Federal Reserve Bulletin

RECENT PATTERNS OF CORPORATE EXTERNAL FINANCING

U.S. ENERGY SUPPLIES AND USES

FOREIGN EXCHANGE OPERATIONS: INTERIM REPORT

DECEMBER 1973



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FEDERAL RESERVE BULLETIN

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Recent Patterns of Corporate External Financing

In the period of expansion since 1970, nonfinancial corporations have engaged in external financing at a rate that, by historical standards, is large both in dollar volume and relative to corporate product. Until the final quarter of 1972, the mix of financial instruments used to raise these funds had been somewhat different from the financing practices of earlier years, because it involved much heavier reliance on long-term debt and equity markets than had been common over the 1960's as a whole.

Since the final quarter of 1972, the dollar volume of corporate external financing has continued to be exceptionally large in relation to the level of economic activity. However, the pattern of external financing now has returned to one more like that before 1971. The portion raised in long-term debt and equity markets has fallen to about the 1969 level—or somewhat below the average of the 1960's. This shift of emphasis back to short-term markets has reflected mainly the general rise in interest rates since late 1972.

Despite this change, the severe stringencies in the 1969 financial environment have not been present recently—or at least not to the same degree. The relatively more relaxed conditions in 1973 are attributable mainly to changes in financial regulations and to the financing patterns that emerged during the intervening years. The suspension of Regulation Q ceilings on large certificates of deposit (CD's) in mid-May 1973 has permitted banks to bid for funds more competitively than in past periods of monetary restraint. Therefore, bank credit in general has continued to be available in 1973, although at increasingly high interest and other costs. In addition,

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it appears that corporate holdings of liquid assets are much more consistent with the volume of internal funds being generated than they were in 1969. Finally, the balance sheet restructuring that occurred in 1971 and 1972 has provided corporations with somewhat greater financial flexibility than before.

THE COMPOSITION OF EXTERNAL FINANCING

Changes in the volume and composition of corporate external financing for the period since 1968 are documented in Table 1. As was the case in 1969, many recent financing decisions seem to have been explained by interest rate expectations and the yield spreads between highly substitutable instruments. Over the period as a whole, however, two more persistent factors appear to have exerted major influences on the structure of financing undertaken.

First, corporations entered the present expansionary period with liquidity positions considerably eroded, following the substantial volume of short-term financing in 1969 and early 1970. The desire to restore these positions meant that a larger-than-normal share of total funds raised in 1971 was used to fund short-term debt and to build liquid asset balances. In fact, even in the recent period of rising interest rates, these asset balances have been augmented further. Second, internal funds generally have grown less rapidly of late in relation both to gross product and to capital outlays.

TABLE 1

NONFINANCIAL CORPORATIONS: STRUCTURE OF DEBT AND EXTERNAL FINANCING

Amounts shown in billions of dollars

Period	Total		Equity		Bonds		Mortgages		Bank loans		Other credit market instruments		Other liabilities	
	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent	Amount	Per cent
	Outstanding, end of period													
1969..	518.6	100.0	n.a.	n.a.	147.6	28.4	71.8	13.9	97.0	18.7	23.1	4.4	179.2	34.6
1970..	555.5	100.0	n.a.	n.a.	167.3	30.1	77.0	13.9	102.6	18.5	26.3	4.7	182.2	32.8
1971..	596.4	100.0	n.a.	n.a.	186.1	31.2	88.5	14.8	107.4	18.0	26.3	4.4	188.1	31.5
1972..	655.2	100.0	n.a.	n.a.	198.3	30.3	104.1	15.9	120.9	18.5	28.8	4.4	203.0	31.0
	Funds raised during period													
1969..	54.8	100.0	2.9	5.3	12.0	21.9	4.6	8.4	11.6	21.2	7.1	13.0	16.5	30.1
1970..	41.3	100.0	4.8	11.6	19.8	47.9	5.2	12.6	5.7	13.8	3.3	8.0	2.5	6.1
1971..	52.8	100.0	11.7	22.5	18.8	35.6	11.4	21.6	4.8	9.1	0.6	1.1	5.5	10.4
1972..	68.9	100.0	10.4	15.1	12.2	17.7	15.6	22.6	13.9	20.2	2.5	3.6	14.4	20.9
1972—														
Q1..	56.6	100.0	8.5	15.0	12.4	21.9	13.0	23.0	7.6	13.3	1.3	2.3	13.8	24.4
2..	59.0	100.0	12.8	21.7	12.9	21.9	15.0	25.4	7.2	12.2	4.6	7.8	6.4	10.9
3..	66.7	100.0	10.2	15.3	12.4	18.6	16.8	25.2	11.8	17.8	1.6	2.4	13.9	20.8
4..	93.3	100.0	10.0	10.7	11.1	11.9	17.7	19.0	28.7	30.8	2.4	2.6	23.4	25.1
1973—														
Q1..	92.3	100.0	9.6	10.4	7.8	8.5	15.0	16.3	54.8	59.4	−10.1	−10.9	15.0	16.3
2..	103.6	100.0	8.8	8.5	11.0	10.6	19.5	18.8	27.0	26.1	2.3	2.2	34.9	33.7
3..	105.7	100.0	3.1	2.9	7.9	7.5	21.7	20.5	28.2	26.7	3.2	3.0	41.6	39.4

n.a.—Not available.

NOTE.—Data from flow of funds accounts are quarterly at seasonally adjusted annual rates; 1973 Q3 preliminary. Other credit market borrowing consists of commercial paper and loans from finance companies and the U.S. Government. Other liabilities are trade credit, profits tax liabilities, and miscellaneous.

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This more sluggish growth undoubtedly has reinforced the desire of nonfinancial corporations to rebuild liquidity, in addition to requiring more external financing for the investment that has occurred.

While the volume of external financing that took place between 1970 and the end of 1972 was dictated by the general shortage of internal funds relative to investment and liquidity objectives, its composition was influenced by two further considerations. One was the desire to fund some short-term debt as a means of improving debt capacity in both short- and long-term markets. The other was the desire to accomplish this restructuring in a manner that would slow the rate of increase in debt/equity ratios. To implement these objectives—once interest rates had retreated from their peaks in 1970 and the stock market had recovered from its mid-1970 lows—nonfinancial corporations expanded their reliance on long-term financing, particularly in market sectors where they had previously been inactive.

The particular instruments involved in this expanded reliance on long-term borrowing tended to change somewhat as the period progressed. Net bond issues, at a record $19 billion in 1971, dropped back in early 1972 to about a $12.5 billion annual rate—about the same as in most other years since 1967, even though the total amount of debt financing was far more modest in those earlier years. Also, in 1971 an increasing amount of corporate long-term debt funds began to be provided through mortgages, with the growth concentrated more in mortgages secured by commercial properties than in those secured by residential investment. Growth in this area was encouraged by the greatly expanded flows of savings into banks and thrift institutions at a time when some of the funds previously available from the insurance sector for direct corporate debt financing were being absorbed by other investments, particularly those in the equity market. Furthermore, the higher interest cost of mortgage funds relative to privately placed debt was to some extent offset by the ability of physical collateral to substitute for debt covenants and other restrictions on financial policy that traditional lenders might have imposed on firms at that time.

Net new issues of equity had been small during the late 1950's and 1960's; in fact, in 1968 at the peak of the conglomerate merger movement, nearly $1.5 billion of equities in nonfinancial corporations had been retired, much of it through exchange into convertible debt. During the early 1970's, on the other hand, the pattern of stock financing changed rather dramatically. More stock was issued (net) between 1969 and 1972 than had been issued cumulatively in the public market during the preceding decade and a half—with most of the expansion occurring after 1970. Much of the increase

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was accounted for by the shares of utility companies, since many such firms had exhausted their capacity to issue additional debt, but issues of manufacturing companies also grew substantially.

The new financing patterns that began to emerge in 1971 persisted to some extent throughout the first three quarters of 1972, but by the fourth quarter a changed financial and economic environment began to reverse the heavy reliance on capital markets for external financing. With an accelerating pace of economic activity and continued inflationary pressures, conditions in credit markets tightened appreciably; corporations more than doubled their borrowing from banks, and also increased their other short-term borrowing. The volume of new equity financing receded after the second quarter, and public bond issues, particularly those of manufacturers, dropped off considerably. An increase in mortgage financing was the only departure from a general shift to short-term financing.

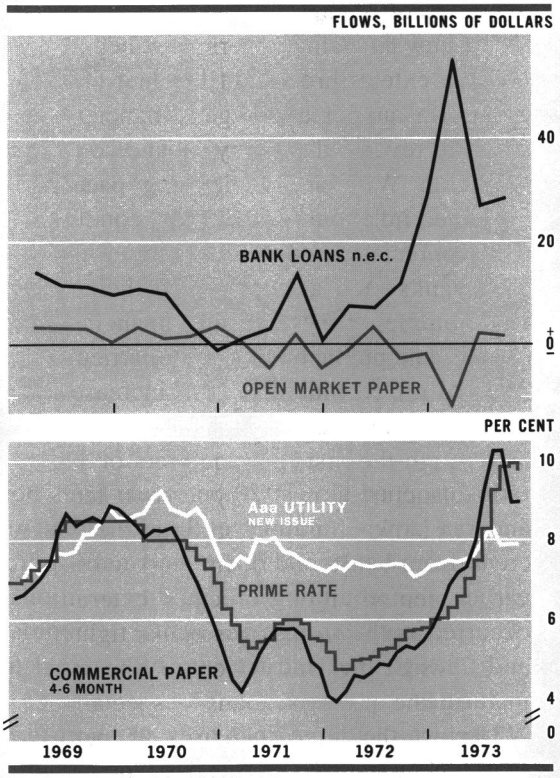
Through the first three quarters of 1973 businesses concentrated their financing increasingly in short-term maturities. A first-quarter surge in bank loans was partly at the expense of commercial paper and other short-term credit market borrowing, and accounted for 60 per cent of total corporate external financing. The flow was reduced later in the year as banks tightened nonprice terms of their loans, while the institution of the two-tier prime rate in April allowed the price of loans—especially to large corporations—to rise. Nevertheless, more than 25 per cent of external corporate financing was still being provided by banks in the third quarter, a share that is large by historical standards. Rising interest rates and inflation have also led to substantial increases in other short-term business liabilities. In periods of rising prices and profits, tax liabilities tend to accrue faster than payments are made, and trade credit becomes an increasingly important source of funds in periods of general credit stringency, especially for small business.

Despite the fact that utility firms continued to raise funds through issues of preferred stock, the flow of business financing through equity markets declined throughout most of the year to a level that, in the third quarter, was only one-third as large as the year before. The depressed level of stock prices throughout much of the year has made equity financing more costly.

Business needs for long-term credit have continued to be covered to an important extent in the mortgage market and, to a lesser extent, in bond markets. Through the third quarter of 1973 the volume of new bond offerings dropped off to a significant degree, particularly in public markets; in fact, for the third quarter the volume of gross new public offerings was the smallest since the final quarter of 1966. During most of the year, market expectations that interest rates were likely to fall once the business expansion

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1 Borrowers substitute SHORT-TERM BANK CREDIT for commercial paper in early 1973



Flow of funds accounts data. n.e.c. Not elsewhere classified.

slowed have limited borrower demands on the bond market. These expectations have tended to restrain advances in bond yields relative to those on short-term instruments.

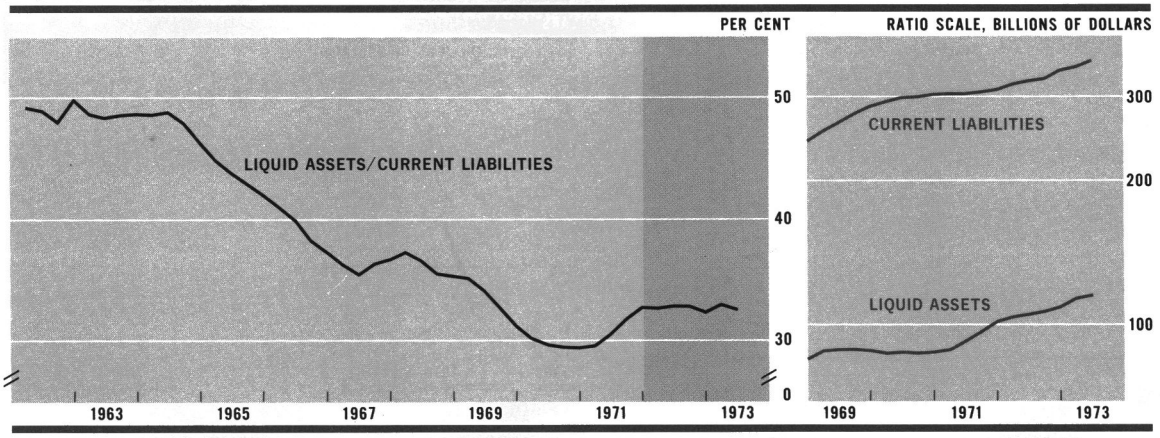
The over-all volume of corporate financing has remained strikingly large this year despite the increased cost of borrowing and the shift of emphasis back toward short-term debt. There has been a growing deficiency of internal funds relative to capital outlays, but in addition corporations in the past year have used the availability of short-term funds to add to their stock of liquid assets. This situation is in marked contrast to previous periods of high interest rates and monetary restraint when the drawing down of liquid asset balances substituted for the funds that could no longer be raised in credit markets.

LIQUIDITY

Before 1971, holdings of liquid assets had been declining relative to current liabilities for many years, as rising interest rates and better techniques of cash management encouraged corporations to economize on liquid asset balances. The rate of decline had accelerated in the late 1960's, but in 1969 and early 1970 liquidity

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2 | CORPORATE LIQUIDITY RATIO continued its long postwar decline until 1971



SEC end-of-quarter data, seasonally adjusted by F.R. Liquid assets are the sum of cash, U.S. Government securities, and "other" current assets.

ratios dropped almost 20 per cent; firms both borrowed short-term and ran down holdings of liquid assets when the availability of credit from banks and other short-term sources decreased. As noted earlier, the rebuilding of liquidity positions in late 1970 and 1971 occurred both through the actual accumulation of liquid balances and through the restructuring of external financing toward longer maturities.

Despite the large increases in short-term or current liabilities that have occurred this year, the liquidity ratio has remained remarkably stable, given its long history of decline. It is, therefore, quite likely that firms have raised the target level of liquid asset holdings that they desire to maintain. Reasons for this are not hard to find. Corporations may simply wish to avoid a repetition of the liquidity crisis of 1970. But several new uncertainties not present in 1970 apparently have also been added.

Inasmuch as foreign currency balances are a necessity to firms doing a substantial international business, the fact that many

TABLE 2

COMPOSITION OF LIQUID ASSETS OUTSTANDING

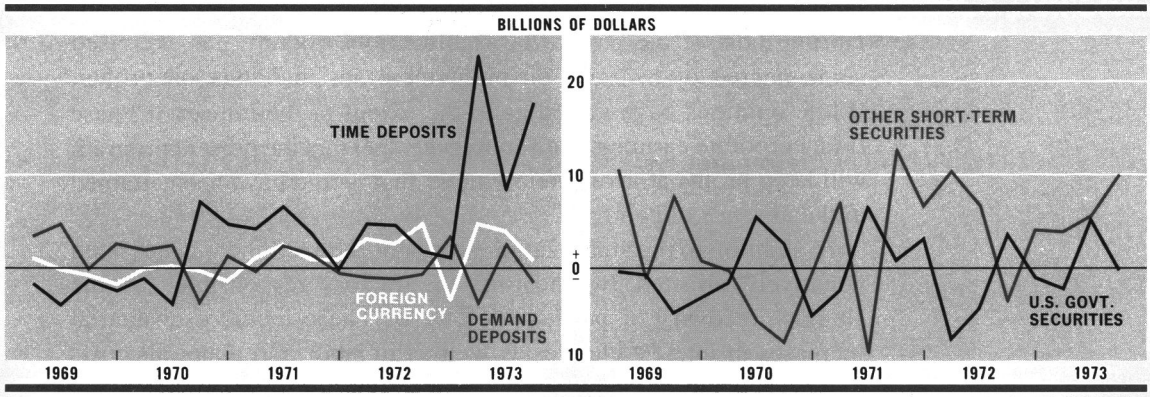
End of year, not seasonally adjusted

Type of asset	In billions of dollars				In per cent			
	1969	1970	1971	1972	1969	1970	1971	1972
Domestic liquid assets plus foreign currency	80.2	78.8	90.7	97.6	100.0	100.0	100.0	100.0
Foreign currency	1.3	.9	2.3	4.1	1.6	1.2	2.6	4.2
Liquid assets	78.9	77.8	88.4	93.5	98.4	98.8	97.4	95.8
Demand deposits and currency	34.9	35.2	35.9	36.0	43.4	44.8	39.6	36.9
Time deposits	11.8	13.5	17.1	20.2	14.7	17.1	18.8	20.7
U.S. Govt. securities	7.0	7.3	9.4	7.0	8.7	9.3	10.3	7.1
Other short-term assets	25.3	21.8	26.0	30.3	31.5	27.6	28.7	31.1

SOURCE.—Board of Governors of the Federal Reserve System, *Flow of Funds Accounts, 1945–1972.*

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3 | LIQUID ASSETS flow primarily into interest-bearing instruments



Flow of funds accounts data. 1973 Q3 preliminary. Other short-term assets consist of commercial paper, security RP's, and State and local securities.

exchange rates have been floating since the general currency realignments of late 1971 has undoubtedly created a liquidity demand for such balances over and above the bookkeeping effects of the dollar devaluation on dollar values of foreign-denominated balances.

Furthermore, the accelerating rate of inflation, especially in prices of raw materials, uncertainties about the future course of the wage–price stabilization program and its impact on profits; and actual shortages and delivery delays in the case of many supplies have also increased the difficulty of predicting cash flow with any degree of accuracy. In addition, the level of profits and cash flow has been smaller relative to corporate product than was true earlier in the decade. For these reasons and apart from international considerations firms may wish to have a larger liquidity cushion.

Since about 60 per cent of corporate holdings of domestic liquid assets are accounted for by interest-bearing instruments—principally time deposits and open market paper—some of this accumulation of liquidity may represent a corporate response to better investment opportunities than alternative uses of corporate funds. Certainly the changes in the composition of these flows indicate a great deal of rate sensitivity. The build-up of CD balances in the past year is noteworthy, and many corporations apparently borrowed from banks in order to acquire CD's early in 1973 when the prime rate was well below other short-term rates. There is also a high degree of substitutability between U.S. Government securities and other short-term market instruments. Whatever the causes of this development, the volume of liquid assets that nonfinancial corporations have acquired in the past year has been substantial—a marked departure from the behavior typical of past periods of rising interest rates and restrictive monetary policy.

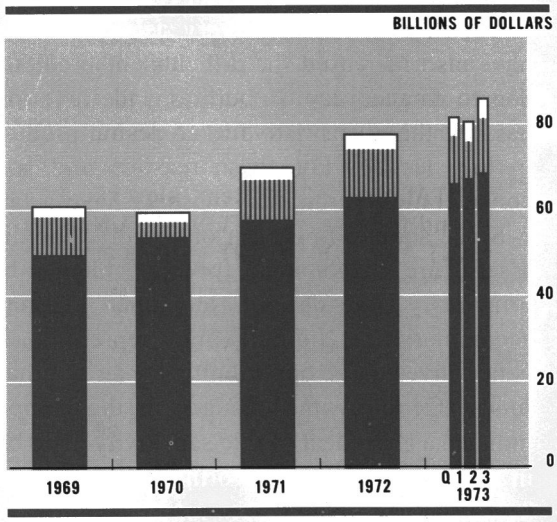
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CAPITAL OUTLAYS AND INTERNAL FUNDS

Besides being less predictable, corporate internal funds have not grown so rapidly as corporate income since the 1969–70 recession. During most of the period the stabilization program has exercised some degree of restraint on price increases and thus on profits. While opinions have varied as to the extent of the impact of Phase II on corporate earnings, most observers feel that the present program will keep profits at levels below those that would have been attained in the absence of controls.

In addition to the stabilization program, retained income has been negatively affected by most of the factors responsible for the sluggish recovery of profits since 1970. These include substantial increases in interest charges as well as in labor and materials costs that firms could not completely pass on. Furthermore, an increasing share of reported gains in book profits has reflected inventory profits resulting from inflation rather than a sustainable level of operating earnings. The inflation factor has been particularly troublesome in 1973 when the size and volatility of the adjustment for inventory profits have made quarterly movements in earnings unusually difficult to interpret.

4 CAPITAL CONSUMPTION ALLOWANCES continue to supply major part of internal funds



Flow of funds accounts data. 1973 Q3 preliminary. IVA Inventory valuation adjustment.

Adding to internal funds, however, have been the depreciation liberalization of the Asset Depreciation Range System and the investment tax credit, both introduced in 1971, as well as the substantial tax write-offs of 1970. The dividend restraint program of the Committee on Interest and Dividends, especially before its liberalization in June 1973, undoubtedly increased the rate of

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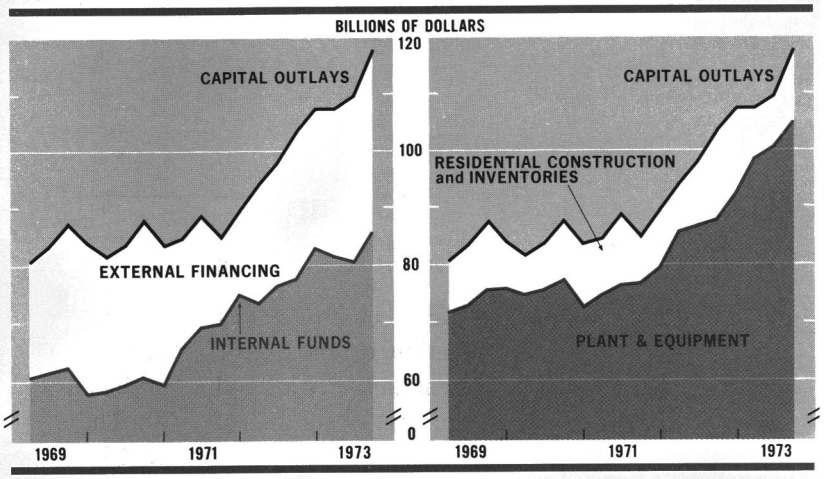
retention of after-tax profits. Earnings repatriated from foreign branches have also augmented the funds available to U.S. corporations with international operations. Since such earnings have been growing more rapidly than those from domestic operations, they have become an increasingly important source of funds.

After rising in 1971 by only 3 per cent above their level in 1970, corporate capital outlays rose by 16 per cent in 1972; increases in the first three quarters of 1973 averaged more than 12 per cent, annual rate, even with a zero rate of growth in the first quarter. Although until recently residential construction has been the fastest growing component of corporate capital spending, plant and equipment expenditures have always accounted for the bulk of these outlays.

Growth in business fixed investment was largely concentrated in the communications and utility sectors until manufacturing outlays also began to increase to a significant degree late in 1972. Inventory accumulation has been relatively modest, and inventory/sales ratios have declined to unusually low levels. Firms have reduced the number of product lines and attempted to turn stock more often, and shortages and the underestimation of sales may also have kept inventory levels low.

In short, for the period as a whole, internal funds have not been so large, relative to capital outlays, as they were before the 1969–70 recession, and the gap has increased further in 1973. This development has added to corporate demands on credit markets for funds both to finance capital outlays and to fund the higher levels of liquidity that firms now feel it desirable to maintain.

5 CAPITAL OUTLAYS, after a slow recovery, expand faster than INTERNAL FUNDS. . . PLANT AND EQUIPMENT outlays are especially strong



Flow of funds accounts data. 1973 Q3 preliminary.

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Recently, rates of capacity utilization have been high in many basic manufacturing industries, and the number of manufacturers who believe that more capacity is needed has grown. According to recent survey data, manufacturing outlays for plant and equipment in 1973 are expected to be almost 20 per cent above 1972, although the outlook beyond 1973 has been clouded recently by the embargo on Middle Eastern oil. While the rate of growth in business profits has been decelerating, large increases in plant and equipment outlays still seem to be indicated for precisely those industries where shortages now exist.

In an effort to reduce inflationary pressures, monetary policy moved toward restraint after the final quarter of 1972. In previous periods of monetary restraint, as the spread between capital outlays and internal funds widened, funds available to corporations became increasingly tight, and holdings of liquid assets were reduced as short-term credit became less available. That this same pattern did not occur in the recent period is in large measure due to the continuing availability of bank credit; banks have used their freedom from Regulation Q rate ceilings on large CD's to bid aggressively for funds in this market.

However, corporate debt/equity ratios, debt structure, and liquidity levels now imply greater financial flexibility and consistency with the flows of internal funds likely to be realized. Hence, the restructuring of corporate balance sheets after 1970 contributed to an easier transition to the higher level of interest rates necessary to finance real expansion of plant and equipment in an inflationary environment. □

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Staff Economic Study

U.S. ENERGY SUPPLIES AND USES

Clayton Gehman—Staff, Board of Governors

From time to time the Federal Reserve BULLETIN *publishes in full staff studies that are of general interest to the economics profession and others.*

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

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This study is based on industrial production measures and related data in real terms. The original version was completed in July 1973 with data through midyear. In the version presented here some revisions have been made in both text and charts, and data have been added for the third and fourth quarters of 1973. Actual and prospective curtailments in oil shipments following the outbreak of the Middle East conflict in October have had a major impact on the outlook for U.S. and world supplies of petroleum products for an indeterminate period and are contributing to major changes in international policies affecting energy sources and conservation measures.

SUMMARY

This study is designed to provide new and current measures—in real terms and with historical perspective—of the sources and uses of energy in the United States. From this and other studies it is evident that for some period ahead the development of major additional domestic energy resources or a continuing marked expansion in imports of energy will be necessary if continued growth in consumer activities and industrial production is to be maintained.

This conclusion seems warranted although the present study indicates that aggregate final U.S. consumption of energy in real terms has not shown an accelerated rate of growth in recent years and that industrial processing per unit of energy has been rising again since 1971. The latter is now 140 per cent above the figure for 1946, although there was a slowing down in the late 1960's when use of primary energy accelerated. The approach in 1973 to near-capacity output levels for major materials, which consume the great bulk of energy used for industrial purposes, has recently been a factor in limiting the expansion in total energy use. On the other hand, private and public efforts to reduce air pollution might have been expected to increase energy requirements, but there was no clear evidence by mid-1973 of a major impact on either energy end-products or industrial processing.

Comparisons made in this study indicate that expansion in energy production has been more stable cyclically than growth in total industrial production (IP) but that the average growth rate for each over the whole post-World-War-II period has been 4.5 per cent.

During the second half of 1973 total industrial production of energy—in both primary and secondary forms—has risen above a year earlier, reflecting the pressures of accelerated demands and the higher prices for those products. Upward trends in underlying data (preliminary) indicate that over-all domestic supplies and uses of energy reached new records in the third quarter and changed little in the fourth quarter.

Nearly one-half of industrial energy production represents end-products, which have grown steadily at a 7 per cent annual rate since 1953. The remaining portion of energy production is for materials that are used to produce end-products and for industrial processing.

Data indicate a growing dependence on imports of refined petroleum products—largely residual oil—since 1969. The greater dependence on crude oil has come more recently—since 1971—mainly as a result of the leveling off in U.S. production of oil and gas and lack of more intensive utilization of U.S. coal resources.

Natural gas accounts for an overwhelming share of the energy used for industrial processing. Petroleum accounts directly for around one-tenth of the total energy used for this purpose. Coal and electricity account for the remainder.

Utility use of petroleum in 1972 accounted for about one-fifth of total electricity generation needs. Recent data on such uses and on utility stocks of oil are not yet available. Natural gas accounts for the major part—about four-fifths—of the total energy used by both the electric and gas utilities. Use of coal by the electric utilities, however, has continued to expand in 1973.

In the final quarter of 1973 use of electricity in industries producing consumer goods and equipment was running about one-tenth above a year earlier. The total amount of energy consumed in the capital goods industries is rela-

NOTE.—The author, who is Chief of the Business Conditions Section, Division of Research and Statistics, wishes to acknowledge the assistance of Mary Hedda Hillard and other members of the Section.

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tively small, and the further expansion in those industries has been a major factor in the rise in total industrial production this year.

Considerable concern about gasoline shortages developed during the spring of 1973, but by midyear, data suggested an improvement in market supplies of these and other energy end-products. This improvement reflected mainly a continued expansion in imports of crude oil, which in turn provided the basis for some further rise in petroleum refining from earlier near-capacity operations.

By autumn some further improvement in the underlying supply of energy relative to uses was indicated. This was not reflected, however, in an easier market situation for several reasons, among others: increased energy holdings by users, shifts in the usual supply channels in anticipation of new shortages that might develop later, and prospects of public controls over the distribution of energy supplies and of much higher prices. U.S. imports of petroleum products reached new peaks in October and early November. The announcements in October, however, of marked curtailments in shipments of oil from the Middle East were followed by projections of import curtailments that indicated petroleum supplies would be reduced to around 1971 levels by early 1974.

Finally, the study notes that increases in demand for energy for the longer-run period ahead may be less than the earlier projections had indicated because of the possibility of important economies in the use of energy and the likelihood that the use of energy implied by the projected growth rates in GNP (full-employment-potential) may have been too high.

ENERGY SUPPLIES

Total energy production—annual and quarterly measures. Most earlier studies of energy requirements have drawn on historical, annual data for final and intermediate uses, which have been combined and projected on the basis of coal, oil, or thermal-unit equivalents by several broad sectors of the economy. This study focuses attention on current and historical analysis in terms of both production data and thermal units; it uses seasonally adjusted monthly series that are grouped by industrial stage and type of product and then averaged for quarterly and annual intervals. The basic data are mainly IP indexes, thermal units, and foreign trade statistics.[1]

For this study a new measure of total U.S. energy production in all industrial sectors—mining, manufacturing and utilities—has been developed. This measure is based on a combination of selected IP series as listed with their relative importance in 1967 in the accompanying Table 1.[2] Movements in this measure are compared annually with total IP in this section. The pattern of relative changes in the two measures is found to be broadly parallel, but the growth in energy production has usually been more stable than the growth in total IP. As shown in Chart 1, energy production increased relative to IP during the intervals of industrial curtailment or slowdown in 1970, 1967, 1960-61, 1957-58, and 1953-54, but not in 1949 when the coal industry was of much greater importance.[3] Factors limiting the recovery in IP in 1971 that contributed to the continuing gap are noted below and in *1971 Edition.*

Over the whole period since the end of World War II there has been a marked and almost steady expansion in production of energy end-products used for personal consumption and commercial purposes; only during periods of industrial readjustments affecting energy has this expansion been interrupted.

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[1]These data are (1) the Federal Reserve industrial production index using both value-added combinations (IP) and individual production series—the latter are represented monthly in all of the energy industries by physical product data, which usually have been subject to little revision (except for the gas utility series); (2) aggregate physical energy data in British thermal units (Btu's); and (3) U.S. foreign trade figures in physical product and Btu terms.

[2]The IP series are combined with the regularly published value-added (unduplicated) weights used in calculating total IP with data compiled from official sources and described in the Board's publication *Industrial Production—1971 Edition* (referred to henceforth as *1971 Edition*), p. 51. Two new features of the revised IP index facilitate study of major trends in energy. One provides for a more refined market grouping by separating all products from materials. A second is the compilation of gross-value-weighted energy production series that permit more appropriate comparisons with foreign trade and other expenditure data.

[3]These data are plotted on uniformly proportioned ratio scales for most of the charts in this paper, with most figures for November 1973 preliminary and those for December 1973 estimated.

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For the postwar period as a whole the average rate of increase per year for both energy production and total IP has been about 4.5 per cent. Increases in both series were above average in the early part of the period and again mainly from 1964 to 1969, reflecting in part the effects of war-related influences on demands for industrial goods. In those intervals energy production rose at rates somewhat less than the rates of increase in IP.

Quarterly seasonally adjusted movements of the annual data in Chart 1 are plotted in Chart 2 for the period back to 1954 to provide a clearer picture of the cyclical and other short-run fluctuations in production. Energy production leveled off after the autumn of 1970 and then in October and November 1971 was reduced by a major strike in the coal industry. After recovery from the strike, energy production has increased more slowly, particularly since the spring of 1972. Meanwhile, both total IP and total uses of energy have shown a renewed expansion since the end of 1971.

The slower rate of increase recently in energy production has reflected an approach to near-capacity operations with existing domestic sources and technology; on the other hand, the renewed expansion in energy uses has reflected in part the sharp rise in IP and a recovery in the use of energy for industrial processing purposes. Such a rate of rise in IP, however, could not have been expected to continue much longer—even without the development of energy limitations—because of both demand and short-run industrial capacity considerations. The sharply advanced rates of completion and occupancy of residential, commercial, and public structures since 1971 have also contributed to a further rise in the use of energy end-products and these advanced rates of increase no longer prevail.

Energy production by industrial stage. Series on energy production—19 in all—account for 11.36 per cent of total IP in the latest—1967—weight-base year.[4] Since these and other component series of IP are combined with value-added weights, they involve no double counting.

Value-added dollar proportions of the energy series have been converted to proportions of total energy production (second column of Table 1) for the present analysis. Close to one-half (44.5 per cent) of this new total is for end-product uses (line 2), including final personal consumption (automotive gasoline, home heating and lighting, and use of electricity and gas for appliances and TV sets); commercial uses

TABLE 1

ENERGY PRODUCTION IN 1967

Line No.	Grouping and series	Value-added dollar proportions of—		British thermal units	
		Total IP	Total energy	Trillions	Proportions of total in line 35
1	**Total**	**11.36**	**100.0**		
2	**Energy end-products**	**5.05**	**44.5**	**24,551**	**56.1**
3	*Consumer fuel*	*1.14*	*10.1*	*14,357*	*32.8*
4	Automotive gasoline	.85	7.5	9,671	22.1
5	Distillate fuel	.29	2.6	4,686	10.7
6	*Consumer utilities*	*2.25*	*19.8*	*5,516*	*12.6*
7	Residential electricity	1.63	14.4	1,161	2.7
8	Residential gas	.62	5.5	4,355	9.9
9	*Other energy products*	*1.66*	*14.6*	*4,678*	*10.7*
10	Commercial and other electricity	1.28	11.3	930	2.1
11	Commercial and other gas	.20	1.8	2,078	4.7
12	Aviation fuel and kerosene	.18	1.5	1,670	3.8
13	**Energy materials**	**6.31**	**55.5**	.....	
14	*Mineral fuels*	*4.60*	*40.5*	*53,124*	
15	Coal	.70	6.1	14,174	
16	Crude oil	2.95	26.0	18,100	
17	Natural gas	.67	5.9	18,753	
18	Natural gas liquids	.29	2.5	2,097	
19	*Utility sales to industry*	1.35	11.8	8,880	
20	Gas	.35	3.1	7,221	
21	Electricity	1.00	8.7	1,659	
22	*Other energy materials*	*.36*	*3.1*	*3,778*	
23	Residual oil	.05	0.4	1,735	
24	Coke and products	.16	1.4	1,692	
25	Self-generated electricity	.15	1.3	351	
26	*Primary energy*	.....	.....	*55,551*	
27	Mineral fuels (14)	.....	.....	53,124	
28	Hydro and nuclear power	.....	.....	2,427	
29	*For use in industrial processing*	.....	.....	*19,245*	*43.9*
30	Coal excluding utility use	.....	.....	7,085	16.2
31	Direct sales of natural gas	.....	.....	2,208	5.0
32	Gas utility sales	.....	.....	7,221	16.5
33	Electricity (21 + 25)	.....	.....	2,010	4.6
34	Residual oil excluding utility use	.....	.....	721	1.6
35	**Total final uses (2 + 29)**	.....	.....	**43,796**	**100.0**

NOTE.—Value-added proportions from *Industrial Production, 1971 Edition*, Table A-1. The IP series for anthracite and for AEC purchases of electricity from utilities (each .03 per cent) are not shown separately in this table, as noted on p. 854, which also describes the two additional series compiled for industrial self-generation (line 25) and direct sales by natural gas producers (line 31). Btu calculations and estimates for hydro and nuclear power are from U.S. Department of the Interior and Federal Power Commission.

[4]The series listed in Table 1 includes a component for industrial self-generation (p. 854) of electricity, which is only implicitly measured in total IP.

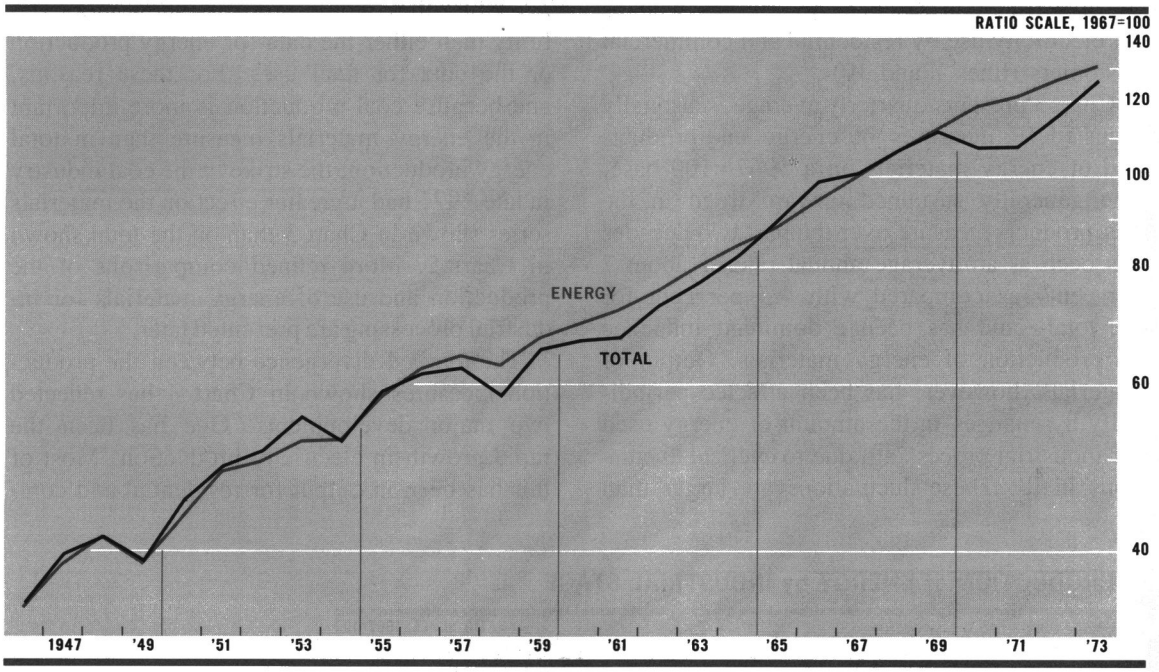
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(offices, stores, farms, and for public transportation purposes including aviation and diesel fuel); and "other" electricity and gas uses (public lighting, other public authorities, and electrified rail transit).[5] These output and uses results, but do provide broad measures of change. For example, distillate oil is classified as an end-product in this study, but the 1967 *Census of Manufactures* reported that 65 million barrels—about 8 per cent of total supply—were purchased by manufacturers.

The classification of aviation fuel and electricity and gas used for commercial purposes as end-products does not conform with the conventional distinction between intermediate and final output used to derive GNP data. The production measures follow the revised IP market structure, which is more appropriate for the particular study of energy uses.

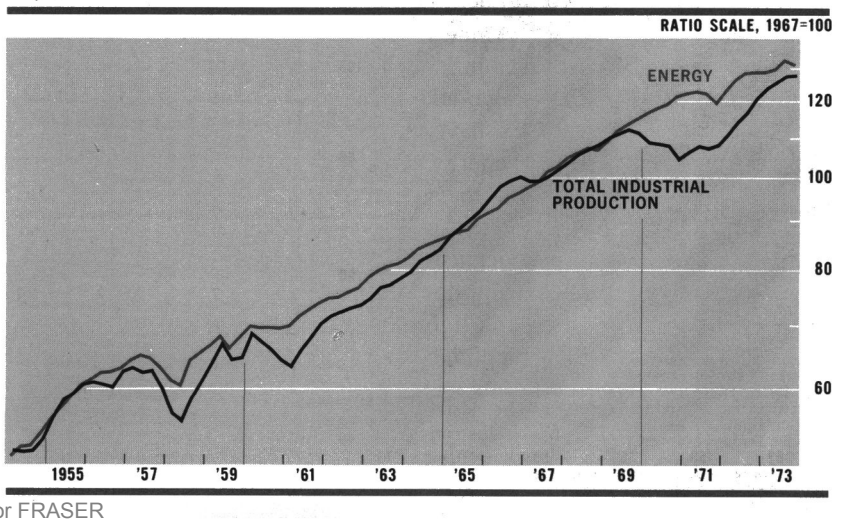
[5]The fact that portions of automotive gasoline and distillate oil are used for commercial purposes rather than final consumption does not impair these comparisons as both are classified as end-product uses. At best, the various groupings in this analysis cannot yield exact

1 | ANNUAL MEASURES of INDUSTRIAL PRODUCTION



NOTE.—For notes to all charts, see p. 870A.

2 | QUARTERLY MEASURES of INDUSTRIAL PRODUCTION



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data for the year 1967 are presented in Btu terms in the diagram for domestic energy flows shown on page 853.

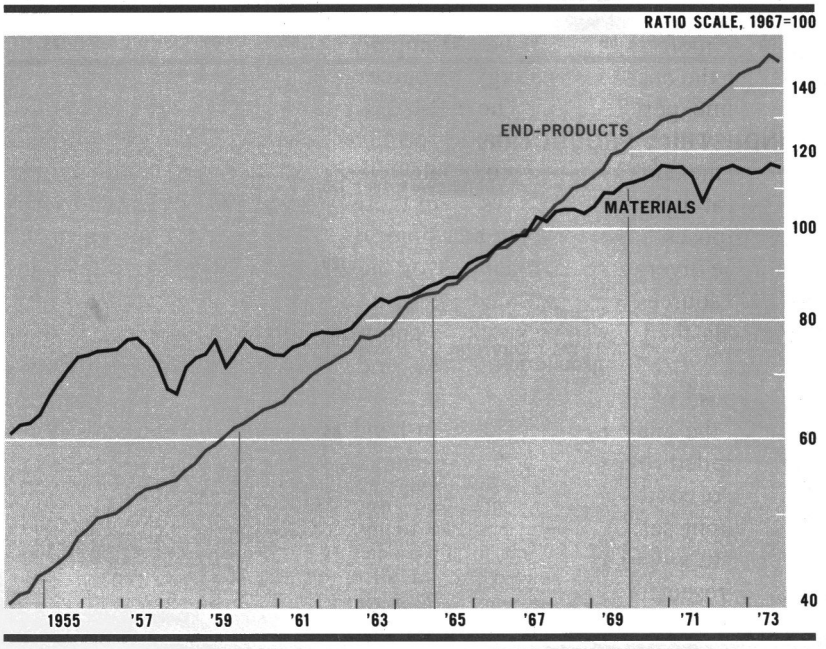
The remaining 55.5 per cent of total value-added energy production is for the materials (line 13) used to produce energy end-products and for industrial processing. Crude oil (line 16), for example, is used to produce such end-products as gasoline, distillate oil for home heating, and aviation fuel (lines 4, 5, and 12) and also residual oil (line 23), which in turn is used in part to generate electricity for use by industrial consumers (line 21), as well as for electricity use by residential and commercial customers (lines 7 and 10).

Chart 3 presents quarterly average, seasonally adjusted IP measures of energy end-products and of energy materials on a 1967=100 base. The generally sustained upward trend in the end-products measure over the past two decades has been at an average annual rate of about 7 per cent—as compared with 4.5 per cent for the total—and has been a dominant influence on production of energy materials. Output of materials, however, has been affected periodically by changes in the amount of energy used for industrial processing, due to cyclical fluctuations in IP. These fluctuations are larger than for the total economy, as measured by real GNP, because production in the more volatile sectors—business equipment, durable consumer goods, industrial materials, and the balance of foreign merchandise trade—accounts for a much larger share of IP than of GNP *(1971 Edition,* page 81).

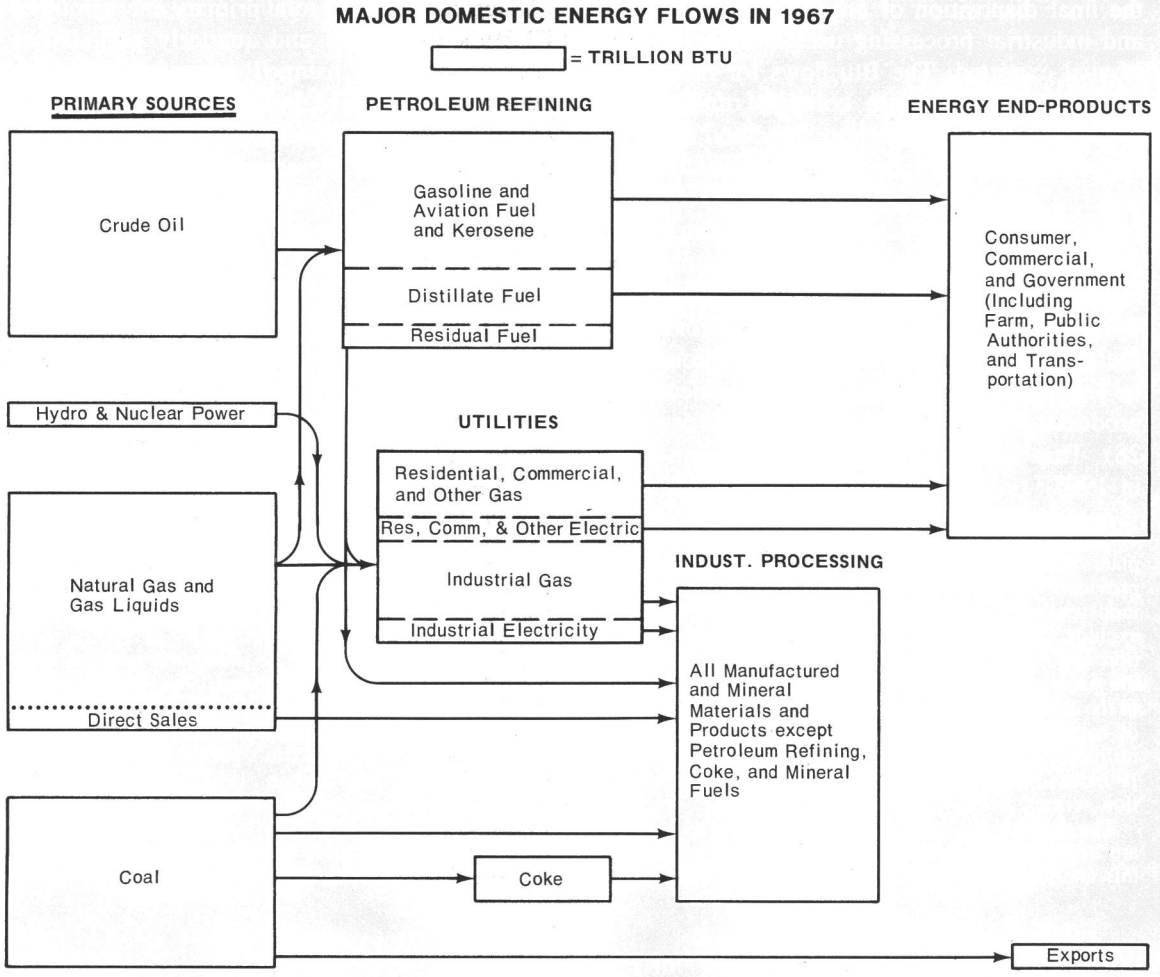
Moreover, there have been intervals—especially for monthly or quarterly periods—when stocks of coal and petroleum have fluctuated by more than seasonal amounts. If reliable data on the actual amounts of energy consumed were available, they would probably show more stability than either the data for energy production or the data for final uses. For these reasons, and because coal production is more important in the energy materials measure than in total energy production, the strike in the coal industry in late 1971 had a greater effect on the materials series shown in Chart 3 than on the total shown in Chart 2. More refined comparisons of the production and use of energy materials for industrial processing are presented later.

The marked divergence between the production measures shown in Chart 3 has reflected two major developments. One has been the rapid growth in electricity production. Most of this has been in output for residential and com-

3 | PRODUCTION of ENERGY by INDUSTRIAL STAGE



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mercial purposes, which account for more than half of the value-added data used for the energy end-products measure; over the same period, electricity output for industrial use, which accounts for only about one-fifth of the energy materials measure, has grown—but at a slower rate than that for nonindustrial purposes. The second major factor accounting for the divergent trends is that the shift to foreign sources of energy has been greater for materials than for end-products, as will be noted later.

Btu output series. For the purpose of this study the Btu equivalent of each of the energy production series in IP has been compiled (third column of Table 1). It is possible to combine these data into a gross total Btu output series, but if that were done, most of the Btu's would be duplicated because they are represented at more than one stage of output. This is illustrated in the accompanying flow diagram for domestic energy resources in the year 1967.

The left-hand portion of the diagram shows the major primary sources of energy and their approximate relative importance in Btu terms. Flows from these primary sources into intermediate and final uses of energy are shown in the remainder of the diagram. The three major intermediate uses are for petroleum refining, for generation and transmission by the electric and gas utilities, and for output of coke and products.[6]

The right-hand portion of the diagram shows

[6]Three stages are represented in the case of residual oil produced from domestic crude oil and used to generate electricity. A substantial portion of coal, however, is represented at only one stage. A gross duplicated total of all of the Btu series in Table 1 would amount to 92.5 trillion in 1967, which is nearly double the unduplicated Btu total.

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the final disposition of energy for end-product and industrial processing uses and the volume of coal exported. The Btu flows for these purposes (third and fourth columns of Table 1) reflect domestic production only and are less than total final uses by the amount of net imports.

An unduplicated measure for total Btu output can be compiled by counting the Btu's only once in their initial state. This can be accomplished by combining the Btu data for mineral (or fossil) fuels (listed separately in lines 15 through 18 in Table 1) with an allowance for the electricity produced from hydro and nuclear sources (line 28). This yields a total of 55,551 trillion Btu's in 1967.[7]

Such a measure of total primary energy output in Btu's for annual and quarterly periods has been compiled by using IP series and their Btu equivalents in 1967.[8] In Chart 4 the annual Btu output series is compared with the total value-added production measure of energy presented in Chart 1; both are shown on a 1946 comparison base to indicate more clearly the extent of differences since then. A third series, the ratio between IP energy production and primary energy Btu output, is designated as (A)÷(B).

A considerable number of primary energy Btu's are "lost" in their conversion to other

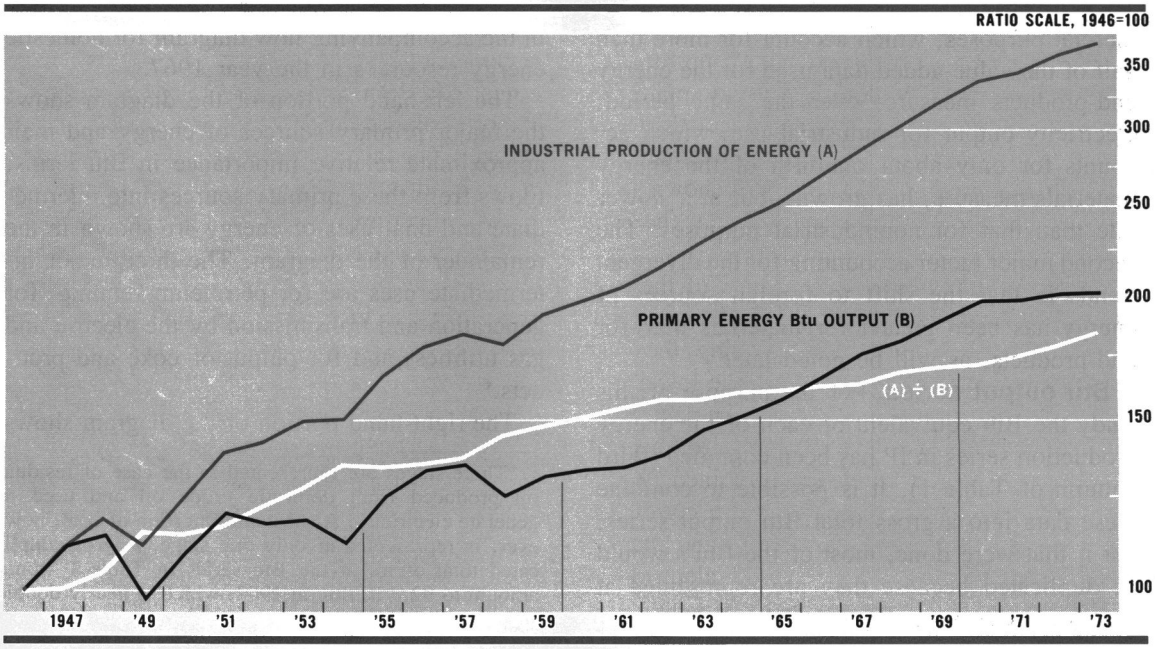
[7]These figures include the Btu's used by industrial plants for self-generation of electricity and the Btu's provided by direct sales of natural gas producers to industrial users. The direct sales data are adjusted to exclude the amounts of gas used for electricity generation and have been compiled mainly from reports of the American Gas Association and the U.S. Department of the Interior. Direct sales are in addition to the volume of natural gas purchased for distribution and resale by utilities. Direct sales are not separately measured in the IP index, but are represented in the natural gas production series.

The data for self-generation of electricity by industry are implicitly measured in IP, and for the purpose of this analysis a special value-added weight was derived for use with the Federal Power Commission kwh series for energy generated by industrial plants.

Finally, it may be noted that anthracite is combined with bituminous coal and classified as an energy material in Table 1, although for historical purposes anthracite was classified as a consumer product in the *1971 Edition*, p. S-5. In 1970 use of anthracite by industry (including electric utility generation) began to exceed use for residential and commercial purposes.

[8]These calculations may be illustrated with the automotive gasoline series in 1967 and 1968. The Btu figure for that series in Table 1 is 9,671 trillion, which is based on production of 1,843 million barrels in 1967 multiplied by 5.2 million Btu's per barrel. The IP index for automotive gasoline in 1968 was 105.2, with 1967=100. This index number multiplied by 9,671 trillion is equal to 10,174 trillion. Similar calculations for all end-products yield a total of 25,973 trillion Btu's in 1968 versus the 24,551 trillion figure for 1967.

4 | ENERGY PRODUCTION MEASURES



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energy materials and to energy end-products. The persistent rise in the ratio reflects mainly two factors: the relatively larger portion of value added for the electricity series (generation and distribution) in the production measure and the generally faster growth in electricity than in other energy series. The total weight for the electricity series in the IP production measure shown in Table 1 is 36 per cent in 1967. However, electricity provides a much smaller portion of Btu supplies.

A second factor contributing to the slower growth of the Btu series has been the increased efficiency in electricity generation—mainly in the 1948 to 1959 interval. During that period the scale of power generation installations was greatly increased from the average size of prewar facilities and the amount of electricity generated per unit of energy materials consumed rose about 30 per cent.

The differences indicated here by the ratio between the primary energy Btu output series and the IP energy production measure reflect in large part the markedly different movements of the production measure component for end-products, shown quarterly in Chart 3. Average movements of the IP energy component for materials behave quite similarly to the primary energy Btu series—although there are a number of differences in the series represented and in their relative importance. Annual differences in changes since 1954 have usually been less than 0.5 per cent, and a comparison of aggregate differences over the 19-year period up to 1973 shows that the rise for the energy materials series has been only 4 per cent larger than that for Btu's. Since 1970 quarterly movements of the former series in Chart 3 have shown little further increase—about the same as the Btu output series.

Data for four major components of the Btu output series are shown separately for quarterly intervals in recent years—including the last business cycle peak in 1969—in the lower left panel of Chart 6 (arithmetic scale) on page 857. In that comparison the output data for natural gas and natural gas liquids are combined. When the annual totals for those series are combined with crude oil, total coal, and hydro and nuclear electricity, the combination is equivalent to the primary energy Btu output series in Chart 4.

Foreign trade and new supplies of energy. Because of the continued growth in U.S. use of energy and the pressure on domestic capacity for energy output, there has been a shift to foreign sources in recent years.[9] From Table 2 it is possible to see how major components of U.S. foreign trade in energy in 1973 compare with those for 1967. The sizable volume of U.S.

TABLE 2

U.S. FOREIGN TRADE IN ENERGY

In trillions of Btu's

Series	1967			1973
	Exports	Imports	Net imports	Net imports
Total	**1,725**	**5,685**	**3,960**	**11,950**
Coal	1,381	5	−1,376	−1,200
Crude oil	149	2,317	2,168	6,400
Natural gas	84	582	498	1,000
Residual oil	75	2,489	2,414	4,600
Distillate oil	25	108	83	700
Aviation fuel and kerosene	11	184	173	450

NOTE.—Figures for 1973 partly estimated by Federal Reserve. Basic data reported by the U.S. Department of the Interior.

exports of bituminous coal has been mainly to Canada, Japan, and Western Europe. The large increase in volume of U.S. energy imports since 1967 has been mainly in crude oil, natural gas, and residual oil. Some other products such as liquefied natural gas are expected to be imported in substantial volume in the period ahead.

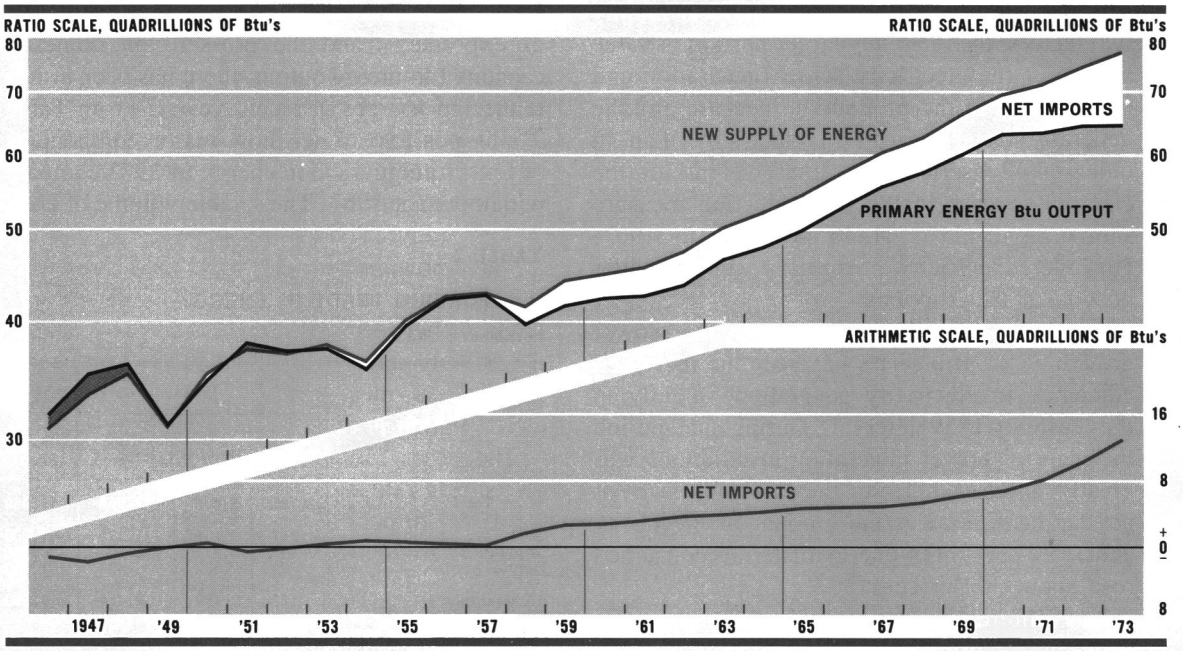
Total net imports of energy beginning in 1946 are shown annually in the lower panel of Chart 5 (arithmetic scale). There was a net export balance in 1946–48 and a relatively small net import balance until 1958, when the import balance began to increase. After showing a slow, limited growth through 1970, the rate of growth in net imports began to rise more sharply and in 1973 reached 12.8 quadrillion Btu's.

The upper panel of Chart 5 indicates that there was little rise in the relative importance of net

[9] Where used in the accompanying charts and tables, data for energy imports and exports are expressed in Btu terms at seasonally adjusted, annual rates. The data for Chart 6 and Table 2 are broadly equivalent and have been compiled from reports of the U.S. Department of the Interior and of the Bureau of Census. The net import figures used in Chart 5 have been compiled from the annual net trade data published in *U.S. Energy Through the Year 2000* (U.S. Department of the Interior, December 1972). These data are more inclusive than the figures in Table 2.

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5 | ENERGY: OUTPUT, NET IMPORTS, and NEW SUPPLY



imports during the period 1959 through 1970—the change was from 6 to 8 per cent—and that more significant increases occurred in 1971 and 1972. Then in 1973 such imports reached about 16.5 per cent of the total new domestic supply of energy. These calculations were made by combining net imports of all energy—including petroleum products and the primary energy series for crude oil and natural gas—with the primary energy Btu output series in Chart 4. The resulting measure for the total new domestic supply of energy will be referred to henceforth as the "new energy supply."[10]

The new energy supply series, shown annually in Chart 5, is presented quarterly in Chart 6 (upper left panel). Chart 6 also shows the components—the individual Btu output series (lower left panel, with data for coal both as a total and minus exports), and import series for oil products, crude oil, and natural gas in Btu terms (middle left panel).

Chart 6 provides a broad outline of the analytical approach used by this study of the U.S. energy situation. Thus, seasonally adjusted IP indexes and foreign trade data in barrels (oil),

[10] In Table 3 the production figures for 1967 are repeated from Table 1 and combined with net imports for that year to provide the new supply figures shown in the final column for the various major energy subtotals involved in this study. For the total in 1967 the amount is listed as 59,511 trillion Btu's (55,551 + 3,960) rather than the sum of primary energy output and imports only in the form of primary energy (1,294).

TABLE 3

U.S. NEW SUPPLY OF ENERGY IN 1967

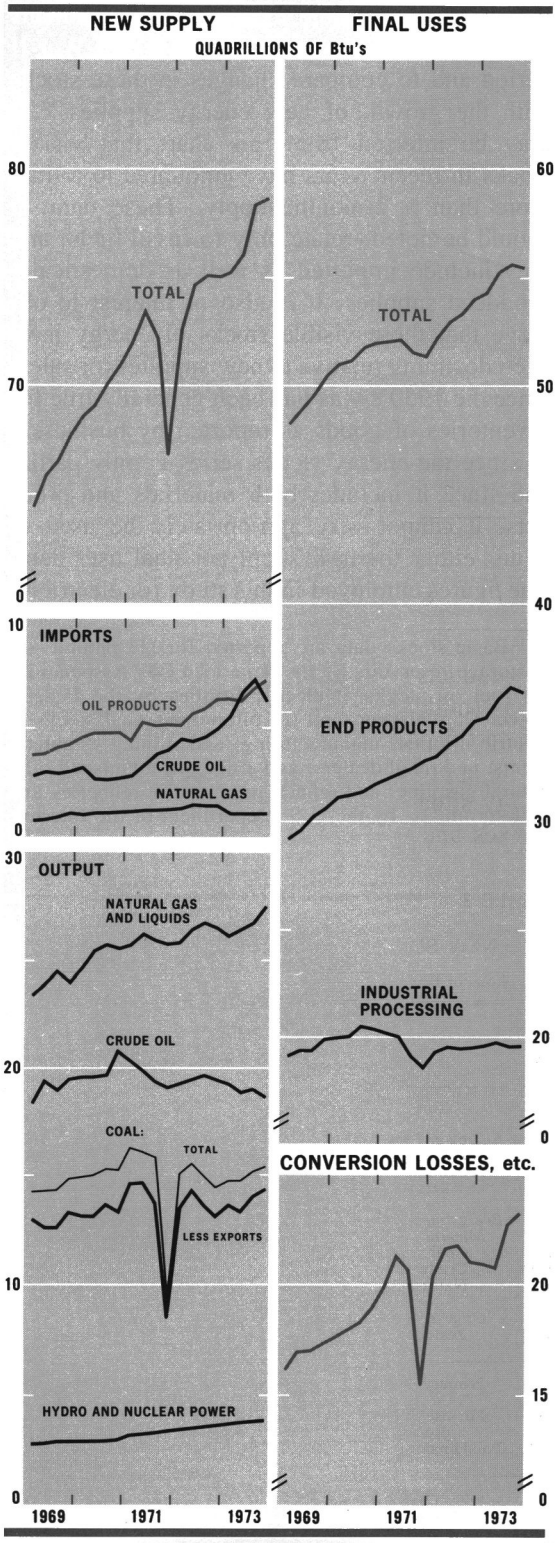
In trillions of Btu's

Line No.	Series	Production (from Table 1)	Net imports	New supply
1	**Total**	(1)	**3,960**	**59,511**
2	*Energy end products*	*24,551*	*256*	*25,807*
5	Distillate oil	4,686	83	4,769
12	Aviation fuel and kerosene	1,670	173	1,843
13	*Energy materials*	...	*3,704*	...
14	*Mineral fuels*	*53,124*	*1,290*	*54,414*
15	Coal	14,174	−1,376	12,798
16	Crude oil	18,100	2,168	20,268
17	Natural gas	18,753	498	19,251
22	*Other energy materials*	*3,778*	*2,414*	*6,192*
23	Residual oil	1,735	2,414	4,149
26	Primary energy	55,551	1,290	56,841
29	For use in industrial processing	19,245	1,038	20,283
35	Total final uses (2 + 29)	43,796	1,294	45,080

[1] See note in text, page 856.
NOTE.—Sources are same as for Table 1.

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6 | RECENT QUARTERLY MOVEMENTS in U.S. ENERGY



tons (coal), cubic feet (natural gas), kilowatt hours (electricity), and therms (gas utility sales) are expressed in Btu's at annual rates and are combined to provide the total new supply series in the top left panel.

Btu data have also been used to compile two series for energy use—one for end-products and one for industrial processing, as described later in this study. The two new series on energy use are shown separately in the right panel and are combined to provide a total. Quarterly differences between the latter total and the total new supply series are plotted in the lower right panel as a measure of "conversion losses, etc.," which is described on page 868.

The series for new energy supply increased at a steady rate of about 5 per cent a year over the 1964–70 period. This represented an accelerated rate of increase in new supplies and uses as compared with the earlier post-World-War-II period and reflected mainly the rapid increases in industrial processing that accompanied the unprecedented 7-year industrial expansion during most of the Vietnam war period. The earlier, slower growth in energy reflected in part the previously noted increases in efficiency in electricity generation and the deeper, recurring cyclical adjustments in industrial processing uses.

Visible stocks of energy. Monthly and quarterly changes in physical stocks of energy are largely seasonal in nature.[11] For the most part, annual changes in new energy supplies appear to have been fairly close to changes in final consumption. Although there have been fairly large changes in the visible stocks data in certain years, some of these changes, as indicated in footnote 11, are of questionable value in measuring energy consumption. It is necessary to interpret reported changes in visible

[11]The compilation of detailed allowances for changes in energy stocks to measure energy consumption more closely might yield more stable results than are provided by some of the production and final uses series. Nevertheless, such adjustments would necessarily be incomplete and in some periods would reflect sizable discrepancies in data. For example, see the unaccounted-for amounts of changes in consumption of coal from 1947 to 1948, from 1953 to 1955, and from 1964 to 1965 and of petroleum from 1959 to 1960 and for some other years, as shown in Table 17 of *U.S. Energy Through the Year 2000*.

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stocks of energy with considerable reservation, mainly because of the limited sample of reporting industrial establishments in the case of coal and the lack of reports on the considerable volume of "invisible" stocks of petroleum products. These are stocks held by distributors and by business and government establishments and households. Such holdings have probably grown fairly steadily over the past several decades, in line with the increased use of petroleum products by these groups.

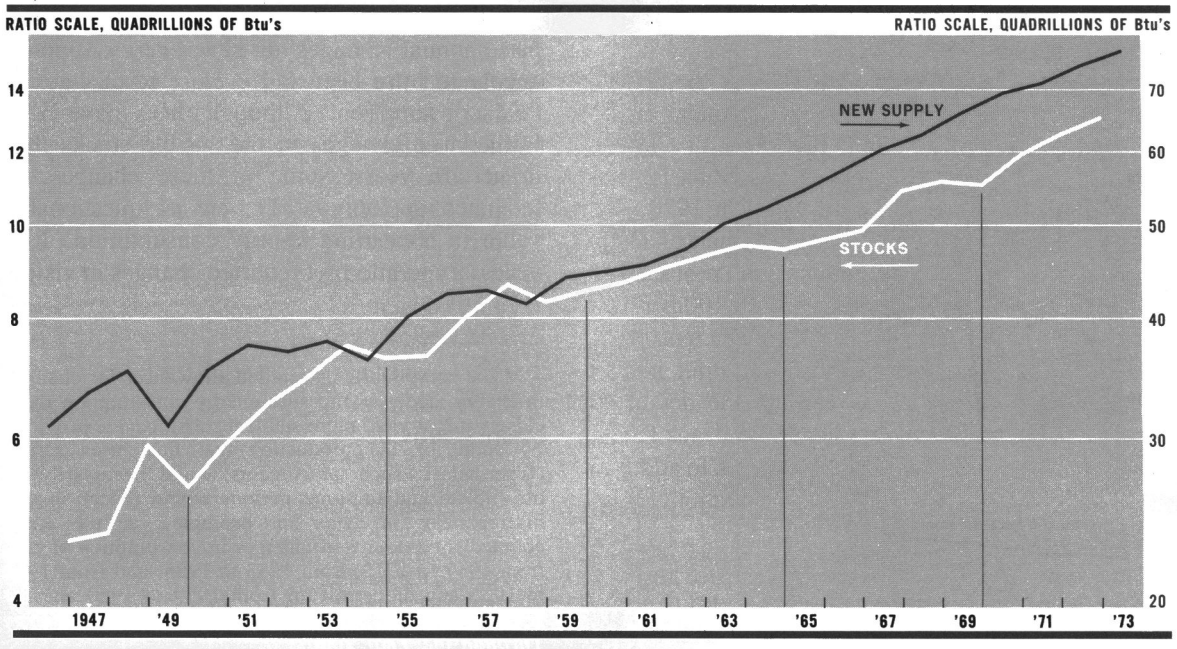
During short-run periods of cyclical changes in demands and prices in the past, invisible stocks of goods have usually tended to move inversely in comparison with the visible stocks data. Hence in recent months the prospects of energy shortages probably have influenced consumers to accumulate energy stocks, while visible stocks have changed little or been reduced. Some evidence of these increases in invisible stocks is provided by preliminary data on the "demand" for distillate and residual oils. According to those statistics, demand for the 3 months ending October was running 16 per cent above its year-earlier level. It is unlikely that actual consumption of those products would have increased by more than one-third of that figure.

Available data on visible energy stocks have been combined on a Btu basis in Chart 7. From the chart it is possible to see broad movements in such stocks over the post-World-War-II period and to compare changes in these stocks with the growth of new energy supplies.[12] It may be inferred from this chart that visible stocks in recent years have amounted to a little more than a 2-month supply. These data, it should be noted, relate only to fossil fuels, and they include imported as well as domestically produced supplies. It is also of interest to observe that these visible stocks of energy have been declining relative to new supplies (or sales) since the 1950's—as has been generally true for inventories of goods as reported by business.

Since the energy stocks series is only partial and since it includes both materials and products, it cannot very appropriately be used to adjust either the new supply or final uses data. The figures employed in this study for electricity

[12] Basic stocks data are reported for (1) natural gas in storage reservoirs by the American Gas Association; (2) fuel oil stocks at electric utilities by the Federal Power Commission; and (3) bituminous coal stocks at electric utilities, manufacturing, and mining establishments, and retail dealers; and crude oil, unfinished oils, natural gasoline, and refined products, at refineries and bulk terminals, by the U.S. Department of the Interior.

7 | ENERGY: STOCKS and NEW SUPPLY



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and gas utility sales and industrial self-generation, however, do represent actual consumption, and they account for nearly one-half of the final uses total shown in Table 1.

Petroleum: *Oil and gas well-drilling and output.* Movements in the components of primary energy production in this country in recent years have been quite diverse. Coal production has been fairly stable over the past decade. Meanwhile, the changes in output of natural gas and petroleum have usually been wider than those for coal—except for strike-effects in the coal industry. Although recent reports have noted a 4 per cent decline in coal output in the first half of this year compared with the same period of 1972, the current supply situation for coal is not that unfavorable. In the earlier period, output of coal had been at moderately advanced levels, and since the first half of this year it has expanded again. Meanwhile, coal exports have fallen off in recent months so the new supply of coal available for domestic use has been running about 9 per cent above a year earlier.

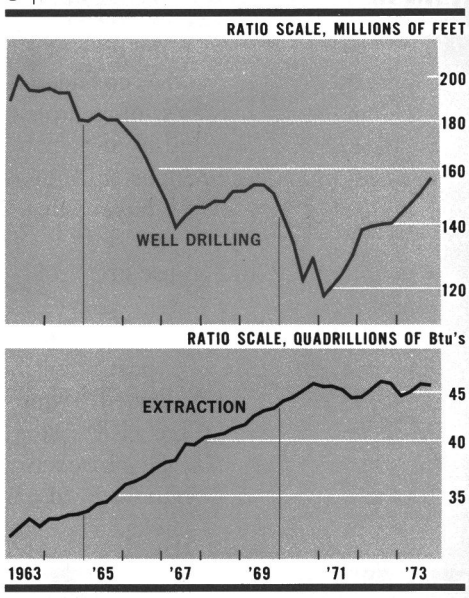
During the 1963–67 period there was a marked decrease in oil and gas well-drilling activity, and a renewed downturn occurred in 1970 and early 1971, as indicated in Chart 8.[13] Since then there has been a sizable recovery in well-drilling activity, however, and by the fourth quarter of 1973 such activity somewhat exceeded the 1969 level.

A total measure of oil and gas extraction, compiled by combining five component IP indexes with Btu weights, is shown in Chart 8 on a quarterly seasonally adjusted basis. Expansion in such extraction ended in 1970, and a downturn occurred in the second half of 1971. In 1972 extraction rose again as State oil-allowable quotas in Texas were raised to 100 per cent of legally established maximum efficient rates. Since then, however, increased output in that State has been offset in part by the decreases that have continued in other oil and gas fields.

Refinery capacity and operations. In addition to the near-limits reached in production of domestic mineral fuels, petroleum-refining capacity considerations have had important effects on output of oil products from both domestic and imported crude oil (with the sulfur content of the available crude representing an additional problem). Refinery capacity increased by about one-fifth from the end of 1967 to the end of 1972. This was a higher rate of capacity expansion than during the earlier part of the 1960's, but the further expansion—one-tenth—in refinery operations since 1970 has almost entirely eliminated the earlier capacity gap, as shown in Chart 9.[14] The lack of further expansion in refinery capacity, which resulted from interrelated industry and public policies, was a factor limiting supplies of gasoline and other major oil products earlier this year. National levels of refinery operations reached an average of 99 per cent of capacity in the second quarter of 1973.

Production and imports of petroleum products. An over-all picture of quarterly changes in production and imports of petroleum in recent years is provided in Chart 10; the data are shown

8 | OIL and GAS PRODUCTION

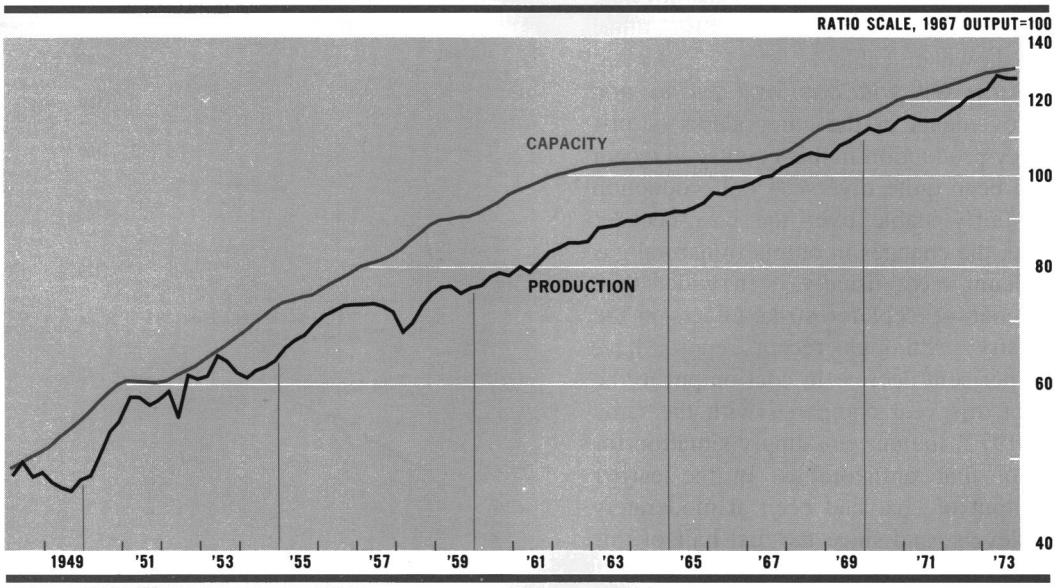


[13] The well-drilling series is based on quarterly averages of the monthly seasonally adjusted IP index for oil and gas well-drilling activity adjusted to annual data on the total footage of wells drilled.

[14] These data are based on Federal Reserve compilations from American Petroleum Institute and IP indexes for the oil refining total (SIC 291,9). It may be noted that during the past summer a number of major companies announced plans to increase refinery capacity substantially further.

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9 | PETROLEUM REFINING



on an arithmetic scale and are expressed in millions of barrels per day (seasonally adjusted), which facilitates comparisons among individual products and with crude oil. For crude oil the series on output and imports from Chart 6 are combined in the left panel of Chart 10 to show total new supply and the increased dependence on imports since mid-1971.

These crude oil supplies provide the input for the refinery production index in Chart 9 (1967=100), which is compiled by combining IP indexes for major products with value-added weights. Production of the same major refinery products is shown in the center panel of Chart 10, but here the total is expressed in number of barrels, which results in reducing the relative importance of gasoline. The figures in the center panel of Chart 10 indicate the moderately growing U.S. dependence on total imports of refined products since 1969; this dependence showed some acceleration in the second half of this year.

The volume of automotive gasoline has usually accounted for about one-half of total refinery production, while the volume of distillates—mainly used for heating and other end-product purposes, including diesel fuel—has accounted for around one-fourth. The step-up in refinery operations to increase domestic supplies of gasoline earlier this year is shown by the sharply advanced levels of gasoline production in the second and third quarters, which was achieved in part by curtailing output of other products. It may be noted in passing that nearly all of the imports of aviation fuel are held in bond for use in international traffic rather than for domestic use.

