	1,341	23,873	1975—Apr...	808	791	17	42,353	3,841	38,512
1964.....	3,404	1,875	1,528	29,116	1,329	27,787	May...	677	735	—58	43,832	3,879	39,953
1965.....	4,359	1,962	2,395	35,220	1,803	33,417	June...	703	811	—108	45,538	3,640	41,898
1966.....	4,671	2,005	2,665	34,829	2,971	31,858	July...	813	1,052	—239	42,896	3,591	39,305
1967.....	4,670	2,745	1,927	44,701	2,566	42,135	Aug...	753	788	—35	41,672	3,660	38,012
1968.....	6,820	3,841	2,979	52,677	3,187	49,490	Sept...	760	874	—114	40,234	3,664	36,570
1969.....	6,717	3,661	3,056	48,291	3,846	44,445	Oct...	914	995	—81	41,860	3,601	38,259
1970.....	4,624	2,987	1,637	47,618	3,649	43,969	Nov...	786	911	—125	42,460	3,733	38,727
1971.....	5,145	4,751	394	55,045	3,038	52,007	Dec...	1,040	1,093	—53	42,179	3,748	38,431
1972.....	4,892	6,563	—1,671	59,831	3,035	56,796	1976—Jan...	411	538	—47	46,529	3,287	43,242
1973.....	4,358	5,651	—1,261	46,518	4,002	42,516	Feb...	262	577	—315	46,540	3,084	43,456
1974.....	5,346	3,937	1,409	35,777	5,637	30,140	Mar...	326	677	—351	46,866	2,881	43,985
1975.....	10,057	9,571	486	42,179	3,748	38,431	Apr...	305	620	—315	45,956	2,683	42,273

¹ Includes contractual and regular single-purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment income dividends; excludes reinvestment of realized capital gains dividends.² Market value at end of period less current liabilities.³ Cash and deposits, receivables, all U.S. Govt. securities, and other short-term debt securities, less current liabilities.⁴ Beginning Jan. 1976, sales and redemption figures exclude money market funds.

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.

SALES, REVENUE, PROFITS, AND DIVIDENDS OF LARGE MANUFACTURING CORPORATIONS

(In millions of dollars)

Industry	1972	1973	1974	1973		1974				1975		
				III	IV	I	II	III	IV	I	II	III
Total (170 corps.):												
Sales.....	371,946	442,254	563,950	108,370	120,985	126,797	142,974	144,936	149,243	138,245	145,753	147,853
Total revenue.....	376,604	448,795	572,368	109,984	123,108	128,695	145,125	147,134	151,409	140,343	147,662	149,687
Profits before taxes.....	41,164	53,833	67,650	12,411	14,742	16,588	18,191	17,837	15,033	12,873	14,812	15,425
Profits after taxes.....	21,753	28,772	32,502	6,762	7,750	7,739	9,280	8,420	7,068	5,538	6,678	7,048
Memo: PAT unadj. ¹	21,233	28,804	32,705	6,732	7,930	7,626	9,210	8,487	7,383	5,662	6,566	7,031
Dividends.....	10,538	11,513	12,302	2,767	3,393	2,906	2,928	3,076	3,390	3,129	3,031	3,089
Nondurable goods industries (86 corps.):²												
Sales.....	176,329	210,118	308,699	53,168	59,207	68,767	77,090	80,425	82,417	77,224	78,537	82,228
Total revenue.....	178,915	213,904	314,256	54,098	60,357	70,049	78,552	81,905	83,746	78,548	79,817	83,462
Profits before taxes.....	21,799	30,200	46,380	7,610	8,988	11,880	11,972	12,595	9,930	9,357	9,942	10,886
Profits after taxes.....	11,154	15,538	20,536	4,018	4,463	5,056	5,728	5,464	4,291	3,575	3,890	4,424
Memo: PAT unadj. ¹	10,859	15,421	20,433	3,957	4,517	4,957	5,677	5,389	4,411	3,567	3,870	4,423
Dividends.....	5,780	6,103	6,872	1,527	1,633	1,625	1,645	1,722	1,882	1,816	1,783	1,793
Durable goods industries (84 corps.):³												
Sales.....	195,618	232,136	255,251	55,202	61,778	58,029	65,884	64,511	66,826	61,021	67,216	65,625
Total revenue.....	197,690	234,891	258,112	55,886	62,751	58,646	66,573	65,229	67,663	61,795	67,845	66,225
Profits before taxes.....	19,365	23,633	21,271	4,801	5,754	4,708	6,219	5,242	5,102	3,516	4,870	4,539
Profits after taxes.....	10,599	13,234	11,966	2,744	3,287	2,683	3,552	2,956	2,776	1,963	2,788	2,624
Memo: PAT unadj. ¹	10,374	13,383	12,272	2,775	3,413	2,669	3,533	3,098	2,973	2,095	2,696	2,608
Dividends.....	4,758	5,410	5,430	1,240	1,760	1,281	1,283	1,354	1,508	1,313	1,248	1,296
Selected industries:												
Food and kindred products (28 corps.):												
Sales.....	37,624	42,628	52,753	11,014	11,871	11,885	12,729	13,663	14,476	13,490	14,117	14,600
Total revenue.....	38,091	43,198	53,728	11,201	11,938	12,110	12,996	13,939	14,683	13,708	14,356	14,844
Profits before taxes.....	3,573	3,957	4,603	1,031	1,067	1,046	1,190	1,289	1,077	1,066	1,190	1,385
Profits after taxes.....	1,845	2,063	2,298	546	543	529	607	645	517	502	607	719
Memo: PAT unadj. ¹	1,805	2,074	2,328	546	573	533	610	646	540	526	615	745
Dividends.....	893	935	1,010	236	240	243	248	253	267	268	271	274
Chemical and allied products (22 corps.):												
Sales.....	36,638	43,208	55,084	10,828	11,534	12,507	13,892	14,606	14,078	13,618	14,329	14,660
Total revenue.....	37,053	43,784	55,677	10,968	11,704	12,667	14,066	14,778	14,165	13,761	14,498	14,794
Profits before taxes.....	4,853	6,266	8,264	1,599	1,572	1,856	2,293	2,194	1,920	1,641	1,622	1,858
Profits after taxes.....	2,672	3,504	4,875	901	883	1,044	1,247	1,223	1,362	925	929	1,034
Memo: PAT unadj. ¹	2,671	3,469	4,745	871	880	1,031	1,245	1,180	1,289	927	937	1,028
Dividends.....	1,395	1,496	1,646	374	417	383	405	422	437	431	425	429
Petroleum refining (15 corps.):												
Sales.....	74,662	93,505	165,150	23,586	27,752	36,103	41,362	42,747	44,938	41,988	41,342	43,873
Total revenue.....	76,133	95,722	168,680	23,988	28,584	36,913	42,261	43,659	45,847	42,851	42,100	44,633
Profits before taxes.....	11,461	17,494	30,659	4,371	5,724	8,296	7,564	8,339	6,458	6,227	6,612	6,961
Profits after taxes.....	5,562	8,550	11,775	2,230	2,662	3,098	3,349	3,181	2,147	1,905	2,078	2,300
Memo: PAT unadj. ¹	5,325	8,505	11,747	2,192	2,688	3,011	3,304	3,132	2,299	1,871	2,040	2,268
Dividends.....	2,992	3,147	3,635	789	832	864	853	899	1,019	966	937	939
Primary metals and products (23 corps.):												
Sales.....	34,359	42,400	54,045	10,602	11,379	11,888	13,976	14,285	13,895	12,482	12,393	12,274
Total revenue.....	34,797	43,104	55,049	10,764	11,715	12,045	14,171	14,504	14,328	12,782	12,603	12,479
Profits before taxes.....	1,969	3,221	5,580	799	919	973	1,586	1,791	1,229	1,015	711	457
Profits after taxes.....	1,195	1,966	3,199	480	561	589	927	1,028	655	631	478	366
Memo: PAT unadj. ¹	1,109	2,039	3,485	496	608	607	942	1,137	799	639	485	381
Dividends.....	653	789	965	184	227	221	209	238	297	273	227	223
Machinery (27 corps.):												
Sales.....	55,615	65,041	73,452	16,306	17,871	16,830	18,836	18,853	18,935	18,245	19,881	19,764
Total revenue.....	56,348	65,925	74,284	16,519	18,168	17,012	19,023	19,075	19,174	18,464	20,104	19,956
Profits before taxes.....	6,358	7,669	7,643	1,936	2,149	1,829	2,074	1,943	1,797	1,727	2,089	2,219
Profits after taxes.....	3,522	4,236	4,213	1,069	1,200	1,006	1,149	1,074	985	971	1,178	1,224
Memo: PAT unadj. ¹	3,388	4,208	4,168	1,070	1,188	996	1,137	1,096	939	975	1,173	1,231
Dividends.....	1,497	1,606	1,839	407	410	441	441	476	481	483	485	519
Motor vehicles and equipment (9 corps.):												
Sales.....	70,653	83,016	80,386	17,959	21,186	18,467	20,979	19,443	21,497	18,863	22,275	21,005
Total revenue.....	71,139	83,671	80,882	18,142	21,362	18,597	21,146	19,593	21,545	19,011	22,341	21,083
Profits before taxes.....	6,955	7,429	2,919	729	1,280	636	1,115	231	938	-98	854	590
Profits after taxes.....	3,626	3,992	1,686	431	709	369	657	133	527	-127	451	328
Memo: PAT unadj. ¹	3,640	4,078	1,742	450	763	361	648	147	586	-12	455	280
Dividends.....	1,762	2,063	1,538	404	817	384	382	386	385	294	276	274

¹ Profits after taxes unadjusted are as reported by the individual companies. These data are not adjusted to eliminate differences in accounting treatments of special charges, credits, and other nonoperating items.

² Includes 21 corporations in groups not shown separately.

³ Includes 25 corporations in groups not shown separately.

NOTE—Data are obtained from published reports of companies and reports made to the Securities and Exchange Commission. Sales are net

of returns, allowances, and discounts, and exclude excise taxes paid directly by the company. Total revenue data include, in addition to sales, income from nonmanufacturing operations and nonoperating income. Profits are before dividend payments and have been adjusted to exclude special charges and credits to surplus reserves and extraordinary items not related primarily to the current reporting period. Income taxes (not shown) include Federal, State and local government, and foreign.

Previous series last published in June 1972 BULLETIN, p. A-50.

CORPORATE PROFITS, TAXES, AND DIVIDENDS

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits
1968.....	85.6	39.3	46.2	21.9	24.2	1974—I.....	128.3	49.4	78.9	30.0	48.9
1969.....	83.5	39.7	43.8	22.6	21.2	II.....	129.6	52.6	77.1	30.9	46.2
1970.....	71.5	34.5	37.0	22.9	14.1	III.....	146.7	59.3	87.4	31.7	55.7
						IV.....	123.9	49.2	74.7	31.7	43.0
1971.....	82.0	37.7	44.3	23.0	21.3	1975—I.....	97.1	37.5	59.6	32.1	27.5
1972.....	96.2	41.4	54.6	24.6	30.0	II.....	108.2	41.6	66.6	32.6	34.0
1973.....	117.0	48.2	68.8	27.8	40.9	III.....	129.5	50.7	78.8	33.5	45.3
1974.....	132.1	52.6	79.5	31.1	48.4	IV.....	132.4	52.5	79.9	33.1	46.8
1975.....	116.8	45.6	71.2	32.8	38.4	1976—I.....	140.8	56.5	84.3	33.3	51.0

NOTE.—Dept. of Commerce estimates. Quarterly data are at seasonally 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	U.S. Govt. securities	Notes and accts. receivable		Inventories	Other	Total	Notes and accts. payable		Accrued Federal income taxes	Other
					U.S. Govt. ¹	Other				U.S. Govt. ¹	Other		
1970.....	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.....	203.6	529.6	53.3	11.0	3.5	217.6	200.4	43.8	326.0	4.9	215.6	13.1	92.4
1972.....	221.3	573.5	57.5	9.3	3.4	240.0	215.2	48.1	352.2	4.0	230.4	15.1	102.6
1973—III.....	239.5	625.3	58.9	9.7	3.0	264.4	238.0	51.3	385.8	4.4	250.2	16.5	114.7
IV.....	242.3	643.2	61.6	11.0	3.5	266.1	246.7	54.4	401.0	4.3	261.6	18.1	117.0
1974—I.....	250.1	666.2	59.4	12.1	3.2	276.2	258.4	56.9	416.1	4.5	266.5	20.6	124.5
II.....	253.9	685.4	58.8	10.7	3.4	289.8	269.2	53.5	431.5	4.7	278.5	19.0	129.1
III.....	259.5	708.6	60.3	11.0	3.5	295.5	282.1	56.1	449.1	5.1	287.0	22.7	134.3
IV.....	261.5	712.2	62.7	11.7	3.5	289.7	288.0	56.6	450.6	5.2	287.5	23.2	134.8
1975—I.....	260.4	698.4	60.6	12.1	3.2	281.9	285.2	55.4	438.0	5.3	271.2	21.8	139.8
II.....	269.0	703.2	63.7	12.7	3.3	284.8	281.4	57.3	434.2	5.8	270.1	17.7	140.6
III.....	271.8	716.5	65.6	14.3	3.3	294.7	279.6	59.0	444.7	6.2	273.4	19.4	145.6
IV.....	274.1	731.6	68.1	19.4	3.6	294.6	285.8	60.0	457.5	6.4	281.6	20.7	148.8

¹ Receivables from, and payables to, the U.S. Govt. exclude amounts offset against each other on corporations' books.

NOTE.—Securities and Exchange Commission estimates.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing		Mining	Transportation			Public utilities		Communications	Other ¹	Total (S.A. A.R.)
		Durable	Non-durable		Rail-road	Air	Other	Electric	Gas and other			
1971.....	81.21	14.15	15.84	2.16	1.67	1.88	1.38	12.68	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	15.94	2.76	12.85	21.40	.....
1974.....	112.40	22.62	23.39	3.18	2.54	2.00	2.12	17.93	2.92	13.96	22.05	.....
1974—II.....	28.16	5.59	5.69	.78	.64	.61	.49	4.56	.75	3.60	5.46	111.40
III.....	28.23	5.65	5.96	.80	.64	.43	.58	4.42	.78	3.39	5.57	113.99
IV.....	31.92	6.64	6.99	.91	.78	.48	.71	4.80	.87	3.78	5.97	116.22
1975—I.....	25.82	5.10	5.74	.91	.59	.44	.62	3.84	.58	3.11	4.88	114.57
II.....	28.43	5.59	6.55	.97	.71	.47	.77	4.15	.79	3.22	5.19	112.46
III.....	27.79	5.16	6.51	.94	.62	.50	.85	4.16	.91	3.14	5.00	112.16
IV.....	30.74	5.99	7.30	.97	.62	.43	.93	4.85	.85	3.26	5.52	111.80
1976—I.....	25.87	4.78	6.18	.92	.49	.26	.72	4.18	.62	2.92	4.82	114.72
II.....	30.51	5.64	7.43	.95	.56	.43	.86	4.90	.84	8.88	121.14	.....
III.....	30.49	5.73	7.58	.95	.56	.43	.80	4.87	.96	8.71	123.00	.....

¹ Includes trade, service construction, finance, and insurance.

NOTE.—Dept. of Commerce estimates for corporate and noncorporate business; excludes agriculture, real estate operators, medical, legal, educational, and cultural service, and nonprofit organizations.

MORTGAGE DEBT OUTSTANDING BY TYPE OF HOLDER

(In millions of dollars)

Type of holder, and type of property	End of year			End of quarter				
	1972	1973	1974	1975				1976
				I	II	III	IV	
ALL HOLDERS	564,825	634,954	688,652	695,369	709,153	725,543	741,547	754,320
1- to 4-family.....	345,372	384,738	412,168	415,607	425,132	436,420	447,350	456,150
Multifamily.....	76,667	85,296	91,222	91,522	91,733	92,073	92,093	92,759
Commercial.....	107,349	125,572	140,965	142,701	145,353	149,072	153,119	155,309
Farm.....	35,437	39,348	44,297	45,539	46,935	47,978	48,985	50,102
PRIVATE FINANCIAL INSTITUTIONS	450,000	505,400	542,552	546,689	558,179	570,049	581,486	591,146
1- to 4-family.....	288,018	320,420	340,007	342,313	350,198	358,184	365,371	372,093
Multifamily.....	59,398	64,750	68,161	68,095	68,453	68,688	68,807	69,543
Commercial.....	92,063	108,735	121,948	123,684	126,634	130,153	134,100	136,190
Farm.....	10,521	11,495	12,436	12,597	12,894	13,024	13,208	13,320
<i>Commercial banks</i> ¹	99,314	119,068	132,105	131,903	133,012	134,514	136,186	137,386
1- to 4-family.....	57,044	67,998	74,758	74,696	75,356	76,149	77,018	77,706
Multifamily.....	5,778	6,932	7,619	7,176	6,816	6,363	5,915	5,962
Commercial.....	31,751	38,696	43,679	43,924	44,598	45,694	46,882	47,288
Farm.....	4,781	5,442	6,049	6,107	6,242	6,308	6,371	6,430
<i>Mutual savings banks</i>	67,556	73,230	74,920	75,157	75,796	76,490	77,249	77,550
1- to 4-family.....	41,650	44,246	44,670	44,795	45,175	45,588	46,041	46,219
Multifamily.....	15,490	16,843	17,234	17,291	17,433	17,593	17,767	17,837
Commercial.....	10,354	12,084	12,956	12,996	13,112	13,233	13,364	13,416
Farm.....	62	57	60	75	76	76	77	78
<i>Savings and loan associations</i>	206,182	231,733	249,293	252,442	261,336	270,600	278,693	286,575
1- to 4-family.....	167,049	187,750	201,553	204,099	211,290	218,483	224,710	230,776
Multifamily.....	20,783	22,524	23,683	23,831	24,409	24,976	25,417	25,846
Commercial.....	18,350	21,459	24,057	24,512	25,637	27,141	28,566	29,953
<i>Life insurance companies</i>	76,948	81,369	86,234	87,187	88,035	88,445	89,358	89,635
1- to 4-family.....	22,315	20,426	19,026	18,723	18,377	17,964	17,602	17,392
Multifamily.....	17,347	18,451	19,625	19,797	19,795	19,756	19,708	19,898
Commercial.....	31,608	36,496	41,256	42,252	43,287	44,085	45,288	45,533
Farm.....	5,678	5,996	6,327	6,415	6,576	6,640	6,760	6,812
FEDERAL AND RELATED AGENCIES	45,790	55,664	72,380	76,010	79,952	84,522	89,039	92,102
1- to 4-family.....	30,170	35,579	46,322	48,455	51,195	54,697	58,440	60,518
Multifamily.....	6,063	8,364	11,329	11,995	12,348	12,753	12,954	13,184
Commercial.....	9,557	11,721	14,729	15,560	16,409	17,072	17,645	18,400
Farm.....	5,113	4,029	4,846	5,599	5,610	6,534	7,438	7,619
<i>Government National Mortgage Association</i>	2,513	1,455	2,248	2,787	2,787	3,692	4,728	4,886
1- to 4-family.....	2,600	2,574	2,598	2,812	2,823	2,842	2,710	2,733
Commercial.....	837	1,200	1,600	1,700	1,800	1,900	2,000	2,100
1- to 4-family.....	387	550	734	780	826	872	918	964
Farm.....	450	650	866	920	974	1,028	1,082	1,136
<i>Federal Housing and Veterans Administrations</i>	3,338	3,476	4,015	4,047	4,297	4,681	4,970	5,270
1- to 4-family.....	2,199	2,013	2,009	1,879	1,915	1,951	1,990	2,049
Multifamily.....	1,139	1,463	2,006	2,168	2,382	2,730	2,980	3,221
<i>Federal National Mortgage Association</i>	19,791	24,175	29,578	29,754	30,015	31,055	31,824	31,482
1- to 4-family.....	17,697	20,370	23,778	23,743	23,988	25,049	25,813	25,562
Multifamily.....	2,094	3,805	5,800	6,011	6,027	6,006	6,011	5,920
Federal land banks (farm only).....	9,107	11,071	13,863	14,640	15,435	16,044	16,563	17,264
<i>Federal Home Loan Mortgage Corporation</i>	1,789	2,604	4,586	4,608	4,944	5,033	4,987	4,602
1- to 4-family.....	1,754	2,446	4,217	4,231	4,543	4,632	4,588	4,247
Multifamily.....	35	158	369	377	401	401	399	355
<i>GNMA Pools</i>	5,815	9,109	13,892	15,662	17,851	19,275	21,257	23,765
1- to 4-family.....	5,620	8,745	13,336	15,035	17,136	18,501	20,403	22,810
Multifamily.....	195	364	556	627	715	774	854	955
INDIVIDUALS AND OTHERS ²	69,035	73,890	73,720	72,670	71,022	70,972	71,022	71,072
1- to 4-family.....	27,184	28,739	25,839	24,839	23,739	23,539	23,539	23,539
Multifamily.....	11,206	12,182	11,732	11,432	10,932	10,632	10,332	10,032
Commercial.....	15,286	16,837	19,017	19,017	18,719	18,919	19,019	19,119
Farm.....	15,359	16,132	17,132	17,382	17,632	17,882	18,132	18,382

¹ Includes loans held by nondeposit trust companies but not bank trust departments.² Includes some U.S. agencies for which amounts are small or separate data are not readily available.

NOTE.—Based on data from various institutional and Govt. sources, with some quarters estimated in part by Federal Reserve in conjunction with the Federal Home Loan Bank Board and the Dept. of Commerce. Separation of nonfarm mortgage debt by type of property, where not reported directly, and interpolations and extrapolations where required, estimated mainly by Federal Reserve. Multifamily debt refers to loans on structures of 5 or more units.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION AND FEDERAL HOME LOAN MORTGAGE CORPORATION—
SECONDARY MORTGAGE MARKET ACTIVITY**

(In millions of dollars)

End of period	FNMA							FHLMC						
	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments		Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total ¹	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Out-standing	Total	FHA-VA	Conventional	Purchases	Sales	Made during period	Out-standing
1971.....	17,791	12,681	5,110	3,574	336	9,828	6,497	968	821	147	778	64	.....	182
1972.....	19,791	14,624	5,112	3,699	211	8,797	8,124	1,789	1,503	286	1,297	408	1,606	198
1973.....	24,175	16,852	6,352	6,127	71	8,914	7,889	2,604	1,743	861	1,334	409	1,629	186
1974.....	29,578	19,189	8,310	6,953	5	10,765	7,960	4,586	1,904	2,682	2,191	52	4,553	2,390
1975.....	31,824	19,732	9,573	4,263	2	6,106	4,126	4,987	1,824	3,163	1,716	1,020	982	111
1975—Apr...	29,815	19,282	8,337	211	.....	913	6,890	4,634	1,890	2,744	121	71	297	1,161
May...	29,858	19,251	8,395	247	.....	621	6,615	4,773	1,920	2,854	203	38	42	969
June...	30,015	19,282	8,498	326	.....	557	6,549	4,944	1,936	3,008	210	5	28	700
July...	30,351	19,385	8,693	538	.....	575	6,119	5,015	1,943	3,072	161	63	139	530
Aug...	30,777	19,507	8,942	594	.....	814	5,888	4,942	1,863	3,080	98	145	132	509
Sept...	31,055	19,560	9,122	488	.....	575	5,399	5,033	1,852	3,181	148	31	79	403
Oct...	31,373	19,641	9,309	508	.....	282	4,685	5,119	1,843	3,276	176	59	45	201
Nov...	31,552	19,648	9,430	372	.....	332	4,385	4,971	1,834	3,137	104	225	50	124
Dec...	31,824	19,732	9,573	451	.....	517	4,126	4,987	1,824	3,163	69	30	71	111
1976—Jan...	31,772	19,674	9,554	76	.....	189	3,170	4,958	1,816	3,142	47	57	42	99
Feb...	31,618	19,541	9,521	56	55	355	3,201	4,686	1,802	2,884	51	296	43	87
Mar...	31,482	19,431	9,473	85	22	405	3,120	4,602	1,787	2,815	95	98	93	128
Apr...	31,389	19,368	9,431	103	.....	213	2,788	.....	.....	.....	.....	.....	.....	.....

¹ Includes conventional loans not shown separately.

Note.—Data from FNMA and FHLMC, respectively.

For FNMA: Holdings include loans used to back bond issues guaranteed by GNMA. Commitments 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 Plans.

For FHLMC: Holdings and transactions cover participations as well as whole loans. Holdings include loans used to back bond issues guaranteed by GNMA. Commitments cover the conventional and Govt.-underwritten loan programs.

FEDERAL NATIONAL MORTGAGE ASSOCIATION AUCTIONS OF COMMITMENTS TO BUY HOME MORTGAGES

Item	Date of auction											
	1975	1976										
	Dec. 29	Jan. 12	Jan. 26	Feb. 9	Feb. 23	Mar. 8	Mar. 22	Apr. 5	Apr. 19	May 3	May 17	June 1
Amounts (millions of dollars):												
Govt.-underwritten loans												
Offered ¹	95.3	58.4	103.9	252.2	126.9	299.9	146.3	106.2	132.1	483.3	634.3	349.5
Accepted.....	52.7	31.5	57.7	179.9	81.2	171.9	121.6	56.2	60.1	222.3	321.4	224.7
Conventional loans												
Offered ¹	41.8	42.7	33.4	57.8	44.0	75.4	46.2	56.4	55.3	110.7	128.8	131.4
Accepted.....	11.8	32.1	24.7	36.9	23.3	45.0	33.7	31.8	33.4	60.1	68.9	90.5
Average yield (per cent) on short-term commitments ²												
Govt.-underwritten loans.....	9.29	9.13	9.07	9.07	9.04	9.06	9.03	8.94	8.83	8.94	9.13	9.20
Conventional loans.....	9.35	9.28	9.22	9.17	9.14	9.15	9.13	8.95	9.00	9.09	9.24	9.31

¹ Mortgage amounts offered by bidders are total bids received.² Average accepted bid yield (before deduction of 38 basis-point fee paid for mortgage servicing) 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. Commitments mature in 4 months.

MAJOR HOLDERS OF FHA-INSURED AND VA-GUARANTEED RESIDENTIAL MORTGAGE DEBT

(End of period, in billions of dollars)

Holder	June 30, 1974	Sept. 30, 1974	Dec. 31, 1974	Mar. 31, 1975	June 30, 1975	Sept. 30, 1975	Dec. 31, 1975
All holders.....	137.8	138.6	140.3	142.0	143.0	144.9	147.0
FHA.....	84.9	84.1	84.1	84.3	85.0	85.1	85.4
VA.....	52.9	54.5	56.2	57.7	58.0	59.8	61.6
Commercial banks.....	11.0	10.7	10.4	10.5	9.6	9.7	9.4
FHA.....	7.6	7.4	7.2	7.2	6.4	6.4	6.3
VA.....	3.4	3.3	3.2	3.3	3.2	3.3	3.1
Mutual savings banks.....	27.9	27.8	27.5	27.3	27.2	27.0	27.4
FHA.....	15.1	15.0	14.8	14.7	14.7	14.5	14.7
VA.....	12.8	12.8	12.7	12.6	12.5	12.5	12.7
Savings and loan assns.....							
FHA.....	29.7	29.9	29.9	29.9	30.2	30.4	30.6
VA.....	13.1	12.9	12.7	12.5	12.2	12.1	11.8
Life insurance cos.....	8.8	8.7	8.6	8.4	8.2	8.1	7.9
FHA.....	4.3	4.2	4.2	4.1	4.0	4.0	3.9
VA.....	56.1	57.4	59.9	61.6	62.2	65.7	67.8
Others.....							
FHA.....							
VA.....							

NOTE.—VA-guaranteed residential mortgage debt is for 1- to 4-family properties while FHA-insured includes some debt in multifamily structures.

Detail by type of holder partly estimated by Federal Reserve for first and third quarters, and for most recent quarter.

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)	Maturity (yrs./mos.)	Loan- to-value ratio (per cent)	Capitaliza- tion rate (per cent)	Debt coverage ratio	Per cent constant
1972.....	2,132	4,986.5	2,339	8.57	23/3	75.2	9.6	1.29	9.8
1973.....	2,140	4,833.3	2,259	8.76	23/3	74.3	9.5	1.29	10.0
1974.....	1,166	2,603.0	2,232	9.47	21/3	74.3	10.1	1.29	10.6
1975.....	599	1,717.0	2,866	10.22	21/9	73.8	10.8	1.33	10.6
1975—Jan.....	31	43.8	1,414	10.44	18/4	71.9	11.0	1.33	11.9
Feb.....	46	94.6	2,057	10.08	22/11	74.3	10.9	1.34	11.0
Mar.....	46	109.6	2,382	10.37	23/1	74.1	11.3	1.34	11.3
Apr.....	32	108.4	3,386	10.02	23/0	75.6	10.8	1.36	10.8
May.....	73	227.5	3,116	10.23	20/9	74.7	10.8	1.30	11.1
June.....	61	167.5	2,745	10.11	21/9	73.0	10.5	1.29	11.2
July.....	53	178.6	3,370	10.19	20/7	74.6	10.9	1.31	11.3
Aug.....	44	106.5	2,420	10.26	21/2	72.7	10.8	1.32	11.4
Sept.....	57	123.8	2,172	10.24	22/8	73.6	10.7	1.37	11.1
Oct.....	57	144.7	2,538	10.29	20/10	74.3	10.7	1.28	11.3
Nov.....	47	252.8	5,378	10.24	22/7	72.7	10.9	1.35	11.2
Dec.....	52	159.4	3,065	10.15	23/4	73.7	11.0	1.34	11.0

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 loan 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.