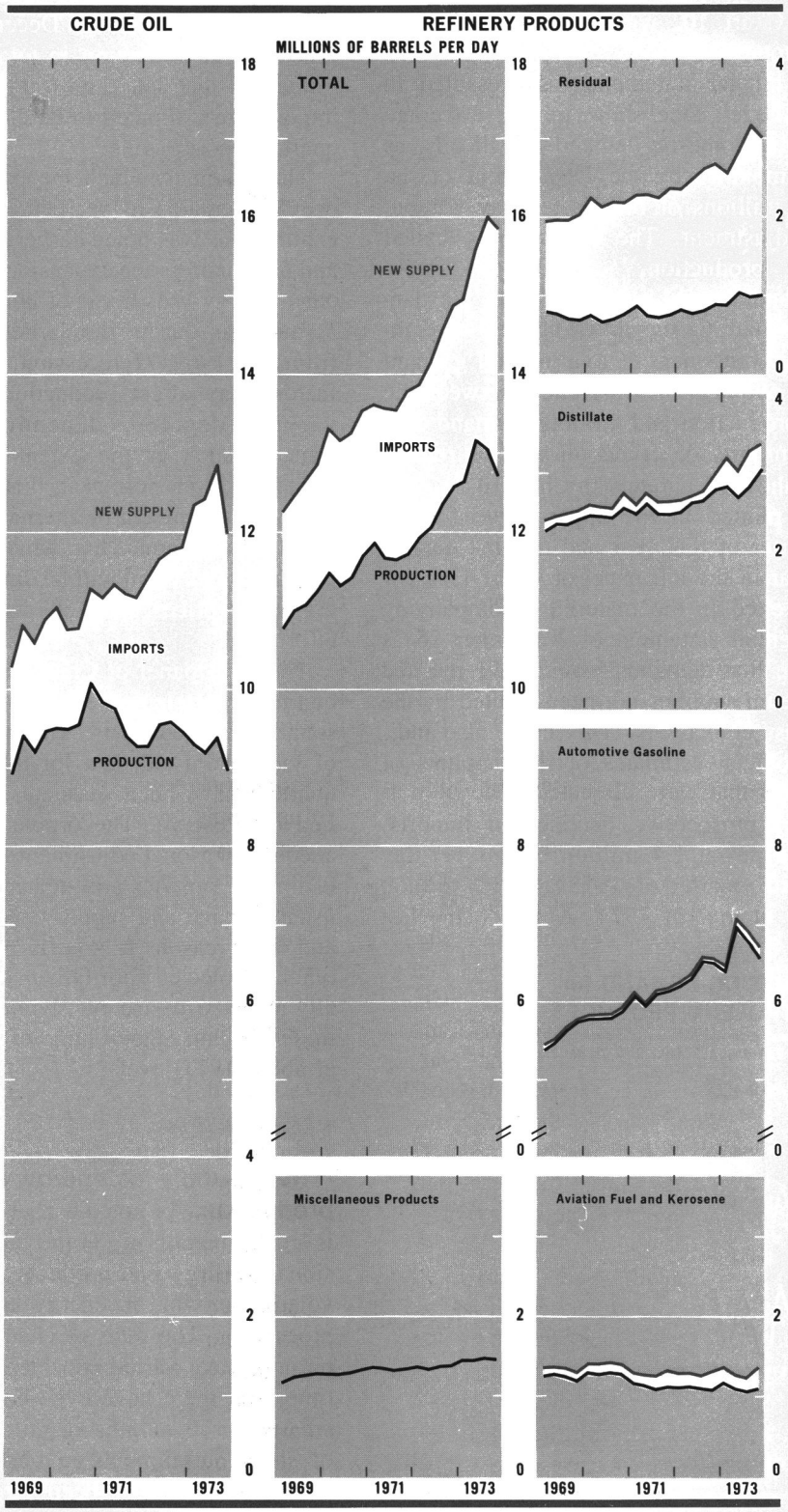
The supply of residual oil, which has been used mainly by the electric utility industry and for industrial processing purposes, is dependent largely on imports; measured in barrels, such oil supplies account for about 75 per cent of total imports of refined products. The volume of residual oil used for heating purposes, which has amounted to about 20 per cent of the total in recent years, cannot be shown in this chart since such data are not available separately for domestic and import sources.

In considering the prospective effects on domestic supplies of the expected major curtailments in Middle East oil shipments, it may be noted that such shipments have accounted for only a portion of the increased volume of U.S. imports over the past couple of years. It is uncertain how deep and how long the curtailments may be and what influences these curtailments may have on alternative sources of U.S. imports.

The following section provides a summary of the official appraisal of the outlook.

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10 | PETROLEUM: NEW SUPPLY, IMPORTS, and PRODUCTION

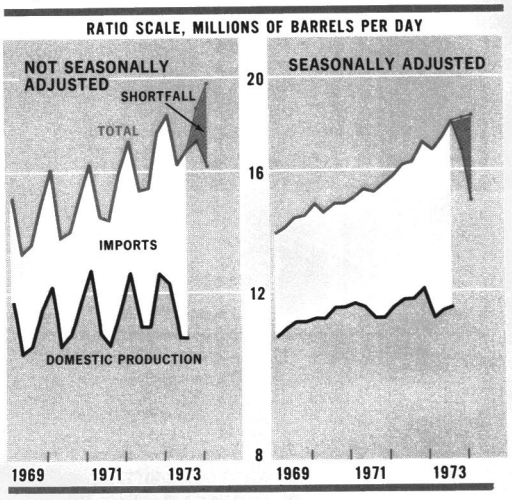


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Domestic demand for petroleum products. An aggregate of the major petroleum flows shown in Chart 10, with a summary of the near-term total petroleum situation as provided by recent official statements, is presented in Chart 11. The left panel shows quarterly average data for total domestic demand for all oils, as published monthly by the Department of the Interior in millions of barrels per day without seasonal adjustment. The bottom line, called "domestic production," represents largely crude oil and natural gas liquids (in the data shown in Chart 6, the latter figures were included as a component of total natural gas and gas liquids output). The differences between the domestic production and the total demand data are total imports of crude oil and of refined products, shown separately in Chart 10.

Figures plotted in the upper curve for the fourth quarter of this year and the first quarter of next year in the left panel of Chart 11 show the levels cited in the material accompanying the Presidential statement of November 25 as being those that demands would have reached had petroleum supplies not been limited by the Middle East embargoes. This chart also indicates the official estimates of the amounts of the shortfalls that were projected to develop as a result of prospective declines in imports. These were put at 1.4 million barrels per day in the fourth quarter of 1973 and 3.5 million in the first quarter of 1974. Although the last tankers were expected to arrive from the Middle East by late November, the latest weekly figures available—those through December 7—indicate little over-all reduction in total imports of petroleum to that date, and fourth-quarter average imports are estimated to be close to their third-quarter record levels.

11 DOMESTIC DEMAND for PETROLEUM PRODUCTS



The extent to which the projected shortfalls develop remains to be seen. It is possible for example, as was noted earlier, that in the fourth and first quarters the expansion in petroleum and other energy uses may not continue to increase as much as during the earlier recovery period from the 1969–71 recession. Moreover, other factors may affect production and demand in varying degrees, depending on circumstances—such as the extent and direction of variations from normal in this winter's temperatures, development of alternative sources of oil supplies, amounts by which domestic and foreign stocks of oil will be drawn down, impact of higher prices, and effects of conservation efforts.

The right panel of Chart 11 shows the same quarterly petroleum series in barrels on a seasonally adjusted basis. The official projections of the unadjusted data for the fourth and first quarters have been seasonally adjusted by the Federal Reserve. The problems of developing adequate seasonal adjustment factors in a period of limited supplies are greater than under more usual demand and supply conditions. For these and other reasons it is fairly uncertain what the official projected shortfalls may be on a seasonally adjusted basis, but should they develop in these amounts, the volume of takings would be at about 1971 levels.

ENERGY USES

New supply of energy relative to total production. As noted earlier, total energy use is a combination of (1) the fairly steady expansion in energy end-products and (2) the more volatile growth of energy used in industrial processing. The rates of change for the second purpose have varied considerably from time to time, and there have even been short-term decreases for 6 months or so. Thus, in periods of sharp curtailments in business inventories, which have usually been largest in industrial

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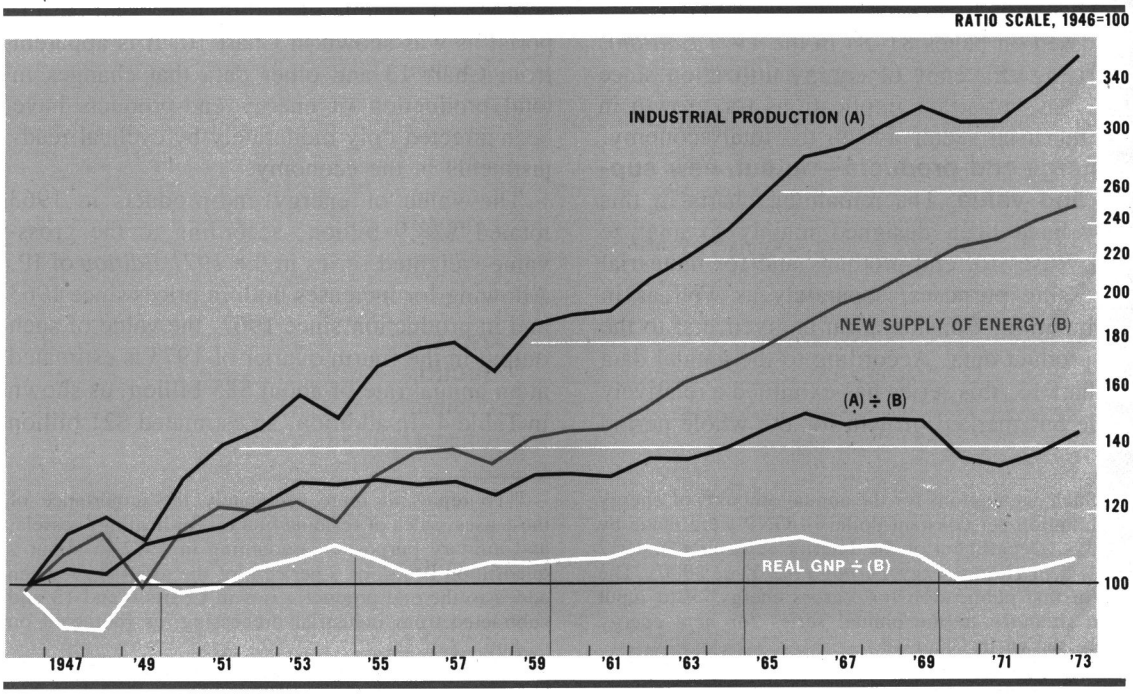
materials, cutbacks in both production and use of energy may be significant because such industries as basic chemicals, paper, and primary metals are heavy consumers of energy. Such cutbacks did not occur during the 1969–71 economic readjustment, however, largely because business inventories of industrial materials were not reduced. During that period, continued inflationary expectations were a factor limiting the cutback in such inventories.

During the second quarter of 1973 domestic production of such major materials as cement, chemicals, paper, petroleum products, and primary metals—groups that together account for a very large portion of total industrial energy requirements—reached near-capacity levels. In view of the limited domestic supplies of energy it is possible that production of these major materials could not have been expanded much further even if their manufacturing capacity had been more adequate. Also, since production of such materials reached near-capacity, it is unlikely that large additional increases in energy use for those purposes will be needed until manufacturers add to their capacity to produce such materials.

Chart 12 provides a comparison of changes in relationships between the total new energy supply (from Chart 5) and industrial developments as measured by total IP. The initial year shown (1946) is used as the comparison base in order to limit the crisscrossing of the series plotted; use of 1946 also provides more sustainable production–consumption relationships because there was less accumulation of primary energy stocks in 1946 than in 1947. Moreover, it provides a better perspective on the 1948–49 industrial readjustment and on economic developments over the following decade.

In this comparison it should be noted that IP includes output of the electric and gas utility, coke, and petroleum refining industries as well as output of the energy materials used to supply those industries. This representation affects the movements of IP relative to energy as measured by a ratio between the two that is designated (A) ÷ (B). Mainly because of the increased efficiency in generating electricity, this ratio rises about one-fourth from 1946 to 1953. During most of the period since then, but exclusive of the 1965–71 period, there has been a further irregular upward trend in the relationship of IP

12 | ENERGY RELATIVE to IP and REAL GNP



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to energy supplies. As will be discussed later, the high plateau reached from 1965 to 1969 reflected shifts in the composition of IP during that period, which were subsequently reversed in 1970–71.

From 1971 to 1972 IP increased 7 per cent and then rose further by about 9 per cent in 1973. Over the past year, however, the new energy supply increased only about 3.5 per cent. Consequently, the ratio of IP per unit of energy increased further in this period, following a rise in 1972 from the reduced level in 1971, to about 5 per cent.

These results, based on changes in the relationship of IP to the total new energy supply, represent a larger proportion of the fluctuations in industrial use of energy, and they show some differences in trend, as compared with those in the relationship of GNP (real GNP ÷ B) to total new energy supply.[15] From the mid-1940's to the 1953–62 decade the IP-based ratio was above the GNP ratio by one-fifth or more, and during the 1966–70 period the margin widened to one-third. Following a marked downturn in both ratios in 1970, the IP ratio was about one-fifth higher than in the mid-1950's while the GNP ratio was only about 5 per cent above its earlier level. If one assumes that IP will continue its long-term growth relative to the total economy (as compared with the GNP data discussed on pages 81–84 in the *1971 Edition*), the rising efficiency of energy utilization since 1971 has important implications for growth in the industrial sector and in the total economy.

Energy end-products—output, new supply, and value. The remaining charts in this study have been designed mainly to analyze energy uses for end-products and for industrial processing purposes, separately as well as in combination. Consideration is given first to the end-product data. According to the annual data in Chart 13, this series has exhibited a relatively stable but marked growth for the whole period beginning in 1946. This series is based on the Btu data in the third and fourth columns of Table 1 (lines 2 to 12).[16] It is the approximate counterpart of the value-added IP index for end-products plotted in Chart 3 and is based on the same lines in the second column of Table 1. Because the electricity series is relatively less important in the Btu measure, this energy end-product series grows much less rapidly than the value-added production measure.

These data do not support the view that there has been a significant acceleration in recent years in the final (nonindustrial) use of energy in the United States. The Btu energy end-products measure has grown at a fairly steady 4.5 per cent annual rate over the past two decades. The higher rate that had prevailed in the 1946–51 interval—5 to 6 per cent—reflected in part post-World-War-II reconversion needs.

Net imports of energy end-products are also added to, as well as shown separately from, domestic output in Chart 13. These imports are mainly distillate oil and aviation fuel. It may be noted, however, that imports make up a much less important part of the total for energy end-products than for energy materials. Although gasoline has been in limited domestic supply this year, relative costs and other considerations apparently have not resulted in an appreciable volume of automotive gasoline imports, as was shown in Chart 10. It is apparent from Chart 13 and other data that changes in total production of energy end-products have been affected only moderately by cyclical readjustments in the economy.

The value of energy end-products in 1963 totaled $28.9 billion, according to the gross-value-weighted series in the *1971 Edition* of IP. Allowing for increases both in prices since 1963 and in production since 1967, the value of such output in the fourth quarter of 1973 is estimated at an annual rate of about $85 billion, as shown in Table 4. In addition, an estimated $21 billion

[15] Such calculations for the annual amounts of energy consumption per constant dollar of GNP were made by the U.S. Department of the Interior beginning in 1947 (Table 2 in *U.S. Energy Through the Year 2000*). The data in that publication for "gross energy" Btu input move similarly to the annual series for new energy supply shown in Chart 12.

[16] To represent more adequately the importance of these uses, sales of residual fuel oil for heating, vessels, and military purposes—amounting in 1972 to about 2 quadrillion Btu's, or 5 per cent of the total—have been added to the end-product series in Charts 6 and 13 and subtracted from industrial processing, as footnoted on p. 866.

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TABLE 4

VALUE OF OUTPUT OF ENERGY END-PRODUCTS

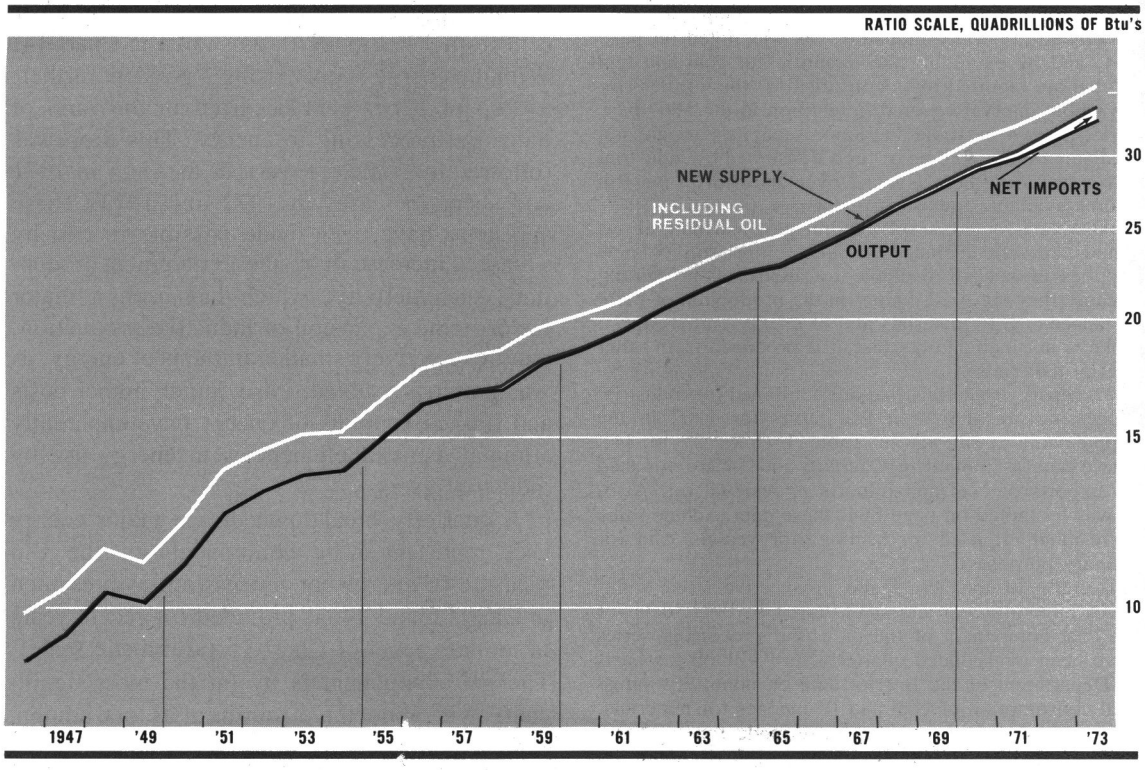
In millions of dollars

Grouping and series	1963	Q4 1973	
		1963 prices	Q4 1973 prices
Total	**28,851**	**52,530**	**85,450**
Consumer fuel	*11,762*	*17,640*	*36,210*
Automotive gasoline	8,895	13,570	26,710
Distillate oil	2,867	4,070	9,500
Consumer utilities	*9,211*	*19,580*	*25,120*
Residential electricity	5,651	14,240	18,130
Residential gas	3,560	5,340	6,990
Other energy products	*7,878*	*15,310*	*24,120*
Commercial and other electricity	4,370	10,320	13,180
Commercial and other gas	1,104	2,090	2,740
Aviation fuel and kerosene	2,404	2,900	8,200

NOTE.—Data for 1963 compiled from *Industrial Production, 1971 Edition*, Table A-1. Federal Reserve estimates for Q4 1973 are at seasonally adjusted annual rates, based on data from U.S. Department of the Interior and U.S. Department of Labor.

was expended in the final distribution of these products, including mainly payment of various State and local taxes on automotive gasoline. This would make total final expenditures in the fourth quarter of 1973 about $106 billion or 8 per cent of total GNP. Although these expenditures are largely of a nondeferrable nature, of more importance to total economic activity over the longer-run period are the problems of expanding supplies of energy materials from domestic and import sources and also of expanding petroleum-refining capacity.

13 | ENERGY END-PRODUCTS



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Industrial processing and energy uses. A new annual measure of industrial processing per unit of energy has been compiled back to 1946, as shown by the ratio (A) ÷ (B) on a 1946 comparison base in Chart 14. This chart also presents a series for industrial processing and an energy series from which the ratio was developed. The industrial processing series represents all manufacturing, mining, and utility activities (total IP) except for the energy production series listed in Table 1. For the most appropriate comparison of available energy with the industrial processing measure, data are excluded on energy produced for use by the utility industries and for conversion within the manufacturing sector to other forms of energy, as in the case of coke and petroleum products.[17]

Chart 14 indicates that industrial processing per unit of energy has increased by about 140 per cent since 1946. There was a rapid expansion from the late 1940's to the mid-1950's. Subsequently the average rate of increase slowed to about 4 per cent per year until the mid-1960's. Thereafter, further increases were followed by decreases in 1967 and 1970, but data for 1971–73 indicate a renewed rapid rate of expansion.

The advanced level of the relationship during the 1965–69 period reflected in part the sharply increased levels of defense equipment in IP. Production of business equipment, partly for related reasons, also reached advanced levels during that period. Production of equipment requires much less energy per unit than either consumer goods or the industrial materials needed in their production (equipment represented one-fifth of IP in 1967, but only a small percentage of total energy used by industry).

The major curtailments during the 1969–70 industrial readjustment were in production of equipment (both business and defense); the over-all decline amounted to 18 per cent—about as much as in any other postwar period (*1971 Edition,* page 17). However, in contrast to earlier postwar readjustments there was little curtailment in either production or business inventories of major industrial materials.

Industrial processing activity, as represented by total IP excluding energy, declined by 5 per cent from 1969 to 1970, as shown in Chart 14. With the energy supply rising 4 per cent further, a drop of 8 per cent occurred in the ratio of industrial processing to energy. This drop was followed by some recovery in the ratio in 1971 and sharp increases in 1972 and 1973. These appear to have been made possible in part by a marked increase in business equipment production; such activity, which has been a major factor in the expansion of industrial production, requires relatively smaller amounts of energy, as was previously noted. Also, much higher costs and limited supplies of energy have apparently stimulated major efficiencies in energy use by industrial users.

A quarterly breakdown of the major energy uses represented by components of the Btu measure of energy for processing, as presented in Charts 6 and 14, is provided for recent years in the left panel of Chart 15 (arithmetic scale). The gas component is by far the most significant—with about three-fourths of its total amount represented by gas utility sales to industrial establishments and the remainder by direct pur-

[17] For this purpose allowances are made to exclude the amounts of coal, oil, and natural gas used by the electric and gas utilities. This is accomplished by including only the amount of natural gas production sold directly to nonutility industries, as was noted on page 854, and by excluding the quantities of coal and feul oil that are reported to be consumed by the utilities (for the whole interval covered in addition to the 1967 base period shown in Table 1). Since separate data are not available on the volume of fuels consumed by industrial self-generators, there is some overstatement in the Btu figures available for use in industrial processing.

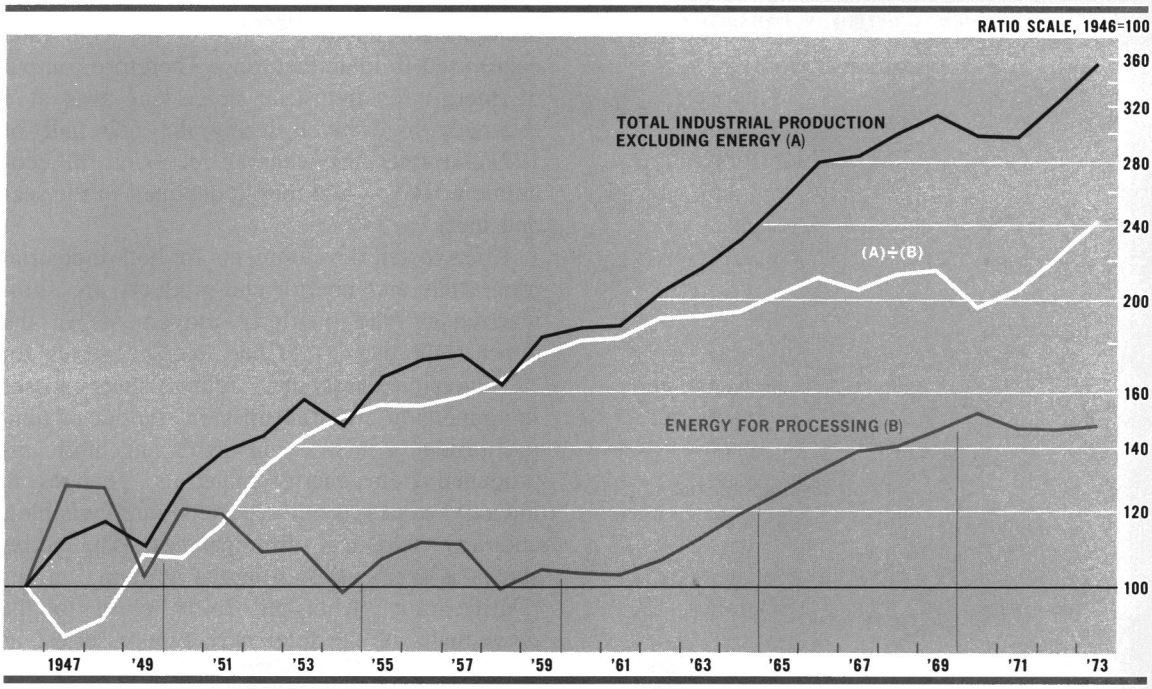
Also data for crude oil, natural gas, and natural gas liquids are not included in this comparison of new supplies of energy available for industrial processing because they are used mainly in the production of more advanced energy materials and of energy end-products. Coke is not included because it is produced from other energy materials.

The energy materials that are combined for industrial processing are shown in Btu terms for 1967 in the supplementary subtotal in Table 1 (lines 29 to 34). These data as plotted in Charts 6 and 14 are adjusted for exports of coal and imports of residual oil. Also, as was footnoted on page 864, these data exclude sales of residual oil used for heating, for vessels, and for military purposes.

Because of the actual and prospective strike influences affecting coal and steel output in 1971, data for the coal component of the industrial processing series have been interpolated quarterly for 1971 on the basis of Department of the Interior data on nonutility industrial consumption of coal and IP indexes for materials. Some additional adjustments were made for 1972 and 1973 to provide a better approximation of nonutility industrial consumption of coal.

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14 | INDUSTRIAL PROCESSING and ENERGY



chases of industry. The latter are reported only for annual intervals.

Coal uses for industrial processing, exclusive of the amounts used to generate electricity for industrial consumption, are shown in this chart to have been of declining importance, but they still account for about one-fifth of the total, which amounted to about 19.5 quadrillion Btu's in 1973 (Chart 6). Residual oil uses for industrial processing showed only a small percentage gain from 1971 to 1972, and by 1973 such uses probably still amounted to about 5 per cent of the total.[18]

Electricity used by industrial establishments—including amounts for lighting and air conditioning, as well as for motive and processing purposes—accounts for only about one-eighth of the Btu's consumed by industry, but such energy serves a great many convenient and unique production purposes. A hitherto unpublished quarterly breakdown of data for industrial consumption of electricity is discussed below in connection with Chart 16.

Some perspective on these uses of energy for industrial processing is provided in the right panel of Chart 15, which shows quarterly data in Btu terms on the amounts of energy, by type, used by the electric and gas utilities. There too, of course, natural gas is of overwhelming importance. About one-half of the total volume of gas distributed by the gas utility industry is shown (in the left panel) to have been sold for industrial purposes, while the remainder is sold for residential and commercial and other uses.

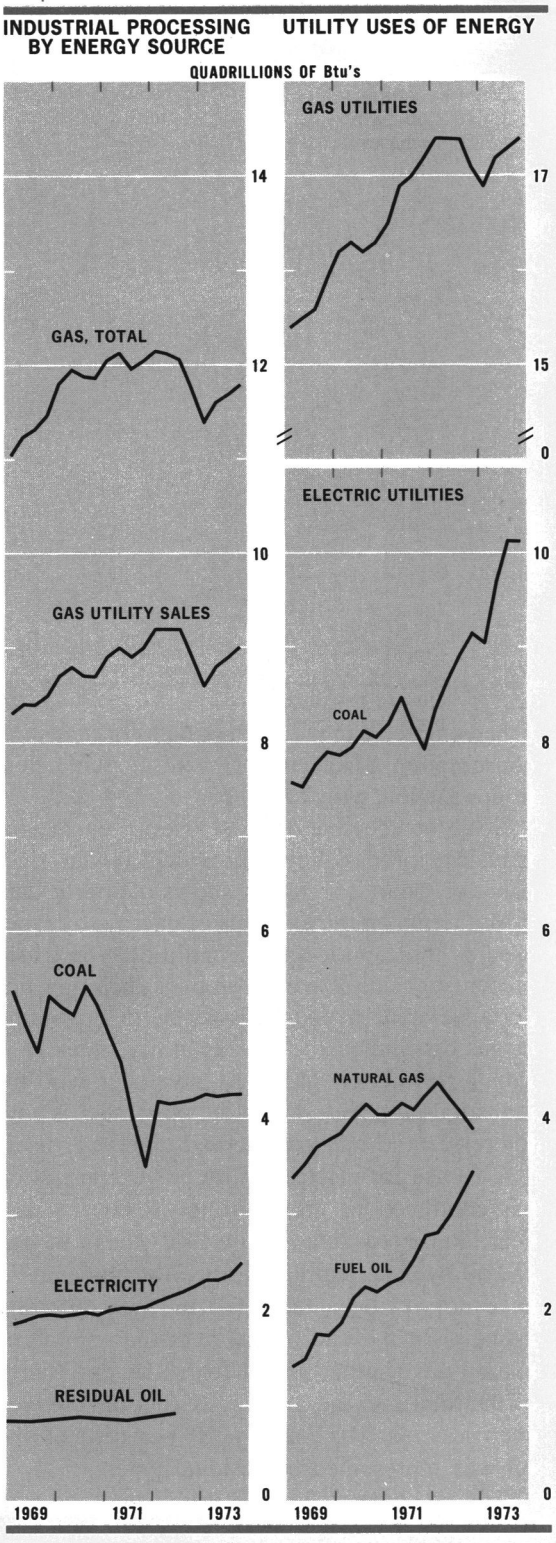
Coal use for electric utility power generation has continued to grow strongly over the past year. Reported data on use and stocks of gas and oil by electric utilities since December 1972 have not yet been tabulated by the compiling agency. By the end of last year the volume of natural gas use accounted for about one-fourth of the total and the amount of fuel oil use was even less. In 1972 nearly 90 per cent of the oil was represented by residual types.

The prospect of a strike in the steel industry beginning August 1, 1971, affected both demand for and output of industrial energy within

[18] These relate only to "industrial" uses as classified in the U.S. Department of the Interior release *"Fuel Oil Sales, Annual."* Including all uses of fuel oil by manufacturing and mining establishments, the preliminary Census figures for 1971 indicate a total of 268 million barrels. Adding petrochemical and other petroleum uses, the total amount was probably about 2 quadrillion Btu's.

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15 | MAJOR IP USES of ENERGY



that year. It was a dominant influence on coal production because the iron and steel industry accounts for about one-half of the coal (and coke) used in manufacturing. Therefore, output of energy for industrial processing was at a relatively high level during the first half of 1971—despite the general recession in economic activity—and then it declined in the second half.

These recent developments for both industrial processing and energy end-products are summarized by the quarterly movements in the upper right panel of Chart 6. The series for "Conversion losses, etc." reflects energy losses in conversion and transmission, output of nonfuel products such as chemicals and lubricants produced from energy materials, changes in industry stocks (both reported and invisible), and any statistical discrepancies. The series shows a substantial, irregular growth, but its relative movements are fairly close to the movements of the total new supply series, as is indicated by the changes shown in Chart 17.

FRS electric power data. A major supplemental source of information on current uses of energy for industrial processing is provided by the Federal Reserve monthly series on electricity classified separately by about 200 S.I.C. industries. The data collected by the 12 Federal Reserve Banks are based on a combination of kilowatt hour sales by electric utilities (including cooperatives and government agencies as well as investor-owned companies) and the number of kilowatt hours provided by industrial self-generation (which in some districts is supplemented by reports from the Federal Power Commission).

These series are in the process of detailed review prior to their publication for the period beginning in January 1963. Although still preliminary, the data are presented as quarterly averages in Chart 16 (arithmetic scale) for major industrial markets. They show the relatively limited amounts of total electricity consumed by the equipment industries and the large use of electric power—about seven-tenths in recent years—in the manufacture of industrial materials.[19]

[19]This footnote appears on page 869.

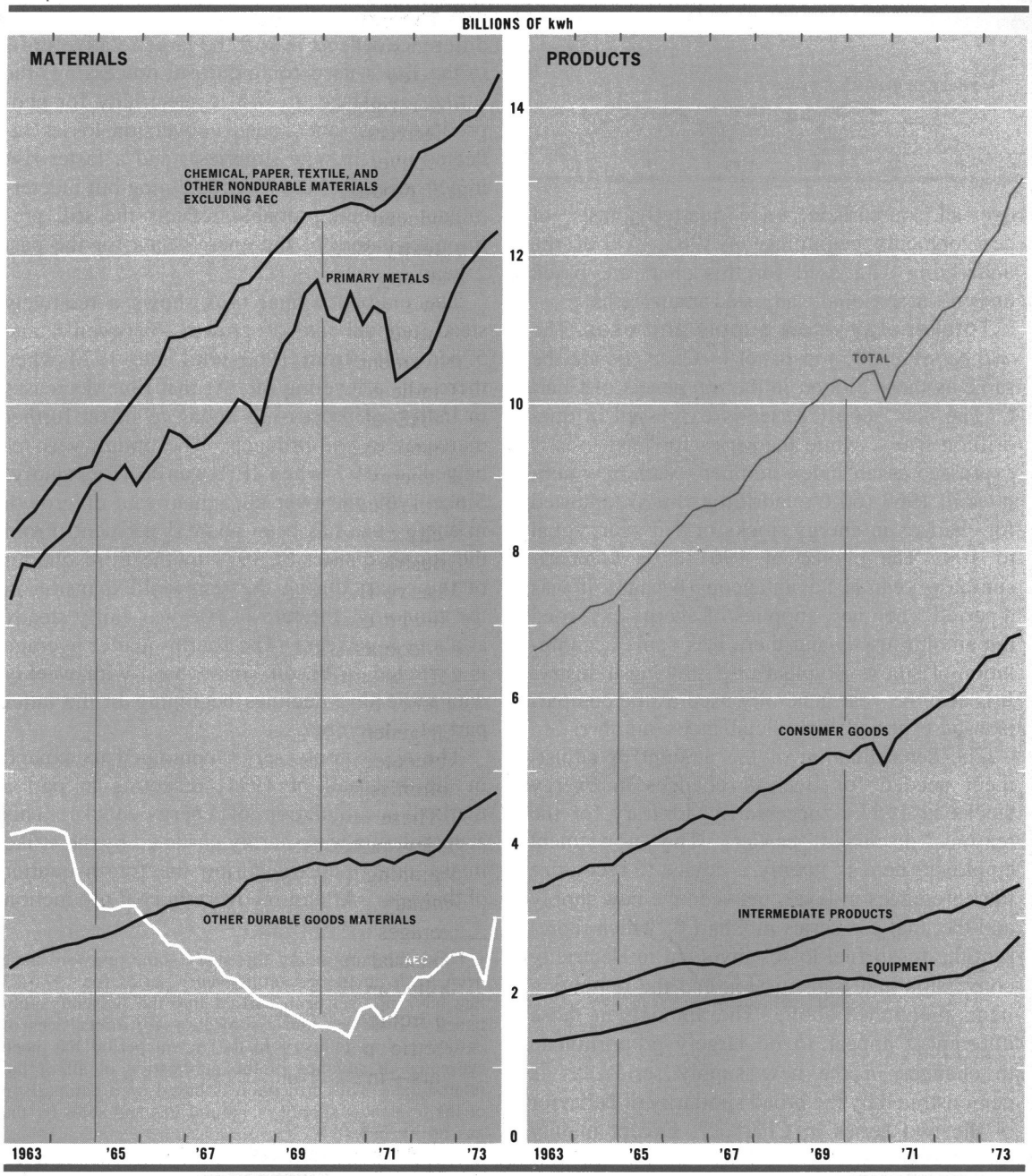
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OVER-ALL CONDITIONS

After a review of the longer-run pattern of changes in output and in use of energy for end-products and for industrial processing, a summary of developments in the past decade seems in order. Chart 17 provides such an

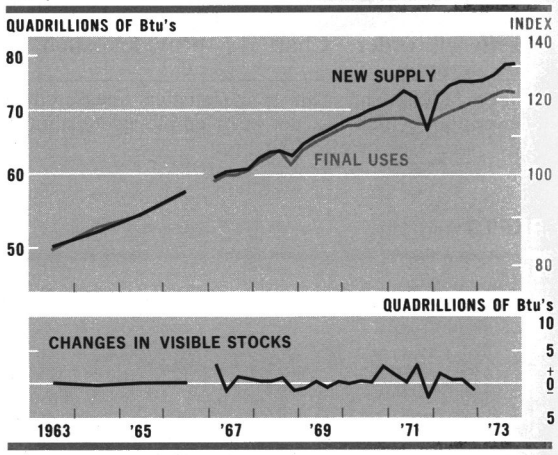
[19]In IP one-half of Atomic Energy Commission production is assigned to materials and the remainder to defense equipment. This is a statistical measurement convention, which has not been employed to allocate AEC purchases of electricity.

16 | ELECTRICITY USE by MAJOR INDUSTRIAL MARKETS



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17 | TOTAL ENERGY



over-all comparison, on a quarterly basis, of developments beginning in 1963. All of the underlying data used for this chart are based on Btu's at seasonally adjusted annual rates.

Total energy—new supply and uses. The two series in the top panel of Chart 17 are the same as those plotted in the top panels of Chart 6. The new supply series is expressed in quadrillion Btu's, while the series for final uses is expressed as an index number—with new supplies in 1967 (60.6 quadrillion Btu's), adjusted for changes in energy stocks in that year, equal to 100. The choice of 1967 as a comparison-base year is advantageous because it was a period when new supplies of energy exceeded the amount used, and there was some accumulation of stocks—typical in a growing industry. It is also the year generally used as the comparison-base period for official index numbers.

The determination of the amount of adjustment needed for over-all changes in energy stocks in 1967 is necessarily arbitrary for the reasons discussed earlier. The adjustment employed here is mainly a device to recognize the differences in levels between the new supply and the final use series in Chart 6, which represent the fossil fuel losses involved in electricity conversion and transmission and the remaining items mentioned above. The amounts of those differences appear to be largely proportionate to changes in the new supply series, as is demonstrated by the broad similarity of behavior of the two series in Chart 17. Except mainly for several quarterly intervals when there were major strikes, the two series indicate a rough correspondence in quarterly movements back to the beginning of 1963. Changes in visible energy stocks are also shown, in the bottom panel, and they usually indicate no significant relation to differences in the movements between the series for new supply and final uses.

In recent years the new supply series has expanded more than the final use index. The difference reflects in part the large relative shifts in the Btu's used for industrial processing, the further sustained growth in electricity for end-product uses (and added conversion losses reflected only in new supplies), and a faster rise in petrochemical uses. A remaining but indeterminant amount probably reflects the still preliminary nature of the energy data for the past 2 years.[20]

The index for final uses shows a relatively steady annual rate of growth—between 4 and 5 per cent—from 1963 until late 1970 when there was a leveling off. At that time decreases in industrial processing began to offset further increases in end-products. The upturn was renewed in 1972 when IP began to rise rapidly. Since 1969 the over-all annual rate of growth in energy use has been about 3 per cent. From the fourth quarter of 1971 to the third quarter of this year, during the renewed expansion in the economy, the rate of rise was fairly steady at about 4 per cent. The fourth-quarter average is expected to be off somewhat—with weekly data indicating declines beginning in the latter part of November.

The new supply series continued to expand in the first half of 1971, reflecting in part a marked accumulation of energy stocks. This accumulation was sharply curtailed by the strike in the coal industry during the fourth quarter of that year. After a recovery in coal production

[20] For the purposes of this study some revisions have been made in the gas utility sales series for 1971–73 that have not yet been carried into the presently published IP indexes, and a projection for direct sales of natural gas to industry in the recent period has been estimated in advance of the publication of all of the related data. This projection is based on a comparison of the total new supply of natural gas and sales by the gas utility industry.

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and increases in domestic output and imports of oil and gas, the supply series reached a new record level by mid-1972. Subsequently there was little change, with the margin between the supply and use measures reaching its narrowest point (since the 1971 strike) in the second quarter of this year. Some expansion in the second quarter was followed by a larger rise in the third quarter and by a leveling off in the fourth.

Seasonal and other considerations. All of the charts in this study that show annual data and those based on quarterly seasonally adjusted series do not indicate the relatively large seasonal fluctuations in consumption and output of energy. Nor do they show the wide ranges in the geographical dispersion of those movements owing partly to extremes in weather and temperatures. Seasonal fluctuations range from monthly and weekly intervals to only a few minutes in the case of regional demand peaks for electricity.

In addition there are many major problems relating to the proximity to, and ownership of, sources of energy—both within this country and abroad. These and various other considerations—such as cost–price relations, foreign trade policies, pollution problems, and so forth—are all factors in maintaining an adequate flow of energy for domestic purposes.

The official projections of energy use have assumed a full-employment growth rate for real GNP of 4.3 per cent a year to 1980 and 4 per cent thereafter.[21] The actual average rate of increase in real GNP from 1946 to 1971 was 3.7 per cent a year. If the growth rate should turn out to be less than assumed, the margin of prospective energy supplies may be larger than has been indicated by those projections.

It may be noted that all of the energy-use comparisons in this study are based on longer-run historical relationships and that such relationships may change in the period ahead as a result of developing market and technological factors. For nearly all of the time period used in these comparisons, energy supplies were relatively ample and cheap. In another period, such as one of higher costs and more limited supplies, unforeseen developments in both uses and supplies of energy are likely to occur.

[21] From *U.S. Energy Through the Year 2000,* p. 14. Higher growth rates are projected for IP in that publication but they apparently were not used in the calculations.

NOTES TO CHARTS

General:

All quarterly data (except those for the left panel of Chart 11) are seasonally adjusted.

The Btu data in Charts 5, 6, 7, 13, and 17 are at annual rates.

Specific:

Chart 10

Crude oil includes lease condensate. Miscellaneous products include lubricants.

Chart 11

Figures for fourth quarter 1973 and first quarter 1974 for demand and for projected shortfalls are taken from materials accompanying the Presidential statement of November 25, 1973.

Domestic production includes data on changes in stocks and some other items used to derive the data for total domestic demand apart from imports.

Chart 13

For a discussion of the coverage of "Including residual oil," see footnotes 17 and 18 to the text.

Chart 15

Figures for residual oil are only annual.

Chart 16

Data are quarterly averages. Figures for Atomic Energy Commission purchases are those reported by the Federal Power Commission.

Chart 17

The index for final uses is equated in 1967 to the volume of new supplies adjusted for changes in stocks.

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Treasury and Federal Reserve Foreign Exchange Operations

Interim Report

This interim report, covering the period August through October 1973, is the second 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 Charles A. Coombs, Special Manager of the System Open Market Account, and Senior Vice President in charge of the Foreign Department of the Federal Reserve Bank of New York.

As related in the previous report, on July 10 the Federal Reserve resumed intervention in the exchange markets and by the end of July had sold a total of $273 million equivalent of foreign currencies—$220 million of German marks, $47 million of French francs, and $6 million of Belgian francs. These operations were financed by drawings under the swap arrangements with the respective central banks. Over the first 2 weeks of August the dollar strengthened as a liquidity squeeze in Germany eased, interest rates in New York rose, and the market responded to favorable U.S. trade figures for June. With this shift in the international flow of funds, the Federal Reserve readily acquired through the market the foreign currencies needed to repay the entire $273 million equivalent of swap drawings incurred in July. The only intervention by the Federal Reserve during early August was the sale of $4.2 million of marks, using existing balances, when the dollar had a temporary setback on August 7.

The dollar's rise stalled in mid-August when market worries over price trends and political uncertainties in the United States surfaced once again. As more bad news generated new selling pressure on the dollar on August 20 and 21, the Federal Reserve reentered the market as a seller of German marks in order to maintain an orderly market and moderate any serious erosion of dollar rates. Over these 2 days and again briefly later in the month, the System sold a total of $54.5 million equivalent of marks drawn under the swap line with the German Federal Bank, while the German central bank made modest purchases of dollars in Frankfurt. The dollar then firmed, and the Federal Reserve was able to repurchase in the market the German marks needed to liquidate the swap drawings on the German Federal Bank.

By late August and early September, trading conditions had become more orderly, with much narrower fluctuations in rates from day to day as well as during trading sessions. In this atmosphere of greater stability the market showed much improved resilience in absorbing the shocks of adverse political and economic news here and abroad. During this period the Federal Reserve stood ready to intervene on a number of occasions, but operations were required only once. On September 6, just ahead of official announcement of the August wholesale price figures, the dollar came under some pressure and the Federal Reserve sold $8.2 million equivalent of marks, of which $3.9 million was drawn under the swap line. The dollar then quickly rebounded, and the System was able to repurchase the marks needed to repay this swap commitment.

On September 15, the Netherlands revalued the guilder by 5 per cent against other European Community (EC) currencies in the fixed-rate bloc. This move came as a surprise to the markets, and speculation soon developed over possible revaluations or devaluations of other EC currencies. Consequently, there were heavy flows into the German mark and Belgian franc and out of the French franc, leading to substantial intervention by the central banks involved in the EC "snake." Such speculation in the

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European currency exchanges soon spilled over into the dollar market. As the dollar began to drop, the Federal Reserve again stepped in, in coordination with the German Federal Bank, to moderate the decline of the dollar–mark rate. At the same time, the Belgian and French authorities took monetary and exchange control measures to curb the pressures on the EC band. This firm official response effectively broke the speculative wave, and as dollar rates bottomed out and began to rise, the Federal Reserve continued to intervene to help along the recovery. In this sequence of operations, between September 17 and 26 the Federal Reserve sold $156.7 million equivalent of German marks drawn under the swap line, while the German Federal Bank intervened in Frankfurt by buying nearly $140 million.

The exchange markets again turned quiet through late September and early October. Underlying trade and investment flows tended to buoy the dollar, and as the dollar firmed, the Federal Reserve was able to purchase sufficient marks to repay $86.1 million of the outstanding swap debt to the German Federal Bank. The improvement in the dollar was again interrupted, however, as short-term interest rates in this country fell sharply, political uncertainties heightened, and war broke out in the Mideast. On October 10, when the news of Vice President Agnew's resignation hit the markets in the early afternoon, selling pressure on the dollar intensified. At this point, the Federal Reserve again intervened with an unusually heavy offering of marks, of which $21 million equivalent was sold. These sales were financed by a further drawing under the swap line with the German Federal Bank, bringing the outstanding swap debt to $91.5 million equivalent. The dollar then steadied, and no further intervention in marks was required through the month-end.

During October, the Dutch guilder moved to the top of the EC band. The guilder's rise stemmed mainly from a liquidity squeeze in Amsterdam, but revaluation rumors began to circulate once again. In conjunction with the Netherlands Bank's own sizable purchases of dollars in Amsterdam, on October 23 the Federal Reserve offered guilders in New York, selling $2.9 million equivalent drawn under the swap line with the Dutch central bank.

Late in October, the dramatic shift in the basic U.S. trading position was underscored by the announcement of an $873 million trade surplus for September. By that time, also, interest rates in the United States were on the rebound and a cease-fire had been negotiated in the Mideast. Consequently, the dollar came into strong demand, advancing across the board against the major European currencies. By the end of October, the Federal Reserve was able to purchase in the market sufficient marks and Dutch guilders to repay fully the $91.5 million and $2.9 million, respectively, of swap drawings outstanding in those currencies. Thus, for the period August through October, System intervention totaled $247.5 million, of which $238.9 million was drawn and repaid under swap lines. In summary, since the resumption of exchange market intervention in July, the System had drawn and repaid a total of $512.4 million of German marks, French francs, Belgian francs, and Dutch guilders. Coordinated intervention in the dollar market by the German Federal Bank over the same period amounted to nearly $500 million.

In other operations, beginning in August the

FEDERAL RESERVE SYSTEM DRAWINGS AND REPAYMENTS UNDER RECIPROCAL CURRENCY ARRANGEMENTS

In millions of dollars equivalent

Transactions with—	System swap commitments, July 31, 1973	Drawings, or repayments (–) Aug. 1 through Oct. 1	System swap commitments, Oct. 31, 1973
National Bank of Belgium	396.0	... –123.8	272.2
Bank of France	47.0	... – 47.0	...
German Federal Bank	220.5	236.1 –456.6	...
Netherlands Bank	...	2.9 – 2.9	...
Swiss National Bank	565.0	...	565.0
Bank for International Settlements (Swiss francs)	600.0	...	600.0
Total	**1,828.4**	**238.9** **–630.2**	**1,437.2**

NOTE.—Discrepancies in totals are due to rounding.

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Federal Reserve resumed modest daily purchases of Belgian francs in the market to repay swap drawings outstanding from the National Bank of Belgium since August 1971. By October 31 some $117.8 million of those drawings had been repaid, leaving $272.2 million equivalent remaining. Combined with the $1,165 million of Swiss franc swap drawings also outstanding since August 1971, this brought total System swap obligations to $1,437 million at the end of October compared with $3,045 million outstanding on August 15, 1971.

Finally, the U.S. Treasury redeemed at maturity the last of its mark-denominated securities, a $172.4 million equivalent security held by the German Federal Bank. The Treasury also refinanced with the Swiss National Bank a Swiss franc-denominated security amounting to $63.6 million equivalent originally held by the Bank for International Settlements. □

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Statements to Congress

Statement by George W. Mitchell, Vice Chairman, Board of Governors of the Federal Reserve System, before the Subcommittee on Bank Supervision and Insurance of the Committee on Banking and Currency, House of Representatives, November 26, 1973.

I am pleased to be here to present the views of the Board of Governors on a feature of the rapidly evolving payments mechanism in which you have a particular interest—namely, the way in which thrift institutions can receive electronic wage and salary payments in much the same manner as they now handle salary checks. At the same time I would like to summarize recent developments in payments technology and Board actions bearing on these developments and to suggest in a very general way where we seem to be headed in the development of electronic credit and debit transfers.

The problem of immediate concern involves a broad issue on which the Congress may wish to provide guidance and a narrower issue of the mechanics of money transfer. I would like to set aside, for the moment, the broad issue—that of the means of participation of thrift institutions in money transfer—and clarify, if I can, a purely technical matter of moving funds electronically.

This issue has arisen because savings and loan associations want to be able to receive their customers' payroll deposits as electronic payments in much the same manner they now receive payroll checks. Commercial banks, on the other hand, in light of their innovative effort in developing the necessary software and legal framework, and because they have assumed liability for transmission errors or failures, have sought to be satisfied that participation of thrift institutions would not create complications that might disadvantage them or their customers.

There is a technical arrangement for crediting payroll checks to accounts in savings and loan associations that could function equitably and, I am convinced, satisfactorily for all concerned. It can be effected quickly and can serve until the Congress chooses to address itself to the broader issues involving the role of thrift institutions in the Nation's financial system. Its implementation now appears imminent. But let me describe the development and nature of the new system.

THE DEVELOPMENT OF THE AUTOMATED CLEARINGHOUSE

In California and in Georgia pathbreaking technical changes are being worked out. These permit the conversion of payrolls from individual checks—each of which must be sorted, counted, accounted for and routed by a combination of low speed machine and hand labor, at substantial cost to all parties involved—to deposit instructions electronically imprinted upon magnetic tape. The electronic instructions are passed to banks receiving the deposits through automated clearinghouses, quickly, at very low unit cost, and with much improved certainty and safety. Savings institutions are now concerned, and understandably so, about the manner in which they can receive electronically directed deposits emanating from an automated clearing system that they did not create and in which they are not member participants.

An electronic funds transfer system sponsored by the California Automated Clearinghouse Association began to function in October 1972. The Georgia Automated Clearinghouse Association started operations in May of this year. The California association includes 111 banks in the Los Angeles–San Francisco area, and the Georgia association includes 178 banks in Georgia. The two electronic payments associations clear transfers among their members through automated clearinghouses in which the equipment is owned and operated by the Federal Reserve System, in Los Angeles, San Francisco, and Atlanta. The automated clearinghouse is the electronic counterpart of check-clearing facili-

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ties owned and operated by the Federal Reserve at 43 locations in the United States.

The electronic facilities at commercial banks linked to the Federal Reserve automated clearinghouses were privately developed and equipped over the past several years, with the advice and technical help of the Federal Reserve, and they now operate at private expense. Participating banks deliver to the Federal Reserve electronically recorded instructions for the transfer of funds from one institution to another. A computer sorts the instructions and makes deductions from the reserve accounts of banks *from* which funds are being transferred, and credits the reserve accounts of banks *to* which funds are being transferred. Electronic messages, tapes, or cards with instructions for debiting or crediting the accounts of individual customers are made and delivered to participating banks.

These arrangements, again, parallel electronically the debiting and crediting processes that occur in check clearing. But due to the fact that little or no paper need be handled, the clearing is done at a cost in terms of mills per item, rather than the cents per item cost of paper check handling. This results in large savings for all participants, including the Federal Reserve.

A principal use currently being made of these systems is payroll deposit. An employer prepares a magnetic tape with instructions to the employer's bank to make payroll deposits at banks and account numbers supplied by employees. The employer's bank extracts any deposits being made in that bank, and sends the remainder of the instructions on to the automated clearinghouse. There, as described above, the pay of other employees is distributed by electronic processing to their banks and to their accounts. Since this means of handling payrolls is a repetitive process, and involves large numbers of payments, substantial savings—both public and private—can be made, and it is thus a natural and beneficial application of electronic transfer.

MAIN LINES OF DEVELOPMENT IN ELECTRONIC PAYMENT

The electronic payments system now seems to be developing in the United States along two main lines. One is directed at meeting the needs of business organizations and governments that make income payments in large volume. These payments are usually repetitive as to recipients and are preponderantly for wages and salaries, dividends, interest, annuities, and retirement and welfare programs. Since the payment function is usually centralized in organizations making such payments, conversion to an electronic system involves a minimum of disturbance to existing arrangements. Income crediting is operational today but in very small volumes. There are, however, active plans to dramatically increase the use of this technique in 1974.

The other chief line of development serves the needs of the individual consumer whose payment volume is small, irregular in timing, and does not originate at a single location, but, more often than not, occurs at the place of purchase of some good or service—thence, the designation, "point-of-sale." Point-of-sale transfer is not operational, except experimentally, in the United States, but there has been enough study and pilot experience to justify confidence in its operational feasibility.

These two emerging developments accommodate another payments arrangement in which consumers agree to permit their accounts to be electronically debited for contractual obligations, such as insurance premiums, rents, mortgage and instalment credit payments, and for utility bills, credit-card purchases and similar type payments. The income crediting machinery is best adapted to these "pre-authorized" payments but "point-of-sale" mechanics could also be used.

ACCESS BY A PAYABLE-THROUGH TRANSFER

A feasible and immediately available method of access to the benefits of electronic transfer for savings institutions, and one that appeals to us as being equitable and fair to all, would be an adaptation of the "payable-through" draft. Savings banks have been using this technique for some time. Adapted to electronic transfer, it can be used for credits as well as debits. To explain:

Access by a thrift institution to electronic transfer of funds involving an automated clear-

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inghouse would, in the payable-through process, involve a number identifying the institution in an operationally feasible way. The clearinghouse computers would be able to associate deposits bound for a particular savings and loan with a commercial bank through which the savings and loan was participating in the clearing and settlements process.

Specifically, an employee wishing to have his pay deposited automatically in a savings and loan would provide his employer with the number assigned to his savings and loan, together with his personal account number. Using this number, the employer would provide his commercial bank with instructions on magnetic tape to deposit the employee's pay in the savings and loan. The employer's bank would send taped instructions to the automated clearinghouse. There, the clearing computer would recognize the identifying number as that of a savings and loan clearing through a certain commercial bank. It would credit the payroll deposit to that bank which, in turn, would credit it to the indicated savings and loan. This would be accomplished in the same time span as applicable to customer deposits in a commercial bank.

The payable-through method would operate without inconvenience to the savings and loan depositor: he would be dealing directly with his savings and loan just as if he carried his check there for deposit. The commercial bank through which payment was made would be involved only as an agent of the savings and loan. The savings and loan customer would need no contact with the commercial bank to effect pre-authorized deposits in (or withdrawals from) his account at the savings and loan.

Payable-through clearing would have a further advantage, from the point of view of the savings and loan and from the point of view of a competitive financial system. It would permit a savings and loan to select the commercial bank offering it the most advantageous arrangements—and to change its agent bank if it wished—without disturbing payments arrangements with its customer. The savings and loan would merely tell the clearinghouse to reprogram its computers, so that the number identifying the savings and loan would be associated with Bank B instead of with Bank A. Everything would then go on as before.

Other solutions to this problem have been advanced. Some have advocated the assignment of a regular bank number, thus implying that savings and loan associations, for clearing purposes, should be treated exactly as commercial banks. Others have suggested that the home loan banks be participants in the clearing process and all debits and credits to accounts in savings and loan associations should be routed through the home loan banks.

The first of these suggestions would add to Federal Reserve costs by increasing the number of "end points" to which it would need to make daily sorts and delivery. Looking ahead to the precedent for future policy, if all thrift institutions, or even the large ones were included in this system, thousands of new end points would be added. (There are 4,300 savings and loan associations, 390 mutual savings banks, and 23,000 credit unions in the Nation.)

Since present channels can be used to achieve essentially the same result, it does not seem desirable to treat the thrift institution exactly as commercial banks are treated in this respect unless they become more like banks in other respects, or until the Congress considers the basic questions involved in such a transition. A similar line of thinking applies to incorporating a check-clearing function into the activities of the home loan banks. It may be that Congress will find this to be desirable at some point, but such an arrangement is not necessary, in our opinion, to provide a thoroughly equitable and equivalent treatment for savings and loans in the receipt of payroll deposits. Thus, the payable-through method involves minimal cost to the Federal Reserve and imposes no unfair burdens of cost or inconvenience elsewhere.

Considerations of equity, as well as of costs to the Federal Reserve (and, indirectly, to the Treasury), are involved in the question of access. The Board has stated its general views, as you know, Mr. Chairman, in a letter I addressed to you on March 21 in response to questions you had raised about the operation of the California Automated Clearing House. I should like to ask to include that letter in the record of this hearing.

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The letter noted the Board's belief that the public system using check or electronic transfer of funds from one institution to another should be such as to insure that the conditions of entry into a general clearing arrangement are fair, and that equitable treatment is assured for institutions with similar powers and responsibilities.

Let me just emphasize, in ending these remarks concerning the technique of access to electronic funds transfer, some of the broader questions invoked by that problem. All institutions should have access on terms that place no unfair burdens on any. The very great benefits that will result from electronic funds transfer should be equitably related to the pattern in which the costs of electronic transfer—both private and public costs—are borne. The eventual system involving all financial institutions wishing to participate in it should offer the maximum convenience to its users, small and large. And that system should be such as to preserve competition in the types of service offered, the convenience of the service, and the cost of it, so that the incentive to innovation is encouraged, and the benefits of innovation are widely distributed.

THE RESPONSIBILITY FOR AN EFFICIENT PAYMENTS SYSTEM

Senator Carter Glass commented, at the time of the passage of the Federal Reserve Act:

> . . . If the Board will have the wisdom and courage to establish . . . a comprehensive and economical plan of bank clearings, it will be difficult to compute the advantages that this section of the currency bill will secure . . . (1951 *Congressional Record,* Part 17, p. 563).

The Board's efforts with regard to the development of an electronic transfer system have been focused on general and equitable enjoyment of these benefits.

More than a decade ago, the Federal Reserve, in collaboration with the Nation's banks, took an important step toward stretching the viable life of the check payments system by developing the method of magnetic ink encoding on checks with bank account and routing numbers, to which magnetic ink encoding of the amount of the check is added in the clearance process. Making this standard usage for checks made the machine processing of checks possible. That, I might add, required a public education task similar to that needed now to bring to the public the benefits of electronic funds transfer.

More recently, guidelines for regional overnight check clearing arrangements were announced by the Board on February 3, 1972, as an effort to squeeze as much efficiency as possible out of the check. This has now resulted in a national network of regional clearance centers, mostly located at Federal Reserve Banks or branch banks, currently clearing more than half the checks handled by the Federal Reserve on an overnight basis.

The regional overnight clearance system was established in furtherance of a policy statement issued by the Board on June 18, 1971. This called for "basic changes in the Nation's system for handling money payments [that] are, essentially, transitional steps toward replacing the use of checks with electronic transfer of funds."

This announcement, in turn, rested upon the fact that since 1968 the Federal Reserve had been engaged in building up a computerized communications network, linking the Board and all Federal Reserve Banks and branch banks. This network has now been brought to a high state of operational capacity, and can be extended to direct links with commercial banks.

THE BOARD'S REQUEST FOR COMMENT ON THE DEVELOPMENT OF ELECTRONIC TRANSFER

The development of electronic funds transfer systems calls for an overhaul and extension of the Federal Reserve's Regulation J, which presently governs only the collection of checks through the Federal Reserve. The Board one week ago published for comment such a revision of Regulation J, and I am submitting a copy of it for your records. The proposed revision suggests a legal framework for electronic funds transfer, both the passing of credit, and the collection of payments.

But the Board, in proposing this regulatory modernization, recognized that the development of electronic funds transfer involves new relationships and roles for various institutions, public and private. The Board, therefore, went

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beyond the specifics of the rule changes it was suggesting and asked for comment also on the basic structure of the Nation's payments mechanism, and the appropriate roles in it of the Federal Reserve and other institutions.

The range of questions on which the Board requested comment in connection with Regulation J so as to accommodate electronic transfer delineates, in broad form, the main public policy questions arising from this technological development. I want, therefore, to cite the main issues on which we seek advice.

The Board asked for comment on basic issues including:

1. The appropriate roles in the ownership and operation of an electronic payments system—including adjuncts thereto—of (a) the Federal Reserve System, (b) other public bodies, and (c) individual or groups of private institutions, including commercial banks, automated clearinghouses, credit card companies, thrift institutions, credit unions, the "bank wire," and other institutions or organizations such as those specified in the attached proposal;

2. The extent and the conditions of access to the electronic funds transfer system by various kinds of depositor institutions, and of other financial institutions, as well as the terms of access;

3. How the cost of electronic funds transfer should be allocated, including such questions as whether the Federal Reserve should charge for the use of its facilities; if so, against whom should the charges be levied, whether they should cover all costs, and whether reserves maintained by member banks should be taken into account in any fee schedule which might differentiate between Federal Reserve member and nonmember institutions.

We expect to benefit substantially from the response we receive with respect to these issues, including—perhaps I should say particularly—the advice we receive from the Congress.

Policies or attitudes that inhibit participation in the economies and added capacities that will be provided by future electronic technological development tie us to obsolete costs and inconvenience. By avoiding rigidities, the policies and attitudes of both public and private parties to electronic transfer will give ample opportunity and incentive for innovation to continue to occur in electronic transfer facilities, and to be put to timely use.

Technological change can alter institutional relationships. Here also, avoidance of rigidities in either public or private policy will permit us to accommodate not only to technical change but also to altered relationships among financial institutions.

SOME CONCLUSIONS

Let me add only a few words of emphasis and conclusion:

There are no technical barriers to the spread of electronic funds transfer. It parallels all the work done by the check system, and does it better, more cheaply, faster, and at greater convenience to all users of the payments system. The new payments system should aim at bringing into the payments mechanism the money transfer needs of that substantial part of the Nation's families not now using the check system.

The allocation of the costs of electronic funds transfer among its vendors and its users—both public and private—must be such that the economies realized from electronic transfer are spread fairly.

There should be a public presence in electronic transfer, to the extent necessary to guarantee that the new payments system develops in a way that makes it capable of doing the job of money transfer, from whatever quarter, without unwarranted exclusions of would-be participants. A goal of the public presence should be provision of a maximum range of different services—including credit cards and other payment "concentrators"—compatible with the degree of technological uniformity necessary to ensure efficient operation.

The Board looks forward, in the discharge of its segment of responsibility in this area, to the advice and encouragement of the Congress.

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Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Subcommittee on International Finance of the Committee on Banking and Currency, House of Representatives, December 5, 1973.

I am pleased to appear before this committee to discuss recent developments in foreign exchange markets and in the balance of payments.

This year has been characterized by alternating periods of turbulence and stability in exchange markets. You will recall that, following several weeks of severe disturbance in exchange markets, the dollar was devalued for a second time on February 12. At that time, Italy and Japan chose to float their currencies, thus joining the Canadian dollar, British pound, and Swiss franc—which were already floating. New pressures in exchange markets developed in late February and early March and led to a further extension of floating among major currencies.

Over the next 2 months, the average dollar price of 10 major currencies (those of Japan, Canada, and eight European nations) stabilized at a level some 20 per cent above the exchange parities prevailing in the spring of 1970. In mid-May of this year, however, the dollar again began to decline sharply, so that by July the average dollar price of these 10 currencies increased an additional 10 per cent.

This further substantial depreciation of the dollar did not seem consistent with international price levels or with longer-term prospects for our balance of trade or payments. Moreover, fluctuations of exchange rates from day to day and from hour to hour had become more pronounced. In these circumstances, and after full consultation with the Treasury and representatives of other countries, the Federal Reserve began on July 10 to intervene in the exchange market. Through the month of October, the System sold a total of $512 million of European currencies, mainly German marks, drawing on the swap lines to finance this intervention. By the end of that month, enough marks, French francs, Belgian francs, and Dutch guilders were purchased in the market to repay in full these earlier swap drawings.

After our intervention in July and the release of favorable U.S. trade and payments figures, the dollar strengthened by about 3 per cent during the first weeks of August. There was little further change in the dollar's value until late October, at which time the announcement of a large trade surplus for September triggered another sharp advance. In recent weeks the dollar has strengthened further in relation to the major European currencies and the Japanese yen. The appreciation of the dollar against the yen would have been even greater if the Bank of Japan had not intervened in the market by making large sales of dollars. By the end of November, the average dollar price of the 10 major currencies mentioned earlier had returned to the level that ruled between mid-March and mid-May; in other words, it was again some 20 per cent above the exchange parities prevailing in the spring of 1970—or slightly above the level in the week following the February 12 devaluation.

Some market observers have pointed to anticipations of the impact of oil restrictions by Arab countries as a factor contributing to these developments in recent weeks. Others have cited the stabilizing effects of official intervention by the Federal Reserve and other monetary authorities. There is no doubt in my mind, however, that the basic factor has been the decisive turnaround in the U.S. balance of payments. New evidence of this fundamental improvement in our payments position has been accumulating with each passing month.

Our exports have been rising at an extraordinary rate this year. Measured in current dollars, exports in the third quarter were 47 per cent above their level in the third quarter of 1972. Much of this increase is accounted for by rising prices. But even in real terms, exports grew 23 per cent over this period. The big increase in our agricultural exports—from an annual rate of $9½ billion in the third quarter of 1972 to some $19 billion in the third quarter of this year—has received a great deal of publicity. It is less often appreciated that nonagricultural exports, which account for about three-fourths of our total exports, have been expanding at extraordinarily rapid rates as well.

Part of the strong showing of exports is at-

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tributable to last year's poor harvests abroad and the current worldwide industrial boom. But the improvement also reflects a lesser rate of inflation in the United States than in other industrial countries and, far more important than this, the cumulating effects of the depreciation of the dollar since 1971.

The changes in our international competitiveness resulting from the depreciation of the dollar are having an effect on our imports as well as on our exports. In real terms, imports actually declined between the first and third quarters of this year, despite the strength of domestic demands. The value of imports did increase at an annual rate of 14 per cent during that period, but only because of increases in their dollar price.

As a result of these developments, the trade balance has moved from a deficit of nearly $7 billion in 1972 to a surplus at an annual rate of $3 billion in the third quarter of this year. The trade balance continued to be in surplus at a substantial rate in October. It therefore now seems likely that the United States will have a trade surplus, albeit of modest size, for 1973 as a whole.

The balance of international flows of long-term private capital has also moved in our favor this year. Outflows of capital have moderated since the first quarter and are estimated to have slowed sharply in the third quarter. Prior to the recent decline in stock market prices, renewed confidence in the dollar helped to stimulate foreign purchases of U.S. securities. Foreign direct investment in this country has also been substantial this year. These developments reflect, among other factors, the improved profitability of producing internationally traded goods within the United States compared with production abroad.

The basic balance—that is, the aggregate of all current international transactions and long-term capital flows—has been strengthening throughout this year. The improvement in the third quarter was dramatic enough to produce a large surplus—the first quarterly surplus we have experienced since 1969. Net flows of short-term capital have also been favorable to the United States since the first quarter. As a result, the official settlements balance was actually in surplus during both the second and third quarters. Preliminary data for October and November suggest that the surplus has continued into the present quarter.

Short-term prospects for the balance of payments have become clouded, however, by recent developments in the oil situation. The price of our oil imports has risen spectacularly, from an average of $2.75 per barrel in the first quarter of 1973 to over $5.00 currently. The boycott by Arab producers has begun to reduce our petroleum imports and, if continued, will reduce our imports next year by some 3 million barrels per day below the amount that had been expected to be available. Even so, in view of the recent sharp price increases, our total payments for oil imports in 1974 will probably exceed by a substantial margin the $8 billion paid in 1973. Of course, if world trade in oil were to resume a more normal pattern at these astronomic prices, the cost of our oil imports would rise still more steeply. However, the net impact on our over-all balance of payments will be substantially less or could even be favorable, since a good part of the increased payments for oil by the United States and other countries would find its way back to this country, directly or indirectly, in the form of increased exports, or capital inflows, or income receipts.

Whatever effects the oil shortage may have on our balance of trade and payments, a more immediate concern is the impact on domestic production and employment. A reduction in imports of crude oil and petroleum products by 3 million barrels per day amounts to a shortfall of more than 15 per cent from estimated demands for this source of energy. Only a small part of this shortfall could be made up during 1974 by increased domestic output of crude oil, or by substitution of other fuels for petroleum products. In the short run, there are only limited possibilities for substituting other fuel for oil in industrial plants, or for altering techniques of production in ways that reduce dependence upon petroleum products.

The President's program to conserve fuel recognizes this basic fact and is therefore oriented toward economizing end-product uses

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—such as reduced consumption of gasoline in passenger cars and reduced amounts of oil for heating homes and commercial and industrial buildings. To keep the oil shortage from generating major economic dislocations, our citizens will have to go to some trouble and put up for a time with various inconveniences. There is no practical alternative for the immediate future if seriously adverse effects on production and employment are to be avoided.

At best, a prolonged embargo on Arabian oil shipments to the United States will result in some economic dislocation next year. The demand for new cars, for tires and other auto parts, for suburban housing, for recreational vehicles, for restaurant meals, and for other travel-related expenditures will be adversely affected; commercial airlines will reduce their purchases of jet aircraft; and fewer motels and vacation homes will be constructed. These developments will be offset in part by larger activity in other trades—ranging from coal to blankets and sweaters, and from drilling machinery to bicycles and buses. Our inflationary problem, meanwhile, will be aggravated by rising gas and oil prices.

The situation in which we find ourselves is obviously very difficult, but I believe it is manageable. The underlying strength and resilience of our economy must never be underestimated. Capital spending plans of business remain strong, as do inventory demands for a host of materials and components that have been in short supply for many months. Our principal asset—the resourcefulness of the American people—remains entirely intact. As 1974 moves on, I would expect the domestic output of crude oil to gradually increase, electric utilities to shift to greater use of coal, auto manufacturers to concentrate more of their production on the smaller cars demanded by consumers, and thousands of other adjustments to be made by ingenious businessmen across the land.

The longer-run economic implication of the cutoff of Arabian oil supplies should not leave us in any doubt. The United States can no longer afford to lose time in working towards an independent ability to meet its energy requirements. We must now move forward with determination on many fronts—nuclear energy, solar energy, coal conversion, exploration for oil. Recent events should teach us that, even with a relaxation of the current boycott, we cannot remain so heavily dependent on oil supplies from foreign nations.

Some months will need to elapse before the long-run implications of the oil problem for our balance of payments are clarified. So far at least, the restrictions on oil supply appear to have strengthened the world's confidence in the dollar. But even before the Middle East conflict erupted, the dollar was viewed with renewed esteem. The dollar is again a strong currency, and we can expect further support to our foreign trade and payments from the lagged effects of past exchange rate changes.

Continued strength in the balance of payments will require, however, a satisfactory domestic price performance relative to other countries. A year or two ago our rate of inflation was substantially lower than that of other industrial countries. Unfortunately, a large part of this margin of competitive advantage has eroded in recent months. In October the consumer price index was 0.8 per cent above September and 7.9 per cent above October 1972. Clearly, the dangers of inflation remain very much with us. At the same time, as I have already noted, the oil shortage will cause shifts in the structure of industry and will have adverse effects on over-all production and employment. Economic policy in the months ahead thus faces the extremely difficult task of contributing to the objective of regaining price stability, while at the same time minimizing the risks of any extensive weakening in economic activity.

In the remainder of my comments this morning, I would like to share with you my impression of the recent evolution of the world monetary system.

In the past several months a large number of economic, political, and military events have occurred that have had potentially disruptive implications for exchange markets. Despite these disturbing events, orderly market conditions and general stability have prevailed. The official intervention that was undertaken has given us helpful experience in managing a sys-

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tem with exchange rate flexibility in a way that preserves orderly markets without frustrating desirable adjustments. Although I remain skeptical of the long-run viability of a floating exchange rate regime, this experience supports the continuance of the present exchange rate arrangements for the immediate future.

For the longer run, we must rely more heavily on rules of international law in the monetary area. Such a reform is the objective of the Committee of Twenty, which has been meeting periodically throughout 1973 and will continue its work into 1974. Considerable progress in clarifying issues has already been made, as evidenced by the Nairobi report of the Chairman of the Committee of Twenty and the associated *First Outline of Reform* presented by the Chairman of the Committee's Deputies. I expect further clarification and further convergence of national views in coming months.

But it is important to avoid unrealistic expectations. Some of the reform issues are extremely difficult, progress in reaching agreement will continue to be gradual, and new developments may cloud the situation—as the energy issue has done in recent weeks.

Moreover, I have in recent months come to think of international monetary reform as an on-going, evolutionary process—not just as the final outcome of formal negotiations. In view of changing objective circumstances and continuing divergence in some official views, it is hardly practical to think of monetary reform in terms of a finished blueprint that is to be implemented in its entirety some morning after a final meeting of the world's finance ministers and central bank governors. Even while discussions continue in the Committee of Twenty and other forums, it is both possible and desirable to adjust some parts of our international financial machinery.

One such step in this evolutionary process has been the recent termination of the March 1968 agreement with regard to official gold transactions. That agreement, which established the so-called two-tier gold market, was born of the 1968 gold crisis. Developments in the private gold market were then threatening to undermine the international monetary system by draining it of gold—which at the time was the world's principal reserve asset. To deal with this difficulty, the central banks of Belgium, Germany, Italy, the Netherlands, Switzerland, the United Kingdom, and the United States agreed that they would no longer buy or sell gold in the private market.

In view of the suspension of convertibility of dollars into gold since August 1971, the 1968 agreement had become an anachronism. Its termination removes an obstacle to official sales of gold in the private market and will thus permit greater flexibility of action in the future. Official sales of gold can be useful in preventing wide fluctuations in the gold market that at times generate instability in currency markets.

In due course, the United States and other countries will make decisions about possible sales in the gold market. In doing so, our Government will comply fully with Article IV, Section 2, of the Articles of Agreement of the International Monetary Fund. Article IV states in essence that no member of the IMF shall sell gold below its official price nor shall buy gold at a price above its official price. I am confident that most, if not all, foreign governments will also respect this Fund Article. Hence, while they may sell gold, which now fetches a price in the market that is far above the official price, they will not buy gold either from the market or from each other in the foreseeable future.

The termination of the 1968 agreement will make possible a further reduction in the role of gold in the international monetary system. With the establishment of the Special Drawing Rights' facility, which was not available in 1968, we now have an alternative primary reserve asset. It has therefore become practicable to consider steps that may gradually move gold out of official reserves.

Policy with regard to intervention in exchange markets is another area in which progress is beginning to be made in the evolution of the international monetary system. Under present exchange rate arrangements, authorities of major countries are consulting and cooperating as they make decisions on intervention. This experience, and the experience to be gained in coming months, will be of great value in the

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effort to establish more formal exchange rate arrangements for the longer-run future.

At the present time, with many currencies floating in relation to the dollar, official holdings of U.S. dollars will only be reduced through market intervention by foreign central banks. A substantial reduction of dollars presently held in foreign official reserves—the reserve liabilities of the United States amount to some $70 billion—is clearly desirable as a long-run objective. Progress in this direction has been most marked in the case of Japan, where dollar reserves have declined sharply in recent months. At the end of November, Japanese official reserves were reported to be some $6 billion below their level at the end of February. It would be desirable for other countries with excess reserves also to sell dollars gradually when market forces are serving to appreciate the dollar substantially against their currencies.

The controls imposed on capital flows may be a third area of international monetary arrangements where evolutionary steps can be taken. Starting with the measures adopted in 1963 and expanded in 1965, our Government has administered a system of restraints on capital outflows in order to protect the balance of payments and to avoid disturbance of international markets. These measures—the interest equalization tax, the foreign direct investment regulations, and the voluntary foreign credit restraint guidelines—have been adapted over the years to changing economic conditions, but it has been the objective to remove them when they were no longer necessary. Other countries have similarly imposed new controls, or tightened existing controls, to deal with capital flows considered to be temporary or reversible.

Early this year the administration announced its intention to phase out our controls by the end of 1974, but noted that the timing of liberalizing steps would depend on balance of payments developments. In view of the recent strengthening of the balance of payments, it may be feasible for the agencies administering the controls—the Treasury Department, the Department of Commerce, and the Federal Reserve System—to move forward over the coming months with an orderly reduction of those restraints. Similarly, it may prove feasible for other countries to relax some of their earlier-imposed restraints on capital inflows.

In conclusion, I would like to note once again that the strengthening of our balance of payments and the restoration of confidence in the dollar in exchange markets stand out as this year's major economic achievements. These developments have served to bolster confidence in our Nation's future at a time when we have been besieged with all sorts of unhappy economic and political news.

In fact, these foreign exchange developments have transformed the atmosphere in which international financial problems are being discussed. We no longer hear voices from abroad about inflation being exported from the United States. There is no longer so much complaining about a world flooded with dollars. Even complaints about the "dollar overhang" have become muted.

We must, of course, be careful and not exaggerate the extent of the dollar's recovery. There is much unfinished work ahead of us. Nonetheless, it is gratifying to be able to draw your attention to the improvement that has occurred in our balance of payments, and to advise you that the dollar is today a respected currency in financial circles both here and abroad.

Confidence in the dollar is essential both to a healthy domestic economy and to a successful evolution of the international monetary system. Looking to the future, we must strive to conduct all our economic policies—domestic as well as international—in such a manner that they will maintain, and indeed strengthen, that confidence. □

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Record of Policy Actions

of the Federal Open Market Committee

MEETING HELD ON SEPTEMBER 18, 1973

Domestic policy directive

The information reviewed at this meeting suggested that growth in real output of goods and services, which had dropped to an annual rate of about 2.5 per cent in the second quarter from rates above 8.0 per cent in the two preceding quarters, would pick up somewhat in the current quarter. Staff projections suggested that growth in real output would slow slightly in the fourth quarter and would slacken further in the first half of 1974; the rise in prices was expected to remain rapid.