TERMS AND YIELDS ON NEW HOME MORTGAGES

Period	Conventional mortgages								FHA-insured loans—Yield in private secondary market ⁵
	Terms ¹						Yields (per cent) in primary market		
	Contract rate (per cent)	Fees and charges (per cent) ²	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)	FHLBB series ³	HUD series ⁴	
1971.....	7.60	.87	26.2	74.3	36.3	26.5	7.74	7.75	7.70
1972.....	7.45	.88	27.2	76.8	37.3	28.1	7.60	7.64	7.53
1973.....	7.78	1.11	26.3	77.3	37.1	28.1	7.95	8.30	8.19
1974.....	8.71	1.30	26.3	75.8	40.1	29.8	8.92	9.22	9.55
1975.....	8.75	1.54	26.8	76.1	44.6	33.3	9.01	9.10	9.19
1975—Apr.....	8.71	1.53	26.5	76.4	44.5	33.4	8.96	9.00	.....
May.....	8.63	1.63	27.0	75.5	43.5	32.2	8.90	9.05	9.16
June.....	8.73	1.42	26.5	76.4	43.1	32.4	8.96	9.00	9.06
July.....	8.66	1.40	26.0	75.9	44.1	32.9	8.89	9.00	9.13
Aug.....	8.63	1.56	26.7	77.0	44.6	33.7	8.89	9.15	9.32
Sept.....	8.70	1.46	26.7	75.9	45.6	34.1	8.94	9.25	9.74
Oct.....	8.75	1.59	27.3	77.5	43.9	33.2	9.01	9.25	9.53
Nov.....	8.74	1.65	27.6	76.5	46.4	34.8	9.01	9.20	9.41
Dec.....	8.74	1.65	27.8	76.9	45.9	34.7	9.01	9.15	9.32
1976—Jan.....	8.71	1.74	27.4	76.9	47.2	35.4	8.99	9.05	9.06
Feb.....	8.67	1.56	26.0	75.1	45.2	33.4	8.93	9.00	9.04
Mar.....	8.67	1.60	27.1	76.4	46.8	35.0	8.93	8.95	.....
Apr. ²	8.72	1.36	27.1	74.6	48.6	35.6	8.94	8.90	8.82

¹ 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, as compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are not strictly comparable with earlier figures beginning Jan. 1973.

² Fees and charges—related to principal mortgage amount—include loan commissions, fees, discounts, and other charges, but exclude closing costs related solely to transfer of property ownership.

³ Effective rate, reflecting fees and charges as well as contract rates

(as shown in first column of this table) and an assumed prepayment at end of 10 years.

⁴ Rates on first mortgages, unweighted and rounded to the nearest 5 basis points.

⁵ Based on opinion reports submitted by field offices of prevailing local conditions as of the first of the succeeding month. Yields 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.

FINANCE RATES ON SELECTED TYPES OF INSTALMENT CREDIT

(Per cent per annum)

Month	Commercial banks					Finance companies				
	New automobiles (36 mos.)	Mobile homes (84 mos.)	Other consumer goods (24 mos.)	Personal loans (12 mos.)	Credit-card plans	Automobiles		Mobile homes	Other consumer goods	Personal loans
						New	Used			
1974—Apr.....	10.51	11.07	12.81	13.00	17.25	12.28	16.76	.....	.....	.....
May.....	10.63	10.96	12.88	13.10	17.25	12.36	16.86	13.08	18.90	20.54
June.....	10.81	11.21	13.01	13.20	17.23	12.50	17.06	13.22	19.25	20.74
July.....	10.96	11.46	13.14	13.42	17.20	12.58	17.18	13.22	19.25	20.74
Aug.....	11.15	11.71	13.10	13.45	17.21	12.67	17.32	13.43	19.31	20.87
Sept.....	11.31	11.72	13.20	13.41	17.15	12.84	17.61	13.60	19.49	21.11
Oct.....	11.53	11.94	13.28	13.60	17.17	12.97	17.78	.....	.....	.....
Nov.....	11.57	11.87	13.16	13.47	17.16	13.06	17.88	.....	.....	.....
Dec.....	11.62	11.71	13.27	13.60	17.21	13.10	17.89	.....	.....	.....
1975—Jan.....	11.61	11.66	13.28	13.60	17.12	13.08	17.27	13.60	19.80	21.09
Feb.....	11.51	12.14	13.20	13.44	17.24	13.07	17.39	.....	.....	.....
Mar.....	11.46	11.66	13.07	13.40	17.15	13.07	17.52	13.59	20.00	20.82
Apr.....	11.44	11.78	13.22	13.55	17.17	13.07	17.58	.....	.....	.....
May.....	11.39	11.57	13.11	13.41	17.21	13.09	17.65	13.57	19.63	20.72
June.....	11.26	12.02	13.10	13.40	17.10	13.12	17.67	.....	.....	.....
July.....	11.30	11.94	13.13	13.49	17.15	13.09	17.69	13.78	19.87	20.93
Aug.....	11.31	11.80	13.05	13.37	17.14	13.10	17.70	.....	.....	.....
Sept.....	11.33	11.99	13.06	13.41	17.14	13.18	17.73	13.78	19.69	21.16
Oct.....	11.24	12.05	13.00	13.38	17.11	13.15	17.79	.....	.....	.....
Nov.....	11.24	11.76	12.96	13.40	17.06	13.17	17.82	13.43	19.66	21.09
Dec.....	11.25	11.83	13.11	13.46	17.13	13.19	17.86	.....	.....	.....
1976—Jan.....	11.21	11.76	13.14	13.40	17.08	13.18	17.25	.....	.....	.....
Feb.....	11.18	11.77	13.02	13.24	17.14	13.14	17.37	13.18	19.58	21.13
Mar.....	11.13	11.82	13.02	13.13	16.99	13.13	17.48	.....	.....	.....
Apr. ²	11.08	11.66	12.95	13.16	17.04	.....	.....	.....	.....	.....

NOTE.—Rates are reported on an annual percentage rate basis as specified in Regulation Z (Truth in Lending) of the Board of Governors. Commercial bank rates are "most common" rates for direct loans with

specified maturities; finance company rates are weighted averages for purchased contracts (except personal loans). For back figures and description of the data, see BULLETIN for Sept. 1973.

INSTALMENT CREDIT—TOTAL OUTSTANDING, AND NET CHANGE

(In millions of dollars)

Holder, and type of credit	1973	1974	1975	1975			1976			
				Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
	Amounts outstanding (end of period)									
TOTAL	148,273	158,101	161,819	158,390	159,200	161,819	160,745	160,094	160,621	162,236
By holder:										
Commercial banks	71,871	75,846	75,710	75,286	75,174	75,710	75,342	75,010	75,103	76,013
Finance companies	37,243	38,925	38,932	38,411	38,642	38,932	38,737	38,660	38,665	39,003
Credit unions	19,609	22,116	25,354	24,706	24,934	25,354	25,250	25,492	26,025	26,403
Retailers ¹	16,395	17,933	18,328	16,444	16,860	18,328	17,771	17,192	16,987	17,060
Others ²	3,155	3,281	3,495	3,543	3,590	3,495	3,645	3,740	3,841	3,757
By type of credit:										
Automobile, total	51,274	52,209	53,629	53,286	53,479	53,629	53,318	53,519	54,117	55,059
Commercial banks	31,502	30,994	30,198	30,259	30,235	30,198	29,862	29,872	30,117	30,682
Purchased	18,997	18,687	17,620	17,848	17,761	17,620	17,500	17,409	17,471	17,742
Direct	12,505	12,306	12,578	12,411	12,474	12,578	12,363	12,463	12,646	12,940
Finance companies	11,927	12,435	13,364	13,203	13,325	13,364	13,407	13,490	13,624	13,869
Credit unions	7,456	8,414	9,653	9,403	9,491	9,653	9,612	9,704	9,908	10,051
Others	389	366	414	421	428	414	437	453	468	457
Mobile homes:										
Commercial banks	8,340	8,972	8,420	8,519	8,502	8,420	8,351	8,279	8,233	8,188
Finance companies	3,378	3,570	3,504	3,498	3,519	3,504	3,464	3,440	3,420	3,409
Home improvement, total	7,453	8,398	8,301	8,374	8,361	8,301	8,263	8,254	8,267	8,300
Commercial banks	4,083	4,694	4,813	4,824	4,827	4,813	4,777	4,757	4,767	4,816
Revolving credit:										
Bank credit cards	6,838	8,281	9,078	8,450	8,500	9,078	9,150	8,987	8,842	8,959
Bank check credit	2,254	2,797	2,883	2,834	2,822	2,883	2,911	2,912	2,876	2,882
All other	68,736	73,874	76,004	73,430	74,018	76,004	75,287	74,703	74,868	75,440
Commercial banks, total	18,854	20,108	20,318	20,401	20,289	20,318	20,290	20,203	20,270	20,487
Personal loans	12,873	13,771	14,035	14,005	13,943	14,035	14,049	14,010	14,034	14,192
Finance companies, total	21,021	21,927	21,465	21,037	21,158	21,465	21,279	21,152	21,078	21,211
Personal loans	16,587	17,176	17,179	16,822	16,942	17,179	17,035	16,952	16,922	17,047
Credit unions	11,564	13,037	14,937	14,559	14,692	14,937	14,878	15,020	15,333	15,557
Retailers	16,395	17,933	18,328	16,444	16,860	18,328	17,771	17,192	16,987	17,060
Others	902	869	956	989	1,019	956	1,069	1,136	1,200	1,125
	Net change (during period) ³									
TOTAL	20,826	9,824	3,719	830	805	894	1,295	1,169	1,513	1,436
By holder:										
Commercial banks	11,002	3,971	-134	309	233	310	208	475	572	561
Finance companies	5,155	1,682	7	36	157	34	260	198	302	347
Credit unions	2,696	2,507	3,237	255	270	471	387	420	514	392
Retailers	1,632	1,538	395	258	84	125	185	58	108	177
Others	341	126	214	-29	61	-44	254	17	16	-43
By type of credit:										
Automobile, total	6,980	935	1,420	389	404	540	488	632	654	710
Commercial banks	4,196	-508	-796	164	163	260	-44	293	239	351
Purchased	2,674	-310	-1,067	76	33	48	40	34	102	166
Direct	1,523	-199	272	88	130	213	-84	259	138	186
Finance companies	1,753	508	929	103	144	89	275	174	230	206
Credit unions	1,024	958	1,239	122	91	184	203	165	192	151
Other	7	-23	48	1	5	6	54	*	-7	1
Mobile homes:										
Commercial banks	1,933	634	-553	-62	-6	-61	-26	-45	-14	-49
Finance companies	462	192	-66	-7	26	-10	-28	-19	-2	-9
Home improvement, total	1,196	946	-100	-6	38	23	106	57	23	18
Commercial banks	483	612	114	23	42	41	30	32	35	27
Revolving credit:										
Bank credit cards	1,428	1,442	798	78	29	-49	107	133	224	134
Bank check credit	479	543	86	17	2	13	23	19	12	32
All other	8,344	5,141	2,133	420	312	440	625	392	615	600
Commercial banks, total	2,479	1,257	213	89	2	107	118	43	75	67
Personal loans	1,491	900	265	119	-6	149	100	33	42	67
Finance companies, total	2,520	906	-462	-27	20	-4	20	49	117	176
Personal loans	1,675	589	-3	-7	15	23	40	114	77	157
Credit unions	1,591	1,473	1,900	127	173	274	173	242	307	228
Retailers	1,632	1,538	395	258	84	125	185	58	108	177
Others	122	-33	87	-28	33	-61	129	*	7	-48

¹ Excludes 30-day charge credit held by retailers, oil and gas companies, and travel and entertainment companies.

² Mutual savings banks, savings and loan associations, and auto dealers.

³ Figures for all months are seasonally adjusted and equal extensions minus liquidations (repayments, charge-offs, and other credits).

INSTALMENT CREDIT EXTENSIONS AND REPAYMENTS

(In millions of dollars)

Holder, and type of credit	1973	1974	1975	1975			1976			
				Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
	Extensions ¹									
TOTAL.....	164,527	166,170	166,833	14,832	14,877	15,295	16,205	15,824	16,318	15,775
By holder:										
Commercial banks.....	72,216	72,602	73,186	6,518	6,599	6,796	6,687	6,939	7,102	6,729
Finance companies.....	43,221	41,809	39,543	3,412	3,712	3,530	4,231	4,054	3,992	3,944
Credit unions.....	21,143	22,403	24,151	2,187	1,995	2,381	2,253	2,248	2,389	2,386
Retailers ²	25,440	27,034	27,369	2,531	2,302	2,431	2,578	2,347	2,596	2,544
Others ³	2,507	2,322	2,584	183	268	158	456	236	238	171
By type of credit:										
Automobile, total.....	46,486	43,431	46,530	4,189	4,218	4,405	4,511	4,378	4,537	4,438
Commercial banks.....	29,368	26,407	26,693	2,434	2,460	2,591	2,361	2,545	2,584	2,560
Purchased.....	17,497	15,575	14,758	1,333	1,310	1,450	1,314	1,377	1,463	1,427
Direct.....	11,871	10,831	11,936	1,101	1,150	1,141	1,047	1,168	1,121	1,134
Finance companies.....	9,685	8,851	9,651	836	831	897	987	912	954	946
Credit unions.....	7,009	7,788	9,702	878	885	875	1,068	881	964	891
Others.....	424	385	484	41	42	42	95	40	35	40
Mobile homes:										
Commercial banks.....	4,437	3,486	2,349	198	233	203	209	211	230	182
Finance companies.....	1,673	1,627	1,018	81	97	88	79	71	81	79
Home improvement, total.....	4,828	4,854	4,333	392	409	418	459	429	421	430
Commercial banks.....	2,489	2,790	2,515	238	243	253	231	241	247	249
Revolving credit:										
Bank credit cards.....	13,862	17,098	19,567	1,698	1,752	1,719	1,840	1,931	2,046	1,907
Bank check credit.....	3,373	4,228	4,214	357	348	412	397	407	390	405
All other.....	89,864	91,455	88,818	7,915	7,819	8,051	8,711	8,397	8,613	8,335
Commercial banks, total.....	18,683	18,602	17,844	1,593	1,562	1,619	1,649	1,604	1,605	1,427
Personal loans.....	12,927	13,177	12,623	1,144	1,076	1,178	1,145	1,139	1,135	1,036
Finance companies, total.....	31,032	30,764	28,654	2,474	2,771	2,527	3,139	3,041	2,941	2,889
Personal loans.....	18,915	18,827	18,406	1,613	1,674	1,513	1,980	1,916	1,801	1,807
Credit unions.....	13,768	14,228	13,992	1,269	1,074	1,461	1,141	1,319	1,376	1,446
Retailers.....	25,440	27,034	27,369	2,531	2,302	2,431	2,578	2,347	2,596	2,544
Others.....	941	827	959	48	111	14	204	86	93	29
Repayments ¹										
TOTAL.....	143,701	156,346	163,113	14,002	14,072	14,401	14,910	14,656	14,805	14,339
By holder:										
Commercial banks.....	61,214	68,631	73,320	6,209	6,367	6,486	6,479	6,464	6,530	6,168
Finance companies.....	38,066	40,127	39,536	3,376	3,555	3,496	3,971	3,856	3,690	3,597
Credit unions.....	18,447	19,896	20,914	1,932	1,725	1,910	1,866	1,828	1,875	1,994
Retailers ²	23,808	25,496	26,974	2,273	2,218	2,306	2,393	2,289	2,488	2,367
Others ³	2,166	2,196	2,370	212	208	202	202	219	222	214
By type of credit:										
Automobile, total.....	39,506	42,496	45,110	3,800	3,814	3,865	4,023	3,746	3,883	3,728
Commercial banks.....	25,172	26,915	27,489	2,271	2,297	2,331	2,405	2,252	2,345	2,209
Purchased.....	14,822	15,886	15,825	1,257	1,277	1,402	1,274	1,343	1,361	1,261
Direct.....	10,348	11,028	11,663	1,013	1,020	928	1,131	909	983	948
Finance companies.....	7,932	8,343	8,722	733	687	808	712	738	724	740
Credit unions.....	5,985	6,830	8,463	756	794	691	865	716	772	740
Others.....	417	408	436	40	37	36	41	40	42	39
Mobile homes:										
Commercial banks.....	2,504	2,852	2,902	260	239	264	235	256	244	231
Finance companies.....	1,211	1,435	1,084	88	72	98	107	90	83	88
Home improvement, total.....	3,632	3,908	4,434	398	371	395	353	372	398	412
Commercial banks.....	2,006	2,178	2,400	214	202	212	201	209	212	222
Revolving credit:										
Bank credit cards.....	12,434	15,656	18,769	1,619	1,723	1,768	1,733	1,798	1,822	1,773
Bank check credit.....	2,894	3,685	4,128	340	346	399	374	388	378	373
All other.....	81,520	86,314	86,689	7,496	7,507	7,611	8,086	8,005	7,998	7,735
Commercial banks, total.....	16,204	17,345	17,635	1,504	1,560	1,512	1,531	1,561	1,530	1,360
Personal loans.....	11,436	12,277	12,361	1,025	1,082	1,029	1,045	1,106	1,093	969
Finance companies, total.....	28,512	29,858	29,116	2,501	2,751	2,531	3,119	2,992	2,824	2,713
Personal loans.....	17,240	18,238	18,403	1,620	1,659	1,490	1,940	1,802	1,724	1,650
Credit unions.....	12,177	12,755	12,092	1,142	901	1,187	968	1,077	1,069	1,218
Retailers.....	23,808	25,496	26,974	2,273	2,218	2,306	2,393	2,289	2,488	2,367
Others.....	819	860	872	76	77	75	75	86	86	77

¹ Monthly figures are seasonally adjusted.³ Mutual savings banks, savings and loan associations, and auto dealers.² Excludes 30-day charge credit held by retailers, oil and gas companies, and travel and entertainment companies.

MARKET GROUPINGS

(Seasonally adjusted, 1967 = 100)

Grouping	1967 pro- portion	1975 aver- age	1975								1976				
			May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb. ^r	Mar.	Apr. ^p	May ^e
Total index.....	100.0	113.8	110.1	111.1	112.2	114.2	116.2	116.7	117.6	118.4	119.5	120.8	121.7	122.3	123.2
Products, total.....	62.21	115.7	113.4	114.2	115.3	115.8	116.9	116.9	118.0	119.3	120.2	121.4	121.4	122.0	122.8
Final products.....	48.95	115.5	113.7	114.5	115.7	115.9	116.9	117.0	117.9	119.0	119.6	120.7	120.7	121.4	122.6
Consumer goods.....	28.53	124.0	121.2	123.3	125.5	125.7	126.8	127.0	128.9	130.2	130.9	132.0	131.8	132.8	133.9
Equipment.....	20.42	103.6	102.9	102.2	102.2	102.3	102.8	102.6	102.5	103.5	103.8	104.8	105.0	105.4	106.9
Intermediate products.....	13.26	116.3	112.4	112.8	114.3	115.4	116.6	117.0	118.5	120.3	122.4	123.5	124.0	124.1	123.5
Materials.....	37.79	110.6	104.9	106.0	106.8	111.5	115.1	116.5	116.8	116.8	118.3	120.0	122.2	122.7	123.8
Consumer goods															
Durable consumer goods.....	7.86	112.5	110.5	113.2	115.9	116.1	118.3	118.3	118.8	119.5	120.9	123.1	124.9	126.5	127.7
Automotive products.....	2.84	99.1	97.6	103.4	106.9	105.9	106.7	108.9	109.3	111.3	111.6	114.8	116.2	117.2	116.9
Autos.....	1.87	86.9	86.3	93.2	97.7	96.8	97.9	101.2	100.0	100.1	99.2	105.2	108.5	113.4	113.8
Auto parts and allied goods.....	.97	122.3	119.3	122.8	124.8	123.2	123.5	123.9	127.2	132.7	135.2	133.3	131.0	124.5	122.9
Home goods.....	5.02	120.2	117.8	118.8	121.0	121.9	125.0	123.6	124.2	124.1	126.2	127.7	129.9	131.7	133.6
Appliances, TV, and radios.....	1.41	101.9	102.4	103.5	104.8	106.5	108.4	105.4	104.6	106.0	111.4	113.2	118.3	123.2	126.4
Appliances and A/C.....	.92	118.4	118.4	118.3	118.9	122.2	124.1	123.4	122.8	123.9	128.5	132.6	134.4	138.9	.....
TV and home audio.....	.49	70.8	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Carpeting and furniture.....	1.08	133.8	128.6	131.1	135.5	136.0	137.6	137.9	139.3	138.7	139.1	138.0	140.7	143.5	.....
Misc. home goods.....	2.53	124.5	121.7	122.1	124.0	124.5	129.0	127.4	128.8	128.1	129.1	131.6	131.9	131.2	131.5
Nondurable consumer goods.....	20.67	128.4	125.3	127.2	129.0	129.4	130.1	130.5	132.7	134.4	134.6	135.4	134.4	135.1	136.3
Clothing.....	4.32	99.0	94.4	97.7	101.6	102.0	101.5	104.5	106.2	108.2	109.5	110.1	109.1	.....	.....
Consumer staples.....	16.34	136.2	133.5	134.9	136.3	136.6	137.8	137.3	139.7	141.4	141.3	142.0	141.1	141.6	142.9
Consumer foods and tobacco.....	8.37	125.3	122.4	124.2	125.5	125.8	126.4	127.2	130.0	130.6	130.4	130.4	128.6	129.3	131.0
Nonfood staples.....	7.98	147.7	145.3	146.4	147.7	148.0	149.9	148.1	150.0	152.7	152.7	154.1	154.2	154.4	155.1
Consumer chemical products.....	2.64	161.3	158.4	159.2	161.2	160.4	161.6	161.7	167.9	169.0	167.9	169.8	169.9	167.8	.....
Consumer paper products.....	1.91	125.1	122.8	123.3	124.1	126.7	127.7	126.4	125.5	131.9	132.7	134.1	132.3	133.5	.....
Consumer fuel and lighting.....	3.43	149.9	147.8	149.4	150.4	150.3	153.2	149.5	149.8	151.7	152.3	153.4	154.5	155.9	.....
Residential utilities.....	2.25	161.8	160.9	161.3	160.5	161.1	164.8	160.1	161.5	163.1	165.8	.....	.....	.....	.....
Equipment															
Business equipment.....	12.74	116.7	115.0	113.9	113.9	114.9	115.6	115.7	116.5	118.2	118.4	120.4	120.9	121.8	123.8
Industrial equipment.....	6.77	116.8	115.3	114.0	113.3	113.4	114.5	115.4	116.3	118.4	118.7	119.5	120.3	121.5	123.7
Building and mining equip.....	1.45	133.7	131.7	127.7	126.9	128.3	129.7	133.1	136.5	138.0	138.8	138.0	136.5	137.9	140.2
Manufacturing equipment.....	3.85	106.0	105.0	104.3	105.5	105.2	104.5	104.0	103.6	105.9	106.1	108.1	109.8	111.2	113.0
Power equipment.....	1.47	128.2	126.2	125.8	120.3	120.8	125.7	127.9	129.3	131.3	131.7	130.5	131.6	132.3	135.2
Commercial, transit, farm equip.....	5.97	116.6	114.7	113.9	114.6	116.4	116.9	116.2	116.7	118.0	118.2	121.4	121.5	122.0	124.0
Commercial equipment.....	3.30	125.1	121.5	120.7	123.0	123.4	122.6	123.3	123.3	125.3	125.7	127.4	129.2	129.4	129.6
Transit equipment.....	2.00	98.1	98.6	98.0	98.0	101.5	105.0	100.4	101.7	102.9	102.5	108.6	107.4	107.2	112.6
Farm equipment.....	.67	130.4	129.0	127.3	122.9	127.7	124.3	128.0	128.6	126.8	128.5	130.1	126.2	129.8	.....
Defense and space equipment.....	7.68	81.8	82.7	82.9	82.6	81.4	81.6	81.1	79.4	79.0	79.3	79.1	78.8	78.2	78.9
Military products.....	5.15	80.5	82.0	82.0	82.1	80.6	80.7	80.2	77.3	77.0	76.5	76.4	76.0	75.2	75.5
Intermediate products															
Construction products.....	5.93	112.4	107.6	106.8	108.0	109.3	112.0	112.5	112.5	114.2	116.9	117.6	118.4	118.7	118.2
Misc. intermediate products.....	7.34	119.7	116.2	117.4	119.3	120.3	120.3	120.7	123.3	125.3	127.1	128.2	128.7	128.4	.....
Materials															
Durable goods materials.....	20.91	106.5	100.2	99.8	100.3	106.1	108.7	110.2	110.9	110.8	113.0	115.2	116.9	117.9	119.2
Consumer durable parts.....	4.75	94.0	87.7	90.8	92.8	101.7	103.0	102.4	102.8	103.1	104.8	106.9	108.6	108.2	109.2
Equipment parts.....	5.41	106.4	102.1	97.3	96.8	100.7	102.4	105.2	107.9	107.9	108.7	109.2	110.2	111.2	112.2
Durable materials n.e.c.....	10.75	112.1	104.7	105.1	105.3	111.0	114.5	116.3	116.1	115.7	118.9	121.9	124.0	125.5	127.1
Nondurable goods materials.....	13.99	115.0	109.5	112.3	114.0	118.3	123.4	125.0	124.9	125.7	126.4	127.3	128.7	129.6	130.4
Textile, paper, and chem. mat.....	8.58	121.2	113.2	117.0	118.9	126.0	133.9	136.1	136.3	137.7	138.8	139.8	141.0	142.4	143.5
Nondurable materials n.e.c.....	5.41	105.1	103.7	105.1	106.2	106.0	106.7	107.3	106.9	106.6	106.8	107.5	109.3	109.3	109.7
Fuel and power, industrial.....	2.89	118.7	118.0	119.5	121.1	118.4	121.3	120.6	120.7	117.2	118.6	120.3	127.4	123.7	125.3
Supplementary groups															
Home goods and clothing.....	9.34	110.3	106.9	109.1	112.0	112.8	114.2	114.7	115.8	116.7	118.5	119.6	120.3	121.8	123.4
Containers.....	1.82	129.9	124.3	128.4	132.8	133.5	142.7	137.6	133.9	133.3	140.8	142.4	148.1	143.4	.....
Gross value of products in market structure															
(In billions of 1963 dollars)															
Products, total.....	286.3	.....	408.6	414.5	416.1	418.1	426.1	425.8	430.9	435.1	437.0	442.7	444.5	445.4	445.4
Final products.....	221.4	.....	319.4	325.0	325.2	326.3	332.9	333.7	336.5	338.9	339.7	344.0	345.4	346.7	347.4
Consumer goods.....	136.3	.....	217.8	223.6	224.9	225.4	230.8	231.7	234.9	237.0	237.2	239.6	240.9	241.9	241.6
Equipment.....	65.3	.....	101.5	101.3	100.5	100.9	102.3	101.7	101.8	102.0	102.4	104.2	104.3	104.7	105.9
Intermediate products.....	64.9	.....	89.2	89.6	91.1	92.9	92.9	93.0	94.1	96.0	97.7	98.6	99.1	98.8	97.8

For NOTE see opposite page.