In August industrial production declined slightly as output of automobiles and trucks was reduced sharply by shortages of parts, hot weather, and work stoppages. Nonfarm payroll employment, which had been stable in July, increased appreciably, although employment in manufacturing continued to change little; over the latest 3 months, the rate of growth in nonfarm employment was about two-thirds of the rate over the preceding 9 months. In August the unemployment rate edged up to 4.8 per cent. Retail sales, according to the advance report, remained at the high level reached in July, and the average for the 2 months was above that for the second quarter.

Average hourly earnings of production workers on nonfarm payrolls advanced moderately in August, but increases in June and July were now reported to have been larger than had been indicated by earlier data; as a result, the rise over the 3-month period was more rapid than that earlier in the year. Wholesale prices of farm and food products rose sharply between mid-July and mid-August, after the temporary price freeze that had been imposed on June 13 was lifted for most foods on July 18. Later, prices of grains, livestock, poultry, and other farm products dropped, but in general prices of farm and food products remained far above pre-freeze levels. Wholesale prices of industrial commodities increased ap-

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preciably between mid-July and mid-August, although for these commodities the freeze remained in force until August 12. Reflecting the freeze, the rise in the consumer price index had slowed markedly in July.

Staff projections for the fourth quarter suggested that residential construction outlays would decline substantially and that consumption expenditures would expand at a rate below that in the third quarter. It was also expected, however, that both Federal and State and local government purchases of goods and services would rise substantially and that business inventory investment would increase further.

U.S. merchandise exports continued to expand in July—reflecting sustained gains in exports of nonagricultural goods—and imports declined; the trade balance, after registering progressively smaller deficits from the fourth quarter of 1972 to the second quarter of 1973, shifted into surplus. Net foreign purchases of U.S. equity securities, which had fallen sharply in the second quarter, rose substantially in July.

Foreign exchange markets in general had been quiet in recent weeks, although a 5 per cent revaluation of the Dutch guilder announced on the weekend before this meeting provoked some speculation that other continental currencies also would be revalued. The exchange rates for the dollar against major foreign currencies—which had strengthened significantly in the first half of August—had changed little since then. In August, moreover, the U.S. balance of payments on an official settlements basis was in surplus, after having been in small deficit in July.

At U.S. commercial banks, business loans expanded at a very rapid rate in August—although the expansion appeared to have slackened late in the month—and growth in other types of loans remained strong. Banks continued to liquidate substantial amounts from their holdings of Government securities, but total bank credit increased considerably further. The prime rate that banks charged on loans to large corporations was raised in three steps from 9¼ per cent in mid-August to 10 per cent in mid-September.

The narrowly defined money stock (M_1),[1] which had grown at an annual rate of about 10.5 per cent in the second quarter and

[1]Private demand deposits plus currency in circulation.

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of 5 per cent in July,[2] declined somewhat in August. Inflows of time and savings deposits other than large-denomination CD's increased sharply—reflecting in part inflows into 4-year time deposits in response to the higher interest rates generally being offered on these instruments, which had been exempted from Regulation Q ceilings at the beginning of July—and the more broadly defined money stock (M_2)[3] grew at a slightly higher rate in August than in July. Banks raised further the rates paid on large-denomination CD's, and the outstanding volume of such CD's expanded by a substantial amount in August, as in July; growth in the bank credit proxy[4] was rapid. On September 7 the Federal Reserve announced an increase from 8 to 11 per cent in marginal reserve requirements on large-denomination CD's, effective in the statement week beginning October 4 against deposits held 2 weeks earlier.

Nonbank financial institutions, like commercial banks, raised rates after the 4-year deposits were exempted from rate ceilings, but they experienced net outflows of total deposits in the July–August period. In both July and August savings and loan associations borrowed large amounts from Federal home loan banks to meet mortgage commitments, and they sharply reduced their new commitments. Contract interest rates on conventional mortgages and yields in the secondary market for Federally insured mortgages rose sharply further in August.

In the Treasury's cash financing of August 24, which had been announced on August 20, $2 billion of a 25-month, 8⅜ per cent note were auctioned at a price to yield 7.94 per cent. The Treasury financed additional cash needs by selling special certificates of indebtedness to the Federal Reserve Banks; such certificates were outstanding on several days, and their volume reached a peak of $443 million on September 11.

System open market operations since the meeting on August 21 had been guided by the Committee's decision to seek bank reserve and money market conditions consistent with slower growth in

[2]Growth rates cited are calculated on the basis of the daily-average level in the last month of the period relative to that in the last month preceding the period.

[3]M_1 plus commercial bank time and savings deposits other than large-denomination CD's.

[4]Daily-average member bank deposits, adjusted to include funds from nondeposit sources.

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monetary aggregates over the months immediately ahead than had occurred on average in the first 7 months of the year. Operations had been directed toward fostering growth in reserves available to support private nonbank deposits (RPD's) at an annual rate in a range of 11 to 13 per cent during the August–September period, while avoiding unduly sharp changes in money market conditions.

Soon after the August meeting, available data suggested that in the August–September period RPD's would grow at a rate above the range that the Committee had specified and that the monetary aggregates would grow at rates in excess of an acceptable range. Therefore, the System had acted promptly to limit expansion in RPD's, and the Federal funds rate—which had been around 10½ per cent at the time of the August meeting—rose to about 10¾ per cent in the statement week ending August 29. Later data suggested that growth in the monetary aggregates was slowing and that RPD's would grow in the August–September period at a rate within the specified range. The Federal funds rate remained about 10¾ per cent. In the 4 weeks ending September 12, member bank borrowings averaged $2,135 million, compared with $1,965 million in the preceding 5 weeks.

Short-term market interest rates, especially rates for Treasury bills, declined just after the August meeting of the Committee, in large part because of growing expectations among market participants that the maximum degree of monetary restraint had been reached. However, rates rose again in association with the further tightening of money market conditions early in the inter-meeting period and with the September 7 announcement of the increase in reserve requirements against large-denomination CD's. The market rate on 3-month Treasury bills dropped from 8.79 per cent on the day before the August meeting to 8.46 per cent a few days afterwards, rose to a high of 9.04 per cent on September 11, and then fell back to 8.70 per cent on the day before this meeting.

Yields on long-term securities, which had turned down in early August, continued to decline through most of the inter-meeting period—in part, like short-term rates, because of market expectations that the maximum degree of monetary restraint had been reached, but also because of light offerings of new securities. The volume of new public offerings of corporate bonds declined more than seasonally in August, and the recovery in the volume in

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prospect for September was less than seasonal. In the week before this meeting, long-term rates edged up.

The Committee agreed that the economic situation and prospects called for moderate growth in monetary aggregates over the months ahead. A staff analysis indicated that, although transactions demands for money probably would expand, growth in the money stock in the months ahead was likely to be limited in lagged response to the rise in short-term interest rates that had occurred in recent months. Consequently, achievement of moderate growth in monetary aggregates within an acceptable period of time was likely to require some easing in money market conditions. In the current environment of unusual sensitivity of expectations in financial markets, however, signs that monetary policy was moving toward a significant easing in money market conditions might result in large expectational declines in short-term interest rates and also in further declines in long-term rates, tending to erode the existing degree of monetary restraint.

The staff analysis also indicated that completion of the realignment in consumers' holdings of financial assets—which had been taking place in response to changes in the structure of interest rates—was likely to slow the growth in consumer-type time and savings deposits even if market interest rates declined moderately. It was expected that growth in business loans, although slowing from the exceptionally rapid pace in August, would remain relatively rapid and that banks' demands for funds would continue strong; however, expansion in the oustanding volume of large-denomination CD's was likely to be tempered by the recent increase in the marginal reserve requirement against such CD's. In large part because of the reserves required against the expanding volume of large-denomination CD's, rapid growth in RPD's in the September–October period—at an annual rate in a range of 15 to 17 per cent—was thought likely to be consistent with moderate growth in the narrowly and the more broadly defined money stock over the months ahead.

In view of the relatively weak behavior of the monetary aggregates in August and prospects for limited expansion in the months immediately ahead, the Committee concluded that reserve-supplying operations should not become restrictive unless RPD's in the September–October period appeared to be growing at an annual

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rate of more than 18 per cent. Specifically, the Committee decided that operations should be directed at fostering RPD growth during that period within a range of 15 to 18 per cent, while taking account of deviations in monetary growth from an acceptable range and avoiding unduly sharp changes in money market conditions. Although the members recognized that pursuit of the objective for RPD's might be associated with some easing in money market conditions, a number of them cautioned against the risk of generating market impressions that monetary restraint was being relaxed significantly, and it was agreed that, in the conduct of operations, account should be taken of domestic financial market developments. As at other recent meetings, the Committee also agreed that account should be taken of international financial market developments. It was understood that the Chairman might call upon the Committee to consider the need for supplementary instructions before the next scheduled meeting if significant inconsistencies appeared to be developing among the Committee's various objectives and constraints.

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

> The information reviewed at this meeting suggests that growth in real output of goods and services, which slowed in the second quarter from the exceptionally rapid pace of the two preceding quarters, will be moderate in the third quarter. Although nonfarm employment rose sharply in August, the average gain in recent months has been smaller than earlier and the unemployment rate has changed little at a level somewhat below 5 per cent. The exceptionally rapid advance in prices was interrupted in July by the temporary freeze imposed in mid-June. However, farm and food prices surged after mid-July—when the freeze was lifted on most such products—and despite later appreciable declines, they remained far above pre-freeze levels. The U.S. merchandise trade balance improved further in July, and net foreign purchases of U.S. stocks increased. In recent weeks exchange rates for the dollar against most foreign currencies have changed little on balance after strengthening in the first half of August, and the balance of payments has been in surplus on an official settlements basis.
>
> The narrowly defined money stock, which had increased moderately in July, declined somewhat in August. The more broadly defined money stock continued to expand as a result of net inflows

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at banks of consumer-type time deposits. Nonbank thrift institutions experienced net deposit outflows in the July–August period. Expansion in bank credit has continued at a substantial pace. On September 7 the Federal Reserve announced an increase from 8 to 11 per cent in marginal reserve requirements on large-denomination CD's. Interest rates on long-term market securities declined from early August to early September, partly because of growing expectations that the maximum degree of monetary restraint had been reached. Later, however, such expectations weakened and some long-term rates turned up. Short-term rates generally remained under upward pressure in recent weeks.

In light of the foregoing developments, it is the policy of the Federal Open Market Committee to foster financial conditions conducive to abatement of inflationary pressures, a sustainable rate of advance in economic activity, and continued progress toward equilibrium in the country's balance of payments.

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

Votes for this action: Messrs. Burns, Balles, Bucher, Daane, Francis, Holland, Mayo, Mitchell, Morris, Sheehan, and Debs. Votes against this action: None.

Absent and not voting: Messrs. Brimmer and Hayes. (Mr. Debs voted as alternate for Mr. Hayes.)

On October 1 the System Account Manager reported that significant inconsistencies had developed among the Committee's various objectives and constraints. Incoming data had suggested that in the September–October period the annual rate of growth in RPD's would fall well below the range specified by the Committee at the September 18 meeting and that growth in both M_1 and M_2 would fall short of acceptable ranges. In domestic financial markets, however, short-term interest rates had dropped very sharply—although the Federal funds rate had remained close to 10¾ per cent—and long-term rates had continued to decline as many market participants had become convinced that the System had relaxed its policy of restraint and that in general interest rate peaks had been passed.

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The Committee held a telephone meeting on October 2, in which all members other than Chairman Burns participated. A minority of the members—Messrs. Balles, Bucher, Francis, Morris, and Sheehan—favored proceeding to provide reserves at a rate consistent with an easing in money market conditions to the degree considered acceptable at the meeting on September 18, provided that market conditions did not become disorderly and that growth in the aggregates appeared to remain below acceptable ranges. The majority of the members, however, concluded that at least over the next few days money market conditions should be allowed to ease less than originally considered acceptable and then only if that did not threaten to reinvigorate the sharp rally in markets for short-term securities. It was understood that further consultation was likely to be desirable before the meeting scheduled for October 16.

The Committee held another telephone meeting on October 10, in which all members participated. The additional week's data available by then suggested that in the September–October period growth in RPD's and the monetary aggregates would be still weaker than had been expected earlier. Although System operations had supplied large amounts of reserves and short-term market interest rates had declined further on balance, the Federal funds rate on most days through October 8 had remained near 10¾ per cent. Committee members agreed unanimously that reserves should be supplied at a rate consistent with some easing in money market conditions beyond that decided upon on October 2 and that conditions should be eased somewhat further if the recent weakness in RPD's and in the monetary aggregates should be confirmed by data that would become available after the meeting.

* * * * *

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

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Law Department

Statutes, regulations, interpretations, and decisions

RESERVES OF MEMBER BANKS

The Board of Governors has amended Regulation D to change the definition of "gross demand deposits" to include certain "other liability" accounts.

AMENDMENT TO REGULATION D

Effective November 26, 1973 § 204.1(g) of Regulation D is amended to read as follows:

SECTION 204.1—DEFINITIONS

* * * * *

(g) **Gross demand deposits.** * * * "Gross demand deposits" also includes any obligation to pay a check (or other instrument, device, or arrangement for the transfer of funds) drawn on the bank, where the account of the bank's customer has already been debited.

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BANK HOLDING COMPANIES

The Board of Governors has determined to add certain courier activities to the list of permissible activities for bank holding companies.

AMENDMENT TO REGULATION Y, INTERPRETATION, AND STATEMENT

Effective November 15, 1973 section 225.4(a) is amended to read as follows:

SECTION 225.4—NONBANKING ACTIVITIES

(a) **Activities closely related to banking or managing or controlling banks.** * * * The following activities have been determined by the Board to be so closely related to banking or managing or controlling banks as to be a proper incident thereto:

* * * * *

(11) providing courier services (i) for the internal operations of the holding company and its subsidiaries; (ii) for checks, commercial papers, documents, and written instruments (excluding currency or bearer-type negotiable instruments) as are exchanged among banks and banking institutions; (iii) for audit and accounting media of a banking or financial nature and other business records and documents used in processing such media.[3a]

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INTERPRETATION OF REGULATION Y

SECTION 225.129 ACTIVITIES CLOSELY RELATED TO BANKING

Courier activities. The Board's amendment of § 225.4(a), which adds courier services to the list of closely related activities is intended to permit holding companies to transport time critical materials of limited intrinsic value of the types utilized by banks and bank-related firms in performing their business activities. Such transportation activities are of particular importance in the check clearing process of the banking system, but are also important to the performance of other activities, including the processing of financially-related economic data. The authority is not intended to permit holding companies to engage generally in the provision of transportation services. However, the furnishing of courier services for nonfinancially-related material upon the specific, unsolicited request of a third party when courier services are not otherwise reasonably available may be regarded as an incidental activity of a bank-related courier.

During the course of the Board's proceedings pertaining to courier services, objections were made that courier activities were not a proper incident to banking because of the possibility that holding companies would or had engaged in unfair competitive practices. The Board believes that adherence to the following principles will eliminate or reduce to an insignificant degree any possibility of unfair competition:

a. A holding company courier subsidiary estab-

[3a] Applications to engage *de novo* in providing courier services should be filed in accordance with the procedures of § 225.4(b)(2) rather than § 225.4(b)(1). See also the Board's interpretation on courier activities (12 CFR 225.129), which sets forth conditions for holding company entry pursuant to § 4(c)(8).

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lished under § 4(c)(8) should be a separate, independent corporate entity, not merely a servicing arm of a bank.

b. As such, the subsidiary should exist as a separate, profit-oriented operation and should not be subsidized by the holding company system.

c. Services performed should be explicitly priced, and shall not be paid for indirectly, for example, on the basis of deposits maintained at or loan arrangements with affiliated banks.

Accordingly, entry of holding companies into courier activities on the basis of § 4(c)(8) will be conditioned as follows:

1. *The courier subsidiary shall perform services on an explicit fee basis and shall be structured as an individual profit center designed to be operated on a profitable basis.* The Board may regard operating losses sustained over an extended period as being inconsistent with continued authority to engage in courier activities.

2. *Courier services performed on behalf of an affiliate's customer (such as the carriage of incoming cash letters) shall be paid for by the customer. Such payments shall not be made indirectly, for example, on the basis of imputed earnings on deposits maintained at or of loan arrangements with subsidiaries of the holding company.*

Concern has also been expressed that bank-affiliated courier services will be utilized to gain a competitive advantage over firms competing with other holding company affiliates. To reduce the possibility that courier affiliates might be so employed, the Board will impose the following third condition:

3. *The courier subsidiary shall, when requested by any bank or any data processing firm providing financially-related data processing services which firm competes with a banking or data processing subsidiary of Applicant, furnish comparable service at comparable rates, unless compliance with such request would be beyond the courier subsidiary's practical capacity.* In this regard, the courier subsidiary should make known to the public its minimum rate schedule for services and its general pricing policies thereto. The courier subsidiary is also expected to maintain for a reasonable period of time (not less than two years) each request denied with the reasons for such denial.

Statement

I. Procedural Background.

By notice published November 17, 1971 (36 F.R. 21897), the Board announced proposed rulemaking under § 4(c)(8) of the Bank Holding Company Act to permit holding companies to engage in "performing or carrying on armored car or courier services." A hearing was scheduled to be held before available members of the Board on December 10, 1971. A motion for an extension of time and for the institution of formal rulemaking procedures was filed by the National Courier Association and the National Armored Car Association. The Board granted the motion in part by delaying the hearing date to January 19, 1972, but denied the request for formal rulemaking procedures conducted in accordance with §§ 556 and 557 of Title 5 of the United States Code (37 F.R. 938). Subsequently, the Board further postponed the hearing until February 10, 1972, and designated a hearing officer to conduct the proceedings (37 F.R. 1251). The Board stated that although the hearing would not be conducted pursuant to §§ 556 and 557 of Title 5, a more formal proceeding than originally proposed would be conducted. At the same time, the Board granted a request for separate consideration of armored car and courier services, denied requests for reconsideration of the request for formal proceedings under §§ 556 and 557 of Title 5, and denied a request for access to intra-agency memoranda considered by the Board in deciding to announce its proposed rulemaking regarding armored car and courier services. The designated Hearing Officer held a prehearing conference on February 4, 1972 and postponed the scheduled hearings until February 29. On February 29 and March 1, 1972, a hearing was conducted with regard to courier services. Written statements were submitted on the armored car activity, but no separate oral presentations were made with regard to that activity.[1] The Hearing Officer filed his Recommended Decision, and comments and exceptions thereto were filed by the parties. The Board requested certain additional material to supplement the record and all parties were apprised of the request and the replies thereto.

Among the exceptions filed were objections that the proceedings were not conducted in accordance with §§ 556 and 557 of Title 5, that the Hearing Officer failed to permit cross-examination by parties, and that he erred in relying upon material in the Board's public information file, almost all of which had been submitted by the public in response to the Board's November notice of proposed rulemaking. The Board has previously determined that its rulemaking procedures under

[1] One oral presentation made during the courier hearing pertained primarily to armored car services.

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section 4(c)(8) are legislative rather than adversary in nature and are not subject to the procedures of §§ 556 and 557 of Title 5. The Board has concluded that the written interrogatories permitted by the Hearing Officer in the interest of a more complete record and the Hearing Officer's reliance upon the Board's public file relating to the proceedings was appropriate to the rulemaking nature of the hearing and consistent with the Board's Order granting his authority. Many of the controverted issues between the participants in these proceedings, for example, the private pricing policies of an individual courier affiliate, may be more appropriately explored at the time individual bank holding companies apply to engage in courier activities.

Three of the participants in the courier proceedings have requested oral argument before the Board. The Board has denied those requests in the accompanying Order because it concluded that oral argument would be unlikely to provide information not presently in the record. Purolator Courier Corporation has also made a motion to include in the record correspondence between itself and the Board related to permitting existing courier subsidiaries of bank holding companies to bid for and to be awarded contracts to provide courier services for the Regional Check Processing Centers of the Federal Reserve Bank of Richmond. An objection to the holding companies bidding for the courier services contracts and a request to reopen the record were also filed by the Independent Bankers Association of America. The Board has denied these motions to incorporate additional material into the record because in its judgment such material is not relevant to the issue of whether courier services are so closely related to banking or managing or controlling banks as to be a proper incident thereto.

II. Courier Services.

A. Relationship to Banking.

When the Board announced its proposal to include courier activities as a permissible activity for bank holding companies, the Board stated it understood that courier services involve

> . . . the transportation of important items having critical time schedules. The items involved are generally not bearer type instruments, and accordingly, require only the ordinary security measures accorded any confidential business papers. Among the most common documents and related items carried by messenger service are checks, drafts, money orders, travelers checks, commercial papers, written instruments and data processing material.

The record indicates that courier services involve transportation of any item with a critical time schedule, provided such items are small in bulk, light in weight, and require only ordinary security measures. Thus, in addition to the items listed above, such items as human blood, exposed and processed film, repair parts, and cut flowers are moved by courier.

Commercial courier services as they are presently conducted began as a means of expediting the movement of checks, and accordingly such services were utilized primarily by banks and the banking community. Prior to the development of commercial courier services, checks had been moved by mail, bus, rail, and private carriage (including messengers). Although in recent years the percentage of revenues derived from courier services performed for the banking community appears to have declined, the banking community remains the primary source of courier revenues.

It appears to be undisputed that courier services for cash letters[2] play a vital role in the check clearing process. Similarly, it appears undisputed that courier services are important to bank-related data processing or to data processing generally.

The record indicates that a number of banks, particularly those which operate a significant number of branches, engage in the transportation of such items as checks, internal memoranda and data processing material between branches, and that three bank holding companies, all of which became subject to the Bank Holding Company Act as a result of the 1970 Amendments, are engaged in providing "for hire" courier service.

Opponents of holding company entry contend that courier services are essentially transportation services that require technology and expertise having little in common with traditional banking activities and should not be regarded as closely related to banking or managing or controlling banks on the basis that banks are the primary user of such services. Those supporting entry argue that courier services are closely related to banking and managing and controlling banks in the sense of being an increasingly integral part of modern day banking with its emphasis on high speed computers and the importance of swift bank clearances. They also rely upon decisions of the Interstate Commerce Commission which recognize the transportation of cash letters as a distinct type of contract carriage treating all banks as one shipper.

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[2] The term "cash letters" commonly refers to a closed envelope, package or pouch sent by one bank to another bank or clearing center containing checks, drafts, and money orders which have been cashed or deposited in a bank by its customers and which are being forwarded to another bank or clearing center for processing. The checks, drafts, and money orders are restrictively endorsed and are tabulated on an enclosed document.

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The Hearing Officer finds that courier service is an essential part of the present process by which banks effect check collections and also is essential to the performance of data processing activities by banks or nonbanks for banks and is thus closely related to banking. His recommendation would also permit the carriage of financially-related data processing materials, such as audit media utilized in the preparation of payrolls, for nonbank customers. Transportation of the type afforded by a courier service frequently is necessary to the efficient and timely processing of such audit media.

Among the exceptions filed are those objecting to the Hearing Officer's determination insofar as any for hire courier activities are found to be closely related to banking and those which characterize the Hearing Officer's proposed definition of permissible courier services as ambiguous.

The Board finds that the transportation of cash letters has been so integrated into the process by which checks are collected as to be part of the present payments mechanism. The transportation of data processing materials (such as materials utilized in demand deposit accounting) between banks appears to be in connection with the provision of correspondent bank services and may be in conjunction with the processing of cash letters. The transportation of financially-related data processing materials is related to, and supports the provision of, data processing services of types furnished by banks and bank-related companies. Accordingly, the Board has concluded that courier services of the type described above are closely related to banking or controlling or managing banks. The Board has revised the Hearing Officer's proposed definition of permissible courier services for greater clarity.

B. Public Benefits Considerations.

The Courier Industry. The courier industry provides the portal-to-portal transportation of important items with critical time schedules. The time periods involved are of relatively short duration—usually less than 12 hours. There appear to be only a limited number of courier firms having substantial operations in terms of revenues and geographic areas served, although many smaller courier companies operate on a local basis. The record suggests concentration in the courier industry is high, and the size distribution within the industry highly skewed with the pioneer firm being by far the largest firm. The relevant geographic market for evaluating the competitive effects of a given holding company entry would appear to be local or regional in nature.

The economic unit of the courier industry is the route consisting of a cluster of customers served by the same vehicle. Each route is limited with respect to the number and location of customers that can be served as determined by mileage and time factors, traffic density, road conditions and the proximity of customers to one another. The record indicates there are many routes presently served by only one courier firm.

The provision of for hire courier services may be regulated by individual states with respect to intrastate transportation[3] and by the Interstate Commerce Commission with respect to interstate transportation. Some states do not regulate courier services, and there are numerous exceptions to the Interstate Commerce Act (particularly with regard to carriage within metropolitan areas) which exempt courier companies from any requirement of approval for entry.

Contentions of the Parties. The main thrust of the arguments of those favoring holding company entry is that due to the lack of competition in many areas of the country, the courier industry has not satisfactorily met all of the transportation needs of the banking community. Accordingly, holding company entry will increase competition within the courier industry and lead to greater convenience and increased efficiencies for those utilizing courier services. Opponents of the proposed regulation assert that the courier industry is presently highly competitive and holding company entry is motivated by the desire to utilize courier services as a means of furthering the business goals of their banking subsidiaries. Accordingly, holding company entry will lead to decreased and unfair competition as well as creating a possibility of other adverse effects. They further argue that holding company entry will violate State bank branching laws and the prohibition of the payment of interest on demand deposits.

The Hearing Officer's Views. The Hearing Officer concluded that the record would not support a determination that all holding company entries into the courier business would be in the public interest. However, implicit in his recommendation is a finding that holding company entry is likely to be in the public interest in a sufficient number of instances to justify a conclusion that courier services, as he defines and conditions them, are so closely related to banking as to be a proper incident thereto. He further finds that neither Regulation Q nor the prohibitions in many States of branch banking constitute a real impedi-

[3] The Hearing Officer suggested that, for purposes of the applicable transportation statutes, carriage of cash letters involved interstate commerce in all instances, but it appears that such carriage may often involve only intrastate commerce.

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ment to holding companies engaging in courier services.

The conditions he recommends essentially require: (1) a bank holding company and its courier affiliate shall not represent courier services as free and shall make available to prospective users the schedule of minimum rates and charges for the service and policies and practices in relation thereto; and (2) a courier subsidiary shall, when requested by any bank competing with a subsidiary bank of the holding company, furnish comparable service at comparable rates to such competing bank, unless compliance with such request is beyond its practical capacity.

Comments and Exceptions to the Recommended Decision. Among the comments and exceptions filed were objections to the lack of a specific conclusion that courier services are a proper incident to banking, objections as to effectiveness of the proposed conditions, and objections on the basis that the Hearing Officer understated the structural dangers and overestimated the ability of regulatory agencies to focus upon and curtail unfair competitive practices. Exceptions were also filed with regard to the Hearing Officer's conclusion that neither Regulation Q nor State branch banking statutes posed an impediment to holding company entry.

DISCUSSION. The Board has considered the relevant aspects of the courier proposal, including the arguments of the parties, the Recommended Decision and the exceptions and comments thereto. With respect to the allegations of unfair competition, the Board has concluded that adherence to the following principles would eliminate or reduce to an insignificant degree any possibility of unfair competitive practices vis a vis other courier firms, while at the same time permitting the possibility of holding company entry adding to the competitive pressures within the courier industry. Such pressures may also result in greater convenience for purchasers of courier services and are likely, in certain instances, to result in increased efficiencies in the processing of cash letters. The principles also assure the ability of a purchaser of courier services from a holding company affiliate to ascertain precisely the costs of such services. The principles are:

a. A holding company courier subsidiary established under § 4(c)(8) should be a separate, independent corporate entity, not merely a servicing arm of a bank.

b. As such, the subsidiary should exist as a separate, profit oriented operation and should not be subsidized by the holding company system.

c. Services performed should be explicitly priced and should not be paid for on the basis of correspondent bank balances or other demand deposits maintained at affiliated banks.

Accordingly, entry of holding companies into courier activities on the basis of § 4(c)(8) will be conditioned as follows:

1. The courier subsidiary shall perform services on an explicit fee basis and shall be structured as an individual profit center designed to be operated on a profitable basis. The Board may regard operating losses sustained over an extended period as being inconsistent with continued authority to engage in courier activities.

2. Courier services performed on behalf of an affiliate's customer (such as carriage of incoming cash letters) shall be paid for by the customer. Such payments shall not be made indirectly, for example on the basis of imputed earnings of deposits maintained at or loan arrangements with subsidiaries of the holding company.

The Hearing Officer's proposed condition requiring the provision of comparable courier services to competing banks was designed to assure that courier services would not be used as a competitive tool in gaining correspondent bank deposits. The Board will extend this condition to apply to any data processing firm engaged in providing financially-related data processing which firm competes with a banking or data processing subsidiary of an applicant. Thus, the Board intends to impose the following third condition upon holding company entry:

3. The courier subsidiary shall, when requested by any bank or any data processing firm providing financially-related data processing services which firm competes with a banking or data processing subsidiary of Applicant, furnish comparable services at comparable rates, unless compliance with such request would be beyond the courier subsidiary's practical capacity. In this regard, the courier subsidiary should make known to the public its minimum rate schedule for services and its general pricing policies thereto. The courier subsidiary is also expected to maintain for a reasonable period of time each request denied with the reasons for such denial.

The Board has considered other possible adverse effects of permitting holding company entry, such as undue concentration of resources, conflicts of interest, or unsound banking practices and has concluded that the possibility of these adverse effects generally being significant is remote. The question of whether holding company entry would violate State bank branching laws and constitute

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an unsound banking practice or unfair competition is separately discussed below as are issues pertaining to Regulation Q.

State Branching Laws. The Board has concluded that the operation of a courier service under the conditions set forth above would not constitute branch banking. The courier subsidiary would be a separate corporation, rather than an additional place of business of the bank. The Board sees no reason to attribute the activities of a courier subsidiary operated in accordance with the Board's conditions to an affiliated bank or banks. Accordingly, the Board does not regard State branching laws as an impediment to the amendment of Regulation Y to permit holding companies to engage in courier services. Furthermore, the Board has considerable doubt that the branch banking laws are applicable to interbank transactions involving cash letters, which have long been regarded in terms of correspondent banking rather than branch banking. The Board does nor regard either *First National Bank v. Dickinson,* 396 U.S. 122 (1969), or *Jackson v. First National Bank of Cornelia,* 292 F. Supp. 156 (1968); *affm'd.* 430 F. 2d 1200 (5th Cir., 1970); *cert. den.* 401 U.S. 947 (1971), as controlling with regard to permitting holding companies to engage in courier services.

Regulation Q. Another issue, raised in these proceedings, is whether the payment by a bank to a courier firm of the charges for transporting incoming cash letters of correspondent banks constitutes the payment of interest to the correspondent banks on demand deposits held at the bank.[4] Since the payment of interest issue is present regardless of whether or not the courier firm is a holding company affiliate, the interest issue is only collaterally related to the proposed determination that courier services are closely related to banking. Nevertheless, as the interest issue has been raised in the context of this proceeding, the Board's views concerning the issue are presented below.

Any determination concerning whether or not a prohibited payment of interest has been made must be based on the specific factual circumstances involved. Two specific factual situations are presented in the record of this proceeding. In one situation, a bank (Bank A) gives its correspondent banks the option of the correspondent bank making direct payments for courier services to the firm rendering such services, or to having payments made by Bank A to the courier firm on the basis of traditional account analysis. Such payments, when made by Bank A, are paid to a separate courier corporation and are more than nominal in amount. While such payments are not made directly to the deposit account of the correspondent bank, the payments are identifiably made on behalf of the correspondent bank on the basis of deposits maintained at Bank A. Based on these facts and other facts of record, the Board has concluded that such payments by Bank A to the courier on the basis of traditional account analysis may be viewed as an indirect payment of interest to the account of a depositor as compensation for the use of funds. A second factual situation presented involves a bank paying the courier expense for incoming cash letters of other banks and treating the payments as part of its overhead expenses. Payments for courier services are in some cases made for banks not maintaining correspondent balances. In this factual situation, the Board has concluded that no payment of interest is involved.

De Novo Procedures. Because of the limited number of firms providing courier services in many markets, the Board itself desires to fully consider the public benefits aspects of each application to engage in courier services. Accordingly, the Board has determined that the *de novo* procedures of § 225.4(b) (1) should not be utilized by an applicant's seeking to engage in courier services and that an application must be filed under the provisions of § 225.4(b)(2) of Regulation Y.

Conclusion. The Board has considered whether or not performance by a holding company affiliate can reasonably be expected to produce public benefits, such as greater convenience, increased competition, or gains in efficiency that outweigh potential adverse effects such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices. For the reasons stated above, the Board has concluded that the balance of public interest factors it is required to weigh is likely to be favorable in a sufficient number of instances to justify adding certain courier services to the list of activities the Board has determined to be closely related to banking. Accordingly, the Board has concluded that certain courier services as enumerated in § 225.4(a)(11) are so closely related to banking or managing or controlling banks as to be a proper incident thereto.

[4]Section 19 of the Federal Reserve Act prohibits member banks from paying interest on demand deposits (12 U.S.C. 371(a)), but authorizes the Board to determine what shall be deemed a payment of interest (12 U.S.C. 461). In Regulation Q, the Board has stated that any payment to or for the account of any depositor, as compensation for the use of funds constituting a deposit, shall be considered interest (12 CFR 217.2(b)).

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III. Armored Car Services.

The Board has examined the record of the proposed amendment to Regulation Y with respect to adding armored car services to the list of activities the Board has found to be closely related to banking and has found the evidence of record to be inconclusive. The Board notes that the record is virtually devoid of evidence in support of the proposed amendment. Therefore, if at some future time a holding company applies pursuant to § 4(c)(8) to engage in armored car services, such holding company shall, in meeting its burden of demonstrating that its proposed activities are so closely related to banking as to be a proper incident thereto, specifically address the evidence of record submitted in this proceeding. Such evidence will be available at the Board and at each of the Federal Reserve Banks.

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

ORDERS UNDER SECTION 3 OF BANK HOLDING COMPANY ACT

THE CONNECTICUT BANCFEDERATION, INC., NEW BRITAIN, CONNECTICUT

Order Approving Formation of Bank Holding Company

The Connecticut BancFederation, Inc., New Britain, Connecticut, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 80 per cent or more of the voting shares of: 1) The Guaranty Bank & Trust Company, Hartford ("Guaranty Bank"); 2) New Britain Bank and Trust Company, New Britain ("New Britain Bank"); and 3) Terryville Trust Company, Terryville ("Terryville Bank"), all located in Connecticut.

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

Applicant, a newly-formed corporation with no operating history, was organized for the purpose of becoming a bank holding company. The banks have aggregate deposits of $102.0 million, representing 1.6 per cent of total deposits in commercial banks in Connecticut.[1] Applicant would become the twelfth largest banking organization in the State and would hold 1.6 per cent of total commercial bank deposits in the State.

New Britain Bank (deposits of $64.8 million) operates five offices in the New Britain Standard Metropolitan Statistical Area ("SMSA") and two offices in the Hartford SMSA. Guaranty Bank (deposits of $26.1 million) operates four offices, all in the Hartford SMSA. The relevant geographic market in which the competitive effects of the affiliation of these two banks is to be adjudged is the Hartford-New Britain banking market approximated by the combined Hartford and New Britain SMSAs. The two SMSAs are contiguous, and the central cities of Hartford and New Britain are only ten miles apart. Census Bureau data indicate that approximately 22 per cent of the resident labor force of New Britain commutes to the city of Hartford and seven towns surrounding Hartford.

The Hartford-New Britain banking market is highly concentrated, the two largest of 24 banks therein holding 41 per cent and 37 per cent of market deposits respectively. The third, fourth, and sixth largest banks in the market are subsidiaries of the same bank holding company which thereby controls eight per cent of market deposits. New Britain Bank is the fifth largest bank in the market holding three per cent of market deposits, and Guaranty Bank, holding one per cent of deposits in the market ranks as the tenth largest bank in the market. Applicant would become the fourth largest banking organization in the market with approximately 4 per cent of market deposits. Applicant would not thereby control an undue percentage of the Hartford-New Britain market, nor would consummation of the proposed transaction result in a significant increase in the concentration of firms in that market.

Although the closest offices of New Britain Bank and Guaranty Bank are only six miles apart, their service areas overlap only in the town of Newington (population of 26,037, according to 1970 *Census of Population*). Guaranty Bank does not have an office in Newington, while New Britain Bank does maintain an office there, which office competes with the offices of three commer-

[1] All banking data are as of December 31, 1972.

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cial banks, two mutual savings banks, and a savings and loan association. A fourth thrift institution has recently been approved in Newington. It appears that reasonable banking alternatives would be available to the Newington community even if competition were eliminated between New Britain Bank and Guaranty Bank. The Board concludes that consummation of the proposed transaction would not have a significant adverse effect on existing competition in the Hartford-New Britain market.

Terryville Bank (deposits of $11.1 million) operates two offices, both located in the town of Plymouth, in the Bristol SMSA, the relevant banking market in which the competitive effects of the acquisition by Applicant are considered. It is the third largest of four banks in the market and holds approximately 20 per cent of deposits in the market. Although the Bristol SMSA is contiguous to the Hartford and New Britain SMSAs and although an office of Terryville Bank is located only 15 miles from the nearest office of New Britain Bank and 20 miles from the nearest office of Guaranty Bank, there is little existing competition between Terryville Bank on the one hand and New Britain Bank or Guaranty Bank on the other. Neither New Britain Bank nor Guaranty Bank derives more than 1 per cent of its other banking business from the Bristol SMSA; and Terryville Bank does not derive more than 1 per cent of its demand deposits, nor more than 3 per cent of its other banking business, from the service areas of New Britain Bank and Guaranty Bank.

The law of the State of Connecticut permits commercial banks to establish branch offices at any location in the State except in towns in which a commercial bank is headquartered. Although there are "open" locations in the service area of the banks that are the subject of the instant application, it appears that New Britain Bank is the only one of the three banks that has the resources to pursue an expansionary branching policy into the service areas of the other two banks. However, the towns around Hartford that are not subject to "home office protection" are heavily banked, and New Britain Bank, having recently closed a branch office after five years of unprofitable operations at that branch, is not considered likely to pursue an aggressive branching policy in the near future. Consummation of the proposed transactions is unlikely to adversely affect potential competition.

Hartford National Corporation, a bank holding company controlling the largest bank in the Hartford-New Britain market, has objected to the form of the instant proposal and has urged the Board to restructure the proposal, apparently by requiring a merger of New Britain Bank and Terryville Bank into Guaranty Bank, in order to remove the "home office protection" granted by State law to the Plymouth community and to assist in the removal of such protection from the city of New Britain. Hartford National Corporation notes that State law effectively prohibits its banking subsidiary from establishing a branch facility in New Britain, but recognizes that it may lawfully form a new bank in New Britain.

Applicant has vigorously opposed the suggestion of Hartford National Corporation stressing the affirmatively procompetitive effect of the instant proposal, as a means, in effect, to deconcentrate the Hartford-New Britain market. Applicant contends that the proposal would be jeopardized, and the procompetitive effect thereby lost, if New Britain Bank and Terryville Bank are required to merge out of existence. As a matter of policy, the Board opposes "home office protection" statutes as devices to protect a favored few from the rigors of fair competition,[2] and, where an application has presented significant adverse competitive effects, or where an Applicant has recognized the wisdom of free competition and has voluntarily taken steps that would result in removal of "home office protection", that removal has been considered a procompetitive consideration and a public benefit.[3] However, where, as here, an application presents net procompetitive effects, the Board has not conditioned its approval upon removal of "home office protection",[4] and the Board will not do so in this case.

[2] See Order of January 19, 1973 approving acquisition of bank by CBT Corporation, *Federal Reserve Bulletin* 111, 112 (February, 1973); See Statement accompanying Order of July 29, 1971 denying acquisition of bank by Midlantic Banks, Inc., 57 *Federal Reserve Bulletin* 684, 686 (August 1971); and Order of February 17, 1972 approving acquisition of bank by United Jersey Banks 58 *Federal Reserve Bulletin* 296 (March, 1972).

[3] See Statement accompanying Order of February 7, 1972 approving acquisition of bank by Midlantic Banks, Inc., 58 *Federal Reserve Bulletin* 286, 287-288 (March, 1972); Statement accompanying Order of April 7, 1972 approving acquisition of bank by Midlantic Banks, Inc., 58 *Federal Reserve Bulletin* 475, 477 (May, 1972); Order of February 17, 1972 approving acquisition of bank by United Jersey Banks, 58 *Federal Reserve Bulletin* 296 (March, 1972); and Order of January 19, 1973 approving acquisition of bank by CBT Corporation, *Federal Reserve Bulletin* 111, 112 (February, 1973).

[4] See Statement accompanying Order of April 17, 1970, approving application by First Connecticut Bancorp, Inc. to become a bank holding company, 56 *Federal Reserve Bulletin* 452 (May, 1970). That decision is uniquely "on all fours" with the instant application having been found to present the same procompetitive effects in what has become the Hartford-New Britain banking market that the Board finds are presented by the instant application.

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The financial conditions of Applicant and its proposed subsidiary banks are generally satisfactory. Management of all three banks is generally considered good, and consummation of the proposed transaction should provide greater managerial depth to the banks. Prospects for all are generally favorable in view of Applicant's intention to strengthen and develop the banking operations and services of its subsidiary banks. Accordingly, banking factors weigh in favor of approval of the application.

Considerations relating to the convenience and needs of the communities to be served also favor approval. There is no evidence that the banking needs of the communities to be served are not being adequately met. Nevertheless, consummation of the proposed transaction is expected to enable Guaranty Bank and Terryville Bank to expand their trust and electronic data processing services and to offer credit card programs to their customers. Combined programs for electronic data processing, investment, personnel, and auditing should improve the quality of services that the banks presently offer. Most importantly, it is expected that the convenience and needs of residents of the Hartford-New Britain banking market, presently dominated by two banks, will be promoted by the positive competitive effect that the formation of this new bank holding company is expected to have in that market. It is the Board's judgment that the transaction 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 Boston pursuant to delegated authority.

By order of the Board of Governors, effective November 16, 1973.

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

(Signed) CHESTER B. FELDBERG,
[SEAL] *Secretary of the Board.*

FIRST NATIONAL STATE BANCORPORATION, NEWARK, NEW JERSEY

ORDER APPROVING ACQUISITION OF BANK

First National State Bancorporation, Newark, New Jersey, 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 Mechanics National Bank of Burlington County, Burlington Township, New Jersey ("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 bank holding company in New Jersey, controls eight banks with aggregate deposits of approximately $1.5 billion, representing 7.6 per cent of total deposits in commercial banks in the State.[1] Applicant's acquisition of Bank (deposits of almost $90 million) would increase its share of commercial bank deposits in New Jersey by 0.5 percentage point and there would be no significant increase in the concentration of banking resources in the State.

Bank operates 15 offices in Burlington County, New Jersey; three of those offices are in the Philadelphia-Camden banking market[2] and the remaining 12 offices are in the Trenton banking market.[3] In the former market there are a total of 50 commercial banking organizations which hold combined deposits of over $12 billion. Bank is the 24th largest organization therein and controls deposits of approximately $41 million, representing only 0.3 per cent of total market deposits. Applicant is not represented in this market in which five of New Jersey's multi-bank holding companies are present. The Board concludes that

[1] All banking data are as of December 31, 1972; all market data are as of June 30, 1972, and reflect holding company formations and acquisitions approved by the Board through September 30, 1973.

[2] The Philadelphia-Camden banking market consists of Camden County and parts of Gloucester and Burlington Counties in New Jersey and Delaware County, Philadelphia County and parts of Chester, Montgomery and Bucks Counties in Pennsylvania.

[3] The Trenton banking market consists of Mercer County and parts of Burlington, Ocean, Monmouth, Middlesex and Somerset Counties in New Jersey and the eastern portion of Bucks County in Pennsylvania.

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approval of the proposed acquisition would not eliminate existing competition or adversely affect any banking organization in the Philadelphia-Camden banking market.

The Trenton banking market is presently served by 30 commercial banking organizations holding combined deposits of $1.5 billion; Bank is the ninth largest therein with deposits of over $40 million, representing 2.7 per cent of deposits in the market. Four of New Jersey's multi-bank holding companies, including Applicant, are presently represented in the market. Applicant's subsidiary, First National State Bank of Central Jersey, Trenton (''Central''), operates three offices in the Trenton market with total deposits of $56.2 million and is the sixth largest bank with 3.9 per cent of market deposits. Upon consummation of the proposed acquisition, Applicant would become the third largest banking organization in the Trenton market and hold 6.5 per cent of total deposits therein. By comparison, the first and second largest banking organizations in the market would continue to hold 31 per cent and 14 per cent of those deposits, respectively, and 29 banking organizations would remain in the Trenton market.

The service areas of Bank and Central do not overlap and the nearest existing offices of the two banks are approximately eleven miles apart; there are other banking alternatives located in the intervening area. Central obtains nearly all of its deposits in the Trenton market whereas Bank derives approximately half of its deposits from the Philadelphia-Camden market and the remaining half from the Trenton market. In addition, it should be noted that the respective Trenton market shares of Central and Bank are generated from different portions of that market; accordingly, upon approval, Applicant would develop business from a segment of the Trenton market in which it presently is not represented. Furthermore, Bank does not derive any meaningful business from the service areas of any of Applicant's other subsidiaries. The Board concludes that approval of the proposed acquisition would not eliminate significant existing competition or adversely affect any banking organization in the Trenton banking market.

It appears that consummation of this proposal is likely to have only a slightly adverse effect on future competition between Applicant and Bank in the aforementioned banking markets. As an alternative to acquiring Bank, Applicant could enter the Philadelphia-Camden market by acquiring one of the market's smaller independent banks, by forming a *de novo* bank, or by branching into the market through one of its existing subsidiaries. However, foreclosure of this competition is not considered serious inasmuch as the Philadelphia-Camden market contains a large number of independent competitors and bank holding company subsidiaries. Also, approval herein will enable Bank to compete more effectively with the much larger banking organizations already operating in this market.

Similarly, the Board does not find a strong likelihood of significant competition developing between Applicant (through Central) and Bank in the Trenton banking market. Legislation recently enacted in the State permits branching by each bank into portions of the market served by the other; thus, Central may now open branches in the Burlington County portion of the market while Bank is permitted to branch into Mercer County. However, the potential for such competition is small at present, as only three municipalities in the Burlington portion of the market are presently open to branching; such entry into the market will be restricted until 1975 when branch office protection is removed. Furthermore, due to Bank's low capital position and poor earnings record, it does not appear that Bank is likely to branch into the Mercer County portion of the market in which Central operates. Although consummation of the proposal would foreclose the possibility that Applicant would expand in the Trenton market through branches of its present subsidiaries, the proposed acquisition would not raise barriers to entry into the Trenton market since numerous independent banks would remain available as possible vehicles for entry. On the basis of these and other facts of record, the Board concludes that consummation of the proposed acquisition would not have any significant adverse effect upon existing competition and would have only a slightly adverse effect on future competition.

The financial condition and managerial resources of Applicant and its subsidiary banks are satisfactory and future prospects for all are favorable; upon consummation, Bank's financial and managerial resources will be satisfactory in view of Applicant's commitment to inject into Bank an additional $2 million of equity capital. Applicant proposes to assist Bank in offering new and improved services including trust, data processing, municipal financing, and international services as well as an improvement in Bank's general lending policies. Although it appears that similar services are presently available in Bank's areas, the increased and improved services would provide customers in both markets with an additional convenient source of full-service banking. Moreover,

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Bank is the principal bank serving the area encompassing the Fort Dix Army and McGuire Air Force Bases. Bank's activities and services are very limited at these locations and Applicant plans to appreciably increase those services. Therefore, convenience and needs considerations are significant and, in the Board's judgment, outweigh the proposal's slightly adverse effect on competition. 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 New York pursuant to delegated authority.

By order of the Board of Governors, effective November 23, 1973.

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

(Signed) CHESTER B. FELDBERG,
[SEAL] *Secretary of the Board.*

DISSENTING STATEMENT OF GOVERNOR BUCHER

I cannot concur with the majority decision approving the application by First National State Bancorporation ("Applicant") to acquire the Mechanics National Bank of Burlington County ("Bank"). There are, in my view, countervailing considerations which both lessen the asserted public benefits and increase the adverse impact of this acquisition upon competition. On balance these factors weigh for a denial.

As noted by the majority, Bank has service areas in both the Philadelphia-Camden and the Trenton banking markets. Thus, the market share data should be evaluated through a consideration of Bank's location at the interface of these adjacent SMSA banking markets. My analysis leads me to believe that Bank, a primarily retail banking operation with fifteen branch offices, has a strong marketing position in the growing suburban service areas on either side of this SMSA interface. Thus, although the two banking markets are not highly concentrated and Bank has relatively small market shares in each banking market, there is significant competitive impact by the acquisition of Bank by the largest bank holding company in the State.

I agree with the majority that there is a slightly adverse effect on existing competition in the Trenton banking market. However, in addition, I think there would be a substantial elimination of probable future competition in both the Trenton and Camden banking markets. At present Applicant's subsidiary bank ("Central"), located in the Trenton banking market, could branch or Applicant could expand *de novo* into Bank's service area in the Trenton banking market. By January 1975, when branch office protection statutes will be eliminated for the most part in New Jersey, Central could then branch into Bank's Camden service area (Burlington County). This is a short period of time to await further expansion and would cause little hindrance to future planning. At present Applicant could expand into the Philadelphia-Camden market *de novo* or through a foothold acquisition.

Present market conditions should give Applicant a strong incentive to expand into Bank's portions of these banking markets. Burlington County is the second fastest growing county in New Jersey. Bank's service area appears to have substantial long term growth prospects at the outer fringes of two metropolitan areas now merging into one another. These prospects also lessen the risk posed by possible reductions at the two military bases in the area. As might be expected in formerly rural areas, the Camden and Trenton suburbs appear attractive for expansion given the number of existing bank offices per capita. It should also be noted that, in spite of its conservative practices, Bank has grown from approximately $52 million to near $90 million in deposits over the last five years.

I would prefer a holding company with the resources of Applicant to enter new market areas either *de novo* or by foothold acquisition. My study causes me to conclude that this is a reasonable and pro-competitive alternative in this case. Further, the presence of a large holding company combined with Bank's existing branch network may deter the entry of other banks into this area, thus restricting future banking alternatives available to locally limited consumers.

Affiliation with Applicant would probably be of some aid to Bank in strengthening its capital and management. However, given the detrimental competitive effects, the Board ought to consider

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alternative methods to produce these public benefits. Bank's capital accumulation has lagged behind Bank's rapid deposit growth. Earnings have been below the average of similar sized banks, primarily due to a recent large fixed investment in Bank's new main office and to conservative lending practices. Certainly, under these circumstances, a smaller holding company not already represented in either of these banking markets could offer the same assistance to Bank in improving its overall condition. Taking into consideration Bank's marketing position, solid asset base, good growth potential and history of conservative banking practices, Bank, standing alone, has the capability to attract and compensate management talent and raise additional capital. An additional countervailing factor is that as a consumer-directed "retail" bank with deposits of about $90 million, Bank has reached a size range where there would be few further benefits produced by affiliation with a large holding company.

The convenience and needs of the communities seem to be well served in the Philadelphia-Camden and the Trenton banking markets. The proposed services to be offered by Bank are equally available through correspondent banks or through further internal development. Certainly I would foresee little need for a bank of this character to develop highly sophisticated trust or international banking services. Therefore, I cannot agree that the convenience and needs criterion outweighs the adverse competitive effects.

Given these factors, I view the acquisition of this sizeable bank as the least desirable form of expansion by Applicant and as only one of several alternative methods of raising Bank's competitive stature. I would deny the application.

GENERAL FINANCIAL SYSTEMS, INC., RIVIERA BEACH, FLORIDA

Order Approving Acquisition of Banks

General Financial Systems, Inc., Riviera Beach, 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: (1) First National Bank & Trust Company of Lake Worth, Lake Worth, Florida ("Lake Worth Bank"), and (2) First National Bank & Trust Company, Jupiter/Tequesta, Tequesta, Florida ("Tequesta Bank").[1]

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

Although each of the applications has been separately considered by the Board, because of the facts and circumstances common to each, this Order contains the Board's findings and conclusions with respect to both applications.

Applicant controls one bank, First Marine Bank & Trust Company, Riviera Beach, Florida ("Riviera Bank"), with deposits of about $68 million, which represents approximately 6.1 per cent of total deposits in commercial banks in the West Palm Beach County banking market[2] and about three-tenths of 1 per cent of all such deposits in commercial banks in Florida. Riviera Bank is the fifth largest of 30 commercial banks in the relevant market. In addition, Applicant owns between 15 per cent and 24.9 per cent of eight other banks, with aggregate deposits of about $162 million, including four which are located in the West Palm Beach County banking market.

Lake Worth Bank, the second largest bank in the West Palm Beach County banking market, controls deposits of $84 million, representing 7.5 per cent of total deposits in commercial banks in said market and about four-tenths of 1 per cent of all such deposits in commercial banks in Florida. Lake Worth Bank is located about 12 miles from Riviera Bank; and only very small proportions of Lake Worth Bank's total deposits and loans originate in Riviera Bank's service area. Moreover, although some service overlap exists between Lake Worth Bank and the other West Palm Beach County banks, including Tequesta Bank, in which Applicant owns voting shares, a

[1] Applicant presently owns 24.9 per cent of the voting shares of Lake Worth Bank and 24.3 per cent of the voting shares of Tequesta Bank. Such shares were acquired in 1968 and 1964, respectively without Board approval, since Applicant, a one-bank holding company, was not then subject to the Act. Applicant, through the instant applications, seeks Board approval for acquisitions of enough additional shares of Lake Worth Bank and of Tequesta Bank to give it direct ownership and control of 80 per cent or more of the outstanding shares of each bank.

[2] Approximated by the upper two-thirds of Palm Beach County. Banking data are as of December 31, 1972, unless otherwise indicated.

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significant portion of such overlap involves commercial loans and real estate loans and arises, for the most part, from loan participations between Lake Worth Bank and such other banks. In addition, Applicant and persons associated with Applicant own voting shares in Lake Worth Bank; and a close relationship apparently exists between Applicant and such bank. Consummation of the proposed acquisition of Lake Worth Bank would increase Applicant's share of the West Palm Beach County banking market to 13.6 per cent and cause Applicant to become the largest banking organization in said market. Such consummation would not, however, enable Applicant to dominate the West Palm Beach County banking market, since 12 holding companies, including the second, third and sixth largest banking organizations in the State, are represented in said market. Moreover, six of the market's banking organizations each control between 6 and 13 per cent of total market deposits. Accordingly, the Board concludes that consummation of the proposed acquisition of Lake Worth Bank would not adversely affect competition in any relevant area.

Tequesta Bank, with deposits of $32.4 million, is the fourteenth largest bank in the West Palm Beach County banking market and controls 2.9 per cent of total deposits in commercial banks in such market. Tequesta Bank is located approximately 10 miles from Riviera Bank and about 22 miles from Lake Worth Bank. The amount of service overlap between Tequesta Bank and each of these banks is, accordingly, quite small and does not represent a substantial anticompetitive factor. Moreover, Applicant and persons associated with Applicant own approximately 44 per cent of the outstanding voting shares of Tequesta Bank. A close relationship apparently has existed between Applicant and Tequesta Bank since the latter's formation in 1963; and persons affiliated with Applicant have always participated in Tequesta Bank's management. Upon consummation of the proposed acquisition of both Lake Worth Bank and Tequesta Bank, Applicant would control 16.5 per cent of total deposits in commercial banks in the West Palm Beach County market. However, Applicant would continue to face significant competition from numerous strong banking organizations already represented in this market. Accordingly, consummation of the proposed acquisition of Tequesta Bank would not, either in itself or in conjunction with acquisition of Lake Worth Bank, enable Applicant to dominate the West Palm Beach County banking market and would not adversely affect competition in any relevant area.

It appears that Applicant has previously engaged in certain nonbanking activities through corporate interests which were spunoff to its shareholders on September 30, 1972. However, certain director interlocks and indebtedness remain with respect to the transferee of such interests. Under section 2(g)(3) of the Bank Holding Company Act, such relationships give rise to a presumption of control of the transferee by Applicant unless the Board, after opportunity for hearing, determines that Applicant is not, in fact, capable of controlling the transferee. However, there appear to be no significant competitive factors present in considering the possible adverse interface between such nonbanking activities and Applicant's present and proposed banking subsidiaries. Accordingly, the Board believes that the instant applications may be approved without first determining Applicant's control, or lack thereof, of said nonbanking interests; such a determination shall be made at a later date.

Applicant has indicated that, within six months after consummation of the proposed acquisitions, it will make equity additions to the capital structures of Lake Worth Bank, Tequesta Bank, and Riviera Bank. In light of this commitment and all facts of record, the Board finds that the financial and managerial resources of Applicant and each of subject banks are satisfactory and consistent with approval of both applications. Considerations relating to the convenience and needs of the community are likewise consistent with approval. There are, at present, substantial Statewide bank holding companies in Florida which represent significant competitive factors in Florida banking; the addition and strengthening of medium and smaller companies, like Applicant, should produce public benefits by enhancing competition throughout the State. It is the Board's judgment that the proposed acquisitions are in the public interest and that both applications should be approved.

Based upon the record, the applications are approved. The transactions shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

By order of the Board of Governors, effective November 6, 1973.

Voting for the Board's action approving the acquisition of Lake Worth Bank: Vice Chairman Mitchell and Governors Sheehan, Bucher, and Holland. Voting against this action: Governor Brimmer. Absent and not voting: Chairman Burns and Governor Daane.

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Voting for the Board's action approving the acquisition of Tequesta Bank: Vice Chairman Mitchell and Governors Brimmer, Sheehan, Bucher, and Holland. Absent and not voting: Chairman Burns and Governor Daane.

(Signed) CHESTER B. FELDBERG,
[SEAL] *Secretary of the Board.*

STATEMENT OF GOVERNOR BRIMMER, CONCURRING IN PART AND DISSENTING IN PART

I would approve the application to acquire Tequesta Bank, but I would deny the application to acquire Lake Worth Bank.

Acquisition by Applicant of Lake Worth Bank would unite under a single parent the second and fifth largest banks in the West Palm Beach County market and cause Applicant to become the largest banking organization in that market. Acquisition of *both* Lake Worth Bank and Tequesta Bank raises Applicant's share of the relevant market from 6.1 per cent to 16.5 per cent—twice that of all but three of Applicant's competitors and significantly larger than the share enjoyed by the market's second largest banking organization. On the other hand, acquisition only of Tequesta Bank would increase Applicant's market share to only 9.0 per cent, and it would not place Applicant in a dominant position in the West Palm Beach market.

In my view, the Board should not sanction the elimination of competition between the second and fifth largest banks in West Palm Beach County; nor should the Board sanction the elimination of competition between Lake Worth Bank and Tequesta Bank. Although Applicant now owns shares of Lake Worth Bank and additional shares of such bank are held by officers, directors, employees, and shareholders of Applicant, the record supports the view that Applicant does not control Lake Worth Bank and that Applicant's influence with that bank, though substantial, might decline were subject application disapproved. The record indicates, for example, that banks in which Applicant owns minority interests (including Lake Worth Bank and Tequesta Bank) set their own service charges and loan rates and that actual competitive differences do prevail among these various banks. Such differences are inconsistent with control.

There has been no showing that the anticompetitive effects of the proposed acquisition of Lake Worth Bank are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served. Nothing in the record suggests that the banking needs of the community are being inadequately served at present. Moreover, Applicant's resolve to inject equity capital into certain banks, though commendable, should not influence the Board's result, since one such bank is not an object of the instant application, and nothing in the record indicates that Applicant is the only possible source of equity capital for the other two.

The record in the instant case contains evidence of acquiescence (by corporate holders of a significant percentage of shares of Lake Worth Bank) in management and policy decisions by Applicant's representatives with respect to such bank. It is my judgment that the facts of this case warranted closer scrutiny by the Board of the cooperative arrangements between Applicant and the corporate organizations involved to determine whether such arrangements contravene those provisions of the Bank Holding Company Act prohibiting, without prior Board approval, direct or indirect control of voting shares of a bank.

The application to acquire shares of Lake Worth Bank should be denied.

ORDERS UNDER SECTION 4(c)(8) OF BANK HOLDING COMPANY ACT

F&M NATIONAL CORPORATION, WINCHESTER, VIRGINIA

ORDER DENYING ACQUISITION OF VIRGINIA LOAN AND THRIFT CORPORATION

F&M National Corporation, Winchester, Virginia, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of Virginia Loan and Thrift Corporation, Winchester, Virginia ("Company"), a company that engages in the activities of making consumer installment loans and purchasing consumer installment sales finance contracts, engaging in the general consumer finance business, selling credit life and credit health and accident insurance to borrowers, and conducting other financial activities as permitted by the Code of Virginia as it pertains to industrial loan associations. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1), (2) and (9)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 26833). The time

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for filing comments and views has expired, and none has been timely received.

Applicant controls one bank with deposits of $91.8 million, which represents less than one per cent of total commercial bank deposits in the State as of June 30, 1973. In the relevant banking market (approximated by the city of Winchester and the counties of Frederick and Clarke), Applicant's bank, Farmers and Merchants National Bank ("Bank"), Winchester, Virginia, is dominant, controlling approximately 44 per cent of total market deposits. The second largest bank controls approximately 24 per cent of the market deposits; and the remaining four banks control 32 per cent in the aggregate. (All banking data are as of June 30, 1972, unless otherwise noted.)

Company (assets of $2.3 million as of June 30, 1973), one of only five industrial loan associations chartered by the State of Virginia, issues uninsured "certificates of investment" to fund the making of consumer installment loans and the purchasing of consumer installment finance contracts. Company also sells credit life and credit health and accident insurance to borrowers. Its sole office is located in Winchester, Virginia.

The relevant product markets for considering the competitive aspects of the proposed acquisition appear to be those for consumer loans and thrift deposits; the relevant geographic market for these activities is approximately the same as the banking market in which Bank competes. Bank had outstanding consumer installment loans of the types made by consumer finance companies of $9.6 million, representing about 39 per cent of consumer installment loans held by commercial banks in the relevant market, and thrift deposits of $34.8 million representing 32.1 per cent of those held by banks and nonbanks in the market. In addition to Bank, Applicant operates two finance companies in Winchester, a subsidiary, Winchester Credit Corporation ("Credit"), and its subsidiary, Rouss Finance Company ("Finance"). Credit and Finance hold about 32 per cent of the consumer installment loans held by nonbanking offices in the relevant market. Company had outstanding consumer loans of $1.5 million representing about 25 per cent of those held by nonbanks in the relevant market, and 1.4 per cent of market thrift deposits held by banks and nonbanks.

The market for consumer loans is concentrated, with the three largest lenders holding about 83 per cent of outstanding consumer loans. Approval of the proposed acquistion would increase this three-firm concentration to approximately 88 per cent and would reduce the number of competing consumer loan lenders from 12 to 11. Furthermore, existing competition between Applicant (the largest consumer loan lender in the market) and Company (the fourth largest consumer loan lender) would be eliminated, and Applicant's market share of consumer loans would increase from 38 per cent to 43 per cent.

The market for thrift deposits is concentrated, with the top three firms holding almost 75 per cent of thrift deposits. Approval of the proposed acquisition would increase this three-firm concentration to 76 per cent and would reduce the number of competitors in the market from eight to seven. Existing competition between Applicant (ranked first in thrift deposits) and Company (ranked seventh) would be eliminated, and Applicant's market share would increase from 32.1 per cent to 33.5 per cent. The Board concludes that consummation of the proposal would have a substantially adverse effect on existing competition in both product markets.

Virginia law prohibits the chartering of any new industrial loan institutions, such as Company, which can obtain funds through the issuance of certificates of investment. While Applicant would be effectively unable to form an industrial loan association *de novo*, Applicant's bank and nonbanking subsidiaries can offer all of the important lending services provided by Company. Applicant's proposed acquisition of Company would eliminate Company as a possible foothold acquisition by a State-wide banking organization not presently represented in this market or as an acquisition by a nonbank financial company, and would further entrench Applicant's dominant position. The Board concludes that consummation would have a substantially adverse effect on potential competition.

Section 4(c)(8) of the Bank Holding Company Act requires the Board to find that performance by Company as an affiliate of Applicant "can reasonably be expected to produce benefits to the public such as greater convenience, increased competition, or gains in efficiency that outweigh possible adverse effects, such as undue concentration of sources, decreased or unfair competition, conflicts of interest or unsound banking practices". In seeking to meet its burden of demonstrating that the acquisition would be in the public interest, Applicant indicates that affiliation would strengthen Company's competitive ability. While Company does have a problem of successor management which Applicant is capable of solving, Company's earnings are good and there would appear to be less anticompetitive solutions to the

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problem than affiliation with Applicant. Applicant also submitted anticipated reductions in rates charged by Company. While those anticipated rate reductions promise some public benefit, based on the foregoing and other considerations reflected in the record, the Board finds that the public benefits to be derived from the proposed acquisition do not outweigh the substantially adverse competitive effects of the proposal. Accordingly, the application is hereby denied.

By order of the Board of Governors, effective November 21, 1973.

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

(Signed) CHESTER B. FELDBERG,
[SEAL] *Secretary of the Board.*

FIRST VIRGINIA BANKSHARES CORPORATION, FALLS CHURCH, VIRGINIA

ORDER APPROVING ACQUISITION OF ROBERT C. GILKISON, INC., WASHINGTON, D. C.

First Virginia Bankshares Corporation, Falls Church, Virginia, 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)(1) of the Board's Regulation Y, to acquire all of the voting shares of Robert C. Gilkison, Inc., Washington, D. C. ("Company"), a company registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Company provides portfolio investment advice on a discretionary and/or advisory basis for individuals, trusts, and corporations.[1] Such activity has been determined by the Board to be closely related to the business of banking (12 CFR 225.4(a)(5)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 24933). The time for filing comments and views has expired, and none has been timely received.

Applicant, the sixth largest banking organization in Virginia, controls 23 banks with aggregate deposits of $718 million,[2] representing 6.7 per cent of total deposits in commercial banks in Virginia. One of Applicant's nonbanking subsidiaries, The Trust Company of First Virginia, Fairfax, Virginia ("Trust Company"), provides traditional fiduciary services including, for example, acting as trustee under private and testamentary trusts, and, in addition, acts as investment adviser to approximately 40 managing agency accounts located principally in Virginia.[3] However, only 16 such accounts, representing about 3.5 per cent of Trust Company's 1972 gross receipts, are located in Northern Virginia in or near the Washington, D. C., SMSA.

Company commenced business as a sole proprietorship in April 1969, and became incorporated under the laws of Washington, D. C., on January 6, 1971. The Company maintains two offices; both are located within the Washington, D. C., SMSA, which approximates the relevant market. Company is small by industry standards—its 1972 gross receipts totaled only about $64,000. Moreover, Company competes with a large number of advisory firms and banks within the Washington, D. C., area. Although Company's clients presently number about 155 and it services portfolios whose aggregate value approximates $37 million, a great number of its clients are individual investors whose portfolios are not large by industry standards. In view of the relative size of Company, the number and size of its competitors, and other facts of record, the Board considers that the proposed acquisition would not eliminate any significant existing competition.

There is no evidence in the record that consummation of the proposed acquisition would lead to undue concentration of resources, unfair competition, conflicts of interest, unsound banking practices, or other adverse effects. Access to Applicant's data processing facilities may enable Company to improve both the quality and extent of its services; and affiliation with Applicant will insure continuity of management in Company should its present officers ever become unavailable.

In its consideration of subject proposal, the Board has considered Applicant's expression of purpose to enter into employment contracts, each including a covenant not to compete, with Company's two principal officer-shareholders. Covenants not to compete often represent legitimate business requirements of parties to contracts for the purchase of a business; and the courts tradi-

[1]Applicant had indicated that Company neither holds nor votes any securities and that no securities are held in the Company's name.

[2]Banking data are as of December 31, 1972, adjusted to reflect holding company acquisitions and formations approved through September 30, 1973.

[3]One of Applicant's subsidiaries advises a real estate investment trust; however, Company has no clients that are real estate investment trusts. Other nonbanking subsidiaries of Applicant engage in leasing, mortgage lending, consumer finance, and insurance activities.

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tionally have upheld such covenants if reasonable in duration, scope, and geographic area. Although such covenants do not offend the public interest *per se*, the Board will scrutinize the facts in each case to determine whether particular employment contracts and accompanying covenants not to compete are consistent with the public interest. Applicant represents that each covenantee would be prohibited from soliciting any client, officer, or employee of Company for a period not to exceed five years following said covenantee's departure from Company. Applicant represents further that this prohibition would not apply to clients, officers, or employees acquired or hired by Company after the covenantee's departure and that, subject to the above restrictions, each covenantee would be free to engage in the investment advisory business at any geographic location at any time. Having reviewed the details of the covenants not to compete proposed by Applicant, the Board finds that their provisions are consistent with the public interest, and the existence of such covenants does not require denial of the 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 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 acquisition of Company shall be made no 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 Richmond pursuant to authority hereby delegated.

By order of the Board of Governors, effective November 29, 1973.

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

(Signed) CHESTER B. FELDBERG,
[SEAL] *Secretary of the Board.*

DISSENTING STATEMENT OF GOVERNOR BRIMMER

I would disapprove the application by First Virginia Bankshares Corporation to acquire Robert C. Gilkison, Inc. My decision is based on the existence of covenants not to compete in proposed employment contracts between Applicant and Gilkison Company's two principal officer-shareholders. The proposed covenants would limit competition between these individuals and Gilkison Company for a period of five years after each of them leaves the company's employ.

My reasons for disapproving covenants not to compete have been stated fully in several Dissenting Statements in the past.[1] In general, I disapprove such covenants because they invariably result in a lessening of competition—a result that is inconsistent with the public interest and thus in conflict with the standards of the Bank Holding Company Act. In acting upon an application under § 4(c)(8) of the Act, the Board must determine whether the acquisition can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as decreased or unfair competition; and the Board must deny any application in which possible adverse effects are not outweighed by public benefits.

The present case is the first in which the Board has considered a covenant not to compete incident to acquisition of an investment advisor firm. However, in my judgment, such covenants are no less objectionable here than they were in previous cases. The lessening of competition that will result from the proposed covenants is not outweighed by other public interest considerations presented in the application. Accordingly, I would deny the application.

MANUFACTURERS HANOVER CORPORATION, DOVER, DELAWARE

ORDER APPROVING ACQUISITION OF CITIZENS MORTGAGE CORPORATION

On June 25, 1973, the Board issued an order denying the application of Manufacturers Hanover Corporation, Dover, Delaware, to acquire substantially all of the assets of Citizens Mortgage Corporation ("Citizens"), Southfield, Michigan, pursuant to § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y. The Board issued a statement, dated June 29, 1973, explaining its

[1] *CBT Corporation*, 1973 Federal Reserve BULLETIN 469, 471; *Orbanco, Inc.*, 1973 Federal Reserve BULLETIN 367, 368.

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reasons for the denial of the application (1973 Federal Reserve BULLETIN 532).

On August 31, 1973, the Board granted a request for reconsideration filed with the Board by the Applicant. The request for reconsideration, which was filed pursuant to § 262.3(g)(5) of the Board's Rules of Procedures (12 CFR 262.3(f)(6)), was granted because the request presented relevant facts (particularly concerning the public benefits of the application) that, for good cause shown, were not previously presented to the Board and reconsideration appeared otherwise appropriate.

Citizens engages in the activities of a mortgage banking company and acts as an investment advisor to a real estate investment trust. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1), (3), and (5)). Notice of the reconsideration, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 24419). The time for filing comments and views has expired, and none have been timely received.

Applicant controls five banks with aggregate deposits of $10.2 billion, representing 9.4 per cent of the total deposits of commercial banks in New York.[1] Applicant's lead bank, Manufacturers Hanover Trust Company ("Bank"), has deposits of $10.1 billion and is the fourth largest bank in the United States. Bank services a mortgage loan portfolio and originates mortgage loans. Bank, in general, confines its origination of mortgage loans on one-to-four family residences to local markets within New York State while making loans on income-producing property as well as construction loans throughout a large part of the nation. During 1971, Bank originated $3.4 million in loans on income-producing property, $121 million of construction loans, and $8.2 million of loans on one-to-four family residences.

Citizens (1972 year end assets of $111 million) primarily operates in the three midwestern states of Michigan, Ohio, and Illinois. Citizens had a servicing portfolio of $757 million as of year end 1972 ranking 23rd among mortgage bankers on this basis. (The Board recognizes that rank based on servicing volume is an imperfect measure of the size of the firm. However, in many cases it is the only measure available for all mortgage banking firms in a market.) In 1971 it originated $126 million of mortgages on one-to-four family residences with $101 million of this total represented by FHA/VA mortgages. During the same period, Citizens also originated $15.7 million of mortgages on income-producing property and made construction loans of $67 million. Since December, 1968, all of Citizens' shares have been owned by U. S. Industries, Inc., New York, New York, a large manufacturing conglomerate.

The Board was concerned in its denial order with the possibility of the elimination of probable future competition between Applicant and Citizens. Applicant has been able to provide information which would indicate that the probability of Citizens expanding into the areas where Applicant presently competes are very slender. Basically, this information relates to Citizens' posture as a subsidiary of U. S. Industries, Inc. This latter company was reluctant to provide the capital needed for both product and geographic expansion by Citizens. In fact, U. S. Industries, Inc., as part of its general program for its subsidiaries, required a positive cash flow to it from Citizens. From 1969 to 1972, Citizens provided a net cash flow of about $2 million to U. S. Industries, Inc. This inhibited Citizens in expanding its operations into new areas.[2] In other words, Citizens was in no better position than an independent mortgage banker, if as good. This financial background with regard to Citizens, places its size in proper perspective.

This documentation of the relationship between Citizens and U. S. Industries has convinced the Board that Citizens could not be considered a probable future competitor of Applicant in the latter's market areas. Applicant could expand into Citizens' market areas. However, there are numerous potential entrants so that the elimination of Applicant would not have a substantially adverse effect on future competition.

Another adverse factor related to a covenant not to compete given Applicant by U. S. Industries, Inc., which prohibited the latter from engaging in a business substantially similar to that conducted by Citizens for a period of five years at any location in the United States. The Board's majority felt that the geographic scope in this covenant was too extensive. Applicant has now completely eliminated this covenant not to compete from its agreement with U. S. Industries so that this adverse effect is no longer present.

As the Board noted in its earlier denial Order, Applicant's lead bank and Citizens do not presently compete in the same local markets for mort-

[1]All banking data are as of December 31, 1972.

[2]Though Citizens opened three new offices in 1973, Applicant has established, through newly presented information, that these were opened in contemplation of Applicant's acquisition of Citizens.

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gages on one-to-four family housing. Moreover, though both do make construction loans and loans on income-producing property, they are very small factors in these regional or national markets so there would not be a significant decrease in existing competition in these product lines.

The Board further notes that Citizens is in need of additional capital to continue its present level of operations, and more importantly, to expand those operations both into new product lines and geographic areas. Applicant has indicated that it will add approximately $7 million of equity capital to Citizens which should enable it to greatly increase its existing operations. In contemplation of the acquisition of Citizens by Applicant, Citizens opened three new offices in the fast growing southeastern United States area. Applicant has stated that it will continue this type of geographic expansion if it receives Board approval to acquire Citizens. Applicant has also indicated it will enlarge Citizens' role in the increasingly important field of conventional mortgages. Both these types of expansion would be in the public interest and constitute positive grounds for approval of the application.

Applicant has additionally indicated that it will lower interest fees to mortgagors either through having Citizens warehouse mortgages until such time as mortgage rates decline or by charging lower servicing fees. This commitment is an additional new factor which is in the public interest and weighs in support of approval of the application.

There is no evidence in the record indicating that consummation of the proposal would result in unfair competition, conflicts of interest, or unsound banking practices. The extent of concentration of resources flowing from this case is not considered undue considering the public benefits of the proposal. Applicant has agreed that it will liquidate Citizens Family Assurance Company, a wholly-owned reinsurance subsidiary of Citizens, upon consummation of this transaction. Applicant has further agreed to dispose of an office building in Ohio and certain land in Michigan as soon as possible but, in no case, later than two years after consummation and has stated it will engage in no land development activities with regard to these properties during the period of retention. Applicant does not presently engage in acting as an investment advisor to a real estate investment trust and its entry into this activity should provide benefits by enabling Citizens to expand the activity.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of public interest factors that the Board is required to consider under § 4(c)(8) is favorable. Accordingly, the application is hereby approved subject to the conditions set forth in § 225.4(c) of Regulation Y (12 CFR 225.4(c)) 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 consummated 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 New York pursuant to delegated authority.

By order of the Board of Governors, effective September 27, 1973.

Voting for this action: Chairman Burns and Governors Mitchell, Daane, Sheehan, Bucher, and Holland. Absent and not voting: Governor Brimmer. Governor Bucher plans to issue a concurring statement at a future date.

(Signed) CHESTER B. FELDBERG,
[SEAL] *Secretary of the Board.*

MELLON NATIONAL CORPORATION, PITTSBURGH, PENNSYLVANIA

ORDER APPROVING ACQUISITION OF CARRUTH MORTGAGE COMPANY

Mellon National Corporation, Pittsburgh, Pennsylvania, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of Carruth Mortgage Corporation, New Orleans, Louisiana ("Carruth"), a company that engages in the activity of general mortgage banking and acts as an insurance agent with respect to insurance directly related to the extension of credit, including specifically mortgage redemption insurance, credit accident and health insurance, and credit life insurance. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1) and (9)(ii)(a)).

In addition to the activities enumerated above, Carruth is presently engaged in the sale of hazard and flood insurance on collateral securing extensions of credit. Although originally part of the instant application, the request to continue the sale of hazard and flood insurance was withdrawn by Applicant after an objection to that portion of the Application was filed by a third party and Carruth will discontinue selling this type of insurance upon consummation of the transaction.

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Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 13062). The time for filing comments and views has expired, and none has been timely received.

Applicant's only banking subsidiary, Mellon Bank, Pittsburgh, Pennsylvania, is the largest bank in the Pittsburgh banking market with deposits of $3.65 billion. (All banking data are as of December 31, 1972.) Applicant also engages in mortgage banking activities through two subsidiaries: Mellon National Mortgage Company of Colorado (doing business as Morrison and Morrison) with an office in Denver, Colorado, servicing a mortgage portfolio of $82 million, and Mellon National Mortgage Company of Ohio (formerly Jay F. Zook, Inc.) with offices in Ohio and Pittsburgh servicing a mortgage portfolio of $496 million. Applicant's subsidiaries presently rank 44th in the nation in mortgage servicing and upon acquisition of Carruth would rank as 27th.

Carruth, with assets of $10.7 million and a mortgage portfolio of $161 million, operates five offices in New Orleans and one in Baton Rouge, Louisiana, and derives 80 per cent of its business from these two markets. Carruth engages in originating and servicing loans on single family residences and to a lesser extent on apartments and commercial property.

Applicant's two mortgage banking subsidiaries operate from offices in Ohio, Pennsylvania, and Colorado; neither of these firms derives any business from the New Orleans or Baton Rouge markets, nor does Mellon Bank hold any mortgage loans from these markets. No present competition would be eliminated by consummation of the proposed acquisition. Moreover, due to the fact that there are over 80 competitors in the relevant market and that the market is over 750 miles from its present subsidiaries, it is unlikely that Applicant would enter the New Orleans and Baton Rouge markets *de novo*. Consummation of this proposal will not eliminate any probable future competition. Accordingly, the Board concludes that approval of the application, insofar as related to Carruth's mortgage banking activities, would not have any adverse effect on competition.

Carruth also sells credit life, credit accident and health and mortgage redemption insurance. Due to the limited nature of its insurance activities, it does not appear that Applicant's acquisition of Carruth's insurance activities would have any significant effect on existing or future competition.

Considerations relating to the financial and managerial resources of Applicant, its subsidiaries, and Carruth are generally satisfactory and consistent with approval of the application. It is anticipated that consummation of the proposed acquisition will enable Carruth to provide an increased quantity of mortgage funds in those areas where it presently operates. It will be able to participate in additional construction and development loans and increase the size of its loans for these projects. These advantages will enable Carruth to compete more efficiently in the highly competitive New Orleans market. There is no evidence in the record indicating that consummation of the proposed acquisition would result in undue concentration, unfair competition, conflicts of interest, unfair banking practices, or other adverse effects.

Under § 4(a)(2) of the Act, Applicant has until November, 1974, two years from the date of becoming a bank holding company, to obtain Board approval to retain Mellon National Mortgage Company of Ohio. Applicant has indicated its willingness to separately maintain the assets of Carruth in order to facilitate the Board's future examination and evaluation of the application to retain that subsidiary. Accordingly, approval of this acquisition is conditioned on the segregation of the assets of Carruth and Mellon National Mortgage Company of Ohio.

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 subject to the condition that Carruth's assets be maintained separate and apart from those of Mellon National Mortgage Corporation of Ohio. This determination is additionally 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 consummated 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 Cleveland pursuant to authority delegated herewith.

By order of the Board of Governors, effective September 27, 1973.

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

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ernor Bucher plans to issue a concurring statement at a future date.

(Signed) CHESTER B. FELDBERG,
[SEAL] *Secretary of the Board.*

CONCURRING STATEMENT OF GOVERNOR BUCHER

I agree with the Board's decisions allowing Mellon National Corporation to acquire Carruth Mortgage Corporation and Manufacturers Hanover Corporation to acquire Citizens Mortgage Corporation; however, these applications confirm my view that the Board must proceed cautiously and that a completely unrestrictive acquisition and retention policy for mortgage banking is unjustified. In the mortgage banking industry there are several factors which, if examined in each instance, may provide a good analytical foundation for approval or denial. This is the focus of my concurring statement.

One of the fundamental issues to which the Board must address itself in each acquisition proposal is whether the consumer-home buyer will be better or worse off if approval is given. Serious questions can arise as to whether the public benefits relating to operating efficiency, better services, and lower cost, which are frequently ascribed to proposed affiliations of mortgage banking firms with bank holding companies, exist to a significant degree, especially when larger firms are involved. The advocacy voiced by applicants may not reflect the actual probability of the occurrence of the asserted benefits. Bank holding companies bear the burden of demonstrating that their proposed nonbanking acquisition will have public benefits outweighing any adverse effects, inasmuch as the basic balancing test of § 4(c)(8) requires a showing of public benefits. This balancing test imposes a generally stricter competitive standard than those expressed in the antitrust laws.

Applicants also bear the burden of proof for any other assertions of fact or analysis expressed in applications. Many acquisitions have, to a greater or lesser degree, adverse effects on existing or potential competition. One major problem continually facing the Board in evaluating the competitive impact of mortgage banking applications is a lack of complete market data. For example, this is often the case when attempting to determine the local market shares with respect to mortgage originations. Thus, I would hope that applicants will become more conscious of this need and will attempt to develop and provide as much of such data as possible so that applications can be acted upon by the Board with full awareness of all factors relevant to competitive considerations.

The doctrine of potential competition is crucial to the analysis of applications by holding companies with existing mortgage banking activities. Given the ease of entry into mortgage banking, a holding company with or without an existing mortgage banking affiliate may exert a beneficial influence upon competitive conditions in a market by threat of entry. Geographic proximity, the size and scope of the bank holding company, and penetration prospects for a market are key factors in assessing entry probabilities. Thus, market extension acquisitions by large holding companies need careful analysis to avoid the unnecessary elimination of probable future competition. Further, given the low entry barriers, *de novo* or foothold entry should be favored as a pro-competitive device irrespective of the size of the entering institution.

Therefore, in my view, greater scrutiny should be given to the acquisition of the dominant mortgage banking firm in concentrated local markets by large bank holding companies which are presently in that market, or in an adjacent market. I would also be particularly cautious in situations where, without strong countervailing factors, approval is sought of the acquisition by the largest bank holding companies in the nation of any of the remaining large national mortgage banking firms because of the possible questions of either undue concentration or aggregation of financial resources. The issue of aggregate concentration may be applicable particularly in cases where the combination of two large firms is proposed—even though they are not actual or potential competitors.

On the other hand, concern expressed over the prospect of the extinction of an independent mortgage banking industry is, at best, premature. More probably than not a two-tier industry structure will emerge consisting of both affiliated and non-affiliated firms. Mortgage banking appears to be a naturally local business on the "origination side" of the business with low capital requirements and minimal economies of scale, but does require at least one person highly knowledgeable in local real estate activities. On the "take-out" side some contacts with secondary market buyers are necessary, but the barriers to entry at this interface are not unsurmountable to the aggressive entrepreneurs characteristic of this business. Once these business relationships are established, unaffiliated local firms can probably operate, on balance, as efficiently as local firms with bank holding company affiliations; and, for this reason, I cannot foresee them as becoming an endangered species among financial institutions. Thus, in fulfilling the objective of promoting competition in local mar-

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kets, I see no need to construct a policy specifically designed to protect independent firms. Providing alternative sources of mortgage funds to a consumer in his market is, in my view, far more important than preserving individual firms or the character of an industry.

PHILADELPHIA NATIONAL CORPORATION, PHILADELPHIA, PENNSYLVANIA

ORDER DENYING ACQUISITION OF HARTZLER MORTGAGE COMPANY

Philadelphia National Corporation, Philadelphia, Pennsylvania, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of Hartzler Mortgage Company, Columbus, Ohio ("Hartzler"), a company that engages in the activities of originating, purchasing, selling and servicing real estate mortgage loans. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1) and (3)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 22188). The time for filing comments and views has expired, and none has been timely received.

Applicant's sole banking subsidiary, Philadelphia National Bank ("Bank"), is the fourth largest bank in Pennsylvania and among the 25 largest in the nation. It has total deposits of about $2 billion representing 5.3 per cent of total domestic deposits in commercial banks in the State.[1] Applicant engages in the mortgage banking business through a direct subsidiary, Colonial Associates, Inc., and through two indirect subsidiaries, Colonial Mortgage Service Company and Colonial Mortgage Service Company of California, both of which are present subsidiaries of Bank.[2] In terms of volume of mortgages serviced, the two affiliated Colonial Mortgage Service Companies ("Colonial") are, combined, the sixth largest mortgage banking companies in the nation with a portfolio of $1.5 billion. The acquisition of Hartzler and its affiliation with Colonial would advance Colonial to fifth in the national ranking of mortgage banking companies.

Hartzler engages in the origination of FHA/VA guaranteed mortgage loans on single-family residences and in the servicing of mortgages from its headquarters in Columbus and a branch office in Mansfield, 65 miles to the north. In 1972, Hartzler originated approximately $12.2 million in mortgage loans and as of December, 1972, was servicing a mortgage loan portfolio of $93.4 million. Hartzler's loan originations of $4.7 million in the Columbus market[3] in 1972 represented 1 per cent of total originations in 1-4 family residential loans in that area. Hartzler's market share in 1972 of residential loan originations in the Mansfield market was somewhat larger,[4] representing 8.4 per cent of all 1-4 family residential loans for that area.

Colonial is Applicant's only direct or indirect subsidiary which is in a position to compete with Hartzler in either the Columbus or Mansfield markets. Colonial has an office in Columbus and originated $12 million in mortgage loans, or 2 per cent of the total mortgage originations in the Columbus market in 1972. However, Colonial originates only construction and commercial loans while Hartzler deals exclusively in the separate product market of residential loans. The proposed transaction, therefore, would not eliminate any direct competition between the two institutions.

There are fifteen mortgage companies (including Colonial) with offices in the Columbus market. Hartzler ranked eleventh among these companies in 1972 in terms of its volume of mortgage loan originations. Nine of these fifteen mortgage companies rank among the top 100 mortgage firms in the nation. All nine of these firms are subsidiaries of a larger holding company or corporation or are awaiting regulatory agency approval to become so affiliated. This proposed acquisition would eliminate one of the largest of the few independent mortgage banking companies that remain in the Columbus market. In addition, the presence of such large established mortgage banking firms, several of which are headquartered in Ohio or the neighbor State of Indiana, has limited the attractiveness of the Columbus market for *de novo* entry. Removal of a remaining independent mortgage banker by a significant competitor presently in the market may further restrict the ability of an outside firm to enter the market by raising the entry barriers even higher.

[1]All banking data are as of June 30, 1973, adjusted to reflect acquisitions approved through September 1, 1973.

[2]Bank acquired the Colonial Mortgage Service Companies in 1968, and Applicant has applied to the Board under § 4(c)(8) of the Act to transfer them from Bank to Applicant's direct control.

[3]The Columbus market includes Franklin County plus contiguous townships in surrounding counties.

[4]The Mansfield market includes Richland County and adjacent townships to the east.

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Applicant currently has the capability and interest to commence the origination of residential mortgage loans in the Columbus and Mansfield markets. Its interest in the Columbus market is manifested through the presence of its subsidiary, Colonial, which originated almost $12 million in mortgage loans in that market in 1972. Thus, Colonial provides an adequate base from which Applicant may expand into the separate product market of residential loans. Colonial already has an established office, personnel and contacts in the market and a demonstrated capability for further expansion.

At present, Colonial is the sixth largest mortgage banking firm in the nation, based upon a mortgage servicing volume of $1.5 billion. It seems likely that Colonial will continue to compete aggressively to maintain its position as one of the nation's leading mortgage banking organizations. It is the Board's judgment that Colonial is likely to expand its mortgage activities *de novo* in the Columbus market to include residential mortgage lending. The Board concludes, therefore, that consummation of the proposed transaction is likely to eliminate potential competition in both the Columbus and Mansfield markets. The Board has reason to believe that Hartzler has the opportunity to affiliate with another corporation or holding company and that such affiliation would not produce the anticompetitive effects stemming from the present proposal.

Applicant claims that the proposed transaction would result in greater availability of loans to the public, improved services, operating efficiencies, and a continuation of good management. While the acquisition of a mortgage company by a bank holding company could have the effect of increasing loans to the public and increasing the efficiency of the mortgage firm, it appears that such increased efficiency, if it came from a bank holding company not now competing or likely to compete in the market, would have a substantially more desirable impact on the public interest. The Board concludes that such public benefits as would be derived from the proposed acquisition do not outweigh the probable adverse effects on potential competition.

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

By order of the Board of Governors, effective November 29, 1973.

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

(Signed) CHESTER B. FELDBERG,
[SEAL] *Secretary of the Board.*

ORDER UNDER SECTIONS 3 AND 4 OF BANK HOLDING COMPANY ACT

UNION BANCORP, INC., LOS ANGELES, CALIFORNIA

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY AND ACQUISITION OF UNIONAMERICA LEASING CORPORATION AND UNIONAMERICA COMPUTER CORPORATION

Union Bancorp, Inc., Los Angeles, California, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through the acquisition of 100 per cent of the voting shares of Union Bank, Los Angeles, California ("Bank").

At the same time, Applicant 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 engage in full-payout leasing activities and electronic data processing activities through the acquisition, respectively, of Unionamerica Leasing Corporation ("Leasing") and Unionamerica Computer Corporation ("Computer"), both of Los Angeles, California. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(6) and (8)).

Notice of the applications, affording opportunity for interested persons to submit comments and views, has been given in accordance with §§ 3 and 4 of the Act (38 Federal Register 19718). The time for filing comments and views has expired, and the Board has considered the applications and all comments received in the light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)), and the considerations specified in § 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant, recently organized for the purpose of becoming a bank holding company, has no business activities and no operating history. The proposed transactions are part of a plan of reorganization whereby Unionamerica, Inc., Los Angeles, California, the present parent corporation of Bank, Computer and Leasing, proposes to separate its banking and permissible nonbanking activities from its other nonbanking activities.

Bank, with deposits of $2.7 billion, is the sixth largest commercial bank in California, controlling

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approximately 4 per cent of total deposits in commercial banks in the State. (Banking data are as of June 30, 1973.) On the record herein, the Board concludes that consummation of the proposal would not eliminate any existing or potential competition, increase the concentration of banking resources, nor have an adverse effect on the other banks in any relevant area.

The management, financial condition and prospects of Bank are regarded as generally satisfactory. The management of Applicant is essentially the same as that of Bank, and the financial condition of Applicant, which will depend, at least initially, largely upon that of Bank, appears to be satisfactory. Considerations relating to the convenience and needs of the communities to be served are consistent with approval. It is the Board's judgment that the proposed acquisition of Bank would be consistent with the public interest, and that the application to acquire Bank should be approved.

Leasing, which was organized *de novo* by Unionamerica, engages in the activity of leasing personal property or equipment, or acting as agent, broker, or adviser in leasing such property, where the lessor recovers its full acquisition cost during the initial term of the lease from (1) rentals, (2) estimated tax benefits, and (3) estimated salvage value. Leasing has primarily engaged in acting as agent, broker or adviser in arranging such full-payout lease transactions and, as of December 31, 1972, its gross revenues were only $1.5 million. In view of Leasing's limited business activity and the fact that Applicant's acquisition of Leasing is part of a corporate reorganization, it does not appear that any existing or potential competition would be eliminated upon acquisition of Leasing.

Computer, which was originally a division of Bank, had gross revenues of approximately $4.5 million as of December 31, 1972. Computer is primarily engaged in providing data processing services to Bank. Upon consummation of this proposal, Computer shall limit its activities to: (1) electronically processing banking, financial and related economic data, including the development of computer programs therefor; (2) making excess computer time available by furnishing its data processing facility and necessary operating personnel to persons who wish to utilize such time; (3) selling by-products resulting from the development of programs pertaining to the processing of banking, financial and related economic data; and (4) providing any data processing service upon request of a customer if such service is not otherwise reasonably available in the relevant market. Due to Computer's limited activities and recognizing that Applicant's acquisition of Computer is part of a corporate reorganization, the Board concludes that acquisition of Computer by Applicant would not eliminate any existing or potential competition.

There is no evidence in the record indicating that consummation of the proposals to acquire Computer or Leasing would result in any undue concentration of resources, unfair competition, conflicts of interest, unsound banking practices, or other adverse effects upon the public interest. Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of public interest factors that the Board is required to consider regarding the acquisition of Leasing and Computer under § 4(c)(8) are favorable and that the application should be approved.

As part of its consideration of the instant application, the Board has also considered the plan of divestiture ("plan") adopted by Unionamerica, Inc., in order to terminate its status as a bank holding company in accordance with the irrevocable declaration filed, pursuant to § 225.4(d) of Regulation Y, by Unionamerica that it would cease to be a bank holding company by January 1, 1981. The plan includes the transfer of Bank, Computer and Leasing to Applicant, and thereafter the transfer of all of Unionamerica's remaining assets, including less than 5 per cent of the voting shares of Applicant, to a new corporation to be named New Unionamerica. As part of the plan of divestiture, Unionamerica has submitted documents dated May 14, July 23, August 28, October 4 and October 8, 1973, to the Board that contain facts and assurances and make certain commitments that provide essentially as follows:[1]

1. A commitment by Applicant and Bank that neither corporation will control or exert a controlling influence or attempt to control or exert a controlling influence over New Unionamerica or any of its subsidiaries through interlocking officer, director or policy-making employee relationships or in any other manner.

2. A commitment by New Unionamerica with respect to Applicant and all of its subsidiaries substantially similar to the commitment in paragraph 1.

[1]The facts, assurances and commitments contained in the documents submitted by Unionamerica are set forth in more detail in the Board's letter of today's date to Applicant. The contents of the Board's letter, as well as the contents of the documents described in the Board's Order and letter, are specifically incorporated into this Order by reference.

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3. A commitment by Applicant and Bank that Applicant and all of its subsidiaries and the respective officers, directors and policy-making employees of Applicant and all of its subsidiaries, and the spouses and minor children of such officers, directors and policy-making employees, or any combination of such persons, will not, in the aggregate, own, control or hold with power to vote, directly or indirectly, 25 per cent or more of the outstanding voting shares of New Unionamerica.

4. A commitment by New Unionamerica on behalf of itself and all of its subsidiaries with respect to voting shares of Applicant, substantially similar to the commitment in paragraph 3.

5. A commitment by Applicant and Bank that Applicant and all of its subsidiaries will not, in the aggregate, own, control or hold with power to vote, directly or indirectly, 5 per cent or more of the outstanding voting shares of New Unionamerica and that neither Applicant nor any of its subsidiaries will, after the effective date of the plan, acquire any shares of New Unionamerica.

6. A commitment by New Unionamerica on behalf of itself and all of its subsidiaries with respect to shares of Applicant substantially similar to the commitment in paragraph 5.

7. A commitment by Applicant, Bank, and New Unionamerica that, with the exception of Mr. R. H. Volk, the proposed president and a proposed director of New Unionamerica, who also plans to serve as a director of Applicant and Bank, and Dr. H. Craven, who plans to serve as an economist for both Bank and a subsidiary of New Unionamerica, there will be no interlocking personnel relationships between New Unionamerica or any of its subsidiaries and Applicant or any of its subsidiaries.

8. An affidavit from Mr. R. H. Volk which states that in acting as a director of Applicant and Bank: he will not be acting pursuant to an agreement with or under instructions from New Unionamerica and he has not been instructed by Applicant or Bank to take any such instruction from New Unionamerica; he will not be subject to control by New Unionamerica; he will not represent the interests of New Unionamerica; and he will make substantially similar statements with respect to UB and Bank with regard to his service as president and a director of New Unionamerica. Mr. R. H. Volk's affidavit also states that in serving as a director of Applicant, New Unionamerica and Bank, he will abstain from voting upon any matter to be acted upon by the board of directors of any of those corporations which involves a conflict of interest with any other of such corporations.

Notwithstanding the above-mentioned facts, assurances and commitments, the Board is concerned that Applicant may be able to control or exert a controlling influence over New Unionamerica or New Unionamerica may be able to control or exert a controlling influence over Applicant. After the effective date of the plan, New Unionamerica will own slightly less than 5 per cent of the voting shares of Applicant and Applicant will own, indirectly, approximately 2 per cent of the voting shares of New Unionamerica, and, indirectly, Applicant will hold in a fiduciary capacity approximately an additional 3 per cent of the voting shares of New Unionamerica. Mr. R. H. Volk, the president and a director of Unionamerica, and a director of Bank, plans to become the president and a director of New Unionamerica, a director of Applicant, and remain a director of Bank. Fifteen other former directors of Unionamerica will also serve on Applicant's eighteen-member board of directors. Applicant, Bank and New Unionamerica will all be located in the same office building. Further, there are longstanding and close associations as well as common interests between Applicant's proposed subsidiaries and New Unionamerica's proposed subsidiaries. In view of these and other facts of record, the Board regards the interlocking personnel relationship involving Mr. R. H. Volk as being inconsistent with an effective separation of banking and nonbanking interests as required by the Act. However, in view of the size of both Applicant and New Unionamerica, and the fact that Unionamerica is taking significant action to separate its banking from its nonbanking interests in advance of the January 1, 1981, deadline provided in its irrevocable declaration, the Board concludes, on the basis of the particular facts of this case, that Mr. R. H. Volk's service for New Unionamerica and for Applicant (and Bank) for a reasonable transitional period of time does not preclude a Board determination of an effective separation of banking and nonbanking interests and does not preclude approval of the transactions herein, provided that Mr. R. H. Volk terminates his service as an officer, director or policy-making employee of Applicant and all of its subsidiaries or of New Unionamerica and all of its subsidiaries as soon as practicable, but not later than January 1, 1977.

Accordingly, on the basis of the facts of record and for the reasons summarized above, the applications to acquire Bank, Leasing and Computer are approved subject to all of the referenced facts,

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assurances, and commitments contained herein and subject to the further condition that Mr. R. H. Volk cease to serve as an officer, director or policy-making employee of Applicant and all of its subsidiaries or New Unionamerica and all of its subsidiaries not later than January 1, 1977. The acquisition of Bank shall not be made (a) before the thirtieth calendar day following the effective date of this Order nor (b) shall the acquisition of Bank, Computer or Leasing be made later than three months after the effective date of this Order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of San Francisco pursuant to delegated authority. The determinations as to Leasing and Computer's activities are subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require reports by, and make examinations of, holding companies and their subsidiaries and 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. Moreover, the Board's findings and action herein are subject to amendment, revocation or nullification by the Board should it conclude that Applicant or any of its subsidiaries exercises control or a controlling influence over New Unionamerica or any of its subsidiaries or that New Unionamerica or any of its subsidiaries exercises control or a controlling influence over Applicant or any of its subsidiaries.

By order of the Board of Governors, effective November 7, 1973.

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

(Signed) CHESTER B. FELDBERG,
[SEAL] *Secretary of the Board.*

ORDERS NOT PRINTED IN THIS ISSUE

During November 1973, the Board of Governors approved the applications listed below. The orders have been published in the Federal Register, and copies of the orders are available upon request to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

ORDERS UNDER SECTION 3(a)(1) OF BANK HOLDING COMPANY ACT— APPLICATIONS FOR FORMATION OF BANK HOLDING COMPANY

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
Dawson Corporation, Lexington, Nebraska	The Farmers State Bank, Lexington, Nebraska	11/12/73	38 F.R. 32176 11/21/73
Forest Lake Finance Company, Forest Lake, Minnesota	Forest Lake State Bank, Forest Lake, Minnesota	11/16/73	38 F.R. 32848 11/28/73
Franklin Bancorporation, Somerset, New Jersey	Franklin State Bank, Franklin Township, New Jersey	11/19/73	38 F.R. 32974 11/29/73
Illinois Neighborhood Development Corporation, Chicago, Illinois	The South Shore National Bank of Chicago, Chicago, Illinois	11/26/73	38 F.R. 33419 12/4/73
Schroder International Holdings Limited and Schroder International Holdings Limited, both of London, England	Schroder Trust Company, New York, New York	11/29/73	38 F.R. 33538 12/5/73

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ORDERS UNDER SECTION 3(a)(3) OF BANK HOLDING COMPANY ACT—APPLICATIONS FOR ACQUISITION OF BANK

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
Alabama Bancorporation, Birmingham, Alabama	Fort Payne Bank, Fort Payne, Alabama	11/15/73	38 F.R. 32841 11/28/73
Alpha Agency, Inc., Aztec, New Mexico and Pierce Agency, Inc., Aztec, New Mexico	The Citizens Bank, Farmington, New Mexico	11/1/73	38 F.R. 31052 11/9/73
Bank of Virginia Company, Richmond, Virginia	Bank of Virginia-Petersburg, Petersburg, Virginia	11/6/73	38 F.R. 31470 11/14/73
Barnett Banks of Florida, Inc., Jacksonville, Florida	First Bank of Plantation, Plantation, Florida; University Bank, Broward County, Florida; and Riverland Bank, Fort Lauderdale, Florida	11/1/73	38 F.R. 31052 11/9/73
Central Bancshares of the South, Inc., Birmingham, Alabama	The First State Bank of Oxford, Oxford, Alabama	11/26/73	38 F.R. 33417 12/4/73
The Chase Manhattan Corporation, New York, New York	The First National Bank of Canton, Canton, New York	11/5/73	38 F.R. 31565 11/15/73
Commonwealth National Corporation, Boston, Massachusetts	Town Bank and Trust Company, Brookline, Massachusetts	11/12/73	38 F.R. 32004 11/20/73
Farmer City Agency, Inc., Farmer City, Illinois	National Bank of Chenoa, Chenoa, Illinois	11/1/73	38 F.R. 31053 11/9/73
First at Orlando Corporation, Orlando, Florida	Peoples Bank of Auburndale, Auburndale, Florida	11/27/73	38 F.R. 33536 12/5/73
First Steuben Bancorp, Inc., Steubenville, Ohio	The Farmers National Bank of Salem, Salem, Ohio	11/15/73	38 F.R. 32847 11/28/73
First Tennessee National Corporation, Memphis, Tennessee	Mosheim Bank, Mosheim, Tennessee; Sumner County Bank and Trust Company, Gallatin, Tennessee; and National Bank of Murfreesboro, Murfreesboro, Tenn.	11/29/73	38 F.R. 34027 12/10/73
Heritage Bancorporation, Cherry Hill, New Jersey	First Charter National Bank, Monroe Township, New Jersey	11/12/73	38 F.R. 32003 11/20/73
Indian Head Banks, Inc., Nashua, New Hampshire	Keene National Bank, Keene, New Hampshire	11/12/73	38 F.R. 32008 11/20/73
Mercantile Bankshares Corporation, Baltimore, Maryland	The Commerce Bank and Trust Company of Maryland, Bethesda, Maryland	11/6/73	38 F.R. 31471 11/14/73
NBS Financial Corporation, Southfield, Michigan	National Bank of Royal Oak, Royal Oak, Michigan	11/19/73	38 F.R. 32975 11/29/73
Southeast Banking Corporation, Miami, Florida	Peoples National Bank, Naples, Florida	11/12/73	38 F.R. 32177 11/21/73
Southeast Banking Corporation, Miami, Florida	Southeast Bank of Westland, Hileah, Florida	11/15/73	38 F.R. 32851 11/28/73
United First Florida Banks, Inc., Tampa, Florida	Boynton Beach First National Bank and Trust, Boynton Beach, Florida	11/6/73	38 F.R. 31471 11/14/73
United First Florida Banks, Inc., Tampa, Florida	Marine Bank of Kissimmee, Kissimmee, Florida	11/19/73	38 F.R. 31471 11/14/73

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ORDERS UNDER SECTION 4(c)(8) OF BANK HOLDING COMPANY ACT—APPLICATIONS TO ENGAGE IN NONBANKING ACTIVITIES

Applicant	*Non banking Company (or activity)*	*Board action (effective date)*	*Federal Register citation*
Continental Illinois Corporation, Chicago, Illinois	Republic Realty Mortgage Corporation, Chicago, Illinois	11/16/73	38 F.R. 32844 11/28/73
County National Bancorporation, Clayton, Missouri	General Mortgage Company of St. Louis, St. Ann, Missouri	11/16/73	38 F.R. 32845 11/28/73
Dawson Corporation, Lexington, Nebraska	The Farmers State Bank, Lexington, Nebraska	11/12/73	38 F.R. 32175 11/21/73
Dominion Bankshares Corporation, Roanoke, Virginia	Fitton Insurance Agency, Inc., Alexandria, Virginia	11/12/73	38 F.R. 32005 11/20/73
Fidelity American Bankshares, Inc., Lynchburg, Virginia	Columbia Life Insurance Company, Phoenix, Arizona	11/15/73	38 F.R. 32846 11/28/73
First National City Corporation, New York, New York	Capital Financial Services, Inc. #21, Portland, Oregon	11/8/73	38 F.R. 31711 11/16/73
Forest Lake Finance Company, Forest Lake, Minnesota	Forest Lake State Bank, Forest Lake, Minnesota	11/16/73	38 F.R. 32848 11/28/73
FrostBank Corporation, San Antonio, Texas	Data Processing Center, San Antonio, Texas	11/12/73	38 F.R. 32007 11/20/73
Irwin Union Corporation, Columbus, Indiana	Irwin Union Credit Insurance Company, Phoenix, Arizona	11/12/73	38 F.R. 32009 11/20/73
Liberty National Corporation, Oklahoma City, Oklahoma	Liberty Financial Corporation and Liberty Mortgage Company, both in Oklahoma City, Oklahoma	11/2/73	38 F.R. 31054 11/9/73
Marine Midland Banks, Inc., Buffalo, New York	American Dimensions, Inc., Irvine, California	11/27/73	38 F.R. 33537 12/5/73
Zions Utah Bancorporation, Salt Lake City, Utah	Central Finance Corporation, Portland, Oregon	11/29/73	38 F.R. 33539 12/5/73

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

Applicant	*Bank*	*Effective date*	*Federal Register citation*
The Interim Bank of Oxford, Oxford, Alabama	First State Bank of Oxford, Oxford, Alabama	11/26/73	38 F.R. 33420 12/4/73
The Peoples Bank at Selma Mall, National Association, Selma, Alabama	The Peoples Bank and Trust Company, Selma, Alabama	11/27/73	38 F.R. 33538 12/5/73

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ORDERS ISSUED BY FEDERAL RESERVE BANKS

During November 1973, applications were approved by the Federal Reserve Banks under delegated authority as listed below. The orders have been published in the Federal Register, and copies of the orders are available upon request to the Reserve Bank.

ORDERS UNDER SECTION 3(a)(3) OF BANK HOLDING COMPANY ACT— APPLICATIONS FOR ACQUISITION OF BANK

Applicant	*Bank(s)*	*Reserve Bank*	*Effective date*	*Federal Register citation*
Chemical New York Corporation, New York, New York	First National Bank of Greenwich, Greenwich, New York	New York	10/30/73	38 F.R. 31472 11/14/73
Central National Corporation, Richmond, Virginia	The First National Bank of Yorktown, Yorktown, Virginia	Richmond	11/15/73	38 F.R. 32842 11/28/73
Fidelity American Bankshares, Inc., Lynchburg, Virginia	Planters Bank and Trust Company, Chatham, Virginia	Richmond	11/8/73	38 F.R. 32006 11/20/73
United Virginia Bankshares Inc., Richmond, Virginia	Peoples Bank of Gretna, Gretna, Virginia	Richmond	11/15/73	38 F.R. 32852 11/28/73
Central National Bancshares, Inc., Des Moines, Iowa	Adair County State Bank, Greenfield, Iowa	Chicago	11/1/73	38 F.R. 31351 11/13/73
First National Financial Corp., Kalamazoo, Michigan	The Moline State Bank, Moline, Michigan	Chicago	11/6/73	38 F.R. 32007 11/20/73
Twin Gates Corporation, Wilmington, Delaware	First National Bank of Lake City, Lake City, Michigan	Chicago	11/13/73	38 F.R. 32850 11/28/73
First Security National Corp., Beaumont, Texas	First National Bank in Grand Prairie, Texas	Dallas	11/23/73	38 F.R. 33418 12/4/73
First Security National Corp., Beaumont, Texas	Texas National Bank in Dallas, Dallas, Texas	Dallas	11/23/73	38 F.R. 33418 12/4/73

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Announcements

MARGINAL RESERVES ON LARGE CD's

The Board of Governors of the Federal Reserve System on December 7, 1973, announced a reduction from 11 per cent to 8 per cent in its marginal reserve requirement on large-denomination certificates of deposit (CD's). This action—which will reduce the costs to banks of accommodating the credit needs of their customers—was taken in recognition of the moderation in bank credit growth achieved over recent months.

The reduction took effect on deposits in the week beginning Thursday, December 13, and reduced required reserves 2 weeks later, when there was a seasonal need to provide reserves to the banking system. The net effect of the Board's action was to reduce by about $375 million the reserves required to support member bank deposits.

A marginal reserve requirement (the regular 5 per cent plus a supplemental 3 per cent) was first announced by the Board on May 16 as part of a series of actions designed to curb a rapid expansion in bank credit and help moderate inflationary pressures. An additional 3 per cent marginal reserve was announced by the Board on September 7, thus raising the total reserve requirement on affected deposits to 11 per cent.

In recent months, the rate of growth in bank credit has moderated, and the outstanding amount of large-denomination CD's has dropped substantially. Business loan expansion at banks has been at a much slower pace than earlier this year, and extensions of other forms of bank credit have also slowed.

The marginal reserve requirement applies to increases (beyond the amount outstanding in the week ended May 16) in the total of (1) time deposits in denominations of $100,000 and over and (2) bank-related commercial paper and finance bills with a maturity of 30 days or more. In no case does the supplemental reserve apply to banks whose obligations of these types total less than $10 million.

The Board said the action also affects certain nonmember State banks and U.S. agencies and branches of foreign banks that have been voluntarily holding marginal reserves on large CD's at the request of the Board. The special marginal reserve held by these institutions will now be reduced from 6 per cent to 3 per cent. The Board expressed its appreciation to the nonmember institutions for their continued cooperation.

AMENDMENT TO REGULATION Q

The Board of Governors on December 7, 1973, issued an amendment to its Regulation Q—governing payment of interest on deposits—under which customers of member banks in Massachusetts and New Hampshire may write negotiable orders of withdrawal (NOW's) against interest-bearing savings accounts.

The amendment, effective January 1, 1974, was adopted pursuant to new legislation permitting all depository institutions in the two States to allow customers to write NOW's—which function as checks—on savings accounts. The customary type of check may be written only against non-interest-paying demand deposits.

The new rules for the use of NOW's by savings depositors in Federal Reserve member banks in Massachusetts and New Hampshire are:

—Maximum interest payable on NOW accounts is 5 per cent.

—NOW accounts may be owned only by natural persons (or fiduciary accounts for individuals) and nonprofit associations eligible to maintain savings accounts.

—To avoid unfair competition for deposits with institutions in neighboring States, advertising and solicitation of NOW account deposits should be directed toward residents of Massachusetts and New Hampshire. In this connection, member banks are requested to offer NOW accounts only to permanent or temporary residents of Massachusetts and New Hampshire, persons who work in those States, and current customers.

—The number of negotiable orders of withdrawal that may be processed against an individual NOW account may not exceed 150 per year.

The Board's rules governing the use of NOW's in the two States were formulated following careful consideration of the history of the legislation and of all comments received on a tentative statement of proposed policies issued by the Board on September 14. The Board also consulted with the

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other Federal regulatory agencies through the Inter-Agency Coordinating Committee. The Federal Deposit Insurance Corporation and the Federal Home Loan Bank Board are also issuing regulations covering institutions under their jurisdiction in Massachusetts and New Hampshire.

The new rules do not require the imposition of service charges by member banks on NOW transactions. But the Board suggested that each individual bank charge a fee for transactions if its earnings from NOW accounts do not fully cover the cost of establishing and servicing such accounts.

NOW drafts will continue to be cleared, for all depository institutions, by the Federal Reserve Bank of Boston through member banks.

In cooperation with the other regulatory agencies, the Board—through the Federal Reserve Bank of Boston—is establishing a system for monitoring, on a monthly basis, the use and activity in NOW accounts. The purpose is to generate timely information on public use and acceptance of such accounts and to uncover any institutional weaknesses that may arise from excessive promotional schemes and activities.

The Board has written the chairmen and ranking minority members of the committees and subcommittees that considered the recent NOW account legislation, to inform them of the reasons underlying the Board's action. Following are excerpts from those letters:

> The Board has predicated its actions on the belief that the basic purpose of the NOW account experiment is to make money transfers a feature of savings accounts owned by individuals. The primary, but not exclusive, beneficiaries of this policy would be those who do not have checking accounts but keep their funds in a savings account in a commercial bank, a mutual savings bank, a savings and loan association or other thrift institution. The Board does not believe that NOW accounts should be made so available and attractive as to result in the wholesale conversion of demand deposits into such accounts.
>
> In formulating its rules, the Board has given close attention to comment it received on its tentative proposals published September 14, just before the new legislation went into effect. The Board has considered the views of the other Federal regulatory agencies concerned, and of the banking officials in the two states in which Congress authorized the experiment in making check-like withdrawals from interest-bearing deposits.
>
> The Board has also sought to be guided by the legislative history of PL 93-100 permitting NOW transfers from savings accounts. This legislative history indicates that the NOW account experiment was meant by Congress to be confined to Massachusetts and New Hampshire. Consequently, the Board is requesting member banks in Massachusetts and New Hampshire to limit the ownership of NOW accounts to permanent or temporary residents of those states, to persons who work in the two states and to current customers. Similarly, the Board has limited direct solicitation of NOW account deposits by member banks to the two states concerned.
>
> The legislative history also implies that eligible holders should be limited to natural persons. Savings accounts at commercial banks are limited to individuals, to fiduciary accounts for the benefit of individuals, and to certain non-profit associations. The Board has concluded that confining the use of NOW accounts at member banks to those who have savings accounts at those banks carries out the intent of Congress. The Board does not believe that Congress intended for corporations and state and local governments to have access to NOW accounts, and it sees no present reason for permitting such access.
>
> The Board believes that all depository institutions offering this service should be permitted to pay the same rates of interest on the deposits supporting NOW accounts.
>
> In its publication of September 14 soliciting comment on tentative proposals for the use of NOW accounts, the Board implied concern over the possibility that NOW accounts might be offered as a loss leader for attracting deposits. In the interest of maintaining sound banking, institutions in these two states should avoid predatory competition implicit in loss leader promotion.
>
> The Board suggests that fees should be charged where the costs of maintaining and servicing NOW accounts, including the interest paid to the holder of the account, are not fully covered by the bank's earnings on the deposits supporting the account. One reason for this concern is the fact that savings accounts at all the depository institutions in Massachusetts and New Hampshire are small on the average—less than $250—and that the large majority of all savings accounts in the two states is under $1,000. Thus, a bank's opportunities for earnings on such accounts are limited. When one keeps in mind the interest paid to holders of such accounts, the costs of setting up accounts and the servicing of transactions, it is clear that unless fees are charged for NOW transfers many, if not most, such accounts would be operated at a loss to the institution offering them. This would tend to undermine the viability of the experiment by undermining the earning capacity and ultimately the soundness of institutions caught in a competitive bind. The Board is reluctant to deal with this possibility by fixing the money equivalent of the costs of handling a funds transfer in a NOW account, since this will vary from institution to institution or customer to customer, or even from transaction to transaction. The best solution, therefore, appears to be for an individual bank to charge fees in the light of its own knowledge of the relation of its costs to its earnings on NOW accounts.
>
> The NOW account may become the vehicle for wholesale conversion of checking accounts to

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NOW accounts unless some limitation is imposed upon the use of NOW transfers. The Board has therefore set a twelve-month limit of 150 such transfers per account. The NOW account should be of particular benefit to that segment of the public that does not maintain checking accounts, and, therefore, does not make large numbers of payments in some form other than currency. The limit of 150 transfers per year, consequently, seems appropriate at the outset to serve that segment of the public that the Board expects will derive the primary benefit from the NOW account.

NEW PUBLICATION

Lending Functions of the Federal Reserve Banks: A History by Howard H. Hackley, formerly General Counsel of the Board, is available for distribution.

This study traces the legal history of the lending functions of the Federal Reserve Banks: the nature of the original statutory authority of the Federal Reserve Banks to make loans; the reasons for which that authority was given to the Reserve Banks by the Congress; how and why the authority has been changed, expanded, or modified by subsequent statutes; the nature of regulations on this subject that have been issued by the Board of Governors of the Federal Reserve System; how the Board has interpreted the law; and how the law has been construed and applied by the courts.

Copies may be obtained from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The price is $3.50 per copy; in quantities of 10 or more sent to one address, $3.00 each.

ADMISSION OF STATE BANKS TO MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM

The following banks were admitted to membership in the Federal Reserve System during the period November 16, 1973, through December 15, 1973:

North Carolina
Winston-Salem ..... United Citizens Bank

Virginia
Isle of Wight County .. Bank of Isle of Wight

BANKS IN HOLDING COMPANY GROUPS: ADDITIONAL DATA

Statistics for banking offices, assets, and deposits of banks in holding company groups appeared in the June 1973 BULLETIN. The table below gives a further breakdown of totals into multibank and one-bank classifications.

Multibank and one-bank classifications are based on the number of banks controlled, directly or indirectly, by the top-tiered holding company. Holding companies that are subsidiaries of other holding companies are eliminated; therefore, the total number of multibank and one-bank companies is lower than the total number of bank holding companies shown in the June BULLETIN.

Classification	Number of companies	Number of offices			Assets	Deposits
		Banks	Branches	Total	Millions of dollars	
Total	1,607	2,720	13,441	16,161	467,487	379,355
Member	.....	1,354	11,206	12,560	417,921	335,869
Nonmember	.....	1,366	2,235	3,601	49,566	43,486
Multibank	210	1,457	6,147	7,604	238,185	193,695
Member	.....	867	5,217	6,084	216,039	174,359
Nonmember	.....	590	930	1,520	22,146	19,336
One-bank	1,257	1,263	7,294	8,557	229,302	185,660
Member	.....	487	5,989	6,476	201,882	161,510
Nonmember	.....	776	1,305	2,081	27,420	24,150
All commercial banks	.....	13,927	24,398	38,325	739,591	616,592

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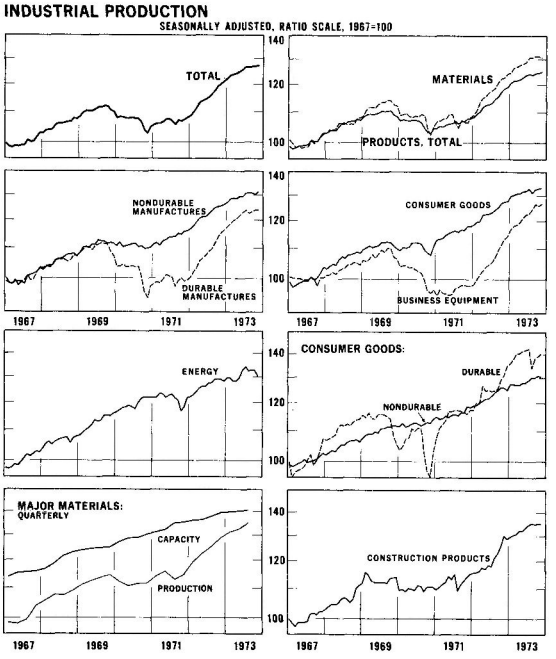
Industrial Production

Released for publication December 14

Industrial production increased by 0.2 per cent in November, the same rate of increase that occurred in September and October based on revised figures. The total index in November at 127.2 per cent of the 1967 average was 5.8 per cent above a year earlier.

Figures for both September and October were revised downward with the revisions centered in business equipment and industrial materials. This lowered the total index by 0.2 per cent for September and 0.6 per cent for October.

Auto assemblies in November were at an annual rate of 9.6 million units, up from the 9.4 million rate in October. Output of most household appliances and TV sets was maintained at advanced levels in November, but production of furniture declined. Output of nondurable consumer goods changed little. Production of durable consumer goods and of business equipment rose in November. These increases were partially offset by a decline in output of industrial materials. Production of steel was unchanged, but output of most durable and nondurable goods materials including the textile, paper, and chemical grouping was down. Capacity limitations and shortages of component parts were factors in the recent slower growth in the total index.



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

Industrial production	Seasonally adjusted 1967 = 100			Percentage change from—		Per cent changes, annual rate		
	1973			Month ago	Year ago	1973		
	Sept.	Oct.[p]	Nov.[e]			QI	QII	QIII
Total	**126.8**	**127.0**	**127.2**	**.2**	**5.8**	**9.7**	**5.5**	**6.1**
Products, total	124.3	124.5	125.0	.4	5.4	10.1	5.3	3.9
Final products	122.6	122.8	123.1	.2	5.8	10.7	5.0	4.3
Consumer goods	132.4	132.9	133.2	.2	4.6	9.1	3.7	1.8
Durable goods	138.2	139.1	140.3	.9	7.1	19.4	9.3	−8.8
Nondurable goods	130.1	130.7	130.6	−.1	3.7	5.1	1.3	6.6
Business equipment	126.5	125.8	126.6	.6	11.6	17.0	10.9	11.9
Intermediate products	131.0	130.9	132.0	.8	3.4	7.6	4.6	4.0
Construction products	134.9	135.0	135.0	...	3.8	6.6	9.8	6.9
Materials	131.3	131.2	130.7	−.4	6.4	9.4	7.0	8.4

[p]Preliminary. [e]Estimated.

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Financial and Business Statistics

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Guide to Tabular Presentation

SYMBOLS AND ABBREVIATIONS

e	Estimated
c	Corrected
p	Preliminary
r	Revised
rp	Revised preliminary
I, II, III, IV	Quarters
n.e.c.	Not elsewhere classified
A.R.	Annual rate
S.A.	Monthly (or quarterly) figures adjusted for seasonal variation
N.S.A.	Monthly (or quarterly) figures not adjusted for seasonal variation
IPC	Individuals, partnerships, and corporations
SMSA	Standard metropolitan statistical area
A	Assets
L	Liabilities
S	Sources of funds
U	Uses of funds
*	Amounts insignificant in terms of the particular unit (e.g., less than 500,000 when the unit is millions)
	(1) Zero, (2) no figure to be expected, or (3) figure delayed

GENERAL INFORMATION

Minus signs are used to indicate (1) a decrease, (2) a negative figure, or (3) an outflow.

A heavy vertical rule is used in the following instances: (1) to the right (to the left) of a total when the components shown to the right (left) of it add to that total (totals separated by ordinary rules include more components than those shown), (2) to the right (to the left) of items that are not part of a balance sheet, (3) to the left of memorandum items.

"U.S. Govt. securities" may include guaranteed issues of U.S. Govt. agencies (the flow of funds figures also include not fully guaranteed issues) as well as direct obligations of the Treasury. "State and local govt." also includes municipalities, special districts, and other political subdivisions.

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

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

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MEMBER BANK RESERVES, FEDERAL RESERVE BANK CREDIT, AND RELATED ITEMS

(In millions of dollars)

Period or date	Factors supplying reserve funds									Treasury currency outstanding
	Reserve Bank credit outstanding						Gold stock	Special Drawing Rights certificate account		
	U.S. Govt. securities [1]			Loans	Float [2]	Other F.R. assets [3]	Total [4]			
	Total	Bought outright	Held under repurchase agreement							
Averages of daily figures										
1939—Dec.	2,510	2,510	.....	8	83	.....	2,612	17,518	.....	2,956
1941—Dec.	2,219	2,219	.....	5	170	.....	2,404	22,759	.....	3,239
1945—Dec.	23,708	23,708	.....	381	652	.....	24,744	20,047	.....	4,322
1950—Dec.	20,345	20,336	9	142	1,117	.....	21,606	22,879	.....	4,629
1960—Dec.	27,248	27,170	78	94	1,665	.....	29,060	17,954	.....	5,396
1968—Dec.	52,529	52,454	75	765	3,251	.....	56,610	10,367	.....	6,810
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	400	7,145
1971—Dec.	69,158	68,868	290	107	3,905	982	74,255	10,132	400	7,611
1972—Nov.	71,112	70,815	297	606	2,966	1,170	75,959	10,410	400	8,278
Dec.	71,094	70,790	304	1,049	3,479	1,138	76,851	10,410	400	8,293
1973—Jan.	72,194	71,711	483	1,165	3,267	1,329	78,063	10,410	400	8,321
Feb.	72,307	72,082	225	1,593	2,556	1,004	77,600	10,410	400	8,353
Mar.	74,019	73,624	395	1,858	2,387	839	79,219	10,410	400	8,406
Apr.	75,353	74,914	439	1,721	2,319	1,043	80,542	10,410	400	8,444
May	76,758	76,205	553	1,786	2,247	960	81,889	10,410	400	8,478
June	75,355	75,047	308	1,789	2,369	942	80,546	10,410	400	8,518
July	77,448	76,875	573	2,051	3,113	1,180	83,880	10,410	400	8,538
Aug.	76,653	76,475	178	2,143	2,566	1,018	82,445	10,410	400	8,549
Sept.	76,073	75,712	361	1,861	2,924	889	81,809	10,410	400	8,584
Oct.	78,042	77,500	542	1,467	2,933	1,122	83,643	10,933	400	8,613
Nov.[p]	78,457	77,937	520	1,399	2,633	1,078	83,625	11,567	400	8,642
Week ending—										
1973—Sept. 5	77,382	76,828	554	2,363	1,756	781	82,349	10,410	400	8,568
12	74,723	74,600	123	1,488	3,402	834	80,490	10,410	400	8,574
19	75,085	75,085	.....	1,704	3,815	901	81,542	10,410	400	8,586
26	76,499	76,287	212	2,189	2,572	942	82,263	10,410	400	8,592
Oct. 3	77,917	76,503	1,414	1,519	2,551	990	83,110	10,410	400	8,598
10	77,376	76,360	1,016	1,351	3,096	1,041	82,981	10,410	400	8,599
17	78,053	77,692	361	1,169	3,482	1,109	83,884	10,410	400	8,614
24	78,419	78,267	152	1,912	3,120	1,198	84,705	11,567	400	8,622
31	78,325	78,072	253	1,455	2,251	1,198	83,284	11,567	400	8,627
Nov. 7	78,007	78,007	.....	1,170	2,194	1,281	82,701	11,567	400	8,626
14	77,154	76,867	287	1,521	2,526	1,378	82,633	11,567	400	8,629
21[p]	79,692	78,365	1,327	1,569	2,826	826	84,990	11,567	400	8,650
28[p]	78,886	78,404	482	1,288	3,270	871	84,370	11,567	400	8,659
End of month										
1973—Sept.	77,900	[8] 76,469	1,431	1,558	2,513	974	83,090	10,410	400	8,614
Oct.	80,378	[8] 78,606	1,772	2,198	2,654	1,265	86,602	11,567	400	8,649
Nov.[p]	79,107	[8] 78,203	904	1,914	1,950	916	83,958	11,567	400	8,661
Wednesday										
1973—Sept. 5	75,896	[9] 75,896	.....	1,341	2,498	819	80,595	10,410	400	8,573
12	75,007	[9] 75,007	.....	1,278	3,952	865	81,140	10,410	400	8,577
19	74,820	[9] 74,820	.....	2,286	4,471	950	82,563	10,410	400	8,590
26	76,969	[9] 76,346	623	4,522	3,036	996	85,580	10,410	400	8,595
Oct. 3	78,766	[8] 76,657	2,109	1,205	3,474	1,028	84,612	10,410	400	8,599
10	73,802	[9] 73,802	.....	705	4,561	1,117	80,228	10,410	400	8,599
17	78,952	[8] 77,849	1,103	1,536	3,770	1,170	85,558	10,410	400	8,619
24	79,371	[8] 78,302	1,069	3,367	3,281	1,215	87,329	11,567	400	8,623
31	80,378	[8] 78,606	1,772	2,198	2,654	1,265	86,602	11,567	400	8,649
Nov. 7[p]	77,207	[9] 77,207	.....	839	2,525	1,315	81,933	11,567	400	8,626
14[p]	79,417	[9] 77,406	2,011	3,991	2,470	1,375	87,359	11,567	400	8,630
21[p]	80,862	[8] 78,441	2,421	1,387	3,584	859	86,810	11,567	400	8,656
28[p]	79,466	[8] 78,507	959	1,486	3,945	923	85,880	11,567	400	8,661

[1] Includes Federal agency issues held under repurchase agreements as of Dec. 1, 1966, and Federal agency issues bought outright as of Sept. 29, 1971.

[2] Beginning with 1960 reflects a minor change in concept; see Feb. 1961 BULLETIN, p. 164.

[3] Beginning Apr. 16, 1969, "Other F.R. assets" and "Other F.R. liabilities and capital" are shown separately; formerly, they were netted together and reported as "Other F.R. accounts."

[4] Includes industrial loans and acceptances until Aug. 21, 1959, when industrial loan program was discontinued. For holdings of acceptances on Wed. and end-of-month dates, see tables on F.R. Banks on following pages. See also note 2.

[5] Includes certain deposits of domestic nonmember banks and foreign-owned banking institutions held with member banks and redeposited in full with Federal Reserve Banks in connection with voluntary participation by nonmember institutions in the Federal Reserve System's program of credit restraint.

Notes continued on opposite page.

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MEMBER BANK RESERVES, FEDERAL RESERVE BANK CREDIT, AND RELATED ITEMS—Continued

(In millions of dollars)

Factors absorbing reserve funds									
Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F.R. Banks			Other F.R. accounts[3]	Other F.R. liabilities and capital[3]	Member bank reserves			Period or date
		Treasury	Foreign	Other[2,5]			With F.R. Banks	Currency and coin[6]	Total[7]	
										Averages of daily figures
7,609	2,402	616	739		248	.....	11,473	.....	11,473	.....1939—Dec.
10,985	2,189	592	1,531		292	.....	12,812	.....	12,812	.....1941—Dec.
28,452	2,269	625	1,247		493	.....	16,027	.....	16,027	.....1945—Dec.
27,806	1,290	615	920	353	739	.....	17,391	.....	17,391	.....1950—Dec.
33,019	408	522	250	495	1,029	.....	16,688	2,595	19,283	.....1960—Dec.
50,609	756	360	225	458	−1,105	.....	22,484	4,737	27,221	.....1968—Dec.
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.
64,543	375	1,321	195	604	.....	2,378	25,631	5,813	[7] 31,774	.....1972—Nov.[7]
66,060	350	1,449	272	631	.....	2,362	24,830	6,095	31,353	.....Dec.
65,274	364	2,033	294	644	.....	2,365	26,220	6,463	32,962	.....1973—Jan.
64,564	382	2,956	302	645	.....	2,482	25,432	6,031	31,742	.....Feb.
65,072	384	3,598	338	666	.....	2,530	25,848	5,856	31,973	.....Mar.
66,068	414	3,471	275	666	.....	2,622	26,281	5,824	32,277	.....Apr.
66,726	413	4,121	330	652	.....	2,721	26,214	6,007	32,393	.....May
67,609	386	2,408	266	698	.....	2,732	25,776	6,086	32,028	.....June
68,382	346	3,375	341	782	.....	2,846	27,156	6,274	33,542	.....July
68,394	344	1,674	300	838	.....	2,877	27,377	6,296	33,785	.....Aug.
68,592	349	792	332	781	.....	2,848	27,509	6,402	34,019	.....Sept.
68,909	622	1,718	266	[5] 752	.....	2,866	28,457	6,371	34,912	.....Oct.
69,927	340	1,772	522	[5] 689	.....	2,854	28,130	6,378	34,592	.....Nov.[p]
										Week ending—
68,499	343	1,095	271	787	.....	3,069	27,663	6,346	34,121	.....1973—Sept. 5
68,955	340	2	336	758	.....	2,661	26,822	6,591	33,525	12
68,716	343	354	364	859	.....	2,759	27,543	6,205	33,860	19
68,343	355	1,326	373	746	.....	2,875	27,647	6,385	34,144	26
68,366	371	1,771	252	713	.....	2,972	28,073	6,515	34,672	.....Oct. 3
68,886	350	1,362	270	682	.....	2,735	28,105	6,606	34,795	10
69,156	354	1,439	276	764	.....	2,802	28,518	6,413	35,015	17
68,970	1,522	1,566	254	[5] 950	.....	2,904	29,128	5,899	35,111	24
68,787	365	2,422	279	[5] 655	.....	3,004	28,368	6,496	34,948	31
69,061	364	2,087	332	[5] 662	.....	2,726	28,062	6,479	34,625	.....Nov. 7
69,834	338	1,120	580	[5] 696	.....	2,738	27,924	6,720	34,728	14
70,181	333	1,946	557	[5] 722	.....	2,913	28,955	6,015	35,054	.....21[p]
70,502	329	1,853	651	[5] 684	.....	2,986	27,990	6,292	34,366	.....28[p]
										End of month
68,217	361	1,624	250	[5] 798	.....	3,021	28,240	6,515	34,839	.....Sept.
69,043	342	1,837	426	[5] 719	.....	3,065	31,787	6,496	38,367	.....Oct.
70,258	334	1,945	420	[5] 672	.....	3,025	27,933	6,403	34,420	.....Nov.[p]
										Wednesday
68,965	346	1,102	284	[5] 741	.....	3,011	25,529	6,346	31,987	.....1973—Sept. 5
69,071	347	2	277	[5] 776	.....	2,687	27,367	6,591	34,070	12
68,658	358	1,105	411	[5] 1,010	.....	2,786	27,635	6,205	33,952	19
68,453	372	1,125	459	[5] 670	.....	2,945	30,962	6,385	37,459	26
68,703	367	1,594	239	[5] 612	.....	3,101	29,405	6,515	36,004	.....Oct. 3
69,331	355	2,638	265	[5] 654	.....	2,742	23,652	6,606	30,342	10
69,188	381	1,124	286	[5] 743	.....	2,846	30,419	6,413	36,916	17
69,077	1,537	1,252	272	[5] 673	.....	2,986	32,122	5,899	38,105	24
69,043	342	1,837	426	[5] 719	.....	3,065	31,787	6,496	38,367	31
69,626	353	1,557	413	[5] 654	.....	2,679	27,244	6,479	33,807	.....Nov. 7[p]
70,156	343	1,530	552	[5] 697	.....	2,808	31,870	6,720	38,674	.....14[p]
70,522	333	1,404	759	[5] 662	.....	2,988	30,765	6,015	36,864	.....21[p]
70,655	333	2,001	516	[5] 645	.....	3,029	29,328	6,292	35,704	.....28[p]

[6] Part allowed as reserves Dec. 1, 1959—Nov. 23, 1960; all allowed thereafter. Beginning with Jan. 1963, figures are estimated except for weekly averages. Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.

[7] Beginning with week ending Nov. 15, 1972, includes $450 million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation 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.

[8] Includes securities loaned—fully secured by U.S. Govt. securities pledged with F.R. Banks.

[9] Includes securities loaned—fully secured by U.S. Govt. securities pledged with F.R. Banks. Also reflects securities sold, and scheduled to be bought back, under matched sale/purchase transactions.

For other notes see opposite page.

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RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks					Large banks[2]						All other banks	
	Reserves			Borrowings		New York City		City of Chicago		Other			
	Total held[1]	Required	Excess[1]	Total	Seasonal	Excess	Borrowings	Excess	Borrowings	Excess	Borrowings	Excess	Borrowings
1939—Dec.	11,473	6,462	5,011	3	.....	2,611	.....	540	.....	1,188	.....	671	3
1941—Dec.	12,812	9,422	3,390	5	.....	989	.....	295	.....	1,303	1	804	4
1945—Dec.	16,027	14,536	1,491	334	.....	48	192	14	.....	418	96	1,011	46
1950—Dec.	17,391	16,364	1,027	142	.....	125	58	8	5	232	50	663	29
1960—Dec.	19,283	18,527	756	87	.....	29	19	4	8	100	20	623	40
1965—Dec.	22,719	22,267	452	454	.....	41	111	15	23	67	228	330	92
1967—Dec.	25,260	24,915	345	238	.....	18	40	8	13	50	105	267	80
1968—Dec.	27,221	26,766	455	765	.....	100	230	15	85	90	270	250	180
1969—Dec.	28,031	27,774	257	1,086	.....	56	259	18	27	6	479	177	321
1970—Dec.	29,265	28,993	272	321	.....	34	25	7	4	42	264	189	28
1971—Dec.	31,329	31,164	165	107	.....	25	35	1	8	−35	22	174	42
1972—Nov.	31,774	31,460	314	606	.....	4	64	−14	19	−1	248	−5	275
Dec.	31,353	31,134	219	1,049	.....	−20	301	13	55	−42	429	−160	264
1973—Jan.	32,962	32,620	342	1,165	.....	95	193	2	108	−33	578	−1	286
Feb.	31,742	31,537	205	1,593	.....	−13	324	.....	105	−33	693	−28	471
Mar.	31,973	31,678	295	1,858	.....	72	176	−6	102	7	857	−47	723
Apr.	32,277	32,125	152	1,721	5	38	146	8	9	−111	828	45	738
May	32,393	32,275	118	1,786	30	−35	110	6	12	−65	881	40	783
June	32,028	31,969	59	1,789	77	−62	145	−4	28	−78	904	37	712
July	33,542	33,199	343	2,051	124	144	135	22	67	−23	855	88	994
Aug.	33,785	33,539	246	2,143	163	37	109	−7	53	6	754	98	1,227
Sept.	34,019	33,782	237	1,861	147	−7	115	24	62	31	712	81	972
Oct.	34,912	34,712	200	1,467	126	11	74	1	54	−11	589	115	750
Nov.[p]	34,592	34,530	62	1,399	84	11	180	−40	29	−86	605	93	585
Week ending—													
1972—Nov. 1	33,704	33,499	205	555	.....	38	2	−15	7	19	261	163	285
8	33,694	33,570	124	959	.....	−32	192	20	31	−40	447	176	289
15	32,132	31,346	786	494	.....	196	.....	−11	11	91	192	60	291
22	30,539	30,350	189	419	.....	−18	1	26	15	−87	136	−182	267
29	30,728	30,388	340	572	.....	26	80	−30	23	−6	226	−100	243
1973—Apr. 4	32,619	32,082	537	1,754	.....	169	144	18	8	99	865	79	737
11	31,759	31,845	−86	1,502	.....	−184	24	−14	13	−90	775	30	690
18	32,624	32,390	234	1,845	.....	146	306	2	2	−104	841	18	696
25	32,398	32,062	336	1,646	9	80	45	20	18	11	795	53	788
May 2	32,504	32,271	233	1,875	16	56	222	19	6	−63	868	49	779
9	32,246	32,327	−81	1,484	18	−75	182	−50	33	−137	580	9	689
16	32,963	32,600	363	1,814	23	49	123	42	9	6	993	94	689
23	32,302	32,178	124	1,689	32	33	30	−27	.....	−49	815	−5	844
30	32,226	32,060	166	2,401	46	7	144	27	11	−89	1,283	49	963
June 6	32,218	31,817	401	1,664	64	62	200	34	47	88	689	45	728
13	31,597	31,595	2	1,700	67	−78	31	−1	18	−102	953	11	698
20	32,302	32,121	181	1,930	71	92	262	−24	9	−113	965	54	694
27	32,224	32,000	224	1,848	93	−42	107	−7	.....	60	1,028	41	713
July 4	33,328	32,697	631	2,402	111	190	454	57	195	103	917	169	836
11	32,507	32,527	−20	1,680	117	−131	115	−51	28	−52	759	102	778
18	33,723	33,262	461	1,720	117	232	.....	−2	13	10	851	109	856
25	33,827	33,793	34	2,081	128	−150	50	56	24	−26	842	42	1,165
Aug. 1	34,051	33,552	499	2,095	141	266	.....	12	88	−5	785	114	1,222
8	33,455	33,381	74	2,006	158	−40	90	24	41	−68	741	46	1,134
15	33,827	33,511	316	1,914	148	24	50	−3	54	21	656	162	1,154
22	33,600	33,558	42	2,133	163	−24	172	2	36	−84	712	36	1,213
29	33,796	33,673	123	2,561	185	−47	137	−21	68	2	948	77	1,408
Sept. 5	34,121	33,644	477	2,363	168	201	143	29	117	29	799	106	1,304
12	33,525	33,401	124	1,488	145	−46	32	−5	20	−38	590	101	846
19	33,860	33,724	136	1,704	139	−4	91	3	15	−40	758	65	840
26	34,144	34,070	74	2,189	150	−21	217	27	127	−80	855	36	990
Oct. 3	34,672	34,220	452	1,519	144	88	43	7	41	130	463	143	972
10	34,795	34,395	400	1,351	131	128	43	1	9	10	535	177	764
17	35,015	35,106	−91	1,169	120	−158	26	−9	58	−81	520	73	565
24	35,111	34,741	370	1,912	125	131	185	7	66	40	901	108	760
31	34,948	34,817	131	1,455	119	−69	72	30	81	1	473	85	829
Nov. 7	34,625	34,360	265	1,170	93	102	192	−54	12	−8	383	141	583
14	34,728	34,707	21	1,521	80	−109	262	−23	61	−29	763	98	435
21[p]	35,054	34,718	336	1,569	85	102	223	8	16	46	625	96	705
28[p]	34,366	34,349	17	1,288	84	−64	94	−54	29	−33	543	84	622

[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.

[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. Beginning with Jan. 1964 reserves are estimated except for weekly averages.

Borrowings at F.R. Banks: Based on closing figures.

Effective Apr. 19, 1973, the Board's Regulation A, which governs lending by Federal Reserve Banks, was revised to assist smaller member banks to meet the seasonal borrowing needs of their communities.

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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		
		Less—		Net—		Gross transactions			Net transactions				
	Excess reserves[1]	Borrowings at F.R. Banks	Net interbank Federal funds trans.	Surplus or deficit	Per cent of avg. required reserves	Purchases	Sales	Total two-way transactions[2]	Purchases of net buying banks	Sales of net selling banks	Loans to dealers[3]	Borrowings from dealers[4]	Net loans
Total—46 banks													
Oct. 3	223	109	7,868	−7,754	51.3	15,915	8,047	5,475	10,440	2,572	1,871	938	933
10	181	164	10,136	−10,118	65.7	16,541	6,405	4,859	11,682	1,546	2,262	693	1,570
17	−26	194	11,063	−11,283	71.0	17,698	6,635	4,626	13,072	2,009	1,739	886	853
24	50	475	9,358	−9,783	62.9	16,728	7,370	4,909	11,819	2,461	1,643	811	832
31	71	233	9,202	−9,364	60.3	15,985	6,783	4,403	11,582	2,380	2,048	706	1,342
Nov. 7	54	256	11,833	−12,034	78.7	18,939	7,106	4,871	14,068	2,235	2,463	683	1,780
14	−53	627	12,949	−13,628	87.3	19,861	6,912	5,020	14,842	1,893	2,560	774	1,786
21	167	487	12,584	−12,904	84.0	19,131	6,547	5,108	14,022	1,439	1,911	1,004	908
28	88	270	11,773	−11,955	79.8	18,265	6,492	5,304	12,962	1,189	1,890	765	1,125
8 in New York City													
Oct. 3	78	43	3,177	−3,142	51.8	4,533	1,357	1,344	3,190	13	1,162	337	825
10	169	43	3,651	−3,526	57.2	4,391	739	739	3,651	.....	1,071	311	760
17	−31	14	4,569	−4,614	72.3	5,367	799	799	4,569	.....	1,140	354	785
24	12	160	3,758	−3,906	63.4	4,989	1,231	1,231	3,758	.....	1,084	399	684
31	−1	69	3,521	−3,591	58.3	4,211	690	690	3,521	.....	1,295	376	919
Nov. 7	74	170	5,072	−5,168	85.7	5,679	607	607	5,072	.....	1,656	383	1,272
14	−27	247	4,781	−5,056	81.1	5,707	926	926	4,781	.....	1,664	421	1,243
21	87	189	4,044	−4,147	67.9	5,093	1,048	1,048	4,044	.....	1,354	421	933
28	12	76	3,692	−3,756	63.3	4,787	1,095	1,095	3,692	.....	1,273	395	878
38 outside New York City													
Oct. 3	146	66	4,691	−4,612	50.9	11,382	6,690	4,131	7,250	2,559	709	601	108
10	13	121	6,485	−6,593	71.4	12,150	5,666	4,120	8,031	1,546	1,191	381	809
17	5	180	6,494	−6,669	70.2	12,331	5,836	3,827	8,503	2,009	600	532	68
24	38	315	5,599	−5,877	62.6	11,739	6,139	3,678	8,060	2,461	559	411	148
31	73	165	5,681	−5,773	61.7	11,774	6,094	3,713	8,061	2,380	753	330	423
Nov. 7	−20	86	6,761	−6,867	74.1	13,260	6,499	4,264	8,996	2,235	807	300	507
14	−25	379	8,168	−8,572	91.5	14,154	5,886	4,093	10,061	1,893	896	353	543
21	80	298	8,539	−8,757	94.6	14,038	5,499	4,060	9,978	1,439	557	583	−26
28	76	195	8,081	−8,199	90.6	13,478	5,397	4,208	9,270	1,189	618	370	248
5 in City of Chicago													
Oct. 3	12	21	2,789	−2,798	173.3	3,580	791	710	2,871	81	404	.....	404
10	4	.....	3,359	−3,355	202.6	4,053	694	673	3,380	21	394	81	313
17	−13	29	3,415	−3,456	198.6	4,080	665	637	3,443	28	409	95	314
24	−6	54	2,646	−2,706	161.5	3,561	915	810	2,751	105	430	95	335
31	33	57	2,844	−2,868	173.4	3,586	741	684	2,902	57	448	95	333
Nov. 7	−25	.....	3,518	−3,543	216.2	4,254	736	652	3,602	84	509	95	414
14	−1	51	3,983	−4,035	247.4	4,504	521	466	4,038	55	600	95	505
21	−2	.....	4,142	−4,144	263.6	4,943	801	717	4,225	84	316	54	261
28	11	.....	3,448	−3,437	226.2	4,371	924	847	3,525	77	330	.....	330
33 others													
Oct. 3	133	45	1,902	−1,813	24.4	7,801	5,899	3,421	4,380	2,478	305	601	−296
10	9	121	3,126	−3,238	42.8	8,097	4,972	3,447	4,651	1,525	797	300	497
17	17	151	3,080	−3,214	41.4	8,251	5,171	3,190	5,061	1,981	191	437	−246
24	44	262	2,953	−3,171	41.2	8,178	5,225	2,869	5,309	2,356	130	316	−187
31	39	107	2,836	−2,905	37.7	8,189	5,353	3,029	5,160	2,323	305	235	70
Nov. 7	5	86	3,243	−3,324	43.6	9,006	5,763	3,612	5,394	2,152	298	205	93
14	−24	328	4,185	−4,537	58.6	9,650	5,466	3,628	6,023	1,838	297	258	39
21	82	298	4,398	−4,614	60.0	9,095	4,698	3,343	5,753	1,355	241	528	−287
28	65	195	4,633	−4,763	63.3	9,107	4,474	3,362	5,745	1,112	287	370	−82

[1] Based upon reserve balances, including all adjustments applicable to the reporting period. Prior to Sept. 25, 1968, carryover reserve deficiencies, if any, were deducted. Excess reserves for later periods are net of all carryover reserves.

[2] Derived from averages for individual banks for entire week. Figure for each bank indicates extent to which the bank's weekly average purchases and sales are offsetting.

[3] Federal funds loaned, net funds supplied to each dealer by clearing banks, repurchase agreements (purchases of securities from dealers subject to resale), or other lending arrangements.

[4] Federal funds borrowed, net funds acquired from each dealer by clearing banks, reverse repurchase agreements (sales of securities to dealers subject to repurchase), resale agreements, and borrowings secured by Govt. or other issues.

NOTE.—Weekly averages of daily figures. For description of series and back data, see Aug. 1964 BULLETIN, pp. 944–74.

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CURRENT RATES

(Per cent per annum)

Federal Reserve Bank	Loans to member banks— Under Secs. 13 and 13a [1]			Loans to member banks— Under Sec. 10(b) [2]			Loans to all others under last par. Sec. 13 [3]		
	Rate on Nov. 30, 1973	Effective date	Previous rate	Rate on Nov. 30, 1973	Effective date	Previous rate	Rate on Nov. 30, 1973	Effective date	Previous rate
Boston	7½	Aug. 23, 1973	7	8	Aug. 23, 1973	7½	9½	Aug. 23, 1973	9
New York	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Philadelphia	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Cleveland	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Richmond	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Atlanta	7½	Aug. 16, 1973	7	8	Aug. 16, 1973	7½	9½	Aug. 16, 1973	9
Chicago	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
St. Louis	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Minneapolis	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Kansas City	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
Dallas	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	9
San Francisco	7½	Aug. 14, 1973	7	8	Aug. 14, 1973	7½	9½	Aug. 14, 1973	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. Maximum maturity: 90 days except that discounts of certain bankers' acceptances and of agricultural paper may have maturities not over 6 months and 9 months, respectively.

[2] Advances secured to the satisfaction of the F.R. Bank. Maximum maturity: 4 months.

[3] Advances to individuals, partnerships, or corporations other than member banks secured by direct obligations of, or obligations fully guaranteed as to principal and interest by, the U.S. Govt. or any agency thereof. Maximum maturity: 90 days.

[4] Also effective on the same dates as the other rates shown above for the eight Reserve Banks so designated, a rate of 7½ per cent was approved on advances to nonmember banks, to be applicable in special circumstances resulting from implementation of changes in Regulation J, which became effective on Nov. 9, 1972. See "Announcements" on p. 942 of the Oct. 1972 BULLETIN and p. 994 of the Nov. 1972 BULLETIN.

SUMMARY OF EARLIER CHANGES

(Per cent per annum)

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1954	1½	1½
1955—Apr. 14	1½–1¾	1½
15	1½–1¾	1¾
May 2	1¾	1¾
Aug. 4	1¾–2¼	1¾
5	1¾–2¼	2
12	2 –2¼	2
Sept. 9	2 –2¼	2¼
13	2¼	2¼
Nov. 18	2¼–2½	2½
23	2½	2½
1956—Apr. 13	2½–3	2¾
20	2¾–3	2¾
Aug. 24	2¾–3	3
31	3	3
1957—Aug. 9	3 –3½	3
23	3½	3½
Nov. 15	3 –3½	3
Dec. 2	3	3
1958—Jan. 22	2¾–3	3
24	2¾–3	2¾
Mar. 7	2¼–3	2¼
13	2¼–2¾	2¼
21	2¼	2¼
Apr. 18	1¾–2¼	1¾
May 9	1¾	1¾
Aug. 15	1¾–2	1¾
Sept. 12	1¾–2	2
23	2	2
Oct. 24	2 –2½	2
Nov. 7	2½	2½
1959—Mar. 6	2½–3	3
16	3	3
May 29	3 –3½	3½
June 12	3½	3½
Sept. 11	3½–4	4
18	4	4
1960—June 3	3½–4	4
10	3½–4	3½
14	3½	3½
Aug. 12	3 –3½	3
Sept. 9	3	3
1963—July 17	3 –3½	3½
26	3½	3½
1964—Nov. 24	3½–4	4
30	4	4
1965—Dec. 6	4 –4½	4½
13	4½	4½
1967—Apr. 7	4 –4½	4
14	4	4
Nov. 20	4 –4½	4½
27	4½	4½
1968—Mar. 15	4½–5	4½
22	5	5
Apr. 19	5 –5½	5½
26	5½	5½
Aug. 16	5¼–5½	5½
30	5¼	5¼
Dec. 18	5¼–5½	5½
20	5½	5½
1969—Apr. 4	5½–6	6
8	6	6
1970—Nov. 11	5¾–6	6
13	5¾–6	5¾
16	5¾	5¾
Dec. 1	5½–5¾	5¾
4	5½–5¾	5½
11	5½	5½
1971—Jan. 8	5¼–5½	5¼
15	5¼	5¼
19	5 –5¼	5¼
22	5 –5¼	5
29	5	5
Feb. 13	4¾–5	5
19	4¾	4¾
July 16	4¾–5	5
23	5	5
Nov. 11	4¾–5	5
19	4¾	4¾
Dec. 13	4½–4¾	4¾
17	4½–4¾	4½
24	4½	4½
1973—Jan. 15	5	5
Feb. 26	5 –5½	5½
Mar. 2	5½	5½
Apr. 23	5½–5¾	5½
May 4	5¾	5¾
11	5¾–6	6
18	6	6
June 11	6 –6½	6½
15	6½	6½
July 2	7	7
Aug. 14	7 –7½	7½
23	7½	7½
In effect Nov. 30, 1973	7½	7½

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

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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			Other time	
	0–5	Over 5	0–5	Over 5	Savings	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

Effective date	Net demand [2,4]					Time [3]		
	0–2	2–10	10–100	100–400	Over 400 [5]	Savings	Other time 0–5	Other time Over 5 [6,9]
1972—Nov. 9	8	10	12	[7] 16½	17½	[8] 3	[8] 3	[8] 5
Nov. 16				13				
1973—July 19		10½	12½	13½	18			
In effect Nov. 30, 1973 [9]	8	10½	12½	13½	18	3	3	5

Present legal requirement:	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 above a specified base and against foreign branch loans to U.S. residents, which until June 21, 1973, were also maintained above a specified base. The reserve-free base relating to net balances due from domestic banks to foreign branches is being reduced gradually beginning July 5, 1973, and will be eliminated by April 1974. The applicable reserve percentage, originally 10 per cent, was increased to 20 per cent on Jan. 7, 1971, and effective June 21, 1973, was reduced to 8 per cent. Regulation D imposes a similar reserve requirement on borrowings above a specified base from foreign banks by domestic offices of a member bank. The reserve-free base related to this type of borrowings is being reduced gradually and will be eliminated by April 1974. For details, see Regulations D and M and appropriate supplements and amendments thereto.

[3] Effective Jan. 5, 1967, time deposits such as Christmas and vacation club accounts became subject to same requirements as savings deposits. For other notes see 2(b) and 2(c) above.

[4] Effective Nov. 9, 1972, a new criterion was adopted to designate reserve cities, and on the same date requirements for reserves against net demand deposits of member banks were restructured to provide that each member bank will maintain reserves related to the size of its net demand deposits. The new reserve city designations are as follows: A bank having 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] Reserve city banks.

[6] Except as noted below, effective Sept. 20, 1973, member banks are subject to an 11 per cent marginal reserve requirement against increases in the aggregate of (a) outstanding time deposits of $100,000 and over, (b) outstanding funds obtained by the bank through issuance by a bank's affiliate of obligations subject to the existing reserve requirements on time deposits, and (c) funds from sales of finance bills. The 11 per cent requirement applies to balances above a specified base, but is not applicable to banks that have obligations of these types aggregating less than $10 million. For the period June 21 to Aug. 30, 1973, (a) included only single-maturity time deposits. A requirement of 8 per cent was in effect for (a) and (b) from June 21 to Sept. 19, 1973, and for (c) from July 12 to Sept. 19, 1973. For details, see Regulation D and appropriate supplements and amendments.

[7] 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.

[8] See preceding columns for earliest effective date of this rate.

[9] For changes to be effective Dec. 27, 1973, see "Announcements."

NOTE.—All required reserves were held on deposit with F.R. Banks June 21, 1917, until Dec. 1959. From Dec. 1959 to Nov. 1960, member banks were allowed to count part of their currency and coin as reserves; effective Nov. 24, 1960, they were allowed to count all as reserves. For further details, see Board's *Annual Reports*.

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MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Rates July 19, 1966—June 30, 1973					Rates beginning July 1, 1973		
Type of deposit	Effective date				Type of deposit	Effective date	
	July 20, 1966	Sept. 26, 1966	Apr. 19, 1968	Jan. 21, 1970		July 1, 1973	Nov. 1, 1973
Savings deposits	4	4	4	4½	Savings deposits	5	5
Other time deposits—[1]					Other time deposits (multiple- and single-maturity)—		
Multiple maturity:[2]					Less than $100,000:		
30–89 days	4	4	4	4½	30–89 days	5	5
90 days–1 year	5	5	5	5	90 days to 1 year	5½	5½
1 year to 2 years				5½	1 year to 2½ years	6	6
2 years and over				5¾	2½ years and over	6½	6½
Single-maturity:					4 years and over in minimum denomination of $1,000	([4])	7¼
Less than $100,000—					$100,000 and over	([3])	([3])
30 days to 1 year	5½	5	5	5			
1 year to 2 years				5½			
2 years and over				5¾			
$100,000 and over—							
30–59 days	5½	5½	5½	([3])			
60–89 days			5¾	([3])			
90–179 days			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 and over 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	
180 days to 1 year	7 per cent	May 16, 1973
1 year or more	7½ per cent	

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

[4] Between July 1 and Oct. 31, 1973, there was no ceiling for 4-year certificates with minimum denomination of $1,000. The amount of such certificates that a bank could issue was limited to 5 percent 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 and over with minimum denomination of $1,000. There is no limitation on the amount of these certificates that banks may issue.

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

For previous changes, see earlier issues of the BULLETIN.

MARGIN REQUIREMENTS

(Per cent of market value)

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. 6	1972—Nov. 22		55			50		55
Effective Nov. 24, 1972			65			50		65

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.