INDUSTRY GROUPINGS

(Seasonally adjusted, 1967 = 100)

Grouping	1967 pro- por- tion	1975 aver- age	1975								1976				
			May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb. ^r	Mar.	Apr. ^p	May ^e
Manufacturing.....	88.55	112.2	108.2	109.5	110.6	112.8	114.7	115.8	116.3	117.0	118.1	119.9	120.3	121.1	122.0
Durable.....	52.33	105.8	102.5	103.2	103.4	105.4	107.0	107.6	107.8	108.1	109.0	111.3	111.4	112.9	114.3
Nondurable.....	36.22	121.4	116.2	118.6	120.8	123.4	125.7	127.2	128.7	130.0	131.4	132.3	133.2	132.9	133.2
Mining and utilities.....	11.45	127.5	126.5	126.8	127.5	127.0	127.8	127.0	127.6	127.7	129.3	129.2	131.8	131.3	132.2
Mining.....	6.37	106.6	105.9	106.3	106.4	105.0	105.3	106.4	106.9	105.4	105.5	104.8	108.7	106.8	107.9
Utilities.....	5.08	153.7	152.3	152.6	153.9	154.6	156.1	152.9	153.9	155.7	159.2	159.9	160.9	162.1	162.7
Durable manufactures															
Primary and fabricated metals.....	12.55	105.6	99.8	100.8	100.7	104.1	106.1	105.9	107.1	105.6	108.5	112.0	111.0	113.5	115.7
Primary metals.....	6.61	97.2	89.9	91.8	92.8	96.5	97.2	97.0	98.1	95.1	99.9	104.7	102.8	106.3	110.8
Iron and steel, subtotal.....	4.23	96.1	90.1	88.7	87.0	90.4	91.3	93.2	96.0	92.2	96.2	101.4	98.4	102.5	106.5
Fabricated metal products.....	5.94	114.8	100.9	110.9	109.7	112.7	116.1	115.9	117.3	117.3	117.8	120.0	120.0	121.5	121.1
Machinery and allied goods.....	32.44	104.0	101.7	102.3	102.4	103.7	105.0	105.8	106.2	106.8	106.7	108.4	109.1	110.3	111.4
Machinery.....	17.39	112.8	109.0	108.2	108.4	110.0	111.7	112.9	114.2	115.1	115.3	117.3	118.3	119.7	120.8
Nonelectrical machinery.....	9.17	118.7	113.7	112.3	112.9	115.1	116.7	117.7	119.2	119.9	119.9	121.4	122.1	123.4	124.3
Electrical machinery.....	8.22	106.2	103.8	103.8	103.4	104.4	106.1	107.6	108.6	109.6	110.4	112.6	114.1	115.7	117.0
Transportation equipment.....	9.29	88.4	87.6	90.5	91.0	92.9	94.3	94.7	94.1	95.5	94.4	96.3	97.4	98.8	101.1
Motor vehicles and parts.....	4.56	98.1	95.0	100.0	103.2	107.2	110.1	111.0	109.4	110.4	110.0	114.3	118.1	122.2	123.5
Aerospace and misc. trans. eq... Instruments.....	4.73 2.07	79.0 133.7	80.4 129.7	81.3 131.0	79.3 132.1	79.1 134.5	79.2 134.5	79.0 134.5	79.4 137.0	81.1 138.7	79.4 140.9	78.9 142.9	77.3 141.2	76.3 142.2	79.5 141.3
Ordnance, private and Govt.....	3.69	85.0	86.7	87.7	86.4	84.3	84.2	83.9	81.7	78.7	77.8	77.6	77.4	76.6	76.5
Lumber, clay, and glass.....	4.44	109.1	105.9	107.0	108.2	110.6	113.1	114.4	112.6	113.9	118.0	117.5	118.5	119.4	120.0
Lumber and products.....	1.65	109.7	108.0	110.3	112.0	114.5	115.5	116.8	115.0	116.1	121.9	121.5	119.2	120.8	.....
Clay, glass, and stone products....	2.79	108.8	104.7	105.1	106.2	108.3	111.7	113.0	111.2	112.6	115.7	115.3	118.2	118.6	.....
Furniture and miscellaneous.....	2.90	121.5	119.7	120.1	121.1	123.1	124.3	124.6	122.9	124.1	124.0	129.5	129.2	128.6	131.1
Furniture and fixtures.....	1.38	109.6	109.6	107.9	109.4	109.6	110.6	110.8	111.0	112.2	115.1	116.2	115.6	116.3	.....
Miscellaneous manufactures.....	1.52	132.3	129.0	131.1	131.8	135.3	136.7	137.2	133.7	135.1	132.1	141.8	141.6	139.9	.....
Nondurable manufactures															
Textiles, apparel, and leather.....	6.90	98.0	93.2	94.9	97.4	100.2	104.0	106.0	108.4	109.7	111.3	109.4	110.0	111.1	112.4
Textile mill products.....	2.69	109.9	103.8	106.9	110.7	115.0	121.2	123.2	125.2	126.8	126.7	122.2	125.6	125.2	.....
Apparel products.....	3.33	94.7	90.9	91.5	92.9	95.8	96.1	98.0	101.3	103.2	106.1	105.6	104.3	.....	.....
Leather and products.....	.88	73.8	70.0	71.2	73.5	71.7	81.2	83.8	83.5	81.5	83.4	84.2	83.2	92.4	.....
Paper and printing.....	7.92	109.6	103.9	107.3	107.4	110.8	113.9	114.8	114.7	116.8	119.6	120.0	121.2	121.0	121.4
Paper and products.....	3.18	115.7	105.8	109.5	111.7	116.4	124.0	127.0	127.3	129.2	132.6	135.0	137.0	136.4	.....
Printing and publishing.....	4.74	105.5	102.6	105.9	104.4	107.1	107.1	106.5	106.2	108.5	110.8	110.0	110.5	110.6	112.4
Chemicals, petroleum, and rubber....	11.92	140.3	132.4	136.2	140.1	143.6	146.2	148.5	150.2	151.1	151.6	155.6	158.3	155.6	154.5
Chemicals and products.....	7.86	143.2	135.7	138.2	143.4	146.3	148.8	152.5	155.2	156.3	156.8	158.6	161.4	159.7	160.4
Petroleum products.....	1.80	124.5	118.5	122.4	124.6	126.7	127.1	126.5	126.8	128.7	123.6	127.7	129.5	131.6	129.7
Rubber and plastics products.....	2.26	142.7	132.7	140.1	141.6	147.8	152.0	153.1	151.5	151.2	156.0	167.5	170.8	160.9	.....
Foods and tobacco.....	9.48	124.5	122.4	123.5	124.8	125.2	126.0	126.3	128.0	129.4	130.3	129.6	128.6	130.0	131.5
Foods.....	8.81	125.9	123.7	125.1	126.3	126.7	127.4	127.3	129.1	130.7	131.5	130.7	129.5	131.1	132.8
Tobacco products.....	.67	107.3	103.8	102.2	104.8	105.7	109.3	111.9	113.7	109.9	114.1	115.8	117.4	.....	.....
Mining															
Metal, stone, and earth minerals.....	1.26	109.8	106.2	101.5	105.0	107.2	107.2	108.0	110.0	108.2	112.1	116.3	116.5	115.8	115.7
Metal mining.....	.51	121.7	114.8	110.6	110.3	119.2	118.5	119.8	122.1	120.9	124.8	128.7	130.2	128.7	.....
Stone and earth minerals.....	.76	101.7	100.4	95.3	101.4	98.9	99.5	100.0	101.7	99.6	103.6	107.9	107.3	107.1	.....
Coal, oil, and gas.....	5.11	105.8	105.8	107.6	106.7	104.4	104.8	106.1	105.9	104.7	103.8	102.0	106.8	104.5	105.9
Coal.....	.69	113.8	113.6	120.4	120.6	105.7	113.6	114.6	119.9	107.8	109.4	115.0	139.8	119.4	122.0
Oil and gas extraction.....	4.42	104.6	104.5	105.5	104.5	104.2	103.4	104.8	103.8	104.3	102.9	100.0	101.7	102.2	103.3
Utilities															
Electric.....	3.90	164.7	163.0	163.3	164.9	165.9	167.8	163.4	165.0	167.6	172.0	.....	.....	.....	.....
Gas.....	1.17	117.1	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

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

SELECTED BUSINESS INDEXES

(1967 = 100, except as noted)

Period	Industrial production								Ca- pacity utiliza- tion in mfg. (1967 output = 100)	Con- struc- tion con- tracts	Nonag- ricul- tural em- ploy- ment— Total ¹	Manu- facturing ²		Total retail sales ³	Prices ⁴	
	Total	Market					In- dustry	Em- ploy- ment				Pay- rolls	Con- sumer		Whole- sale com- modity	
		Products														
		Total	Final			Inter- mediate										Materi- als
			Total	Con- sumer goods	Equip- ment											
1955.....	58.5	56.6	54.9	59.5	48.9	62.6	61.5	58.2	90.0	.....	76.9	92.9	61.1	59	80.2	87.8
1956.....	61.1	59.7	58.2	61.7	53.7	65.3	63.1	60.5	88.2	.....	79.6	93.9	64.6	61	81.4	90.7
1957.....	61.9	61.1	59.9	63.2	55.9	65.3	63.1	61.2	84.5	.....	80.3	92.2	65.4	64	84.3	93.3
1958.....	57.9	58.6	57.1	62.6	50.0	63.9	56.8	56.9	75.1	.....	78.0	83.9	60.3	64	86.6	94.6
1959.....	64.8	64.4	62.7	68.7	54.9	70.5	65.5	64.1	81.4	.....	81.0	88.1	67.8	69	87.3	94.8
1960.....	66.2	66.2	64.8	71.3	56.4	71.0	66.4	65.4	80.1	68.6	82.4	88.0	68.8	70	88.7	94.9
1961.....	66.7	66.9	65.3	72.8	55.6	72.4	66.4	65.6	77.6	70.2	82.1	84.5	68.0	70	89.6	94.5
1962.....	72.2	72.1	70.8	77.7	61.9	76.9	72.4	71.4	81.4	78.1	84.4	87.3	73.3	75	90.6	94.8
1963.....	76.5	76.2	74.9	82.0	65.6	81.1	77.0	75.8	83.0	86.1	86.1	87.8	76.0	79	91.7	94.5
1964.....	81.7	81.2	79.6	86.8	70.1	87.3	82.6	81.2	85.5	89.4	88.6	89.3	80.1	83	92.9	94.7
1965.....	89.2	88.1	86.8	93.0	78.7	93.0	91.0	89.1	89.0	93.2	92.3	93.9	88.1	90	94.5	96.6
1966.....	97.9	96.8	96.1	98.6	93.0	99.2	99.8	98.3	91.9	94.8	97.1	99.9	97.8	97	97.2	99.8
1967.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	87.9	100.0	100.0	100.0	100.0	100	100.0	100.0
1968.....	105.7	105.8	105.8	106.6	104.7	105.7	105.7	105.7	87.7	113.2	103.2	101.4	108.3	109	104.2	102.5
1969.....	110.7	109.7	109.0	111.1	106.1	112.0	112.4	110.5	86.5	123.7	106.9	103.2	116.6	114	109.8	106.5
1970.....	106.6	106.0	104.5	110.3	96.3	111.7	107.7	105.2	78.3	123.1	107.7	98.1	114.1	119	116.3	110.4
1971.....	106.8	106.4	104.7	115.7	89.4	112.6	107.4	105.2	75.0	145.4	108.1	94.2	116.7	130	121.2	113.9
1972.....	115.2	113.8	111.9	123.6	95.5	121.1	117.4	114.0	78.6	165.3	111.9	97.6	131.5	142	125.3	119.8
1973.....	125.6	123.4	121.3	131.7	106.7	131.1	129.3	125.2	83.0	179.5	116.8	103.2	149.2	160	133.1	134.7
1974.....	124.8	123.1	121.7	128.8	111.7	128.3	127.4	124.4	78.9	169.7	119.1	102.1	157.1	171	147.7	160.1
1975.....	113.8	115.7	115.5	124.0	103.6	116.3	110.6	112.2	68.7	166.0	116.9	91.4	151.0	186	161.2	174.9
1975—Apr.....	109.9	113.0	112.6	119.7	103.0	113.4	105.2	107.9	67.0	189.0	116.1	89.9	144.7	179	158.6	172.1
May.....	110.1	113.4	113.7	121.2	102.9	112.4	104.9	108.2		182.0	116.2	90.1	144.7	184	159.3	173.2
June.....	111.1	114.2	114.5	123.3	102.2	112.8	106.0	109.5		174.0	115.9	89.8	146.4	186	160.6	173.7
July.....	112.2	115.3	115.7	125.5	102.2	114.3	106.8	110.6	*69.0	165.0	116.4	89.7	148.7	190	162.3	175.7
Aug.....	114.2	115.8	115.9	125.7	102.3	115.4	111.5	112.8		208.0	116.9	90.9	154.2	191	162.8	176.7
Sept.....	116.2	116.9	116.9	126.8	102.8	116.6	115.1	114.7		157.0	117.4	92.0	157.0	189	163.6	177.7
Oct.....	116.7	116.9	117.0	127.0	102.6	117.0	116.5	115.8	*70.7	166.0	117.8	92.5	158.4	192	164.6	178.9
Nov.....	117.6	118.0	117.9	128.9	102.5	118.5	116.8	116.3		148.0	117.8	92.4	158.9	192	165.6	178.2
Dec.....	118.4	119.3	119.0	130.2	103.5	120.3	116.8	117.0		137.0	118.1	93.0	162.3	198	166.3	178.7
1976—Jan.....	119.5	120.2	119.6	130.9	103.8	122.4	118.3	118.1	*71.9	183.0	118.7	94.0	165.9	197	166.7	179.3
Feb.....	120.8	121.4	120.7	132.0	104.8	123.5	120.0	119.9		170.0	119.0	94.3	165.4	201	167.1	179.3
Mar.....	121.7	121.4	120.7	131.8	105.0	124.0	122.2	120.3		185.0	119.4	94.9	167.4	204	167.5	179.6
Apr.....	122.3	122.0	121.4	132.8	105.4	124.1	122.7	121.1		189.0	119.9	95.5	165.9	204	168.2	181.3
May.....	123.2	122.8	122.6	133.9	106.9	123.5	123.8	122.0		120.0	95.2	170.9	201

¹ Employees only; excludes personnel in the Armed Forces.² Production workers only. Revised back to 1973.³ F.R. index based on Census Bureau figures.⁴ Prices are not seasonally adjusted. Latest figure is final.NOTE.—All series: Data are seasonally adjusted unless otherwise noted.
Capacity utilization: Based on data from Federal Reserve, McGraw-Hill Economics Department, and Dept. of Commerce.

Construction contracts: McGraw-Hill Information Systems Company, F.W. Dodge Division, monthly index of dollar value of total construction contracts, including residential, nonresidential, and heavy engineering.

Employment and payrolls: Based on Bureau of Labor Statistics data; includes data for Alaska and Hawaii beginning with 1959.

Prices: Bureau of Labor Statistics data.

CONSTRUCTION CONTRACTS AND PRIVATE HOUSING PERMITS

(In millions of dollars, except as noted)

Type of ownership and type of construction	1974	1975	1975									1976			
			Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Total construction contracts ¹	93,685	90,237	9,598	9,143	9,324	9,044	10,037	7,692	7,767	5,573	5,431	6,390	6,149	8,908	9,408
By type of ownership:															
Public.....	32,062	31,415	2,768	2,875	3,891	3,784	3,040	2,725	2,544	1,597	1,724	1,655	1,719	2,192	2,383
Private ¹	61,623	58,822	6,830	6,268	5,432	5,260	6,997	4,967	5,223	3,976	3,708	4,734	4,430	6,716	7,025
By type of construction:															
Residential building ¹	33,567	31,347	3,029	3,073	3,116	3,093	2,784	2,966	3,189	2,404	2,233	2,157	2,546	3,618	4,003
Nonresidential building.....	33,131	30,577	2,987	2,877	3,169	3,165	2,666	2,526	2,629	1,859	1,865	1,939	1,996	2,561	2,741
Nonbuilding.....	26,987	28,313	3,582	3,193	3,040	2,786	4,587	2,200	1,949	1,309	1,334	2,294	1,608	2,729	2,664
Private housing units authorized... (In thousands, S.A., A.R.)	1,074	925	837	912	949	1,042	995	1,095	1,079	1,085	1,028	1,120	1,134	1,134	1,102

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.

NOTE.—Dollar value of construction contracts as reported by the McGraw-Hill Information Systems Company, F.W. Dodge Division. Totals of monthly data may differ from annual totals because adjustments 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.

VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total ¹	Private							Public ¹				
		Total	Resi- dential	Nonresidential				Public Utilities and Other	Total	Mili- tary	High- way	Conser- vation and develop- ment	Other
				Total	Buildings								
					Indus- trial	Com- mercial	Other build- ings ²						
1967.....	78,082	52,546	25,564	26,982	6,021	7,761	4,382	10,759	25,536	695	8,591	2,124	14,126
1968.....	87,093	59,488	30,565	28,923	6,021	7,761	4,382	10,759	27,605	808	9,321	1,973	15,503
1969.....	93,917	65,953	33,200	32,753	6,783	9,401	4,971	11,598	27,964	879	9,250	1,783	16,052
1970.....	94,855	66,759	31,864	34,895	6,518	9,754	5,125	13,498	28,096	718	9,981	1,908	15,489
1971.....	109,950	80,079	43,267	36,812	5,423	11,619	5,437	14,333	29,871	901	10,658	2,095	16,217
1972.....	124,085	93,901	54,288	39,613	4,676	13,464	5,898	15,575	30,184	1,087	10,429	2,172	16,496
1973.....	135,953	103,444	57,635	45,809	6,243	15,453	5,888	18,225	32,509	1,170	10,506	2,313	18,520
1974.....	135,481	97,079	47,044	50,035	7,902	15,945	5,797	20,391	38,402	1,185	12,083	2,782	22,352
1975.....	130,779	89,897	42,880	47,017	7,847	12,810	5,587	20,773	40,882	1,396	.....	.....	.....
1975—Apr.....	121,027	84,742	37,574	47,168	7,500	12,765	5,636	21,267	36,285	1,473	10,963	2,769	21,080
May.....	121,698	84,252	38,531	45,721	8,197	12,109	5,268	20,147	37,446	1,180	12,227	3,132	20,907
June.....	126,884	84,982	40,431	44,551	7,677	11,756	5,415	19,703	41,902	1,120	12,538	3,481	24,763
July.....	128,977	88,344	43,267	45,077	7,714	11,978	5,319	20,066	40,633	1,309	12,536	3,417	23,371
Aug.....	132,144	90,633	45,271	45,362	7,621	12,586	5,611	19,544	41,511	1,383	13,164	3,387	23,577
Sept.....	137,551	92,973	46,125	46,848	7,889	12,431	5,843	20,685	44,578	1,662	14,152	3,442	25,322
Oct.....	135,805	93,419	47,080	46,339	7,470	12,506	5,589	20,774	42,386	1,493	14,076	3,194	23,623
Nov.....	138,047	96,029	48,324	47,705	7,750	12,634	5,771	21,550	42,018	1,661	12,497	3,554	24,306
Dec.....	137,987	96,526	49,133	47,393	7,548	12,401	5,611	21,833	41,461	1,561	13,590	3,858	22,452
1976—Jan.....	134,335	97,032	48,964	48,068	7,464	11,854	5,764	22,986	37,303	1,534	.....	.....	.....
Feb.....	134,129	99,289	49,518	49,771	8,168	13,152	6,363	22,088	34,840	1,705	.....	.....	.....
Mar.....	139,527	101,785	51,824	49,961	7,605	13,238	6,031	23,087	37,742	1,510	.....	.....	.....
Apr.....	138,259	99,820	52,414	47,406	6,859	11,994	5,495	23,058	38,439	1,698	.....	.....	.....

¹ Data beginning Jan. 1976 are not strictly comparable with prior data because of change by Census Bureau in its procedure for estimating construction outlays of State and local governments. Such governments accounted for 86 per cent of all public construction expenditures in 1974.

² Includes religious, educational, hospital, institutional, and other buildings.

NOTE.—Census Bureau data; monthly series at seasonally adjusted annual rates.

PRIVATE HOUSING ACTIVITY

(In thousands of units)

Period	Starts			Completions			Under construction (end of period)			Mobile home ship- ments	New 1-family homes sold and for sale ¹			
	Total	1- family	2-or- more family	Total	1- family	2-or- more family	Total	1- family	2-or- more family		Units		Median prices (in thousands of dollars) of units	
											Sold	For sale (end of per- iod)	Sold	For sale
1966.....	1,165	779	386	.....	.....	.....	.....	.....	.....	217	461	196	21.4	22.8
1967.....	1,292	844	448	.....	.....	.....	.....	.....	.....	240	487	190	22.7	23.6
1968.....	1,508	899	608	1,320	859	461	.....	.....	.....	318	490	218	24.7	24.6
1969.....	1,467	811	656	1,399	807	591	885	350	535	413	448	228	25.6	27.0
1970.....	1,434	813	621	1,418	802	617	922	381	541	401	485	227	23.4	26.2
1971.....	2,052	1,151	901	1,706	1,014	692	1,254	505	749	497	656	294	25.2	25.9
1972.....	2,357	1,309	1,047	1,971	1,143	828	1,586	640	947	576	718	416	27.6	28.3
1973.....	2,045	1,132	913	2,014	1,174	840	1,599	583	1,016	567	620	456	32.5	32.9
1974.....	1,338	888	450	1,692	931	760	1,189	516	673	329	501	407	35.9	36.2
1975.....	1,161	892	268	1,295	866	430	1,005	532	473	216	.....	383	.....	.....
1975—Apr.....	982	774	208	1,244	782	462	1,087	515	573	194	556	388	39.2	36.7
May.....	1,085	853	232	1,269	827	442	1,060	513	546	224	554	383	39.5	36.9
June.....	1,080	874	206	1,202	808	394	1,045	517	528	210	551	379	37.9	37.2
July.....	1,207	916	291	1,261	882	379	1,039	521	518	225	548	381	38.6	37.4
Aug.....	1,264	979	285	1,267	880	387	1,036	528	507	235	573	378	38.2	37.8
Sept.....	1,304	966	338	1,315	969	346	1,037	532	505	215	571	384	39.7	38.2
Oct.....	1,431	1,093	338	1,115	738	377	1,061	560	504	229	610	389	40.7	38.4
Nov.....	1,381	1,048	333	1,386	992	394	1,037	555	482	232	660	381	41.1	38.6
Dec.....	1,283	962	321	1,329	993	336	1,038	559	479	228	641	378	42.2	38.9
1976—Jan.....	1,236	957	279	1,213	926	287	1,041	562	479	263	570	380	41.5	39.1
Feb. ^a	1,547	1,295	252	1,294	945	349	1,053	582	471	287	677	386	42.8	39.3
Mar.....	1,433	1,119	314	1,348	1,007	341	1,058	594	464	244	555	391	43.7	39.6
Apr. ^b	1,372	1,067	305	.....	.....	.....	.....	.....	.....	246	.....	.....	.....	.....

¹ Merchant builders only.

NOTE.—All series except prices, seasonally adjusted. Annual rates for starts, completions, mobile home shipments, and sales. Census data except

for mobile homes, which are private, domestic shipments as reported by the Mobile Home Manufacturers' Assn. and seasonally adjusted by Census Bureau. Data for units under construction seasonally adjusted by Federal Reserve.

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

(In thousands of persons, except as noted)

Period	Total non-institutional 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.)
				Total	Employed ¹			Unemployed	
					Total	In nonagricultural industries	In agriculture		
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
1974.....	150,827	57,587	93,240	91,011	85,936	82,443	3,492	5,076	5.6
1975.....	153,449	58,655	94,793	92,613	84,783	81,403	3,380	7,830	8.5
1975—May.....	153,051	59,101	94,950	92,769	84,519	80,991	3,528	8,250	8.9
June.....	153,278	57,087	94,747	92,569	84,498	81,148	3,350	8,071	8.7
July.....	153,585	56,540	95,249	93,063	84,967	81,528	3,439	8,096	8.7
Aug.....	153,824	57,331	95,397	93,212	85,288	81,824	3,464	7,924	8.5
Sept.....	154,052	59,087	95,298	93,128	85,158	81,646	3,512	7,970	8.6
Oct.....	154,256	58,825	95,377	93,213	85,151	81,743	3,408	8,062	8.6
Nov.....	154,476	59,533	95,272	93,117	85,178	81,877	3,301	7,939	8.5
Dec.....	154,700	59,812	95,286	93,129	85,394	82,158	3,236	7,735	8.3
1976—Jan.....	154,915	60,110	95,624	93,484	86,194	82,851	3,343	7,290	7.8
Feb.....	155,106	60,163	95,601	93,455	86,319	83,149	3,170	7,136	7.6
Mar.....	155,325	60,065	95,866	93,719	86,692	83,513	3,179	7,027	7.5
Apr.....	155,516	59,898	96,583	94,439	87,399	83,982	3,417	7,040	7.5
May.....	155,711	59,988	96,699	94,557	87,697	84,368	3,329	6,860	7.3

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 12th 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 and public utilities	Trade	Finance	Service	Government
1970.....	70,920	19,349	623	3,536	4,504	15,040	3,687	11,621	12,561
1971.....	71,216	18,572	603	3,639	4,457	15,352	3,802	11,903	12,887
1972.....	73,711	19,090	622	3,831	4,517	15,975	3,943	12,392	13,340
1973.....	76,896	20,068	644	4,015	4,644	16,674	4,091	13,021	13,739
1974.....	78,413	20,046	694	3,957	4,696	17,017	4,208	13,617	14,177
1975.....	76,987	18,342	745	3,462	4,499	16,949	4,473	13,996	14,771
SEASONALLY ADJUSTED									
1975—May.....	76,510	18,162	738	3,439	4,491	16,857	4,208	13,889	14,726
June.....	76,343	18,100	741	3,392	4,469	16,877	4,202	13,871	14,691
July.....	76,679	18,084	743	3,395	4,464	16,984	4,203	13,990	14,816
Aug.....	77,023	18,254	749	3,415	4,466	17,016	4,218	14,054	14,855
Sept.....	77,310	18,417	752	3,432	4,467	17,045	4,239	14,113	14,845
Oct.....	77,555	18,493	774	3,402	4,476	17,043	4,246	14,157	14,964
Nov.....	77,574	18,482	766	3,409	4,496	17,010	4,248	14,188	14,975
Dec.....	77,796	18,568	769	3,406	4,477	17,080	4,264	14,229	15,003
1976—Jan.....	78,179	18,722	764	3,428	4,494	17,233	4,266	14,307	14,965
Feb.....	78,368	18,763	763	3,375	4,517	17,326	4,266	14,360	14,998
Mar.....	78,630	18,877	770	3,366	4,498	17,386	4,276	14,422	15,035
Apr. ^p	78,942	18,969	773	3,392	4,512	17,444	4,290	14,488	15,074
May ^p	78,999	18,928	771	3,402	4,497	17,457	4,285	14,559	15,100
NOT SEASONALLY ADJUSTED									
1975—May.....	76,689	18,071	740	3,439	4,487	16,819	4,208	13,986	14,939
June.....	77,183	18,255	756	3,555	4,523	16,971	4,248	14,079	14,796
July.....	76,439	18,007	758	3,605	4,504	16,936	4,266	14,144	14,219
Aug.....	76,900	18,450	763	3,688	4,493	16,959	4,273	14,162	14,112
Sept.....	77,614	18,694	758	3,659	4,503	17,084	4,243	14,113	14,560
Oct.....	78,193	18,687	763	3,620	4,503	17,136	4,238	14,185	15,061
Nov.....	78,339	18,635	763	3,522	4,509	17,313	4,235	14,174	15,188
Dec.....	78,527	18,584	763	3,338	4,477	17,737	4,243	14,158	15,227
1976—Jan.....	77,091	18,495	756	3,061	4,440	17,026	4,223	14,049	15,041
Feb.....	77,339	18,545	752	3,014	4,445	16,926	4,228	14,188	15,241
Mar.....	77,906	18,679	759	3,103	4,462	17,028	4,246	14,307	15,322
Apr. ^p	78,666	18,808	767	3,263	4,476	17,295	4,273	14,488	15,296
May ^p	79,192	18,837	773	3,402	4,493	17,423	4,285	14,661	15,318

NOTE.—Bureau of Labor Statistics; data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th of the month. Proprietors, self-employed persons,

domestic servants, unpaid family workers, and members of Armed Forces are excluded.

Beginning with 1973, series has been adjusted to Mar. 1974 benchmark.

CONSUMER PRICES

(1967 = 100)

Period	All items	Food	Housing						Apparel and upkeep	Transportation	Health and recreation					
			Total	Rent	Home-ownership	Fuel oil and coal	Gas and electricity	Furnishings and operation			Total	Medical care	Personal 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	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	124.3	146.7	136.0	126.4	124.9	126.8	123.8	130.2	137.7	125.2	125.9	129.0	.....
1974.....	147.7	161.7	150.6	130.6	163.2	214.6	145.8	140.5	136.2	137.7	140.3	150.5	137.3	133.8	137.2	.....
1975.....	161.2	175.4	166.8	137.3	181.7	235.3	169.6	158.1	142.3	150.6	153.5	168.6	150.7	144.4	147.4	.....
1975—Apr.....	158.6	171.2	164.7	135.9	179.4	229.0	166.3	156.8	141.3	146.2	152.1	165.8	149.5	143.5	146.8	.....
May.....	159.3	171.8	165.3	136.4	180.1	230.2	167.3	157.4	141.8	147.4	152.6	166.8	149.9	143.8	147.1	.....
June.....	160.6	174.4	166.4	136.9	181.4	230.6	169.4	158.1	141.4	149.8	153.2	168.1	150.3	144.1	147.3	.....
July.....	162.3	178.6	167.1	137.3	182.3	234.1	170.4	158.3	141.1	152.6	154.0	169.8	151.2	144.4	147.6	.....
Aug.....	162.8	178.1	167.7	138.0	182.8	235.7	171.2	158.8	142.3	153.6	154.6	170.9	151.4	144.7	148.1	.....
Sept.....	163.6	177.8	168.9	138.4	183.9	238.7	174.0	160.1	143.5	155.4	155.4	172.2	152.1	146.0	148.0	.....
Oct.....	164.6	179.0	169.8	139.3	184.8	243.3	174.2	160.9	144.6	156.1	156.3	173.5	152.9	146.6	148.5	.....
Nov.....	165.6	179.8	171.3	139.9	186.8	246.5	176.8	161.6	145.5	157.4	156.5	173.3	153.6	147.0	148.9	.....
Dec.....	166.3	180.7	172.2	140.6	187.8	248.7	179.0	162.0	145.2	157.6	157.5	174.7	154.6	147.5	149.8	.....
1976—Jan.....	166.7	180.8	173.2	141.2	188.8	248.9	179.5	163.7	143.3	158.1	158.6	176.6	155.7	148.2	150.5	.....
Feb.....	167.1	180.0	173.8	142.1	188.6	249.4	181.9	165.2	144.0	158.5	159.7	178.8	157.0	148.5	151.3	.....
Mar.....	167.5	178.7	174.5	142.7	188.7	247.6	183.7	166.6	145.0	159.8	160.6	180.6	157.4	149.0	151.8	.....
Apr.....	168.2	179.2	174.9	143.2	188.9	246.6	184.4	167.4	145.7	161.3	161.4	181.6	158.3	149.5	152.5	.....

NOTE.—Bureau of Labor Statistics index for city wage earners and clerical workers.