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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
1972—Oct.	535	282	150	42	.....	.....	35	.....	.....	7	.....	.....	32	.....	.....
Nov.	393	635	300	.....	.....	360	.....	.....	−411	.....	.....	.....	.....	.....	.....
Dec.	941	498	.....	.....	.....	−135	.....	.....	.....	.....	.....	.....	.....	.....	.....
1973—Jan.	1,855	530	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Feb.	1,558	695	200	25	.....	−1,408	61	.....	3,476	79	.....	−2,068	32	.....	.....
Mar.	1,569	260	200	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apr.	1,377	.....	51	50	.....	.....	127	.....	.....	19	.....	.....	11	.....	.....
May	717	623	600	.....	.....	1,316	.....	.....	−1,316	.....	.....	.....	.....	.....	.....
June	1,047	218	163	17	.....	.....	123	.....	.....	37	.....	78	51	.....	−78
July	1,640	495	60	.....	.....	.....	27	.....	.....	.....	.....	.....	.....	.....	.....
Aug.	655	945	456	351	.....	−919	.....	.....	468	.....	.....	.....	.....	.....	100
Sept.	480	401	564	836	.....	−813	.....	.....	−23	.....	.....	.....	.....	.....	.....
Oct.	2,117	153	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

Period	Total outright [1]			Matched sale-purchase transactions (Treasury bills)		Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities	Federal agency obligations			Bankers' acceptances, net		Net change [3]
									Outright		Repurchase agreements, net			
	Gross purchases	Gross sales	Redemptions	Gross sales	Gross purchases	Gross purchases	Gross sales		Gross purchases	Sales or redemptions		Outright	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
1972—Oct.	652	282	150	2,143	2,143	3,594	3,594	220	.....	22	.....	7	.....	206
Nov.	393	635	351	2,245	2,245	3,547	3,547	−593	166	9	.....	−6	.....	−442
Dec.	941	498	135	4,142	4,142	4,863	4,765	405	149	14	13	7	36	596
1973—Jan.	1,855	530	.....	1,205	1,205	9,719	8,928	2,116	.....	.....	48	11	23	2,197
Feb.	1,754	695	200	4,521	4,521	2,774	3,034	599	.....	18	−28	−3	95	644
Mar.	1,569	260	200	1,941	1,941	6,024	5,478	1,656	.....	14	61	−1	−66	1,636
Apr.	1,584	.....	51	2,101	2,101	5,664	5,978	1,218	.....	19	−65	7	−36	1,106
May	717	623	600	1,105	1,105	7,379	8,240	−1,367	.....	21	−29	−1	−52	−1,470
June	1,274	218	163	4,630	4,630	5,621	5,621	893	229	19	.....	−17	.....	1,085
July	1,666	495	60	3,405	3,405	7,651	6,686	2,076	174	6	106	−12	78	2,416
Aug.	1,006	945	807	9,632	9,632	2,234	2,492	−1,005	.....	20	157	−7	−41	−915
Sept.	1,316	401	1,400	6,981	6,981	3,309	2,752	72	.....	30	−95	−9	69	7
Oct.	2,117	153	.....	4,735	4,735	8,220	7,859	2,325	176	4	−20	8	−46	2,440

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

[2] Includes special certificates acquired when the Treasury borrows directly from the Federal Reserve, as follows: June 1971, 955; Sept. 1972, 38; Aug. 1973, 351; Sept. 1973, 836.

[3] Net change in U.S. Govt. securities, Federal agency obligations, and bankers' acceptances.

NOTE.—Sales, redemptions, and negative figures reduce System holdings; all other figures increase such holdings.

CONVERTIBLE FOREIGN CURRENCIES HELD BY FEDERAL RESERVE BANKS

(In millions of U.S. dollar equivalent)

End of period	Total	Pounds sterling	Austrian schillings	Belgian francs	Canadian dollars	Danish kroner	French francs	German marks	Italian lire	Japanese yen	Netherlands guilders	Swiss francs
1969—Dec.	1,967	1,575	.....	1	*	.....	199	60	125	1	3	4
1970—Dec.	257	154	.....	*	*	.....	.....	98	.....	1	*	4
1971—Dec.	18	3	.....	3	*	.....	.....	2	.....	1	.....	8
1972—Aug.	34	*	.....	1	*	.....	.....	24	.....	1	.....	3
Sept.	122	*	.....	*	*	.....	.....	85	.....	1	.....	35
Oct.	211	*	.....	8	*	.....	.....	164	.....	1	16	21
Nov.	200	*	.....	8	*	.....	.....	164	.....	1	20	7
Dec.	192	*	.....	*	*	.....	.....	164	.....	1	20	6
1973—Jan.	92	*	.....	*	*	.....	.....	67	.....	1	20	3
Feb.	4	*	.....	*	*	.....	.....	*	.....	1	.....	3
Mar.	4	*	.....	*	*	.....	.....	*	.....	1	.....	3
Apr.	4	*	.....	*	*	.....	.....	*	.....	1	.....	3
May	4	*	.....	*	*	.....	.....	*	.....	1	.....	3
June	4	*	.....	*	*	.....	.....	*	.....	1	.....	3
July	4	*	.....	*	*	.....	.....	*	.....	1	.....	3
Aug.	5	*	.....	*	*	.....	.....	1	.....	1	.....	3

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CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1973					1973		1972
	Nov. 28	Nov. 21	Nov. 14	Nov. 7	Oct. 31	Nov. 30	Oct. 31	Nov. 30
Assets								
Gold certificate account	11,460	11,460	11,460	11,460	11,460	11,460	11,460	10,303
Special Drawing Rights certificate account	400	400	400	400	400	400	400	400
Cash	297	309	308	311	315	305	315	323
Loans:								
Member bank borrowings	1,486	1,387	3,991	839	2,198	1,914	2,198	501
Other								
Acceptances:								
Bought outright	43	41	39	47	47	45	47	63
Held under repurchase agreements	17	77	67		60	26	60	
Federal agency obligations:								
Bought outright	1,810	1,789	1,739	1,739	1,739	1,810	1,739	1,177
Held under repurchase agreements	79	323	199		148	168	148	
U.S. Govt. securities:								
Bought outright:								
Bills	35,362	35,351	34,865	34,666	36,065	35,058	36,065	29,222
Certificates—Special								
Other								
Notes	38,186	38,152	37,374	37,374	37,374	38,186	37,374	36,681
Bonds	3,149	3,149	3,428	3,428	3,428	3,149	3,428	3,598
Total bought outright	[1] 76,697	[1] 76,652	[1,2] 75,667	[1,2] 75,468	[1] 76,867	[1] 76,393	[1] 76,867	[1] 69,501
Held under repurchase agreements	880	2,098	1,812		1,624	736	1,624	
Total U.S. Govt. securities	77,577	78,750	77,479	75,468	78,491	77,129	78,491	69,501
Total loans and securities	81,012	82,367	83,514	78,093	82,683	81,092	82,683	71,242
Cash items in process of collection	p9,481	p9,551	p9,123	p8,164	8,306	p6,636	8,306	7,551
Bank premises	221	219	218	219	217	221	217	168
Other assets:								
Denominated in foreign currencies	4	4	5	7	4	4	4	200
All other	698	636	1,152	1,089	1,044	691	1,044	673
Total assets	p103,573	p104,946	p106,180	p99,743	104,429	p100,809	104,429	90,860
Liabilities								
F.R. notes	62,518	62,401	62,070	61,557	60,943	62,128	60,943	57,400
Deposits:								
Member bank reserves	p29,328	p30,765	p31,870	p27,244	31,787	p27,933	31,787	23,783
U.S. Treasurer—General account	2,001	1,404	1,530	1,557	1,837	1,945	1,837	1,182
Foreign	516	759	552	413	426	420	426	188
Other:								
All other[3]	645	662	697	654	719	672	719	629
Total deposits	p32,490	p33,590	p34,649	p29,868	34,769	p30,970	34,769	25,782
Deferred availability cash items	5,536	5,967	6,653	5,639	5,652	4,686	5,652	5,201
Other liabilities and accrued dividends	973	1,034	957	916	986	942	986	623
Total liabilities	p101,517	p102,992	p104,329	p97,980	102,350	p98,726	102,350	89,006
Capital accounts								
Capital paid in	838	836	832	834	834	838	834	787
Surplus	793	793	793	793	793	793	793	742
Other capital accounts	425	325	226	136	452	452	452	325
Total liabilities and capital accounts	p103,573	p104,946	p106,180	p99,743	104,429	p100,809	104,429	90,860
Contingent liability on acceptances purchased for foreign correspondents	605	604	600	596	589	604	589	199
Marketable U.S. Govt. securities held in custody for foreign and international accounts	26,958	26,501	26,818	26,908	27,230	27,354	27,230	31,512
Federal Reserve Notes—Federal Reserve Agents' Accounts								
F.R. notes outstanding (issued to Bank)	66,084	65,955	65,526	65,192	65,119	66,229	65,119	60,886
Collateral held against notes outstanding:								
Gold certificate account	2,455	2,455	2,415	2,415	2,415	2,485	2,415	2,335
U.S. Govt. securities	64,930	64,930	64,680	64,530	64,630	65,130	64,630	59,860
Total collateral	67,385	67,385	67,095	66,945	67,045	67,615	67,045	62,195

[1] See note 8 on p. A-5. [2] See note 9 on p. A-5. [3] See note 5 on p. A-4.

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STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON NOVEMBER 30, 1973

(In millions of dollars)

Item	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Assets													
Gold certificate account	11,460	401	3,030	924	891	1,021	570	2,033	508	175	483	447	977
Special Drawing Rights certificate account	400	23	93	23	33	36	22	70	15	7	15	14	49
F.R. notes of other banks	1,164	123	238	46	60	85	181	65	31	19	49	99	168
Other cash	305	18	24	3	35	31	41	36	21	10	35	16	35
Loans:													
Secured by U.S. Govt. and agency obligations	842	36	107	55	66	130	106	120	18	10	68	27	99
Other	1,072	57	35	48	.....	136	99	26	90	.....	84	70	427
Acceptances:													
Bought outright	45	.....	45	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Held under repurchase agreements	26	.....	26	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Federal agency obligations:													
Bought outright	1,810	85	462	97	139	134	99	289	64	36	69	78	258
Held under repurchase agreements	168	.....	168	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
U.S. Govt. securities:													
Bought outright	[1] 76,393	3,584	19,482	4,092	5,889	5,644	4,198	12,205	2,690	1,519	2,907	3,302	10,881
Held under repurchase agreements	736	.....	736	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total loans and securities	81,092	3,762	21,061	4,292	6,094	6,044	4,502	12,640	2,862	1,565	3,128	3,477	11,665
Cash items in process of collection	8,144	309	1,359	359	372	747	892	1,061	351	415	546	553	1,180
Bank premises	221	42	10	10	27	14	15	16	14	36	17	12	8
Other assets:													
Denominated in foreign currencies	4	.....	[2] 1	.....	1	.....	.....	1	.....	.....	.....	.....	1
All other	691	29	197	35	47	52	35	95	20	19	23	26	113
Total assets	103,481	4,707	26,013	5,692	7,560	8,030	6,258	16,017	3,822	2,246	4,296	4,644	14,196
Liabilities													
F.R. notes	63,292	3,162	15,654	3,988	5,086	5,651	3,344	10,592	2,512	1,130	2,465	2,394	7,314
Deposits:													
Member bank reserves	27,933	926	7,404	1,200	1,689	1,310	1,927	3,768	858	606	1,156	1,543	5,546
U.S. Treasurer—General account	1,945	183	422	66	157	228	105	175	59	72	54	150	274
Foreign	420	16	[3] 136	19	35	20	27	60	13	9	16	21	48
Other:													
All other[5]	672	3	554	18	1	20	12	11	1	2	2	11	37
Total deposits	30,970	1,128	8,516	1,303	1,882	1,578	2,071	4,014	931	689	1,228	1,725	5,905
Deferred availability cash items	6,194	287	1,031	247	340	611	664	936	277	361	482	376	582
Other liabilities and accrued dividends	942	44	271	49	74	68	35	148	33	20	36	40	124
Total liabilities	101,398	4,621	25,472	5,587	7,382	7,908	6,114	15,690	3,753	2,200	4,211	4,535	13,925
Capital accounts													
Capital paid in	838	34	214	42	74	47	62	131	28	20	35	46	105
Surplus	793	34	207	39	72	42	55	124	27	18	33	43	99
Other capital accounts	452	18	120	24	32	33	27	72	14	8	17	20	67
Total liabilities and capital accounts	103,481	4,707	26,013	5,692	7,560	8,030	6,258	16,017	3,822	2,246	4,296	4,644	14,196
Contingent liability on acceptances purchased for foreign correspondents	604	25	[4] 157	30	55	31	42	95	21	14	25	33	76
Federal Reserve Notes—Federal Reserve Agents' Accounts													
F.R. notes outstanding (issued to Bank)	66,229	3,344	16,393	4,073	5,316	5,847	3,596	10,896	2,625	1,186	2,594	2,579	7,780
Collateral held against notes outstanding:													
Gold certificate account	2,485	175	.....	350	350	750	.....	700	155	.....	.....	5	.....
U.S. Govt. securities	65,130	3,185	16,650	3,800	5,200	5,145	3,700	10,400	2,520	1,200	2,700	2,630	8,000
Total collateral	67,615	3,360	16,650	4,150	5,550	5,895	3,700	11,100	2,675	1,200	2,700	2,635	8,000

[1] See note 8 on p. A-5.
[2] After deducing $3 million participations of other Federal Reserve Banks.
[3] After deducting $284 million participations of other Federal Reserve Banks.
[4] After deducting $447 million participations of other Federal Reserve Banks.
[5] See note 5 on p. A-4.

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

(In millions of dollars)

Item	Wednesday					End of month		
	1973					1973		1972
	Nov. 28	Nov. 21	Nov. 14	Nov. 7	Oct. 31	Nov. 30	Oct. 31	Nov. 30
Loans—Total	1,486	1,387	3,991	839	2,198	1,914	2,198	501
Within 15 days	1,428	1,333	3,942	782	2,147	1,849	2,147	498
16 days to 90 days	58	54	49	57	51	65	51	3
91 days to 1 year	.....	.....	.....	.....	.....	.....	.....	.....
Acceptances—Total	60	118	106	47	107	71	107	63
Within 15 days	25	87	76	11	71	31	71	15
16 days to 90 days	35	31	30	36	36	40	36	48
91 days to 1 year	.....	.....	.....	.....	.....	.....	.....	.....
U.S. Government securities—Total	77,577	78,750	77,479	75,468	78,491	77,129	78,491	69,501
Within 15 days[1]	5,895	7,162	8,086	3,604	7,389	4,018	7,389	2,332
16 days to 90 days	19,139	19,070	17,805	19,455	18,588	20,689	18,588	17,477
91 days to 1 year	20,359	20,368	18,380	19,201	19,306	20,238	19,306	17,554
Over 1 year to 5 years	22,953	22,953	22,148	22,148	22,148	22,953	22,148	24,484
Over 5 years to 10 years	7,469	7,435	9,358	9,358	9,358	7,469	9,358	6,108
Over 10 years	1,762	1,762	1,702	1,702	1,702	1,762	1,702	1,546
Federal agency obligations—Total	1,889	2,112	1,938	1,739	1,887	1,978	1,887	1,177
Within 15 days[1]	163	326	202	.....	148	252	148	14
16 days to 90 days	85	161	161	164	126	85	126	17
91 days to 1 year	280	251	252	252	290	280	290	124
Over 1 year to 5 years	665	702	671	671	671	665	671	622
Over 5 years to 10 years	469	445	425	425	425	469	425	238
Over 10 years	227	227	227	227	227	227	227	162

[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]		
1972—Oct.	13,896.7	6,148.6	3,225.8	7,748.1	4,522.3	86.7	208.3	89.2	59.2	47.8
Nov.	15,154.7	6,979.3	3,411.9	8,175.3	4,763.5	93.5	229.2	93.9	62.1	50.0
Dec.	14,783.7	6,604.8	3,495.4	8,178.9	4,683.5	90.7	215.7	95.6	61.8	48.9
1973—Jan.	15,444.5	6,855.4	3,631.7	8,589.1	4,957.3	93.8	224.0	97.9	64.1	51.2
Feb.	16,069.5	7,227.0	3,804.8	8,842.4	5,037.6	97.9	238.0	103.1	66.1	52.0
Mar.	15,954.5	6,844.8	3,868.7	9,109.7	5,241.0	97.1	228.3	104.4	67.8	53.9
April	15,966.3	6,297.5	3,852.6	9,038.8	5,186.2	95.7	228.9	101.8	66.2	52.5
May[r]	16,447.0	7,177.0	3,913.4	9,270.1	5,356.7	97.8	235.1	103.6	67.3	53.6
June	16,634.4	7,244.6	4,046.6	9,409.8	5,363.3	99.9	245.0	107.5	68.7	54.0
July[r]	17,218.8	7,381.4	4,277.8	9,837.4	5,559.5	102.6	247.5	111.5	71.3	55.8
Aug.	17,885.3	7,744.6	4,315.3	10,140.6	5,825.3	106.1	252.5	113.5	73.6	58.4
Sept.[r]	17,914.5	8,025.3	4,192.1	9,889.1	5,697.1	107.4	266.4	111.5	72.4	57.5
Oct.	18,378.5	8,137.2	4,413.5	10,241.3	5,827.8	109.4	265.3	116.3	74.6	58.6

[1] Excludes interbank and U.S. Govt. demand deposit accounts.
[2] Boston, Philadelphia, Chicago, Detroit, San Francisco–Oakland, and Los Angeles–Long Beach.

NOTE.—Total SMSA's includes some cities and counties not designated as SMSA's.

For back data see pp. 634–35 of July 1972 BULLETIN.

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DENOMINATIONS IN CIRCULATION

(In millions of dollars)

End of period	Total in circulation [1]	Coin and small denomination currency							Large denomination currency						
		Total	Coin	$1 [2]	$2	$5	$10	$20	Total	$50	$100	$500	$1,000	$5,000	$10,000
1939	7,598	5,553	590	559	36	1,019	1,772	1,576	2,048	460	919	191	425	20	32
1941	11,160	8,120	751	695	44	1,355	2,731	2,545	3,044	724	1,433	261	556	24	46
1945	28,515	20,683	1,274	1,039	73	2,313	6,782	9,201	7,834	2,327	4,220	454	801	7	24
1947	28,868	20,020	1,404	1,048	65	2,110	6,275	9,119	8,850	2,548	5,070	428	782	5	17
1950	27,741	19,305	1,554	1,113	64	2,049	5,998	8,529	8,438	2,422	5,043	368	588	4	12
1955	31,158	22,021	1,927	1,312	75	2,151	6,617	9,940	9,136	2,736	5,641	307	438	3	12
1959	32,591	23,264	2,304	1,511	85	2,216	6,672	10,476	9,326	2,803	5,913	261	341	3	5
1960	32,869	23,521	2,427	1,533	88	2,246	6,691	10,536	9,348	2,815	5,954	249	316	3	10
1961	33,918	24,388	2,582	1,588	92	2,313	6,878	10,935	9,531	2,869	6,106	242	300	3	10
1962	35,338	25,356	2,782	1,636	97	2,375	7,071	11,395	9,983	2,990	6,448	240	293	3	10
1963	37,692	26,807	3,030	1,722	103	2,469	7,373	12,109	10,885	3,221	7,110	249	298	3	4
1964	39,619	28,100	3,405	1,806	111	2,517	7,543	12,717	11,519	3,381	7,590	248	293	2	4
1965	42,056	29,842	4,027	1,908	127	2,618	7,794	13,369	12,214	3,540	8,135	245	288	3	4
1966	44,663	31,695	4,480	2,051	137	2,756	8,070	14,201	12,969	3,700	8,735	241	286	3	4
1967	47,226	33,468	4,918	2,035	136	2,850	8,366	15,162	13,758	3,915	9,311	240	285	3	4
1968	50,961	36,163	5,691	2,049	136	2,993	8,786	16,508	14,798	4,186	10,068	244	292	3	4
1969	53,950	37,917	6,021	2,213	136	3,092	8,989	17,466	16,033	4,499	11,016	234	276	3	5
1970	57,093	39,639	6,281	2,310	136	3,161	9,170	18,581	17,454	4,896	12,084	215	252	3	4
1971	61,068	41,831	6,775	2,408	135	3,273	9,348	19,893	19,237	5,377	13,414	203	237	2	4
1972—Oct.	63,586	43,085	7,172	2,378	135	3,209	9,334	20,857	20,500	5,570	14,503	194	226	2	4
Nov.	65,137	44,208	7,237	2,437	135	3,305	9,602	21,491	20,928	5,714	14,789	194	225	2	4
Dec.	66,516	45,105	7,287	2,523	135	3,449	9,827	21,883	21,411	5,868	15,118	193	225	2	4
1973—Jan.	64,312	43,133	7,274	2,380	135	3,218	9,243	20,883	21,179	5,742	15,013	192	224	2	4
Feb.	64,696	43,431	7,290	2,370	135	3,213	9,330	21,091	21,266	5,755	15,089	192	224	2	4
Mar.	65,180	43,699	7,320	2,368	135	3,209	9,352	21,314	21,482	5,787	15,274	191	223	2	4
Apr.	66,094	44,313	7,382	2,406	135	3,234	9,447	21,707	21,781	5,887	15,476	190	222	2	4
May	67,161	45,074	7,446	2,439	135	3,302	9,613	22,138	22,088	5,974	15,697	189	221	2	4
June	67,771	45,428	7,498	2,433	135	3,309	9,648	22,405	22,343	6,024	15,903	189	220	2	4
July	68,223	45,564	7,542	2,440	135	3,301	9,602	22,544	22,659	6,116	16,130	188	219	2	4
Aug.	68,376	45,553	7,577	2,430	135	3,288	9,566	22,557	22,822	6,149	16,261	188	219	2	4
Sept.	68,217	45,398	7,597	2,435	135	3,288	9,505	22,437	22,819	6,112	16,296	187	218	2	4
Oct.	69,043	45,927	7,644	2,480	135	3,333	9,616	22,718	23,116	6,182	16,524	186	217	2	4

[1] Outside Treasury and F.R. Banks. Before 1955 details are slightly overstated because they include small amounts of paper currency held by the Treasury and the F.R. Banks for which a denominational breakdown is not available.

[2] Paper currency only; $1 silver coins reported under coin.

NOTE.—Condensed from Statement of United States Currency and Coin, issued by the Treasury.

KINDS OF UNITED STATES CURRENCY OUTSTANDING AND IN CIRCULATION

(Condensed from Circulation Statement of United States Money, issued by Treasury Department. In millions of dollars)

Kind of currency	Total, outstanding, Oct. 31, 1973	Held in the Treasury			Held by F.R. Banks and Agents	Currency in circulation [1]		
		As security against gold certificates	Treasury cash	For F.R. Banks and Agents		1973		1972
						Oct. 31	Sept. 30	Oct. 31
Gold	11,567	(11,460)	107	.....	.....	.....	.....	.....
Gold certificates	(11,460)	.....	.....	[2]11,459	1	.....	.....	.....
Federal Reserve notes	65,120	.....	152	.....	4,178	60,790	60,011	55,802
Treasury currency—Total	8,649	.....	84	.....	313	8,253	8,206	7,784
Dollars	767	.....	11	.....	34	722	718	656
Fractional Coin	7,271	.....	71	.....	278	6,922	6,879	6,516
United States notes	323	.....	2	.....	.....	321	320	320
In process of retirement [4]	289	.....	.....	.....	.....	288	289	291
Total—Oct. 31, 1973	[3]85,336	(11,460)	342	11,459	4,492	69,043	.....	.....
Sept. 30, 1973	[3]83,964	(10,303)	361	10,302	5,083	.....	68,217	.....
Oct. 31, 1972	[3]78,361	(10,303)	369	10,302	4,104	.....	.....	63,586

[1] Outside Treasury and F.R. Banks. Includes any paper currency held outside the United States and currency and coin held by banks. Estimated totals for Wed. dates shown in table on p. A-5.

[2] Consists of credits payable in gold certificates, the Gold Certificate Fund—Board of Governors, FRS.

[3] Redeemable from the general fund of the Treasury.

[4] Does not include all items shown, as gold certificates are secured by gold. Duplications are shown in parentheses.

NOTE.—Prepared from Statement of United States Currency and Coin and other data furnished by the Treasury. For explanation of currency reserves and security features, see the Circulation Statement or the Aug. 1961 BULLETIN, p. 936.

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MEASURES OF THE MONEY STOCK

(In billions of dollars)

Month or week	Seasonally adjusted			Not seasonally adjusted		
	M_1	M_2	M_3	M_1	M_2	M_3
	Composition of measures is described in the NOTE below.					
1969—Dec.	208.8	392.3	594.0	214.9	397.0	598.4
1970—Dec.	221.3	425.2	641.3	227.7	430.0	645.6
1971—Dec.	236.0	473.8	727.7	242.8	478.7	731.9
1972—Nov.	252.7	519.8	813.6	254.3	518.7	811.2
Dec.	255.5	525.1	822.0	262.9	530.3	826.5
1973—Jan.	255.4	527.9	828.7	262.6	534.1	834.6
Feb.	256.7	530.5	834.9	254.0	527.8	831.6
Mar.	256.6	532.6	839.7	254.1	531.4	838.8
Apr.	258.2	536.2	845.6	259.5	539.5	849.8
May	260.5	540.6	852.0	256.0	538.2	850.2
June	263.2	545.3	859.4	261.2	544.7	859.9
July	264.3	547.6	863.5	263.2	546.6	r863.7
Aug.	263.9	550.5	866.5	260.7	547.0	r862.9
Sept.	263.4	552.3	868.8	r261.9	r550.3	r866.4
Oct.p	264.4	r557.1	r875.4	264.0	r555.8	r873.4
Nov.p	266.8	562.5	882.6	268.5	561.1	879.8
Week ending—						
Nov. 7	266.4	561.5	.....	268.0	560.7	.....
14	267.0	562.9	.....	269.0	561.9	.....
21	267.6	562.9	.....	268.9	560.8	.....
28	265.4	561.4	.....	267.5	559.9	.....
Dec. 5	266.6	563.2	.....	271.3	565.1	.....

NOTE.—Composition of the money stock measures is as follows:

M_1: Averages of daily figures for (1) demand deposits of commercial banks other than domestic interbank and U.S. Govt., less cash items in process of collection and F.R. float; (2) foreign demand balances at F.R. Banks; and (3) currency outside the Treasury, F.R. Banks, and vaults of commercial banks.

M_2: Averages of daily figures for M_1 plus savings deposits, time deposits open account, and time certificates other than negotiable CD's of $100,000 of large weekly reporting banks.

M_3: M_2 plus the average of the beginning- and end-of-month figures for deposits of mutual savings banks and for savings capital of savings and loan associations.

For description and back data, see "Revision of the Money Stock Measures and Member Bank Reserves and Deposits" on pp. 61–79 of the Feb. 1973 BULLETIN.

COMPONENTS OF MONEY STOCK MEASURES AND RELATED ITEMS

(In billions of dollars)

Month or week	Seasonally adjusted						Not seasonally adjusted						U.S. Govt. deposits [3]
	Currency	Commercial banks				Nonbank thrift institutions [2]	Currency	Commercial banks				Nonbank thrift institutions [2]	
		Demand deposits	Time and savings deposits					Demand deposits	Time and savings deposits				
			CD's [1]	Other	Total				CD's [1]	Other	Total		
1969—Dec.	46.1	162.7	10.9	183.5	194.4	201.7	46.9	167.9	11.1	182.1	193.2	201.4	5.6
1970—Dec.	49.1	172.2	25.3	203.9	229.2	216.1	50.0	177.8	25.8	202.3	228.1	215.6	7.3
1971—Dec.	52.6	183.4	33.0	237.9	270.9	253.8	53.5	189.2	33.8	236.0	269.8	253.2	6.9
1972—Nov.	56.2	196.5	41.2	267.1	308.4	293.8	56.7	197.7	43.3	264.4	307.7	292.5	6.2
Dec.	56.8	198.7	43.2	269.6	312.8	296.9	57.8	205.0	44.3	267.5	311.7	296.1	7.3
1973—Jan.	57.0	198.4	44.4	272.5	316.9	300.8	56.7	205.9	45.1	271.5	316.6	300.5	8.0
Feb.	57.5	199.3	48.8	273.8	322.6	304.4	56.7	197.3	48.6	273.8	322.5	303.8	9.6
Mar.	57.9	198.7	54.9	276.0	330.9	307.0	57.3	196.7	54.0	277.3	331.4	307.4	10.1
Apr.	58.7	199.5	58.7	278.0	336.7	309.4	58.2	201.3	56.1	280.0	336.1	310.3	8.2
May	59.0	201.6	61.7	280.1	341.8	311.4	58.7	197.3	58.8	282.2	340.9	312.0	8.4
June	59.4	203.9	62.0	282.0	344.1	r314.2	59.4	201.8	59.3	283.4	342.7	315.3	6.9
July	59.5	204.9	64.5	283.3	347.7	r315.9	59.9	203.2	62.3	283.5	345.8	317.0	6.3
Aug.	59.7	204.2	67.0	286.6	353.6	315.9	60.0	200.8	68.4	286.3	354.7	315.9	4.0
Sept.	60.1	203.3	66.8	r288.9	355.6	316.6	r60.1	201.8	68.8	288.4	357.2	316.1	5.1
Oct.p	60.3	r204.0	63.4	292.8	r356.1	r318.2	60.3	r203.6	r66.3	r291.8	r358.2	317.6	5.8
Nov.p	60.8	205.9	61.1	295.8	356.8	320.0	61.4	207.2	64.1	292.6	356.7	318.7	4.2
Week ending—													
Nov. 7	60.6	205.9	61.7	295.1	356.8	.....	61.1	206.9	64.5	292.7	357.2	.....	5.5
14	60.8	206.2	60.8	295.9	356.7	.....	61.4	207.6	63.9	292.9	356.7	.....	3.5
21	61.1	206.5	60.8	295.3	356.2	.....	61.6	207.2	64.2	291.9	356.1	.....	3.8
28	60.8	204.6	61.1	296.0	357.1	.....	61.3	206.2	64.1	292.5	356.6	.....	4.0
Dec. 5	60.7	205.8	61.1	296.6	357.7	.....	61.7	209.2	63.5	293.8	257.3	.....	4.2

[1] Negotiable time certificates of deposit issued in denominations of $100,000 or more by large weekly reporting commercial banks.

[2] Average of the beginning and end-of-month figures for deposits of mutual savings banks and savings capital at savings and loan associations.

[3] At all commercial banks.

See also NOTE above.

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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]	
					S.A.				N.S.A.					
	Total	Nonborrowed	Required	Available[2]	Total	Time and savings	Demand		Total	Time and savings	Demand		S.A.	N.S.A.
							Private	U.S. Govt.			Private	U.S. Govt.		
1969—Dec....	27.96	26.70	27.73	25.34	287.7	150.4	131.9	5.3	291.2	149.7	136.9	4.6	307.7	311.1
1970—Dec....	29.12	28.73	28.91	26.98	321.3	178.8	136.0	6.5	325.2	178.1	141.1	6.0	332.9	336.8
1971—Dec....	31.21	31.06	31.06	28.91	360.3	210.4	143.8	6.1	364.6	209.7	149.2	5.7	364.3	368.7
1972—Nov....	31.88	31.30	31.54	29.50	397.6	237.9	152.8	6.9	396.4	237.6	153.7	5.1	401.9	400.7
Dec....	31.31	30.06	31.07	28.86	402.0	241.2	154.3	6.5	406.8	240.7	160.1	6.1	406.4	411.2
1973—Jan.....	32.24	30.85	31.98	29.41	404.7	243.7	153.9	7.1	410.4	243.8	160.0	6.6	409.2	414.9
Feb.....	31.65	29.79	31.44	29.30	410.2	248.5	154.5	7.2	409.0	248.5	152.4	8.1	414.8	413.5
Mar....	32.00	29.53	31.77	29.62	416.7	256.0	153.2	7.5	416.3	256.2	151.6	8.5	421.6	421.2
Apr.....	32.33	30.17	32.08	29.86	421.1	261.8	153.4	5.8	422.3	260.5	154.9	6.8	426.2	427.5
May....	32.45	30.20	32.28	30.10	425.1	265.8	154.7	4.6	423.0	264.5	151.4	7.0	430.5	428.4
June....	32.46	30.80	32.21	30.51	428.9	267.4	156.4	5.1	426.3	265.9	154.8	5.7	434.5	431.9
July....	33.57	32.33	33.30	31.32	431.2	270.4	157.3	3.4	429.9	268.5	156.2	5.1	437.7	436.4
Aug....	33.90	32.00	33.74	31.96	436.7	275.6	156.9	4.2	433.7	276.6	154.0	3.1	443.9	440.8
Sept....	34.15	32.60	33.96	32.31	438.6	277.3	156.2	5.1	437.7	279.0	154.7	4.1	445.9	445.0
Oct.....	r34.97	r33.55	r34.71	r32.76	439.7	r276.7	156.4	6.6	r439.7	r278.8	156.1	4.8	r446.5	r446.5
Nov.p..	34.78	33.51	34.58	32.54	439.6	276.2	157.5	6.0	438.3	276.6	158.4	3.3	446.7	445.4

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

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

[3] Averages of daily figures. Deposits subject to reserve requirements include total time and savings deposits and net demand deposits as defined by Regulation D. Private demand deposits include all demand deposits except those due to the U.S. Govt., less cash items in process of collection and demand balances due from domestic commercial banks.

[4] Total member bank deposits subject to reserve requirements, plus Euro-dollar borrowings, bank-related commercial paper, and certain other nondeposit items. This series for deposits is referred to as "the adjusted bank credit proxy."

NOTE.—For description of revised series and for back data, see article "Revision of the Money Stock Measures and Member Bank Reserves and Deposits" on pp. 61–79 of the Feb. 1973 BULLETIN.

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

LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS

(In billions of dollars)

Date	Seasonally adjusted							Not seasonally adjusted						
	Total loans and investments[1]	Loans				Securities		Total loans and investments[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]		
1968—Dec. 31....	390.2	258.2	.....	95.9	.....	60.7	71.3	400.4	264.4	.....	98.4	.....	64.5	71.5
1969—Dec. 31[5]....	401.7	279.1	283.0	105.7	108.3	51.5	71.1	412.1	286.1	290.0	108.4	111.0	54.7	71.3
1970—Dec. 31....	435.5	291.7	294.7	110.0	112.1	57.9	85.9	446.8	299.0	301.9	112.5	114.6	61.7	86.1
1971—Dec. 31....	484.8	320.3	323.1	115.9	117.5	60.1	104.4	497.9	328.3	331.1	118.5	120.2	64.9	104.7
1972—Nov. 29....	549.9	372.9	375.4	128.2	129.8	60.9	116.1	549.9	371.8	374.3	127.6	129.2	63.2	114.9
Dec. 31....	556.4	377.8	380.4	129.7	131.4	61.9	116.7	571.4	387.3	389.9	132.7	134.4	67.0	117.1
1973—Jan. 31....	564.7	385.8	388.4	133.3	135.0	61.8	117.1	565.6	383.5	386.1	132.0	133.7	65.6	116.5
Feb. 28....	575.4	397.2	400.3	138.1	140.2	60.6	117.6	571.1	392.6	395.7	136.6	138.7	61.6	116.8
Mar. 28....	583.6	405.8	409.0	141.8	143.8	60.4	117.4	580.6	401.7	404.8	141.7	143.7	61.2	117.7
Apr. 25....	589.6	411.1	414.7	143.9	146.2	61.0	117.5	587.3	408.3	411.9	144.4	146.7	60.4	118.6
May 30....	597.7	417.4	421.1	146.8	149.0	61.0	119.3	594.8	416.6	420.3	146.4	148.6	58.3	119.9
June 30....	602.0	420.3	423.8	148.2	150.4	61.6	120.1	605.6	426.6	430.1	150.4	152.6	57.9	121.1
July 25p....	608.2	427.3	431.3	151.4	154.0	59.6	121.3	606.8	429.1	433.1	151.8	154.4	56.4	121.4
Aug. 29p....	616.0	435.3	440.0	153.6	156.5	57.7	123.0	612.0	434.6	439.3	152.2	155.1	54.7	122.8
Sept. 26p....	618.2	438.1	442.7	154.0	156.9	56.3	123.8	617.9	439.1	443.8	154.1	157.0	54.8	123.9
Oct. 31p....	621.7	440.0	444.6	154.0	156.9	54.9	126.8	621.4	439.9	444.5	153.3	156.2	55.6	125.9
Nov. 28p....	624.6	443.6	447.9	155.5	158.2	54.5	126.5	624.5	442.1	446.4	154.6	157.3	57.3	125.1

[1] Adjusted to exclude domestic commercial interbank loans. See also note 3.

[2] Loans sold are those sold outright by commercial banks to own subsidiaries, foreign branches, holding companies, and other affiliates.

[3] Beginning June 30, 1972, commercial and industrial loans were reduced by about $400 million as a result of loan reclassifications at one large bank.

[4] Beginning June 30, 1971, Farmers Home Administration insured notes totaling approximately $700 million are included in "Other securities" rather than in "Loans."

[5] Beginning June 30, 1969, data revised to include all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries; earlier data include commercial banks only. Also, loans and investments are now reported gross, without valuation reserves deducted, rather than net of valuation reserves as was done previously. For a description of the revision, see Aug. 1969 BULLETIN, pp. 642–46. Data shown in above table have been revised to include valuation reserves.

NOTE.—*Total loans and investments:* For monthly data, Jan. 1959–June 1973, see Nov. 1973 BULLETIN, pp. A-96–A-97, and for 1948–58, Aug. 1968 BULLETIN, pp. A-94–A-97. For a description of the current seasonally adjusted series see the Nov. 1973 BULLETIN, pp. 831–32, and the Dec. 1971 BULLETIN, pp. 971–73. *Commercial and industrial loans:* For monthly data, Jan. 1959–June 1973, see Nov. 1973 BULLETIN, pp. A-96–A-98; for description see July 1972 BULLETIN, p. 683. Data are for last Wednesday of month except for June 30 and Dec. 31; data are partly or wholly estimated except when June 30 and Dec. 31 are call dates.

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Federal Reserve Bank of St. Louis

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

(Amounts in millions of dollars)

Class of bank and date	Loans and investments				Cash assets[3]	Total assets—Total liabilities and capital accounts[4]	Deposits					Borrowings	Total capital accounts	Number of banks
	Total	Loans[1]	Securities				Total[3]	Interbank[3]		Other				
			U.S. Treasury	Other[2]				Demand	Time	Demand		Time[5]		
										U.S. Govt.	Other			
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
1945—Dec. 31	124,019	26,083	90,606	7,331	34,806	160,312	150,227	14,065		105,921		30,241	219	8,950	14,011
1947—Dec. 31[6]	116,284	38,057	69,221	9,006	37,502	155,377	144,103	12,792	240	1,343	94,367	35,360	65	10,059	14,181
1966—Dec. 31	322,661	217,726	56,163	48,772	69,119	403,368	352,287	19,770	967	4,992	167,751	158,806	4,859	32,054	13,767
1967—Dec. 30	359,903	235,954	62,473	61,477	77,928	451,012	395,008	21,883	1,314	5,234	184,066	182,511	5,777	34,384	13,722
1968—Dec. 31	401,262	265,259	64,466	71,537	83,752	500,657	434,023	24,747	1,211	5,010	199,901	203,154	8,899	37,006	13,679
1969—Dec. 31[7]	421,597	295,547	54,709	71,341	89,984	530,665	435,577	27,174	735	5,054	208,870	193,744	18,360	39,978	13,661
1970—Dec. 31	461,194	313,334	61,742	86,118	93,643	576,242	480,940	30,608	1,975	7,938	209,335	231,084	19,375	42,958	13,686
1971—Dec. 31	516,564	346,930	64,930	104,704	99,832	640,255	537,946	32,205	2,908	10,169	220,375	272,289	25,912	47,211	13,783
1972—Oct. 25	561,280	386,190	60,930	114,160	102,830	691,880	567,620	29,040	3,760	7,520	221,440	305,860	39,680	50,700	13,911
Nov. 29	574,230	396,160	63,210	114,860	91,460	694,050	572,160	27,060	3,920	7,760	224,990	308,430	38,350	51,160	13,924
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	52,658	13,927
1973—Feb. 28	599,970	421,500	61,620	116,850	99,590	729,670	598,520	29,530	4,170	11,370	227,190	326,260	45,480	52,780	13,952
Mar. 28	608,320	429,400	61,180	117,740	90,980	729,250	596,690	25,960	4,530	11,390	220,290	334,520	45,420	53,330	13,974
Apr. 25	616,480	437,520	60,400	118,560	91,580	738,740	604,570	26,220	4,880	10,910	225,170	337,390	45,830	53,750	13,998
May 30	622,340	444,120	58,330	119,890	95,410	749,470	611,920	27,770	5,250	5,810	229,050	344,040	47,360	54,240	14,018
June 30	635,756	456,780	57,877	121,099	103,608	769,908	629,215	31,047	5,590	10,434	236,953	345,191	49,299	55,740	14,046
July 25[p]	634,220	456,480	56,360	121,380	95,880	761,870	618,670	28,710	5,830	6,750	228,310	349,070	52,580	54,900	14,067
Aug. 29[p]	640,100	462,630	54,720	122,750	92,010	765,200	618,440	26,500	6,620	3,460	224,450	357,410	53,150	55,310	14,081
Sept. 26[p]	645,150	466,420	54,800	123,930	100,030	778,070	628,700	27,720	7,190	8,210	227,880	357,700	56,180	55,570	14,100
Oct. 31[p]	652,330	470,780	55,640	125,910	111,720	798,550	643,790	32,830	6,820	5,680	240,390	358,070	60,220	56,440	14,132
Nov. 28[p]	656,700	474,300	57,300	125,300	104,140	794,420	635,940	30,130	7,010	4,350	237,650	356,800	62,400	56,640	14,132
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	5,886	6,619
1945—Dec. 31	107,183	22,775	78,338	6,070	29,845	138,304	129,670	13,576	64	22,179	69,640	24,210	208	7,589	6,884
1947—Dec. 31	97,846	32,628	57,914	7,304	32,845	132,060	122,528	12,353	50	1,176	80,609	28,340	54	8,464	6,923
1966—Dec. 31	263,687	182,802	41,924	38,960	60,738	334,559	291,063	18,788	794	4,432	138,218	128,831	4,618	26,278	6,150
1967—Dec. 30	293,120	196,849	46,956	49,315	68,946	373,584	326,033	20,811	1,169	4,631	151,980	147,442	5,370	28,098	6,071
1968—Dec. 31	325,086	220,285	47,881	56,920	73,756	412,541	355,414	23,519	1,061	4,309	163,920	162,605	8,458	30,060	5,978
1969—Dec. 31[7]	336,738	242,119	39,833	54,785	79,034	432,270	349,883	25,841	609	4,114	169,750	149,569	17,395	32,047	5,869
1970—Dec. 31	365,940	253,936	45,399	66,604	81,500	465,644	384,596	29,142	1,733	6,460	168,032	179,229	18,578	34,100	5,766
1971—Dec. 31	405,087	277,717	47,633	79,738	86,189	511,353	425,380	30,612	2,549	8,427	174,385	209,406	25,046	37,279	5,727
1972—Oct. 25	435,460	305,996	43,691	85,773	88,220	546,642	442,792	27,528	3,360	6,172	172,615	233,117	37,857	39,824	5,699
Nov. 29	446,621	314,463	45,799	86,359	78,554	548,333	446,441	25,759	3,520	6,463	175,739	234,960	36,480	40,219	5,701
Dec. 31	465,788	329,548	48,715	87,524	96,566	585,125	482,124	31,958	3,561	9,024	197,817	239,763	36,357	41,228	5,704
1973—Feb. 28	465,024	334,601	43,698	86,725	85,364	575,322	465,495	28,037	3,537	9,364	176,525	248,032	42,912	41,276	5,688
Mar. 28	470,997	340,665	43,259	87,073	77,719	573,564	462,997	24,505	3,895	9,407	170,540	254,650	42,642	41,533	5,683
Apr. 25	476,739	346,865	42,517	87,357	78,219	580,412	468,385	24,744	4,242	9,167	173,671	256,561	43,076	41,806	5,695
May 30	480,394	351,223	41,030	88,141	81,169	587,722	473,623	26,139	4,621	4,511	176,766	261,586	44,214	42,096	5,703
June 30	490,533	360,908	41,080	88,545	88,227	604,414	486,770	29,311	4,879	8,167	182,439	261,975	46,529	43,098	5,705
July 25	489,240	360,813	39,331	89,096	82,091	597,607	478,417	27,121	5,121	5,423	175,351	265,401	48,761	42,539	5,706
Aug. 29	494,200	365,951	38,233	90,016	78,475	600,202	478,273	24,972	5,911	2,701	172,082	272,607	49,283	42,807	5,712
Sept. 26	498,322	368,842	38,372	91,108	85,802	611,359	486,975	26,182	6,480	6,740	175,016	272,557	52,485	42,972	5,717
Oct. 31[p]	504,120	371,866	39,375	92,879	96,251	628,710	499,093	31,142	6,112	4,601	185,308	271,930	56,832	43,618	5,722
Nov. 28[p]	507,176	374,148	40,752	92,276	89,652	624,258	491,405	28,522	6,298	3,359	182,931	270,295	58,865	43,759	5,722
Large member banks:														
New York City:[8,9,10]														
1941—Dec. 31	12,896	4,072	7,265	1,559	6,637	19,862	17,932	4,202	6	866	12,051	807	.....	1,648	36
1945—Dec. 31	26,143	7,334	17,574	1,235	6,439	32,887	30,121	4,640	17	6,940	17,287	1,236	195	2,120	37
1947—Dec. 31	20,393	7,179	11,972	1,242	7,261	27,982	25,216	4,453	12	267	19,040	1,445	30	2,259	37
1966—Dec. 31	46,536	35,941	4,920	5,674	14,869	64,424	51,837	6,370	467	1,016	26,535	17,449	1,874	5,298	12
1967—Dec. 30	52,141	39,059	6,027	7,055	18,797	74,609	60,407	7,238	741	1,084	31,282	20,062	1,880	5,715	12
1968—Dec. 31	57,047	42,968	5,984	8,094	19,948	81,364	63,900	8,964	622	888	33,351	20,076	2,733	6,137	12
1969—Dec. 31[7]	60,333	48,305	5,048	6,980	22,349	87,753	62,381	10,349	268	694	36,126	14,944	4,405	6,301	12
1970—Dec. 31	62,347	47,161	6,009	9,177	21,715	89,384	67,186	12,508	956	1,039	32,235	20,448	4,500	6,486	12
1971—Dec. 31	63,342	48,714	5,597	9,031	22,663	91,461	71,723	13,825	1,186	1,513	30,943	24,256	5,195	7,285	12
1972—Oct. 25	69,136	53,835	5,045	10,256	21,261	96,657	72,568	12,386	1,530	1,097	29,046	28,509	9,170	7,756	13
Nov. 29	71,707	55,533	5,712	10,462	21,556	98,990	74,550	12,639	1,752	1,032	30,710	28,417	9,335	7,944	13
Dec. 31	75,034	58,713	5,696	10,625	26,416	107,603	82,446	15,094	1,833	1,418	35,373	28,728	9,502	8,042	13
1973—Feb. 28	75,727	61,629	4,463	9,635	23,059	105,571	79,567	14,040	1,708	1,506	30,533	31,780	10,321	8,142	13
Mar. 28	76,368	62,584	4,498	9,286	20,133	103,402	77,435	11,744	1,951	1,789	29,032	32,919	9,938	8,047	13
Apr. 25	76,834	63,395	4,254	9,185	19,710	103,622	77,295	11,935	2,229	1,732	29,068	32,331	9,891	8,093	13
May 30	78,078	64,505	4,424	9,149	19,587	104,550	77,980	11,780	2,491	521	30,035	33,153	10,496	8,137	13
June 30	79,212	65,428	4,661	9,124	24,518	111,028	82,718	15,340	2,773	1,115	30,607	32,883	11,597	8,287	13
July 25	79,869	66,117	4,047	9,705	23,544	110,392	81,473	13,787	2,969	769	30,164	33,784	12,857	8,212	13
Aug. 29	80,338	66,610	4,095	9,633	20,095	108,141	78,925	12,092	3,558	310	28,185	34,780	12,368	8,220	13
Sept. 26	81,900	67,694	4,075	10,131	22,531	111,675	82,016	13,069	4,019	1,073	29,656	34,199	13,729	8,231	13
Oct. 31	83,338	68,229	4,828	10,281	28,643	119,283	87,935	16,713	3,807	642	32,901	33,872	15,170	8,413	13
Nov. 28	84,529	69,048	5,035	10,446	24,917	116,040	84,824	14,864	4,087	373	31,776	33,724	14,882	8,491	13

For notes see p. A-21.

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PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK—Continued

(Amounts in millions of dollars)

Class of bank and date	Loans and investments				Cash assets[3]	Total assets—Total liabilities and capital accounts[4]	Deposits					Borrowings	Total capital accounts	Number of banks
			Securities					Interbank[3]		Other				
	Total	Loans[1]	U.S. Treasury	Other[2]			Total[3]	Demand	Time	Demand	Time[5]			
										U.S. Govt.	Other			
Large member banks (cont.):														
City of Chicago:[8,9]														
1941—Dec. 31	2,760	954	1,430	376	1,566	4,363	4,057	1,035		127	2,419	476	288	13
1945—Dec. 31	5,931	1,333	4,213	385	1,489	7,459	7,046	1,312		1,552	3,462	719	377	12
1947—Dec. 31	5,088	1,801	2,890	397	1,739	6,866	6,402	1,217		72	4,201	913	426	14
1966—Dec. 31	11,802	8,756	1,545	1,502	2,638	14,935	12,673	1,433	25	310	6,008	4,898	484	1,199	11
1967—Dec. 30	12,744	9,223	1,574	1,947	2,947	16,296	13,985	1,434	21	267	6,250	6,013	383	1,346	10
1968—Dec. 31	14,274	10,286	1,863	2,125	3,008	18,099	14,526	1,535	21	257	6,542	6,171	682	1,433	9
1969—Dec. 31[7]	14,365	10,771	1,564	2,030	2,802	17,927	13,264	1,677	15	175	6,770	4,626	1,290	1,517	9
1970—Dec. 31	15,745	11,214	2,105	2,427	3,074	19,892	15,041	1,930	49	282	6,663	6,117	1,851	1,586	9
1971—Dec. 31	17,133	12,285	1,782	3,067	3,011	21,214	16,651	1,693	168	364	6,896	7,530	1,935	1,682	9
1972—Oct. 25	19,530	15,021	1,435	3,074	3,119	23,714	17,738	1,455	196	192	6,264	9,631	2,945	1,875	9
Nov. 29	20,370	15,379	1,597	3,394	2,659	24,042	18,021	1,262	217	213	6,565	9,764	3,137	1,855	9
Dec. 31	21,362	16,294	1,873	3,195	3,580	26,009	19,851	1,615	160	509	7,387	10,179	3,008	1,891	9
1973—Feb. 28	21,983	17,544	1,384	3,055	3,513	26,575	19,429	1,433	224	442	6,778	10,552	4,075	1,891	9
Mar. 28	22,660	17,980	1,470	3,210	3,092	26,821	19,854	1,326	266	461	6,439	11,362	3,910	1,878	9
Apr. 25	22,800	18,253	1,414	3,133	3,277	27,170	20,020	1,304	333	426	6,639	11,318	3,971	1,899	9
May 30	23,777	18,956	1,564	3,257	3,209	28,134	21,088	1,501	411	154	6,882	12,140	3,954	1,910	9
June 30	24,566	19,645	1,715	3,205	3,501	29,307	21,896	1,323	392	299	7,372	12,511	4,146	1,947	9
July 25	25,221	20,580	1,364	3,277	3,759	30,199	21,627	1,638	389	226	6,488	12,886	4,922	1,928	9
Aug. 29	25,400	20,676	1,322	3,402	3,569	30,358	22,272	1,355	499	86	6,725	13,607	4,647	1,941	9
Sept. 26	25,948	20,717	1,683	3,548	3,853	31,299	22,138	1,525	504	303	6,480	13,326	5,814	1,946	9
Oct. 31	25,489	20,022	1,621	3,846	4,146	31,015	21,837	1,481	517	194	6,863	12,782	5,895	2,033	9
Nov. 28	26,278	21,117	1,504	3,657	3,794	31,441	21,577	1,505	459	115	6,942	12,556	6,314	1,973	9
Other large member:[8,9]														
1941—Dec. 31	15,347	7,105	6,467	1,776	8,518	24,430	22,313	4,356	104	491	12,557	4,806		1,967	351
1945—Dec. 31	40,108	8,514	29,552	2,042	11,286	51,898	49,085	6,418	30	8,221	24,655	9,760	2	2,566	359
1947—Dec. 31	36,040	13,449	20,196	2,396	13,066	49,659	46,467	5,627	22	405	28,990	11,423	1	2,844	353
1966—Dec. 31	95,831	69,464	13,040	13,326	24,228	123,863	108,804	8,593	233	1,633	49,004	49,341	1,952	9,471	169
1967—Dec. 30	105,724	73,571	14,667	17,487	26,867	136,626	120,485	9,374	310	1,715	53,288	55,798	2,555	10,032	163
1968—Dec. 31	119,006	83,634	15,036	20,337	28,136	151,957	132,305	10,181	307	1,884	57,449	62,484	4,239	10,684	161
1969—Dec. 31[7]	121,324	90,896	11,944	18,484	29,954	157,512	126,232	10,663	242	1,575	58,923	54,829	9,881	11,464	157
1970—Dec. 31	133,718	96,158	14,700	22,860	31,263	171,733	140,518	11,317	592	2,547	59,328	66,734	10,391	12,221	156
1971—Dec. 31	149,401	106,361	15,912	27,129	33,732	190,880	155,226	11,241	933	3,557	62,474	77,020	14,799	13,197	156
1972—Oct. 25	157,630	115,642	13,699	28,289	35,635	201,551	158,214	10,202	1,239	2,374	61,147	83,252	20,500	14,193	156
Nov. 29	163,011	119,961	14,734	28,316	29,350	200,829	159,305	8,844	1,156	2,828	62,229	84,248	18,629	14,331	156
Dec. 31	171,549	126,661	16,316	28,572	36,729	217,170	173,913	11,133	1,173	3,860	71,376	86,372	19,392	14,687	156
1973—Feb. 28	169,711	126,893	13,957	28,861	32,497	211,396	165,150	9,365	1,210	3,942	62,627	88,006	22,434	14,760	156
Mar. 28	172,604	129,983	13,615	29,006	29,626	211,390	165,247	8,372	1,283	3,761	60,660	91,171	22,175	14,807	156
Apr. 25	175,754	133,253	13,414	29,087	30,111	215,262	168,360	8,470	1,285	4,069	61,487	93,049	22,606	14,905	156
May 30	175,455	133,519	12,547	29,389	31,779	217,001	170,123	9,540	1,324	1,653	62,744	94,862	22,183	14,965	156
June 30	180,663	138,452	13,066	29,144	31,899	222,344	173,183	9,177	1,371	2,988	64,875	94,771	24,032	15,260	156
July 25	178,493	137,056	11,982	29,455	28,878	217,220	169,837	8,518	1,368	2,223	61,418	96,310	22,492	15,182	156
Aug. 29	181,404	140,151	11,572	29,681	29,551	221,043	171,725	8,467	1,459	1,051	60,607	100,141	23,670	15,240	156
Sept. 26	182,083	140,637	11,443	30,003	33,048	225,139	174,901	8,494	1,562	2,930	61,459	100,456	24,730	15,244	156
Oct. 31	185,864	142,511	12,053	31,300	35,331	231,737	178,295	9,583	1,446	1,972	65,364	99,930	27,537	15,389	156
Nov. 28	185,094	141,112	12,966	31,016	34,360	229,828	174,434	8,939	1,410	1,223	64,717	98,145	29,092	15,432	156
All other member:[8,9,10]														
1941—Dec. 31	12,518	5,890	4,377	2,250	6,402	19,466	17,415	792	30	225	10,109	6,258	4	1,982	6,219
1945—Dec. 31	35,002	5,596	26,999	2,408	10,632	46,059	43,418	1,207	17	5,465	24,235	12,494	11	2,525	6,476
1947—Dec. 31	36,324	10,199	22,857	3,268	10,778	47,553	44,443	1,056	17	432	28,378	14,560	23	2,934	6,519
1966—Dec. 31	109,518	68,641	22,419	18,458	19,004	131,338	117,749	2,392	69	1,474	56,672	57,144	308	10,309	5,958
1967—Dec. 30	122,511	74,995	24,689	22,826	20,334	146,052	131,156	2,766	96	1,564	61,161	65,569	552	11,005	5,886
1968—Dec. 31	134,759	83,397	24,998	26,364	22,664	161,122	144,682	2,839	111	1,281	66,578	73,873	804	11,807	5,796
1969—Dec. 31[7]	140,715	92,147	21,278	27,291	23,928	169,078	148,007	3,152	84	1,671	67,930	75,170	1,820	12,766	5,691
1970—Dec. 31	154,130	99,404	22,586	32,140	25,448	184,635	161,850	3,387	135	2,592	69,806	85,930	1,836	13,807	5,589
1971—Dec. 31	175,211	110,357	24,343	40,511	26,783	207,798	181,780	3,853	263	2,993	74,072	100,600	3,118	15,114	5,550
1972—Oct. 25	189,164	121,498	23,512	44,154	28,205	224,720	194,272	3,485	395	2,509	76,158	111,725	5,242	16,000	5,521
Nov. 29	191,533	123,590	23,756	44,187	24,989	224,472	194,565	3,014	395	2,390	76,235	112,531	5,379	16,089	5,523
Dec. 31	197,843	127,881	24,830	45,132	29,841	234,342	205,914	4,116	395	3,238	83,681	114,483	4,455	16,608	5,526
1973—Feb. 28	197,603	128,535	23,894	45,174	26,295	231,780	201,349	3,199	395	3,474	76,587	117,694	6,082	16,483	5,510
Mar. 28	199,365	130,118	23,676	45,571	24,868	231,951	200,461	3,063	395	3,396	74,409	119,198	6,619	16,801	5,505
Apr. 25	201,351	131,964	23,435	45,952	25,121	234,358	202,710	3,035	395	2,940	76,477	119,863	6,608	16,909	5,517
May 30	203,084	134,243	22,495	46,346	26,594	238,037	204,432	3,318	395	2,183	77,105	121,431	7,581	17,084	5,525
June 30	206,092	137,383	21,638	47,072	28,309	241,736	208,974	3,471	342	3,766	79,585	121,810	6,753	17,604	5,527
July 25	205,657	137,060	21,938	46,659	25,910	239,796	205,480	3,178	395	2,205	77,281	122,421	8,490	17,217	5,528
Aug. 29	207,058	138,514	21,244	47,300	25,260	240,660	205,351	3,058	395	1,254	76,565	124,079	8,598	17,406	5,534
Sept. 26	208,391	139,794	21,171	47,426	26,370	243,246	207,920	3,094	395	2,434	77,421	124,576	8,212	17,551	5,539
Oct. 31	209,429	141,104	20,873	47,452	28,131	246,675	221,026	3,365	342	1,793	80,180	125,346	8,230	17,783	5,544
Nov. 28[p]	211,275	142,871	21,247	47,157	26,581	246,949	210,570	3,214	342	1,648	79,496	125,870	8,577	17,863	5,544

For notes see p. A-21.

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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					Borrowings	Total capital accounts	Number of banks
	Total	Loans[1]	Securities				Total[3]	Interbank[3]		Other				
			U.S. Treasury	Other[2]				Demand	Time	Demand		Time[5]		
										U.S. Govt.	Other			
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	13,426
1945—Dec. 31..	121,809	25,765	88,912	7,131	34,292	157,544	147,775	13,883		23,740	80,276	29,876	215	8,671	13,297
1947—Dec. 31..	114,274	37,583	67,941	8,750	36,926	152,733	141,851	12,615	54	1,325	92,975	34,882	61	9,734	13,398
1963—Dec. 20..	252,579	155,261	62,723	34,594	50,337	310,730	273,657	15,077	443	6,712	140,702	110,723	3,571	25,277	13,284
1964—Dec. 31..	275,053	174,234	62,499	38,320	59,911	343,876	305,113	17,664	733	6,487	154,043	126,185	2,580	27,377	13,486
1965—Dec. 31..	303,593	200,109	59,120	44,364	60,327	374,051	330,323	18,149	923	5,508	159,659	146,084	4,325	29,827	13,540
1966—Dec. 31..	321,473	217,379	55,788	48,307	68,515	401,409	351,438	19,497	881	4,975	166,689	159,396	4,717	31,609	13,533
1967—Dec. 30..	358,536	235,502	62,094	60,941	77,348	448,878	394,118	21,598	1,258	5,219	182,984	183,060	5,531	33,916	13,510
1968—Dec. 31..	399,566	264,600	64,028	70,938	83,061	498,071	432,719	24,427	1,155	5,000	198,535	203,602	8,675	36,530	13,481
1969—Dec. 31[7].	419,746	294,638	54,399	70,709	89,090	527,598	434,138	26,858	695	5,038	207,311	194,237	18,024	39,450	13,464
1971—Dec. 31..	514,097	345,386	64,691	104,020	98,281	635,805	535,703	31,824	2,792	10,150	219,102	271,835	25,629	46,731	13,602
1972—Dec. 31..	594,502	411,525	66,679	116,298	111,333	732,519	612,822	33,366	4,113	10,820	250,693	313,830	37,556	52,166	13,721
1973—Mar. 28..	606,852	428,235	178,617		89,402	724,105	594,805	25,721	4,339	11,322	219,601	333,821	43,921	53,529	13,766
June 30..	630,379	452,587	57,532	120,261	101,716	762,250	625,316	30,559	5,446	10,408	235,174	343,729	48,413	55,240	13,842
National member:														
1941—Dec. 31..	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786		1,088	23,262	8,322	4	3,640	5,117
1945—Dec. 31..	69,312	13,925	51,250	4,137	20,144	90,220	84,939	9,229		14,013	45,473	16,224	78	4,644	5,017
1947—Dec. 31..	65,280	21,428	38,674	5,178	22,024	88,182	82,023	8,375	35	795	53,541	19,278	45	5,409	5,005
1963—Dec. 20..	137,447	84,845	33,384	19,218	28,635	170,233	150,823	8,863	146	3,691	76,836	61,288	1,704	13,548	4,615
1964—Dec. 31..	151,406	96,688	33,405	21,312	34,064	190,289	169,615	10,521	211	3,604	84,534	70,746	1,109	15,048	4,773
1965—Dec. 31..	176,605	118,537	32,347	25,720	36,880	219,744	193,860	12,064	458	3,284	92,533	85,522	2,627	17,434	4,815
1966—Dec. 31..	187,251	129,182	30,355	27,713	41,690	235,996	206,456	12,588	437	3,035	96,755	93,642	3,120	18,459	4,799
1967—Dec. 30..	208,971	139,315	34,308	35,348	46,634	263,375	231,374	13,877	652	3,142	106,019	107,684	3,478	19,730	4,758
1968—Dec. 31..	236,130	159,257	35,300	41,572	50,953	296,594	257,884	15,117	657	3,090	116,422	122,597	5,923	21,524	4,716
1969—Dec. 31[7].	247,526	177,435	29,576	40,514	54,721	313,927	256,314	16,299	361	3,049	121,719	114,885	12,279	23,248	4,668
1971—Dec. 31..	302,756	206,758	36,386	59,612	59,191	376,318	314,085	17,511	1,828	6,014	128,441	160,291	18,169	27,065	4,599
1972—Dec. 31..	350,743	247,041	37,185	66,516	67,390	434,810	359,319	19,096	2,155	6,646	146,800	184,622	26,706	30,342	4,612
1973—Mar. 28..	354,999	254,447	100,552		53,789	426,035	345,341	14,134	2,285	6,866	127,001	195,056	30,336	30,924	4,607
June 30..	369,856	270,188	31,651	68,018	61,336	449,772	364,129	16,640	2,874	6,181	137,116	201,318	33,804	31,867	4,629
State member:														
1941—Dec. 31..	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739		621	13,874	4,025	1	2,246	1,502
1945—Dec. 31..	37,871	8,850	27,089	1,933	9,731	48,084	44,730	4,411		8,166	24,168	7,986	130	2,945	1,867
1947—Dec. 31..	32,566	11,200	19,240	2,125	10,822	43,879	40,505	3,978	15	381	27,068	9,062	9	3,055	1,918
1963—Dec. 20..	72,680	46,866	15,958	9,855	15,760	91,235	78,553	5,655	236	2,295	40,725	29,642	1,795	7,506	1,497
1964—Dec. 31..	77,091	51,002	15,312	10,777	18,673	98,852	86,108	6,486	453	2,234	44,005	32,931	1,372	7,853	1,452
1965—Dec. 31..	74,972	51,262	12,645	11,065	15,934	93,640	81,657	5,390	382	1,606	39,598	34,680	1,607	7,492	1,406
1966—Dec. 31..	77,377	54,560	11,569	11,247	19,049	99,504	85,547	6,200	357	1,397	41,464	36,129	1,498	7,819	1,351
1967—Dec. 30..	85,128	58,513	12,649	13,966	22,312	111,188	95,637	6,934	516	1,489	45,961	40,736	1,892	8,368	1,313
1968—Dec. 31..	89,894	61,965	12,581	15,348	22,803	116,885	98,467	8,402	404	1,219	47,498	40,945	2,535	8,536	1,262
1969—Dec. 31[7].	90,088	65,560	10,257	14,271	24,313	119,219	94,445	9,541	248	1,065	48,030	35,560	5,116	8,800	1,201
1971—Dec. 31..	102,813	71,441	11,247	20,125	26,998	135,517	111,777	13,102	721	2,412	45,945	49,597	6,878	10,214	1,128
1972—Dec. 31..	115,426	82,889	11,530	21,008	29,176	150,697	123,186	12,862	1,406	2,378	51,017	55,523	9,651	10,886	1,092
1973—Mar. 28..	117,547	87,421	30,126		24,248	148,345	117,906	10,511	1,495	2,457	43,377	60,065	12,044	10,973	1,074
June 30..	121,052	91,095	9,429	20,527	26,891	155,017	123,016	12,671	2,005	1,986	45,322	61,032	12,725	11,231	1,076
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
1945—Dec. 31..	14,639	2,992	10,584	1,063	4,448	19,256	18,119	244		1,560	10,635	5,680	7	1,083	6,416
1947—Dec. 31..	16,444	4,958	10,039	1,448	4,083	20,691	19,340	262	4	149	12,366	6,558	7	1,271	6,478
1963—Dec. 20..	42,464	23,550	13,391	5,523	5,942	49,275	44,280	559	61	726	23,140	19,793	72	4,234	7,173
1964—Dec. 31..	46,567	26,544	13,790	6,233	7,174	54,747	49,389	658	70	649	25,504	22,509	99	4,488	7,262
1965—Dec. 31..	52,028	30,310	14,137	7,581	7,513	60,679	54,806	695	83	618	27,528	25,882	91	4,912	7,320
1966—Dec. 31..	56,857	33,636	13,873	9,349	7,777	65,921	59,434	709	87	543	28,471	29,625	99	5,342	7,384
1967—Dec. 30..	64,449	37,675	15,146	11,629	8,403	74,328	67,107	786	89	588	31,004	34,640	162	5,830	7,440
1968—Dec. 31..	73,553	43,378	16,155	14,020	9,305	84,605	76,368	908	94	691	34,615	40,060	217	6,482	7,504
1969—Dec. 31[7].	82,133	51,643	14,565	15,925	10,056	94,453	83,380	1,017	85	924	37,561	43,792	629	7,403	7,595
1971—Dec. 31..	108,527	67,188	17,058	24,282	12,092	123,970	109,841	1,212	242	1,723	44,717	61,946	582	9,451	7,875
1972—Dec. 31..	128,333	81,594	17,964	28,774	14,767	147,013	130,316	1,408	552	1,796	52,876	73,685	1,199	10,938	8,017
1973—Mar. 28..	134,306	86,368	47,939		11,365	149,725	131,558	1,076	559	1,999	49,223	78,701	1,541	11,631	8,085
June 30..	139,471	91,304	16,452	31,716	13,490	157,461	138,171	1,248	567	2,241	52,735	81,379	1,884	12,143	8,137

For notes see p. A-21.

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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						Borrowings	Total capital accounts	Number of banks
	Total	Loans[1]	Securities				Total[3]	Interbank[3]		Other					
			U.S. Treasury	Other[2]				Demand	Time	Demand		Time[5]			
										U.S. Govt.	Other				
Noninsured nonmember:															
1941—Dec. 31	1,457	455	761	241	763	2,283	1,872	329		1,291		253	13	329	852
1945—Dec. 31	2,211	318	1,693	200	514	2,768	2,452	181		1,905		365	4	279	714
1947—Dec. 31[6]	2,009	474	1,280	255	576	2,643	2,251	177	185	18	1,392	478	4	325	783
1963—Dec. 20	1,571	745	463	362	374	2,029	1,463	190	83	17	832	341	93	389	285
1964—Dec. 31	2,312	1,355	483	474	578	3,033	2,057	273	86	23	1,141	534	99	406	274
1965—Dec. 31	2,455	1,549	418	489	572	3,200	2,113	277	85	17	1,121	612	147	434	263
1967—Dec. 30	2,638	1,735	370	533	579	3,404	2,172	285	58	15	1,081	733	246	457	211
1968—Dec. 31	2,901	1,875	429	597	691	3,789	2,519	319	56	10	1,366	767	224	464	197
1969—June 30[7]	2,809	1,800	321	688	898	3,942	2,556	298	81	15	1,430	731	290	502	209
Dec. 31	2,982	2,041	310	632	895	4,198	2,570	316	41	16	1,559	638	336	528	197
1971—Dec. 31	3,147	2,224	239	684	1,551	5,130	2,923	380	116	19	1,273	1,134	283	480	181
1972—Dec. 31	4,865	3,731	349	785	1,794	7,073	3,775	488	81	55	1,530	1,620	527	491	206
1973—June 30	5,915	4,732	345	838	1,892	8,196	4,438	488	145	26	1,779	2,000	885	500	204
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
1945—Dec. 31	16,849	3,310	12,277	1,262	4,962	22,024	20,571	425		14,101		6,045	11	1,362	7,130
1947—Dec. 31	18,454	5,432	11,318	1,703	4,659	23,334	21,591	439	190	167	13,758	7,036	12	1,596	7,261
1963—Dec. 20	44,035	24,295	13,854	5,885	6,316	51,304	45,743	749	144	743	23,972	20,134	165	4,623	7,458
1964—Dec. 31	48,879	27,899	14,273	6,707	7,752	57,780	51,447	931	156	672	26,645	23,043	198	4,894	7,536
1965—Dec. 31	54,483	31,858	14,555	8,070	8,085	63,879	56,919	972	168	635	28,649	26,495	238	5,345	7,583
1967—Dec. 30	67,087	39,409	15,516	12,162	8,983	77,732	69,279	1,071	147	603	32,085	35,372	408	6,286	7,651
1968—Dec. 31	76,454	45,253	16,585	14,617	9,997	88,394	78,887	1,227	150	701	35,981	40,827	441	6,945	7,701
1969—June 30[7]	80,841	50,159	14,662	16,021	9,594	92,743	81,166	1,090	160	765	35,500	43,652	741	7,506	7,737
Dec. 31	85,115	53,683	14,875	16,556	10,950	98,651	85,949	1,333	126	940	39,120	44,430	965	7,931	7,792
1971—Dec. 31	111,674	69,411	17,297	24,966	13,643	129,100	112,764	1,592	359	1,742	45,990	63,081	866	9,932	8,056
1972—Dec. 31	133,198	85,325	18,313	29,559	16,562	154,085	134,091	1,895	633	1,850	54,406	75,305	1,726	11,429	8,223
1973—June 30	145,386	96,036	16,797	32,554	15,381	165,657	142,608	1,736	712	2,267	54,514	83,379	2,770	12,643	8,341

[1] Beginning June 30, 1966, loans to farmers directly guaranteed by CCC were reclassified as securities, and Export-Import Bank portfolio fund participations were reclassified from loans to securities. This reduced "Total loans" and increased "Other securities" by about $1 billion. "Total loans" include Federal funds sold, and beginning with June 1967 securities purchased under resale agreements, figures for which are included in "Federal funds sold, etc.," on p. A-22.

Beginning June 30, 1971, Farmers Home Administration notes are classified as "Other securities" rather than "Loans." As a result of this change, approximately $300 million was transferred to "Other securities" for the period ending June 30, 1971, for all commercial banks.

See also table (and notes) at the bottom of p. A-30.

[2] See first two paragraphs of note 1.

[3] Reciprocal balances excluded beginning with 1942.

[4] Includes items not shown separately. See also note 1.

[5] See third paragraph of note 1 above.

[6] Beginning with Dec. 31, 1947, the series was revised; for description, see note 4, p. 587, May 1964 BULLETIN.

[7] Figure takes into account the following changes beginning 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.

[8] 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).

[9] Regarding reclassification as a reserve city, see Aug. 1962 BULLETIN, p. 993. For various changes between reserve city and country status in 1960–63, see note 6, p. 587, May 1964 BULLETIN. (See also note 8.)

[10] Beginning May 6, 1972, two New York City country banks, with deposits of $1,412 million, merged and were reclassified as a reserve city bank. (See also note 8.)

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

For the period June 1941–June 1962 member banks include mutual savings banks as follows: three before Jan. 1960, two through Dec. 1960, and one through June 1962. Those banks are not included in insured commercial banks.

Beginning June 30, 1969, commercial banks and member banks exclude a small national bank in the Virgin Islands; also, member banks exclude, and noninsured commercial banks include, through June 30, 1970, a small member bank engaged exclusively in trust business; beginning 1973, excludes one national bank in Puerto Rico.

Comparability of figures for classes of banks is affected somewhat by changes in F.R. membership, deposit insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.

Data for national banks for Dec. 31, 1965, have been adjusted to make them comparable with State bank data.

Figures are partly estimated except on call dates.

For revisions in series before June 30, 1947, see July 1947 BULLETIN, pp. 870–71.

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Federal Reserve Bank of St. Louis

LOANS AND INVESTMENTS BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Total loans[1] and investments	Federal funds sold, etc.[2]	Other loans[1]									Investments					
			Total[3,4]	Commercial and industrial	Agricultural[5]	For purchasing or carrying securities		To financial institutions		Real estate	Other, to individuals[3]	Other[5]	U.S. Treasury securities[6]				State and local govt. securities	Other securities[5]
						To brokers and dealers	To others	Banks	Others				Total	Bills and certificates	Notes	Bonds		
Total:[2]																		
1947—Dec. 31	116,284	.....	38,057	18,167	1,660	830	1,220	115	.....	9,393	5,723	947	69,221	9,982	6,034	53,205	5,276	3,729
1972—Dec. 31[10]	599,367	26,662	388,593	132,701	14,314	11,316	4,491	6,585	23,402	98,382	87,232	10,171	67,028	.....	.....	.....	89,504	27,579
1973—June 30	636,294	27,652	429,667	150,390	15,985	7,366	4,752	9,853	27,685	108,199	94,416	11,020	57,877	.....	.....	.....	91,312	29,787
All insured:																		
1941—Dec. 31	49,290	.....	21,259	9,214	1,450	614	662	40	.....	4,773	4,505		21,046	988	3,159	16,899	3,651	3,333
1945—Dec. 31	121,809	.....	25,765	9,461	1,314	3,164	3,606	49	.....	4,677	2,361	1,132	88,912	21,526	16,045	51,342	3,873	3,258
1947—Dec. 31	114,274	.....	37,583	18,012	1,610	823	1,190	114	.....	9,266	5,654	914	67,941	9,676	5,918	52,347	5,129	3,621
1972—Dec. 31[10]	594,502	25,584	385,941	131,422	14,287	11,165	4,460	6,115	23,277	98,204	86,912	10,099	66,679	.....	.....	.....	89,173	27,125
1973—Mar. 28	606,852	25,931	402,305	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
June 30	630,379	26,162	426,425	148,825	15,967	7,295	4,727	9,060	27,574	108,008	94,060	10,909	57,532	.....	.....	.....	90,967	29,293
Member—Total:																		
1941—Dec. 31	43,521	.....	18,021	8,671	972	594	598	39	.....	3,494	3,653		19,539	971	3,007	15,561	3,090	2,871
1945—Dec. 31	107,183	.....	22,775	8,949	855	3,133	3,378	47	.....	3,455	1,900	1,057	78,338	19,260	14,271	44,807	3,254	2,815
1947—Dec. 31	97,846	.....	32,628	16,962	1,046	811	1,065	113	.....	7,130	4,662	839	57,914	7,803	4,815	45,295	4,199	3,105
1972—Dec. 31[10]	466,169	19,961	309,969	112,110	8,495	10,863	3,870	5,783	22,026	73,131	64,490	9,201	48,715	.....	.....	.....	69,640	17,884
1973—Mar. 28	472,546	19,090	322,778	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
June 30	490,908	19,705	341,577	127,194	9,467	7,103	4,122	8,634	26,258	79,840	69,006	9,953	41,080	.....	.....	.....	69,374	19,172
New York City:[11]																		
1941—Dec. 31	12,896	.....	4,072	2,807	8	412	169	32	.....	123	522		7,265	311	1,623	5,331	729	830
1945—Dec. 31	26,143	.....	7,334	3,044	.....	2,453	1,172	26	.....	80	287	272	17,574	3,910	3,325	10,339	606	629
1947—Dec. 31	20,393	.....	7,179	5,361	.....	545	267	93	.....	111	564	238	11,972	1,642	558	9,772	638	604
1972—Dec. 31[10]	75,034	812	57,901	27,864	50	7,057	841	2,271	6,413	5,789	5,225	2,390	5,696	.....	.....	.....	9,107	1,518
1973—Mar. 28	76,790	1,674	61,021	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
June 30	79,212	1,394	64,033	31,880	81	4,563	772	3,776	8,776	6,352	5,158	2,676	4,661	.....	.....	.....	7,224	1,900
City of Chicago:[11]																		
1941—Dec. 31	2,760	.....	954	732	6	48	52	1	.....	22	95		1,430	256	153	1,022	182	193
1945—Dec. 31	5,931	.....	1,333	760	2	211	233	.....	.....	36	51	40	4,213	1,600	749	1,864	181	204
1947—Dec. 31	5,088	.....	1,801	1,418	3	73	87	.....	.....	46	149	26	2,890	367	248	2,274	213	185
1972—Dec. 31[10]	21,362	718	15,576	7,851	140	1,330	282	341	2,780	1,066	1,138	648	1,873	.....	.....	.....	2,820	375
1973—Mar. 28	22,639	1,367	16,750	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
June 30	24,566	1,097	18,549	10,034	129	843	313	598	3,558	1,146	1,207	721	1,715	.....	.....	.....	2,796	409
Other large banks:[11]																		
1941—Dec. 31	15,347	.....	7,105	3,456	300	114	194	4	.....	1,527	1,508		6,467	295	751	5,421	956	820
1945—Dec. 31	40,108	.....	8,514	3,661	205	427	1,503	17	.....	1,459	855	387	29,552	8,016	5,653	15,883	1,126	916
1947—Dec. 31	36,040	.....	13,449	7,088	225	170	484	15	.....	3,147	1,969	351	20,196	2,731	1,901	15,563	1,342	1,053
1972—Dec. 31[10]	171,618	9,927	116,802	44,483	1,977	2,024	1,707	2,716	10,268	27,014	22,669	3,943	16,316	.....	.....	.....	24,049	4,523
1973—Mar. 28	173,016	7,960	122,475	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
June 30	180,726	9,333	129,182	50,457	2,241	1,415	1,784	3,603	11,440	29,705	24,357	4,181	13,066	.....	.....	.....	24,435	4,710
All other member:[11]																		
1941—Dec. 31	12,518	.....	5,890	1,676	659	20	183	2	.....	1,823	1,528		4,377	110	481	3,787	1,222	1,028
1945—Dec. 31	35,002	.....	5,596	1,484	648	42	471	4	.....	1,881	707	359	26,999	5,732	4,544	16,722	1,342	1,067
1947—Dec. 31	36,324	.....	10,199	3,096	818	23	227	5	.....	3,827	1,979	224	22,857	3,063	2,108	17,687	2,006	1,262
1972—Dec. 31[10]	198,156	8,504	119,690	31,911	6,327	452	1,040	455	2,565	39,262	35,458	2,220	24,830	.....	.....	.....	33,664	11,468
1973—Mar. 28	200,101	8,089	122,531	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
June 30	206,404	7,882	129,813	34,824	7,015	282	1,253	657	2,484	42,638	38,284	2,376	21,638	.....	.....	.....	34,919	12,153
Nonmember:																		
1947—Dec. 31	18,454	.....	5,432	1,205	614	20	156	2	.....	2,266	1,061	109	11,318	2,179	1,219	7,920	1,078	625
1972—Dec. 31[10]	133,198	6,701	78,624	20,591	5,819	453	622	803	1,377	25,250	22,741	969	18,313	.....	.....	.....	19,864	9,695
1973—June 30	145,386	7,947	88,089	23,196	6,518	263	630	1,219	1,427	28,359	25,410	1,067	16,797	.....	.....	.....	21,939	10,615

[1] Beginning with June 30, 1948, figures for various loan items are shown gross (i.e., before deduction of valuation reserves); they do not add to the total and are not entirely comparable with prior figures. Total loans continue to be shown net. See also note 10.

[2] Includes securities purchased under resale agreements. Prior to June 30, 1967, such securities were included in loans—for the most part in loans to "Banks." Prior to Dec. 1965, Federal funds sold were included with "Total" loans and loans to "Banks."

[3] See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. A-30.

[4] Breakdowns of loan, investment, and deposit classifications are not available before 1947; summary figures for 1941 and 1945 appear in the table on pp. A-18—A-21.

[5] Beginning with June 30, 1966, loans to farmers directly guaranteed by CCC were reclassified as "Other securities," and Export-Import Bank portfolio fund participations were reclassified from loans to "Other securities." This increased "Other securities" by about $1 billion.

[6] Beginning with Dec. 31, 1965, components shown at par rather than at book value; they do not add to the total (shown at book value) and are not entirely comparable with prior figures. See also note 10.

Notes continued on opposite page.

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Federal Reserve Bank of St. Louis

RESERVES AND LIABILITIES BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks[7]	Demand deposits adjusted[8]	Demand deposits: Interbank: Domestic[7]	Demand deposits: Interbank: Foreign[9]	Demand deposits: U.S. Govt.	Demand deposits: State and local govt.	Demand deposits: Certified and officers' checks, etc.	Demand deposits: IPC	Time deposits: Interbank	Time deposits: U.S. Govt. and Postal Savings	Time deposits: State and local govt.	Time deposits: IPC[3]	Borrowings	Capital accounts
Total:[3]																
1947—Dec. 31	17,796	2,216	10,216	87,123	11,362	1,430	1,343	6,799	2,581	84,987	240	111	866	34,383	65	10,059
1972—Dec. 31[10]	26,070	8,666	32,185	212,121	29,971	3,883	10,875	18,588	11,685	221,950	4,194	606	37,161	277,683	38,083	52,658
1973—June 30	25,143	7,669	29,842	202,109	26,978	4,069	10,434	18,166	11,162	207,625	5,590	730	40,734	304,265	49,299	55,740
All insured:																
1941—Dec. 31	12,396	1,358	8,570	37,845	9,823	673	1,762	3,677	1,077	36,544	158	59	492	15,146	10	6,844
1945—Dec. 31	15,810	1,829	11,075	74,722	12,566	1,248	23,740	5,098	2,585	72,593	70	103	496	29,277	215	8,671
1947—Dec. 31	17,796	2,145	9,736	85,751	11,236	1,379	1,325	6,692	2,559	83,723	54	111	826	33,946	61	9,734
1972—Dec. 31[10]	26,070	8,637	30,734	210,287	29,731	3,635	10,820	18,459	11,177	221,057	4,113	606	37,086	276,138	37,556	52,166
1973—Mar. 28	27,160	8,830	23,131	194,096	22,443	3,279	11,322	16,111	8,593	194,898	4,339	666	41,495	291,662	43,921	53,529
June 30	25,143	7,658	28,238	200,083	26,713	3,846	10,408	18,016	10,473	206,685	5,446	730	40,655	302,344	48,413	55,240
Member—Total:																
1941—Dec. 31	12,396	1,087	6,246	33,754	9,714	671	1,709	3,066	1,009	33,061	140	50	418	11,878	4	5,886
1945—Dec. 31	15,811	1,438	7,117	64,184	12,333	1,243	22,179	4,240	2,450	62,950	64	99	399	23,712	208	7,589
1947—Dec. 31	17,797	1,672	6,270	73,528	10,978	1,375	1,176	5,504	2,401	72,704	50	105	693	27,542	54	8,464
1972—Dec. 31[10]	26,070	6,582	19,396	158,464	28,521	3,437	9,024	13,544	9,503	174,770	3,562	468	28,553	211,124	36,357	41,228
1973—Mar. 28	27,160	6,710	14,719	145,411	21,537	3,108	9,323	11,732	7,347	151,299	3,780	516	31,705	222,900	42,380	41,897
June 30	25,143	5,754	18,004	148,306	25,684	3,627	8,167	13,251	8,781	160,407	4,879	569	30,812	230,969	46,529	43,098
New York City:[11]																
1941—Dec. 31	5,105	93	141	10,761	3,595	607	866	319	450	11,282	6	.....	29	778	.....	1,648
1945—Dec. 31	4,015	111	78	15,065	3,535	1,105	6,940	237	1,338	15,712	17	10	20	1,206	195	2,120
1947—Dec. 31	4,639	151	70	16,653	3,236	1,217	267	290	1,105	17,646	12	12	14	1,418	30	2,259
1972—Dec. 31[10]	5,695	508	4,854	23,271	12,532	2,562	1,418	741	3,592	31,040	1,833	10	2,522	26,196	9,502	8,042
1973—Mar. 28	5,292	562	4,020	21,687	9,527	2,292	1,688	686	3,017	25,248	1,984	14	2,766	30,121	9,951	8,112
June 30	4,981	467	5,557	20,478	12,679	2,661	1,115	646	3,403	26,558	2,773	20	2,075	30,788	11,597	8,287
City of Chicago:[11]																
1941—Dec. 31	1,021	43	298	2,215	1,027	8	127	233	34	2,152	.....	.....	.....	476	.....	288
1945—Dec. 31	942	36	200	3,153	1,292	20	1,552	237	66	3,160	.....	.....	.....	719	.....	377
1947—Dec. 31	1,070	30	175	3,737	1,196	21	72	285	63	3,853	.....	2	9	902	.....	426
1972—Dec. 31[10]	1,496	152	173	5,783	1,516	99	509	223	264	6,899	160	95	847	9,237	3,008	1,891
1973—Mar. 28	1,435	116	112	5,148	1,232	95	459	143	162	6,134	207	150	1,006	10,230	3,861	1,905
June 30	1,512	126	138	5,827	1,206	117	299	225	229	6,918	392	224	930	11,357	4,146	1,947
Other large banks:[11]																
1941—Dec. 31	4,060	425	2,590	11,117	4,302	54	491	1,144	286	11,127	104	20	243	4,542	.....	1,967
1945—Dec. 31	6,326	494	2,174	22,372	6,307	110	8,221	1,763	611	22,281	30	38	160	9,563	2	2,566
1947—Dec. 31	7,095	562	2,125	25,714	5,497	131	405	2,282	705	26,003	22	45	332	11,045	1	2,844
1972—Dec. 31[10]	10,085	2,114	4,688	52,813	10,426	707	3,860	3,854	3,075	64,447	1,173	181	11,811	74,449	19,392	14,687
1973—Mar. 28	10,958	2,124	3,694	48,856	7,762	639	3,767	3,421	2,336	54,882	1,196	175	12,810	78,380	22,129	14,869
June 30	9,345	1,788	4,099	49,344	8,446	731	2,988	3,954	2,728	58,194	1,371	158	13,145	81,531	24,032	15,260
All other member:[11]																
1941—Dec. 31	2,210	526	3,216	9,661	790	2	225	1,370	239	8,500	30	31	146	6,082	4	1,982
1945—Dec. 31	4,527	796	4,665	23,595	1,199	8	5,465	2,004	435	21,797	17	52	219	12,224	11	2,525
1947—Dec. 31	4,993	929	3,900	27,424	1,049	7	432	2,647	528	25,203	17	45	337	14,177	23	2,934
1972—Dec. 31[10]	8,794	3,807	9,681	76,597	4,047	70	3,238	8,726	2,571	72,384	395	181	13,373	101,243	4,455	16,608
1973—Mar. 28	9,474	3,908	6,893	69,720	3,016	83	3,409	7,482	1,832	65,035	393	176	15,122	104,170	6,439	17,012
June 30	9,305	3,373	8,211	72,658	3,353	118	3,766	8,426	2,421	68,737	342	167	14,661	107,293	6,753	17,604
Nonmember:[3]																
1947—Dec. 31	.....	544	3,947	13,595	385	55	167	1,295	180	12,284	190	6	172	6,858	12	1,596
1972—Dec. 31[10]	.....	2,084	12,789	53,658	1,449	446	1,851	5,044	2,182	47,180	633	138	8,608	66,559	1,726	11,429
1973—June 30	.....	1,915	11,838	53,803	1,294	442	2,267	4,915	2,381	47,219	712	162	9,922	73,295	2,770	12,643

[7] Beginning with 1942, excludes reciprocal bank balances.

[8] Through 1960 demand deposits other than interbank and U.S. Govt., less cash items in process of collection; beginning with 1961, demand deposits other than domestic commercial interbank and U.S. Govt., less cash items in process of collection.

[9] For reclassification of certain deposits in 1961, see note 6, p. 589, May 1964 BULLETIN.

[10] Beginning June 30, 1969, reflects (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. See also notes 1 and 6.

[11] 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.—Data are for all commercial banks in the United States; member banks in U.S. possessions were included through 1968 and then excluded.

For the period June 1941—June 1962 member banks include mutual savings banks as follows: three before Jan. 1960, two through Dec. 1960, and one through June 1962. Those banks are not included in all insured or total banks.

A small noninsured member bank engaged exclusively in trust business is treated as a noninsured bank and not as a member bank for the period June 30, 1969—June 30, 1970.

Comparability of figures for classes of banks is affected somewhat by changes in F.R. membership, deposit insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.

For other notes see opposite page.

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ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Wednesday	Total loans and investments	Loans														
		Federal funds sold, etc.[1]					Other									
		Total	To commercial banks	To brokers and dealers involving—		To others	Total	Commercial and industrial	Agricultural	For purchasing or carrying securities				To nonbank financial institutions	
										To brokers and dealers		To others			
				U.S. Treasury securities	Other securities					U.S. Treasury secs.	Other secs.	U.S. Treasury secs.	Other secs.	Pers. and sales finan. cos., etc.	Other
Large banks—Total															
1972															
Nov. 8	309,824	11,837	10,933	489	308	107	216,639	88,356	2,699	808	7,721	193	2,820	6,614	11,522
15	313,429	13,615	11,117	1,973	353	172	218,311	88,496	2,712	1,459	7,940	190	2,832	6,707	11,736
22	311,490	11,865	10,728	463	378	296	217,670	88,501	2,730	1,003	7,585	193	2,825	6,507	11,619
29	314,146	12,480	11,445	626	284	125	218,272	88,642	2,745	1,265	7,551	203	2,849	6,539	11,710
1973															
Oct. 3	356,569	14,470	13,094	831	186	359	261,864	108,332	3,345	694	5,507	158	2,942	8,970	17,342
10	361,917	17,802	13,889	3,346	159	408	262,826	108,162	3,316	1,340	5,534	159	2,932	9,023	17,276
17	355,079	13,733	12,461	874	144	254	260,935	107,657	3,328	634	5,328	160	2,936	8,461	17,091
24	355,714	13,664	12,453	790	132	289	260,754	107,124	3,346	741	5,614	152	2,914	8,410	16,800
31	358,429	14,629	13,291	913	221	204	261,508	106,699	3,379	547	5,910	149	2,902	8,578	17,032
Nov. 7[p]	363,207	16,290	14,400	1,312	349	229	263,271	107,041	3,406	1,445	6,012	138	2,903	8,612	17,041
14[p]	360,150	15,811	14,163	1,206	258	184	261,638	107,124	3,402	613	5,752	135	2,874	8,450	17,094
21[p]	358,562	13,487	12,059	924	289	215	261,566	107,381	3,403	628	5,632	143	2,852	7,991	16,832
28[p]	359,705	14,443	12,845	1,100	321	177	262,370	107,425	3,422	631	5,530	143	2,864	8,307	16,921
New York City															
1972															
Nov. 8	64,718	743	709	22	.....	12	49,586	24,916	50	677	4,907	42	669	1,874	3,194
15	65,980	891	834	29	.....	28	50,513	25,002	49	1,268	5,083	35	676	1,863	3,264
22	65,299	883	697	4	.....	182	49,633	24,946	46	874	4,758	35	665	1,738	3,186
29	66,101	1,256	1,240	4	.....	12	49,812	24,930	46	1,102	4,698	35	684	1,800	3,237
1973															
Oct. 3	76,242	2,106	2,011	2	.....	93	60,845	30,801	87	588	3,294	36	681	2,688	5,973
10	77,423	1,573	1,451	30	.....	92	62,045	30,918	88	1,223	3,400	38	680	2,838	5,889
17	75,707	1,391	1,266	120	.....	5	60,629	30,824	94	550	3,171	38	678	2,635	5,855
24	76,854	1,960	1,839	120	.....	1	61,107	30,738	96	653	3,542	33	674	2,641	5,798
31	77,465	1,639	1,507	120	.....	12	61,580	30,557	101	463	3,751	30	679	2,780	5,919
Nov. 7[p]	79,250	1,060	940	120	.....	.....	63,271	30,783	107	1,318	3,781	30	685	2,934	5,868
14[p]	78,054	1,845	1,725	120	.....	.....	61,585	30,737	108	543	3,447	31	662	2,835	5,914
21[p]	77,988	1,760	1,640	120	.....	.....	61,346	30,851	109	534	3,360	31	653	2,542	5,772
28[p]	78,616	2,298	2,178	120	.....	.....	61,839	30,935	112	514	3,296	31	652	2,766	5,900
Outside New York City															
1972															
Nov. 8	245,106	11,094	10,224	467	308	95	167,053	63,440	2,649	131	2,814	151	2,151	4,740	8,328
15	247,449	12,724	10,283	1,944	353	144	167,798	63,494	2,663	191	2,857	155	2,156	4,844	8,472
22	246,191	10,982	10,031	459	378	114	168,037	63,555	2,684	129	2,827	158	2,160	4,769	8,433
29	248,045	11,224	10,205	622	284	113	168,460	63,712	2,699	163	2,853	168	2,165	4,739	8,473
1973															
Oct. 3	280,327	12,364	11,083	829	186	266	201,019	77,531	3,258	106	2,213	122	2,261	6,282	11,369
10	284,494	16,229	12,438	3,316	159	316	200,781	77,244	3,228	117	2,134	121	2,252	6,185	11,387
17	279,372	12,342	11,195	754	144	249	200,306	76,833	3,234	84	2,157	122	2,258	5,826	11,236
24	278,860	11,704	10,614	670	132	288	199,647	76,386	3,250	88	2,072	119	2,240	5,769	11,002
31	280,964	12,990	11,784	793	221	192	199,928	76,142	3,278	84	2,159	119	2,223	5,798	11,113
Nov. 7[p]	283,957	15,230	13,460	1,192	349	229	200,000	76,258	3,299	127	2,231	108	2,218	5,678	11,173
14[p]	282,096	13,966	12,438	1,086	258	184	200,053	76,387	3,294	70	2,305	104	2,212	5,615	11,180
21[p]	280,574	11,727	10,419	804	289	215	200,220	76,530	3,294	94	2,272	112	2,199	5,449	11,060
28[p]	281,089	12,145	10,667	980	321	177	200,531	76,490	3,310	117	2,234	112	2,212	5,541	11,021

For notes see p. A-28.

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ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Loans (cont.)						Investments						Wednesday
Other (cont.)						U.S. Treasury securities						
Real estate	To commercial banks		Consumer instalment	Foreign govts.[2]	All other	Total	Bills	Certificates	Notes and bonds maturing—			
	Domestic	Foreign							Within 1 yr.	1 to 5 yrs.	After 5 yrs.	
												Large banks—Total
												1972
45,065	1,838	2,875	27,287	1,131	17,710	25,669	3,838	.....	4,369	14,540	2,922	Nov. 8
45,324	1,839	2,994	27,363	1,132	17,587	26,313	3,703	.....	4,268	15,377	2,965	15
45,545	1,924	2,960	27,438	1,128	17,712	26,597	4,126	.....	4,288	15,224	2,959	22
45,630	1,970	2,929	27,548	1,146	17,545	27,925	5,568	.....	4,458	15,077	2,822	29
												1973
53,117	3,485	4,640	31,922	1,307	20,103	22,523	3,321	.....	4,384	12,137	2,681	Oct. 3
53,322	3,356	4,789	31,968	1,339	20,310	23,179	3,971	.....	4,428	12,069	2,711	10
53,603	3,412	4,655	32,038	1,313	20,319	22,887	3,650	.....	4,457	12,066	2,714	17
53,677	3,386	4,744	32,132	1,288	20,426	23,108	3,917	.....	4,494	11,982	2,715	24
53,877	3,531	4,523	32,259	1,325	20,797	23,195	3,939	.....	4,454	12,037	2,765	31
53,965	3,463	4,422	32,292	1,354	21,177	24,180	5,052	.....	4,416	11,908	2,804	Nov. 7[p]
54,208	3,526	4,495	32,385	1,408	20,172	24,129	5,114	.....	4,429	11,865	2,721	14[p]
54,416	3,790	4,365	32,439	1,403	20,291	24,872	4,837	.....	4,075	12,354	3,606	21[p]
54,502	3,818	4,529	32,523	1,408	20,347	24,338	4,437	.....	3,946	12,431	3,524	28[p]
												New York City
												1972
4,949	447	1,363	2,049	729	3,720	4,493	1,024	.....	779	2,399	291	Nov. 8
5,001	458	1,441	2,057	722	3,594	4,981	934	.....	782	2,915	350	15
5,029	448	1,446	2,056	714	3,692	5,224	1,245	.....	769	2,835	375	22
5,056	463	1,430	2,058	737	3,536	5,436	1,565	.....	766	2,734	371	29
												1973
6,129	1,364	1,864	2,394	669	4,277	3,890	965	.....	702	1,670	553	Oct. 3
6,159	1,255	2,048	2,402	657	4,450	4,196	1,253	.....	736	1,649	558	10
6,213	1,202	1,889	2,402	651	4,427	4,254	1,205	.....	746	1,681	622	17
6,126	1,257	1,982	2,408	642	4,517	4,361	1,370	.....	728	1,624	639	24
6,163	1,365	1,931	2,409	670	4,762	4,587	1,411	.....	738	1,709	729	31
6,171	1,368	1,930	2,411	685	5,200	4,890	1,734	.....	687	1,719	750	Nov. 7[p]
6,217	1,468	2,066	2,419	748	4,390	4,834	1,797	.....	711	1,659	667	14[p]
6,265	1,647	1,972	2,432	722	4,456	5,029	1,443	.....	759	1,634	1,193	21[p]
6,271	1,661	2,090	2,443	728	4,440	4,719	1,188	.....	664	1,681	1,186	28[p]
												Outside New York City
												1972
40,116	1,391	1,512	25,238	402	13,990	21,176	2,814	.....	3,590	12,141	2,631	Nov. 8
40,323	1,381	1,553	25,306	410	13,993	21,332	2,769	.....	3,486	12,462	2,615	15
40,516	1,476	1,514	25,382	414	14,020	21,373	2,881	.....	3,519	12,389	2,584	22
40,574	1,507	1,499	25,490	409	14,009	22,489	4,003	.....	3,692	12,343	2,451	29
												1973
46,988	2,121	2,776	29,528	638	15,826	18,633	2,356	.....	3,682	10,467	2,128	Oct. 3
47,163	2,101	2,741	29,566	682	15,860	18,983	2,718	.....	3,692	10,420	2,153	10
47,390	2,210	2,766	29,636	662	15,892	18,633	2,445	.....	3,711	10,385	2,092	17
47,551	2,129	2,762	29,724	646	15,909	18,747	2,547	.....	3,766	10,358	2,076	24
47,714	2,166	2,592	29,850	655	16,035	18,608	2,528	.....	3,716	10,328	2,036	31
47,794	2,095	2,492	29,881	669	15,977	19,290	3,318	.....	3,729	10,189	2,054	Nov. 7[p]
47,991	2,058	2,429	29,966	660	15,782	19,295	3,317	.....	3,718	10,206	2,054	14[p]
48,151	2,143	2,393	30,007	681	15,835	19,843	3,394	.....	3,316	10,720	2,413	21[p]
48,231	2,157	2,439	30,080	680	15,907	19,619	3,249	.....	3,282	10,750	2,338	28[p]

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ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Investments (cont.)					Cash items in process of collection	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks	Investments in subsidiaries not consolidated	Other assets	Total assets/ total liabilities
	Other securities											
	Total	Obligations of State and political subdivisions		Other bonds, corp. stock, and securities								
		Tax warrants[3]	All other	Certif. of participation[4]	All other[5]							
Large banks—Total												
1972												
Nov. 8	55,679	9,087	37,909	1,662	7,021	32,951	21,528	3,654	10,198	1,071	17,492	396,718
15	55,190	8,833	37,594	1,741	7,022	29,628	17,322	3,836	10,009	1,072	16,946	392,242
22	55,358	8,828	37,772	1,712	7,046	28,708	19,109	3,734	8,861	1,073	16,716	389,691
29	55,469	8,769	37,878	1,763	7,059	29,136	17,809	4,402	10,023	1,076	16,871	393,463
1973												
Oct. 3	57,712	7,578	38,648	2,113	9,373	31,678	22,661	4,022	10,541	1,331	21,054	447,856
10	58,110	7,515	38,875	2,238	9,482	32,649	17,406	4,229	11,175	1,335	20,825	449,536
17	57,524	7,391	38,524	2,173	9,436	31,819	23,700	4,215	10,415	1,412	20,610	447,250
24	58,188	7,604	38,562	2,213	9,809	33,369	24,937	4,378	13,161	1,415	20,217	453,191
31	59,097	7,678	38,883	2,241	10,295	34,426	25,037	4,279	13,062	1,340	20,999	457,572
Nov. 7[p]	59,466	7,749	39,187	2,212	10,318	36,848	20,940	3,955	14,314	1,355	20,599	461,218
14[p]	58,572	7,348	38,666	2,230	10,328	36,059	25,990	4,359	12,417	1,360	19,883	460,218
21[p]	58,637	7,180	38,970	2,193	10,294	31,700	23,538	4,021	10,576	1,395	20,033	449,825
28[p]	58,554	7,152	38,894	2,295	10,213	31,376	22,356	4,742	12,168	1,368	20,369	452,084
New York City												
1972												
Nov. 8	9,896	2,692	5,669	416	1,119	12,243	5,498	457	4,304	537	5,522	93,279
15	9,595	2,605	5,395	501	1,094	10,019	4,605	458	3,393	536	5,238	90,229
22	9,559	2,583	5,387	488	1,101	9,703	4,466	418	3,104	537	5,047	88,574
29	9,597	2,583	5,395	536	1,083	11,548	4,401	501	4,223	537	5,093	92,404
1973												
Oct. 3	9,401	2,183	4,931	583	1,704	9,842	5,350	487	4,522	641	6,645	103,729
10	9,609	2,156	5,027	649	1,777	10,314	4,955	523	4,230	642	6,546	104,633
17	9,433	2,218	4,801	637	1,777	10,224	5,580	489	4,469	644	6,658	103,771
24	9,426	2,267	4,710	622	1,827	13,164	6,735	517	7,039	643	6,281	111,233
31	9,659	2,333	4,739	613	1,974	13,573	6,681	480	6,760	648	6,534	112,141
Nov. 7[p]	10,029	2,311	5,070	611	2,037	16,504	5,719	508	7,972	663	5,945	116,561
14[p]	9,790	2,368	4,803	601	2,018	13,296	7,197	511	6,431	662	5,636	111,787
21[p]	9,853	2,247	4,975	590	2,041	9,870	5,358	454	4,328	665	5,909	104,572
28[p]	9,760	2,248	4,878	594	2,040	11,711	5,387	539	6,308	668	5,804	109,033
Outside New York City												
1972												
Nov. 8	45,783	6,395	32,240	1,246	5,902	20,708	16,030	3,197	5,894	534	11,970	303,439
15	45,595	6,228	32,199	1,240	5,928	19,609	12,717	3,378	6,616	536	11,708	302,013
22	45,799	6,245	32,385	1,224	5,945	19,005	14,643	3,316	5,757	536	11,669	301,117
29	45,872	6,186	32,483	1,227	5,976	17,588	13,408	3,901	5,800	539	11,778	301,059
1973												
Oct. 3	48,311	5,395	33,717	1,530	7,669	21,836	17,311	3,535	6,019	690	14,409	344,127
10	48,501	5,359	33,848	1,589	7,705	22,335	12,451	3,706	6,945	693	14,279	344,903
17	48,091	5,173	33,723	1,536	7,659	21,595	18,120	3,726	5,946	768	13,952	343,479
24	48,762	5,337	33,852	1,591	7,982	20,205	18,202	3,861	6,122	772	13,936	341,958
31	49,438	5,345	34,144	1,628	8,321	20,853	18,356	3,799	6,302	692	14,465	345,431
Nov. 7[p]	49,437	5,438	34,117	1,601	8,281	20,344	15,221	3,447	6,342	692	14,654	344,657
14[p]	48,782	4,980	33,863	1,629	8,310	22,763	18,793	3,848	5,986	698	14,247	348,431
21[p]	48,784	4,933	33,995	1,603	8,253	21,830	18,180	3,567	6,248	730	14,124	345,253
28[p]	48,794	4,904	34,016	1,701	8,173	19,665	16,969	4,203	5,860	700	14,565	343,051

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ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Deposits															
Demand									Time and savings						
				Domestic interbank		Foreign				IPC					
Total	IPC	States and political subdivisions	U.S. Govt.	Commercial	Mutual savings	Govts., etc.[2]	Commercial banks	Certified and officers' checks	Total[6]	Savings	Other	States and political subdivisions	Domestic interbank	Foreign govts.[2]	Wednesday
															Large banks—Total
															1972
151,842	106,703	6,555	2,784	23,394	864	836	3,233	7,473	157,864	58,218	72,462	18,085	2,835	5,701	Nov. 8
151,763	110,154	6,931	3,200	20,819	757	818	2,994	6,090	157,575	58,179	72,271	17,785	2,853	5,846	15
147,861	108,163	6,506	3,831	19,054	700	773	3,095	5,739	158,586	58,237	72,916	18,007	2,914	5,869	22
152,024	108,876	6,483	4,824	20,620	657	829	2,849	6,886	158,858	58,184	73,103	18,008	2,945	5,955	29
															1973
156,014	110,371	6,317	5,512	21,246	899	952	3,654	7,063	189,784	56,172	96,585	22,598	6,036	7,968	Oct. 3
158,087	112,724	6,291	2,363	23,223	876	1,114	3,597	7,899	189,293	56,172	96,153	22,575	5,791	8,175	10
154,106	111,650	5,913	3,173	21,128	739	1,071	3,608	6,824	189,269	56,190	96,187	22,399	5,655	8,347	17
158,685	110,439	5,931	3,677	23,593	745	1,064	3,809	9,427	189,480	56,171	95,969	22,553	5,678	8,614	24
162,119	112,865	7,159	3,480	24,603	875	1,034	3,862	8,241	188,703	56,135	95,432	22,279	5,669	8,691	31
164,691	112,458	6,800	2,200	28,248	820	1,021	3,999	9,145	187,077	56,257	94,098	22,079	5,621	8,525	Nov. 7[p]
159,600	112,883	6,410	1,494	23,768	685	888	4,011	9,461	186,338	56,262	93,623	21,886	5,794	8,278	14[p]
153,280	111,914	6,450	2,424	21,189	629	954	3,835	5,885	186,468	56,315	93,872	21,670	5,815	8,310	21[p]
155,922	112,294	6,182	2,139	22,380	604	1,057	3,781	7,485	186,486	56,276	94,017	21,559	5,849	8,280	28[p]
															New York City
															1972
41,922	22,764	394	536	10,768	429	687	2,391	3,953	27,529	5,644	15,285	2,095	1,577	2,829	Nov. 8
39,557	23,636	398	874	8,987	390	655	2,164	2,453	27,078	5,644	14,966	1,934	1,600	2,835	15
38,327	23,203	406	789	8,208	347	639	2,187	2,548	27,327	5,644	15,184	1,889	1,653	2,857	22
42,025	24,238	362	974	10,077	326	690	2,003	3,355	27,458	5,640	15,202	1,914	1,667	2,936	29
															1973
41,852	23,642	552	1,074	9,469	504	779	2,576	3,256	34,934	4,948	20,004	2,103	4,036	3,762	Oct. 3
42,711	23,938	419	444	10,543	476	947	2,539	3,405	34,792	4,941	19,912	2,109	3,839	3,905	10
41,482	23,383	352	610	10,076	383	889	2,556	3,233	34,717	4,932	20,057	1,925	3,728	3,999	17
47,411	23,897	358	706	12,457	364	905	2,757	5,967	34,621	4,934	19,863	1,987	3,697	4,058	24
47,967	24,648	821	603	13,234	389	880	2,818	4,574	34,711	4,939	19,732	1,986	3,762	4,212	31
52,027	25,728	464	477	15,684	400	863	2,981	5,430	34,056	4,966	19,110	2,074	3,736	4,091	Nov. 7[p]
45,954	23,752	366	150	12,030	346	731	2,949	5,630	34,558	4,977	19,456	2,143	3,934	3,969	14[p]
40,924	23,851	433	458	9,890	323	804	2,763	2,402	34,952	4,961	19,699	2,148	4,039	4,028	21[p]
44,706	24,566	344	363	11,561	311	895	2,777	3,889	34,913	4,961	19,694	2,140	4,044	3,998	28[p]
															Outside New York City
															1972
109,920	83,939	6,161	2,248	12,626	435	149	842	3,520	130,335	52,574	57,177	15,990	1,258	2,872	Nov. 8
112,206	86,518	6,533	2,326	11,832	367	163	830	3,637	130,497	52,535	57,305	15,851	1,253	3,011	15
109,534	84,960	6,100	3,042	10,846	353	134	908	3,191	131,259	52,593	57,732	16,118	1,261	3,012	22
109,999	84,638	6,121	3,850	10,543	331	139	846	3,531	131,400	52,544	57,901	16,094	1,278	3,019	29
															1973
114,162	86,729	5,765	4,438	11,777	395	173	1,078	3,807	154,850	51,224	76,581	20,495	2,000	4,206	Oct. 3
115,376	88,786	5,872	1,919	12,680	400	167	1,058	4,494	154,501	51,231	76,241	20,466	1,952	4,270	10
112,624	88,267	5,561	2,563	11,052	356	182	1,052	3,591	154,552	51,258	76,130	20,474	1,927	4,348	17
111,274	86,542	5,573	2,971	11,136	381	159	1,052	3,460	154,859	51,237	76,106	20,566	1,981	4,556	24
114,152	88,217	6,338	2,877	11,369	486	154	1,044	3,667	153,992	51,196	75,700	20,293	1,907	4,479	31
112,664	86,730	6,336	1,723	12,564	420	158	1,018	3,715	153,021	51,291	74,988	20,005	1,885	4,434	Nov. 7[p]
113,646	89,131	6,044	1,344	11,738	339	157	1,062	3,831	151,780	51,285	74,167	19,743	1,860	4,309	14[p]
112,356	88,063	6,017	1,966	11,299	306	150	1,072	3,483	151,516	51,354	74,173	19,522	1,776	4,282	21[p]
111,216	87,728	5,838	1,776	10,819	293	162	1,004	3,596	151,573	51,315	74,323	19,419	1,805	4,282	28[p]

For notes see p. A-28.

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ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Federal funds purchased, etc.[7]	Borrowings from—		Other liabilities, etc.[8]	Reserves for—		Total capital accounts	Memoranda						
		F.R. Banks	Others		Loans	Securities		Total loans (gross) adjusted[9]	Total loans and investments (gross) adjusted[9]	Demand deposits adjusted[10]	Large negotiable time CD's included in time and savings deposits[11] Total	Issued to IPC's	Issued to others	Gross liabilities of banks to their foreign branches
Large banks—Total														
1972														
Nov. 8	34,436	1,332	2,181	15,702	4,192	71	29,098	215,705	297,053	92,713	42,919	27,879	15,040	1,338
15	32,252	25	2,068	15,314	4,191	71	28,983	218,970	300,473	98,116	42,884	27,756	15,128	1,841
22	32,744	118	2,026	14,981	4,199	70	29,106	216,883	298,838	96,268	43,701	28,400	15,301	1,464
29	31,365	525	2,157	15,071	4,208	71	29,184	217,337	300,731	97,444	43,898	28,462	15,436	1,745
1973														
Oct. 3	42,191	551	5,813	17,583	4,618	65	31,237	259,755	339,990	97,578	67,502	45,212	22,290	1,695
10	42,733	317	5,660	17,679	4,608	65	31,094	263,383	344,672	99,852	66,765	44,749	22,016	1,790
17	43,403	1,118	5,827	17,755	4,605	65	31,102	258,795	339,206	97,986	66,287	44,434	21,853	1,814
24	43,508	2,820	5,727	17,095	4,608	65	31,203	258,579	339,875	98,046	66,303	44,092	22,211	1,642
31	45,277	1,677	6,028	17,756	4,613	65	31,334	259,315	341,607	99,610	65,464	43,422	22,042	1,727
Nov. 7[p]	49,546	531	5,894	17,488	4,613	65	31,313	261,698	345,344	97,395	64,523	42,607	21,916	1,692
14[p]	51,676	3,699	5,645	17,223	4,613	65	31,359	259,760	342,461	98,279	63,876	42,032	21,844	1,826
21[p]	48,796	970	5,653	18,678	4,606	65	31,309	259,204	342,713	97,967	64,186	42,318	21,868	2,428
28[p]	48,415	1,025	5,507	18,654	4,609	65	31,401	260,150	343,042	100,027	64,262	42,588	21,674	2,412
New York City														
1972														
Nov. 8	8,603	413	588	5,645	1,228	.....	7,351	49,173	63,562	18,375	14,843	10,160	4,683	974
15	8,552	.....	523	5,954	1,229	.....	7,336	50,112	64,688	19,677	14,430	9,859	4,571	1,515
22	8,243	.....	528	5,468	1,234	.....	7,447	49,371	64,154	19,627	14,786	10,167	4,619	1,136
29	7,731	270	598	5,626	1,234	.....	7,462	49,365	64,398	19,426	14,800	10,105	4,695	1,344
1973														
Oct. 3	9,129	10	2,585	5,997	1,320	.....	7,902	59,576	72,867	21,467	21,096	13,300	7,796	1,344
10	9,854	.....	2,338	5,833	1,320	.....	7,785	60,912	74,717	21,410	20,860	13,266	7,594	1,277
17	9,943	.....	2,451	5,987	1,323	.....	7,868	59,552	73,239	20,572	20,569	13,241	7,328	1,360
24	11,322	860	2,299	5,535	1,324	.....	7,861	59,971	73,758	21,084	20,529	13,074	7,455	1,018
31	11,491	180	2,419	6,138	1,324	.....	7,911	60,347	74,593	20,557	20,384	12,844	7,540	1,335
Nov. 7[p]	13,092	.....	2,417	5,744	1,324	.....	7,901	62,023	76,942	19,362	20,026	12,443	7,583	1,200
14[p]	12,536	1,491	2,405	5,503	1,323	.....	8,017	60,237	74,861	20,478	20,428	12,724	7,704	1,389
21[p]	10,286	325	2,482	6,274	1,320	.....	8,009	59,819	74,701	20,706	20,850	12,964	7,886	1,715
28[p]	11,097	258	2,524	6,214	1,320	.....	8,001	60,298	74,777	21,071	20,830	12,985	7,845	1,687
Outside New York City														
1972														
Nov. 8	25,833	919	1,593	10,057	2,964	71	21,747	166,532	233,491	74,338	28,076	17,719	10,357	364
15	23,700	25	1,545	9,360	2,962	71	21,647	168,858	235,785	78,439	28,454	17,897	10,557	326
22	24,501	118	1,498	9,513	2,965	70	21,659	167,512	234,684	76,641	28,915	18,233	10,682	328
29	23,634	255	1,559	9,445	2,974	71	21,722	167,972	236,333	78,018	29,098	18,357	10,741	401
1973														
Oct. 3	33,062	541	3,228	11,586	3,298	65	23,335	200,179	267,123	76,111	46,406	31,912	14,494	351
10	32,879	317	3,322	11,846	3,288	65	23,309	202,471	269,955	78,442	45,905	31,483	14,422	513
17	33,460	1,118	3,376	11,768	3,282	65	23,234	199,243	265,967	77,414	45,718	31,193	14,525	454
24	32,186	1,960	3,428	11,560	3,284	65	23,342	198,608	266,117	76,962	45,774	31,018	14,756	624
31	33,786	1,497	3,609	11,618	3,289	65	23,423	198,968	267,014	79,053	45,080	30,578	14,502	392
Nov. 7[p]	36,454	531	3,477	11,744	3,289	65	23,412	199,675	268,402	78,033	44,497	30,164	14,333	492
14[p]	39,140	2,208	3,240	11,720	3,290	65	23,342	199,523	267,600	77,801	43,448	29,308	14,140	437
21[p]	38,510	645	3,171	12,404	3,286	65	23,300	199,385	268,012	77,261	43,336	29,354	13,982	713
28[p]	37,318	767	2,983	12,440	3,289	65	23,400	199,852	268,265	78,956	43,432	29,603	13,829	725

[1] Includes securities purchased under agreements to resell.
[2] Includes official institutions and so forth.
[3] Includes short-term notes and bills.
[4] Federal agencies only.
[5] Includes corporate stock.
[6] Includes U.S. Govt. and foreign bank deposits, not shown separately.
[7] Includes securities sold under agreements to repurchase.
[8] Includes minority interest in consolidated subsidiaries.
[9] Exclusive of loans and Federal funds transactions with domestic commercial banks.
[10] All demand deposits except U.S. Govt. and domestic commercial banks, less cash items in process of collection.
[11] Certificates of deposit issued in denominations of $100,000 or more.

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COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding					Net change during—							
	1973					1973			1973			1973	1972
	Nov. 28	Nov. 21	Nov. 14	Nov. 7	Oct. 31	Nov.	Oct.	Sept.	III	II	I	1st half	2nd half
Durable goods manufacturing:													
Primary metals	1,956	1,985	1,990	1,975	1,978	−22	−78	73	18	−102	122	20	−79
Machinery	6,240	6,260	6,202	6,152	6,112	128	−423	179	479	645	808	1,453	395
Transportation equipment	2,346	2,354	2,320	2,378	2,361	−15	−69	−77	272	32	32	64	−258
Other fabricated metal products	2,326	2,362	2,334	2,316	2,308	18	−10	55	56	267	236	503	57
Other durable goods	3,729	3,736	3,768	3,823	3,855	−126	−211	162	290	323	549	872	69
Nondurable goods manufacturing:													
Food, liquor, and tobacco	3,895	3,891	3,759	3,728	3,677	218	−140	121	393	−194	171	−23	827
Textiles, apparel, and leather	3,340	3,398	3,469	3,478	3,475	−135	−184	15	235	275	455	730	−166
Petroleum refining	1,094	1,101	1,117	1,133	1,181	−87	−26	−38	19	−7	218	211	−14
Chemicals and rubber	2,470	2,489	2,521	2,525	2,559	−89	−155	69	48	63	746	809	−262
Other nondurable goods	2,171	2,158	2,186	2,166	2,185	−14	−25	76	156	157	203	360	30
Mining, including crude petroleum and natural gas	3,804	3,812	3,804	3,837	3,889	−85	−148	33	77	.....	331	331	25
Trade: Commodity dealers	1,761	1,717	1,570	1,590	1,425	336	213	−92	−42	−603	63	−540	622
Other wholesale	5,323	5,334	5,415	5,409	5,348	−25	84	81	43	183	384	567	216
Retail	6,476	6,470	6,524	6,521	6,403	73	146	161	165	457	635	1,092	473
Transportation	5,799	5,787	5,865	5,847	5,824	−25	−126	22	66	283	11	294	−42
Communication	1,892	1,875	1,920	1,960	2,007	−115	−97	55	−13	79	179	258	424
Other public utilities	5,518	5,526	5,363	5,340	5,197	321	−84	598	734	670	291	961	939
Construction	5,577	5,591	5,606	5,612	5,648	−71	−156	−10	212	624	304	928	364
Services	10,711	10,646	10,607	10,553	10,515	196	24	103	362	455	542	997	494
All other domestic loans	7,865	7,811	7,825	7,863	7,835	30	−134	−24	380	782	972	1,754	239
Bankers' acceptances	1,218	1,232	1,172	1,211	1,233	−15	158	−68	−322	76	−230	−154	100
Foreign commercial and industrial loans	4,018	4,006	3,961	4,005	3,996	22	−54	−139	−384	−18	572	554	491
Total classified loans	89,529	89,541	89,298	89,422	89,011	518	−1,495	1,355	3,244	4,447	7,594	12,041	4,944
Total commercial and industrial loans of large commercial banks	p107,425	p107,381	107,124	p107,041	p106,699	726	−1,534	1,386	3,370	4,998	8,762	13,760	6,149

See NOTE to table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding									Net change during—				
	1973									1973			1972	1973
	Nov. 28	Oct. 31	Sept. 26	Aug. 29	July 25	June 27	May 30	Apr. 25	Mar. 28	III	II	I	IV	1st half
Durable goods manufacturing:														
Primary metals	1,240	1,260	1,311	1,294	1,293	1,328	1,314	1,315	1,335	−17	−7	67	−35	60
Machinery	2,729	2,734	2,680	2,638	2,664	2,641	2,560	2,555	2,313	39	328	159	249	487
Transportation equipment	1,251	1,233	1,261	1,226	1,193	1,189	1,168	1,180	1,174	72	15	−31	−102	−16
Other fabricated metal products	902	891	863	846	861	869	833	842	785	−6	84	65	41	149
Other durable goods	1,741	1,782	1,777	1,730	1,720	1,690	1,592	1,614	1,520	87	170	281	51	451
Nondurable goods manufacturing:														
Food, liquor, and tobacco	1,466	1,465	1,472	1,405	1,410	1,393	1,372	1,355	1,350	79	43	116	155	159
Textiles, apparel, and leather	1,036	1,030	1,026	1,021	1,003	969	942	978	892	57	77	169	12	246
Petroleum refining	839	883	920	925	947	876	885	858	842	44	34	144	19	178
Chemicals and rubber	1,509	1,535	1,553	1,494	1,486	1,481	1,441	1,459	1,479	72	2	326	−6	328
Other nondurable goods	1,058	1,076	1,092	1,069	1,050	1,063	1,063	1,108	1,100	29	−37	206	−24	169
Mining, including crude petroleum and natural gas	2,950	2,958	2,990	2,921	3,022	2,846	2,908	2,895	2,872	144	−26	187	6	161
Trade: Commodity dealers	135	120	116	115	178	123	139	136	150	−7	−27	29	14	2
Other wholesale	1,171	1,224	1,178	1,149	1,118	1,066	1,051	1,068	1,055	112	11	161	30	172
Retail	2,226	2,179	2,145	2,136	2,066	2,006	1,979	1,947	1,823	139	183	231	148	414
Transportation	4,199	4,214	4,272	4,287	4,255	4,305	4,161	4,202	4,234	−33	71	54	94	125
Communication	828	819	857	835	814	785	760	738	746	72	39	64	121	103
Other public utilities	3,114	2,853	2,829	2,671	2,548	2,409	2,328	2,343	2,234	420	175	259	287	434
Construction	1,935	1,952	1,992	2,000	2,009	1,896	1,852	1,800	1,709	96	187	151	8	338
Services	4,899	4,752	4,701	4,646	4,568	4,562	4,402	4,417	4,339	139	223	313	164	536
All other domestic loans	2,616	2,552	2,585	2,458	2,389	2,201	2,180	2,061	1,871	384	330	274	43	604
Foreign commercial and industrial loans	2,306	2,308	2,186	2,292	2,497	2,585	2,647	2,410	2,567	−399	18	201	223	219
Total loans	p40,150	p39,820	p39,806	p39,158	p39,091	p38,283	p37,577	37,281	36,390	1,523	1,893	3,426	1,498	5,319

NOTE.—About 160 weekly reporting banks are included in this series; these banks classify, by industry, commercial and industrial loans amounting to about 90 per cent of such loans held by all weekly reporting banks and about 70 per cent of those held by all commercial banks.

For description of series see article "Revised Series on Commercial and Industrial Loans by Industry," Feb. 1967 BULLETIN, p. 209.

Commercial and industrial "term" loans are all outstanding loans with an original maturity of more than 1 year and all outstanding loans granted under a formal agreement—revolving credit or standby—on which the original maturity of the commitment was in excess of 1 year.

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GROSS DEMAND DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS[1]

(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 commercial banks:						
1970—Sept.	17.0	88.0	51.4	1.4	10.0	167.9
Dec.	17.3	92.7	53.6	1.3	10.3	175.1
1971—Mar.	18.3	86.3	54.4	1.4	10.5	170.9
June	18.1	89.6	56.2	1.3	10.5	175.8
Sept.	17.9	91.5	57.5	1.2	9.7	177.9
Dec.	18.5	98.4	58.6	1.3	10.7	187.5
1972—June	17.9	97.6	60.5	1.4	11.0	188.4
Sept.	18.0	101.5	63.1	1.4	11.4	195.4
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.	18.2	108.4	69.2	2.1	11.9	210.4
Weekly reporting banks:						
1971—Dec.	14.4	58.6	24.6	1.2	5.9	104.8
1972—Oct.	14.1	60.0	26.2	1.3	6.1	107.8
Nov.	14.5	60.5	26.7	1.3	6.2	109.2
Dec.	14.7	64.4	27.1	1.4	6.6	114.3
1973—Jan.	15.0	63.1	27.8	1.4	6.8	114.1
Feb.	14.3	60.3	26.3	1.6	6.5	109.0
Mar.	14.4	59.0	26.5	1.6	6.4	107.9
Apr.	14.3	59.4	28.6	1.8	6.4	110.4
May	13.8	59.1	26.9	1.9	6.4	108.0
June	14.2	60.8	27.1	1.9	6.3	110.2
July	14.8	61.1	27.3	1.9	6.6	111.7
Aug.	14.3	59.5	27.3	1.9	6.1	109.1
Sept.	14.5	60.6	27.2	1.9	6.5	110.8
Oct.[p]	15.0	61.7	27.3	2.0	6.6	112.5

[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, 1971	Dec. 31, 1972	Mar. 28, 1973	June 30, 1973	Class of bank	Dec. 31, 1971	Dec. 31, 1972	Mar. 28, 1973	June 30, 1973
All commercial	680	559	.....	538	All member—Cont.				
Insured	677	554	556	533	Other large banks [1]	112	69	67	63
National member	387	311	314	304	All other member [1]	371	313	318	312
State member	95	71	72	71	All nonmember	197	177	.....	163
All member	482	381	385	375	Insured	195	172	171	158
					Noninsured	2	5	.....	5

[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.—These hypothecated deposits are excluded from "Time deposits" and "Loans" at commercial banks, as shown in the tables on pp. A-18, A-19, and A-24–A-28 (consumer instalment loans), and in the table at the bottom of p. A-17. These changes resulted from a change in Federal Reserve regulations. See June 1966 BULLETIN, p. 808.

These deposits have not been deducted from "Time deposits" and "Loans" for commercial banks as shown on pp. A-20 and A-21 and on pp. A-22 and A-23 (IPC only for time deposits).

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LOANS SOLD OUTRIGHT BY COMMERCIAL BANKS

(Amounts outstanding; in millions of dollars)

Date	To own subsidiaries, foreign branches, holding companies, and other affiliates			To all others except banks		
	Total	By type of loan		Total	By type of loan	
		Commercial and industrial	All other		Commercial and industrial	All other
1973—Aug. 1	4,120	2,479	1,641	1,694	294	1,400
8	4,142	2,443	1,699	1,795	380	1,415
15	4,527	2,723	1,804	1,792	381	1,411
22	4,602	2,708	1,894	1,738	327	1,411
29	4,741	2,895	1,846	1,750	323	1,427
Sept. 5	4,672	2,816	1,856	1,743	326	1,417
12	4,453	2,713	1,740	1,783	355	1,428
19	4,748	2,841	1,907	1,777	356	1,421
26[r]	4,637	2,877	1,760	1,764	353	1,411
Oct. 3	4,723	2,893	1,830	1,760	356	1,404
10	4,606	2,784	1,822	1,806	351	1,455
17	4,538	2,782	1,756	1,788	351	1,437
24	4,518	2,825	1,693	1,774	338	1,436
31	4,645	2,857	1,788	[r]1,768	[r]333	[r]1,435
Nov. 7	4,317	2,591	1,726	1,772	343	1,429
14	4,315	2,540	1,775	1,779	333	1,446
21	4,336	2,656	1,680	1,783	331	1,452
28	4,342	2,655	1,687	1,777	329	1,448

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

COMMERCIAL AND FINANCE COMPANY PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

(In millions of dollars)

End of period	Commercial and finance company paper					Dollar acceptances									
	Total	Placed through dealers		Placed directly		Total	Held by—						Based on—		
							Accepting banks			F.R. Banks		Others	Imports into United States	Exports from United States	All other
		Bank related	Other[1]	Bank related	Other[2]		Total	Own bills	Bills bought	Own acct.	Foreign corr.				
1965	9,300	.....	1,903	.....	7,397	3,392	1,223	1,094	129	187	144	1,837	792	974	1,626
1966	13,645	.....	3,089	.....	10,556	3,603	1,198	983	215	193	191	2,022	997	829	1,778
1967	17,085	.....	4,901	.....	12,184	4,317	1,906	1,447	459	164	156	2,090	1,086	989	2,241
1968	21,173	.....	7,201	.....	13,972	4,428	1,544	1,344	200	58	109	2,717	1,423	952	2,053
1969	32,600	1,216	10,601	3,078	17,705	5,451	1,567	1,318	249	64	146	3,674	1,889	1,153	2,408
1970	33,071	409	12,262	1,940	18,460	7,058	2,694	1,960	735	57	250	4,057	2,601	1,561	2,895
1971	32,126	495	10,923	1,478	19,230	7,889	3,480	2,689	791	261	254	3,894	2,834	1,546	3,509
1972—Oct.	35,651	821	12,737	1,708	20,385	6,748	2,394	1,881	514	70	219	4,065	2,585	1,786	2,377
Nov.	35,775	876	12,345	1,709	20,845	6,864	2,529	1,995	535	63	199	4,073	2,621	1,844	2,400
Dec.	34,721	930	11,242	1,707	20,842	6,898	2,706	2,006	700	106	179	3,907	2,531	1,909	2,458
1973—Jan.	35,727	911	11,641	1,795	21,380	6,564	2,384	1,825	560	141	198	3,841	2,337	1,948	2,279
Feb.	35,196	956	9,968	2,160	22,112	6,734	2,328	1,765	563	233	239	3,934	2,311	2,113	2,310
Mar.	34,052	993	8,366	2,463	22,230	6,859	2,269	1,777	492	165	282	4,143	2,091	2,399	2,368
Apr.	34,404	1,044	8,290	2,767	22,303	6,713	2,068	1,641	427	136	344	4,165	1,996	2,359	2,359
May	35,672	1,148	8,288	2,922	23,314	6,888	2,197	1,763	433	83	384	4,225	2,009	2,509	2,371
June	35,786	1,173	8,316	3,110	23,187	7,237	2,185	1,746	439	66	395	4,591	2,053	2,755	2,428
July	35,463	1,207	7,954	3,307	22,995	7,693	2,254	1,803	452	132	496	4,810	2,222	2,954	2,517
Aug.	37,149	1,350	7,676	3,758	24,365	7,734	1,968	1,598	370	84	522	5,159	2,268	2,945	2,520
Sept.	37,641	1,353	8,845	3,878	23,565	8,170	2,099	1,629	470	145	548	5,379	2,296	3,289	2,585
Oct.	41,602	1,319	11,727	3,549	25,007	8,237	2,042	1,731	311	107	589	5,499	2,345	3,222	2,670

[1] As reported by dealers; includes finance company paper as well as other commercial paper sold in the open market.

[2] As reported by finance companies that place their paper directly with investors.

NOTE.—Back data available from Financial Statistics Division, Federal Reserve Bank of New York.

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PRIME RATE CHARGED BY BANKS

(Per cent per annum)

Effective date	Rate
1969—Jan. 7	7
Mar. 17	7½
June 9	8½
1970—Mar. 25	8
Sept. 21	7½
Nov. 12	7¼
23	7
Dec. 22	6¾
1971—Jan. 6	6½
15	6¼
18	6
Feb. 16	5¾
Mar. 11	5¼–5½
19	5¼
Apr. 23	5¼–5½
May 11	5½
July 6	5½–6
7	6
Oct. 20	5¾
Nov. 1	5¾■–5⅞
4	5½■–5⅝
8	5½■
22	5⅜–5½■
29	5¼–5½■
Dec. 6	5¼–5⅜–5½■
27	5¼–5½■
31	5¼■
1972—Jan. 3	5–5⅛–5¼■
17	4¾–5–5¼■
24	4⅝–4¾–5■
31	4½–4¾■–5
Feb. 28	4⅜–4½–4¾■
Mar. 13	4½–4¾■
23	4¾■
27	4¾■–4⅞–5
Apr. 3	4¾■–5
5	5■
17	5■–5¼
May 1	5■–5⅛–5¼
30	5■
June 12	5■–5⅛
26	5–5¼■
July 3	5¼■–5⅜
10	5¼■–5⅜–5½
17	5¼■–5½
31	5¼■–5⅜–5½
Aug. 11	5¼■–5⅜
14	5¼■
21	5¼■–5⅜
25	5¼■–5⅜–5½
29	5¼–5⅜–5½■
1972—Sept. 4	5¼–5½■
5	5½■
11	5½■–5⅝
25	5½■–5⅝–5¾
Oct. 2	5½■–5¾
4	5½–5¾■
11	5¾■
16	5¾■–5⅞
Nov. 6	5¾■
20	5¾■–5⅞
Dec. 26	5¾■–6
27	5¾–6■
1973—Jan. 4	6■
Feb. 2	6■–6¼
14	6■
26	6■–6¼
27	6¼■
Mar. 19	6¼■–6¾
26	6½■
Apr. 18	6½–6¾■
19	6¾■
May 4	6¾■–7
7	7■
24	7■–7¼
25	7–7¼■
1973—June 8	7½■
19	7½■–7¾
25	7¾■
July 2	7¾■–8
3	7¾–8■
9	8–8¼■
17	8¼■–8½
18	8¼–8½■
23	8½■
30	8½–8¾■
Aug. 6	8¾–9■
7	9■
13	9–9¼■
21	9¼■–9½
22	9½■
28	9½–9¾■
29	9¾■
Sept. 14	9¾■–10
18	10■
27	9¾–10■
Oct. 22	9½–9¾–10■
24	9½–9¾■–10

NOTE.—Beginning Nov. 1971, several banks adopted a floating prime rate keyed to money market variables. ■ denotes the predominate prime rate quoted by commercial banks to large businesses.

Effective Apr. 16, 1973, with the adoption of a two tier or "dual prime rate," this table shows only the "large-business prime rate," which is the range of rates charged by commercial banks on short-term loans to large businesses with the highest credit standing.

RATES ON BUSINESS LOANS OF BANKS

Center	All sizes		Size of loan (in thousands of dollars)									
			1–9		10–99		100–499		500–999		1,000 and over	
	Aug. 1973	May 1973	Aug. 1973	May 1973	Aug. 1973	May 1973	Aug. 1973	May 1973	Aug. 1973	May 1973	Aug. 1973	May 1973
	Short-term											
35 centers	9.24	7.35	8.95	8.05	9.25	7.85	9.50	7.61	9.31	7.35	9.14	7.19
New York City	9.08	7.04	8.93	8.05	9.32	7.76	9.37	7.38	9.20	7.14	9.03	6.97
7 Other Northeast	9.49	7.71	9.30	8.36	9.51	8.08	9.95	7.89	9.72	7.77	9.22	7.52
8 North Central	9.24	7.44	8.21	7.70	9.02	7.70	9.44	7.58	9.28	7.34	9.21	7.40
7 Southeast	9.25	7.37	8.85	8.03	9.07	7.80	9.23	7.53	9.02	7.11	9.48	7.16
8 Southwest	9.16	7.33	9.10	7.98	9.18	7.74	9.34	7.48	9.18	7.28	9.03	7.08
4 West Coast	9.25	7.25	9.67	8.31	9.48	7.98	9.46	7.71	9.33	7.28	9.17	7.06
	Revolving credit											
35 centers	9.22	7.14	9.48	7.89	9.46	7.82	9.34	7.45	9.32	7.25	9.19	7.17
New York City	9.25	7.07	8.97	7.82	9.11	7.36	9.18	7.28	9.34	7.18	9.25	7.06
7 Other Northeast	9.72	7.45	9.90	8.43	9.98	7.63	10.35	7.55	10.30	7.33	9.59	7.45
8 North Central	9.44	7.40	9.55	8.15	9.34	7.85	9.17	7.57	9.42	7.24	9.48	7.39
7 Southeast	8.90	7.19	9.57	7.53	9.41	7.73	9.39	7.03	7.48	7.13	9.14	.....
8 Southwest	9.72	7.79	8.78	7.75	9.34	7.83	9.54	8.11	10.11	7.54	9.64	7.79
4 West Coast	9.00	7.17	9.36	7.97	9.51	7.95	9.28	7.36	9.10	7.23	8.95	7.12
	Long-term											
35 centers	9.82	7.66	9.43	8.14	9.60	7.77	9.45	7.93	9.48	7.74	9.94	7.60
New York City	9.96	7.30	8.75	7.20	9.69	7.45	9.27	7.55	9.63	7.70	10.03	7.25
7 Other Northeast	9.87	8.17	9.68	8.55	9.79	7.68	9.56	8.12	8.68	7.95	10.24	8.28
8 North Central	9.70	7.73	8.60	8.04	9.54	8.04	9.99	8.22	10.00	7.57	9.63	7.65
7 Southeast	8.44	8.39	9.16	7.18	8.97	6.92	6.12	8.50	11.25	9.39	9.37	8.58
8 Southwest	10.12	7.79	10.19	8.39	9.61	8.20	9.76	7.66	9.71	7.68	10.40	7.82
4 West Coast	9.71	7.69	9.97	8.73	9.58	7.95	9.57	7.66	9.25	7.57	9.80	7.71

NOTE.—Beginning Feb. 1971 the Quarterly Survey of Interest Rates on Business Loans was revised. For description of revised series see pp. 468–77 of the June 1971 BULLETIN.

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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[1]	Federal funds rate[3]	U.S. Government securities[4]						
						3-month bills[5]		6-month bills[5]		9- to 12-month issues		3- to 5-year issues[7]
	90–119 days	4- to 6-months				Rate on new issue	Market yield	Rate on new issue	Market yield	1-year bill (market yield)[5]	Other[6]	
1966	.....	5.55	5.42	5.36	5.11	4.881	4.86	5.082	5.06	5.07	5.17	5.16
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	8.22	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	4.67	4.69	4.52	4.47	4.44	4.071	4.07	4.466	4.49	4.77	4.86	5.85
1972—Nov.	5.18	5.25	5.13	5.01	5.06	4.774	4.78	5.079	5.09	5.20	5.22	6.03
Dec.	5.40	5.45	5.24	5.16	5.33	5.061	5.07	5.287	5.30	5.28	5.46	6.07
1973—Jan.	5.76	5.78	5.56	5.60	5.94	5.307	5.41	5.527	5.62	5.58	5.78	6.29
Feb.	6.17	6.22	5.97	6.14	6.58	5.558	5.60	5.749	5.83	5.93	6.07	6.61
Mar.	6.76	6.85	6.45	6.82	7.09	6.054	6.09	6.430	6.51	6.53	6.81	6.85
Apr.	7.13	7.14	6.76	6.97	7.12	6.289	6.26	6.525	6.52	6.51	6.79	6.74
May	7.26	7.27	6.85	7.15	7.84	6.348	6.36	6.615	6.62	6.63	6.83	6.78
June	8.00	7.99	7.45	7.98	8.49	7.188	7.19	7.234	7.23	7.05	7.27	6.76
July	9.26	9.18	8.09	9.19	10.40	8.015	8.01	8.081	8.12	7.97	8.37	7.49
Aug.	10.26	10.21	8.90	10.18	10.50	8.672	8.67	8.700	8.65	8.32	8.82	7.75
Sept.	10.31	10.23	8.90	10.19	10.78	8.478	8.29	8.537	8.45	8.07	8.44	7.16
Oct.	9.14	8.92	7.84	9.07	10.01	7.155	7.22	7.259	7.32	7.17	7.42	6.81
Nov.	9.11	8.94	7.94	8.73	10.03	7.866	7.83	7.823	7.96	7.40	7.66	6.96
Week ending—												
1973—Aug. 4	9.95	9.88	8.33	9.85	10.57	8.320	8.30	8.476	8.43	8.40	8.94	8.02
11	10.15	10.05	8.65	10.15	10.39	8.486	8.70	8.650	8.79	8.44	9.13	8.16
18	10.28	10.25	8.80	10.25	10.39	8.976	8.88	8.943	8.78	8.34	8.91	7.80
25	10.30	10.25	8.98	10.25	10.52	8.910	8.71	8.856	8.57	8.25	8.61	7.50
Sept. 1	10.48	10.45	9.00	10.25	10.79	8.668	8.62	8.577	8.58	8.22	8.53	7.35
8	10.50	10.38	9.09	10.25	10.79	8.778	8.80	8.735	8.75	8.19	8.51	7.27
15	10.50	10.48	9.00	10.35	10.74	9.016	8.94	8.921	8.97	8.45	8.78	7.45
22	10.43	10.45	9.00	10.43	10.80	8.786	8.38	8.832	8.52	8.10	8.59	7.10
29	9.85	9.65	8.60	9.75	10.84	7.331	7.13	7.661	7.63	7.57	7.90	6.85
Oct. 6	9.58	9.38	8.10	9.50	10.72	7.149	7.42	7.584	7.59	7.52	7.66	6.89
13	9.47	9.13	8.00	9.28	9.87	7.323	7.14	7.259	7.32	7.26	7.46	6.77
20	9.25	9.03	7.80	9.00	10.07	7.188	7.16	7.242	7.24	7.15	7.40	6.80
27	8.66	8.56	7.66	8.81	9.98	6.959	7.07	6.951	7.09	6.85	7.26	6.80
Nov. 3	8.55	8.28	7.50	8.50	9.90	7.196	7.38	7.263	7.43	6.99	7.32	6.83
10	8.88	8.69	7.63	8.75	9.71	8.098	8.12	7.987	8.06	7.42	7.85	7.03
17	9.18	9.08	8.10	8.75	10.03	8.636	8.11	8.381	8.30	7.64	8.01	7.16
24	9.28	9.09	8.16	8.75	10.23	7.704	7.72	7.805	7.85	7.37	7.50	6.90
Dec. 1	9.25	9.10	8.05	8.75	10.09	7.695	7.52	7.679	7.77	7.29	7.36	6.79

[1] Averages of the most representative daily offering rate quoted by dealers.

[2] Averages of the most representative daily offering rate published by finance companies, for varying maturities in the 90–179 day range.

[3] Seven-day averages for week ending Wednesday. Beginning with statement week ending July 25, 1973, weekly averages are based on the daily average of the range of rates on a given day weighted by the volume of transactions at these rates. For earlier statement weeks, the averages were based on the daily effective rate—the rate considered most representative of the day's transactions, usually the one at which most transactions occurred.

[4] Except for new bill issues, yields are averages computed from daily closing bid prices.

[5] Bills quoted on bank-discount-rate basis.

[6] Certificates and selected note and bond issues.

[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.

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BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds				Corporate bonds								Stocks		
		State and local			Aaa utility			By selected rating		By group			Dividend/ price ratio		Earnings/ price ratio
	United States (long-term)	Total[1]	Aaa	Baa	New issue	Recently offered	Total[1]	Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
							Seasoned issues								
1963	4.00	3.28	3.06	3.58	4.21	.....	4.50	4.26	4.86	4.42	4.65	4.41	4.30	3.17	5.68
1964	4.15	3.28	3.09	3.54	4.34	.....	4.57	4.40	4.83	4.52	4.67	4.53	4.32	3.01	5.54
1965	4.21	3.34	3.16	3.57	4.50	4.51	4.64	4.49	4.87	4.61	4.72	4.60	4.33	3.00	5.87
1966	4.66	3.90	3.67	4.21	5.43	5.38	5.34	5.13	5.67	5.30	5.37	5.36	4.97	3.40	6.72
1967	4.85	3.99	3.74	4.30	5.82	5.79	5.82	5.51	6.23	5.74	5.89	5.81	5.34	3.20	5.71
1968	5.25	4.48	4.20	4.88	6.50	6.47	6.51	6.18	6.94	6.41	6.77	6.49	5.78	3.07	5.64
1969	6.10	5.73	5.45	6.07	7.71	7.64	7.36	7.03	7.81	7.22	7.46	7.49	6.41	3.24	6.08
1970	6.59	6.42	6.12	6.75	8.68	8.71	8.51	8.04	9.11	8.26	8.77	8.68	7.22	3.83	6.51
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	5.40
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	.....
1972—Nov.	5.50	5.11	4.91	5.37	7.09	7.21	7.52	7.12	7.99	7.28	7.95	7.55	6.93	2.73	.....
Dec.	5.63	5.13	4.91	5.39	7.15	7.21	7.47	7.08	7.93	7.22	7.91	7.48	6.92	2.70	5.46
1973—Jan.	5.94	5.13	4.90	5.39	7.38	7.37	7.49	7.15	7.90	7.27	7.87	7.51	6.85	2.69	6.10
Feb.	6.14	5.17	4.95	5.44	7.40	7.42	7.57	7.22	7.97	7.34	7.92	7.61	6.91	2.80	.....
Mar.	6.20	5.30	5.07	5.58	7.49	7.54	7.62	7.29	8.03	7.43	7.94	7.64	7.03	2.83	.....
Apr.	6.11	5.17	4.95	5.42	7.46	7.47	7.62	7.26	8.09	7.43	7.98	7.64	7.11	2.90	6.94
May	6.22	5.13	4.90	5.41	7.51	7.50	7.62	7.29	8.06	7.41	8.01	7.63	7.13	3.01	.....
June	6.32	5.25	5.05	5.51	7.64	7.64	7.69	7.37	8.13	7.49	8.07	7.69	7.25	3.06	.....
July	6.53	5.44	5.21	5.71	8.01	7.97	7.80	7.45	8.24	7.59	8.17	7.81	7.35	3.04	.....
Aug.	6.81	5.51	5.26	5.80	8.36	8.22	8.04	7.68	8.53	7.91	8.32	8.06	7.43	3.16	.....
Sept.	6.42	5.13	4.90	5.41	7.88	7.99	8.06	7.63	8.63	7.89	8.37	8.09	7.38	3.13	.....
Oct.	6.26	5.03	4.76	5.31	7.90	7.94	7.96	7.60	8.41	7.76	8.24	8.04	7.18	3.05	.....
Nov.	6.31	5.21	5.03	5.46	7.90	7.94	8.02	7.67	8.42	7.81	8.28	8.11	7.40	3.36	.....
Week ending—															
1973—Oct. 6	6.27	5.03	4.70	5.40	7.75	7.90	7.98	7.59	8.44	7.78	8.27	8.06	7.19	3.06	.....
13	6.20	4.98	4.70	5.25	7.96	7.88	7.94	7.56	8.40	7.73	8.24	8.01	7.10	3.05	.....
20	6.27	5.02	4.75	5.30	7.99	7.98	7.94	7.58	8.40	7.73	8.23	8.02	7.08	3.03	.....
27	6.28	5.10	4.90	5.30	7.97	7.98	7.97	7.64	8.41	7.76	8.22	8.06	7.27	3.03	.....
Nov. 3	6.27	5.15	4.95	5.40	7.76	7.97	7.99	7.65	8.43	7.79	8.24	8.10	7.24	3.10	.....
10	6.33	5.24	5.05	5.50	8.00	8.03	8.01	7.67	8.43	7.80	8.27	8.11	7.31	3.17	.....
17	6.35	5.29	5.10	5.55	7.98	7.99	8.03	7.69	8.42	7.82	8.29	8.12	7.35	3.31	.....
24	6.29	5.20	5.05	5.45	7.86	7.86	8.02	7.68	8.42	7.81	8.29	8.12	7.44	3.41	.....
Dec. 1	6.27	5.16	5.00	5.40	7.85	7.87	8.01	7.64	8.42	7.81	8.30	8.09	7.51	3.55	.....
Number of issues[2]	12	20	5	5	.....	.....	121	20	30	41	30	40	14	500	500

[1] Includes bonds rated Aa and A, data for which are not shown separately. Because of a limited number of suitable issues, the number of corporate bonds in some groups has varied somewhat. As of Dec. 23, 1967, there is no longer an Aaa-rated railroad bond series.

[2] Number of issues varies over time; figures shown reflect most recent count.

NOTE.—Annual yields are averages of monthly or quarterly data.

Bonds: Monthly and weekly yields are computed as follows: (1) *U.S. Govt.*: Averages of daily figures for bonds maturing or callable in 10 years or more; from Treasury Dept. (2) *State and local govt.*: General obligations only, based on Thurs. figures; from Moody's Investor Service. (3) *Corporate:* Rates for "New issue" and "Recently offered" Aaa utility bonds are weekly averages compiled by the Board of Governors of the Federal Reserve System. Rates for seasoned issues are averages of daily figures from Moody's Investors Service.

Stocks: Standard and Poor's corporate series. Dividend/price ratios are based on Wed. figures; earnings/price ratios are as of end of period. Preferred stock ratio is based on eight median yields for a sample of noncallable issues—12 industrial and 2 public utility; common stock ratios on the 500 stocks in the price index. Quarterly earnings are seasonally adjusted at annual rates.

Notes to tables on opposite page:

Security Prices:

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

NOTE.—Annual data are averages of monthly figures. Monthly and weekly data are averages of daily figures unless otherwise noted and are computed as follows: *U.S. Govt. bonds*, derived from average market yields in table on p. A-34 on basis of an assumed 3 per cent, 20-year bond. *Municipal and corporate bonds*, derived from average yields as computed by Standard and Poor's Corp., on basis of a 4 per cent, 20-year bond; Wed. closing prices. *Common stocks*, derived from component common stock prices. *Average daily volume of trading*, normally conducted 5 days per week for 5½ hours per day, or 27½ hours per week. In recent years shorter days and/or weeks have cut total weekly trading to the following number of hours: **1967**—Aug. 8–20, 20; **1968**—Jan. 22–Mar. 1, 20; June 30–Dec. 31, 22; **1969**—Jan. 3–July 3, 20; July 7–Dec. 31–22½; **1970**—Jan. 2–May 1, 25.

Terms on Mortgages:

[1] Fees and charges—related to principal mortgage amount—include loan commissions, fees, discounts, and other charges, which provide added income to the lender and are paid by the borrower. They exclude any closing costs related solely to transfer of property ownership.

NOTE.—Compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are weighted averages based on probability sample survey of characteristics of mortgages originated by major institutional lender groups (including mortgage companies) for purchase of single-family homes. Data exclude loans for refinancing, reconditioning, or modernization; construction loans to homebuilders; and permanent loans that are coupled with construction loans to owner-builders. Series revised beginning Jan. 1973; hence data are not strictly comparable with earlier figures. See also the table on Home-Mortgage Yields, p. A-53.

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SECURITY PRICES

Period	Bond prices (per cent of par)			Common stock prices									American Stock Exchange total index[1]	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)							
	U.S. Govt. (long-term)	State and local	Corporate AAA	Total	Industrial	Railroad	Public utility	Total	Industrial	Transportation	Utility	Finance		NYSE	AMEX
1963	86.31	111.3	96.8	69.87	73.39	37.58	64.99	.....	.....	.....	.....	.....	8.52	4,573	1,269
1964	84.46	111.5	95.1	81.37	86.19	45.46	69.91	.....	.....	.....	.....	.....	9.81	4,888	1,570
1965	83.76	110.6	93.9	88.17	93.48	46.78	76.08	.....	.....	.....	.....	.....	12.05	6,174	2,120
1966	78.63	102.6	86.1	85.26	91.09	46.34	68.21	44.16	43.79	48.23	44.77	44.43	14.67	7,538	2,752
1967	76.55	100.5	81.8	91.93	99.18	46.72	68.10	50.77	51.97	53.51	45.43	49.82	19.67	10,143	4,508
1968	72.33	93.5	76.4	98.70	107.49	48.84	66.42	55.37	58.00	50.58	44.19	65.85	27.72	12,971	6,353
1969	64.49	79.0	68.5	97.84	107.13	45.95	62.64	54.67	57.45	46.96	42.80	70.49	28.73	11,403	5,001
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	22.59	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	25.22	17,429	4,234
1972	68.71	84.4	65.9	109.20	121.79	44.11	56.90	60.29	65.73	50.17	38.48	78.35	27.00	16,487	4,447
1972—Nov.	69.87	87.1	65.9	115.05	128.29	42.41	61.16	62.99	68.29	47.50	41.81	84.57	26.18	20,282	4,286
Dec.	68.68	87.1	66.0	117.50	131.08	45.23	61.73	64.26	69.96	48.44	42.28	83.45	26.50	18,146	4,775
1973—Jan.	65.89	86.9	66.0	118.42	132.55	42.87	60.01	64.38	70.55	45.14	41.72	81.62	25.35	18,752	4,046
Feb.	64.09	86.1	65.5	114.16	128.50	40.80	57.52	61.52	67.67	42.34	39.95	74.47	25.34	16,753	3,690
Mar.	63.59	84.1	65.2	112.42	126.05	39.29	55.94	60.15	66.20	40.92	39.13	72.32	24.59	15,564	2,966
Apr.	64.39	85.7	64.9	110.27	123.56	35.88	55.34	58.67	64.41	40.57	38.97	69.42	24.02	13,900	2,981
May	63.43	86.1	64.7	107.22	119.95	36.14	55.43	56.74	62.22	36.66	39.01	65.33	23.12	15,329	3,043
June	62.61	85.8	64.4	104.75	117.20	34.35	54.37	55.14	60.52	33.72	37.95	63.52	22.44	12,796	2,316
July	60.87	83.2	63.8	105.83	118.65	35.22	53.31	56.12	61.53	34.22	37.68	68.95	22.89	14,655	2,522
Aug.	58.71	82.2	61.0	103.80	116.75	33.76	50.14	55.33	61.09	33.48	35.40	68.26	23.03	14,761	1,796
Sept.	61.81	86.2	61.3	105.61	118.52	35.49	52.31	56.71	62.25	35.82	36.79	72.23	101.88	17,320	2,055
Oct.	63.13	86.9	62.1	109.84	123.42	38.24	53.22	59.26	65.29	39.03	37.47	74.98	107.97	18,387	3,388
Nov.	62.71	85.6	62.1	102.03	114.64	39.74	48.30	54.59	60.15	36.31	34.73	67.85	99.91	19,044	3,693
Week ending—															
1973—Nov. 3	63.02	85.8	62.4	108.71	122.22	38.73	51.88	58.49	64.58	38.34	36.61	73.30	108.28	17,343	2,838
10	62.50	85.8	62.1	105.72	118.77	40.03	50.38	56.74	62.61	37.71	35.81	70.37	104.60	17,422	2,907
17	62.33	84.8	62.0	103.51	116.36	40.46	48.61	55.37	61.09	36.88	34.92	68.72	101.23	21,865	3,836
24	62.88	86.0	62.2	99.64	111.96	39.20	47.00	53.16	58.52	35.15	34.02	66.28	96.46	19,098	3,312
Dec. 1	63.01	85.8	62.2	96.64	108.50	39.60	45.74	51.53	56.61	34.66	33.40	63.98	93.59	18,764	3,281

For notes see opposite page.

TERMS ON CONVENTIONAL FIRST MORTGAGES

Period	New homes						Existing homes					
	Contract rate (per cent)	Fees & charges (per cent)[1]	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)	Contract rate (per cent)	Fees & charges (per cent)[1]	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)
1965	5.74	.49	25.0	73.9	25.1	18.3	5.87	.55	21.8	72.7	21.6	15.6
1966	6.14	.71	24.7	73.0	26.6	19.2	6.30	.72	21.7	72.0	22.2	15.9
1967	6.33	.81	25.2	73.6	28.0	20.4	6.40	.76	22.5	72.7	24.1	17.4
1968	6.83	.89	25.5	73.9	30.7	22.4	6.90	.83	22.7	73.0	25.6	18.5
1969	7.66	.91	25.5	72.8	34.1	24.5	7.68	.88	22.7	71.5	28.3	19.9
1970	8.27	1.03	25.1	71.7	35.5	25.2	8.20	.92	22.8	71.1	30.0	21.0
1971	7.60	.87	26.2	74.3	36.3	26.5	7.54	.77	24.2	73.9	31.7	23.1
1972	7.45	.88	27.2	76.8	37.3	28.1	7.38	.81	25.7	76.0	33.4	25.0
1972—Nov.	7.50	.90	27.5	77.4	37.1	28.1	7.44	.83	26.2	76.7	33.7	25.3
Dec.	7.51	.92	27.5	78.0	37.9	29.0	7.45	.86	26.4	76.8	34.0	25.7
1973—Jan.	7.52	1.03	25.7	76.6	35.8	27.0	7.53	.94	23.2	75.2	30.5	22.6
Feb.	7.52	1.15	26.8	78.6	35.9	27.6	7.55	1.03	23.6	77.5	29.2	22.0
Mar.	7.51	1.09	26.6	78.4	36.7	28.3	7.54	.95	23.3	76.9	29.3	22.0
Apr.	7.53	1.11	26.6	78.2	36.9	28.2	7.55	.96	23.9	77.3	30.1	22.8
May	7.55	1.05	25.9	77.7	35.6	27.2	7.62	.93	23.5	77.5	30.0	22.3
June	7.62	1.08	26.3	78.0	35.8	27.5	7.64	.92	23.4	75.9	31.7	23.5
July	7.69	1.11	26.3	78.1	37.0	28.3	7.70	.91	24.1	75.5	33.3	24.6
Aug.	7.77	1.08	26.7	76.7	38.6	28.9	7.87	.92	23.4	75.6	32.0	23.6
Sept.	7.98	1.19	26.6	77.3	37.2	28.2	8.10	.97	23.1	74.1	32.8	23.5
Oct.[r]	8.12	1.20	26.1	76.9	38.5	29.0	8.35	.92	22.5	72.7	31.8	22.6
Nov.	8.19	1.06	26.1	75.3	38.9	28.8	8.40	.94	22.5	71.3	32.9	23.0

For notes see opposite page.