WHOLESALE PRICES: SUMMARY

(1967 = 100, except as noted)

Period	All commodities	Farm products	Processed foods and feeds	Industrial commodities												
				Total	Textiles, etc.	Hides, etc.	Fuel, etc.	Chemicals, etc.	Rubber, etc.	Lumber, etc.	Paper, etc.	Metals, etc.	Machinery and equipment	Furniture, etc.	Non-metallic minerals	Miscellaneous
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
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
1966.....	99.8	105.9	101.2	98.5	100.1	103.4	97.8	99.4	97.8	100.2	98.8	98.8	96.8	98.0	98.4	97.7
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	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	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
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
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
1973.....	134.7	176.3	148.1	125.9	123.8	143.1	134.3	110.0	112.4	177.2	122.1	132.8	121.7	115.2	130.2	115.1
1974.....	160.1	187.7	170.9	153.8	139.1	145.1	208.3	146.8	136.2	183.6	151.7	171.9	139.4	127.9	153.2	133.1
1975.....	174.9	186.7	182.6	171.5	137.9	148.5	245.1	181.3	150.2	176.9	170.4	185.9	161.4	139.7	174.0	141.5
1975—May.....	173.2	184.5	179.0	170.3	135.2	147.7	238.8	182.1	148.9	183.0	169.8	185.1	160.4	138.6	173.1	139.9
June.....	173.7	186.2	179.7	170.7	135.9	148.7	243.0	181.2	148.6	181.0	169.8	184.5	161.0	139.0	173.3	140.1
July.....	175.7	193.7	184.6	171.2	136.8	149.3	246.6	181.4	150.1	179.6	170.0	183.4	161.7	139.2	174.7	140.1
Aug.....	176.7	193.2	186.3	172.2	137.6	149.3	252.4	182.1	150.0	179.7	170.0	184.3	162.2	139.8	175.8	140.5
Sept.....	177.7	197.1	186.1	173.1	138.4	151.3	254.9	182.2	150.8	179.9	170.3	185.5	163.1	140.1	176.1	141.1
Oct.....	178.9	197.3	186.2	174.7	141.3	152.4	256.5	183.3	151.5	179.1	170.9	187.2	164.1	141.1	177.1	146.6
Nov.....	178.2	191.7	182.6	175.4	143.2	154.4	257.0	182.9	151.8	178.3	171.3	187.0	165.3	141.5	177.7	147.2
Dec.....	178.7	193.8	181.0	176.1	144.0	154.6	258.0	183.4	151.9	183.1	173.1	187.1	165.8	142.0	178.0	147.5
1976—Jan.....	179.3	192.8	179.4	177.3	145.1	157.5	257.3	184.2	152.4	190.5	174.8	187.7	167.0	143.1	181.1	148.7
Feb.....	179.3	191.0	176.4	178.0	146.3	159.9	255.7	184.9	154.2	196.0	175.8	189.2	167.7	143.4	181.3	148.8
Mar.....	179.6	187.2	175.8	178.9	146.7	162.0	255.7	185.6	155.5	202.3	176.9	190.6	168.2	143.9	182.5	149.1
Apr.....	181.3	192.9	178.0	180.0	147.4	165.4	256.9	187.1	156.7	203.3	178.5	192.9	168.9	144.4	185.2	149.2
May.....	181.8	192.6	179.9	180.4	147.0	169.6	257.2	186.9	157.1	202.3	179.2	194.0	169.4	144.8	185.6	149.0

1 Dec, 1968 = 100.

GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1950	1970	1972	1973	1974	1975	1975				1976
							I	II	III	IV	
Gross national product.....	286.2	982.4	1,171.1	1,306.3	1,406.9	1,498.9	1,433.6	1,460.6	1,528.5	1,572.9	1,619.2
Final purchases.....	279.4	978.6	1,161.7	1,288.8	1,397.2	1,513.5	1,458.4	1,490.2	1,530.6	1,574.9	1,603.8
Personal consumption expenditures.....	192.0	618.8	733.0	808.5	885.9	963.8	926.4	950.3	977.4	1,001.0	1,029.6
Durable goods.....	30.8	84.9	111.2	122.9	121.9	128.1	118.9	123.8	131.8	137.6	145.9
Nondurable goods.....	98.2	264.7	299.3	334.4	375.7	409.8	394.1	404.8	416.4	423.7	430.8
Services.....	63.0	269.1	322.4	351.3	388.3	426.0	413.4	421.6	429.2	439.7	452.9
Gross private domestic investment.....	53.8	140.8	188.3	220.5	212.2	182.6	168.7	161.4	194.9	205.4	232.2
Fixed investment.....	47.0	137.0	178.8	203.0	202.5	197.3	193.5	191.1	197.1	207.4	216.7
Nonresidential.....	27.1	100.5	116.8	136.5	147.9	148.5	149.3	146.1	146.7	151.9	158.1
Structures.....	9.3	37.7	42.5	49.0	54.4	52.7	54.9	51.1	51.2	53.6	55.5
Producers' durable equipment.....	17.8	62.8	74.3	87.5	93.5	95.8	94.4	95.0	95.6	98.3	102.6
Residential structures.....	19.9	36.6	62.0	66.5	54.6	48.7	44.2	45.0	50.4	55.4	58.3
Nonfarm.....	18.7	35.1	60.3	64.7	52.2	46.8	42.6	43.1	48.2	53.3	56.5
Change in business inventories.....	6.8	3.8	9.4	17.5	9.7	-14.6	-24.8	-29.6	-2.1	-2.0	15.5
Nonfarm.....	6.0	3.7	8.8	14.1	11.6	-16.5	-23.3	-29.6	-5.7	-7.5	11.3
Net exports of goods and services.....	1.9	3.9	-3.3	7.4	7.7	21.3	17.3	24.2	22.1	21.7	8.2
Exports.....	13.9	62.5	72.7	101.5	144.2	147.8	148.2	140.7	148.5	153.8	153.1
Imports.....	12.0	58.5	75.9	94.2	136.5	126.5	130.9	116.4	126.4	132.1	145.0
Government purchases of goods and services.....	38.5	218.9	253.1	269.9	301.1	331.2	321.2	324.7	334.1	344.8	349.2
Federal.....	18.7	95.6	102.1	102.0	111.7	123.2	119.4	119.2	124.2	129.9	131.1
National defense.....	14.0	73.5	73.5	73.4	77.4	84.0	81.4	82.1	84.9	87.4	87.0
Other.....	4.7	22.1	28.6	28.6	34.3	39.2	38.0	37.1	39.3	42.5	44.1
State local.....	19.8	123.2	151.0	168.0	189.4	208.0	201.9	205.5	209.9	214.8	218.1
Gross national product in 1972 dollars.....	533.5	1,075.3	1,171.1	1,233.4	1,210.7	1,186.1	1,158.6	1,168.1	1,201.5	1,216.2	1,241.2

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. For back data and explanation of series, see the *Survey of Current Business*, Jan. 1976.

NATIONAL INCOME

(In billions of dollars)

Item	1950	1970	1972	1973	1974	1975	1975				1976
							I	II	III	IV	
National income.....	236.2	798.4	951.9	1,067.3	1,141.1	1,208.1	1,155.2	1,180.8	1,232.5	1,262.6	1,301.3
Compensation of employees.....	154.8	609.2	715.1	797.7	873.0	921.4	897.1	905.4	928.2	955.1	982.6
Wages and salaries.....	147.0	546.5	633.8	700.9	763.1	801.6	781.0	787.6	807.3	830.7	851.5
Private.....	124.4	430.5	496.2	552.3	603.0	627.3	611.7	615.0	631.9	650.5	668.8
Military.....	5.3	20.7	22.0	22.1	22.3	23.0	22.9	22.8	22.8	23.6	23.6
Government civilian.....	17.4	95.3	115.6	126.5	137.7	151.3	146.4	149.7	152.6	156.5	159.0
Supplements to wages and salaries.....	7.8	62.7	81.4	96.8	110.0	119.8	116.1	117.8	120.9	124.4	131.1
Employer contributions for social insurance.....	4.2	30.7	39.4	49.3	55.5	58.5	57.1	57.5	58.9	60.6	65.0
Other labor income.....	3.7	32.0	42.0	47.5	54.5	61.3	59.0	60.3	62.0	63.8	66.1
Proprietors' income with inventory valuation and capital consumption adjustments.....	38.4	65.1	76.1	91.7	85.1	83.3	79.6	78.6	88.0	87.1	85.0
Business and professional.....	24.9	51.2	58.1	59.3	59.5	58.7	58.6	58.5	58.7	58.9	59.7
Farm.....	13.5	13.9	18.0	32.4	25.6	24.6	21.0	20.1	29.3	28.2	25.3
Rental income of persons with capital consumption adjustment.....	7.1	18.6	21.5	21.3	21.0	21.1	20.8	20.5	20.9	22.0	22.7
Corporate profits and inventory valuation adjustment and without capital consumption adjustment.....	37.6	66.4	89.6	98.6	93.6	106.3	83.4	101.6	119.6	119.3	129.4
Profits before tax.....	42.6	71.5	96.2	117.0	132.1	117.1	97.1	108.2	129.5	132.4	140.8
Profits tax liability.....	17.9	34.5	41.5	48.2	52.6	45.7	37.5	41.6	50.7	52.5	56.5
Profits after tax.....	24.7	37.0	54.6	68.8	79.5	71.4	59.6	66.6	78.8	79.9	84.3
Dividends.....	8.8	22.9	24.6	27.8	31.1	32.8	32.1	32.6	33.5	33.1	33.3
Undistributed profits.....	15.9	14.1	30.0	40.9	48.4	38.6	27.5	34.0	45.3	46.8	51.0
Inventory valuation adjustment.....	-5.0	-5.1	-6.6	-18.4	-38.5	-10.8	-13.7	-6.6	-9.9	-13.1	-11.4
Capital consumption adjustment.....	-4.0	1.5	2.5	1.6	-2.3	-5.7	-4.5	-5.0	-6.5	-6.6	-7.6
Net interest.....	2.3	37.5	47.0	56.3	70.0	81.6	78.7	79.7	82.2	85.7	89.2

NOTE.—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)

Item	1950	1970	1972	1973	1974	1975	1975				1976
							I	II	III	IV	
Gross national product.....	286.2	982.4	1,171.1	1,306.3	1,406.9	1,498.9	1,433.6	1,460.6	1,528.5	1,572.9	1,619.2
Less: Capital consumption allowances with capital consumption adjustment.....	23.9	90.8	105.4	117.1	134.0	152.0	145.4	149.5	154.7	158.5	163.1
Indirect business tax and nontax liability.....	23.4	94.0	111.0	120.2	127.3	137.3	131.6	135.2	140.0	142.2	142.8
Business transfer payments.....	.8	4.0	4.7	5.2	5.8	6.3	6.2	6.3	6.4	6.5	6.6
Statistical discrepancy.....	2.0	-2.1	1.7	.4	-6	-2.9	-3.2	-8.9	-3.2	5.0	5.3
Plus: Subsidies less current surplus of government enterprises.....	.1	2.7	3.6	3.7	.7	1.9	1.6	2.2	1.9	1.9	-.1
Equals: National income.....	236.2	798.4	951.9	1,067.3	1,141.1	1,208.1	1,155.2	1,180.8	1,232.5	1,262.6	1,301.3
Less: Corporate profits with inventory valuation and capital consumption adjustments.....	33.7	67.9	92.1	100.2	91.3	100.7	78.9	96.6	113.1	112.7	121.8
Net interest.....	2.3	37.5	47.0	56.3	70.7	81.6	78.7	79.7	82.2	85.7	89.2
Contributions for social insurance.....	7.1	58.7	73.6	91.5	102.9	108.3	106.0	106.6	108.9	111.8	118.4
Wage accruals less disbursements.....				-1							
Plus: Government transfer payments to persons.....	14.4	75.9	99.4	113.5	134.5	168.7	157.7	169.4	172.4	175.2	181.5
Personal interest income.....	8.9	64.3	74.6	88.4	106.5	120.5	116.0	117.6	121.2	127.4	131.9
Dividends.....	8.8	22.9	24.6	27.8	31.1	32.8	32.1	32.6	33.5	33.1	33.3
Business transfer payments.....	.8	4.0	4.7	5.2	5.8	6.3	6.2	6.3	6.4	6.5	6.6
Equals: Personal income.....	226.1	801.3	942.5	1,054.3	1,154.7	1,245.9	1,203.6	1,223.8	1,261.7	1,294.5	1,325.2
Less: Personal tax and nontax payments.....	20.6	115.3	141.2	151.2	171.2	169.2	179.6	142.1	174.6	180.5	184.4
Equals: Disposable personal income.....	205.5	685.9	801.3	903.1	983.6	1,076.7	1,024.0	1,081.7	1,087.1	1,114.0	1,140.7
Less: Personal outlays.....	194.7	635.4	751.9	830.4	909.5	987.8	950.4	974.2	1,001.3	1,025.4	1,054.5
Personal consumption expenditures.....	192.0	618.8	733.0	808.5	885.9	963.8	926.4	950.3	977.4	1,001.0	1,029.6
Interest paid by consumer to business.....	2.3	15.5	17.9	20.6	22.6	23.1	23.0	22.8	23.0	23.4	23.8
Personal transfer payments to foreigners (Net).....	.4	1.1	1.0	1.2	1.0	1.0	1.0	1.1	.9	1.0	1.0
Equals: Personal saving.....	10.8	50.6	49.4	72.7	74.0	88.9	73.6	107.5	85.9	88.6	86.2
Disposable personal income in (1972) dollars.....	361.9	741.6	801.3	856.0	843.5	856.7	831.6	869.8	858.2	867.3	880.3

NOTE.—Dept. of Commerce estimates. Quarterly data seasonally adjusted totals at annual rates. See also NOTE to table at top of opposite page.

PERSONAL INCOME

(In billions of dollars)

Item	1974	1975	1975								1976				
			Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr. ^a
Total personal income	1154.7	1245.9	1209.0	1217.2	1245.2	1244.0	1262.4	1278.7	1287.4	1295.9	1300.2	1313.6	1325.9	1336.0	1347.6
Wage and salary disbursements	763.6	801.6	782.7	787.4	792.7	797.4	808.8	815.6	824.1	831.2	836.8	846.0	851.6	856.8	862.8
Commodity-producing industries	273.7	273.6	265.8	267.0	268.8	270.9	275.6	279.5	281.7	283.2	286.9	291.2	293.0	295.4	297.8
Manufacturing only	211.2	211.2	204.9	205.6	207.2	208.8	213.2	216.6	218.7	219.7	223.3	226.9	228.4	230.3	232.3
Distributive industries	184.3	195.1	190.9	191.7	192.9	193.9	197.7	198.2	200.2	202.4	202.9	205.8	207.2	208.0	209.9
Service industries	145.0	158.6	154.5	156.1	157.4	158.2	160.3	161.5	163.1	165.3	165.7	167.1	168.8	170.0	171.2
Government	160.6	174.3	171.5	172.6	173.6	174.4	175.2	176.4	179.0	180.3	181.2	181.9	182.6	183.3	183.9
Other labor income	54.5	61.3	59.8	60.3	60.8	61.4	62.0	62.6	63.2	63.8	64.4	65.2	66.1	65.1	65.5
Proprietors' income with inventory valuation and capital consumption adjustments	85.1	83.3	77.0	78.7	80.3	84.5	88.0	91.5	89.4	87.1	84.7	84.7	85.0	84.9	87.0
Business and professional	59.5	58.7	58.5	58.6	58.6	58.7	58.7	58.8	58.9	58.8	58.9	59.1	59.7	60.3	60.7
Farm	25.6	24.6	18.5	20.1	21.7	25.8	29.3	32.7	30.5	28.3	25.8	25.6	25.3	25.0	26.3
Rental income of persons with capital consumption adjustment	21.0	21.1	20.7	20.5	20.2	20.5	21.0	21.3	21.8	22.0	22.2	22.5	22.7	22.9	23.1
Dividends	31.1	32.8	32.4	32.6	32.9	33.2	33.5	33.9	33.8	33.8	31.7	33.4	33.3	33.2	33.8
Personal interest income	106.5	120.5	116.6	117.5	118.6	119.7	121.2	122.9	125.1	127.9	129.0	130.4	131.8	133.6	135.1
Transfer payments	140.4	175.0	168.6	169.3	189.0	176.8	178.1	181.3	180.6	181.4	182.9	184.7	188.9	190.8	192.0
Less: Personal contributions for social insurance	47.4	49.8	48.9	49.1	49.3	49.5	50.0	50.4	50.7	51.2	51.6	53.3	53.4	53.6	53.9
Nonagricultural income	1119.1	1210.2	1179.7	1186.2	1212.5	1207.2	1222.1	1234.8	1245.6	1256.3	1262.9	1276.3	1288.9	1299.2	1309.5
Agricultural income	35.6	35.7	29.3	31.0	32.7	36.8	40.3	43.9	41.8	39.7	37.3	37.3	37.1	36.8	38.1

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

SUMMARY OF FUNDS RAISED IN U.S. CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

Transaction category, or sector		1966	1967	1968	1969	1970	1971	1972	1973	1974	1975*	1975*		
												H1	H2	
Credit market funds raised by nonfinancial sectors														
1	Total funds raised by nonfinancial sectors.....	67.9	82.4	96.0	91.8	98.2	147.4	169.4	187.4	180.1	204.6	186.7	222.2	1
2	Excluding equities.....	66.9	80.0	96.0	87.9	92.4	135.9	158.9	180.1	176.2	194.6	176.2	212.8	2
3	U.S. Government.....	3.6	13.0	13.4	-3.7	12.8	25.5	17.3	9.7	12.0	85.2	84.1	86.3	3
4	Public debt securities.....	2.3	8.9	10.4	-1.3	12.9	26.0	13.9	7.7	12.0	85.8	85.4	86.4	4
5	Agency issues and mortgages.....	1.3	4.1	3.1	-2.4	-1	-5	3.4	2.0	*	-6	-1.2	-1	5
6	All other nonfinancial sectors.....	64.3	69.4	82.6	95.5	85.4	121.9	152.1	177.7	168.1	119.4	102.6	135.9	6
7	Corporate equities.....	1.0	2.4	*	3.9	5.8	11.5	10.5	7.2	3.8	9.9	10.5	9.4	7
8	Debt instruments.....	63.3	67.0	82.6	91.6	79.7	110.4	141.6	170.4	164.2	109.4	92.1	126.5	8
9	Private domestic nonfinancial sectors.....	62.7	64.5	79.7	91.8	82.7	117.3	147.8	170.1	152.7	106.3	93.0	119.4	9
10	Corporate equities.....	1.3	2.4	-2	3.4	5.7	11.4	10.9	7.4	4.1	9.9	10.3	9.5	10
11	Debt instruments.....	61.5	63.0	79.9	88.4	77.0	105.8	136.9	162.7	148.6	96.4	82.7	109.9	11
12	Debt capital instruments.....	38.2	44.5	49.5	49.6	56.7	83.2	93.8	96.1	92.9	97.8	101.7	93.8	12
13	State and local obligations.....	5.6	7.8	9.5	9.9	11.2	17.6	14.4	13.7	17.4	15.4	17.1	13.8	13
14	Corporate bonds.....	10.2	14.7	12.9	12.0	19.8	18.8	12.2	9.2	19.7	27.2	35.3	19.1	14
15	Home mortgages.....	11.7	11.5	15.1	15.7	12.8	26.1	39.6	43.3	31.7	36.1	31.2	41.0	15
16	Multifamily residential mortgages.....	3.1	3.6	3.4	4.7	5.8	8.8	10.3	8.4	7.8	2.4	2.9	1.9	16
17	Commercial mortgages.....	5.7	4.7	6.4	5.3	5.3	10.0	14.8	17.0	11.5	11.0	9.4	12.6	17
18	Farm mortgages.....	1.8	2.3	2.2	1.9	1.8	2.0	2.6	4.4	4.9	5.6	5.8	5.4	18
19	Other debt instruments.....	23.3	18.5	30.4	38.8	20.3	22.6	43.0	66.6	55.6	-1.3	-19.1	16.1	19
20	Consumer credit.....	6.4	4.5	10.0	10.4	6.0	11.2	19.2	22.9	9.6	5.3	-1.5	12.0	20
21	Bank loans n.e.c.....	10.9	9.8	13.6	15.5	6.7	7.8	18.9	35.8	27.3	-11.3	-20.2	-2.5	21
22	Open market paper.....	1.1	1.7	1.8	3.0	3.0	-1.2	-5	-4	6.6	-2.0	-1.5	-2.5	22
23	Other.....	5.0	2.6	5.0	9.9	4.6	4.8	5.5	8.3	12.1	6.7	4.2	9.2	23
24	By borrowing sector.....	62.7	65.4	79.7	91.8	82.7	117.3	147.8	170.1	152.7	106.3	93.0	119.4	24
25	State and local governments.....	6.3	7.9	9.8	10.7	11.3	17.8	14.2	12.3	16.6	13.2	14.8	11.6	25
26	Households.....	22.7	19.3	30.0	31.7	23.4	39.8	63.1	72.8	44.0	45.2	36.2	54.1	26
27	Farm.....	3.1	3.6	2.8	3.2	3.2	4.1	4.9	8.6	7.8	9.2	8.2	10.2	27
28	Nonfarm noncorporate.....	5.4	5.0	5.6	7.4	5.3	8.7	10.4	9.3	7.2	2.9	2.2	5.4	28
29	Corporate.....	25.3	29.6	31.6	38.9	39.5	46.8	55.3	67.2	77.1	35.8	33.6	38.1	29
30	Foreign.....	1.5	4.0	2.8	3.7	2.7	4.6	4.3	7.5	15.4	13.0	9.6	16.4	30
31	Corporate equities.....	-3	1	2	5	1	*	-4	-2	-3	*	1	-1	31
32	Debt instruments.....	1.8	4.0	2.7	3.2	2.7	4.6	4.7	7.7	15.7	13.0	9.5	16.6	32
33	Bonds.....	7	1.2	1.1	1.0	9	9	1.0	1.0	2.2	6.3	5.9	6.7	33
34	Bank loans n.e.c.....	-2	-3	-5	-2	-3	1.6	2.9	2.8	4.7	4.0	1.4	6.6	34
35	Open market paper.....	-1	5	-2	3	8	3	-1.0	2.2	7.1	-1	-1.2	1.0	35
36	U.S. Government loans.....	1.3	2.6	2.2	2.1	1.3	1.8	1.8	1.7	1.7	2.8	3.4	2.3	36
37	Memo: U.S. Govt. cash balance.....	-4	1.2	-1.1	4	2.8	3.2	-3	-1.7	-4.6	2.9	2.7	3.1	37
38	Totals net of changes in U.S. Govt. cash balances.....	68.3	81.3	97.1	91.4	95.5	144.2	169.7	189.0	184.7	201.7	184.0	219.1	38
39	Total funds raised.....	4.0	11.8	14.6	-4.1	10.0	22.3	17.6	11.4	16.6	82.3	81.4	83.2	39
Credit market funds raised by financial sectors														
1	Total funds raised by financial sectors.....	11.7	2.0	18.3	33.7	12.6	16.5	28.9	52.0	38.0	12.1	4.9	19.3	1
2	Sponsored credit agencies.....	4.8	-6	3.5	8.8	8.2	3.8	6.2	19.6	22.1	11.0	9.1	13.0	2
3	U.S. Government securities.....	5.1	-6	3.2	9.1	8.2	3.8	6.2	19.6	21.4	10.2	8.0	12.3	3
4	Loans from U.S. Government.....	-2	1	2	-3	1	*	*	*	7	4	1	6	4
5	Private financial sectors.....	6.9	2.6	14.9	24.9	4.3	12.7	22.8	32.4	15.9	1.9	-1.2	6.3	5
6	Corporate equities.....	3.7	3.0	6.4	6.1	4.6	3.3	2.4	3.4	1.7	1.8	2.1	1.5	6
7	Debt instruments.....	3.2	-4	8.5	18.8	-3	9.3	20.3	31.6	14.2	-7	-6.3	4.8	7
8	Corporate bonds.....	9	1.3	1.1	1.5	3.1	5.1	7.0	2.3	1.4	3.1	3.0	3.3	8
9	Mortgages.....	-9	1.0	4	2	7	2.1	1.7	-1.2	-1.3	2.3	2.0	2.6	9
10	Bank loans n.e.c.....	-1.0	-2.0	2.5	2.3	-5	3.0	6.8	13.5	7.5	-5.3	-7.9	-2.7	10
11	Open market paper and RP's.....	3.3	1.9	3.6	10.7	-5.0	1.8	4.9	9.8	-1	3.1	4.6	1.5	11
12	Loans from FHLB's.....	9	-2.5	9	4.0	1.3	-2.7	*	7.2	6.7	-4.0	-8.1	2	12
13	Total funds raised, by sector.....	11.7	2.0	18.3	33.7	12.6	16.5	28.9	52.0	38.0	12.1	4.9	19.3	13
14	Sponsored credit agencies.....	4.8	-6	3.5	8.8	8.2	3.8	6.2	19.6	22.1	11.0	9.1	13.0	14
15	Private financial sectors.....	6.9	2.6	14.9	24.9	4.3	12.7	22.8	32.4	15.9	1.1	-4.2	6.3	15
16	Commercial banks.....	-1	1	1.2	1.4	-3.1	2.5	4.0	4.5	-1.9	3.3	4.6	2.1	16
17	Bank affiliates.....	4.2	-1.9	4	2	-1.9	-4	7	2.2	2.4	-3	9	-3	17
18	Foreign banking agencies.....	1	*	1	2	1	1.6	8	5.1	2.9	-3	-9	-2	18
19	Savings and loan associations.....	1	-1.7	1.1	4.1	1.8	-1	2.0	6.0	6.3	-2.1	-8.0	3.8	19
20	Other insurance companies.....	1	1	2	5	4	6	5	5	4	7	8	7	20
21	Finance companies.....	3.1	1.2	5.7	8.3	1.6	4.2	9.3	9.4	3.9	-9	-2.5	8	21
22	REIT's.....	3.7	3.0	5.8	4.8	2.6	1.1	-7	-1.6	1.0	1.6	2.7	5	22
23	Open end investment companies.....													23
Total credit market funds raised, all sectors, by type														
1	Total funds raised.....	79.6	84.4	114.3	125.5	110.8	163.9	198.3	239.4	218.1	216.6	191.6	241.5	1
2	Investment company shares.....	3.7	3.0	5.8	4.8	2.6	1.1	-7	-1.6	1.0	1.6	2.7	5	2
3	Other corporate equities.....	1.1	2.5	6	5.2	7.7	13.6	13.6	9.6	4.6	10.1	9.8	10.4	3
4	Debt instruments.....	74.9	79.0	107.9	115.5	100.4	149.1	185.4	231.3	212.5	204.9	179.0	230.6	4
5	U.S. Government securities.....	8.8	12.5	16.7	5.5	21.1	29.4	23.6	29.4	33.5	95.4	92.0	98.9	5
6	State and local obligations.....	5.6	7.8	9.5	9.9	11.2	17.6	14.4	13.7	17.4	15.4	17.1	13.8	6
7	Corporate and foreign bonds.....	11.8	17.2	15.0	14.5	23.8	24.8	20.2	12.5	23.3	36.7	44.2	29.1	7
8	Mortgages.....	21.3	23.0	27.4	27.8	26.4	48.8	68.8	71.9	54.5	57.3	51.4	63.2	8
9	Consumer credit.....	6.4	4.5	10.0	10.4	6.0	11.2	19.2	22.9	9.6	5.3	-1.5	12.0	9
10	Bank loans n.e.c.....	9.7	7.5	15.7	17.6	5.8	12.4	28.5	32.1	39.5	-12.6	-26.7	1	10
11	Open market paper and RP's.....	4.4	4.0	5.2	14.1	-1.2	9	3.3	11.6	13.6	9	1.9	3	11
12	Other loans.....	6.9	2.5	8.3	15.8	7.3	4.0	7.4	17.2	21.1	6.4	6	12.2	12

NOTE.—Full statements for sectors and transaction types quarterly, and annually for flows and for amounts outstanding, may be obtained from

Flow of Funds Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

DIRECT AND INDIRECT SOURCES OF FUNDS TO CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

Transaction category, or sector		1966	1967	1968	1969	1970	1971	1972	1973	1974	1975 ^r	1975 ^r		
												H1	H2	
1	Total funds advanced in credit markets to non-financial sectors	66.9	80.0	95.9	88.0	92.5	135.9	158.9	180.1	176.2	194.6	176.2	212.8	1
	By public agencies and foreign													
2	Total net advances	11.9	11.3	12.2	15.7	28.1	41.7	18.3	33.2	49.2	39.2	41.6	36.8	2
3	U.S. Government securities	3.4	6.8	3.4	.7	15.9	33.8	8.4	11.0	8.6	18.5	28.3	8.8	3
4	Residential mortgages	2.8	2.1	2.8	4.6	5.7	5.7	5.2	7.6	13.8	16.1	15.1	17.2	4
5	FHLB advances to S&L's .....	.9	-2.5	.9	4.0	1.3	-2.7	*	7.2	6.7	-4.0	-8.1	.2	5
6	Other loans and securities	4.8	4.9	5.1	6.3	5.2	4.9	4.6	7.5	20.1	8.5	6.3	10.7	6
	By agency—													
7	U.S. Government	4.9	4.6	4.9	2.9	2.8	3.2	2.6	3.0	7.4	13.3	12.7	13.9	7
8	Sponsored credit agencies	5.1	-1	3.2	8.9	10.0	3.2	7.0	20.3	24.1	12.6	11.1	14.1	8
9	Monetary authorities	3.5	4.8	3.7	4.2	5.0	8.9	.3	9.2	6.2	8.5	7.0	10.1	9
10	Foreign	-1.6	2.0	.3	-1.3	10.3	26.4	8.4	.7	11.6	4.7	10.8	-1.4	10
11	Agency borrowing not included in line 1	4.8	-6	3.5	8.8	8.2	3.8	6.2	19.6	22.1	11.0	9.1	13.0	11
	Private domestic funds advanced													
12	Total net advances	59.8	68.1	87.2	81.1	72.6	98.1	146.7	166.5	149.1	166.4	143.7	189.0	12
13	U.S. Government securities	5.4	5.7	13.3	4.8	5.2	-4.4	15.2	18.4	24.9	76.9	63.7	90.2	13
14	State and local obligations	5.6	7.8	9.5	9.9	11.2	17.6	14.4	13.7	17.4	15.4	17.1	13.8	14
15	Corporate and foreign bonds	10.3	16.0	13.8	12.5	20.0	19.5	13.2	10.1	20.6	33.1	41.1	25.1	15
16	Residential mortgages	12.0	13.0	15.5	15.7	12.8	29.1	44.6	44.1	25.6	22.3	19.1	25.5	16
17	Other mortgages and loans	27.4	23.1	35.9	42.2	24.6	33.7	59.5	87.4	67.4	14.8	-5.3	34.7	17
18	Less: FHLB advances .....	.9	-2.5	.9	4.0	1.3	-2.7	*	7.2	6.7	-4.0	-8.1	.2	18
	Private financial intermediation													
19	Credit market funds advanced by private financial institutions	45.4	63.5	75.3	55.3	74.9	110.7	153.4	158.8	131.5	123.0	115.0	130.8	19
20	Commercial banks	17.5	35.9	38.7	18.2	35.1	50.6	70.5	86.6	64.6	27.3	16.3	38.2	20
21	Savings institutions	7.9	15.0	15.6	14.5	16.9	41.4	49.3	35.1	26.9	56.0	58.8	53.2	21
22	Insurance and pension funds	15.5	12.9	14.0	12.7	17.3	13.3	17.7	22.1	34.3	40.1	40.0	40.2	22
23	Other finance	4.5	-3	7.0	9.9	5.7	5.3	15.8	15.0	5.7	-4	-2	-8	23
24	Sources of funds	45.4	63.5	75.3	55.3	74.9	110.7	153.4	158.8	131.5	123.0	115.0	130.8	24
25	Private domestic deposits	22.5	50.0	45.9	2.6	63.2	90.3	97.5	84.9	76.5	96.0	103.6	88.5	25
26	Credit market borrowing	3.2	-4	8.5	18.8	-3	9.3	20.3	31.6	14.2	-7	-6.3	4.8	26
27	Other sources	19.8	13.9	21.0	34.0	12.0	11.0	35.5	42.4	40.8	27.7	17.7	37.5	27
28	Foreign funds	3.7	2.3	2.6	9.3	-8.5	-3.2	5.2	6.5	13.6	-4	-6.3	5.6	28
29	Treasury balances	-5	.2	-2	*	2.9	2.2	.7	-1.0	-5.1	-1.7	-2.3	-1.1	29
30	Insurance and pension reserves	13.6	12.0	11.4	10.8	13.1	9.1	13.1	16.7	27.9	27.4	27.6	27.2	30
31	Other, net	3.0	-6	7.2	13.8	4.4	2.9	16.5	20.2	4.4	2.4	-1.3	5.8	31
	Private domestic nonfinancial investors													
32	Direct lending in credit markets	17.6	4.2	20.4	44.5	-2.6	-3.2	13.7	39.3	31.8	42.7	22.5	63.0	32
33	U.S. Government securities	8.4	-1.4	8.1	17.0	-9.0	-14.0	1.6	18.8	18.1	21.2	-4.8	47.1	33
34	State and local obligations	2.6	-2.5	-2	8.7	-1.2	.6	2.1	4.4	10.8	8.3	10.6	5.9	34
35	Corporate and foreign bonds	2.0	4.6	4.7	6.6	10.7	9.3	5.2	1.1	-1.7	9.0	11.5	6.5	35
36	Commercial paper	2.3	1.9	5.8	10.2	-4.4	-6	4.0	11.3	1.6	.4	2.1	-1.4	36
37	Other	2.3	1.7	2.1	2.0	1.4	1.5	.8	3.8	2.9	3.8	2.9	4.8	37
38	Deposits and currency	24.4	52.1	48.3	5.4	66.6	93.7	101.9	88.8	82.8	102.2	110.9	93.5	38
39	Time and saving accounts	20.3	39.3	33.9	-2.3	56.1	81.0	85.2	76.3	71.9	88.7	91.1	86.2	39
40	Large negotiable CD's	-2	4.3	3.5	-13.7	15.0	7.7	8.7	18.5	23.6	-9.7	-22.3	2.9	40
41	Other at commercial banks	13.3	18.3	17.5	3.4	24.2	32.9	30.6	29.5	26.6	39.0	44.5	33.4	41
42	At savings institutions	7.3	16.7	12.9	8.0	16.9	40.4	45.9	28.2	21.8	59.4	68.9	49.9	42
43	Money	4.1	12.8	14.5	7.7	10.5	12.7	16.7	12.6	10.8	13.6	19.8	7.3	43
44	Demand deposits	2.1	10.6	12.1	4.8	7.1	9.3	12.3	8.6	4.5	7.4	12.4	2.3	44
45	Currency	2.0	2.1	2.4	2.8	3.5	3.4	4.4	3.9	6.3	6.2	7.3	5.1	45
46	Total of credit market instr., deposits, and currency	42.0	56.3	68.7	49.9	64.1	90.5	115.7	128.1	114.5	144.9	133.3	156.5	46
47	Private support rate (in per cent)	17.9	14.1	12.7	17.8	30.4	30.7	11.5	18.4	27.9	20.1	23.6	17.3	47
48	Private financial intermediation (in per cent)	75.9	93.2	86.4	68.3	103.1	112.8	104.5	95.4	88.2	73.9	80.0	69.2	48
49	Total foreign funds	2.1	4.3	2.9	9.1	1.8	23.2	13.6	7.2	25.1	4.4	4.5	4.2	49
Corporate equities not included above														
1	Total net issues	4.8	5.5	6.4	10.0	10.4	14.8	12.9	8.0	5.6	11.7	12.5	10.9	1
2	Mutual fund shares	3.7	3.0	5.8	4.8	2.6	1.1	-7	-1.6	1.0	1.6	2.7	.5	2
3	Other equities	1.1	2.5	.6	5.2	7.7	13.6	13.6	9.6	4.6	10.1	9.8	10.4	3
4	Acquisitions by financial institutions	6.0	9.1	10.8	12.2	11.4	19.3	16.0	13.4	6.1	8.4	10.4	6.5	4
5	Other net purchases	-1.2	-3.6	-4.4	-2.2	-1.0	-4.5	-3.1	-5.4	-5	3.3	2.2	4.4	5

Notes
Line

1. Line 2 of p. A-56.
2. 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 plus 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

Lines 1 and 3. Includes issues by financial institutions.

1. U.S. BALANCE OF PAYMENTS SUMMARY

(In millions of dollars. Quarterly figures are seasonally adjusted *unless shown in italics*.)

Line	Credits (+), debits (-)	1973	1974	1975	1974	1975			
					IV	I	II	III	IV ^p
1	Merchandise trade balance 1.....	955	-5,277	9,045	-1,380	1,495	3,274	2,111	2,165
2	Exports.....	71,379	98,309	107,184	26,593	27,056	25,843	26,596	27,689
3	Imports.....	-70,424	-103,668	-98,139	-27,973	-25,561	-22,569	-24,485	-25,524
4	Military transactions, net.....	-2,317	-2,158	-819	-498	-354	-409	-50	-5
5	Travel and transportation, net.....	-2,862	-2,692	-1,968	-741	-545	-370	-481	-573
6	Investment income, net 2.....	5,179	10,121	6,030	2,559	1,185	1,400	1,773	1,672
7	U.S. direct investments abroad 2.....	8,841	17,679	9,140	4,080	2,158	2,172	2,428	2,382
8	Other U.S. investments abroad.....	5,157	8,389	8,735	2,358	2,148	2,075	2,248	2,264
9	Foreign investments in the United States 2.....	-8,819	-15,946	-11,845	-3,879	3,121	-2,847	-2,903	-2,974
10	Other services, net 2.....	3,222	3,830	4,211	1,049	1,092	1,041	1,120	959
11	Balance on goods and services 3.....	4,177	3,825	16,500	989	2,873	4,936	4,473	4,218
	Not seasonally adjusted.....				2,348	4,243	5,214	1,739	5,304
12	Remittances, pensions, and other transfers.....	-1,903	-1,721	-1,763	-439	-448	-462	-423	-432
13	Balance on goods, services, and remittances.....	2,274	2,104	14,736	550	2,425	4,474	4,050	3,786
	Not seasonally adjusted.....				1,904	3,825	4,742	1,302	4,867
14	U.S. Government grants (excluding military).....	-1,938	-5,461	-2,820	-649	-727	-721	-604	-769
15	Balance on current account.....	335	-3,357	11,916	-99	1,698	3,753	3,446	3,017
	Not seasonally adjusted.....				1,289	3,088	3,953	744	4,131
16	U.S. Government capital flows excluding nonscheduled repayments, net 5.....	-2,933	4408	-3,500	-985	-1,015	-821	-717	-946
17	Nonscheduled repayments of U.S. Government assets.....	289	1	*	*			*	
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies.....	1,154	710	1,774	125	546	471	240	516
19	Long-term private capital flows, net.....	177	-8,463	-8,789	-5,570	-2,206	-2,421	-1,573	-2,591
20	U.S. direct investments abroad.....	-4,968	-7,455	-5,760	-3,310	-1,041	-2,304	-650	-1,765
21	Foreign direct investments in the United States 6.....	2,656	2,224	1,934	-653	340	679	-94	1,008
22	Foreign securities.....	-759	-1,990	-6,328	-726	-2,021	-1,001	-946	-2,361
23	U.S. securities other than Treasury issues 6.....	4,055	672	3,899	-663	653	678	1,033	1,535
24	Other, reported by U.S. banks.....	-706	-1,166	-2,608	-285	-451	-649	-702	-806
25	Other, reported by U.S. nonbanking concerns.....	-101	-748	74	67	314	176	-214	-202
26	Balance on current account and long-term capital 5.....	-977	-10,702	1,401	-6,529	-977	982	1,396	-4
	Not seasonally adjusted.....				-4,616	-128	1,106	-1,205	1,628
27	Nonliquid short-term private capital flows, net.....	-4,238	-12,936	-2,819	-2,305	1,949	-966	-1,893	-1,909
28	Claims reported by U.S. banks.....	-3,886	-12,173	-1,913	-2,406	1,724	-1,004	-1,126	-1,507
29	Claims reported by U.S. nonbanking concerns.....	-1,183	-2,603	-911	-137	279	-167	-709	-314
30	Liabilities reported by U.S. nonbanking concerns.....	831	1,840	5	238	-54	205	-58	-88
31	Allocations of Special Drawing Rights (SDR's).....								
32	Errors and omissions, net.....	-2,436	4,698	4,556	1,236	2,485	446	936	690
33	Net liquidity balance.....	-7,651	-18,940	3,138	-7,598	3,457	462	439	-1,223
	Not seasonally adjusted.....				-6,475	4,527	247	-1,345	-291
34	Liquid private capital flows, net.....	2,343	10,543	-5,601	2,730	-6,623	-2,232	4,569	-1,315
35	Liquid claims.....	-1,951	-6,267	-9,200	-2,101	-4,796	-2,331	435	-2,508
36	Reported by U.S. banks.....	-1,161	-6,134	-8,933	-1,732	-5,062	-2,413	937	-2,395
37	Reported by U.S. nonbanking concerns.....	-790	-133	-267	-369	266	82	-502	-113
38	Liquid liabilities.....	4,294	16,810	3,599	4,831	-1,827	99	4,134	1,193
39	Foreign commercial banks.....	3,028	12,621	-501	2,730	-2,808	18	2,572	-283
40	International and regional organizations.....	377	1,319	2,277	1,308	877	-182	971	611
41	Other foreigners.....	889	2,870	1,823	793	104	263	-591	-865
42	Official reserve transactions balance, financed by changes in—.....	-5,308	-8,397	-2,463	-4,868	-3,166	-1,770	5,008	-2,538
	Not seasonally adjusted.....				-4,070	-2,194	-1,415	-3,064	-1,918
43	Liquid liabilities to foreign official agencies.....	4,456	8,503	1,007	3,886	2,686	1,394	-4,962	1,892
44	Other readily marketable liabilities to foreign official agencies 7.....	1,118	673	2,072	630	811	406	297	558
45	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Govt.....	-475	655	-9	215	-6	-1	-1	-1
46	U.S. official reserve assets, net.....	209	-1,434	-607	137	-325	-29	-342	89
47	Gold.....								
48	SDR's.....	9	-172	-66	-20	-4	-16	-25	-21
49	Convertible currencies.....	233	3	-75	241	-14	-6	-222	167
50	Gold tranche position in IMF.....	-33	-1,265	-466	-84	-307	-7	-95	-57
51	Memoranda:								
	Transfers under military grant programs (excluded from lines 2, 4, and 14).....	2,809	1,811	2,287	490	787	1,244	66	190
52	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20).....	8,124	7,508						
53	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 9 and 21).....	945	1,554						
54	Balances excluding allocations of SDR's:								
	Net liquidity, not seasonally adjusted.....	-7,651	-18,940	3,138	-6,475	4,527	247	-1,345	-291
55	Official reserve transactions, N.S.A.....	-5,308	-8,397	-2,463	-4,070	-2,194	-1,415	3,064	-1,918

For notes see opposite page.

2. MERCHANDISE EXPORTS AND IMPORTS

(Seasonally adjusted; in millions of dollars)

	Exports ¹				Imports ²				Trade balance			
	1973	1974	1975 [*]	1976	1973	1974 ³	1975 [*]	1976	1973	1974 ³	1975 [*]	1976
Month:												
Jan.....	4,955	7,150	9,373	9,103	5,244	6,498	9,635	9,176	-289	+652	-262	-73
Feb.....	5,070	7,549	8,755	8,800	5,483	7,318	7,928	8,941	-413	+231	+827	-141
Mar.....	5,311	7,625	8,685	8,956	5,414	7,742	7,466	9,607	-103	-117	+1,219	-651
Apr.....	5,494	8,108	8,648	9,394	5,360	8,025	7,959	9,596	+133	+83	+689	-202
May.....	5,561	7,652	8,222	.....	5,703	8,265	7,266	.....	-142	-612	+955	.....
June.....	5,728	8,317	8,716	.....	5,775	8,577	7,104	.....	-47	-260	+1,613	.....
July.....	5,865	8,307	8,894	.....	5,829	8,922	7,832	.....	+37	-615	+1,062	.....
Aug.....	6,042	8,379	8,979	.....	6,011	9,267	7,877	.....	+32	-888	+1,102	.....
Sept.....	6,420	8,399	9,146	.....	5,644	8,696	8,205	.....	+776	-297	+941	.....
Oct.....	6,585	8,673	9,225	.....	5,996	8,773	8,170	.....	+589	-100	+1,054	.....
Nov.....	6,879	8,973	9,409	.....	6,684	8,973	8,204	.....	+195	.....	+1,206	.....
Dec.....	6,949	8,862	9,250	.....	6,291	9,257	8,526	.....	+658	-395	+724	.....
Quarter:												
I.....	15,336	22,325	26,813	26,859	16,140	21,558	25,030	27,723	-804	+767	+1,784	-864
II.....	16,783	24,077	25,585	.....	16,839	24,867	22,328	.....	-56	-790	+3,257	.....
III.....	18,327	25,085	27,019	.....	17,483	26,885	23,915	.....	+844	-1,800	+3,104	.....
IV.....	20,413	26,508	27,884	.....	18,972	27,003	24,900	.....	+1,441	-495	+2,984	.....
Year ⁴	70,823	97,908	107,191	.....	69,476	100,251	96,140	.....	+1,347	-2,343	+11,050	.....

¹ Exports of domestic and foreign merchandise (f.a.s. value basis); excludes Department of Defense shipments under military grant-aid programs.

² General imports, which includes imports for immediate consumption plus entries into bonded warehouses. See also note 3.

³ Beginning with 1974 data, imports are reported on an f.a.s. transactions value basis; prior data are reported on a Customs import value

basis. For calendar year 1974, the f.a.s. import transactions value was \$100.3 billion, about 0.7 per cent less than the corresponding Customs import value of \$101.0 billion.

⁴ Sum of unadjusted figures.

NOTE.—Bureau of the Census data. Details may not add to totals because of rounding.

3. U.S. RESERVE ASSETS

(In millions of dollars)

End of year	Total	Gold stock ¹		Con-vertible foreign currencies	Reserve position in IMF	SDR's ³	End of month	Total	Gold stock		Con-vertible foreign currencies	Reserve position in IMF	SDR's ³
		Total ²	Treasury						Total ²	Treasury			
1961...	18,753	16,947	16,889	116	1,690	.....	1975—						
1962...	17,220	16,057	15,978	99	1,064	.....	May....	16,280	11,620	11,620	4	2,218	2,438
1963...	16,843	15,596	15,513	212	1,035	.....	June....	16,242	11,620	11,620	25	2,179	2,418
1964...	16,672	15,471	15,388	432	769	.....	July....	16,084	11,618	11,618	2	2,135	2,329
							Aug....	16,117	11,599	11,599	28	2,169	2,321
1965...	15,450	13,806	13,733	781	863	.....	Sept....	16,291	11,599	11,599	247	2,144	2,301
1966...	14,882	13,235	13,159	1,321	326	.....	Oct....	16,569	11,599	11,599	413	2,192	2,365
1967...	14,830	12,065	11,982	2,345	420	.....	Nov....	16,592	11,599	11,599	423	2,234	2,336
1968...	15,710	10,892	10,367	3,528	1,290	.....	Dec....	16,226	11,599	11,599	80	2,212	2,335
1969...	16,964	11,859	10,367	4,2781	2,324	.....						
1970...	14,487	11,072	10,732	629	1,935	851	1976—						
1971...	12,167	10,206	10,132	576	585	1,100	Jan.....	16,622	11,599	11,599	333	2,314	2,376
1972...	13,151	10,487	10,410	241	1,958	1,958	Feb....	16,661	11,599	11,599	296	2,390	2,376
1973...	14,378	11,652	11,567	8	552	2,166	Mar....	16,941	11,599	11,599	571	2,420	2,351
1974...	15,883	11,652	11,652	5	1,852	2,374	Apr....	17,438	11,599	11,599	936	2,578	2,325
							May....	17,958	11,598	11,598	938	3,113	2,309

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 5.

² Includes gold in Exchange Stabilization Fund.

³ 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 SDR's.

⁴ 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.

⁵ Includes \$28 million increase in dollar value of foreign currencies revalued to reflect market exchange rates as of Dec. 31, 1971.

⁶ 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 million), reserve position in IMF \$33 million, and SDR's \$155 million.

⁷ 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 (Treasury gold stock \$1,157 million), reserve position in IMF \$54 million, and SDR's \$217 million.

⁸ Beginning July 1974, the IMF adopted a technique for valuing the SDR based on a weighted average of exchange rates for the currencies of 16 member countries. The U.S. SDR holdings and reserve position in the IMF are also valued on this basis beginning July 1974. At valuation used prior to July 1974 (SDR 1 = \$1.20635) SDR holdings at end of May amounted to \$2,435 million, reserve position in IMF, \$3,246 million, and total U.S. reserves assets, \$18,217.

NOTE.—See Table 20 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.

NOTES TO TABLE 1 ON OPPOSITE PAGE:

¹ Adjusted to balance of payments basis; among other adjustments, excludes military transactions and includes imports into the U.S. Virgin Islands.

² Fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States are excluded from investment income and included in "Other services."

³ Differs from the definition of "net exports of goods and services" in the national income and product (GNP) account. The GNP definition excludes special military sales to Israel from exports and excludes U.S. Govt. interest payments from imports.

⁴ Includes under U.S. Government grants \$2 billion equivalent, representing the refinancing of economic assistance loans to India; a corresponding reduction of credits is shown in line 16.

⁵ Includes some short-term U.S. Govt. assets.

⁶ Includes some transactions of foreign official agencies.

⁷ 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.

NOTE.—Data are from U.S. Department of Commerce, Bureau of Economic Analysis. Details may not add to totals because of rounding.

4. 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)

End of period	Estimated total world ¹	Intl. Monetary Fund	United States	Estimated rest of world	Algeria	Argentina	Australia	Austria	Belgium	Canada	China, Rep. of (Taiwan)	Denmark	Egypt
1970.....	41,275	4,339	11,072	25,865	191	140	239	707	1,470	791	82	65	85
1971.....	41,160	4,732	10,206	26,220	192	90	259	729	1,544	792	80	64	85
1972.....	44,890	5,830	10,487	28,575	208	152	281	791	1,638	834	87	69	92
1973.....	49,850	6,478	11,652	31,720	231	169	312	881	1,781	927	97	77	103
1974.....	49,800	6,478	11,652	31,670	231	169	312	882	1,781	927	97	76	103
1975—May.....		6,478	11,620		231	169	312	882	1,781	927	97	76	103
June.....	49,760	6,478	11,620	31,660	231	169	312	882	1,781	927	97	76	103
July.....		6,478	11,618		231	169	312	882	1,781	927	97	76	103
Aug.....		6,478	11,599		231	169	312	882	1,781	927	97	76	103
Sept.....	49,750	6,478	11,599	31,675	231	169	312	882	1,781	927	97	76	103
Oct.....		6,478	11,599		231	169	312	882	1,781	927	97	76	103
Nov.....		6,478	11,599		231	169	312	882	1,781	927	97	76	103
Dec.....	49,740	6,478	11,599	31,665	231	169	312	882	1,781	927	97	76	103
1976—Jan.....		6,478	11,599		231	169	312	882	1,781	927	97	76	.....
Feb.....		6,478	11,599		231	169	312	882	1,781	927	97	76	.....
Mar.....	49,470	6,478	11,599	31,395	231	.....	312	882	1,781	916	94	76	.....
Apr. ²		6,478	11,599		231	.....	312	882	1,781	916	94	76	.....
End of period	France	Germany	Greece	India	Iran	Iraq	Italy	Japan	Kuwait	Lebanon	Libya	Mexico	Netherlands
1970.....	3,532	3,980	117	243	131	144	2,887	532	86	288	85	176	1,787
1971.....	3,523	4,077	98	243	131	144	2,884	679	87	322	85	184	1,909
1972.....	3,826	4,459	133	264	142	156	3,130	801	94	350	93	188	2,059
1973.....	4,261	4,966	148	293	159	173	3,483	891	120	388	103	196	2,294
1974.....	4,262	4,966	152	293	158	173	3,483	891	148	389	103	154	2,294
1975—May.....	4,262	4,966	153	293	158	173	3,483	891	175	389	103	154	2,294
June.....	4,262	4,966	153	293	158	173	3,483	891	154	389	103	154	2,294
July.....	4,262	4,966	153	293	158	173	3,483	891	154	389	103	154	2,294
Aug.....	4,262	4,966	153	293	158	173	3,483	891	154	389	103	154	2,294
Sept.....	4,262	4,966	153	293	158	173	3,483	891	160	389	103	154	2,294
Oct.....	4,262	4,966	153	293	158	173	3,483	891	160	389	103	154	2,294
Nov.....	4,262	4,966	153	293	158	173	3,483	891	160	389	103	154	2,294
Dec.....	4,262	4,966	153	293	158	173	3,483	891	169	389	103	154	2,294
1976—Jan.....	4,262	4,966	153	293	158	173	3,483	891	169	389	103	152	2,294
Feb.....	4,262	4,966	153	293	158	173	3,483	891	176	.....	103	.....	2,294
Mar.....	4,262	4,966	153	293	158	173	3,483	891	176	.....	103	.....	2,294
Apr. ²	4,262	4,966	.....	.....	.....	.....	3,483	891	183	.....	103	.....	2,294
End of period	Pakistan	Portugal	Saudi Arabia	South Africa	Spain	Sweden	Switzerland	Thailand	Turkey	United Kingdom	Uruguay	Venezuela	Bank for Intl. Settlements ²
1970.....	54	902	119	666	498	200	2,732	82	126	1,348	162	384	—282
1971.....	55	921	108	410	498	200	2,909	82	130	777	148	391	310
1972.....	60	1,021	117	681	541	217	3,158	89	136	801	133	425	218
1973.....	67	1,163	129	802	602	244	3,513	99	151	887	148	472	235
1974.....	67	1,175	129	771	602	244	3,513	99	151	888	148	472	250
1975—May.....	67	1,175	129	742	602	244	3,513	99	151	888	148	472	239
June.....	67	1,175	129	744	602	244	3,513	99	151	888	148	472	262
July.....	67	1,175	129	742	602	244	3,513	99	151	888	135	472	264
Aug.....	67	1,175	129	744	602	244	3,513	99	151	888	135	472	264
Sept.....	67	1,175	129	762	602	244	3,513	99	151	888	135	472	254
Oct.....	67	1,175	129	754	602	244	3,513	99	151	888	135	472	256
Nov.....	67	1,175	129	752	602	244	3,513	99	151	888	135	472	259
Dec.....	67	1,170	129	749	602	244	3,513	99	151	888	135	472	246
1976—Jan.....	67	1,170	129	753	602	244	3,513	99	151	.....	135	472	213
Feb.....	67	1,170	129	749	602	244	3,513	99	151	.....	135	472	205
Mar.....	67	.....	129	543	602	244	3,513	99	151	.....	.....	472	206
Apr. ².....	.....	.....	129	539	.....	244	3,513	99	151	.....	.....	472	.....

¹ Includes reported or estimated gold holdings of international and regional organizations, central banks and govts. of countries listed in this table, and also of a number not shown separately here, and gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; excludes holdings of the U.S.S.R., other Eastern European countries, and People's Republic of China.

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 assets minus gold deposit liabilities.

³ Reflects South African Reserve Bank sale of gold spot and repurchase forward.

5. U.S. LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS, AND LIQUID LIABILITIES TO ALL OTHER FOREIGNERS

(In millions of dollars)

End of period	Total	Liquid liabilities to IMF arising from gold transactions ¹	Liabilities to foreign countries									Liquid liabilities to non-monetary intl. and regional organizations ⁸
			Official institutions ²					Liquid liabilities to commercial banks abroad ⁶	Liquid liabilities to other foreigners			
			Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes ³	Non-marketable U.S. Treas. bonds and notes ⁴	Other readily marketable liabilities ⁵		Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes ^{3, 7}	
1964.....	29,364	800	15,786	13,220	1,125	1,283	158	7,303	3,753	3,377	376	1,722
1965.....	29,568	834	15,825	13,066	1,105	1,534	120	7,419	4,059	3,587	472	1,431
1966 ⁹	{31,144 31,019	{1,011 1,011	{14,840 14,895	{12,484 12,539	{860 860	{583 583	{913 913	{10,116 9,936	{4,271 4,272	{3,743 3,744	{528 528	{906 905
1967 ⁹	{35,819 35,667	{1,033 1,033	{18,201 18,194	{14,034 14,027	{908 908	{1,452 1,452	{1,807 1,807	{11,209 11,085	{4,685 4,678	{4,127 4,120	{558 558	{691 677
1968 ⁹	{38,687 38,473	{1,030 1,030	{17,407 17,340	{11,318 11,318	{529 462	{3,219 3,219	{2,341 2,341	{14,472 14,472	{5,053 4,909	{4,444 4,444	{609 465	{725 722
1969 ⁹	¹⁰ {45,755 45,914	{1,109 1,019	¹⁰ {15,975 15,998	{11,054 11,077	{346 346	¹⁰ {3,070 3,070	{1,505 1,505	{23,638 23,645	{4,464 4,589	{3,939 4,064	{525 525	{659 663
1970—Dec.	{47,009 46,960	{566 566	{23,786 23,775	{19,333 19,333	{306 295	{3,452 3,452	{695 695	{17,137 17,169	{4,676 4,604	{4,029 4,039	{647 565	{844 846
1971—Dec. ¹¹	{67,681 67,808	{544 544	{51,209 50,651	{39,679 39,018	{1,955 1,955	{9,431 9,534	{144 144	{10,262 10,949	{4,138 4,141	{3,691 3,694	{447 447	{1,528 1,523
1972—Dec.....	82,862	.....	61,526	40,000	5,236	15,747	543	14,666	5,043	4,618	425	1,627
1973—Dec. ^r	92,490	.....	66,861	1243,923	5,701	¹² 15,564	1,673	17,694	5,932	5,502	430	2,003
1974—Dec. ⁹	{119,240 119,152	.....	{76,801 76,808	{53,057 53,064	{5,059 5,059	{16,339 16,339	{2,346 2,346	{30,314 30,079	{8,803 8,943	{8,305 8,445	{498 498	{3,322 3,322
1975—Apr.	121,096	.....	79,292	53,531	5,941	16,507	3,313	28,799	8,843	8,188	655	4,162
May.....	122,357	.....	80,007	52,408	6,064	18,067	3,468	28,913	9,123	8,500	623	4,314
June.....	122,097	.....	80,780	51,929	6,119	19,169	3,563	27,990	9,310	8,656	654	4,017
July.....	123,008	.....	80,022	50,393	6,160	19,616	3,853	29,035	9,337	8,627	710	4,614
Aug.....	124,411	.....	79,499	49,915	6,276	19,466	3,842	30,340	9,668	8,997	671	4,904
Sept.....	123,265	.....	78,058	48,080	6,452	19,666	3,860	30,318	9,901	9,200	701	4,988
Oct.....	123,370	.....	79,940	49,602	6,624	19,666	4,048	28,467	10,021	9,283	738	4,942
Nov.....	126,393	.....	79,409	49,124	6,454	19,726	4,105	32,191	10,234	9,527	707	4,560
Dec.....	126,137	.....	80,150	49,170	6,575	19,976	4,429	29,579	10,765	10,036	729	5,643
1976—Jan.....	127,770	.....	80,723	49,147	6,816	20,051	4,709	30,993	10,510	9,775	735	5,544
Feb.....	130,938	.....	81,346	49,659	6,917	20,051	4,719	33,197	10,822	10,077	745	5,573
Mar. ^p	127,440	.....	80,360	48,238	7,315	20,051	4,756	30,286	11,056	10,255	801	5,738
Apr. ^p	134,654	.....	82,055	49,369	7,609	20,151	4,926	35,241	11,669	10,782	887	5,689

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 Bank for International Settlements; also includes European Fund through Dec. 1972.