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STOCK MARKET CUSTOMER FINANCING

(In millions of dollars)

End of period	Margin credit at brokers and banks [1]										Other security credit at banks [4]	Free credit balances at brokers [5]	
	Regulated [2]									Unregulated [3]			
	By source			By type									
	Total	Brokers	Banks	Margin stock		Convertible bonds		Subscription issues		Nonmargin stock credit at banks		Margin accts.	Cash accts.
				Brokers	Banks	Brokers	Banks	Brokers	Banks				
1972—Sept.	9,091	8,083	1,008	7,800	937	248	54	35	17	1,871	1,255	380	1,677
Oct.	9,024	8,081	943	7,800	872	250	53	31	18	1,875	1,351	389	1,708
Nov.	9,068	8,166	902	7,890	831	249	52	27	19	1,871	1,396	390	1,828
Dec.	9,045	8,180	865	7,900	798	254	50	26	17	1,896	1,528	414	1,957
1973—Jan.	8,840	7,975	865	7,700	796	249	48	26	21	1,940	1,484	413	1,883
Feb.	r8,640	r7,773	867	7,480	800	248	50	25	17	1,954	1,508	431	1,770
Mar.	r8,347	r7,468	879	7,197	813	244	48	24	18	1,917	1,566	442	1,719
Apr.	8,165	7,293	872	7,040	804	232	49	21	19	1,969	1,482	389	1,536
May	7,650	6,784	866	6,540	802	224	47	20	18	2,010	1,502	413	1,564
June	7,287	6,416	871	6,180	800	215	53	21	18	1,964	.....	396	1,472
July	.....	6,243	.....	6,010	.....	216	.....	17	.....	.....	.....	379	1,542
Aug.	.....	6,056	.....	5,830	.....	210	.....	16	.....	.....	.....	348	1,462
Sept.	.....	5,949	.....	5,730	.....	204	.....	15	.....	.....	.....	379	1,632

[1] Margin credit includes all credit extended to purchase or carry stocks or related equity instruments and secured at least in part by stock (see Dec. 1970 BULLETIN). Credit extended by brokers is end-of-month data for member firms of the New York Stock Exchange. June data for banks are universe totals; all other data for banks represent estimates for all commercial banks based on reports by a reporting sample, which accounted for 60 per cent of security credit outstanding at banks on June 30, 1971.

[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] Includes loans to purchase or carry margin stock if these are unsecured or secured entirely by unrestricted collateral (see Dec. 1970 BULLETIN).

[5] Free credit balances are in accounts with no unfulfilled commitments to the brokers and are subject to withdrawal by customers on demand.

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
1972—Oct.	7,800	5.5	8.1	13.6	30.8	25.0	17.0
Nov.	7,890	6.0	9.4	16.6	35.1	20.5	12.4
Dec.	7,900	6.5	8.6	17.6	31.9	20.3	15.0
1973—Jan.	7,700	5.8	8.2	16.8	27.8	21.2	20.0
Feb.	7,500	5.3	7.8	14.7	23.9	22.5	25.6
Mar.	7,200	5.7	7.5	15.9	23.1	22.7	25.1
Apr.	7,040	4.8	7.3	13.4	19.8	22.4	32.4
May	6,540	4.9	7.2	12.7	18.7	21.9	34.9
June	6,180	4.9	7.1	13.2	17.5	22.1	35.3
July	6,010	5.8	8.8	17.7	22.7	25.3	19.7
Aug.	5,830	5.0	8.4	16.4	19.6	24.2	26.4
Sept.	5,730	.....	18.9	23.9	23.5	16.8	.....

[1] See note 1 to table above.

NOTE.—Each customer's equity in his collateral (market value of collateral less net debit balance) is expressed as a percentage of current collateral values.

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	
1972—Sept.	33.7	53.8	12.5	6,000
Oct.	33.3	53.4	13.3	5,950
Nov.	33.6	54.5	11.8	6,140
Dec.	34.4	52.9	12.7	6,100
1973—Jan.	35.1	51.7	13.1	5,850
Feb.	35.8	49.8	14.4	5,770
Mar.	36.3	47.9	15.7	5,790
Apr.	35.3	46.9	18.0	5,660
May	35.8	45.0	19.1	5,670
June	35.8	43.5	20.7	5,750
July	35.9	46.7	17.4	5,740
Aug.	35.9	45.6	18.5	5,650
Sept.	37.4	53.1	9.4	5,740

NOTE.—Special miscellaneous accounts contain credit balances that may be used by customers as the margin deposit required for additional purchases. Balances may arise as transfers based on loan values of other collateral in the customer's margin account or deposits of cash (usually sales proceeds) occur.

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MUTUAL SAVINGS BANKS

(In millions of dollars)

End of period	Loans		Securities			Cash	Other assets	Total assets—Total liabilities and general reserve accts.	Deposits[2]	Other liabilities	General reserve accounts	Mortgage loan commitments[3] classified by maturity (in months)				
	Mortgage	Other	U.S. Govt.	State and local govt.	Corporate and other[1]							3 or less	3–6	6–9	Over 9	Total
1965	44,433	862	5,485	320	5,170	1,017	944	58,232	52,443	1,124	4,665	.....	.....	.....	.....	2,697
1966	47,193	1,078	4,764	251	5,719	953	1,024	60,982	55,006	1,114	4,863	.....	.....	.....	.....	2,010
1967	50,311	1,203	4,319	219	8,183	993	1,138	66,365	60,121	1,260	4,984	742	982		799	2,523
1968	53,286	1,407	3,834	194	10,180	996	1,256	71,152	64,507	1,372	5,273	811	1,034		1,166	3,011
1969	55,781	1,824	3,296	200	10,824	912	1,307	74,144	67,026	1,588	5,530	584	485	452	946	2,467
1970	57,775	2,255	3,151	197	12,876	1,270	1,471	78,995	71,580	1,690	5,726	619	322	302	688	1,931
1971	62,069	2,808	3,334	385	17,674	1,389	1,711	89,369	81,440	1,810	6,118	1,047	627	463	1,310	3,447
1972[4]	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
1972—Sept.	65,901	3,604	3,408	822	21,569	1,362	1,834	98,500	89,289	2,428	6,784	1,740	716	583	1,637	4,675
Oct.	66,373	3,482	3,462	844	21,513	1,304	2,011	98,990	89,677	2,510	6,803	1,667	718	617	1,660	4,662
Nov.	66,891	3,507	3,434	871	21,664	1,323	2,014	99,704	90,228	2,607	6,870	1,624	753	631	1,658	4,666
Dec.	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—Jan.	68,021	3,624	3,489	935	22,190	1,319	2,055	101,632	92,398	2,221	7,014	1,569	915	688	1,541	4,712
Feb.	68,352	4,030	3,419	986	22,389	1,331	2,070	102,577	92,949	2,540	7,088	1,729	862	732	1,480	4,803
Mar.	68,920	3,970	3,458	1,028	22,509	1,576	2,058	103,518	94,095	2,285	7,139	1,816	886	826	1,355	4,882
Apr.	69,426	3,831	3,388	1,080	22,598	1,582	2,089	103,994	94,217	2,589	7,189	1,904	888	725	1,395	4,912
May	69,988	4,099	3,376	1,076	22,615	1,629	2,116	104,899	94,744	2,904	7,251	1,792	913	712	1,406	4,824
June	70,637	3,959	3,346	1,125	22,562	1,775	2,273	105,677	95,706	2,650	7,321	1,711	1,020	573	1,378	4,683
July	71,219	3,819	3,190	1,093	22,683	1,555	2,202	105,761	95,355	3,044	7,362	1,626	906	636	1,367	4,535
Aug.	71,713	3,986	3,037	999	22,277	1,551	2,227	105,789	94,882	3,496	7,411	1,302	840	718	1,315	4,174
Sept.	72,034	4,200	2,945	957	21,799	1,491	2,345	105,771	95,183	3,134	7,453	1,411	762	589	1,197	3,959

[1] Also includes securities of foreign governments and international organizations and nonguaranteed issues of U.S. Govt. agencies.

[2] Beginning with data for June 30, 1966, about $1.1 billion in "Deposits accumulated for payment of personal loans" were excluded from "Time deposits" and deducted from "Loans" at all commercial banks. These changes resulted from a change in Federal Reserve regulations. See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. A-30.

[3] Commitments outstanding of banks in New York State as reported to the Savings Banks Assn. of the State of New York. Data include building loans beginning with Aug. 1967.

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

NOTE.—NAMSB data; figures are estimates for all savings banks in the United States and differ somewhat from those shown elsewhere in the BULLETIN; the latter are for call dates and are based on reports filed with U.S. Govt. and State bank supervisory agencies.

LIFE INSURANCE COMPANIES

(In millions of dollars)

End of period	Total assets	Government securities				Business securities			Mortgages	Real estate	Policy loans	Other assets
		Total	United States	State and local	Foreign[1]	Total	Bonds	Stocks				
Statement value:												
1965	158,884	11,679	5,119	3,530	3,030	67,599	58,473	9,126	60,013	4,681	7,678	7,234
1966	167,022	10,837	4,823	3,114	2,900	69,816	61,061	8,755	64,609	4,883	9,117	7,760
1967	177,832	10,573	4,683	3,145	2,754	76,070	65,193	10,877	67,516	5,187	10,059	8,427
1968	188,636	10,509	4,456	3,194	2,859	82,127	68,897	13,230	69,973	5,571	11,306	9,150
Book value:												
1966	167,022	10,864	4,824	3,131	2,909	68,677	61,141	7,536	64,661	4,888	9,911	8,801
1967	177,361	10,530	4,587	2,993	2,950	73,997	65,015	8,982	67,575	5,188	10,060	11,011
1968	188,636	10,760	4,456	3,206	3,098	79,653	68,731	10,922	70,044	5,575	11,305	11,299
1969	197,208	10,914	4,514	3,221	3,179	84,566	70,859	13,707	72,027	5,912	13,825	9,964
1970	207,254	11,068	4,574	3,306	3,188	88,518	73,098	15,420	74,375	6,320	16,064	10,909
1971	222,102	11,000	4,455	3,363	3,182	99,805	79,198	20,607	75,496	6,904	17,065	11,832
1972[p]	239,407	11,080	4,333	3,522	3,406	112,980	86,605	26,375	77,319	7,310	17,998	12,720
1972—Aug.[r]	233,540	11,318	4,596	3,361	3,361	109,879	84,990	24,889	75,525	7,246	17,691	11,881
Sept.	234,455	11,125	4,385	3,350	3,390	110,300	85,912	24,388	75,813	7,245	17,773	12,199
Oct.	235,972	11,132	4,396	3,347	3,389	111,616	86,874	24,742	75,952	7,229	17,854	12,189
Nov.	237,971	11,193	4,459	3,356	3,378	113,066	87,425	25,641	76,207	7,272	17,922	12,311
Dec.	239,407	11,080	4,333	3,522	3,406	112,980	86,605	26,375	77,319	7,310	17,998	12,720
1973—Jan.	241,022	11,191	4,389	3,358	3,444	114,526	88,371	26,155	77,481	7,366	18,080	12,378
Feb.	242,069	11,138	4,371	3,319	3,448	115,386	89,247	26,139	77,510	7,434	18,166	12,435
Mar.	243,078	11,154	4,417	3,300	3,437	115,972	89,881	26,091	77,587	7,449	18,288	12,628
Apr.	242,562	11,455	4,566	3,388	3,501	115,181	89,710	25,471	77,258	7,522	18,420	12,726
May	243,589	11,434	4,538	3,384	3,512	115,897	90,314	25,583	77,400	7,545	18,533	12,780
June	244,531	11,359	4,468	3,373	3,518	116,153	90,484	25,669	77,914	7,548	18,673	12,884
July	247,082	11,427	4,480	3,427	3,520	118,061	91,144	26,917	78,243	7,577	18,841	12,933
Aug.	247,655	11,416	4,462	3,433	3,521	117,842	91,342	26,500	78,657	7,632	19,181	12,927

[1] Issues of foreign governments and their subdivisions and bonds of the International Bank for Reconstruction and Development.

NOTE.—Institute of Life Insurance estimates for all life insurance companies in the United States.

Figures are annual statement asset values, with bonds carried on an amortized basis and stocks at year-end market value. Adjustments for interest due and accrued and for differences between market and book values are not made on each item separately but are included, in total in "Other assets."

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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[5]
	Mortgages	Investment securities[1]	Cash	Other[2]		Savings capital	Net worth[3]	Borrowed money[4]	Loans in process	Other	
1967	121,805	9,180	3,442	7,788	143,534	124,493	9,916	4,775	2,257	2,093	3,042
1968	130,802	11,116	2,962	8,010	152,890	131,618	10,691	5,705	2,449	2,427	3,631
1969	140,232	10,873	2,438	8,606	162,149	135,538	11,620	9,728	2,455	2,808	2,824
1970	150,331	13,020	3,506	9,326	176,183	146,404	12,401	10,911	3,078	3,389	4,452
1971	174,385	21,076		10,842	206,303	174,472	13,657	9,048	5,072	4,054	7,378
1972—Oct.	200,554	24,648		12,457	237,659	202,012	15,485	8,327	6,086	5,749	12,226
Nov.	203,266	24,750		12,689	240,705	203,889	15,992	8,503	6,067	6,254	12,274
Dec.	206,387	24,491		12,693	243,571	207,305	15,326	9,847	6,225	4,868	11,578
1973—Jan.	[6]208,132	[6]23,460		[6]15,660	247,252	210,589	15,557	9,171	6,076	5,859	12,469
Feb.	210,260	24,220		16,214	250,694	212,493	15,925	9,415	6,095	6,766	13,538
Mar.	213,259	24,019		17,104	254,382	216,195	15,825	9,958	6,326	6,078	14,508
Apr.	216,250	23,943		17,605	257,798	217,026	16,133	11,336	6,548	6,755	15,009
May	219,500	24,072		17,990	261,562	218,906	16,505	11,756	6,727	7,668	15,139
June	222,801	23,362		18,038	264,201	222,183	16,315	12,766	6,770	6,167	14,776
July	225,490	22,769		18,416	266,675	221,958	16,640	14,295	6,702	7,080	13,778
Aug.	228,006	21,139		18,826	267,971	220,800	16,986	15,703	6,464	8,018	12,314
Sept.	229,413	20,161		19,131	268,705	222,645	16,872	16,324	6,078	6,786	10,861
Oct.[p]	230,451	20,809		19,411	270,671	223,600	17,157	16,509	5,540	7,865	9,949

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

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

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

[4] Consists of advances from FHLBB and other borrowing.

[5] Data comparable with those shown for mutual savings banks (on preceding page) except that figures for loans in process are not included above but are included in the figures for mutual savings banks.

[6] Beginning Jan. 1973, participation certificates guaranteed by the Federal Home Loan Mortgage Corporation, loans and notes insured by the Farmers Home Administration and certain other Government-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.

MAJOR BALANCE SHEET ITEMS OF SELECTED FEDERALLY SPONSORED CREDIT AGENCIES

(In millions of dollars)

End of period	Federal home loan banks						Federal National Mortgage Assn. (secondary market operations)		Banks for cooperatives		Federal intermediate credit banks		Federal land banks	
	Assets			Liabilities and capital										
	Advances to members	Investments	Cash and deposits	Bonds and notes	Member deposits	Capital stock	Mortgage loans (A)	Debentures and notes (L)	Loans to cooperatives (A)	Debentures (L)	Loans and discounts (A)	Debentures (L)	Mortgage loans (A)	Bonds (L)
1967	4,386	2,598	127	4,060	1,432	1,395	5,348	4,919	1,506	1,253	3,411	3,214	5,609	4,904
1968	5,259	2,375	126	4,701	1,383	1,402	6,872	6,376	1,577	1,334	3,654	3,570	6,126	5,399
1969	9,289	1,862	124	8,422	1,041	1,478	10,541	10,511	1,732	1,473	4,275	4,116	6,714	5,949
1970	10,614	3,864	105	10,183	2,332	1,607	15,502	15,206	2,030	1,755	4,974	4,799	7,186	6,395
1971	7,936	2,520	142	7,139	1,789	1,618	17,791	17,701	2,076	1,801	5,669	5,503	7,917	7,063
1972—Sept.	6,736	2,184	106	6,531	1,444	1,729	19,295	18,939	2,233	1,710	6,201	6,063	8,749	7,798
Oct.	7,045	2,591	83	6,531	1,334	1,735	19,438	18,724	2,355	1,837	6,110	5,952	8,857	8,012
Nov.	7,245	2,850	107	6,971	1,380	1,741	19,619	19,041	2,313	1,905	6,048	5,872	8,972	8,012
Dec.	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—Jan.	7,831	2,264	91	6,971	1,306	1,821	19,980	19,252	2,876	1,950	6,087	5,891	9,251	8,280
Feb.	7,944	2,421	106	7,220	1,323	1,891	20,181	19,402	2,936	2,188	6,179	5,969	9,387	8,280
Mar.	8,420	1,938	108	7,220	1,291	1,943	20,571	19,985	2,896	2,188	6,414	6,076	9,591	8,280
Apr.	9,429	2,087	111	8,415	1,143	1,981	20,791	20,056	2,859	2,465	6,555	6,314	9,767	8,836
May	10,155	2,702	95	9,615	1,261	1,991	21,087	20,225	2,765	2,370	6,777	6,460	9,953	8,836
June	11,145	2,516	108	10,215	1,453	2,008	21,413	20,364	2,725	2,316	6,958	6,645	10,117	8,836
July	12,365	2,126	103	11,213	1,183	2,035	21,772	20,843	2,811	2,365	6,981	6,745	10,256	9,377
Aug.	13,511	2,016	111	12,562	1,091	2,064	22,319	21,186	2,865	2,310	7,899	6,727	10,441	9,390
Sept.	14,298	2,908	102	14,062	1,178	2,089	22,826	21,537	2,738	2,560	8,016	6,833	10,592	9,388

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

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OUTSTANDING ISSUES OF FEDERALLY SPONSORED AGENCIES, SEPTEMBER 30, 1973

Agency, and date of issue and maturity	Coupon rate	Amount (millions of dollars)
Federal home loan banks		
Bonds:		
11/27/72 – 11/27/73	5.55	600
1/26/70 – 1/25/74	8.40	300
9/21/73 – 1/25/74	9⅜	500
6/26/70 – 2/25/74	8.40	250
8/27/71 – 2/25/74	7.10	300
6/25/71 – 5/25/74	6.35	300
2/26/73 – 5/28/74	6.45	700
8/25/69 – 8/25/74	7.65	176
8/25/72 – 8/26/74	5⅜	400
8/27/73 – 8/26/74	9⅜	800
11/25/69 – 11/25/74	8.00	221
5/25/73 – 11/25/74	7.05	1,000
1/26/71 – 2/25/75	6.10	250
11/27/72 – 2/25/75	5⅞	400
9/21/73 – 2/25/75	8.20	500
8/25/70 – 5/26/75	8.05	265
7/27/70 – 8/25/75	7.95	300
4/12/73 – 5/25/75	7.15	700
7/25/73 – 8/25/75	7⅞	500
12/18/70 – 11/25/75	6.50	350
5/25/73 – 11/25/75	7.05	600
8/27/71 – 2/25/76	7⅞	300
8/27/73 – 2/25/76	8¾	300
7/25/73 – 8/25/76	7.80	500
6/25/71 – 5/25/77	6.95	200
6/22/73 – 5/22/77	7.20	600
4/12/73 – 8/25/77	7.15	300
2/26/73 – 11/25/77	6¾	300
9/21/73 – 5/25/78	7.60	500
3/25/70 – 2/25/80	7.75	350
10/15/70 – 10/15/80	7.80	200
10/27/71 – 11/27/81	6.60	200
4/12/73 – 5/25/83	7.30	200
8/27/73 – 5/25/83	9¾	700
Federal Home Loan Mortgage Corporation		
Bonds:		
8/2/71 – 11/26/73	6.70	150
2/10/72 – 8/26/74	5.30	200
5/11/72 – 2/25/77	6.15	350
11/19/70 – 11/27/95	8.60	140
7/15/71 – 8/26/96	7.75	150
5/11/72 – 5/26/97	7.15	150
Federal National Mortgage Association—Secondary market operations		
Discount notes	.....	1,638
Capital debentures:		
9/30/68 – 10/1/73	6.00	250
4/1/70 – 4/1/75	8.00	200
9/30/71 – 10/1/96	4.38	248
10/2/72 – 10/1/97	7.40	250
Mortgage-backed bonds:		
6/1/70 – 6/2/75	8.38	250
3/14/73 – 1/15/81	3.58	53
3/14/73 – 1/15/81	5.48	6
6/21/73 – 7/1/82	5.85	72
6/21/73 – 7/1/82	5.92	35
3/1/73–8/31/84	5.50	10
3/1/73–10/31/84	5.49	21
3/1/73 – 3/1/86	5.74	81
9/29/70 – 10/1/90	8.63	200
Federal National Mortgage Association—Cont.		
Debentures:		
12/10/70 – 12/10/73	5.75	500
8/10/71 – 12/10/73	7.15	500
12/1/71 – 3/11/74	5.45	400
4/10/70 – 3/11/74	7.75	350
8/5/70 – 6/10/74	7.90	400
11/10/71 – 6/10/74	5.70	350
9/10/69 – 9/10/74	7.85	250
2/10/71 – 9/10/74	5.65	300
5/10/71 – 12/10/74	6.10	250
9/10/71 – 12/10/74	6.45	450
11/10/70 – 3/10/75	7.55	300
10/12/71 – 3/10/75	6.35	600
4/12/71 – 6/10/75	5.25	500
10/13/70 – 9/10/75	7.50	350
3/12/73 – 9/10/75	6.80	650
3/10/72 – 12/10/75	5.70	500
9/10/73 – 12/10/75	8.25	300
3/11/71 – 3/10/76	5.65	500
6/12/73 – 3/10/76	7.13	400
6/10/71 – 6/10/76	6.70	250
2/10/72 – 6/10/76	5.85	450
11/10/71 – 9/10/76	6.13	300
6/12/72 – 9/10/76	5.85	500
7/12/71 – 12/10/76	7.45	300
12/11/72 – 12/10/76	6.25	500
2/13/62 – 2/10/77	4½	198
9/11/72 – 3/10/77	6.30	500
12/10/70 – 6/10/77	6.38	250
5/10/71 – 6/10/77	6.50	150
9/10/71 – 9/12/77	6.88	300
9/10/73 – 9/12/77	7.85	400
7/10/73 – 12/12/77	7.25	500
6/12/73 – 6/12/78	7.15	600
10/12/71 – 12/11/78	6.75	300
6/12/72 – 9/10/79	6.40	300
9/10/73 – 9/12/79	7.85	300
12/10/71 – 12/10/79	6.55	350
2/10/72 – 3/10/80	6.88	250
2/16/73 – 7/31/80	5.19	1
2/16/73 – 7/31/80	3.18	9
1/16/73 – 10/30/80	4.96	5
12/11/72 – 12/10/80	6.60	300
6/29/72 – 1/29/81	6.15	156
3/12/73 – 3/10/81	7.05	350
4/18/73 – 4/10/81	6.59	26
3/21/73 – 5/1/81	4.50	18
3/12/73 – 5/1/81	5.77	2
1/21/71 – 6/10/81	7.25	250
9/10/71 – 9/10/81	7.25	250
6/28/72 – 5/1/82	5.84	58
2/10/71 – 6/10/82	6.65	250
9/11/72 – 9/10/82	6.80	200
3/11/71 – 6/10/83	6.75	200
6/12/73 – 6/10/83	7.30	300
11/10/71 – 9/12/83	6.75	250
4/12/71 – 6/11/84	6.25	200
12/10/71 – 12/10/84	6.90	250
3/10/72 – 3/10/92	7.00	200
6/12/72 – 6/10/92	7.05	200
12/11/97 – 12/10/97	7.10	200
Banks for cooperatives		
Debentures:		
10/1/70 – 10/1/73	7.30	100
4/2/73 – 10/1/73	6.95	560
5/1/73 – 11/1/73	6.75	259
6/4/73 – 12/3/73	6.85	656
7/2/73 – 1/2/74	7.55	458
8/1/73 – 2/4/74	8.70	527
Federal intermediate credit banks		
Debentures:		
1/2/73 – 10/1/73	5.70	631
2/1/73 – 11/1/73	6.00	559
3/1/73 – 12/3/73	6.15	544
4/2/73 – 1/2/74	7.00	660
7/1/71 – 1/2/74	6.85	212
5/1/73 – 2/4/74	6.90	695
6/4/73 – 3/4/74	7.00	664
7/2/73 – 4/1/74	7½	421
8/1/73 – 5/1/74	8.65	523
9/4/73 – 6/3/74	9¾	661
1/4/71 – 7/1/74	5.95	224
5/1/72 – 1/2/75	6.05	240
1/3/72 – 7/1/75	5.70	302
3/1/73 – 1/5/76	6.65	261
7/2/73 – 1/3/77	7.10	236
Federal land banks		
Bonds:		
2/20/63 – 2/20/73–78	4⅛	148
4/20/70 – 10/22/73	7.80	300
10/23/72 – 10/23/73	5.80	462
7/20/72 – 1/21/74	5.55	450
2/20/72 – 2/20/74	4½	155
10/20/70 – 4/22/74	7.30	354
9/15/72 – 4/22/74	5.85	350
10/21/71 – 7/27/74	.85	326
4/20/71 – 10/21/74	5.30	300
2/20/70 – 1/20/75	8⅜	220
4/23/73 – 1/20/75	7.15	300
4/20/65 – 4/21/75	4⅜	200
7/20/73 – 4/21/75	7.65	300
2/15/72 – 7/21/75	5.70	425
7/20/71 – 10/20/75	7.20	300
4/20/72 – 1/20/76	6¼	300
2/21/66 – 2/24/76	5.00	123
1/22/73 – 4/20/76	6¼	373
7/20/66 – 7/20/76	5⅜	150
4/23/73 – 10/20/76	7.15	450
7/20/73 – 7/20/77	7½	550
10/27/71 – 10/20/77	6.35	300
5/2/66 – 4/20/78	5⅛	150
7/20/72 – 7/20/78	6.40	269
2/20/67 – 1/22/79	5.00	287
9/15/72 – 4/23/79	6.85	235
10/23/72 – 10/23/79	6.80	400
1/22/73 – 1/21/80	6.70	300
7/20/73 – 7/21/80	7½	250
2/23/71 – 4/20/81	6.70	224
4/20/72 – 4/20/82	6.90	200
4/23/73 – 4/20/82	7.30	239

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

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FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	U.S. budget					Means of financing								
	Receipt-expenditure account		Net lending	Budget outlays[1]	Budget surplus or deficit (−)	Borrowings from the public[2]						Less: Cash and monetary assets		Other means of financing, net[4]
	Budget receipts	Net expenditures				Public debt securities	Plus: Agency securities	Less: Investments by Govt. accounts		Less: Special notes[3]	Equals: Total borrowing	Treasury operating balance	Other	
								Special issues	Other					
Fiscal year:														
1970	193,743	194,456	2,131	196,588	−2,845	17,198	−1,739	9,386	676	.....	5,397	2,151	−581	−982
1971	188,392	210,318	1,107	211,425	−23,033	27,211	−347	6,616	800	.....	19,448	710	−979	3,586
1972	208,649	.....	.....	231,876	−23,227	29,131	−1,269	6,813	1,607	.....	19,442	1,362	1,108	6,255
1973	r232,225	.....	.....	r246,526	r−14,301	30,881	216	12,029	−207	.....	19,275	2,459	r−1,613	r−4,128
Half year:														
1971—July–Dec.	93,180	110,608	948	111,554	−18,374	26,001	−1,117	2,803	523	.....	21,561	973	80	−2,122
1972—Jan.–June	115,549	.....	.....	120,319	−4,850	3,130	−150	4,010	1,089	.....	−2,114	389	1,028	8,377
July–Dec.	106,061	.....	.....	118,586	−12,525	22,037	876	r6,239	−861	.....	17,386	r956	r1,525	−5,430
1973—Jan.–June	r126,164	.....	.....	r127,940	r−1,776	8,844	−660	5,790	654	.....	1,889	1,503	r−88	r1,302
Month:														
1972—Oct.	r14,633	.....	.....	r20,057	r−5,425	6,000	24	3,085	r87	.....	2,851	−1,786	r−30	r757
Nov.	16,748	.....	.....	21,165	−4,418	4,301	380	−659	42	.....	5,298	305	7	−569
Dec.	18,972	.....	.....	19,721	−750	5,051	−93	1,104	−343	.....	4,197	2,795	57	−595
1973—Jan.	21,130	.....	.....	23,631	−2,501	770	18	−900	168	.....	1,519	302	99	1,383
Feb.	18,067	.....	.....	20,227	−2,160	4,770	−9	780	119	.....	3,863	408	−212	−1,507
Mar.	15,987	.....	.....	20,806	−4,820	3,768	27	584	206	.....	3,005	1,152	−83	2,883
Apr.	25,860	.....	.....	22,306	3,554	−1,543	−721	−56	−49	.....	−2,159	1,220	1,164	988
May	16,584	.....	.....	20,157	−3,573	275	−43	1,968	234	.....	−1,970	−5,924	−1,141	−1,522
June	28,504	.....	.....	20,892	7,612	803	68	3,414	−174	.....	−2,369	4,344	414	−485
July	18,121	.....	.....	22,627	−4,486	862	9	1,258	325	.....	−713	−5,398	−544	−743
Aug.	21,291	.....	.....	22,139	−847	2,842	301	3,137	568	.....	−563	−4,105	151	−2,544
Sept.	25,007	.....	.....	20,736	4,271	−406	40	−756	−173	.....	564	5,207	346	718
Oct.	17,637	.....	.....	23,092	−5,455	1,037	29	−306	−22	.....	1,395	−2,588	−43	1,431

End of period	Selected balances										Memo: Debt of Govt.-sponsored corps.—Now private[6]
	Treasury operating balance				Federal securities						
	F.R. Banks	Tax and loan accounts	Other depositaries[5]	Total	Public debt securities	Agency securities	Less: Investments of Govt. accounts		Less: Special notes[3]	Equals: Total held by public	
							Special issues	Other			
Fiscal year:											
1970	1,005	6,929	111	8,045	370,919	12,510	76,124	21,599	825	284,880	35,789
1971	1,274	7,372	109	8,755	398,130	12,163	82,740	22,400	825	304,328	36,886
1972	2,344	7,934	5 139	10,117	427,260	10,894	89,539	24,023	825	323,770	41,044
1973	4,038	8,433	106	12,576	458,142	11,109	101,738	24,093	825	343,045	51,325
Calendar year:											
1971	2,020	9,173	113	11,306	424,131	11,044	85,544	22,922	825	325,884	39,860
1972	1,856	8,907	310	11,073	449,298	11,770	95,924	23,164	825	341,155	42,640
Month:											
1972—Oct.	1,613	6,051	309	7,973	439,947	11,483	95,365	23,579	825	331,660	42,633
Nov.	1,182	6,786	310	8,278	444,247	11,863	94,821	23,506	825	336,958	43,217
Dec.	1,856	8,907	310	11,073	449,298	11,770	95,924	23,164	825	341,155	43,459
1973—Jan.	2,749	8,317	310	11,376	450,068	11,787	95,024	23,332	825	342,674	43,993
Feb.	2,073	9,401	310	11,784	454,838	11,779	95,804	23,451	825	346,537	45,400
Mar.	2,882	9,744	309	12,935	458,606	11,806	96,413	23,632	825	349,542	45,566
Apr.	4,162	9,683	311	14,156	457,063	11,084	96,356	23,583	825	347,383	47,905
May	3,242	4,679	311	8,232	457,338	11,041	98,324	23,817	825	345,414	49,731
June	4,038	8,433	106	12,576	458,142	11,109	101,738	24,093	825	343,045	51,325
July	2,867	4,203	108	7,178	459,003	11,118	102,996	23,968	825	342,332	52,780
Aug.	847	2,217	8	3,072	461,845	11,419	106,133	24,536	825	341,769	54,409
Sept.	1,626	6,582	71	8,279	461,439	11,459	105,378	24,362	825	342,333	.....
Oct.	1,839	3,781	71	5,691	462,476	11,488	105,071	24,341	823	343,727	.....

[1] Equals net expenditures plus net lending.

[2] The decrease in Federal securities resulting from conversion to private ownership of Govt.-sponsored corporations (totaling $9,853 million) is not included here. In the bottom panel, however, these conversions decrease the outstanding amounts of Federal securities held by the public mainly by reductions in agency securities. The Federal National Mortgage Association (FNMA) was converted to private ownership in Sept. 1968 and the Federal intermediate credit banks (FICB) and banks for cooperatives in Dec. 1968.

[3] Represents non-interest-bearing public debt securities issued to the International Monetary Fund and international lending organizations. New obligations to these agencies are handled by letters of credit.

[4] Includes accrued interest payable on public debt securities, deposit funds, miscellaneous liability and asset accounts, and seigniorage.

[5] As of Jan. 3, 1972, the Treasury operating balance was redefined to exclude the gold balance and to include previously excluded "Other depositaries" (deposits in certain commercial depositaries that have been converted from a time to a demand basis to permit greater flexibility in Treasury cash management).

[6] Includes debt of Federal home loan banks, Federal land banks, R.F.K. Stadium Fund, FNMA (beginning Sept. 1968), and FICB and banks for cooperatives (both beginning Dec. 1968).

NOTE.—Half years may not add to fiscal year totals due to revisions in series that are not yet available on a monthly basis.

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FEDERAL FISCAL OPERATIONS: DETAIL

(In millions of dollars)

Period	Budget receipts															
	Total	Individual income taxes				Corporation income taxes		Social insurance taxes and contributions					Excise taxes	Customs	Estate and gift	Misc. receipts[3]
		Withheld	Non-withheld	Refunds	Net total	Gross receipts	Refunds	Employment taxes and contributions[1]		Unempl. insur.	Other net receipts[2]	Net total				
								Payroll taxes	Self-empl.							
Fiscal year:																
1970	193,743	77,416	26,236	13,240	90,412	35,037	2,208	37,190	1,942	3,465	2,700	45,298	15,705	2,430	3,644	3,424
1971	188,392	76,490	24,262	14,522	86,230	30,320	3,535	39,751	1,948	3,673	3,206	48,578	16,614	2,591	3,735	3,858
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	27,019	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
Half year:																
1971—July–Dec.	93,180	38,449	5,589	574	43,465	13,262	1,448	19,643	155	1,518	1,673	22,989	8,961	1,838	2,395	1,718
1972—Jan.–June	115,469	44,751	20,090	13,569	51,272	21,664	1,312	24,445	1,877	4,736	1,764	30,925	6,516	1,449	3,041	1,915
July–Dec.	106,061	46,058	5,784	688	51,154	15,315	1,459	22,493	165	2,437	1,773	26,867	8,244	1,551	2,333	2,056
1973—Jan.–June	126,165	52,034	21,235	21,179	52,091	23,730	1,434	30,013	2,206	3,616	1,841	37,675	8,016	1,637	2,584	1,865
Month:																
1972—Oct.	r14,633	r7,181	469	61	r7,590	1,287	323	r3,224	15	r209	311	r3,758	1,387	281	409	r244
Nov.	16,748	8,425	257	69	8,613	853	294	4,044	.....	637	287	4,969	1,452	284	487	383
Dec.	18,972	7,915	353	61	8,206	5,772	140	2,601	5	92	277	2,975	1,286	234	364	276
1973—Jan.	21,130	8,254	4,671	27	12,897	1,539	158	3,833	139	174	340	4,486	1,437	289	396	244
Feb.	18,067	8,404	768	1,104	8,067	865	193	5,900	167	684	278	7,029	1,186	255	568	289
Mar.	15,987	8,748	1,494	6,833	3,409	5,208	342	4,771	186	63	320	5,340	1,244	278	489	360
Apr.	25,860	8,648	9,124	6,185	11,587	5,915	258	4,297	1,316	444	302	6,359	1,318	262	330	348
May	16,584	8,813	1,444	6,433	3,825	1,219	296	6,662	253	2,156	308	9,380	1,446	280	466	264
June	28,537	9,168	3,735	597	12,306	8,983	188	4,548	145	95	293	5,081	1,386	273	335	360
July	18,121	8,487	681	354	8,814	1,552	202	4,608	.....	382	346	5,336	1,538	276	398	409
Aug.	21,291	9,085	451	257	9,279	904	209	7,087	.....	1,357	333	8,778	1,434	303	494	308
Sept.	25,007	7,940	3,903	135	11,707	5,477	230	4,812	177	103	317	5,409	1,436	238	373	597
Oct.	17,637	8,752	550	71	9,230	1,515	462	4,119	24	217	351	4,712	1,459	291	454	437

Period	Budget outlays														
	Total	National defense	Intl. affairs	Space research	Agriculture	Natural resources	Commerce and transp.	Com. mun. develop. and housing	Education and manpower	Health and welfare	Veterans	Interest	General govt.	General revenue sharing	Intragovt. transactions[4]
Fiscal year:															
1971	211,425	77,661	3,095	3,381	5,096	2,716	11,310	3,357	8,226	70,607	9,776	19,608	3,970	.....	−7,376
1972	231,876	78,336	3,786	3,422	7,061	3,759	11,197	4,216	10,198	81,536	10,747	20,584	4,889	.....	−7,858
1973r	246,526	76,027	3,182	3,311	6,051	556	12,520	4,162	10,821	91,230	12,004	22,785	5,619	6,636	−8,378
1974[5]	268,665	81,074	3,811	3,135	5,572	3,663	11,580	4,931	10,110	103,709	11,732	24,672	6,025	6,035	−9,131
Half year:															
1971—July–Dec.	111,557	35,755	1,752	1,777	5,999	1,952	6,030	2,181	4,355	38,131	5,003	10,050	2,392	.....	−3,822
1972—Jan.–June	120,319	42,583	r2,034	1,645	1,062	1,807	r5,167	2,035	r5,843	r43,405	5,744	r10,534	r2,497	.....	−4,036
July–Dec.	118,586	35,350	1,640	1,676	4,616	329	6,200	2,637	5,133	43,212	5,740	10,604	2,870	[6] 2,617	−4,039
1973—Jan.–Junr	127,940	40,677	1,542	1,635	1,435	227	6,320	1,525	5,688	48,018	6,264	12,181	2,749	4,019	−4,339
Month:															
1972—Oct.	r20,057	6,305	259	271	806	r−17	1,056	244	800	7,688	896	1,559	r462	.....	r−277
Nov.	21,165	6,501	350	272	329	353	982	384	851	7,851	1,279	1,919	448	.....	−353
Dec.	19,721	6,135	221	284	−146	−40	829	414	960	7,710	989	1,809	415	[6] 2,617	−2,474
1973—Jan.	23,630	6,633	82	271	994	−1,053	1,546	483	808	8,130	1,157	1,777	586	2,514	−297
Feb.	20,227	6,265	280	241	431	230	567	368	904	7,907	1,046	2,002	374	9	−397
Mar.	20,806	6,963	323	301	−77	310	1,072	270	786	7,565	1,064	2,097	462	.....	−329
Apr.	22,306	6,417	237	265	368	324	793	243	788	8,058	1,114	2,120	409	1,493	−324
May	20,157	6,401	136	255	−155	298	907	−148	1,066	8,124	1,017	2,165	466	3	−377
Junr	20,814	8,015	486	301	−126	118	1,434	309	1,336	8,234	866	2,004	452	.....	−2,616
July	22,607	4,878	308	278	2,011	942	2,104	911	777	7,792	1,099	2,184	563	1,495	−850
Aug.	22,139	6,772	327	262	440	573	1,090	779	954	7,935	1,054	2,159	466	−3	−670
Sept.	20,736	6,095	205	246	−35	422	957	712	661	8,302	970	2,392	643	16	−849
Oct.	23,092	6,607	282	248	503	416	1,260	561	955	8,040	1,058	2,135	479	1,494	−850

[1] Old-age, disability, and hospital insurance (including premiums for uninsured effective July 1, 1973, as provided for in Public Law 92–603), and Railroad Retirement accounts.

[2] Supplementary medical insurance premiums (including premiums for disabled effective July 1, 1973, as provided for in Public Law 92-603), and Federal employee retirement contributions.

[3] Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.

[4] Consists of Government contributions for employee retirement and of interest received by trust funds.

[5] Estimates presented in the Jan. 1974 *Budget Document*. Breakdowns do not add to totals because special allowances for contingencies, and Federal pay increase (excluding Department of Defense), totaling $1,750 million for fiscal 1974, are not included.

[6] Outlays of $6,786 million in fiscal 1973 contain retroactive payments of $2,600 million for fiscal 1972.

NOTE.—Half years may not add to fiscal year totals due to revisions in series that are not yet available on a monthly basis.

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GROSS PUBLIC DEBT, BY TYPE OF SECURITY

(In billions of dollars)

End of period	Total gross public debt [1]	Public issues										Special issues [5]
		Total	Marketable					Convertible bonds	Nonmarketable			
			Total	Bills	Certificates	Notes	Bonds [2]		Total [3]	Foreign issues [4]	Savings bonds & notes	
1941—Dec.	57.9	50.5	41.6	2.0	.....	6.0	33.6	.....	8.9	.....	6.1	7.0
1946—Dec.	259.1	233.1	176.6	17.0	30.0	10.1	119.5	.....	56.5	.....	49.8	24.6
1965—Dec.	320.9	270.3	214.6	60.2	.....	50.2	104.2	2.8	52.9	2.4	50.3	46.3
1966—Dec.	329.3	273.0	218.0	64.7	5.9	48.3	99.2	2.7	52.3	1.5	50.8	52.0
1967—Dec.	344.7	284.0	226.5	69.9	.....	61.4	95.2	2.6	54.9	3.1	51.7	57.2
1968—Dec.	358.0	296.0	236.8	75.0	.....	76.5	85.3	2.5	56.7	4.3	52.3	59.1
1969—Dec.	368.2	295.2	235.9	80.6	.....	85.4	69.9	2.4	56.9	3.8	52.2	71.0
1970—Dec.	389.2	309.1	247.7	87.9	.....	101.2	58.6	2.4	59.1	5.7	52.5	78.1
1971—Dec.	424.1	336.7	262.0	97.5	.....	114.0	50.6	2.3	72.3	16.8	54.9	85.7
1972—Nov.	444.2	347.6	265.6	100.7	.....	119.4	45.5	2.3	79.6	21.0	57.8	94.9
Dec.	449.3	351.4	269.5	103.9	.....	121.5	44.1	2.3	79.5	20.6	58.1	95.9
1973—Jan.	450.1	353.2	271.1	104.9	.....	121.5	44.7	2.3	79.7	20.5	58.4	95.0
Feb.	454.8	357.1	269.9	105.0	.....	120.2	44.6	2.3	84.9	25.4	58.7	95.8
Mar.	458.6	360.4	269.8	105.0	.....	120.2	44.6	2.3	88.3	28.3	59.0	96.4
Apr.	457.1	358.9	267.8	103.2	.....	120.2	44.5	2.3	88.7	28.5	59.3	96.4
May	457.3	357.1	265.9	103.0	.....	117.8	45.1	2.3	88.9	28.3	59.7	98.3
June	458.1	354.6	263.0	100.1	.....	117.8	45.1	2.3	89.4	28.5	59.9	101.7
July	459.0	354.2	262.7	99.9	.....	117.8	45.0	2.3	89.2	28.2	60.2	103.0
Aug.	461.8	353.8	262.4	101.8	.....	118.7	42.0	2.3	89.1	27.9	60.3	106.1
Sept.	461.4	354.1	262.4	99.8	.....	120.7	41.9	2.3	89.5	28.2	60.3	105.4
Oct.	462.5	355.5	264.0	101.6	.....	120.7	41.8	2.3	89.2	27.8	60.5	105.1
Nov.	464.0	360.5	270.2	107.7	.....	124.6	37.8	2.3	88.0	26.1	60.8	101.6

[1] Includes non-interest-bearing debt (of which $619 million on Nov. 30, 1973, was not subject to statutory debt limitation).

[2] Includes Treasury bonds and minor amounts of Panama Canal and postal savings bonds.

[3] Includes (not shown separately): depositary bonds, retirement plan bonds, and Rural Electrification Administration bonds; before 1954, Armed Forces leave bonds; before 1956, tax and savings notes; and before Oct. 1965, Series A investment bonds.

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

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

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

OWNERSHIP OF PUBLIC DEBT

(Par value, in billions of dollars)

End of period	Total gross public debt	Held by—		Held by private investors									
		U.S. Govt. agencies and trust funds	F.R. Banks	Total	Commercial banks	Mutual savings banks	Insurance companies	Other corporations	State and local govts.	Individuals		Foreign and international [1]	Other misc. investors [2]
										Savings bonds	Other securities		
1939—Dec.	41.9	6.1	2.5	33.4	12.7	2.7	5.7	2.0	.4	1.9	7.5	.2	.3
1946—Dec.	259.1	27.4	23.4	208.3	74.5	11.8	24.9	15.3	6.3	44.2	20.0	2.1	9.3
1965—Dec.	320.9	59.7	40.8	220.5	60.7	5.3	10.3	15.8	22.9	49.7	22.4	16.7	16.7
1966—Dec.	329.3	65.9	44.3	219.2	57.4	4.6	9.5	14.9	24.3	50.3	24.3	14.5	19.4
1967—Dec.	344.7	73.1	49.1	222.4	63.8	4.1	8.6	12.2	24.1	51.2	22.8	15.8	19.9
1968—Dec.	358.0	76.6	52.9	228.5	66.0	3.6	8.0	14.2	24.4	51.9	23.9	14.3	22.4
1969—Dec.	368.2	89.0	57.2	222.0	56.8	2.9	7.1	11.7	25.9	51.8	29.6	11.2	25.0
1970—Dec.	389.2	97.1	62.1	229.9	62.7	2.8	7.0	9.4	25.2	52.1	29.8	20.6	20.4
1971—Dec.	424.1	106.0	70.2	247.9	65.3	2.7	6.6	12.4	25.0	54.4	19.6	46.9	15.0
1972—Nov.	444.2	116.1	69.5	258.6	63.5	2.7	6.1	12.0	27.9	57.4	17.1	56.0	16.1
Dec.	449.3	116.9	69.9	262.5	67.0	2.6	6.0	11.7	28.3	57.7	17.0	55.3	17.0
1973—Jan.	450.1	116.2	72.0	261.8	66.0	2.6	6.1	12.3	29.5	58.0	16.8	54.2	16.5
Feb.	454.8	117.1	72.6	265.1	62.4	2.6	5.8	12.7	29.0	58.3	16.6	61.1	16.7
Mar.	458.6	117.9	74.3	266.4	61.6	2.5	5.9	13.0	28.9	58.6	16.6	63.1	16.3
Apr.	457.1	117.9	75.5	263.7	60.1	2.5	5.7	12.5	28.7	58.9	16.5	61.7	17.2
May	457.3	120.1	74.1	263.1	57.9	2.4	5.7	13.3	28.1	59.2	16.4	61.1	18.9
June	458.1	123.4	75.0	259.7	57.9	2.4	5.7	12.0	28.3	59.5	16.4	60.2	17.4
July	459.0	125.0	77.1	256.9	55.5	2.2	5.8	12.8	27.9	59.7	16.5	59.7	16.7
Aug.	461.8	128.7	76.1	257.1	54.1	2.1	5.7	14.0	27.2	59.8	16.8	59.2	18.2
Sept.	461.4	127.8	76.2	257.4	55.0	2.0	5.7	12.5	28.5	59.8	16.9	58.5	18.5
Oct.	462.5	127.4	78.5	256.5	55.4	2.0	5.6	13.5	28.0	60.0	16.9	57.5	17.5

[1] Consists of investments of foreign and international accounts in the United States.

[2] Consists of savings and loan assns., nonprofit institutions, corporate pension trust funds, and dealers and brokers. Also included are certain Govt. deposit accounts and Govt.-sponsored agencies.

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

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

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OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value, in millions of dollars)

Type of holder and date	Total	Within 1 year			1–5 years	5–10 years	10–20 years	Over 20 years
		Total	Bills	Other				
All holders:								
1970—Dec. 31	247,713	123,423	87,923	35,500	82,318	22,554	8,556	10,863
1971—Dec. 31	262,038	119,141	97,505	21,636	93,648	29,321	9,530	10,397
1972—Dec. 31	269,509	130,422	103,870	26,552	88,564	29,143	15,301	6,079
1973—Sept. 30	262,356	129,114	99,762	29,352	80,576	31,103	15,317	6,245
Oct. 31	264,047	130,940	101,577	29,363	80,535	31,102	15,269	6,201
U.S. Govt. agencies and trust funds:								
1970—Dec. 31	17,092	3,005	708	2,297	6,075	3,877	1,748	2,387
1971—Dec. 31	18,444	1,380	605	775	7,614	4,676	2,319	2,456
1972—Dec. 31	19,360	1,609	674	935	6,418	5,487	4,317	1,530
1973—Sept. 30	20,872	1,884	456	1,428	7,016	5,452	4,879	1,640
Oct. 31	20,840	1,878	466	1,412	7,005	5,448	4,888	1,620
Federal Reserve Banks:								
1970—Dec. 31	62,142	36,338	25,965	10,373	19,089	6,046	229	440
1971—Dec. 31	70,218	36,032	31,033	4,999	25,299	7,702	584	601
1972—Dec. 31	69,906	37,750	29,745	8,005	24,497	6,109	1,414	136
1973—Sept. 30	76,217	42,494	34,652	7,842	22,619	9,391	1,522	190
Oct. 31	78,491	44,571	36,647	7,924	22,821	9,376	1,530	192
Held by private investors:								
1970—Dec. 31	168,479	84,080	61,250	22,830	57,154	12,631	6,579	8,036
1971—Dec. 31	173,376	81,729	65,867	15,862	60,735	16,943	6,627	7,340
1972—Dec. 31	180,243	91,063	73,451	17,612	57,649	17,547	9,570	4,413
1973—Sept. 30	165,267	84,736	64,654	20,082	50,941	16,260	8,916	4,415
Oct. 31	164,716	84,491	64,464	20,027	50,709	16,278	8,851	4,389
Commercial banks:								
1970—Dec. 31	50,917	19,208	10,314	8,894	26,609	4,474	367	260
1971—Dec. 31	51,363	14,920	8,287	6,633	28,823	6,847	555	217
1972—Dec. 31	52,440	18,077	10,289	7,788	27,765	5,654	864	80
1973—Sept. 30	42,403	13,781	5,080	8,701	22,841	4,716	808	258
Oct. 31	42,782	14,130	5,518	8,612	22,943	4,640	805	265
Mutual savings banks:								
1970—Dec. 31	2,745	525	171	354	1,168	339	329	385
1971—Dec. 31	2,742	416	235	181	1,221	499	281	326
1972—Dec. 31	2,609	590	309	281	1,152	469	274	124
1973—Sept. 30	2,037	453	139	314	820	342	279	143
Oct. 31	2,021	493	194	299	805	289	292	142
Insurance companies:								
1970—Dec. 31	6,066	893	456	437	1,723	849	1,369	1,231
1971—Dec. 31	5,679	720	325	395	1,499	993	1,366	1,102
1972—Dec. 31	5,220	799	448	351	1,190	976	1,593	661
1973—Sept. 30	4,895	732	262	470	1,020	1,278	1,326	539
Oct. 31	4,878	689	223	466	1,075	1,278	1,309	527
Nonfinancial corporations:								
1970—Dec. 31	3,057	1,547	1,194	353	1,260	242	2	6
1971—Dec. 31	6,021	4,191	3,280	911	1,492	301	16	20
1972—Dec. 31	4,948	3,604	1,198	2,406	1,198	121	25	1
1973—Sept. 30	3,944	2,766	1,270	1,496	1,009	90	64	15
Oct. 31	4,911	3,480	1,594	1,886	1,228	105	68	29
Savings and loan associations:								
1970—Dec. 31	3,263	583	220	363	1,899	281	243	258
1971—Dec. 31	3,002	629	343	286	1,449	587	162	175
1972—Dec. 31	2,873	820	498	322	1,140	605	226	81
1973—Sept. 30	2,341	549	117	432	988	517	207	80
Oct. 31	2,315	552	116	436	963	513	211	77
State and local governments:								
1970—Dec. 31	11,204	5,184	3,803	1,381	2,458	774	1,191	1,598
1971—Dec. 31	9,823	4,592	3,832	760	2,268	783	918	1,263
1972—Dec. 31	10,904	6,159	5,203	956	2,033	816	1,298	598
1973—Sept. 30	10,165	6,016	4,600	1,416	1,815	930	1,054	350
Oct. 31	9,779	5,723	4,563	1,160	1,774	896	1,036	350
All others:								
1970—Dec. 31	91,227	56,140	45,092	11,048	22,037	5,672	3,078	4,298
1971—Dec. 31	94,746	56,261	49,565	6,696	23,983	6,933	3,329	4,237
1972—Dec. 31	101,249	61,014	55,506	5,508	23,171	8,906	5,290	2,868
1973—Sept. 30	99,482	60,439	53,186	7,253	22,448	8,387	5,178	3,030
Oct. 31	98,030	59,424	52,256	7,168	21,921	8,557	5,130	2,999

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) 5,611 commercial banks, 479 mutual savings banks, and 736 insurance companies combined, each about 90 per cent; (2) 465 nonfinancial corporations and 485 savings and loan assns., each about 50 per cent; and (3) 505 State and local govts., about 40 per cent.

"All others," a residual, includes holdings of all those not reporting in the Treasury Survey, including investor groups not listed separately.

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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	Commercial banks	All other[1]	
1972—Oct.	3,047	2,473	350	126	99	837	420	988	802	561
Nov.	3,397	2,397	709	168	123	835	498	1,228	837	731
Dec.	3,184	2,640	361	118	65	757	352	1,215	860	472
1973—Jan.	3,158	2,445	443	148	122	793	470	1,113	781	463
Feb.	4,155	2,975	721	370	89	888	808	1,360	1,099	645
Mar.	3,077	2,311	508	201	57	713	585	987	792	664
Apr.	3,185	2,535	440	165	46	709	636	1,075	766	714
May	3,187	2,390	322	323	153	661	543	1,057	927	687
June	2,969	2,335	289	228	118	593	622	975	778	732
July	2,993	2,330	367	226	72	581	632	982	798	700
Aug.	3,366	2,403	706	172	85	566	874	1,044	881	771
Sept.	3,884	3,021	644	158	61	583	1,182	1,142	977	1,048
Oct.	3,375	2,790	374	163	48	568	954	1,072	782	808
Week ending—										
1973—Oct. 3	3,547	2,746	577	168	56	530	1,007	1,207	802	822
10	4,428	3,655	500	214	60	765	1,357	1,378	928	1,024
17	3,069	2,578	323	130	38	469	981	895	724	824
24	2,989	2,641	224	88	36	496	852	900	742	852
31	3,223	2,613	325	227	57	578	729	1,125	791	700
Nov. 7	4,008	2,716	610	559	123	590	1,206	1,180	1,032	506
14	4,078	3,024	478	513	63	675	1,226	1,166	1,012	751
21	4,402	3,339	510	446	107	729	1,315	1,295	1,063	1,105
28[p]	3,176	2,425	372	315	64	.....	.....	.....	.....	569

[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	
1972—Oct.	3,333	3,452	−29	−132	41	543
Nov.	4,522	4,113	335	8	66	834
Dec.	4,973	4,903	73	−41	37	556
1973—Jan.	4,744	4,959	−53	−259	97	281
Feb.	3,394	3,365	−9	−1	39	202
Mar.	2,702	3,130	−274	−143	−11	180
Apr.	2,795	3,105	−159	−143	−9	274
May	2,626	2,596	−324	179	175	356
June	2,976	2,818	−165	91	232	744
July	1,901	2,062	−250	−43	131	511
Aug.	1,788	1,977	−94	−107	12	273
Sept.	3,201	2,958	316	−111	38	799
Oct.	3,073	2,858	93	56	67	904
Week ending—						
1973—Sept. 5	2,854	2,597	423	−159	−6	580
12	3,566	3,310	382	−140	13	645
19	3,347	3,173	280	−141	35	845
26	2,813	2,502	305	−65	71	985
Oct. 3	2,645	2,422	178	−23	67	848
10	3,247	3,069	114	2	62	912
17	2,805	2,629	77	33	65	912
24	3,084	2,864	90	59	72	838
31	3,469	3,183	49	169	69	989

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 perioin the d.

DAILY-AVERAGE DEALER FINANCING

(In millions of dollars)

Period	All sources	Commercial banks		Corporations[1]	All other
		New York City	Elsewhere		
1972—Oct.	3,055	1,227	406	490	932
Nov.	4,198	1,538	617	709	1,334
Dec.	4,848	1,695	808	944	1,399
1973—Jan.	4,520	1,346	794	932	1,449
Feb.	3,415	1,063	455	490	1,408
Mar.	2,799	903	292	281	1,323
Apr.	3,032	935	513	311	1,273
May	2,667	674	452	252	1,291
June	3,769	1,242	690	431	1,406
July	2,826	725	544	510	1,047
Aug.	2,318	829	327	386	777
Sept.	4,244	1,620	877	441	1,306
Oct.	3,721	1,253	918	328	1,223
Week ending—					
1973—Sept. 5	3,108	1,120	616	408	964
12	4,668	2,046	883	459	1,280
19	4,754	1,844	967	581	1,363
26	3,999	1,355	874	413	1,357
Oct. 3	4,088	1,313	969	258	1,549
10	3,732	1,125	992	291	1,324
17	3,696	1,381	1,006	272	1,037
24	3,489	1,258	842	283	1,106
31	3,970	1,353	847	492	1,278

[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.

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U.S. GOVERNMENT MARKETABLE AND CONVERTIBLE SECURITIES, NOVEMBER 30, 1973

(In millions of dollars)

Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount
Treasury bills		**Treasury bills—Cont.**		**Treasury notes—Cont.**		**Treasury bonds**	
Dec. 6, 1973	4,310	May 2, 1974	1,801	May 15, 1975 5⅞	1,776	Feb. 15, 1974 4⅛	2,466
Dec. 13, 1973	4,292	May 7, 1974	1,800	May 15, 1975 6	6,760	May 15, 1974 4¼	2,848
Dec. 18, 1973	1,800	May 9, 1974	1,801	Aug. 15, 1975 5⅞	7,679	Nov. 15, 1974 3⅞	1,214
Dec. 20, 1973	4,303	May 16, 1974	1,801	Sept. 30, 1975 8⅜	2,043	May 15, 1975–85 4¼	1,202
Dec. 27, 1973	4,304	May 23, 1974	1,800	Oct. 1, 1975 1½	30	June 15, 1978–83 3¼	1,484
Jan. 3, 1974	4,302	May 30, 1974	1,797	Nov. 15, 1975 7	3,115	Feb. 15, 1980 4	2,575
Jan. 10, 1974	4,304	June 4, 1974	1,801	Dec. 31, 1975 7	1,731	Nov. 15, 1980 3½	1,897
Jan. 15, 1974	1,804	June 21, 1974†	1,999	Feb. 15, 1976 6¼	3,739	Aug. 15, 1981 7	807
Jan. 17, 1974	4,303	July 2, 1974	1,802	Feb. 15, 1976 5⅞	4,945	Feb. 15, 1982 6⅜	2,702
Jan. 24, 1974	4,301	July 30, 1974	1,804	Apr. 1, 1976 1½	27	Aug. 15, 1984 6⅜	2,353
Jan. 31, 1974	4,312	Aug. 27, 1974	1,805	May 15, 1976 5¾	2,802	May 15, 1985 3¼	960
Feb. 7, 1974	4,303	Sept. 24, 1974	1,802	May 15, 1976 6½	2,697	Nov. 15, 1986 6⅛	1,216
Feb. 12, 1974	1,801	Oct. 22, 1974	1,802	Aug. 15, 1976 7½	4,194	Aug. 15, 1987–92 4¼	3,698
Feb. 14, 1974	4,310	Nov. 19, 1974	1,801	Aug. 15, 1976 6½	3,883	Feb. 15, 1988–93 4	230
Feb. 21, 1974	4,253			Oct. 1, 1976 1½	11	May 15, 1989–94 4⅛	1,473
Feb. 28, 1974	4,304	**Treasury notes**		Nov. 15, 1976 6¼	4,325	Feb. 15, 1990 3½	4,029
Mar. 7, 1974	1,809	Feb. 15, 1974 7¾	2,960	Feb. 15, 1977 8	5,163	Feb. 15, 1993 6¾	627
Mar. 12, 1974	1,790	Apr. 1, 1974 1½	34	Apr. 1, 1977 1½	5	Aug. 15, 1993 7½	1,363
Mar. 14, 1974	1,802	May 15, 1974 7¼	4,334	Aug. 15, 1977 7¾	4,919	Feb. 15, 1995 3	855
Mar. 21, 1974	1,803	Aug. 15, 1974 5⅞	10,284	Oct. 1, 1977 1½	17	May 15, 1993–98 7	692
Mar. 28, 1974	1,803	Sept. 30, 1974 6	2,060	Feb. 15, 1978 6¼	8,389	Nov. 15, 1998 3½	3,149
Apr. 4, 1974	1,801	Oct. 1, 1974 1½	42	Apr. 1, 1978 1½	15		
Apr. 9, 1974	1,802	Nov. 15, 1974 5¾	5,442	Nov. 15, 1978 6	8,207		
Apr. 11, 1974	1,803	Dec. 31, 1974 5⅞	2,102	Aug. 15, 1979 6¼	4,559	**Convertible bonds**	
Apr. 18, 1974	1,802	Feb. 15, 1975 5¾	4,015	Nov. 15, 1979 6⅝	1,604	**Investment Series B**	
Apr. 19, 1974	3,008	Feb. 15, 1975 5⅞	1,222	Nov. 15, 1979 7	2,244	Apr. 1, 1975–80 2¾	2,275
Apr. 25, 1974	1,802	Apr. 1, 1975 1½	8	May 15, 1980 6⅞	7,265		

† Tax-anticipation series.

NOTE.—Direct public issues only. Based on Daily Statement of U.S. Treasury.

NEW ISSUES OF STATE AND LOCAL GOVERNMENT SECURITIES

(In millions of dollars)

Period	All issues (new capital and refunding)								Total amount delivered[3]	Issues for new capital						
	Total	Type of issue				Type of issuer				Total	Use of proceeds					
		General obligations	Revenue	HAA[1]	U.S. Govt. loans	State	Special district and stat. auth.	Other[2]			Education	Roads and bridges	Utilities[4]	Housing[5]	Veterans' aid	Other purposes
1964	10,847	6,417	3,585	637	208	1,628	3,812	5,407	10,069	10,201	3,392	688	2,437	727	120	2,838
1965	11,329	7,177	3,517	464	170	2,401	3,784	5,144	11,538	10,471	3,619	900	1,965	626	50	3,311
1966	11,405	6,804	3,955	325	312	2,590	4,110	4,695	.....	11,303	3,738	1,476	1,880	533	.....	3,667
1967	14,766	8,985	5,013	477	334	2,842	4,810	7,115	.....	14,643	4,473	1,254	2,404	645	.....	5,867
1968	16,596	9,269	6,517	528	282	2,774	5,946	7,884	.....	16,489	4,820	1,526	2,833	787	.....	6,523
1969	11,881	7,725	3,556	402	197	3,359	3,596	4,926	.....	11,838	3,252	1,432	1,734	543	.....	4,884
1970	18,164	11,850	6,082	131	103	4,174	5,595	8,399	.....	18,110	5,062	1,532	3,525	466	.....	7,526
1971	24,962	15,220	8,681	1,000	62	5,999	8,714	10,246	.....	24,495	5,278	2,642	5,214	2,068	.....	9,293
1972—Sept.	1,726	663	803	257	4	298	1,016	414	.....	1,609	238	107	590	270	.....	404
Oct.	2,200	1,662	533	.....	5	487	689	1,025	.....	2,147	444	162	409	52	.....	1,082
Nov.	1,862	1,147	711	.....	5	425	572	866	.....	1,762	312	215	365	56	.....	814
Dec.	1,797	872	653	268	4	147	754	895	.....	1,507	351	21	204	332	.....	599
1973—Jan.	1,974	1,149	822	.....	3	602	454	919	.....	1,845	369	215	418	117	.....	727
Feb.	1,499	768	731	.....	1	47	561	891	.....	1,398	365	63	406	10	.....	553
Mar.	2,451	1,227	916	303	6	613	914	924	.....	2,194	373	153	497	347	.....	823
Apr.	1,818	866	944	.....	9	159	732	925	.....	1,752	305	12	448	88	.....	900
May	1,921	820	1,093	.....	8	291	926	703	.....	1,906	299	232	428	222	.....	723
June	2,072	984	823	261	4	189	1,054	828	.....	2,064	533	101	603	334	.....	494
July	1,958	1,448	503	.....	6	516	319	1,121	.....	1,937	390	230	353	3	.....	961
Aug.	1,489	950	537	.....	2	452	471	566	.....	1,436	262	28	303	290	.....	552
Sept.	1,675	698	682	293	2	236	645	.....	.....	1,613	306	64	571	390	.....	277

[1] Only bonds sold pursuant to 1949 Housing Act, which are secured by contract requiring the Housing Assistance Administration to make annual contributions to the local authority.

[2] Municipalities, counties, townships, school districts.

[3] Excludes U.S. Govt. loans. Based on date of delivery to purchaser and payment to issuer, which occurs after date of sale.

[4] Water, sewer, and other utilities.

[5] Includes urban redevelopment loans.

NOTE.—The figures in the first column differ from those shown on the following page, which are based on *Bond Buyer* data. The principal difference is in the treatment of U.S. Govt. loans.

Investment Bankers Assn. data; par amounts of long-term issues based on date of sale unless otherwise indicated.

Components may not add to totals due to rounding.

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TOTAL NEW ISSUES

(In millions of dollars)

Period	Gross proceeds, all issues[1]										
	Total	Noncorporate				Corporate					
		U.S. Govt.[2]	U.S. Govt. agency[3]	State and local (U.S.)[4]	Other[5]	Total	Bonds			Stock	
							Total	Publicly offered	Privately placed	Preferred	Common
1964	37,122	10,656	1,205	10,544	760	13,957	10,865	3,623	7,243	412	2,679
1965	40,108	9,348	2,731	11,148	889	15,992	13,720	5,570	8,150	725	1,547
1966	45,015	8,231	6,806	11,089	815	18,074	15,561	8,018	7,542	574	1,939
1967	68,514	19,431	8,180	14,288	1,817	24,798	21,954	14,990	6,964	885	1,959
1968	65,562	18,025	7,666	16,374	1,531	21,966	17,383	10,732	6,651	637	3,946
1969	52,496	4,765	8,617	11,460	961	26,744	18,347	12,734	5,613	682	7,714
1970	88,666	14,831	16,181	17,762	949	38,945	30,315	25,384	4,931	1,390	7,240
1971	105,233	17,325	16,283	24,370	2,165	45,090	32,123	24,775	7,354	3,670	9,291
1972—Sept.	5,635	474	650	1,701	90	2,720	1,651	862	789	305	765
Oct.	9,505	2,530	1,141	1,970	74	3,791	2,336	1,772	565	421	1,033
Nov.	10,987	3,590	2,134	1,816	70	3,377	2,343	1,361	982	154	880
Dec.	8,210	2,553	200	1,760	302	3,396	2,625	1,024	1,601	272	498
1973—Jan.	6,523	1,199	993	1,889	116	2,327	1,276	989	287	137	913
Feb.	7,325	1,603	2,261	1,445	53	1,962	957	641	316	172	832
Mar.	9,029	606	1,826	2,304	359	3,933	2,116	1,315	802	833	2,729
Apr.	6,567	564	1,640	1,688	178	2,497	1,739	938	801	200	558
May	11,225	3,353	3,442	1,870	17	2,543	1,721	1,049	672	187	635
June	7,943	559	1,706	2,046	53	3,578	2,757	1,358	1,398	216	606
July[r]	7,643	490	2,471	1,992	48	2,631	1,870	857	1,013	226	536
Aug.[r]	8,019	3,097	1,600	1,414	22	1,806	1,382	792	590	94	330
Sept.	8,012	2,432	2,100	1,609	15	1,857	1,312	684	629	115	429

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
1964	2,819	228	902	220	944	38	2,139	620	669	1,520	3,391	466
1965	4,712	704	1,153	251	953	60	2,332	604	808	139	3,762	514
1966	5,861	1,208	1,166	257	1,856	116	3,117	549	1,814	189	1,747	193
1967	9,894	1,164	1,950	117	1,859	466	4,217	718	1,786	193	2,247	186
1968	5,668	1,311	1,759	116	1,665	1,579	4,407	873	1,724	43	2,159	662
1969	4,448	1,904	1,888	3,022	1,899	247	5,409	1,326	1,963	225	2,739	1,671
1970	9,192	1,320	1,963	2,540	2,213	47	8,016	3,001	5,053	83	3,878	1,638
1971	9,426	2,152	2,272	2,390	1,998	420	7,605	4,195	4,227	1,592	6,601	2,212
1972—Sept.	441	162	302	242	61	.....	649	598	32	1	166	66
Oct.	269	114	192	326	152	12	522	758	313	58	887	187
Nov.	346	79	429	271	61	8	322	472	657	1	528	202
Dec.	486	103	343	149	214	25	491	370	34	17	1,057	107
1973—Jan.	113	63	89	105	120	1	529	371	30	3	395	509
Feb.	178	35	118	111	96	4	319	277	58	117	290	461
Mar.	772	125	177	327	317	6	1,076	1,351	548	668	1,462	1,397
Apr.	772	22	237	139	91	1	150	369	258	.....	743	228
May	387	12	30	143	236	8	361	410	355	19	351	231
June	703	25	133	89	183	.....	1,099	497	303	29	337	181
July[r]	364	169	139	112	250	1	651	269	244	60	223	151
Aug.[r]	230	49	149	129	83	15	419	90	320	5	182	136
Sept.	258	78	120	96	135	2	334	252	228	13	237	104

[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.

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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
1967	25,964	7,735	18,229	21,299	5,340	15,960	4,664	2,397	2,267
1968	25,439	12,377	13,062	19,381	5,418	13,962	6,057	6,959	−900
1969	28,841	10,813	18,027	19,523	5,767	13,755	9,318	5,045	4,272
1970	38,707	9,079	29,628	29,495	6,667	22,825	9,213	2,411	6,801
1971	46,687	9,507	37,180	31,917	8,190	23,728	14,769	1,318	13,452
1972—I	10,072	2,691	7,381	6,699	2,002	4,698	3,373	690	2,683
II	11,514	2,389	9,123	7,250	2,191	5,050	4,264	198	4,066
III	9,776	2,212	7,564	6,118	1,603	4,515	3,659	609	3,049
IV	10,944	2,932	8,012	6,998	2,207	4,790	3,946	725	3,220
1973—I	8,219	2,806	5,412	4,198	1,781	2,417	4,020	1,025	2,995
II	9,418	2,470	6,947	5,769	1,664	4,106	3,648	806	2,842

Period	Type of issues											
	Manufacturing		Commercial and other[2]		Transportation[3]		Public utility		Communication		Real estate and financial[1]	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
1968	4,418	−1,842	2,242	821	987	−149	3,669	892	1,579	120	1,069	−741
1969	3,747	69	1,075	1,558	946	186	4,464	1,353	1,834	241	1,687	866
1970	6,641	870	853	1,778	1,104	36	6,861	2,917	4,806	94	2,564	1,107
1971	6,585	2,534	827	2,290	900	800	6,486	4,206	3,925	1,600	5,005	2,017
1972—I	696	423	31	545	267	15	827	872	1,020	402	1,856	425
II	704	851	344	774	127	164	1,844	1,176	806	464	1,233	638
III	479	530	459	673	138	28	1,410	1,061	573	305	1,456	453
IV	116	290	575	479	179	47	1,056	1,735	944	89	1,920	580
1973—I	135	63	−174	377	127	−43	844	1,170	520	185	965	1,244
II	632	−2	119	327	327	7	1,136	1,276	842	562	1,049	673

[1] Excludes investment companies.
[2] Extractive and commercial and miscellaneous companies.
[3] Railroad and other transportation companies.

NOTE.—Securities and Exchange Commission estimates of cash transactions only. As contrasted with data shown on opposite page, new issues exclude foreign sales and include sales of securities held by affiliated companies, special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements are defined in the same way and also include securities retired with internal funds or with proceeds of issues for that purpose.

OPEN-END INVESTMENT COMPANIES

(In millions of dollars)

Year	Sales and redemption of own shares			Assets (market value at end of period)			Month	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales[1]	Redemptions	Net sales	Total[2]	Cash position[3]	Other		Sales[1]	Redemptions	Net sales	Total[2]	Cash position[3]	Other
1960	2,097	842	1,255	17,026	973	16,053	1972—Oct.	384	411	−27	57,525	3,719	53,806
							Nov.	387	645	−258	59,854	3,549	56,305
1961	2,951	1,160	1,791	22,789	980	21,809	Dec.	449	619	−170	59,831	3,035	56,796
1962	2,699	1,123	1,576	21,271	1,315	19,956							
1963	2,460	1,504	952	25,214	1,341	23,873	1973—Jan.	535	666	−131	56,946	3,015	53,931
							Feb.	327	530	−203	54,083	3,375	50,708
1964	3,404	1,875	1,528	29,116	1,329	27,787	Mar.	519	531	−12	53,377	3,774	49,603
1965	4,359	1,962	2,395	35,220	1,803	33,417	Apr.	300	452	−120	50,837	3,837	46,464
1966	4,671	2,005	2,665	34,829	2,971	31,858	May	285	446	−161	48,588	4,154	44,434
							June	303	349	−46	48,127	4,164	43,963
1967	4,670	2,745	1,927	44,701	2,566	42,135	July	364	357	−7	50,933	4,594	46,339
1968	6,820	3,841	2,979	52,677	3,187	49,490	Aug.	239	432	−193	49,553	4,567	44,986
1969	6,717	3,661	3,056	48,291	3,846	44,445	Sept.	330	395	−65	52,322	4,641	47,681
							Oct.	305	559	−254	51,952	4,168	47,784
1970	4,624	2,987	1,637	47,618	3,649	43,969							
1971	5,145	4,751	774	56,694	3,163	53,531							

[1] Includes contractual and regular single-purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment income dividends; excludes reinvestment of realized capital gains dividends.
[2] Market value at end of period less current liabilities.
[3] Cash and deposits, receivables, all U.S. Govt. securities, and other short-term debt securities, less current liabilities.

NOTE.—Investment Company Institute data based on reports of members, which comprise substantially all open-end investment companies registered with the Securities and Exchange Commission. Data reflect newly formed companies after their initial offering of securities.

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CORPORATE PROFITS, TAXES, AND DIVIDENDS

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances[1]	Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances[1]
1966	84.2	34.3	49.9	20.8	29.1	39.5	1971—II	85.5	38.4	47.1	25.1	22.0	59.8
1967	79.8	33.2	46.6	21.4	25.3	43.0	III	87.0	38.0	49.0	25.2	23.7	61.0
							IV	86.9	36.4	50.6	24.9	25.7	62.1
1968	87.6	39.9	47.8	23.6	24.2	46.8							
1969	84.9	40.1	44.8	24.3	20.5	51.9	1972—I	92.8	40.6	52.2	25.7	26.5	63.4
1970	74.0	34.8	39.3	24.7	14.6	56.0	II	94.8	41.4	53.4	25.9	27.5	66.2
1971	85.1	37.4	47.6	25.1	22.5	60.4	III	98.4	42.9	55.6	26.2	29.4	66.0
1972	98.0	42.7	55.4	26.0	29.3	65.9	IV	106.1	45.9	60.3	26.4	33.9	68.0
							1973—I	119.6	52.7	66.9	26.9	40.0	69.3
							II	128.9	57.4	71.6	27.3	44.2	70.5

[1] Includes depreciation, capital outlays charged to current accounts, and accidental damages.

NOTE.—Dept. of Commerce estimates. Quarterly data are at seasonally adjusted annual rates.

CURRENT ASSETS AND LIABILITIES OF 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		
1968	182.3	426.5	48.2	11.5	5.1	168.8	166.0	26.9	244.2	6.4	162.4	14.3	61.0
1969	185.7	473.6	47.9	10.6	4.8	192.2	186.4	31.6	287.9	7.3	196.9	12.6	76.0
1970—III	185.3	484.6	46.5	7.1	4.2	201.0	193.5	32.3	299.3	6.8	196.7	11.5	84.3
IV	187.8	490.4	49.7	7.6	4.2	200.6	196.0	32.4	302.6	6.6	200.5	11.8	83.7
1971—I	192.0	494.1	48.5	7.8	4.2	201.3	198.5	33.8	302.1	6.1	195.7	13.7	86.6
II	196.5	498.2	51.1	7.7	3.9	203.3	199.2	33.1	301.7	5.3	195.8	12.4	88.3
III	200.9	507.2	52.4	7.8	3.9	206.5	201.6	34.9	306.3	5.0	197.4	13.8	90.1
IV	204.9	516.7	55.3	10.4	3.5	207.5	203.1	36.8	311.8	4.9	202.8	14.5	89.7
1972—I	209.6	526.0	55.3	9.9	3.4	211.4	207.2	38.9	316.4	4.9	202.5	15.7	93.3
II	215.2	534.3	55.7	8.7	2.8	216.3	210.7	40.1	319.1	4.9	204.0	13.4	96.8
III	219.3	545.5	57.3	7.6	2.9	222.5	215.2	39.8	326.2	4.7	207.6	15.0	98.9
IV	224.3	561.1	60.3	9.7	3.4	228.9	218.2	40.7	336.8	4.0	216.9	16.7	99.2
1973—I	231.4	577.1	61.0	10.4	3.2	234.0	225.9	42.5	345.7	4.1	218.1	18.6	104.9
II	237.8	594.7	62.2	9.4	2.9	243.7	233.5	43.0	356.9	4.5	227.6	16.5	108.3

[1] Receivables from, and payables to, the U.S. Govt. exclude amounts offset against each other on corporations' books.