³ Derived by applying reported transactions to benchmark data.

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 2 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.

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 \$162 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates, as follows: short-term liabilities, \$15 million; and nonmarketable U.S. Treasury notes, \$147 million.

NOTE.—Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Table excludes IMF holdings of dollars, and U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by other international and regional organizations.

6. U.S. 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
1972.....	61,526	34,197	4,279	1,733	17,577	777	2,963
1973.....	66,861	45,764	3,853	2,544	10,887	788	3,025
1974—Dec. ³	(76,801)	44,328	3,662	4,419	18,604	3,161	2,627
	(76,808)	44,328	3,662	4,419	18,611	3,161	2,627
1975—Apr.....	79,292	45,205	3,251	4,506	20,126	3,493	2,711
May.....	80,007	45,485	3,101	4,600	20,456	3,448	2,917
June.....	80,780	45,483	3,008	4,723	20,497	3,800	3,269
July.....	80,022	44,458	2,966	4,763	21,384	3,319	3,132
Aug.....	79,499	44,210	2,929	4,937	21,057	3,392	2,974
Sept.....	78,058	43,481	3,011	4,840	20,819	3,145	2,762
Oct.....	79,940	45,010	3,049	4,254	22,008	3,018	2,601
Nov.....	79,409	44,744	3,218	4,056	21,826	2,951	2,614
Dec.....	80,150	45,312	3,132	4,447	22,381	2,983	1,894
1976—Jan.....	80,723	45,406	3,420	3,552	23,635	2,724	1,986
Feb.....	81,346	44,761	3,654	3,377	24,082	2,731	2,021
Mar. ^p	80,360	43,117	3,673	3,783	25,098	2,718	1,911
Apr. ^p	82,055	43,254	3,600	3,849	26,771	2,805	1,776

¹ Includes Bank for International Settlements; also includes European Fund through 1972.² Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.³ See note 9 to Table 5.

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.

NOTE.—Data represent short- and long-term liabilities to the official

7. 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 investment	To nonmonetary international and regional organizations ⁵				
	Total ¹	Payable in dollars				Payable in foreign currencies	Total		Deposits		U.S. Treasury bills and certificates	Other short-term liab. ⁶	
		Total	Deposits		U.S. Treasury bills and certificates ³				Other short-term liab. ⁴	Demand			Time ²
			Demand	Time ²									
1972.....	60,696	60,200	8,290	5,603	31,850	14,457	496	.....	1,412	86	202	326	799
1973.....	69,074	68,477	11,310	6,882	31,886	18,399	597	.....	1,955	101	83	296	1,474
1974—Dec. ⁷	(94,847	94,081	14,068	10,106	35,662	34,246	766	.....	3,171	139	111	497	2,424
	94,760	93,994	14,064	10,010	35,662	34,258	766	.....	3,171	139	111	497	2,424
1975—Apr.....	94,192	93,450	11,696	10,390	40,424	30,941	742	.....	3,674	99	126	781	2,668
May.....	93,735	93,070	11,929	10,374	40,628	30,139	665	.....	3,914	115	133	1,994	1,672
June.....	92,517	91,933	12,596	10,662	38,265	30,535	584	.....	3,943	106	183	996	2,708
July.....	92,500	91,939	12,218	10,385	38,564	30,772	560	.....	4,444	146	134	2,518	1,646
Aug.....	94,055	93,493	12,218	10,703	38,529	32,043	562	.....	4,804	110	148	3,156	1,389
Sept.....	92,499	91,945	13,422	10,400	36,653	31,470	554	.....	4,901	107	127	3,008	1,659
Oct.....	91,935	91,300	12,159	10,584	37,749	30,808	635	.....	4,583	132	150	2,397	1,903
Nov.....	95,313	94,673	12,813	10,293	37,297	34,270	637	.....	4,471	145	156	1,605	2,562
Dec.....	94,077	93,478	13,579	10,664	37,414	31,821	599	.....	5,293	139	186	2,554	2,412
1976—Jan.....	94,848	94,239	12,295	10,732	38,789	32,424	600	.....	4,925	114	217	2,498	2,096
Feb.....	97,454	96,800	13,349	10,272	39,657	33,522	654	.....	4,520	118	162	2,435	1,805
Mar. ^p	93,542	92,982	13,126	10,661	37,572	31,623	555	.....	4,763	130	179	2,495	1,959
Apr. ^p	100,911	100,144	14,243	10,340	38,929	36,631	763	.....	5,519	140	193	2,739	2,447

For notes see opposite page.

7. 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 ⁸					
	Total	Payable in dollars				Payable in foreign currencies	Total	Payable in dollars				Payable in foreign currencies
		Deposits		U.S. Treasury bills and certificates ³	Other short-term liab. ⁴			Deposits		U.S. Treasury bills and certificates ³	Other short-term liab. ⁶	
		Demand	Time ²					Demand	Time ²			
1973.....	67,119	11,209	6,799	31,590	16,925	597	43,923	2,125	3,911	31,511	6,248	127
1974—Dec. 7.....	91,676	13,928	9,995	35,165	31,822	766	53,057	2,951	4,257	34,656	11,066	127
	91,589	13,925	9,899	35,165	31,834	766	53,064	2,951	4,167	34,656	11,163	127
1975—Apr.....	90,518	11,597	10,264	39,643	28,273	742	53,531	2,147	4,193	39,316	7,874	.....
May.....	89,821	11,814	10,241	38,634	28,468	665	52,408	2,175	4,324	38,372	7,537	.....
June.....	88,659	12,494	10,654	37,269	27,658	584	52,039	2,564	4,321	36,994	8,160	.....
July.....	88,590	12,086	10,288	36,079	29,577	560	50,643	2,492	4,098	35,803	8,250	.....
Aug.....	89,249	12,121	10,251	35,406	30,909	562	49,932	2,493	3,939	35,055	8,445	.....
Sept.....	87,598	13,315	10,273	33,645	29,811	554	48,080	2,452	3,957	33,284	8,387	.....
Oct.....	87,352	12,027	10,434	35,359	28,897	635	49,602	2,448	3,948	34,983	8,223	.....
Nov.....	90,842	12,668	10,137	35,692	31,708	637	49,124	2,242	3,594	35,247	8,041	.....
Dec.....	88,785	13,440	10,478	34,860	29,416	591	49,170	2,644	3,438	34,175	8,913	.....
1976—Jan.....	89,915	12,181	10,514	36,291	30,328	600	49,147	2,449	3,291	35,633	7,774	.....
Feb.....	92,933	13,232	10,110	37,222	31,728	642	49,659	2,703	2,908	36,628	7,420	.....
Mar. ^p	88,780	12,997	10,482	35,077	29,669	555	48,238	2,692	2,745	34,578	8,223	.....
Apr. ^p	95,392	14,103	10,147	36,190	34,189	763	49,369	2,782	2,319	35,668	8,599	.....

End of period	Total	To banks ⁹					To other foreigners					To banks and other foreigners: Payable in foreign currencies	
		Payable in dollars					Payable in dollars						
		Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab. ⁴	Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab. ⁶		
			Demand	Time ²				Demand	Time ²				
1973.....	23,196	17,224	6,941	529	11	9,743	5,502	2,143	2,359	68	933	469	
1974—Dec. 7.....	38,619	29,676	8,248	1,942	232	19,254	8,304	2,729	3,796	277	1,502	639	
	38,525	29,441	8,244	1,936	232	19,029	8,445	2,729	3,796	277	1,643	639	
1975—Apr.....	36,988	28,058	6,894	2,102	120	18,941	8,189	2,556	3,969	207	1,457	742	
May.....	37,414	28,249	6,856	1,821	105	19,466	8,500	2,784	4,096	156	1,465	665	
June.....	36,620	27,261	7,075	2,009	99	18,078	8,775	2,855	4,324	176	1,421	584	
July.....	37,947	28,113	6,906	1,339	124	19,744	9,273	2,688	4,851	152	1,582	560	
Aug.....	39,317	29,708	6,923	1,836	121	20,827	9,048	2,705	4,476	230	1,637	562	
Sept.....	39,518	29,764	7,982	1,775	89	19,918	9,200	2,881	4,541	272	1,506	554	
Oct.....	37,750	27,832	6,811	1,777	100	19,143	9,282	2,769	4,708	276	1,530	635	
Nov.....	41,718	31,554	7,587	1,694	135	22,139	9,527	2,839	4,850	311	1,528	637	
Dec.....	39,615	28,988	7,549	2,140	335	18,964	10,036	3,248	4,901	349	1,538	591	
1976—Jan.....	40,767	30,393	6,832	2,162	369	21,030	9,774	2,900	5,061	289	1,523	600	
Feb.....	43,275	32,555	7,418	2,086	275	22,775	10,078	3,111	5,116	320	1,532	642	
Mar. ^p	40,541	29,731	7,159	2,390	217	19,965	10,255	3,146	5,346	282	1,481	555	
Apr. ^p	46,024	34,479	7,883	2,422	134	24,039	10,782	3,438	5,406	387	1,551	763	

¹ Data exclude IMF holdings of dollars.² Excludes negotiable time certificates of deposit, which are included in "Other short-term liabilities."³ Includes nonmarketable certificates of indebtedness and Treasury bills issued to official institutions of foreign countries.⁴ Includes liabilities of U.S. banks to their foreign branches, liabilities of U.S. agencies and branches of foreign banks to their head offices and foreign branches, bankers' acceptances, commercial paper, and negotiable time certificates of deposit.⁵ Principally the International Bank for Reconstruction and Development and the Inter-American and Asian Development Banks.⁶ Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit.⁷ Data on the 2 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 Foreign central banks and foreign central govts. and their agencies, Bank for International Settlements, and European Fund through Dec. 1972.⁹ Excludes central banks, which are included in "Official institutions."

NOTE.—"Short term" obligations are those payable on demand or having an original maturity of 1 year or less. For data on long-term liabilities reported by banks, see Table 9. Data exclude International Monetary Fund holdings of dollars; these obligations to the IMF constitute contingent liabilities, since they represent essentially the amount of dollars available for drawings from the IMF by other member countries. Data exclude also U.S. Treasury letters of credit and nonnegotiable, noninterest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1974		1975						1976			
	Dec. ¹		July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar. ²	Apr. ³
Europe:												
Austria.....	607	607	661	667	688	606	635	700	714	693	525	559
Belgium-Luxembourg.....	2,506	2,506	2,982	2,891	2,865	2,918	2,938	2,917	2,697	2,460	2,415	2,332
Denmark.....	369	369	325	308	311	327	361	332	375	434	678	681
Finland.....	266	266	361	406	391	367	380	391	309	313	334	341
France.....	4,287	4,287	5,515	5,493	5,950	6,608	7,172	7,733	7,499	6,480	6,210	4,856
Germany.....	9,420	9,429	5,440	5,277	4,797	5,047	4,841	4,407	3,873	4,518	4,245	5,886
Greece.....	248	248	299	307	361	331	313	284	263	340	261	292
Italy.....	2,617	2,617	1,426	1,056	1,426	1,398	1,071	1,112	1,052	1,044	1,338	1,504
Netherlands.....	3,234	3,234	3,539	3,301	3,059	3,199	3,301	3,148	3,132	3,558	3,124	3,023
Norway.....	1,040	1,040	1,118	1,052	982	886	970	996	888	925	770	926
Portugal.....	310	310	279	268	207	236	190	194	243	221	209	213
Spain.....	382	382	392	288	459	414	402	426	445	400	386	462
Sweden.....	1,138	1,138	2,010	2,203	2,195	2,252	2,241	2,286	2,266	2,312	2,287	2,352
Switzerland.....	9,986	10,137	7,965	8,282	8,048	8,205	8,029	8,556	8,611	8,648	8,852	9,016
Turkey.....	152	152	106	134	116	128	120	118	88	104	106	113
United Kingdom.....	7,559	7,584	6,461	8,342	6,268	6,722	7,177	6,885	7,611	8,236	6,482	6,589
Yugoslavia.....	183	183	106	104	128	138	175	126	83	178	222	179
Other Western Europe ²	4,073	4,073	2,560	2,291	2,443	2,428	2,370	2,970	2,313	2,116	2,136	1,947
U.S.S.R.....	82	82	29	50	39	42	38	40	45	43	38	34
Other Eastern Europe.....	206	206	181	160	272	153	128	200	160	201	144	161
Total.....	48,667	48,852	41,755	42,882	41,005	42,405	42,853	43,821	42,669	43,224	40,765	41,461
Canada.....	3,517	3,520	3,921	3,637	3,944	3,567	4,091	3,075	3,885	4,721	4,233	4,173
Latin America:												
Argentina.....	886	886	1,061	1,054	984	1,135	1,150	1,147	1,208	1,134	1,169	1,238
Bahamas.....	1,448	1,054	1,991	2,190	1,503	2,221	2,989	1,834	3,197	2,946	1,709	4,606
Brazil.....	1,034	1,034	853	921	1,016	1,083	1,075	1,227	1,191	1,135	1,320	1,421
Chile.....	276	276	301	280	293	270	266	317	248	248	273	317
Colombia.....	305	305	376	367	379	366	387	414	484	536	520	571
Mexico.....	1,770	1,770	1,809	1,824	1,872	1,956	2,183	2,078	1,899	2,048	2,033	2,133
Panama.....	488	510	657	649	752	765	840	1,097	1,145	953	778	961
Peru.....	272	272	228	208	245	247	249	244	219	223	234	219
Uruguay.....	147	165	190	160	208	168	175	172	185	204	242	216
Venezuela.....	3,413	3,413	3,964	4,242	4,247	3,531	3,188	3,290	2,711	2,571	2,574	2,742
Other Latin American re- publics.....	1,316	1,316	1,417	1,371	1,469	1,399	1,368	1,500	1,431	1,455	1,626	1,712
Netherlands Antilles and Surinam.....	158	158	104	105	119	113	118	129	129	143	118	122
Other Latin America.....	526	596	1,603	1,534	1,897	1,046	2,141	1,501	1,613	2,441	1,746	2,517
Total.....	12,038	11,754	14,554	14,907	14,983	14,305	16,131	14,950	15,665	16,037	14,343	18,774
Asia:												
China, People's Rep. of (China Mainland).....	50	50	50	55	94	104	93	123	263	224	101	120
China, Republic of (Taiwan).....	818	818	1,015	1,054	1,058	1,061	1,051	1,025	1,010	1,072	1,100	1,134
Hong Kong.....	530	530	540	577	741	684	683	623	667	682	741	709
India.....	261	261	133	214	214	194	181	126	203	324	338	423
Indonesia.....	1,221	1,221	527	289	234	612	418	369	762	583	498	920
Israel.....	386	389	369	343	322	364	342	386	292	309	346	319
Japan.....	10,897	10,897	11,669	11,218	11,128	9,940	10,776	10,142	10,544	11,737	12,232	12,789
Korea.....	384	384	366	374	342	400	386	390	395	382	361	360
Philippines.....	747	747	632	669	604	580	593	698	601	616	605	605
Thailand.....	333	333	284	255	207	194	193	252	279	224	225	244
Middle East oil-exporting countries ³	4,633	4,608	4,432	4,804	5,111	5,785	5,987	6,440	6,428	6,535	6,699	7,145
Other.....	813	820	767	919	970	925	885	869	970	933	967	1,020
Total.....	21,073	21,082	20,785	20,770	21,025	20,844	21,589	21,443	22,414	23,621	24,214	25,707
Africa:												
Egypt.....	103	103	253	295	188	185	255	342	177	180	314	231
South Africa.....	130	130	132	147	254	177	108	168	218	133	186	177
Oil-exporting countries ⁴	2,814	2,814	2,785	2,872	2,649	2,447	2,372	2,238	2,134	2,208	1,919	2,256
Other.....	504	504	563	552	560	575	643	622	563	609	680	598
Total.....	3,551	3,551	3,732	3,866	3,651	3,385	3,377	3,370	3,091	3,131	3,099	3,262
Other countries:												
Australia.....	2,742	2,742	3,231	3,114	2,912	2,766	2,712	2,013	2,046	2,070	2,001	1,931
All other.....	89	89	77	75	78	80	87	114	143	131	125	84
Total.....	2,831	2,831	3,308	3,189	2,989	2,846	2,800	2,127	2,190	2,201	2,126	2,015
Total foreign countries.....	91,676	91,589	88,055	89,252	87,598	87,352	90,842	88,786	89,915	92,933	88,780	95,392
International and regional:												
International ⁵	2,900	2,900	4,173	4,500	4,621	4,303	4,217	5,069	4,629	4,189	4,459	5,269
Latin American regional.....	202	202	181	215	186	190	193	187	219	261	176	141
Other regional ⁶	69	69	90	88	94	90	61	37	85	70	128	108
Total.....	3,171	3,171	4,444	4,804	4,901	4,583	4,471	5,293	4,933	4,520	4,763	5,519
Grand total.....	94,847	94,760	92,500	94,055	92,499	91,935	95,313	94,078	94,848	97,453	93,542	100,911

For notes see opposite page.

8. 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 data⁷

Area and country	1973	1974		1975		Area and country	1973	1974		1975	
	Dec.	Apr.	Dec.	Apr.	Dec.		Dec.	Apr.	Dec.	Apr.	Dec.
Other Western Europe:						Other Asia—Cont.:					
Cyprus.....	19	10	7	17	6	Cambodia.....	2	4	4	4	.....
Iceland.....	8	11	21	20	33	Jordan.....	6	6	22	30	39
Ireland, Rep. of.....	62	53	29	29	.....	Laos.....	3	3	3	5	2
Other Latin American republics:						Lebanon.....	62	68	126	180	.....
Bolivia.....	68	102	96	93	110	Malaysia.....	58	40	63	92	77
Costa Rica.....	86	88	118	120	124	Pakistan.....	105	108	91	118	74
Dominican Republic.....	118	137	128	214	169	Singapore.....	141	165	245	215	.....
Ecuador.....	92	90	122	157	.....	Sri Lanka (Ceylon).....	13	13	14	13	13
El Salvador.....	90	129	129	144	171	Vietnam.....	88	98	126	70	62
Guatemala.....	156	245	219	255	260						
Haiti.....	21	28	35	34	38	Other Africa:					
Honduras.....	56	71	88	92	99	Ethiopia (incl. Eritrea).....	79	118	95	76	60
Jamaica.....	39	52	69	62	41	Ghana.....	20	22	18	13	.....
Nicaragua.....	99	119	127	125	133	Kenya.....	23	20	31	32	19
Paraguay.....	29	40	46	38	43	Liberia.....	42	29	39	33	53
Trinidad and Tobago.....	17	21	107	31	.....	Southern Rhodesia.....	2	1	2	3	1
Other Latin America:						Sudan.....	3	2	4	14	12
Bermuda.....	242	201	116	100	.....	Tanzania.....	12	12	11	21	.....
British West Indies.....	109	354	449	627	.....	Tunisia.....	7	17	19	23	29
Other Asia:						Uganda.....	6	11	13	38	22
Afghanistan.....	22	11	18	19	41	Zambia.....	22	66	22	18	78
Burma.....	12	42	65	49	.....	All other:					
						New Zealand.....	39	33	47	36	42

¹ Data in the 2 columns shown for this date differ because of changes in reporting coverage. Figures in the first column are comparable in coverage with those for the preceding date; figures in the second column are comparable with those shown for the following date.

² Includes Bank for International Settlements.

³ Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

⁴ Comprises Algeria, Gabon, Libya, and Nigeria.

⁵ Data exclude holdings of dollars of the International Monetary Fund.

⁶ Asian, African, and European regional organizations, except BIS, which is included in "Europe."

⁷ Represent a partial breakdown of the amounts shown in the other categories (except "Other Eastern Europe").

9. LONG-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	To intl. and regional	To foreign countries				Country or area						
			Total	Official institutions	Banks ¹	Other foreigners	Germany	United Kingdom	Total Europe	Total Latin America	Middle East ²	Other Asia ³	All other countries
1972.....	1,018	580	439	93	259	87	165	63	260	136	.....	33	10
1973.....	1,462	761	700	310	291	100	159	66	470	132	.....	83	16
1974.....	1,285	822	464	124	261	79	146	43	227	115	94	8	20
1975—Apr.....	1,463	620	843	521	253	68	129	57	205	121	484	10	22
May.....	1,497	579	918	601	248	69	123	57	199	121	569	5	22
June.....	1,460	512	948	806	247	70	120	59	197	121	599	2	23
July.....	1,493	432	1,060	1,041	242	77	121	61	201	121	709	5	24
Aug.....	1,446	372	1,074	751	243	81	120	61	202	123	719	6	23
Sept.....	1,468	395	1,073	753	241	79	118	61	201	121	721	6	23
Oct.....	1,385	311	1,072	748	241	83	118	61	206	126	712	4	24
Nov.....	1,391	297	1,093	749	261	83	115	61	206	147	712	4	24
Dec.....	1,757	415	1,340	951	289	100	164	61	256	140	913	9	24
1976—Jan.....	1,875	306	1,567	1,042	402	123	264	65	373	142	1,005	8	41
Feb.....	1,859	286	1,571	1,065	398	107	262	64	369	141	1,024	12	26
Mar. ^p	2,063	157	1,905	1,091	443	371	256	78	393	148	1,310	16	40
Apr. ^p	2,076	172	1,903	1,081	385	437	259	87	416	99	1,340	14	35

¹ Excludes central banks, which are included with "Official institutions."

² Comprises oil-exporting countries as follows: Bahrain, Iran, Iraq,

Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

³ Until Dec. 1974 includes Middle East oil-exporting countries.

10. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. TREASURY BONDS AND NOTES

(End of period; in millions of dollars)

Area and country	1974	1975								1975			
	Dec.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar. ^p	Apr. ^p
Europe:													
Belgium-Luxembourg.....	10	14	14	14	14	14	14	13	13	13	13	13	14
Germany.....	9	209	209	209	210	217	216	216	215	212	238	247	228
Sweden.....	251	251	252	252	278	275	275	275	276	276	275	276	276
Switzerland.....	30	34	37	37	41	44	54	58	55	68	72	75	89
United Kingdom.....	493	564	522	536	520	501	441	414	363	374	370	386	389
Other Western Europe.....	788	797	97	98	102	114	152	152	117	199	204	371	455
Eastern Europe.....	5	5	5	5	5	5	5	4	4	4	4	4	4
Total.....	885	1,174	1,135	1,151	1,169	1,170	1,157	1,134	1,044	1,146	1,176	1,372	1,455
Canada.....	713	412	412	408	406	404	399	400	393	393	416	416	422
Latin America:													
Latin American republics.....	12	11	13	13	13	13	13	33	33	33	31	31	31
Netherlands Antilles ¹	83	118	134	178	149	149	158	160	161	159	131	121	120
Other Latin America.....	5	4	5	5	5	5	6	6	6	7	8	8	8
Total.....	100	133	152	196	167	168	177	199	200	199	170	160	159
Asia:													
Japan.....	3,498	3,496	3,496	3,496	3,496	3,502	3,520	3,269	3,271	3,268	3,212	3,217	3,217
Other Asia.....	212	1,291	1,397	1,418	1,498	1,648	1,798	1,849	2,075	2,195	2,337	2,637	2,830
Total.....	3,709	4,787	4,893	4,914	4,994	5,149	5,319	5,118	5,346	5,473	5,549	5,854	6,047
Africa.....	151	181	181	201	211	261	311	311	321	340	350	396	411
All other.....													
Total foreign countries.....	5,557	6,687	6,773	6,870	6,945	7,153	7,362	7,161	7,304	7,552	7,662	8,198	8,495
International and regional:													
International.....	97	342	29	128	66	52	324	60	322	593	1,034	957	153
Latin American regional.....	53	57	44	40	35	35	35	29	29	19	19	19	16
Total.....	150	399	74	169	101	87	359	89	351	612	1,053	975	170
Grand total.....	5,708	7,087	6,847	7,039	7,048	7,240	7,721	7,250	7,655	8,164	8,715	9,173	8,665

¹ Includes Surinam until Jan. 1976.

NOTE.—Data represent estimated official and private holdings of marketable U.S. Treasury securities with an original maturity of more than 1

year, and are based on a benchmark survey of holdings as of Jan. 31, 1971, and monthly transactions reports (see Table 14).

11. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars							Payable in foreign currencies				
		Total	Loans to—			Collections outstanding	Acceptances made for acct. of foreigners	Other	Total	Deposits with foreigners	Foreign govt. securities, coml. and finance paper	Other	
			Total	Official institutions	Banks ¹								Others ²
1972.....	15,676	14,830	5,671	163	2,970	2,538	3,276	3,226	2,657	846	441	223	182
1973.....	20,723	20,061	7,660	284	4,538	2,838	4,307	4,160	3,935	662	428	119	115
1974.....	39,030	37,835	11,301	381	7,342	3,579	5,637	11,237	9,659	1,195	668	289	238
1975—Apr.....	42,753	41,651	10,642	362	6,499	3,780	5,342	11,441	14,226	1,102	619	241	242
May.....	45,866	44,810	11,853	366	7,636	3,852	5,537	10,959	16,460	1,056	478	301	277
June.....	45,710	44,497	11,347	494	6,796	4,057	5,345	10,641	17,165	1,212	591	335	286
July.....	45,542	44,368	11,705	572	6,837	4,296	5,383	10,204	17,076	1,175	608	296	271
Aug.....	45,441	44,293	13,084	626	7,960	4,499	5,314	9,977	15,917	1,148	610	240	298
Sept.....	45,564	44,433	12,706	572	7,520	4,614	5,314	10,071	16,342	1,130	576	236	319
Oct.....	47,697	46,390	12,632	632	7,483	4,517	5,465	10,134	18,160	1,306	734	231	341
Nov.....	48,127	46,846	13,075	670	7,929	4,476	5,363	10,610	17,799	1,281	625	340	316
Dec.....	49,876	48,588	13,352	586	7,736	5,030	5,467	11,132	18,637	1,288	612	301	376
1976—Jan.....	51,275	50,043	13,609	669	8,132	4,808	5,311	11,047	20,077	1,232	682	263	286
Feb.....	53,749	52,348	14,233	754	8,699	4,771	5,191	10,994	21,941	1,401	728	241	431
Mar. ^p	53,390	52,069	13,559	763	7,995	4,801	5,367	11,134	22,010	1,321	794	145	382
Apr. ^p	55,467	54,018	14,555	769	8,846	4,940	5,359	11,297	22,808	1,449	920	156	373

¹ Excludes central banks which are included with "Official institutions."² Includes international and regional organizations.

12. 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	1974	1975						1976			
	Dec.	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar. ^p	Apr. ^p
Europe:											
Austria.....	21	16	28	20	19	32	15	20	23	22	39
Belgium-Luxembourg.....	384	620	598	536	555	463	352	401	417	430	398
Denmark.....	46	62	60	46	50	54	49	55	55	55	59
Finland.....	122	143	143	130	127	133	128	132	120	128	105
France.....	673	666	741	906	1,329	1,195	1,403	1,336	1,451	1,240	1,205
Germany.....	589	482	448	443	496	659	427	486	426	474	447
Greece.....	64	46	50	54	56	91	49	55	52	53	63
Italy.....	345	363	336	363	438	418	370	369	402	360	406
Netherlands.....	348	288	338	313	264	285	300	316	267	269	290
Norway.....	119	91	106	102	102	92	71	66	63	66	71
Portugal.....	20	27	22	18	15	19	16	20	20	21	18
Spain.....	196	257	214	245	256	261	249	274	262	231	241
Sweden.....	180	155	185	182	152	182	167	124	111	121	105
Switzerland.....	335	254	290	214	274	314	232	245	278	340	400
Turkey.....	15	26	43	56	54	121	86	59	82	73	68
United Kingdom.....	2,570	3,458	4,067	3,724	3,792	3,858	4,586	4,506	4,707	4,429	5,144
Yugoslavia.....	22	36	40	37	34	55	38	37	49	64	50
Other Western Europe.....	22	22	62	23	22	25	27	26	29	29	27
U.S.S.R.....	46	80	79	106	144	165	103	101	84	85	63
Other Eastern Europe.....	131	130	110	110	96	103	114	124	159	109	107
Total.....	6,245	7,222	7,960	7,630	8,275	8,526	8,781	8,752	9,056	8,599	9,306
Canada.....	2,776	2,651	2,340	2,626	2,728	2,742	2,812	3,015	2,978	2,917	3,253
Latin America:											
Argentina.....	720	1,105	1,115	1,219	1,343	1,229	1,203	1,246	1,338	1,290	1,372
Bahamas.....	3,398	7,813	6,627	6,432	7,250	6,856	7,513	7,981	9,830	10,303	10,294
Brazil.....	1,415	1,390	1,505	1,491	1,536	1,785	2,200	2,132	2,173	2,318	2,351
Chile.....	290	472	435	405	351	381	360	312	343	324	349
Colombia.....	713	666	667	684	662	649	689	651	586	545	539
Mexico.....	1,972	2,676	2,762	2,705	2,623	2,565	2,800	2,776	3,079	3,034	3,236
Panama.....	503	581	578	721	903	886	1,032	1,262	1,167	1,108	785
Peru.....	518	626	646	624	599	565	588	624	634	597	638
Uruguay.....	63	90	73	54	52	56	51	68	62	46	39
Venezuela.....	704	902	956	1,109	1,051	980	1,086	1,001	925	1,040	1,077
Other Latin American republics.....	866	1,055	1,005	1,014	1,041	969	980	1,045	1,061	986	989
Netherlands Antilles and Surinam.....	62	62	54	57	59	46	49	53	43	33	32
Other Latin America.....	1,142	1,679	2,091	1,684	2,202	2,555	1,816	3,059	3,253	2,708	3,711
Total.....	12,366	19,118	18,516	18,199	19,673	19,522	20,417	22,224	24,495	24,331	25,412
Asia:											
China, People's Rep. of (China Mainland).....	4	13	13	5	11	11	22	10	17	22	18
China, Republic of (Taiwan).....	500	463	503	606	601	681	735	725	729	775	793
Hong Kong.....	223	201	190	231	257	258	238	234	225	229	200
India.....	14	23	38	21	17	16	21	19	26	25	26
Indonesia.....	157	113	88	91	86	92	105	129	131	162	162
Israel.....	255	362	358	398	389	387	491	419	365	307	314
Japan.....	12,514	10,310	10,294	10,400	10,253	10,429	10,760	10,109	9,870	10,202	10,114
Korea.....	955	1,462	1,502	1,515	1,555	1,505	1,556	1,605	1,715	1,600	1,713
Philippines.....	372	481	410	340	338	347	377	434	507	510	520
Thailand.....	458	461	494	474	501	499	495	535	516	537	533
Middle East oil-exporting countries ¹	330	527	493	624	446	506	524	600	600	646	588
Other.....	441	544	572	651	702	665	683	734	705	731	649
Total.....	16,222	14,960	14,956	15,357	15,156	15,396	16,025	15,477	15,405	15,747	15,631
Africa:											
Egypt.....	111	134	141	125	127	130	104	106	101	103	110
South Africa.....	329	489	492	504	513	540	546	547	546	575	631
Oil-exporting countries ²	115	144	134	190	207	215	231	213	230	226	210
Other.....	300	297	347	343	380	409	351	349	330	270	301
Total.....	855	1,064	1,114	1,162	1,227	1,294	1,231	1,215	1,207	1,174	1,252
Other countries:											
Australia.....	466	446	466	509	532	554	535	503	492	521	498
All other.....	99	80	88	80	105	91	73	87	113	98	113
Total.....	565	526	554	589	638	645	608	589	605	619	611
Total foreign countries.....	39,030	45,541	45,438	45,562	47,696	48,126	49,875	51,272	53,747	53,387	55,465
International and regional.....	.....	1	3	1	*	1	1	3	2	3	2
Grand total.....	39,030	45,542	45,441	45,564	47,697	48,127	49,876	51,275	53,749	53,390	55,467

¹ Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

² Comprises Algeria, Gabon, Libya, and Nigeria.

NOTE.—Short-term claims are principally the following items payable on demand or with a contractual maturity of not more than 1 year: loans

made to, and acceptances made for, foreigners; drafts drawn against foreigners, where collection is being made by banks and bankers for their own account or for account of their customers in the United States; and foreign currency balances held abroad by banks and bankers and their customers in the United States. Excludes foreign currencies held by U.S. monetary authorities.

13. 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	Total Europe	Canada	Total Latin America	Japan	Middle East ³	Other Asia ⁴	All other countries ²
		Loans to—				Other long-term claims								
		Total	Official institutions	Banks ¹	Other foreigners ²									
1972.....	5,063	4,588	844	430	3,314	435	40	853	406	2,020	353	.....	918	514
1973.....	5,996	5,446	1,160	591	3,694	478	72	1,272	490	2,116	251	.....	1,331	536
1974.....	7,183	6,494	1,333	931	4,230	609	80	1,907	501	2,613	258	384	977	542
1975—Apr....	7,619	6,935	1,241	1,117	4,578	605	78	2,188	505	2,798	242	247	1,006	633
May.....	7,906	7,215	1,283	1,198	4,733	610	81	2,325	491	2,864	254	242	1,047	683
June.....	7,995	7,184	1,274	1,226	4,683	719	92	2,303	461	2,880	264	241	1,150	696
July.....	8,308	7,425	1,292	1,319	4,815	792	90	2,344	471	3,037	270	241	1,223	723
Aug.....	8,265	7,394	1,276	1,336	4,782	787	85	2,395	438	3,003	259	237	1,204	728
Sep.....	8,539	7,637	1,348	1,364	4,926	809	93	2,426	508	3,132	265	237	1,195	775
Oct.....	8,860	7,907	1,266	1,516	5,125	840	114	2,534	595	3,168	292	222	1,214	835
Nov.....	9,070	8,050	1,303	1,547	5,201	903	118	2,529	569	3,281	293	249	1,218	931
Dec.....	9,485	8,435	1,380	1,692	5,362	934	116	2,675	555	3,448	296	220	1,276	1,016
1976—Jan....	9,412	8,349	1,290	1,636	5,423	945	118	2,677	552	3,382	289	204	1,278	1,030
Feb.....	9,511	8,352	1,268	1,632	5,452	1,012	148	2,602	576	3,471	289	210	1,270	1,093
Mar. ^p	9,775	8,616	1,316	1,737	5,563	1,011	149	2,702	570	3,605	292	296	1,195	1,115
Apr. ^p	10,012	8,815	1,335	1,845	5,636	1,081	116	2,721	548	3,786	307	196	1,279	1,174

¹ Excludes central banks, which are included with "Official institutions."² Includes international and regional organizations.³ Comprises Middle East oil-exporting countries as follows: Bahrain,

Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

⁴ Until Dec. 1974 includes Middle East oil-exporting countries.

14. 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 ^{2,3}			Foreign bonds ³			Foreign stocks ³		
	Net purchases or sales (—)					Purchases	Sales	Net purchases or sales (—)	Purchases	Sales	Net purchases or sales (—)	Pur-Sales	Sales	Net purchases or sales (—)
	Total	Intl. and regional	Foreign											
			Total ⁴	Official	Other									
1973.....	305	—165	470	465	6	18,574	13,810	4,764	1,474	2,467	—993	1,729	1,554	176
1974.....	—472	101	—573	—642	69	16,183	14,677	1,506	1,036	3,254	—2,218	1,907	1,722	185
1975.....	1,948	201	1,747	1,516	230	20,360	15,212	5,148	2,386	8,687	—6,300	1,538	1,719	—182
1976—Jan.—Apr. ^p	1,010	—181	1,191	1,033	158	10,085	7,817	2,268	1,565	4,388	—2,824	682	745	—62
1975—Apr.....	—254	—210	—43	—62	20	1,640	1,397	243	167	338	—171	155	141	14
May.....	3	—89	92	123	—31	1,846	1,679	167	172	345	—173	145	157	—12
June.....	—240	—326	86	56	31	1,754	1,332	422	215	852	—637	129	143	—15
July.....	192	95	96	41	56	2,251	1,278	973	315	1,008	—693	109	119	—10
Aug.....	9	—67	77	117	—40	1,421	1,338	82	158	318	—160	89	256	—167
Sept.....	192	—14	206	175	31	1,257	1,124	134	194	285	—91	91	79	11
Oct.....	481	272	209	173	37	2,023	1,362	662	195	678	—484	137	161	—24
Nov.....	—470	—270	—201	—171	—30	1,605	1,231	374	248	991	—743	107	78	29
Dec.....	405	262	143	121	21	1,859	958	901	282	1,471	—1,190	148	97	51
1976—Jan.....	508	261	247	241	6	2,798	2,069	729	462	800	—339	145	139	6
Feb.....	551	441	110	101	10	2,503	2,086	418	402	1,547	—1,145	162	218	—56
Mar. ^p	458	—78	536	398	138	2,524	1,972	552	360	1,282	—923	193	245	—51
Apr. ^p	—508	—805	297	294	4	2,260	1,689	570	341	758	—417	182	143	40

¹ Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries.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.³ Includes transactions of international and regional organizations.⁴ Includes transactions (in millions of dollars) of oil-exporting countries in Middle East and Africa as shown in the tabulation in the opposite column:

	Middle East	Africa
1975 ^p	1,773	170
1976—Jan.—Apr. ^p	783	90
1975—Apr.	50	10
May	175	20
June	106	.....
July	1	20
Aug.	80	10
Sept.	150	50
Oct.	150	50
Nov.	51	.....
Dec.	176	10
1976—Jan.	115	20
Feb.	116	10
Mar. ^p	282	45
Apr. ^p	270	15

15. 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	Total Europe	Canada	Total America Latin	Middle East ¹	Other Asia ²	Other ³
1973.....	12,767	9,978	2,790	439	2	339	686	366	2,104	99	4	.....	577	5
1974.....	7,634	7,095	540	203	39	330	36	-377	281	-6	-33	.....	288	10
1975.....	15,066	10,600	4,465	262	250	359	897	569	2,464	356	-7	1,470	140	39
1976—Jan.—Apr. ^p	7,982	6,102	1,880	104	184	-37	187	247	752	127	140	780	63	21
1975—Apr.....	1,318	1,058	259	-15	23	26	44	54	136	-5	2	119	2	5
May.....	1,527	1,149	378	-6	4	27	100	59	193	36	1	113	36	-2
June.....	1,321	1,063	258	32	1	19	71	36	152	21	8	87	9	-19
July.....	1,669	1,080	589	55	31	80	139	75	396	20	13	153	2	6
Aug.....	1,153	712	441	52	52	47	83	38	302	21	-6	82	26	16
Sept.....	882	642	240	10	7	22	64	7	123	20	-15	72	32	8
Oct.....	1,407	1,042	365	16	-7	17	36	48	142	59	7	130	21	6
Nov.....	1,114	809	304	22	40	-5	42	44	132	36	-1	122	12	4
Dec.....	1,355	686	669	28	40	64	123	32	297	102	-9	268	13	-3
1976—Jan.....	2,060	1,544	517	1	136	-48	-2	88	208	40	76	198	-6	1
Feb.....	2,095	1,724	371	14	12	-14	63	41	133	48	11	175	5	5
Mar. ^p	2,137	1,555	582	79	26	-6	147	69	327	16	28	153	42	16
Apr. ^p	1,690	1,279	410	10	10	31	-21	49	84	23	25	254	22	-1

¹ Comprises Middle East oil-exporting countries as follows: Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

² Until 1975 includes Middle East oil-exporting countries.

³ Includes international and regional organizations.

16. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE BONDS, BY COUNTRY

(In millions of dollars)

Period	Total	France	Germany	Netherlands	Switzerland	United Kingdom	Total Europe	Canada	Total Latin America	Middle East ¹	Other Asia ²	Total Africa	Other countries	Intl. and regional
1973.....	1,948	201	-33	-19	307	275	1,204	49	44	.....	588	*	10	52
1974.....	966	96	33	183	96	373	719	45	43	.....	632	*	10	-483
1975.....	681	82	-11	-16	116	80	116	127	30	1,437	-42	5	1	-993
1976—Jan.—Apr. ^p	389	6	-45	-3	26	-200	-65	48	13	463	-89	10	-20	30
1975—Apr.....	-16	1	2	-26	35	-99	-100	5	3	80	1	*	*	-6
May.....	-212	3	1	-1	7	-81	-72	7	1	81	-11	*	*	-218
June.....	164	9	*	8	5	32	58	4	*	65	-1	*	*	38
July.....	384	27	16	6	35	80	183	33	1	179	4	*	*	-17
Aug.....	-358	13	-3	-18	-6	-69	-73	6	1	-1	1	*	*	-292
Sept.....	-107	-13	6	25	-7	121	-19	-5	5	82	-7	*	*	-162
Oct.....	296	1	-50	2	12	89	51	38	11	209	-4	3	*	11
Nov.....	69	39	8	-17	9	-41	-25	-2	6	75	4	1	*	-11
Dec.....	232	2	3	3	8	56	74	6	6	140	-12	1	*	16
1976—Jan.....	212	-1	4	-1	-2	-161	7	29	3	219	-21	-2	-10	-13
Feb.....	47	2	-1	2	20	-2	23	4	6	30	-34	1	*	18
Mar. ^p	-31	3	-56	-3	5	-11	-70	9	1	35	-20	4	-10	20
Apr. ^p	160	3	9	-5	4	-26	-25	7	3	179	-14	7	*	4

¹ See note 1 to Table 15.

² See note 2 to Table 15.

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.

17. NET PURCHASES OR SALES BY FOREIGNERS OF LONG-TERM FOREIGN SECURITIES, BY AREA

(In millions of dollars)

Period	Total	Intl. and regional	Total foreign countries	Europe	Canada	Latin America	Asia	Africa	Other countries
1973.....	-818	139	-957	-141	-569	-120	-168	3	37
1974.....	-2,033	-60	-1,973	-546	-1,508	-93	144	7	22
1975.....	-6,515	-2,225	-4,290	-47	-3,178	-306	-619	15	-154
1976—Jan.—Apr. ^p	-2,886	-130	-2,756	-242	-2,285	-70	-143	-9	-7
1975—Apr.....	-157	-57	-100	-57	-3	17	-59	*	2
May.....	-184	31	-215	39	-167	*	-88	-2	2
June.....	-655	*	-655	-22	-478	*	-30	2	-127
July.....	-699	-475	-224	-26	-109	-25	-69	*	4
Aug.....	-362	-21	-341	24	-204	-164	1	1	2
Sept.....	-80	18	-98	-19	-129	25	24	-1	1
Oct.....	-508	5	-513	48	-460	-48	-56	-3	6
Nov.....	-714	-62	-652	-27	-584	6	3	-2	-48
Dec.....	-1,139	-839	-299	80	-310	9	-78	-1	1
1976—Jan.....	-333	94	-426	-109	-304	-9	-4	-3	2
Feb.....	-1,201	-139	-1,063	33	-973	5	-110	-4	-14
Mar. ^p	-974	9	-984	-167	-727	-72	-14	-5	2
Apr. ^p	-378	-94	-284	*	-281	6	-15	4	2

18. 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)
1973—Sept.....	290	255
Dec.....	333	231
1974—Mar.....	383	225
June.....	354	241
Sept.....	298	178
Dec.....	293	194
1975—Mar.....	349	209
June.....	380	233
Sept.....	343	258
Dec.....	365	319
1976—Mar. ^p	411	333

NOTE.—Data represent the money credit balances and 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.

19a. 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	Official institutions	Non-bank foreigners	
IN ALL FOREIGN COUNTRIES											
Total, all currencies	1973—Dec.	121,866	5,091	1,886	3,205	111,974	19,177	56,368	2,693	33,736	4,802
	1974—Dec.	151,905	6,900	4,464	2,435	138,712	27,559	60,283	4,077	46,793	6,294
	1975—Mar.	155,204	5,328	2,638	2,689	143,749	28,330	61,611	4,407	49,400	6,127
	Apr.	155,616	5,832	3,052	2,780	143,948	29,195	60,292	4,353	50,108	5,836
	May.	156,909	7,727	4,889	2,838	143,099	27,581	60,330	4,494	50,695	6,083
	June.	162,342	5,540	2,342	3,198	150,515	30,870	63,710	4,836	51,100	6,287
	July.	160,703	5,919	2,788	3,131	148,224	30,153	62,438	4,796	50,837	6,561
	Aug.	165,835	9,102	6,048	3,054	150,196	31,283	62,455	4,892	51,566	6,537
	Sept.	166,098	6,574	3,267	3,307	153,191	31,508	65,019	4,861	51,803	6,333
	Oct.	169,480	7,919	4,892	3,027	155,067	32,677	64,214	5,226	52,950	6,495
	Nov.	171,624	8,691	5,763	2,928	156,154	33,519	64,357	5,504	52,773	6,780
	Dec.	175,934	6,723	3,661	3,061	162,914	34,491	68,403	5,874	54,145	6,298
	1976—Jan.	178,707	7,986	4,998	2,988	164,483	36,646	66,583	6,104	55,151	6,237
	Feb.	180,611	8,936	5,903	3,033	165,225	34,709	69,106	6,316	55,094	6,450
	Mar.	185,785	6,692	3,450	3,241	172,596	38,380	72,211	6,639	55,365	6,498
Payable in U.S. dollars	1973—Dec.	79,445	4,599	1,848	2,751	73,018	12,799	39,527	1,777	18,915	1,828
	1974—Dec.	105,969	6,603	4,428	2,175	96,209	19,688	45,067	3,289	28,164	3,157
	1975—Mar.	107,519	5,014	2,607	2,407	99,635	19,836	46,118	3,604	30,078	2,870
	Apr.	108,399	5,467	3,009	2,458	100,230	20,993	45,172	3,599	30,465	2,702
	May.	111,638	7,318	4,825	2,493	101,383	21,281	45,403	3,685	31,015	2,938
	June.	117,296	5,113	2,280	2,833	109,180	24,529	49,132	3,949	31,569	3,003
	July.	117,268	5,513	2,737	2,776	108,279	24,180	48,572	3,929	31,598	3,476
	Aug.	121,478	8,778	5,995	2,783	109,423	25,071	48,063	4,148	32,141	3,277
	Sept.	123,139	6,237	3,210	3,027	113,945	25,444	51,479	4,040	32,981	2,958
	Oct.	125,893	7,501	4,817	2,684	115,213	26,555	50,034	4,363	34,262	3,178
	Nov.	128,739	8,336	5,711	2,625	117,121	27,494	50,972	4,646	34,009	3,282
	Dec.	132,881	6,388	3,624	2,764	123,470	28,490	54,764	4,950	35,266	3,023
	1976—Jan.	134,275	7,650	4,958	2,692	123,538	29,776	52,671	5,228	35,863	3,086
	Feb.	135,873	8,621	5,858	2,763	123,999	28,362	54,492	5,364	35,782	3,253
	Mar.	137,768	6,413	3,403	3,010	128,248	30,124	56,077	5,719	36,327	3,107
IN UNITED KINGDOM											
Total, all currencies	1973—Dec.	61,732	1,789	738	1,051	57,761	8,773	34,442	735	13,811	2,183
	1974—Dec.	69,804	3,248	2,472	776	64,111	12,724	32,701	788	17,898	2,445
	1975—Mar.	69,654	1,798	982	817	65,693	12,806	34,260	929	17,699	2,163
	Apr.	69,248	2,017	1,126	891	65,330	13,314	33,079	919	18,018	1,902
	May.	68,707	2,535	1,689	845	64,269	12,491	32,443	920	18,415	1,904
	June.	70,751	1,834	641	1,192	66,868	13,765	34,634	948	17,522	2,049
	July.	70,382	1,904	807	1,097	66,277	14,414	33,431	923	17,509	2,202
	Aug.	72,455	3,795	2,698	1,097	66,428	15,213	32,998	948	17,268	2,232
	Sept.	72,120	2,042	1,076	967	67,923	15,249	34,759	825	17,091	2,155
	Oct.	72,742	2,681	1,699	982	67,631	16,555	32,806	830	17,440	2,430
	Nov.	73,924	3,112	2,137	975	68,494	17,549	33,189	852	16,904	2,319
	Dec.	74,883	2,375	1,449	926	70,354	17,557	35,102	881	16,814	2,153
	1976—Jan.	73,437	2,253	1,469	784	68,983	18,026	33,094	1,034	16,828	2,202
	Feb.	72,963	2,947	2,270	677	67,843	16,050	34,887	964	15,941	2,174
	Mar.	74,668	2,076	1,237	839	70,367	17,363	36,703	927	15,374	2,224
Payable in U.S. dollars	1973—Dec.	40,323	1,642	730	912	37,816	6,509	23,389	510	7,409	865
	1974—Dec.	49,211	3,146	2,468	678	44,693	10,265	23,716	610	10,102	1,372
	1975—Mar.	48,939	1,687	974	713	46,039	10,373	24,874	736	10,057	1,212
	Apr.	48,797	1,885	1,109	776	45,923	10,995	23,990	721	10,217	989
	May.	48,506	2,404	1,671	733	45,180	10,656	23,320	698	10,506	922
	June.	51,365	1,669	623	1,045	48,713	12,054	25,761	721	10,178	983
	July.	51,665	1,742	793	949	48,787	12,664	25,143	713	10,267	1,136
	Aug.	53,456	3,661	2,681	980	48,763	13,315	24,540	740	10,168	1,032
	Sept.	54,256	1,910	1,054	856	51,369	13,488	27,008	596	10,277	977
	Oct.	54,192	2,552	1,687	865	50,494	14,654	24,691	592	10,557	1,146
	Nov.	56,221	2,988	2,123	865	52,145	15,555	25,600	638	10,353	1,087
	Dec.	57,361	2,257	1,445	812	54,137	15,645	27,669	648	10,175	967
	1976—Jan.	55,067	2,141	1,459	683	52,046	15,574	25,311	837	10,325	880
	Feb.	55,041	2,856	2,261	595	51,266	14,278	26,741	715	9,532	918
	Mar.	55,115	1,974	1,234	740	52,182	14,450	27,564	691	9,479	958
IN BAHAMAS AND CAYMANS ¹											
Total, all currencies	1973—Dec.	23,771	2,210	317	1,893	21,041	1,928	9,895	1,151	8,068	520
	1974—Dec.	31,733	2,464	1,081	1,383	28,453	3,478	11,354	2,022	11,599	815
	1975—Mar.	33,793	2,407	839	1,568	30,670	3,568	11,634	2,393	13,075	716
	Apr.	35,666	2,588	1,006	1,582	32,358	4,320	12,229	2,419	13,390	720
	May.	38,198	4,126	2,468	1,658	33,214	4,270	13,181	2,531	13,232	858
	June.	39,646	2,634	987	1,647	36,181	5,831	13,747	2,772	13,831	831
	July.	39,614	2,787	1,134	1,653	35,676	5,015	14,065	2,747	13,849	1,150
	Aug.	41,624	4,117	2,580	1,536	36,555	5,222	14,117	2,891	14,324	953
	Sept.	41,601	3,189	1,289	1,900	37,479	5,220	14,604	3,020	14,635	933
	Oct.	44,166	3,989	2,295	1,694	39,225	5,604	15,414	3,308	14,899	952
	Nov.	44,471	4,544	2,929	1,615	38,973	5,321	15,134	3,434	15,084	954
	Dec.	45,203	3,229	1,477	1,752	41,040	5,411	16,298	3,576	15,756	933
	1976—Jan.	48,694	4,488	2,614	1,874	43,104	6,296	17,195	3,677	15,935	1,102
	Feb.	50,276	4,765	2,750	2,014	44,396	6,257	17,556	3,908	16,675	1,115
	Mar.	51,075	3,482	1,425	2,056	46,636	6,745	18,205	4,251	17,434	957

For notes see p. A-74.

19b. 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	Official institutions	Non-bank foreigners			
IN ALL FOREIGN COUNTRIES											
121,866	5,610	1,642	3,968	111,615	18,213	65,389	10,330	17,683	4,641	.....1973—Dec.	.....Total, all currencies
151,905	11,982	5,809	6,173	132,990	26,941	65,675	20,185	20,189	6,933	.....1974—Dec.	
155,204	15,407	8,849	6,557	133,540	28,214	63,419	22,577	19,330	6,257	.....1975—Mar.	
155,617	14,935	8,703	6,233	134,594	29,192	62,287	23,236	19,879	6,088	.....Apr.	
156,910	16,861	10,366	6,494	133,806	26,725	64,700	22,223	20,158	6,243	.....May	
162,342	18,618	12,204	6,414	137,189	30,412	64,955	21,106	20,715	6,535	.....June	
160,703	17,704	11,542	6,162	136,808	30,233	65,956	20,371	20,249	6,191	.....July	
165,837	17,183	10,021	7,162	142,327	30,582	70,161	21,093	20,492	6,326	.....Aug.	
166,098	18,329	10,853	7,476	141,619	30,314	70,771	19,746	20,789	6,149	.....Sept. r	
169,480	19,083	11,211	7,872	144,223	31,781	70,365	20,629	21,449	6,174	.....Oct. r	
171,624	19,786	11,129	8,657	145,095	32,380	70,415	21,190	21,111	6,743	.....Nov. r	
175,934	20,132	12,076	8,056	149,418	33,911	72,182	22,763	20,562	6,385	.....Dec. r	
178,707	22,569	12,689	9,879	150,231	35,514	72,269	21,707	20,740	5,908	.....1976—Jan. r	
180,611	24,469	14,086	10,383	150,122	34,908	70,770	23,187	21,257	6,020	.....Feb.	
185,785	24,412	15,284	9,128	155,538	37,516	72,870	22,309	22,844	5,835	.....Mar. p	
80,374	5,027	1,477	3,550	73,189	12,554	43,641	7,491	9,502	2,158	.....1973—Dec.	..... Payable in U.S. dollars
107,890	11,437	5,641	5,795	92,503	19,330	43,656	17,444	12,072	3,951	.....1974—Dec.	
109,501	14,795	8,660	6,135	91,338	19,880	41,216	19,303	10,939	3,368	.....1975—Mar.	
110,405	14,277	8,517	5,760	92,715	20,683	40,999	19,909	11,123	3,414	.....Apr.	
114,105	16,256	10,189	6,067	94,452	20,521	43,863	18,928	11,139	3,397	.....May	
119,385	17,998	12,008	5,990	97,828	23,969	44,202	17,968	11,689	3,560	.....June	
119,319	17,090	11,335	5,755	99,013	24,112	45,897	17,393	11,611	3,216	.....July	
123,906	16,538	9,840	6,698	103,987	24,435	49,418	18,080	12,055	3,381	.....Aug.	
125,463	17,699	10,650	7,048	104,577	24,477	50,697	16,777	12,626	3,187	.....Sept. r	
127,953	18,407	11,007	7,399	106,182	25,824	49,736	17,476	13,146	3,365	.....Oct. r	
131,600	19,089	10,938	8,151	108,645	26,650	50,299	18,407	13,289	3,866	.....Nov. r	
135,665	19,413	11,851	7,563	112,765	28,098	51,503	19,982	13,183	3,487	.....Dec. r	
138,430	21,928	12,517	9,411	113,192	29,422	51,814	18,906	13,050	3,310	.....1976—Jan. r	
139,825	23,727	13,840	9,887	112,716	28,510	50,434	20,314	13,458	3,382	.....Feb.	
142,028	23,624	15,015	8,609	115,446	29,851	51,768	19,369	14,457	2,958	.....Mar. p	
IN UNITED KINGDOM											
61,732	2,431	136	2,295	57,311	3,944	34,979	8,140	10,248	1,990	.....1973—Dec.	.....Total, all currencies
69,804	3,978	510	3,468	63,409	4,762	32,040	15,258	11,349	2,418	.....1974—Dec.	
69,654	5,095	1,224	3,871	62,363	4,630	29,990	17,305	10,438	2,196	.....1975—Mar.	
69,248	4,596	1,342	3,254	62,625	5,394	28,666	17,812	10,753	2,026	.....Apr.	
68,708	4,772	1,337	3,435	61,772	5,325	28,957	16,726	10,764	2,164	.....May	
70,751	4,668	1,451	3,217	63,857	7,030	30,030	15,524	11,274	2,226	.....June	
70,382	4,679	1,718	2,961	63,501	6,475	30,636	15,312	11,077	2,203	.....July	
72,457	5,251	1,904	3,348	65,012	6,260	32,097	15,617	11,038	2,194	.....Aug.	
72,120	5,112	1,833	3,279	64,962	6,396	33,130	14,486	10,950	2,046	.....Sept.	
72,742	4,905	1,766	3,139	65,699	6,746	32,334	14,909	11,711	2,138	.....Oct.	
73,924	5,497	2,028	3,468	66,267	6,470	33,340	15,180	11,275	2,161	.....Nov.	
74,883	5,646	2,122	3,523	67,261	6,494	32,985	16,553	11,229	1,976	.....Dec.	
73,437	5,645	1,749	3,896	65,914	6,444	33,534	15,053	10,882	1,878	.....1976—Jan.	
72,963	5,491	1,914	3,577	65,544	6,648	31,444	16,463	10,989	1,928	.....Feb.	
74,668	5,185	1,549	3,637	67,433	7,179	32,667	15,785	11,802	2,050	.....Mar. p	
39,689	2,173	113	2,060	36,646	2,519	22,051	5,923	6,152	870	.....1973—Dec.	..... Payable in U.S. dollars
49,666	3,744	484	3,261	44,594	3,256	20,526	13,225	7,587	1,328	.....1974—Dec.	
49,533	4,805	1,189	3,616	43,546	3,072	19,128	14,688	6,658	1,183	.....1975—Mar.	
49,177	4,297	1,313	2,984	43,758	3,886	17,997	15,158	6,717	1,122	.....Apr.	
49,479	4,487	1,314	3,173	43,784	4,220	18,640	14,135	6,789	1,208	.....May	
51,848	4,369	1,412	2,957	46,312	5,962	20,039	13,083	7,228	1,167	.....June	
51,826	4,421	1,684	2,737	46,217	5,478	20,775	12,915	7,049	1,188	.....July	
54,017	4,975	1,873	3,103	47,912	5,288	22,087	13,249	7,287	1,129	.....Aug.	
54,683	4,889	1,808	3,081	48,814	5,456	23,645	12,182	7,531	980	.....Sept.	
54,478	4,696	1,735	2,961	48,660	5,708	22,452	12,500	7,999	1,123	.....Oct.	
56,696	5,288	2,009	3,279	50,185	5,478	23,641	12,999	8,066	1,223	.....Nov.	
57,820	5,415	2,083	3,332	51,466	5,442	23,349	14,498	8,176	940	.....Dec.	
56,039	5,446	1,732	3,714	49,676	5,422	23,369	13,070	7,816	917	.....1976—Jan.	
55,848	5,311	1,901	3,410	49,606	5,471	21,911	14,326	7,899	931	.....Feb.	
56,266	4,982	1,509	3,473	50,340	6,049	22,082	13,595	8,614	944	.....Mar. p	
IN BAHAMAS AND CAYMANS ¹											
23,771	1,573	307	1,266	21,747	5,508	14,071	492	1,676	451	.....1973—Dec.	.....Total, all currencies
31,733	4,815	2,636	2,180	26,140	7,702	14,050	2,377	2,011	778	.....1974—Dec.	
33,793	7,228	5,081	2,147	25,875	8,498	12,614	2,520	2,243	690	.....1975—Mar.	
35,667	7,420	5,083	2,337	27,536	8,756	13,694	2,769	2,318	711	.....Apr.	
38,198	9,090	6,766	2,324	28,309	6,872	16,018	2,977	2,441	799	.....May	
39,646	10,866	8,322	2,544	27,987	8,075	14,482	3,036	2,393	793	.....June	
39,614	9,991	7,407	2,584	28,933	8,401	15,539	2,500	2,492	690	.....July	
41,624	8,800	5,715	3,085	31,913	9,128	17,317	2,860	2,607	911	.....Aug.	
41,601	9,928	6,490	3,439	30,861	8,918	16,834	2,570	2,540	812	.....Sept.	
44,166	10,833	7,056	3,778	32,327	9,725	17,296	2,775	2,577	961	.....Oct.	
44,471	11,082	6,710	4,372	32,239	10,553	15,972	3,230	2,483	1,150	.....Nov.	
45,203	11,146	7,628	3,519	32,950	10,569	16,726	3,308	2,348	1,106	.....Dec.	
48,694	13,110	8,088	5,022	34,475	11,230	17,543	3,416	2,287	1,109	.....1976—Jan.	
50,276	15,016	9,197	5,820	34,159	10,294	18,017	3,407	2,440	1,100	.....Feb.	
251,075	15,469	10,915	4,554	34,931	10,850	18,332	2,998	2,751	676	.....Mar. p	

For notes see p. A-74.

20. 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
1972.....	325	50,934	215,530
1973.....	251	52,070	217,068
1974.....	418	55,600	16,838
1975—May..	310	61,539	16,818
June....	373	61,406	16,803
July....	369	60,999	16,803
Aug....	342	60,120	16,803
Sept....	324	58,420	16,795
Oct....	297	60,307	16,751
Nov....	346	60,512	16,745
Dec....	352	60,019	16,745
1976—Jan....	294	61,796	16,669
Feb....	412	62,640	16,666
Mar....	305	61,271	16,660
Apr....	305	62,527	16,657
May....	303	63,225	16,647

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 changes in par value of the U.S. dollar in May 1972, and in Oct. 1973.

NOTE.—Excludes deposits and U.S. Treasury 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.

21. 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 Kingdom	Canada
		Deposits	Short-term investments ¹	Deposits	Short-term investments ¹		
1972.....	2,374	1,910	55	340	68	911	536
1973.....	3,164	2,588	37	435	105	1,118	765
1974.....	3,337	2,583	56	429	268	1,350	959
1975—Feb.....	3,402	2,516	52	425	409	1,088	1,138
Mar.....	3,306	2,450	67	407	384	1,079	1,129
Apr.....	3,440	2,474	48	373	545	1,089	1,274
May.....	3,264	2,238	47	453	526	931	1,239
June.....	3,214	2,162	193	427	432	997	1,127
July.....	3,293	2,191	226	475	402	904	1,107
Aug.....	3,523	2,276	219	508	520	1,052	1,307
Sept.....	3,659	2,443	246	474	496	1,139	1,248
Oct.....	3,488	2,484	330	425	249	1,199	1,153
Nov.....	3,824	2,661	423	456	284	1,289	1,330
Dec.....	3,675	2,653	284	496	241	1,288	1,090
1976—Jan.....	4,075	3,016	320	464	274	1,469	1,263
Feb.....	4,346	3,233	341	447	325	1,480	1,333
Mar.....	4,396	3,341	393	434	228	1,683	1,322

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.

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 Table 22.

22. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE

(Amount outstanding; in millions of dollars)

End of period	Liabilities			Claims			
	Total	Payable in dollars	Payable in foreign currencies	Total	Payable in dollars	Payable in foreign currencies	
						Deposits with banks abroad in reporter's name	Other
1972—June.....	2,925	2,452	472	5,326	4,685	374	268
Sept.....	2,933	2,435	498	5,487	4,833	426	228
Dec....	3,119	2,635	484	5,721	5,074	410	237
	3,417	2,948	469	6,302	5,643	393	267
1973—Mar.....	3,320	2,848	472	7,017	6,147	456	414
June.....	3,319	2,796	523	7,285	6,444	493	349
Sept.....	3,579	2,931	648	7,625	6,698	528	399
Dec....	4,006	3,290	716	8,482	7,569	493	421
1974—Mar.....	4,414	3,590	823	10,475	9,541	407	526
June.....	5,139	4,184	955	11,046	10,122	429	496
Sept.....	5,605	4,656	949	10,698	9,730	430	537
Dec....	5,828	4,905	922	11,268	10,201	473	594
1975—Mar.....	5,804	4,940	864	10,910	9,769	453	688
June.....	5,802	4,972	830	10,866	9,574	479	813
Sept.....	5,876	5,028	848	11,692	10,333	525	834
Dec....	5,776	5,169	607	12,079	10,899	555	626

¹ Data on the 2 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.

23. 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				
	1974	1975				1974	1975			
	Dec.	Mar.	June	Sept.	Dec. ^p	Dec.	Mar.	June	Sept.	Dec. ^p
Europe:										
Austria.....	20	26	22	18	14	26	15	13	15	16
Belgium-Luxembourg.....	519	480	340	336	294	128	137	132	131	134
Denmark.....	24	23	14	8	9	42	35	22	24	39
Finland.....	16	16	12	14	14	120	77	87	114	91
France.....	202	151	137	150	148	430	328	287	311	299
Germany.....	313	352	293	276	149	339	276	346	319	363
Greece.....	39	25	27	21	19	65	59	69	56	33
Italy.....	125	109	110	156	171	397	309	300	380	381
Netherlands.....	119	122	143	154	113	148	157	135	139	165
Norway.....	9	9	8	13	20	36	35	41	48	40
Portugal.....	19	13	13	13	4	81	42	32	39	44
Spain.....	56	54	59	74	81	369	359	324	315	408
Sweden.....	38	32	30	47	24	89	66	74	100	62
Switzerland.....	138	155	168	167	129	136	86	113	220	241
Turkey.....	8	12	14	22	25	26	33	28	31	28
United Kingdom.....	1,258	1,161	1,033	924	913	1,853	1,657	1,557	1,785	1,892
Yugoslavia.....	40	52	45	60	76	22	33	32	24	36
Other Western Europe.....	5	5	4	5	6	21	23	16	19	14
Eastern Europe.....	70	54	49	38	31	142	114	154	170	219
Total.....	3,018	2,851	2,523	2,496	2,241	4,469	3,840	3,763	4,241	4,504
Canada.....	306	258	281	296	286	1,618	1,855	1,948	2,101	2,013
Latin America:										
Argentina.....	36	31	30	28	31	67	73	63	52	58
Bahamas.....	291	307	277	210	186	594	615	631	686	660
Brazil.....	118	121	127	116	96	463	378	349	385	399
Chile.....	22	23	15	13	14	106	69	57	41	38
Colombia.....	14	11	11	14	14	51	51	47	47	47
Cuba.....	*	*	*	*	*	1	1	1	1	1
Mexico.....	63	72	74	84	85	295	322	305	299	333
Panama.....	28	18	27	19	24	132	110	128	103	92
Peru.....	14	18	16	19	23	44	46	50	48	41
Uruguay.....	2	3	3	2	3	5	15	5	5	4
Venezuela.....	49	39	45	56	97	190	180	166	152	165
Other L.A. republics.....	83	65	67	69	71	193	193	179	163	154
Neth. Antilles and Surinam.....	26	56	60	76	35	20	16	13	12	12
Other Latin America.....	81	114	125	122	118	147	196	159	192	295
Total.....	828	878	876	827	796	2,305	2,268	2,151	2,184	2,299
Asia:										
China, People's Republic of (China Mainland).....	17	8	6	2	6	17	19	32	45	65
China, Rep. of (Taiwan).....	93	102	100	101	97	139	122	125	152	164
Hong Kong.....	19	19	30	29	18	63	83	85	85	111
India.....	7	10	21	21	7	37	32	39	48	39
Indonesia.....	60	63	87	104	137	92	117	147	137	169
Israel.....	50	62	62	45	29	44	46	60	63	53
Japan.....	348	327	273	279	296	1,239	1,326	1,250	1,265	1,137
Korea.....	75	47	43	63	69	201	165	178	207	265
Philippines.....	25	19	17	15	14	95	83	91	93	99
Thailand.....	10	9	6	8	18	24	30	25	21	22
Other Asia.....	536	642	841	908	1,027	385	396	468	534	557
Total.....	1,239	1,308	1,488	1,575	1,717	2,337	2,419	2,501	2,650	2,682
Africa:										
Egypt.....	3	5	34	34	37	15	24	15	15	22
South Africa.....	43	54	65	79	99	101	104	104	79	92
Zaire.....	18	17	9	9	6	24	18	17	22	28
Other Africa.....	129	142	215	220	249	234	242	227	273	298
Total.....	193	217	323	341	391	374	387	364	389	440
Other countries:										
Australia.....	56	60	37	52	55	116	97	99	79	101
All other.....	30	31	18	21	14	49	45	39	48	39
Total.....	86	91	55	73	70	165	141	138	127	140
International and regional.....	158	201	257	267	276	*	1	1	.....	1
Grand total.....	5,828	5,804	5,802	5,876	5,776	11,268	10,910	10,866	11,692	12,079

NOTE.—Reported by exporters, importers, and industrial and commercial concerns and other nonbanking institutions in the United States.

Data exclude claims held through U.S. banks, and intercompany accounts between U.S. companies and their foreign affiliates.

24. 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
1971—Dec.	3,138	3,068	128	704	717	174	60	653	136	325	86	84
1972—June	3,300	3,206	108	712	748	188	61	671	161	377	86	93
Sept.	3,448	3,187	128	695	757	177	63	662	132	390	89	96
Dec. 1.	3,540	3,312	163	715	775	184	60	658	156	406	87	109
Dec. 31.	3,603	3,274	191	745	749	187	64	703	133	378	86	38
1973—Mar.	3,781	3,411	156	802	764	165	63	796	123	393	105	45
June	3,798	3,446	180	805	756	146	65	825	124	390	108	48
Sept.	4,000	3,620	216	822	788	147	73	832	134	449	108	51
Dec.	3,886	3,678	290	761	792	145	79	829	125	488	115	53
1974—Mar.	3,836	3,808	369	737	824	194	81	809	123	488	122	61
June	3,536	3,809	363	699	844	184	138	756	123	515	126	61
Sept.	3,371	3,949	370	704	881	181	145	796	119	571	122	59
Dec.	3,768	4,159	364	642	918	187	143	1,044	112	569	127	54
1975—Mar.	4,044	4,139	340	654	962	182	160	1,006	102	540	139	54
June	4,155	4,086	299	634	970	182	154	979	98	556	146	68
Sept.	4,104	4,228	366	620	993	177	222	926	95	608	154	67
Dec. 31.	4,128	4,347	395	581	1,054	170	210	1,017	90	603	167	61

¹ Data on the 2 lines shown for this data 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.

25. OPEN MARKET RATES

(Per cent per annum)

Month	Canada		United Kingdom				France	Germany, Fed. Rep. of		Netherlands		Switzerland
	Treasury bills, 3 months ¹	Day-to-day money ²	Prime bank bills, 3 months	Treasury bills, 3 months	Day-to-day money	Clearing banks' deposit rates	Day-to-day money ³	Treasury bills, 60-90 days ⁴	Day-to-day money ⁵	Treasury bills, 3 months	Day-to-day money	Private discount rate
1973	5.43	5.27	10.45	9.40	8.27	7.96	8.92	6.40	10.18	4.07	4.94	5.09
1974	7.63	7.69	12.99	11.36	9.85	9.48	12.87	6.06	8.76	6.90	8.21	6.67
1975	7.36	7.34	10.57	10.16	10.13	7.23	7.89	3.51	4.23	4.41	3.65	6.25
1975—May	6.89	6.88	10.00	9.47	7.81	6.25	7.56	3.38	5.32	3.64	1.98	6.50
June	6.96	6.88	9.72	9.43	7.00	6.25	7.31	3.38	4.91	2.76	1.37	6.50
July	7.22	7.17	9.86	9.71	7.34	6.25	7.25	3.38	3.98	2.98	1.99	6.50
Aug.	7.72	7.42	10.59	10.43	8.59	6.43	7.16	3.38	1.93	2.89	1.51	6.00
Sept.	8.37	7.74	10.43	10.36	9.40	6.50	6.91	3.38	4.25	2.60	.94	5.50
Oct.	8.28	7.92	11.38	11.42	9.88	6.93	6.53	3.13	3.27	4.22	4.35	5.50
Nov.	8.44	8.29	11.21	11.10	11.34	7.00	6.74	3.13	3.36	4.67	4.19	5.50
Dec.	8.59	8.66	10.88	10.82	9.61	7.00	6.42	3.13	3.84	4.88	4.34	5.50
1976—Jan.	8.59	8.75	9.83	9.87	9.08	5.75	6.38	3.13	3.58	4.52	3.76	5.00
Feb.	8.70	8.74	8.86	8.81	8.42	6.50	7.27	3.13	3.08	2.86	3.05	5.00
Mar.	9.04	9.05	8.66	8.46	6.25	.....	7.63	3.13	3.62	2.50	2.12	4.78
Apr.	8.97	8.65	9.10	8.97	7.69	.....	7.56	3.13	2.76	2.96	2.50	4.50
May	8.93	8.96	.....	10.45	.....	.....	7.53	3.13	3.68	.....	.....	4.50

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.

NOTES TO TABLES 19a AND 19b ON PAGES A-70 AND A-71, RESPECTIVELY:

¹ Cayman Islands included beginning Aug. 1973.² Total assets and total liabilities payable in U.S. dollars amounted to \$47,125 million and \$47,535 million, respectively, on Mar. 31, 1976.

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.

26. CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of May 31, 1976		Country	Rate as of May 31, 1976	
	Per cent	Month effective		Per cent	Month effective
Argentina.....	18.0	Feb. 1972	Italy.....	12.0	Mar. 1976
Austria.....	5.0	Jan. 1976	Japan.....	6.5	Oct. 1975
Belgium.....	7.0	Mar. 1976	Mexico.....	4.5	June 1942
Brazil.....	28.0	May 1976	Netherlands.....	4.0	Feb. 1976
Canada.....	9.5	Mar. 1976	Norway.....	5.0	Oct. 1975
Denmark.....	8.5	Mar. 1976	Sweden.....	5.5	Jan. 1976
France.....	8.0	Sept. 1975	Switzerland.....	2.5	Jan. 1976
Germany, Fed. Rep. of.....	3.5	Sept. 1975	United Kingdom.....	11.5	May 1976
			Venezuela.....	5.0	Oct. 1970

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;

Japan—Penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;
United Kingdom—The bank's minimum lending rate, which is the average rate of discount for Treasury bills established at the most recent tender plus one-half per cent rounded to the nearest one-quarter per cent above;

Venezuela—2 per cent for rediscounts of certain agricultural paper, 4½ per cent for advances against government bonds, and 5½ per cent for rediscounts of certain industrial paper and on advances against promissory notes or securities of first-class Venezuelan companies.

27. FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Denmark (krone)	France (franc)	Germany (Deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)
1972.....	119.23	4.3228	2.2716	100.937	14.384	19.825	31.364	13.246	250.08	.17132	.32995
1973.....	141.94	5.1649	2.5761	99.977	16.603	22.536	37.758	12.071	245.10	.17192	.36915
1974.....	143.89	5.3564	2.5713	102.257	16.442	20.805	38.723	12.460	234.03	.15372	.34302
1975.....	130.77	5.7467	2.7253	98.297	17.437	23.354	40.729	11.926	222.16	.15328	.33705
1975—May.....	134.04	6.0033	2.8631	97.222	18.299	24.655	42.546	12.391	232.05	.15937	.34314
June.....	133.55	6.0338	2.8603	97.426	18.392	24.971	42.726	12.210	228.03	.15982	.34077
July.....	130.95	5.7223	2.7123	97.004	17.477	23.659	40.469	11.777	218.45	.15387	.33741
Aug.....	128.15	5.4991	2.6129	96.581	16.783	22.848	38.857	11.379	211.43	.14963	.33560
Sept.....	128.87	5.4029	2.5485	97.437	16.445	22.367	38.191	11.281	208.34	.14740	.33345
Oct.....	126.26	5.4586	2.5662	97.557	16.601	22.694	38.737	11.244	205.68	.14745	.33076
Nov.....	126.26	5.4535	2.5618	98.631	16.564	22.684	38.619	11.238	204.84	.14721	.33053
Dec.....	125.38	5.3986	2.5311	98.627	16.253	22.428	38.144	11.134	202.21	.14645	.32715
1976—Jan.....	125.65	5.4300	2.5443	99.359	16.231	22.339	38.425	11.178	202.86	.14245	.32826
Feb.....	125.85	5.4628	2.5554	100.652	16.278	22.351	39.034	11.186	202.62	.13021	.33157
Mar.....	124.79	5.4383	2.5480	101.431	16.273	21.657	39.064	11.157	194.28	.12113	.33276
Apr.....	123.72	5.4964	2.5667	101.668	16.553	21.411	39.402	11.123	184.63	.11371	.33433
May.....	123.37	5.4535	2.5517	102.02	16.487	21.272	39.035	11.080	180.79	.11676	.33444
Period	Malaysia (dollar)	Mexico (peso)	Netherlands (guilder)	New Zealand (dollar)	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
1972.....	35.610	8.0000	31.153	119.35	15.180	3.7023	129.43	1.5559	21.022	26.193	250.08
1973.....	40.988	8.0000	35.977	136.04	17.406	4.1080	143.88	1.7178	22.970	31.700	245.10
1974.....	41.682	8.0000	37.267	140.02	18.119	3.9506	146.98	1.7337	22.563	33.688	234.03
1975.....	41.753	8.0000	39.632	121.16	19.180	3.9286	136.47	1.7424	24.141	38.743	222.16
1975—May.....	44.278	8.0000	41.581	131.66	20.198	4.0933	146.69	1.7871	25.422	39.851	232.05
June.....	43.856	8.0000	41.502	130.86	20.393	4.1124	146.31	1.7922	25.532	40.086	228.03
July.....	41.442	8.0000	39.154	127.73	19.241	3.9227	139.75	1.7446	24.213	38.272	218.45
Aug.....	39.779	8.0000	37.887	111.79	18.304	3.7700	139.72	1.7140	23.174	37.332	211.43
Sept.....	38.219	8.0000	37.229	105.50	17.834	3.7048	131.40	1.6914	22.501	36.905	208.35
Oct.....	38.931	8.0000	37.658	104.74	18.089	3.7359	114.84	1.6883	22.769	37.555	205.68
Nov.....	38.929	8.0000	37.638	104.75	18.116	3.7318	114.69	1.6869	22.788	37.683	204.84
Dec.....	38.670	8.0000	37.234	103.77	17.988	3.6816	114.75	1.6765	22.685	37.970	202.21
1976—Jan.....	38.696	8.0000	37.429	104.06	17.992	3.6562	114.80	1.6751	22.831	38.418	202.86
Feb.....	38.998	8.0000	37.529	104.25	18.098	3.6394	114.79	1.5523	22.861	38.912	202.62
Mar.....	39.047	8.0000	37.149	102.42	18.022	3.4987	114.83	1.4947	22.702	38.980	194.28
Apr.....	39.032	8.0000	37.215	100.19	18.201	3.3759	114.84	1.4864	22.709	39.531	184.63
May.....	39.079	8.0000	36.811	99.33	18.184	3.3195	114.85	1.4788	22.653	40.205	180.79

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.

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RECENT DEVELOPMENTS IN INTERNATIONAL FINANCIAL MARKETS. 10/75.

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ANTICIPATED SCHEDULE OF RELEASE DATES FOR PUBLIC PERIODIC RELEASES¹— BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

WEEKLY RELEASES	APPROXIMATE RELEASE DAY	DATE OR PERIOD TO WHICH DATA REFER
Aggregate Reserves and Member Bank Deposits (H.3)	Tuesday	Week ended previous Wednesday
Applications and Reports Received or Acted on and All Other Actions of the Board (H.2)	Friday	Week ended previous Saturday
Assets and Liabilities of All Commercial Banks in the United States (H.8)	Wednesday	Wednesday, 2 weeks earlier
Changes in State Member Banks (K.3)	Tuesday	Week ended previous Saturday
Commercial and Industrial Loans Outstanding by Industry (H.12) ²	Wednesday	Wednesday, 1 week earlier
Deposits, Reserves, and Borrowings of Member Banks (H.7)	Wednesday	Week ended 3 Wed- nesdays earlier
Factors Affecting Bank Reserves and Condition Statement of Federal Reserve Banks (H.4.1)	Thursday	Week ended previous Wednesday
Foreign Exchange Rates (H.10)	Monday	Week ended previous Friday
Money Stock Measures (H.6)	Thursday	Week ended Wednes- day of previous week
Open Market Money Rates and Bond Prices (H.15)	Monday	Week ended previous Saturday
Reserve Positions of Major Reserve City Banks (H.5)	Friday	Week ended Wednes- day of previous week
Weekly Condition Report of Large Commercial Banks in New York and Chicago (H.4.3)	Thursday	Previous Wednesday
Weekly Condition Report of Large Commercial Banks and Do- mestic Subsidiaries (H.4.2) ³	Wednesday	Wednesday, 1 week earlier
Weekly Summary of Banking and Credit Measures (H.9)	Thursday	Week ended previous Wednesday; and week ended Wed- nesday of previous week

SEMIANNUALLY AND BIMONTHLY RELEASES

Research Library—Recent Acquisitions (J.2)	1st and 16th of month	Period since last re- lease
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MONTHLY RELEASES

Assets and Liabilities of all Member Banks, by Districts (G.7.1)	14th of month	Last Wednesday of previous month
Automobile Instalment Credit Developments (G.26)	6th working day of month	2nd month previous

¹Release dates are those anticipated or usually met. However, it should be noted that for some releases there is normally a certain variability because of reporting or processing procedures. Moreover, for all series unusual circumstances may, from time to time, result in a release date being later than anticipated.

²On second Wednesday of month, contains monthly data release.

³Contains revised H.4.3 data.

MONTHLY RELEASES (cont.)

	APPROXIMATE RELEASE DAY	DATE OR PERIOD TO WHICH DATA REFER
Bank Debits, Deposits, and Deposit Turnover (G.6)	25th of month	Previous month
Changes in Status of Banks and Branches (G.4.5)	25th of month	Previous month
Consumer Instalment Credit (G.19)	3rd working day of month	2nd month previous
Federal Reserve System Memorandum on Exchange Charges (K.14)	5th of month	Period since last re- lease
Finance Companies (G.20)	5th working day of month	2nd month previous
Foreign Exchange Rates (G.5)	1st of month	Previous month
Index Numbers of Wholesale Prices (G.8)	20th of month	Previous month
Industrial Production (G.12.3)	15th of month	Previous month
Interdistrict Settlement Account (G.15)	15th of month	Previous month
Interest Rates Charged on Selected Types of Bank Loans (G.10)	15th of month	2nd month previous
Loan Commitments at Selected Large Commercial Banks (G.21)	20th of month	2nd month previous
Maturity Distribution of Outstanding Negotiable Time Certificates of Deposit (G.9)	24th of month	Last Wednesday of previous month
Open Market Money Rates and Bond Prices (G.13)	6th of month	Previous month
Summary of Equity Security Transactions (G.16)	Last week of month	Release date

QUARTERLY RELEASES

Bank Rates on Short Term Business Loans (E.2)	18th of March, June, September, December	1st 15 days of Febru- ary, May, August, November
Capacity Utilization in Manufacturing (E.5)	21st of Jan- uary, April, July, October	Previous quarter
Finance Rates and Other Terms on Selected Types of Consumer Instalment Credit Extended by Major Finance Com- panies (E.10)	25th of Jan- uary, April, July, October	2nd month previous
Flow of Funds: Seasonally adjusted and unadjusted (Z.1)	} 15th of Febru- ary, May, August, November	Previous quarter
Volume and Composition of Individuals' Saving (Flow of funds series) (E.8)		
Geographical Distribution of Assets and Liabilities of Major Foreign Branches of U.S. Banks (E.11)	15th of March, June, September, December	Previous quarter
Sales, Revenue, Profits, and Dividends of Large Manufacturing Corpo- rations (E.6)	10th of March, July, Septem- ber, December	2nd quarter previous

SEMIANNUAL RELEASES

Assets and Liabilities of Commercial Banks, by Class of Bank (E.3.4)	May and No- vember	End of previous De- cember and June
Check Collection Services—Federal Reserve System (E.9)	February and July	Previous six months

SEMIANNUAL RELEASES (cont.)	APPROXIMATE RELEASE DAY	DATE OR PERIOD TO WHICH DATA REFER
List of OTC Margin Stocks (E.7)	June 30, De- cember 31	Release date
Assets, Liabilities, and Capital Accounts of Commercial and Mutual Savings Banks—Reports of Call (Joint Release of the Federal Deposit Insurance Corp., the Board of Governors of the Federal Reserve System, and Office of the Comptroller of the Currency. Published and distributed by FDIC.)	May and No- vember	End of previous De- cember and June
ANNUAL RELEASES		
Aggregate Summaries of Annual Surveys of Security Credit Extension (C.2)	February	End of Previous June
Bank Debits and Demand Deposits (C.5)	March 25	Previous Year
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(Supplements issued monthly)	15th of month	Previous month

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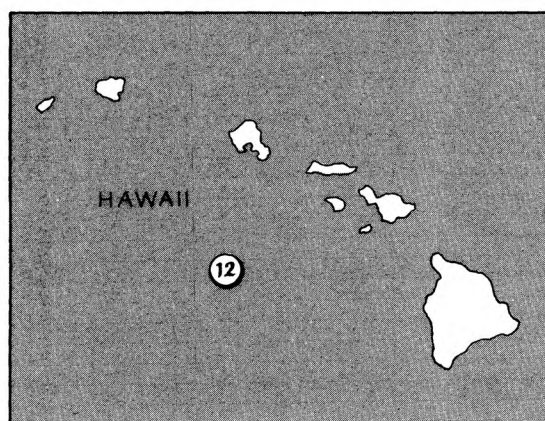
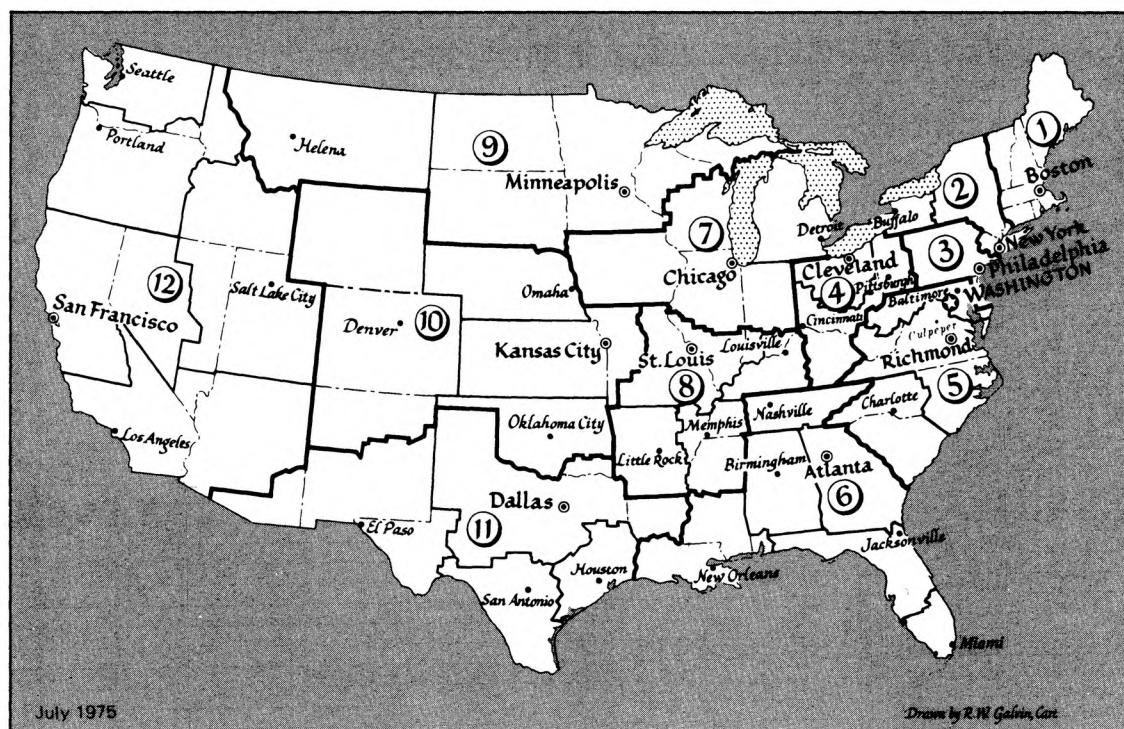
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The Federal Reserve System

Boundaries of Federal Reserve Districts and Their Branch Territories



LEGEND

- Boundaries of Federal Reserve Districts
- Boundaries of Federal Reserve Branch Territories
- ★ Board of Governors of the Federal Reserve System

- ⊙ Federal Reserve Bank Cities
- Federal Reserve Branch Cities
- Federal Reserve Bank Facility