NOTE: Based on 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	Nondurable		Railroad	Air	Other	Electric	Gas and other			
1969	75.56	15.96	15.72	1.86	1.86	2.51	1.68	8.94	2.67	8.30	16.05	.....
1970	79.71	15.80	16.15	1.89	1.78	3.03	1.23	10.65	2.49	10.10	16.59	.....
1971	81.21	14.15	15.84	2.16	1.67	1.88	1.38	12.86	2.44	10.77	18.05	.....
1972	88.44	15.64	15.72	2.45	1.80	2.46	1.46	14.48	2.52	11.89	20.07	.....
1973[2]	100.08	19.39	18.61	2.76	1.94	2.41	1.60	16.25	2.84	13.03	21.24	.....
1971—III	20.14	3.40	3.91	.55	.42	.39	.37	3.35	.71	2.62	4.42	80.75
IV	22.79	4.12	4.32	.59	.45	.56	.37	3.60	.69	2.84	5.26	83.18
1972—I	19.38	3.29	3.32	.58	.48	.50	.32	3.19	.44	2.72	4.55	86.79
II	22.01	3.71	3.92	.61	.48	.73	.39	3.61	.62	2.95	4.98	87.12
III	21.86	3.86	3.87	.59	.38	.61	.35	3.67	.72	2.84	4.97	87.67
IV	25.20	4.77	4.61	.63	.47	.63	.40	4.01	.73	3.39	5.57	91.94
1973—I	21.50	3.92	3.88	.63	.46	.52	.32	3.45	.50	2.87	4.94	96.19
II	24.73	4.65	4.51	.71	.46	.72	.43	3.91	.68	3.27	5.40	97.76
III	25.04	4.84	4.78	.69	.48	.57	.44	4.04	.77	3.19	5.24	100.90
IV[2]	28.81	5.97	5.45	.73	.54	.60	.41	4.85	.89	9.37		104.94
1974—I[2]	24.19	4.87	4.56	.70	.54	.51	.38	4.14	.52	7.98		108.16

[1] Includes trade, service, construction, finance, and insurance.
[2] Anticipated by business.

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

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MORTGAGE DEBT OUTSTANDING

(In billions of dollars)

End of period	All properties				Farm			Nonfarm								
	All holders	Financial institutions[1]	Other holders[2]		All holders	Financial institutions[1]	Other holders[3]	All holders	1- to 4-family houses[4]			Multifamily and commercial properties[5]			Mortgage type[6]	
			U.S. agencies	Individuals and others					Total	Financial institutions[1]	Other holders	Total	Financial institutions[1]	Other holders	FHA-VA-underwritten	Conventional
1964.....	300.1	241.0	11.4	47.7	18.9	7.0	11.9	281.2	197.6	170.3	27.3	83.6	63.7	19.9	77.2	204.0
1965.....	325.8	264.6	12.4	48.7	21.2	7.8	13.4	304.6	212.9	184.3	28.7	91.6	72.5	19.1	81.2	223.4
1966.....	347.4	280.8	15.8	50.9	23.3	8.4	14.9	324.1	223.6	192.1	31.5	100.5	80.2	20.3	84.1	240.0
1967.....	370.2	298.8	18.4	53.0	25.5	9.1	16.3	344.8	236.1	201.8	34.2	108.7	87.9	20.9	88.2	256.6
1968.....	397.5	319.9	21.7	55.8	27.5	9.7	17.8	370.0	251.2	213.1	38.1	118.7	97.1	21.6	93.4	276.6
1969.....	425.3	339.1	26.8	59.4	29.5	9.9	19.6	395.9	266.8	223.7	43.2	129.0	105.5	23.5	100.2	295.7
1970.....	451.7	355.9	33.0	62.8	31.2	10.1	21.1	420.5	280.2	231.3	48.9	140.3	114.5	25.8	109.2	311.3
1971.....	499.9	394.4	39.4	66.2	32.9	9.9	23.0	467.0	307.8	254.2	53.7	159.2	130.3	28.9	120.7	346.3
1972.....	565.4	450.6	45.8	69.0	35.4	10.5	24.9	530.0	346.1	288.7	57.4	183.9	151.3	32.6	131.1	398.9
1971—III..	485.6	383.5	37.4	64.6	32.4	9.8	22.6	453.2	299.7	248.0	51.7	153.5	125.8	27.7	117.5	335.7
IV..	499.9	394.4	39.4	66.2	32.9	9.9	23.0	467.0	307.8	254.2	53.7	159.2	130.3	28.9	120.7	346.3
1972—I....	511.7	404.2	41.2	66.4	33.5	9.9	23.6	478.2	314.1	259.6	54.5	164.1	134.6	29.4	123.7	354.5
II...	529.1	418.9	42.7	67.5	34.4	10.2	24.2	494.8	324.6	268.8	55.8	170.2	140.0	30.3	126.6	368.2
III..	547.3	434.6	44.3	68.3	35.0	10.3	24.7	512.3	335.8	279.2	56.6	176.5	145.1	31.3	129.0	383.3
IV..	565.4	450.6	45.8	69.0	35.4	10.5	24.9	530.0	346.1	288.7	57.4	183.9	151.3	32.6	131.1	398.9
1973—I[r]...	580.1	463.3	47.3	69.5	36.5	10.7	25.8	543.6	353.9	296.3	57.6	189.7	156.4	33.4	132.5	411.1
II...	600.4	480.5	49.0	71.0	37.7	11.0	26.7	562.7	365.7	306.9	58.8	197.0	162.5	34.5	.....	.....
III[p].	619.8	494.9	53.0	71.9	38.7	11.4	27.3	581.1	376.6	315.0	61.6	204.5	168.5	36.0	.....	.....

[1] Commercial banks (including nondeposit trust companies but not trust depts.), mutual savings banks, life insurance companies, and savings and loan assns.

[2] U.S. agencies include former Federal National Mortgage Assoc. and, beginning fourth quarter 1968, new Government National Mortgage Assoc. as well as Federal Housing Admin., Veterans Admin., Public Housing Admin., Farmers Home Admin. They also include U.S. sponsored agencies—new FNMA, Federal land banks, GNMA (Pools), and the Federal Home Loan Mortgage Corp. Other U.S. agencies (amounts small or separate data not readily available) included with "individuals and others."

[3] Derived figures; includes debt held by Federal land banks and farm debt held by Farmers Home Admin.

[4] For multifamily and total residential properties, see tables below.

[5] Derived figures; includes small amounts of farm loans held by savings and loan assns.

[6] Data by type of mortgage on nonfarm 1- to 4-family properties alone are shown in table below.

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

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

MORTGAGE DEBT OUTSTANDING ON RESIDENTIAL PROPERTIES

(In billions of dollars)

End of period	All residential			Multifamily[1]		
	Total	Financial institutions	Other holders	Total	Financial institutions	Other holders
1964.....	231.1	195.4	35.7	33.6	25.1	8.5
1965.....	250.1	213.2	36.9	37.2	29.0	8.2
1966.....	264.0	223.7	40.3	40.3	31.5	8.8
1967.....	280.0	236.6	43.4	43.9	34.7	9.2
1968.....	298.6	250.8	47.8	47.3	37.7	9.7
1969.....	319.0	265.0	54.0	52.2	41.3	10.8
1970.....	338.2	277.1	61.1	58.0	45.8	12.2
1971.....	374.7	306.1	68.5	66.8	52.0	14.9
1972.....	422.5	347.9	74.6	76.4	59.1	17.3
1971—III....	364.0	298.4	65.6	64.3	50.4	13.9
IV.....	374.7	306.1	68.5	66.8	52.0	14.9
1972—I.....	382.9	312.9	70.0	68.8	53.3	15.4
II.....	395.8	324.1	71.7	71.3	55.3	16.0
III.....	409.3	336.1	73.2	73.5	56.9	16.6
IV.....	422.5	347.9	74.6	76.4	59.1	17.3
1973—I[r].....	432.8	357.4	75.5	79.0	61.1	17.9
II.....	447.9	370.4	77.5	82.2	63.5	18.7
III[p]...	461.6	380.0	81.6	85.0	65.0	20.0

[1] Structures of five or more units.

NOTE.—Based on data from same source as for "Mortgage Debt Outstanding" table above.

MORTGAGE DEBT OUTSTANDING ON NONFARM 1- to 4-FAMILY PROPERTIES

(In billions of dollars)

End of period	Total	Government-underwritten			Conventional
		Total	FHA-insured	VA-guaranteed[1]	
1964.....	197.6	69.2	38.3	30.9	128.3
1965.....	212.9	73.1	42.0	31.1	139.8
1966.....	223.6	76.1	44.8	31.3	147.6
1967.....	236.1	79.9	47.4	32.5	156.1
1968.....	251.2	84.4	50.6	33.8	166.8
1969.....	266.8	90.2	54.5	35.7	176.6
1970.....	280.2	97.3	59.9	37.3	182.9
1971.....	307.8	105.2	65.7	39.5	202.6
1972.....	346.1	113.0	68.2	44.7	233.1
1971—III.....	299.7	102.9	64.4	38.5	196.8
IV.....	307.8	105.2	65.7	39.5	202.6
1972—I.....	314.1	107.5	66.8	40.7	206.6
II.....	324.6	109.6	67.6	42.0	215.0
III.....	335.8	111.5	68.4	43.1	224.3
IV.....	346.1	113.0	68.2	44.7	233.1
1973—I[r].....	353.9	113.7	67.9	45.8	240.2
II.....	365.7	.....	.....	.....	.....
III[p].....	376.6	.....	.....	.....	.....

[1] Includes outstanding amount of VA vendee accounts held by private investors under repurchase agreement.

NOTE.—For total debt outstanding, figures are FHLBB and F.R. estimates. For conventional, figures are derived.

Based on data from FHLBB, Federal Housing Admin., and Veterans Admin.

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MORTGAGE LOANS HELD BY BANKS

(In millions of dollars)

End of period	Commercial bank holdings [1]							Mutual savings bank holdings						
	Total	Residential				Other nonfarm	Farm	Total	Residential				Other nonfarm	Farm
		Total	FHA-insured	VA-guaranteed	Conventional				Total	FHA-insured	VA-guaranteed	Conventional		
1965	49,675	32,387	7,702	2,688	21,997	14,377	2,911	44,617	40,096	13,791	11,408	14,897	4,469	52
1966	54,380	34,876	7,544	2,599	24,733	16,366	3,138	47,337	42,242	14,500	11,471	16,272	5,041	53
1967	59,019	37,642	7,709	2,696	27,237	17,931	3,446	50,490	44,641	15,074	11,795	17,772	5,732	117
1968	65,696	41,433	7,926	2,708	30,800	20,505	3,758	53,456	46,748	15,569	12,033	19,146	6,592	117
1969	70,705	44,573	7,960	2,663	33,950	22,113	4,019	56,138	48,682	15,862	12,166	20,654	7,342	114
1970	73,275	45,640	7,919	2,589	35,131	23,284	4,351	57,948	49,937	16,087	12,008	21,842	7,893	119
1971	82,515	52,004	8,310	3,980	40,714	26,306	4,205	61,978	53,027	16,141	12,074	24,812	8,901	50
1972	99,314	62,782	8,495	3,203	51,084	31,751	4,781	67,556	57,140	16,013	12,622	28,505	10,354	62
1971—IV	82,515	52,004	8,310	2,980	40,714	26,306	4,205	61,978	53,027	16,141	12,074	24,812	8,901	50
1972—I	85,614	53,937	8,360	2,999	42,578	27,353	4,324	62,978	53,733	16,184	12,144	25,405	9,195	50
II	90,114	56,782	8,477	3,141	45,163	28,785	4,547	64,404	54,758	16,256	12,325	26,178	9,586	60
III	95,048	59,976	8,515	3,118	48,343	30,415	4,657	65,901	55,889	16,130	12,463	27,296	9,951	61
IV	99,314	62,782	8,495	3,203	51,084	31,751	4,781	67,556	57,140	16,013	12,622	28,505	10,354	62
1973—I[r]	103,548	65,236	.....	.....	.....	33,342	4,970	68,920	58,169	.....	.....	.....	26,328	68
II	109,114	68,650	8,482	3,211	56,957	35,224	5,240	70,634	59,397	.....	.....	.....	11,178	59
III	114,414	71,852	.....	.....	.....	37,070	5,492	72,006	60,282	.....	.....	.....	11,666	58

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

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

MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES

(In millions of dollars)

Period	Loans acquired						Loans outstanding (end of period)					
	Total	Nonfarm				Farm	Total	Nonfarm				Farm
		Total	FHA-insured	VA-guaranteed	Other [1]			Total	FHA-insured	VA-guaranteed	Other	
1945	976	.....	.....	.....	.....	.....	6,637	5,860	1,394	.....	4,466	766
1964	10,433	9,386	1,812	674	6,900	1,047	55,152	50,848	11,484	6,403	32,961	4,304
1965	11,137	9,988	1,738	553	7,697	1,149	60,013	55,190	12,068	6,286	36,836	4,823
1966	10,217	9,223	1,300	467	7,456	994	64,609	59,369	12,351	6,201	40,817	5,240
1967	8,470	7,633	757	444	6,432	837	67,516	61,947	12,161	6,122	43,664	5,569
1968	7,925	7,153	733	346	6,074	772	69,973	64,172	11,961	5,954	46,257	5,801
1969	7,531	6,991	594	220	6,177	540	72,027	66,254	11,715	5,701	48,838	5,773
1970	7,181	6,867	386	88	6,393	314	74,375	68,726	11,419	5,394	51,913	5,649
1971	7,573	7,070	322	101	6,647	503	75,496	69,895	10,767	5,004	54,124	5,601
1972	8,802	8,101	277	202	7,622	701	77,319	71,640	9,944	4,646	57,050	5,679
1972—Sept.[r]	689	645	29	12	604	44	75,588	69,971	10,164	4,746	55,061	5,617
Oct.	718	673	10	16	647	45	75,952	70,323	10,053	4,700	55,570	5,629
Nov.	803	746	28	13	705	57	76,207	70,567	10,000	4,668	55,899	5,640
Dec.	1,830	1,723	16	18	1,689	107	77,319	71,640	9,944	4,646	57,050	5,679
1973—Jan.	711	649	16	20	613	62	77,481	71,856	9,901	4,630	57,325	5,625
Feb.	603	542	27	24	491	61	77,510	71,892	9,806	4,613	57,473	5,618
Mar.	670	573	37	24	512	97	77,587	71,953	9,735	4,594	57,624	5,634
Apr.	702	624	20	22	582	78	77,258	71,611	9,708	4,572	57,331	5,647
May	774	694	22	21	651	80	77,400	71,721	9,627	4,549	57,545	5,679
June	1,101	1,009	24	27	958	92	77,914	72,187	9,544	4,524	58,119	5,727
July	933	849	26	19	804	84	78,243	72,474	9,464	4,496	58,514	5,769
Aug.	1,034	947	11	20	916	87	78,657	72,839	9,388	4,471	58,980	5,818
Sept.	944	862	23	17	822	82	79,040	73,182	9,330	4,447	59,405	5,858

[1] Includes mortgage loans secured by land on which oil drilling or extracting operations are in process.

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

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.

MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

Period	Loans made			Loans outstanding (end of period)			
	Total [1]	New home construction	Home purchase	Total [2]	FHA-insured [3]	VA-guaranteed [3]	Conventional
1965	24,192	6,013	10,830	110,306	5,145	6,398	98,763
1966	16,924	3,653	7,828	114,427	5,269	6,157	103,001
1967	20,122	4,243	9,604	121,805	5,791	6,351	109,663
1968	21,983	4,916	11,215	130,802	6,658	7,012	117,132
1969	21,847	4,757	11,254	140,347	7,917	7,658	124,772
1970	21,383	4,150	10,237	150,331	10,178	8,494	131,659
1971	39,472	6,835	18,811	174,385	13,798	10,848	149,739
1972	51,408	8,553	26,615	206,387	29,391	.....	176,996
1972—Oct	4,522	761	2,423	200,554	15,378	13,334	171,842
Nov	4,393	714	2,307	203,266	15,490	13,544	174,232
Dec	4,591	667	2,167	206,387	15,639	13,764	176,964
1973—Jan	3,702	590	1,970	208,132	29,581		178,551
Feb	3,710	614	2,019	210,260	29,751		180,509
Mar	4,990	887	2,685	213,259	30,045		183,214
Apr	4,989	886	2,762	216,250	30,182		186,068
May	5,477	931	3,141	219,500	30,296		189,204
June	5,738	903	3,469	222,801	30,381		192,420
July	5,059	851	3,079	225,490	30,270		195,220
Aug	4,971	801	3,059	228,006	30,268		197,738
Sept.[r]	3,177	572	1,838	229,413	30,632		198,781
Oct	2,780	531	1,548	230,451	30,332		200,119

[1] Includes loans for repairs, additions and alterations, refinancing, etc., not shown separately.

[2] Includes shares pledged against mortgage loans; beginning 1966, also includes junior liens and real estate sold on contract; beginning 1967, also includes downward structural adjustment for change in universe; and beginning 1973, excludes participation certificates guaranteed by the FHLMC and certain other related items.

[3] Beginning 1973, data for these groups available only on a combined basis.

FEDERAL HOME LOAN BANKS

(In millions of dollars)

Period	Advances	Repayments	Advances outstanding (end of period)			Members' deposits (end of period)
			Total	Short-term [1]	Long-term [2]	
1965	5,007	4,335	5,997	3,074	2,923	1,043
1966	3,804	2,866	6,935	5,006	1,929	1,036
1967	1,527	4,076	4,386	3,985	401	1,432
1968	2,734	1,861	5,259	4,867	392	1,382
1969	5,531	1,500	9,289	8,434	855	1,041
1970	3,256	1,929	10,615	3,081	7,534	2,331
1971	2,714	5,392	7,936	3,002	4,934	1,789
1972	4,790	4,749	7,979	2,961	5,018	2,104
1972—Oct	542	233	7,045	2,440	4,605	1,334
Nov	445	246	7,245	2,520	4,725	1,371
Dec	984	251	7,979	2,961	5,018	2,104
1973—Jan	332	480	7,831	2,805	5,025	1,306
Feb	415	302	7,944	2,774	5,170	1,321
Mar	764	288	8,421	2,975	5,446	1,290
Apr	1,187	178	9,429	3,450	5,979	1,142
May	916	189	10,156	3,428	6,728	1,261
June	1,093	104	11,145	4,016	7,129	1,453
July	1,373	153	12,365	4,583	7,782	1,183
Aug	1,380	235	13,510	4,737	8,773	1,091
Sept.[r]	999	212	14,298	4,834	9,464	1,178
Oct	728	223	14,799	4,805	9,994	1,264

[1] Secured or unsecured loans maturing in 1 year or less.

[2] Secured loans, amortized quarterly, having maturities of more than 1 year but not more than 10 years.

NOTE.—FHLBB data.

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FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Outstanding
1968	7,167	5,122	2,046	1,944	.....	2,696	1,287
1969	10,945	7,676	3,269	4,120	.....	6,630	3,539
1970	15,492	11,063	4,429	5,079	20	8,047	5,203
1971	17,791	12,681	5,110	3,574	336	9,828	6,497
1972	19,791	14,624	5,112	3,699	211	8,797	8,124
1972–Oct.	19,438	14,462	4,939	265	.....	979	7,602
Nov.	19,619	14,558	5,016	322	6	447	7,452
Dec.	19,791	14,624	5,112	306	12	1,237	8,124
1973–Jan.	19,982	14,743	5,170	348	29	458	8,034
Feb.	20,181	14,872	5,222	334	.....	478	7,972
Mar.	20,571	15,201	5,259	522	.....	933	8,139
Apr.	20,791	15,390	5,269	355	.....	1,211	8,742
May	21,087	15,581	5,335	472	.....	1,180	9,312
June	21,413	15,768	5,411	516	1	1,191	9,778
July	21,772	15,877	5,574	516	.....	1,102	9,859
Aug.	22,319	16,085	5,761	699	.....	1,019	9,809
Sept.	22,831	16,293	5,937	633	.....	724	9,602
Oct.	23,348	16,510	6,101	643	.....	255	8,918

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

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Outstanding
1967	3,348	2,756	592	860	.....	1,045	1,171
1968	4,220	3,569	651	1,089	1	867	1,266
1969	4,820	4,220	600	827	.....	615	1,131
1970	5,184	4,634	550	621	.....	897	738
1971	5,294	4,777	517	393	.....	.....	1,494
1972	5,113	.....	.....	.....	.....	.....	.....
1972–Oct.	5,203	.....	.....	.....	.....	.....	.....
Nov.	5,152	.....	.....	.....	.....	.....	.....
Dec.	5,113	.....	.....	.....	.....	.....	.....
1973–Jan.	5,117	.....	.....	.....	.....	.....	.....
Feb.	4,984	.....	.....	.....	.....	.....	.....
Mar.	4,663	.....	.....	.....	.....	.....	.....
Apr.	4,439	.....	.....	.....	.....	.....	.....
May	3,980	.....	.....	.....	.....	.....	.....
June	3,908	.....	.....	.....	.....	.....	.....
July	4,156	.....	.....	.....	.....	.....	.....
Aug.	4,455	.....	.....	.....	.....	.....	.....
Sept.	4,429	.....	.....	.....	.....	.....	.....
Oct.	4,338	.....	.....	.....	.....	.....	.....

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

FEDERAL NATIONAL MORTGAGE ASSOCIATION AUCTIONS

Date of auction	Government-underwritten home loans			Conventional home loans		
	Mortgage amounts		Average yield (short-term commitments)	Mortgage amounts		Average yield (short-term commitments)
	Offered	Accepted		Offered	Accepted	
	In millions of dollars		In per cent	In millions of dollars		In per cent
1972—Dec. 26	108.7	66.3	7.69	.....	.....	.....
1973—Apr. 16	216.6	190.7	7.89	.....	.....	.....
17	.....	.....	.....	111.0	88.4	8.17
30	261.2	185.9	7.92	128.9	88.2	8.23
May 14	258.3	187.7	7.96	117.6	84.4	8.31
28	212.4	140.0	8.00	113.3	73.9	8.39
June 11	184.5	142.2	8.04	110.1	74.1	8.44
25	199.3	118.7	8.09	95.0	69.4	8.51
July 9	539.3	244.8	8.38	108.4	72.5	8.67
23	351.4	181.4	8.54	119.0	61.7	8.79
Aug. 6	458.5	201.9	8.71	154.3	77.4	8.98
20	525.0	223.8	8.95	171.3	77.2	9.27
Sept. 4	551.0	288.9	9.27	118.6	61.5	9.53
17	138.1	107.9	9.37	48.6	46.8	9.68
Oct. 1	32.5	24.1	9.11	9.1	7.1	9.43
15	24.8	16.6	8.97	18.6	16.2	9.10
29	28.2	21.6	8.94	17.4	9.4	9.01
Nov. 12	29.3	23.1	8.87	24.1	16.7	8.94
29	24.9	20.9	8.81	31.0	22.1	8.90

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

GNMA MORTGAGE-BACKED SECURITY PROGRAM

(In millions of dollars)

Period	Pass-through securities		Bonds sold
	Applications received	Securities issued	
1970	1,126.2	452.4	1,315.0
1971	4,373.6	2,701.9	300.0
1972	3,854.5	2,661.7	.....
1972—Oct.	237.8	164.1	.....
Nov.	226.4	138.2	.....
Dec.	440.9	299.8	.....
1973—Jan.	515.7	323.3	.....
Feb.	167.2	216.8	.....
Mar.	339.4	139.9	.....
Apr.	467.8	182.1	.....
May	563.3	338.8	.....
June	243.1	315.3	.....
July	215.7	384.7	.....
Aug.	174.0	191.3	.....
Sept.	533.8	380.0	.....
Oct.	825.7	234.0	.....

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

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HOME-MORTGAGE YIELDS

(In per cent)

Period	Primary market (conventional loans)			Secondary market
	FHLBB series (effective rate)		HUD series	Yield on FHA-insured new-home loans
	New homes	Existing homes	New homes	
1968	6.97	7.03	7.12	7.21
1969	7.81	7.82	7.99	8.29
1970	8.44	8.35	8.52	9.03
1971	7.74	7.67	7.75	7.70
1972	7.60	7.52	7.64	7.52
1972—Nov.	7.64	7.57	7.70	7.57
Dec.	7.66	7.59	7.70	7.56
1973—Jan.	7.68	7.68	7.70	7.55
Feb.	7.70	7.72	7.75	7.56
Mar.	7.68	7.69	7.80	7.63
Apr.	7.71	7.70	7.90	7.73
May	7.71	7.77	7.95	7.79
June	7.79	7.79	8.05	7.89
July	7.87	7.84	8.40	8.19
Aug.	7.94	8.01	8.85	.....
Sept.	8.17	8.26	8.95	9.18
Oct.r	8.31	8.50	8.80	8.97
Nov.	8.36	8.56	.....	.....

NOTE.—Annual data are averages of monthly figures. The Housing and Urban Development (FHA) data are based on opinion reports submitted by field offices on prevailing local conditions as of the first of the succeeding month. Yields on FHA-insured mortgages are derived from weighted averages of private secondary market prices for Sec. 203, 30-year mortgages with minimum downpayment and an assumed prepayment at the end of 15 years. Any gaps in data are due to periods of adjustment to changes in maximum permissible contract interest rates. The HUD (FHA) interest rates on conventional first mortgages in primary markets are unweighted and are rounded to the nearest 5 basis points. The FHLBB effective rate series reflects fees and charges as well as contract rates (as shown in the table on conventional first-mortgage terms, p. A-35) and an assumed prepayment at end of 10 years.

DELINQUENCY RATES ON HOME MORTGAGES

(Per 100 mortgages held or serviced)

End of period	Loans not in foreclosure but delinquent for—				Loans in foreclosure
	Total	30 days	60 days	90 days or more	
1965	3.29	2.40	.55	.34	.40
1966	3.40	2.54	.54	.32	.36
1967	3.47	2.66	.54	.27	.32
1968	3.17	2.43	.51	.23	.26
1969	3.22	2.43	.52	.27	.27
1970	3.64	2.67	.61	.36	.33
1971	3.93	2.82	.65	.46	.46
1972	4.65	3.42	.78	.45	.48
1971—II	3.27	2.36	.53	.38	.38
III	3.59	2.54	.62	.43	.41
IV	3.93	2.82	.65	.46	.46
1972—I	3.16	2.21	.58	.37	.50
II	3.27	2.38	.53	.36	.48
III	3.82	2.74	.65	.43	.52
IV [1]	4.66	3.41	.79	.46	.50
	4.65	3.42	.78	.45	.48
1973—I	3.63	2.52	.68	.43	.....
II	3.84	2.81	.64	.39	.....
III	4.36	3.10	.78	.48	.....

[1] First line is old series; second line is new series.

NOTE.—Mortgage Bankers Association of America data from reports on 1- to 4-family FHA-insured, VA-guaranteed, and conventional mortgages held by more than 400 respondents, including mortgage bankers (chiefly), commercial banks, savings banks, and savings and loan associations.

GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

(In millions of dollars)

Period	FHA-insured					VA-guaranteed		
	Total	Mortgages		Projects[1]	Property improvements[2]	Total[3]	Mortgages	
		New homes	Existing homes				New homes	Existing homes
1965	8,689	1,705	5,760	591	634	2,652	876	1,776
1966	7,320	1,729	4,366	583	641	2,600	980	1,618
1967	7,150	1,369	4,516	642	623	3,405	1,143	2,259
1968	8,275	1,572	4,924	1,123	656	3,774	1,430	2,343
1969	9,129	1,551	5,570	1,316	693	4,072	1,493	2,579
1970	11,982	2,667	5,447	3,251	617	3,440	1,311	2,129
1971	14,689	3,900	6,475	3,641	674	5,961	1,694	4,267
1972	12,320	3,459	4,608	3,448	805	8,293	2,539	5,754
1972—Oct.	847	255	343	155	94	720	204	516
Nov.	985	261	331	296	97	790	246	544
Dec.	964	190	245	444	85	715	220	495
1973—Jan.	834	254	324	197	59	681	218	463
Feb.	710	162	235	262	52	592	187	405
Mar.	969	195	268	440	65	596	185	411
Apr.	620	151	223	172	74	621	187	434
May	r589	158	228	122	81	634	198	436
June	650	153	229	207	61	646	182	464
July	559	143	250	100	66	666	204	462
Aug.	r537	100	195	r167	75	569	193	376
Sept.	r485	90	177	r134	84	565	184	381
Oct.	.....	.....	.....	.....	.....	652	221	431

[1] Monthly figures do not reflect mortgage amendments included in annual totals.

[2] Not ordinarily secured by mortgages.

[3] Includes refinancing loans, mobile home loans and also a small amount of alteration and repair loans, not shown separately; only such loans in amounts of more than $1,000 need be secured.

NOTE.—FHA and VA data. FHA-insured loans represent gross amount of insurance written; VA-guaranteed loans, gross amounts of loans closed. Figures do not take into account principal repayments on previously insured or guaranteed loans. For VA-guaranteed loans, amounts by type are derived from data on number and average amount of loans closed.

FEDERAL HOME LOAN MORTGAGE CORPORATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-VA	Conventional	Purchases	Sales	Made during period	Outstanding
1970	325	325	.....	325	.....	.....	.....
1971	968	821	147	778	64	.....	182
1972	1,789	1,503	286	1,298	408	1,606	198
1972—Sept.	1,545	1,408	137	66	13	136	318
Oct.	1,631	1,439	192	102	9	189	371
Nov.	1,743	1,491	253	128	10	89	293
Dec.	1,789	1,503	286	143	87	93	198
1973—Jan.	1,761	1,517	244	76	99	142	226
Feb.	1,677	1,535	142	76	150	166	300
Mar.	1,718	1,589	128	119	68	141	295
Apr.	1,784	1,646	138	126	51	193	343
May	1,906	1,695	211	147	17	187	344
June	2,029	1,716	313	154	21	159	316
July	2,158	1,714	444	140	.....	139	278
Aug.	2,307	1,728	579	161	.....	208	291
Sept.	2,423	1,729	694	126	.....	143	288

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

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TOTAL CREDIT

(In millions of dollars)

End of period	Total	Instalment					Noninstalment			
		Total	Automobile paper	Other consumer goods paper	Home improvement loans [1]	Personal loans	Total	Single-payment loans	Charge accounts	Service credit
1940	8,338	5,514	2,071	1,827	371	1,245	2,824	800	1,471	553
1945	5,665	2,462	455	816	182	1,009	3,203	746	1,612	845
1950	21,471	14,703	6,074	4,799	1,016	2,814	6,768	1,821	3,367	1,580
1955	38,830	28,906	13,460	7,641	1,693	6,112	9,924	3,002	4,795	2,127
1960	56,141	42,968	17,658	11,545	3,148	10,617	13,173	4,507	5,329	3,337
1965	89,883	70,893	28,437	18,483	3,736	20,237	18,990	7,671	6,430	4,889
1966	96,239	76,245	30,010	20,732	3,841	21,662	19,994	7,972	6,686	5,336
1967	100,783	79,428	29,796	22,389	4,008	23,235	21,355	8,558	7,070	5,727
1968	110,770	87,745	32,948	24,626	4,239	25,932	23,025	9,532	7,193	6,300
1969	121,146	97,105	35,527	28,313	4,613	28,652	24,041	9,747	7,373	6,921
1970	127,163	102,064	35,184	31,465	5,070	30,345	25,099	9,675	7,968	7,456
1971	138,394	111,295	38,664	34,353	5,413	32,865	27,099	10,585	8,350	8,164
1972	157,564	127,332	44,129	40,080	6,201	36,922	30,232	12,256	9,002	8,974
1972—Oct.	150,576	122,505	43,162	37,216	6,124	36,003	28,071	11,717	7,780	8,574
Nov.	152,968	124,325	43,674	38,064	6,174	36,413	28,643	11,917	8,010	8,716
Dec.	157,564	127,332	44,129	40,080	6,201	36,922	30,232	12,256	9,002	8,974
1973—Jan.	157,227	127,368	44,353	39,952	6,193	36,870	29,859	12,204	8,357	9,298
Feb.	157,582	127,959	44,817	39,795	6,239	37,108	29,623	12,409	7,646	9,568
Mar.	159,320	129,375	45,610	39,951	6,328	37,486	29,945	12,540	7,702	9,703
Apr.	161,491	131,022	46,478	40,441	6,408	37,695	30,469	12,686	8,036	9,747
May	164,277	133,531	47,518	41,096	6,541	38,376	30,746	12,817	8,319	9,610
June	167,083	136,018	48,549	41,853	6,688	38,928	31,065	12,990	8,555	9,520
July	169,148	138,212	49,352	42,575	6,845	39,440	30,936	12,968	8,479	9,489
Aug.	171,978	140,810	50,232	43,505	7,009	40,064	31,168	13,111	8,605	9,452
Sept.	173,035	142,093	50,557	44,019	7,120	40,397	30,942	13,088	8,335	9,519
Oct.	174,840	143,610	51,092	44,632	7,235	40,651	31,230	13,145	8,590	9,495

[1] Holdings of financial institutions; holdings of retail outlets are included in "Other consumer goods paper."

NOTE.—Consumer credit estimates cover loans to individuals for household, family, and other personal expenditures, except real estate mortgage loans. For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965 and BULLETINS for Dec. 1968 and Oct. 1972.

INSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Financial institutions					Retail outlets		
		Total	Commercial banks	Finance companies [1]	Credit unions	Miscellaneous lenders [1]	Total	Automobile dealers [2]	Other retail outlets
1940	5,514	3,918	1,452	2,278	171	17	1,596	167	1,429
1945	2,462	1,776	745	910	102	19	686	28	658
1950	14,703	11,805	5,798	5,315	590	102	2,898	287	2,611
1955	28,906	24,398	10,601	11,838	1,678	281	4,508	487	4,021
1960	42,968	36,673	16,672	15,435	3,923	643	6,295	359	5,936
1965	70,893	61,102	28,962	23,851	7,324	965	9,791	315	9,476
1966	76,245	65,430	31,319	24,796	8,255	1,060	10,815	277	10,538
1967	79,428	67,944	33,152	24,576	9,003	1,213	11,484	287	11,197
1968	87,745	75,727	37,936	26,074	10,300	1,417	12,018	281	11,737
1969	97,105	83,989	42,421	27,846	12,028	1,694	13,116	250	12,866
1970	102,064	88,164	45,398	27,678	12,986	2,102	13,900	218	13,682
1971	111,295	97,144	51,240	28,883	14,770	2,251	14,151	226	13,925
1972	127,332	111,382	59,783	32,088	16,913	2,598	15,950	261	15,689
1972—Oct.	122,505	108,405	58,266	30,970	16,556	2,613	14,100	257	13,843
Nov.	124,325	109,673	58,878	31,427	16,742	2,626	14,652	259	14,393
Dec.	127,332	111,382	59,783	32,088	16,913	2,598	15,950	261	15,689
1973—Jan.	127,368	111,690	60,148	32,177	16,847	2,518	15,678	263	15,415
Feb.	127,959	112,630	60,582	32,431	16,973	2,644	15,329	266	15,063
Mar.	129,375	114,190	61,388	32,750	17,239	2,813	15,185	272	14,913
Apr.	131,022	115,727	62,459	33,078	17,455	2,735	15,295	278	15,017
May	133,531	118,165	63,707	33,859	17,832	2,767	15,366	284	15,082
June	136,018	120,450	64,999	34,367	18,269	2,815	15,568	289	15,279
July	138,212	122,479	66,065	35,020	18,517	2,877	15,733	293	15,440
Aug.	140,810	124,823	67,381	35,634	18,961	2,847	15,987	296	15,691
Sept.	142,093	126,040	67,918	35,993	19,207	2,922	16,053	297	15,756
Oct.	143,610	127,307	68,627	36,365	19,339	2,976	16,303	300	16,003

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

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

See also NOTE to table above.

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MAJOR HOLDERS OF INSTALMENT CREDIT

(In millions of dollars)

End of period	Commercial banks								Finance companies [1]					
	Total	Automobile paper		Other consumer goods paper			Home improvement loans	Personal loans	Total	Automobile paper	Other consumer goods paper		Home improvement loans	Personal loans
		Purchased	Direct	Mobile homes	Credit cards	Other					Mobile homes	Other		
1940	1,452	339	276		232		165	440	2,278	1,253	159		193	673
1945	745	66	143		114		110	312	910	202	40		62	606
1950	5,798	1,177	1,294		1,456		834	1,037	5,315	3,157	692		80	1,386
1955	10,601	3,243	2,062		2,042		1,338	1,916	11,838	7,108	1,448		42	3,240
1960	16,672	5,316	2,820		2,759		2,200	3,577	15,435	7,703	2,553		173	5,006
1965	28,962	10,209	5,659		4,166		2,571	6,357	23,851	9,218	4,343		232	10,058
1966	31,319	11,024	5,956		4,681		2,647	7,011	24,796	9,342	4,925		214	10,315
1967	33,152	10,972	6,232		5,469		2,731	7,748	24,576	8,627	5,069		192	10,688
1968	37,936	12,324	7,102	.....	1,307	5,387	2,858	8,958	26,074	9,003	5,424		166	11,481
1969	42,421	13,133	7,791	.....	2,639	6,082	2,996	9,780	27,846	9,412	5,775		174	12,485
1970	45,398	12,918	7,888	.....	3,792	7,113	3,071	10,616	27,678	9,044	2,464	3,237	199	12,734
1971	51,240	13,837	9,277	4,423	4,419	4,501	3,236	11,547	28,883	9,577	2,561	3,052	247	13,446
1972	59,783	16,320	10,776	5,786	5,288	5,122	3,544	12,947	32,088	10,174	2,916	3,589	497	14,912
1972—Oct.	58,266	15,996	10,534	5,590	4,782	5,053	3,555	12,756	30,970	9,914	2,862	3,430	412	14,352
Nov.	58,878	16,180	10,674	5,690	4,868	5,063	3,557	12,846	31,427	10,026	2,899	3,476	452	14,574
Dec.	59,783	16,320	10,776	5,786	5,288	5,122	3,544	12,947	32,088	10,174	2,916	3,589	497	14,912
1973—Jan.	60,148	16,464	10,889	5,839	5,311	5,135	3,527	12,983	32,177	10,177	2,928	3,644	528	14,900
Feb.	60,582	16,680	10,977	5,932	5,283	5,158	3,515	13,037	32,431	10,267	2,909	3,752	562	14,941
Mar.	61,388	16,951	11,216	6,035	5,243	5,289	3,538	13,116	32,750	10,419	2,943	3,796	581	15,011
Apr.	62,459	17,327	11,436	6,163	5,290	5,401	3,581	13,261	33,078	10,617	2,991	3,831	611	15,028
May	63,707	17,716	11,680	6,321	5,360	5,538	3,635	13,457	33,859	10,872	3,025	3,985	656	15,321
June	64,999	18,138	11,866	6,473	5,502	5,688	3,700	13,632	34,367	11,121	3,081	4,002	694	15,469
July	66,065	18,439	12,023	6,629	5,603	5,815	3,774	13,782	35,020	11,365	3,132	4,103	733	15,687
Aug.	67,381	18,771	12,190	6,825	5,792	5,923	3,863	14,017	35,634	11,583	3,187	4,194	771	15,899
Sept.	67,918	18,886	12,160	6,956	5,909	5,978	3,903	14,126	35,993	11,721	3,235	4,265	809	15,963
Oct.	68,627	19,123	12,262	7,106	5,991	6,012	3,950	14,183	36,365	11,859	3,269	4,316	847	16,074

[1] Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies.

See also NOTE to table at top of preceding page.

INSTALMENT CREDIT HELD BY OTHER FINANCIAL LENDERS

(In millions of dollars)

End of period	Total	Automobile paper	Other consumer goods paper	Home improvement loans	Personal loans
1940	188	36	7	13	132
1945	121	16	4	10	91
1950	692	159	40	102	391
1955	1,959	560	130	313	956
1960	4,566	1,460	297	775	2,034
1965	8,289	3,036	498	933	3,822
1966	9,315	3,411	588	980	4,336
1967	10,216	3,678	654	1,085	4,799
1968	11,717	4,238	771	1,215	5,493
1969	13,722	4,941	951	1,443	6,387
1970	15,088	5,116	1,177	1,800	6,995
1971	17,021	5,747	1,472	1,930	7,872
1972	19,511	6,598	1,690	2,160	9,063
1972—Oct.	19,169	6,461	1,656	2,157	8,895
Nov.	19,368	6,535	1,675	2,165	8,993
Dec.	19,511	6,598	1,690	2,160	9,063
1973—Jan.	19,365	6,560	1,680	2,138	8,987
Feb.	19,617	6,627	1,698	2,162	9,130
Mar.	20,052	6,752	1,732	2,209	9,359
Apr.	20,190	6,820	1,748	2,216	9,406
May	20,599	6,966	1,785	2,250	9,598
June	21,084	7,135	1,828	2,294	9,827
July	21,394	7,232	1,853	2,338	9,971
Aug.	21,808	7,392	1,893	2,375	10,148
Sept.	22,129	7,493	1,920	2,408	10,308
Oct.	22,315	7,548	1,935	2,438	10,394

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

NONINSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Single-payment loans		Charge accounts		Service credit
		Commercial banks	Other financial institutions	Retail outlets	Credit cards [1]	
1940	2,824	636	164	1,471	.....	553
1945	3,203	674	72	1,612	.....	845
1950	6,768	1,576	245	3,291	76	1,580
1955	9,924	2,635	367	4,579	216	2,127
1960	13,173	3,884	623	4,893	436	3,337
1965	18,990	6,690	981	5,724	706	4,889
1966	19,994	6,946	1,026	5,812	874	5,336
1967	21,355	7,478	1,080	6,041	1,029	5,727
1968	23,025	8,374	1,158	5,966	1,227	6,300
1969	24,041	8,553	1,194	5,936	1,437	6,921
1970	25,099	8,469	1,206	6,163	1,805	7,456
1971	27,099	9,316	1,269	6,397	1,953	8,164
1972	30,232	10,857	1,399	7,055	1,947	8,974
1972—Oct.	28,071	10,339	1,378	5,794	1,986	8,574
Nov.	28,643	10,527	1,390	6,081	1,929	8,716
Dec.	30,232	10,857	1,399	7,055	1,947	8,974
1973—Jan.	29,859	10,825	1,379	6,402	1,955	9,298
Feb.	29,623	10,989	1,420	5,735	1,911	9,568
Mar.	29,945	11,074	1,466	5,825	1,877	9,703
Apr.	30,469	11,237	1,449	6,129	1,907	9,747
May	30,746	11,359	1,458	6,387	1,932	9,610
June	31,065	11,520	1,470	6,544	2,011	9,520
July	30,936	11,491	1,477	6,424	2,055	9,489
Aug.	31,168	11,655	1,456	6,475	2,130	9,452
Sept.	30,942	11,608	1,480	6,229	2,106	9,519
Oct.	31,230	11,654	1,491	6,554	2,036	9,495

[1] Service station and miscellaneous credit-card accounts and home-heating-oil accounts. Bank-credit-card accounts outstanding are included in estimates of instalment credit outstanding.

See also NOTE to table at top of preceding page.

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INSTALMENT CREDIT EXTENDED AND REPAID, BY TYPE OF CREDIT

(In millions of dollars)

Period	Total		Automobile paper		Other consumer goods paper		Home improvement loans		Personal loans	
	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.
	Extensions									
1965	.....	78,661	.....	27,208	.....	22,857	.....	2,270	.....	26,326
1966	.....	82,832	.....	27,192	.....	26,329	.....	2,223	.....	27,088
1967	.....	87,171	.....	26,320	.....	29,504	.....	2,369	.....	28,978
1968	.....	99,984	.....	31,083	.....	33,507	.....	2,534	.....	32,860
1969	.....	109,146	.....	32,553	.....	38,332	.....	2,831	.....	35,430
1970	.....	112,158	.....	29,794	.....	43,873	.....	2,963	.....	35,528
1971	.....	124,281	.....	34,873	.....	47,821	.....	3,244	.....	38,343
1972	.....	142,951	.....	40,194	.....	55,599	.....	4,006	.....	43,152
1972—Oct.	12,404	12,337	3,504	3,663	4,971	4,831	335	347	3,594	3,496
Nov.	12,846	12,806	3,620	3,505	5,118	5,202	327	321	3,781	3,778
Dec.	12,627	13,643	3,763	3,195	4,876	6,171	351	280	3,637	3,997
1973—Jan.	13,304	11,923	4,006	3,393	5,282	4,949	329	259	3,687	3,322
Feb.	13,434	11,214	3,972	3,407	5,245	4,252	364	300	3,853	3,255
Mar.	13,852	13,681	4,001	4,164	5,349	5,169	406	377	4,096	3,971
Apr.	13,465	13,661	3,822	4,101	5,563	5,378	365	372	3,715	3,810
May	13,932	14,792	3,989	4,409	5,504	5,698	374	431	4,065	4,254
June	13,646	14,608	3,762	4,313	5,505	5,678	400	450	3,979	4,167
July	14,542	14,812	3,930	4,177	5,943	5,753	433	472	4,236	4,410
Aug.	14,294	15,099	3,968	4,252	5,961	6,065	408	471	3,957	4,311
Sept.	13,691	12,624	3,939	3,476	5,537	5,217	410	420	3,805	3,511
Oct.	14,149	14,454	3,912	4,196	5,911	5,894	415	439	3,911	3,925
	Repayments									
1965	.....	70,463	.....	23,706	.....	20,707	.....	2,112	.....	23,938
1966	.....	77,480	.....	25,619	.....	24,080	.....	2,118	.....	25,663
1967	.....	83,988	.....	26,534	.....	27,847	.....	2,202	.....	27,405
1968	.....	91,667	.....	27,931	.....	31,270	.....	2,303	.....	30,163
1969	.....	99,786	.....	29,974	.....	34,645	.....	2,457	.....	32,710
1970	.....	107,199	.....	30,137	.....	40,721	.....	2,506	.....	33,835
1971	.....	115,050	.....	31,393	.....	44,933	.....	2,901	.....	35,823
1972	.....	126,914	.....	34,729	.....	49,872	.....	3,218	.....	39,095
1972—Oct.	10,908	11,025	3,041	3,145	4,354	4,360	263	272	3,250	3,248
Nov.	11,128	10,986	3,023	2,993	4,444	4,354	271	271	3,390	3,368
Dec.	10,964	10,636	2,977	2,740	4,341	4,155	263	253	3,383	3,488
1973—Jan.	11,355	11,887	3,097	3,169	4,649	5,077	267	267	3,342	3,374
Feb.	11,437	10,623	3,145	2,943	4,627	4,409	275	254	3,390	3,017
Mar.	11,808	12,265	3,225	3,371	4,755	5,013	286	288	3,542	3,593
Apr.	12,061	12,014	3,218	3,233	4,963	4,888	294	292	3,586	3,601
May	11,941	12,283	3,261	3,369	4,917	5,043	290	298	3,473	3,573
June	12,034	12,121	3,253	3,282	4,955	4,921	300	303	3,526	3,615
July	12,544	12,618	3,334	3,374	5,141	5,031	308	315	3,761	3,898
Aug.	12,399	12,501	3,293	3,372	5,168	5,135	298	307	3,640	3,687
Sept.	12,332	11,341	3,406	3,151	5,072	4,703	322	309	3,532	3,178
Oct.	12,449	12,937	3,427	3,661	5,149	5,281	308	324	3,565	3,671
	Net change in credit outstanding [2]									
1965	.....	8,198	.....	3,502	.....	2,150	.....	158	.....	2,388
1966	.....	5,352	.....	1,573	.....	2,249	.....	105	.....	1,425
1967	.....	3,183	.....	−214	.....	1,657	.....	167	.....	1,573
1968	.....	8,317	.....	3,152	.....	2,237	.....	231	.....	2,697
1969	.....	9,360	.....	2,579	.....	3,687	.....	374	.....	2,720
1970	.....	4,959	.....	−343	.....	3,152	.....	457	.....	1,693
1971	.....	9,231	.....	3,480	.....	2,888	.....	343	.....	2,520
1972	.....	16,037	.....	5,465	.....	5,727	.....	788	.....	4,057
1972—Oct.	1,496	1,312	463	518	617	471	72	75	344	248
Nov.	1,718	1,820	597	512	674	848	56	50	391	410
Dec.	1,663	3,007	786	455	535	2,016	88	27	254	509
1973—Jan.	1,949	36	909	224	633	−128	62	−8	345	−52
Feb.	1,997	591	827	464	618	−157	89	46	463	238
Mar.	2,044	1,416	776	793	594	156	120	89	554	378
Apr.	1,404	1,647	604	868	600	490	71	80	129	209
May	1,991	2,509	728	1,040	587	655	84	133	592	681
June	1,612	2,487	509	1,031	550	757	100	147	453	552
July	1,998	2,194	596	803	802	722	125	157	475	512
Aug.	1,895	2,598	675	880	793	930	110	164	317	624
Sept.	1,359	1,283	533	325	465	514	88	111	273	333
Oct.	1,700	1,517	485	535	762	613	107	115	346	254

[1] Includes adjustments for differences in trading days.

[2] Net changes in credit outstanding are equal to extensions less repayments.

NOTE.—Estimates are based on accounting records and often include financing charges. Renewals and refinancing of loans, purchases and sales of instalment paper, and certain other transactions may increase the amount of extensions and repayments without affecting the amount outstanding.

For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965, and BULLETINS for Dec. 1968 and Oct. 1972.

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INSTALMENT CREDIT EXTENDED AND REPAID, BY HOLDER

(In millions of dollars)

Period	Total		Commercial banks		Finance companies		Other financial lenders		Retail outlets	
	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.
Extensions										
1965	.....	78,661	.....	29,528	.....	25,265	.....	9,438	.....	14,430
1966	.....	82,832	.....	30,073	.....	25,897	.....	10,368	.....	16,494
1967	.....	87,171	.....	31,382	.....	26,461	.....	11,238	.....	18,090
1968	.....	99,984	.....	37,395	.....	30,261	.....	13,206	.....	19,122
1969	.....	109,146	.....	40,955	.....	32,753	.....	15,198	.....	20,240
1970	.....	112,158	.....	42,960	.....	31,952	.....	15,720	.....	21,526
1971	.....	124,281	.....	51,237	.....	32,935	.....	17,966	.....	22,143
1972	.....	142,951	.....	59,339	.....	38,464	.....	20,607	.....	24,541
1972—Oct.	12,404	12,337	5,227	5,224	3,334	3,348	1,705	1,679	2,138	2,086
Nov.	12,846	12,806	5,413	5,059	3,434	3,581	1,792	1,704	2,207	2,462
Dec.	12,627	13,643	5,313	5,096	3,355	3,766	1,791	1,642	2,168	3,139
1973—Jan.	13,304	11,923	5,762	5,246	3,517	3,033	1,706	1,509	2,319	2,135
Feb.	13,434	11,214	5,664	4,826	3,557	2,972	1,964	1,711	2,249	1,705
Mar.	13,852	13,681	5,853	5,890	3,654	3,598	2,131	2,083	2,214	2,110
Apr.	13,465	13,661	5,644	5,973	3,555	3,576	1,792	1,832	2,474	2,280
May	13,932	14,792	5,859	6,356	3,820	4,027	1,868	2,060	2,385	2,349
June	13,646	14,608	5,684	6,219	3,584	3,817	1,978	2,211	2,400	2,361
July	14,542	14,812	5,976	6,232	3,824	3,931	2,110	2,233	2,632	2,416
Aug.	14,294	15,099	6,195	6,518	3,685	3,877	1,943	2,194	2,471	2,510
Sept.	13,691	12,624	5,809	5,376	3,602	3,189	2,019	1,912	2,261	2,147
Oct.	14,149	14,454	6,060	6,169	3,623	3,765	1,951	1,968	2,515	2,552
Repayments										
1965	.....	70,463	.....	25,663	.....	23,056	.....	8,311	.....	13,433
1966	.....	77,480	.....	27,716	.....	24,952	.....	9,342	.....	15,470
1967	.....	83,988	.....	29,549	.....	26,681	.....	10,337	.....	17,421
1968	.....	91,667	.....	32,611	.....	28,763	.....	11,705	.....	18,588
1969	.....	99,786	.....	36,470	.....	30,981	.....	13,193	.....	19,142
1970	.....	107,199	.....	40,398	.....	31,705	.....	14,354	.....	20,742
1971	.....	115,050	.....	45,395	.....	31,730	.....	16,033	.....	21,892
1972	.....	126,914	.....	50,796	.....	35,259	.....	18,117	.....	22,742
1972—Oct.	10,908	11,025	4,408	4,524	3,023	3,028	1,550	1,572	1,927	1,901
Nov.	11,128	10,986	4,531	4,447	3,061	3,124	1,578	1,505	1,958	1,910
Dec.	10,964	10,636	4,485	4,191	2,952	3,105	1,561	1,499	1,966	1,841
1973—Jan.	11,355	11,887	4,734	4,881	3,033	2,944	1,532	1,655	2,056	2,407
Feb.	11,437	10,623	4,684	4,392	3,030	2,718	1,625	1,459	2,098	2,054
Mar.	11,808	12,265	4,870	5,084	3,141	3,279	1,665	1,648	2,132	2,254
Apr.	12,061	12,014	4,919	4,902	3,251	3,248	1,693	1,694	2,198	2,170
May	11,941	12,283	4,976	5,108	3,100	3,246	1,612	1,651	2,253	2,278
June	12,034	12,121	4,890	4,927	3,241	3,309	1,694	1,726	2,209	2,159
July	12,544	12,618	5,112	5,166	3,312	3,278	1,771	1,923	2,349	2,251
Aug.	12,399	12,501	5,146	5,202	3,241	3,263	1,738	1,780	2,274	2,256
Sept.	12,332	11,341	5,167	4,839	3,144	2,830	1,757	1,591	2,264	2,081
Oct.	12,449	12,937	5,212	5,460	3,287	3,393	1,703	1,782	2,247	2,302
Net change in credit outstanding[2]										
1965	.....	8,198	.....	3,865	.....	2,209	.....	1,127	.....	997
1966	.....	5,352	.....	2,357	.....	945	.....	1,026	.....	1,024
1967	.....	3,183	.....	1,833	.....	−220	.....	901	.....	669
1968	.....	8,317	.....	4,784	.....	1,498	.....	1,501	.....	534
1969	.....	9,360	.....	4,485	.....	1,772	.....	2,005	.....	1,098
1970	.....	4,959	.....	2,977	.....	−168	.....	1,366	.....	784
1971	.....	9,231	.....	5,842	.....	1,205	.....	1,933	.....	251
1972	.....	16,037	.....	8,543	.....	3,205	.....	2,490	.....	1,799
1972—Oct.	1,496	1,312	819	700	311	320	155	107	211	185
Nov.	1,718	1,820	882	612	373	457	214	199	249	552
Dec.	1,663	3,007	828	905	403	661	230	143	202	1,298
1973—Jan.	1,949	36	1,028	365	484	89	174	−146	263	−272
Feb.	1,997	591	980	434	527	254	339	252	151	−349
Mar.	2,044	1,416	983	806	513	319	466	435	82	−144
Apr.	1,404	1,647	725	1,071	304	328	99	138	276	110
May	1,991	2,509	883	1,248	720	781	256	409	132	71
June	1,612	2,487	794	1,292	343	508	284	485	191	202
July	1,998	2,194	864	1,066	512	653	339	310	283	165
Aug.	1,895	2,598	1,049	1,316	444	614	205	414	197	254
Sept.	1,359	1,283	642	537	458	359	262	321	−3	66
Oct.	1,700	1,517	848	709	336	372	248	186	268	250

[1] Includes adjustments for differences in trading days.

[2] Net changes in credit outstanding are equal to extensions less repayments, except in certain months when data for extensions and repayments have been adjusted to eliminate duplication resulting from large transfers of paper. In those months the differences between extensions and repayments for some particular holders do not equal the changes in their outstanding credit. Such transfers do not affect total instalment credit extended, repaid, or outstanding.

NOTE.—Other financial lenders include credit unions and miscellaneous lenders. See also NOTE to preceding table and footnote 1 at bottom of p. A-54.

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MARKET GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average	1972			1973									
			Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.r	Sept.r	Oct.
Total index	100.0	115.2	119.2	120.2	121.1	122.2	123.4	123.7	124.1	124.8	125.6	126.7	126.5	126.8	127.0
Products, total	**62.21**	**113.8**	**117.3**	**118.6**	**119.1**	**120.7**	**121.5**	**121.7**	**122.0**	**122.9**	**123.7**	**124.2**	**123.7**	**124.3**	**124.5**
Final products	*48.95*	*111.9*	*115.3*	*116.3*	*116.8*	*118.6*	*119.3*	*119.6*	*120.0*	*120.8*	*121.3*	*122.1*	*121.4*	*122.6*	*122.8*
Consumer goods	28.53	123.6	127.0	127.4	127.7	129.8	130.2	130.8	130.9	131.8	131.9	132.8	131.2	132.4	132.9
Equipment	20.42	95.5	98.9	100.7	101.5	102.9	104.1	104.1	104.7	105.7	106.6	107.3	107.6	109.0	108.6
Intermediate products	13.26	121.1	124.7	127.6	127.7	128.4	129.5	129.4	129.3	130.5	132.0	132.5	132.1	131.0	130.9
Materials	**37.79**	**117.4**	**122.3**	**122.8**	**124.4**	**124.5**	**126.7**	**127.0**	**127.7**	**128.3**	**129.0**	**130.9**	**130.9**	**131.3**	**131.2**
Consumer goods															
Durable consumer goods	*7.86*	*125.7*	*129.1*	*131.0*	*135.0*	*136.0*	*137.8*	*140.4*	*140.5*	*141.5*	*141.8*	*142.4*	*134.0*	*138.2*	*139.1*
Automotive products	2.84	127.7	132.3	138.3	142.9	138.6	141.7	144.1	141.7	142.6	142.6	141.7	121.1	129.8	132.5
Autos	1.87	112.7	118.9	126.6	133.9	130.2	131.5	130.8	128.1	129.8	132.6	134.0	103.9	118.4	122.5
Auto parts and allied goods	.97	156.5	158.0	160.6	160.0	155.0	161.4	169.9	167.5	167.0	161.9	156.7	154.2	151.8	151.5
Home goods	5.02	124.5	127.3	126.9	130.5	134.5	135.8	138.3	139.8	140.9	141.3	142.9	141.1	143.0	142.9
Appliances, TV, and radios	1.41	124.6	124.1	121.7	133.3	140.7	137.8	143.0	149.7	148.0	147.2	147.8	146.3	150.2	150.3
Appliances and A/C	.92	144.5	147.9	141.9	151.1	153.2	153.8	156.9	157.6	157.8	154.1	156.0	153.3	159.5	159.4
TV and home audio	.49	87.5	79.4	83.9	99.9	117.4	108.0	116.8	135.0	129.6	134.3	132.8	.....	.....	.....
Carpeting and furniture	1.08	132.6	137.6	137.6	139.0	142.1	145.0	145.7	146.7	147.8	148.9	155.4	154.2	153.3	153.9
Misc. home goods	2.53	121.0	124.7	125.2	125.3	127.5	130.9	132.7	131.4	134.0	134.7	134.7	132.9	134.8	134.1
Nondurable consumer goods	*20.67*	*122.8*	*126.2*	*126.0*	*125.0*	*127.4*	*127.3*	*127.1*	*127.2*	*128.0*	*128.1*	*129.1*	*130.2*	*130.1*	*130.7*
Clothing	4.32	122.8	113.5	114.8	112.2	115.1	115.2	115.4	114.5	114.2	116.0	116.5	117.0	118.0	.....
Consumer staples	16.34	109.7	129.5	128.9	128.4	130.7	130.5	130.3	130.6	131.7	131.4	132.5	133.6	133.4	134.5
Consumer foods and tobacco	8.37	117.5	119.5	119.9	119.1	121.1	121.5	120.9	121.0	120.9	119.6	121.3	121.9	122.5	123.2
Nonfood staples	7.98	135.3	140.0	138.3	138.1	140.9	140.0	140.1	140.7	143.1	143.7	144.1	145.8	144.8	146.5
Consumer chemical products	2.64	144.6	149.1	145.1	143.9	148.8	149.9	151.1	151.5	154.9	153.5	153.0	155.6	153.4	156.5
Consumer paper products	1.91	114.8	118.6	119.3	119.3	119.1	119.4	118.7	119.0	121.7	121.7	122.5	124.1	124.4	124.0
Consumer fuel and lighting	3.43	139.5	144.7	143.7	144.1	147.1	144.0	143.8	144.4	145.6	148.2	149.2	150.4	149.7	151.2
Residential utilities	2.25	147.8	153.0	152.5	153.6	156.5	154.4	153.5	152.3	152.1	155.4	157.8	160.0	160.9	161.2
Equipment															
Business equipment	*12.74*	*106.1*	*111.6*	*113.4*	*114.4*	*116.9*	*118.2*	*118.6*	*119.6*	*121.3*	*122.5*	*123.0*	*124.6*	*126.5*	*125.8*
Industrial equipment	6.77	102.5	109.1	110.4	111.5	113.0	114.5	115.6	117.4	119.1	119.8	120.5	122.5	124.4	124.2
Building and mining equip.	1.45	104.8	108.3	108.7	112.3	113.0	115.1	116.0	118.1	118.8	119.1	119.6	123.0	124.2	125.2
Manufacturing equipment	3.85	92.7	101.0	102.6	102.5	104.7	106.1	107.5	109.4	112.0	113.1	113.9	115.1	117.3	117.2
Power equipment	1.47	125.6	131.2	132.9	134.1	134.6	135.5	137.1	137.6	138.2	138.3	138.5	141.0	143.7	141.1
Commercial, transit, farm eq.	5.97	110.3	114.4	116.6	117.6	121.4	122.4	121.9	122.2	123.7	125.4	125.8	127.0	128.8	127.7
Commercial equipment	3.30	118.4	123.9	125.5	126.5	128.8	129.9	130.6	131.3	131.6	134.1	135.9	137.0	140.2	138.4
Transit equipment	2.00	96.8	96.8	101.9	101.7	110.0	111.8	110.2	107.5	109.8	109.7	109.0	108.4	109.6	109.4
Farm equipment	.67	110.5	120.3	116.3	120.0	118.3	117.6	114.6	120.9	126.5	129.3	126.4	132.8	129.4	129.4
Defense and space equipment	*7.68*	*77.9*	*77.9*	*79.6*	*80.1*	*79.8*	*80.6*	*80.1*	*80.0*	*79.7*	*80.1*	*81.1*	*79.7*	*79.8*	*80.0*
Military products	5.15	80.1	79.4	81.5	81.8	81.0	82.0	81.5	81.0	80.1	80.0	81.1	79.0	79.1	79.2
Intermediate products															
Construction products	5.93	120.8	125.6	130.0	128.7	129.6	130.3	130.7	132.2	132.2	135.9	134.5	135.3	134.9	135.0
Misc. intermediate products	7.34	121.3	123.9	125.9	126.9	127.4	128.9	128.3	127.0	129.2	128.9	132.7	129.6	128.1	127.1
Materials															
Durable goods materials	*20.91*	*113.5*	*120.2*	*121.4*	*123.5*	*124.1*	*126.6*	*127.6*	*127.9*	*128.6*	*129.2*	*131.7*	*131.8*	*132.5*	*133.0*
Consumer durable parts	4.75	113.8	119.0	120.5	123.6	123.9	125.4	125.9	129.0	125.7	128.8	126.9	128.6	129.9	128.7
Equipment parts	5.41	99.3	107.5	109.7	112.0	111.6	113.0	114.6	113.8	118.0	118.2	124.5	122.3	122.1	123.4
Durable materials nec	10.75	120.6	127.2	127.7	129.2	130.6	134.2	134.9	134.7	135.3	134.9	137.6	138.0	139.0	139.6
Nondurable goods materials	*13.99*	*122.5*	*125.3*	*124.6*	*126.4*	*126.3*	*127.7*	*127.1*	*128.5*	*128.9*	*129.4*	*130.4*	*130.6*	*129.8*	*129.3*
Textile, paper, and chem. mat.	8.58	129.2	132.9	132.9	136.0	136.0	136.5	136.3	138.8	139.4	140.2	142.2	142.4	141.2	140.5
Nondurable materials n.e.c.	5.41	111.9	113.3	111.8	111.4	110.9	113.9	112.7	112.2	112.3	112.3	112.1	111.7	112.0	111.5
Fuel and power, industrial	2.89	120.9	123.2	122.6	119.5	120.6	122.7	122.6	122.1	122.9	125.3	126.9	126.3	128.7	127.6
Supplementary groups															
Home goods and clothing	9.34	117.7	120.9	121.1	122.0	125.5	126.3	127.6	128.1	128.6	129.7	130.7	130.0	131.5	130.5
Containers	1.82	129.7	133.2	134.1	135.0	137.1	138.8	145.2	139.1	138.0	141.4	135.1	140.5	139.8	137.8
Gross value of products in market structure															
(In billions of 1963 dollars)															
Products, total	.....	.....	*430.0*	*435.7*	*437.3*	*442.8*	*445.7*	*446.9*	*446.2*	*449.7*	*451.8*	*452.9*	*446.2*	*450.5*	*453.4*
Final products	.....	.....	331.6	334.7	336.3	340.5	342.7	343.9	343.7	346.6	347.8	347.7	341.9	346.9	350.0
Consumer goods	.....	.....	233.1	234.4	235.9	237.6	238.2	239.5	238.9	241.1	241.3	241.0	235.4	239.2	242.4
Equipment	.....	.....	98.5	100.2	100.6	103.0	104.6	104.5	104.8	105.6	106.6	106.6	106.6	107.8	107.8
Intermediate products	.....	.....	98.3	100.8	101.3	102.2	103.0	102.7	102.3	103.1	104.3	104.8	104.6	103.5	103.4

For NOTE see p. A-61.

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INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average	1972			1973									
			Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.[r]	Sept.[r]	Oct.
Manufacturing	*88.55*	*114.0*	*118.5*	*119.5*	*120.4*	*121.4*	*122.7*	*123.4*	*123.8*	*124.9*	*125.6*	*126.5*	*126.1*	*126.4*	*126.4*
Durable	52.33	108.4	113.8	115.3	116.3	117.5	118.7	119.9	120.6	121.8	123.0	123.8	122.6	123.4	123.9
Nondurable	36.22	122.1	125.2	125.6	126.2	127.0	128.4	128.6	128.4	129.3	129.3	130.5	130.9	130.7	130.1
Mining and utilities	11.45	124.1	126.6	126.7	126.1	127.3	128.0	127.3	126.6	127.0	128.2	130.4	130.7	131.4	131.4
Mining	6.37	108.8	110.2	109.7	108.2	108.5	110.2	109.5	109.0	109.1	109.5	111.0	111.5	112.0	112.1
Utilities	5.08	143.4	147.1	148.2	148.5	151.0	150.5	149.6	148.7	149.5	151.5	154.8	154.8	155.8	155.6
Durable manufactures															
Primary and fabricated metals	*12.55*	*113.9*	*121.3*	*122.6*	*124.0*	*124.3*	*125.4*	*125.8*	*127.3*	*128.1*	*128.7*	*130.6*	*129.5*	*129.8*	*131.5*
Primary metals	6.61	113.1	122.1	122.9	125.4	123.1	124.7	123.5	125.8	126.1	124.5	128.1	125.6	128.4	130.2
Iron and steel, subtotal	4.23	107.1	118.4	119.2	120.0	118.6	120.0	117.5	119.7	119.8	119.9	120.9	118.5	122.0	122.9
Fabricated metal products	5.94	114.8	120.4	122.2	122.3	125.7	126.2	128.4	128.9	130.3	133.4	133.5	133.8	131.5	132.7
Machinery and allied goods	*32.44*	*103.5*	*108.2*	*110.1*	*111.2*	*112.5*	*113.7*	*115.1*	*115.7*	*117.3*	*118.8*	*119.3*	*117.7*	*118.9*	*118.9*
Machinery	17.39	107.5	114.0	115.7	116.8	118.4	119.1	121.4	122.6	124.7	126.9	127.6	128.5	130.0	129.0
Nonelectrical machinery	9.17	105.7	113.5	115.3	114.4	116.3	117.3	119.0	121.5	124.0	126.1	127.1	128.9	130.0	128.6
Electrical machinery	8.22	109.6	114.7	116.1	119.6	120.8	121.2	123.9	123.8	125.4	127.8	128.0	128.2	130.0	129.5
Transportation equipment	9.29	99.0	102.7	105.0	106.6	107.6	110.0	110.3	110.0	111.0	112.2	112.1	105.7	107.3	109.2
Motor vehicles and parts	4.56	123.1	128.7	132.3	135.9	139.3	141.5	141.0	140.1	140.9	143.3	144.1	131.0	133.9	136.1
Aerospace and misc. trans. eq.	4.73	75.8	77.6	78.7	78.3	77.1	79.7	80.8	81.1	82.2	82.2	81.3	81.3	81.7	83.2
Instruments	2.07	120.2	125.0	125.1	126.6	130.1	131.9	133.8	134.7	138.9	140.2	140.8	140.9	141.5	140.9
Ordnance, private and Govt.	3.69	86.0	85.2	87.3	87.8	87.0	87.6	87.1	86.4	85.4	86.7	86.7	83.8	83.7	83.5
Lumber, clay, and glass	*4.44*	*120.0*	*124.9*	*124.5*	*123.7*	*126.4*	*127.3*	*129.1*	*129.9*	*130.3*	*129.2*	*129.8*	*129.2*	*128.8*	*130.4*
Lumber and products	1.65	122.4	127.3	126.8	122.7	125.8	128.5	129.5	129.1	127.5	126.6	125.4	128.4	128.9	131.1
Clay, glass, and stone products	2.79	118.6	123.5	123.1	124.3	126.8	126.6	128.9	130.4	132.0	130.5	132.3	129.6	128.8	130.0
Furniture and miscellaneous	*2.90*	*122.7*	*126.9*	*126.6*	*127.7*	*130.3*	*132.8*	*133.4*	*133.1*	*136.0*	*135.4*	*135.9*	*137.5*	*138.2*	*136.0*
Furniture and fixtures	1.38	113.5	117.6	118.5	120.3	119.1	122.3	122.8	123.8	126.5	126.5	127.5	129.5	130.4	128.7
Miscellaneous manufactures	1.52	131.1	135.4	134.0	134.5	140.5	142.4	143.0	141.6	144.5	143.6	143.5	144.9	145.3	142.8
Nondurable manufactures															
Textiles, apparel, and leather	*6.90*	*108.1*	*112.1*	*113.0*	*113.2*	*113.4*	*114.4*	*114.6*	*114.0*	*113.3*	*115.0*	*114.5*	*115.4*	*117.2*	*116.2*
Textile mill products	2.69	117.4	123.2	125.7	124.2	125.3	126.1	127.1	126.1	127.2	129.2	128.9	129.0	129.4	129.3
Apparel products	3.33	105.7	109.5	110.1	111.1	112.3	112.6	112.4	111.7	110.0	111.0	112.1	113.6	115.4	.....
Leather and products	.88	88.9	88.0	85.9	87.4	81.3	85.1	85.0	86.8	83.0	86.6	79.2	81.0	86.4	83.1
Paper and printing	*7.92*	*116.1*	*119.9*	*120.0*	*120.3*	*120.0*	*121.5*	*122.4*	*120.8*	*122.0*	*122.8*	*123.8*	*124.5*	*122.1*	*120.6*
Paper and products	3.18	128.2	131.1	131.3	133.6	131.8	134.1	137.1	133.6	135.1	134.6	135.3	137.0	134.8	133.1
Printing and publishing	4.74	107.9	112.4	112.6	111.3	112.1	113.0	112.4	112.2	113.2	114.8	116.0	116.2	113.6	112.1
Chemicals, petroleum, and rubber	*11.92*	*137.8*	*141.6*	*142.0*	*143.8*	*145.5*	*146.3*	*146.3*	*147.9*	*150.2*	*149.8*	*151.8*	*151.0*	*150.7*	*151.2*
Chemicals and products	7.86	139.6	143.9	143.2	144.7	146.4	147.2	146.8	147.8	150.2	150.4	152.0	151.4	152.7	153.1
Petroleum products	1.80	120.6	123.8	124.4	125.5	127.3	124.1	123.5	126.9	128.5	129.7	129.3	128.2	126.0	129.2
Rubber and plastics products	2.26	145.5	148.4	151.5	154.7	157.1	160.4	163.4	165.1	166.8	163.9	168.8	167.9	163.6	162.1
Foods and tobacco	*9.48*	*117.6*	*118.5*	*119.0*	*118.5*	*119.6*	*122.0*	*121.5*	*120.7*	*121.5*	*119.5*	*121.3*	*122.0*	*122.6*	*121.6*
Foods	8.81	118.6	119.0	119.4	119.7	120.5	122.9	121.8	121.3	122.4	120.3	122.4	122.9	123.5	122.6
Tobacco products	.67	103.7	111.8	112.5	102.5	107.9	110.3	118.1	112.9	111.2	108.1	105.3	110.1	109.1	.....
Mining															
Metal, stone, and earth minerals	*1.26*	*107.3*	*110.4*	*112.6*	*113.7*	*116.4*	*117.6*	*117.0*	*116.8*	*116.2*	*111.8*	*116.9*	*120.6*	*120.3*	*120.9*
Metal mining	.51	120.9	122.8	124.7	128.1	130.3	131.9	127.8	128.5	127.0	121.6	128.4	131.4	136.2	137.9
Stone and earth minerals	.75	98.1	102.0	104.4	104.0	106.9	107.8	109.4	108.8	108.8	105.2	109.1	113.1	109.5	109.2
Coal, oil, and gas	*5.11*	*109.2*	*110.1*	*109.0*	*106.8*	*106.5*	*108.4*	*107.6*	*107.1*	107.3	*108.9*	*109.5*	*109.2*	*110.0*	*110.0*
Coal	.69	104.2	100.8	102.6	98.6	99.1	103.9	105.7	99.9	100.9	108.0	109.0	104.0	110.0	104.9
Oil and gas extraction	4.42	110.0	111.5	110.0	108.2	107.7	109.1	107.9	108.3	108.4	109.1	109.5	110.0	110.0	110.8
Utilities															
Electric	3.91	149.4	154.2	155.2	155.6	159.1	158.3	157.4	156.2	156.8	159.7	164.0	163.8	165.1	164.6
Gas	1.17	123.4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

For NOTE see p. A-61.

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MARKET GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average	1972			1973									
			Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.r	Sept.r	Oct.
Total index	100.0	115.2	122.7	120.4	117.3	118.9	123.6	124.6	124.5	125.6	128.9	122.4	126.7	131.1	130.7
Products, total	**62.21**	**113.8**	**121.9**	**118.5**	**114.2**	**116.6**	**120.6**	**121.8**	**121.2**	**122.4**	**127.3**	**121.6**	**125.1**	**130.7**	**129.5**
Final products	*48.95*	*111.9*	*119.7*	*116.1*	*112.0*	*115.3*	*119.1*	*120.0*	*118.9*	*120.0*	*125.1*	*118.9*	*122.2*	*128.8*	*127.6*
Consumer goods	28.53	123.6	133.2	126.8	120.2	125.3	129.2	130.8	129.2	130.3	136.4	128.6	134.1	141.9	140.2
Equipment	20.42	95.5	100.8	101.1	100.5	101.4	104.9	105.0	104.6	105.5	109.2	105.2	105.7	110.3	110.0
Intermediate products	13.26	121.1	130.1	127.5	122.2	121.2	126.1	128.5	129.6	131.4	135.2	131.8	135.5	137.6	136.7
Materials	37.9	**117.4**	**124.0**	**123.5**	**122.5**	**122.8**	**128.6**	**129.2**	**129.9**	**130.9**	**131.4**	**123.7**	**129.2**	**131.8**	**132.6**
Consumer goods															
Durable consumer goods	*7.86*	*125.7*	*140.2*	*134.8*	*125.1*	*133.3*	*140.6*	*143.5*	*141.3*	*142.7*	*147.5*	*129.2*	*126.9*	*146.4*	*151.5*
Automotive products	2.84	127.7	147.0	141.9	123.9	138.5	149.1	151.5	147.6	147.4	154.4	124.3	100.5	136.6	147.7
Autos	1.87	112.7	135.6	132.9	109.8	134.8	144.6	143.9	135.8	138.2	148.5	108.5	69.1	121.9	140.3
Auto parts and allied goods	.97	156.5	168.9	159.0	150.9	145.7	157.7	166.0	170.2	165.0	165.8	154.5	160.8	164.9	162.0
Home goods	*5.02*	*124.5*	*136.3*	*130.8*	*125.8*	*130.3*	*135.8*	*138.9*	*137.7*	*140.1*	*143.6*	132.0	141.8	152.0	153.7
Appliances, TV, and home audio	1.41	124.6	142.7	129.1	122.0	139.7	142.6	149.0	148.2	148.5	146.8	130.1	135.0	162.6	174.2
Appliances and A/C	.92	144.5	164.9	143.5	134.6	153.7	157.0	166.2	165.6	166.1	162.7	150.5	134.1	168.4	176.8
TV and home audio	.49	87.5	101.2	102.2	98.4	113.6	115.7	116.9	115.4	115.7	117.1	91.9	.....	.....	.....
Carpeting and furniture	1.08	132.6	139.7	140.8	140.0	141.0	150.2	149.1	146.1	146.3	151.1	134.4	156.5	159.1	156.2
Misc. home goods	2.53	121.0	131.3	127.6	121.9	120.4	125.9	129.0	128.2	132.7	138.6	132.1	139.3	143.0	141.2
Nondurable consumer goods	*20.67*	*122.8*	*130.6*	*123.7*	*118.4*	*122.2*	*124.9*	*126.0*	*124.6*	*125.6*	*132.2*	*128.4*	*136.8*	*140.3*	*135.9*
Clothing	4.32	109.7	118.0	112.5	103.0	105.9	116.6	120.0	119.3	115.3	122.4	104.3	121.7	124.3	.....
Consumer staples	16.34	126.2	133.9	126.7	122.5	126.5	127.1	127.6	126.0	128.3	134.8	134.8	140.8	144.5	139.8
Consumer foods and tobacco	8.37	117.5	125.9	119.3	111.6	113.8	117.0	118.4	117.8	120.7	123.8	120.2	128.0	133.5	129.8
Nonfood staples	7.98	135.3	142.2	134.4	134.0	139.9	137.8	137.2	134.7	136.2	146.3	150.1	154.3	156.0	150.2
Consumer chemical products	2.64	144.6	157.4	145.0	133.8	139.9	140.2	147.3	146.9	154.0	164.2	157.6	157.5	166.4	165.3
Consumer paper products	1.91	114.8	124.9	118.5	113.2	112.4	116.2	115.5	117.8	117.0	125.1	123.1	133.2	132.1	130.6
Consumer fuel and lighting	3.43	139.5	140.1	135.1	145.8	155.3	148.0	141.6	134.6	133.2	144.4	159.5	163.6	161.4	149.4
Residential utilities	2.25	147.8	146.4	139.4	154.5	168.5	160.1	151.8	140.4	135.5	148.7	172.3	178.9	177.5	158.8
Equipment															
Business equipment	*12.74*	*106.1*	*114.5*	*113.7*	*112.0*	*114.4*	*119.6*	*119.8*	*119.7*	*121.1*	*126.4*	*120.3*	*121.9*	*128.6*	*128.1*
Industrial equipment	6.77	102.5	111.2	111.2	110.6	111.6	116.4	116.8	116.8	117.9	122.6	117.4	121.0	126.1	126.0
Building and mining equip.	1.45	104.8	111.7	113.0	114.3	112.0	118.6	117.2	115.7	115.6	120.2	115.9	119.3	128.3	127.2
Manufacturing equipment	3.85	92.7	102.0	102.3	101.7	103.4	108.9	109.6	109.3	111.4	116.2	108.8	115.7	118.6	118.4
Power equipment	1.47	125.6	134.6	132.9	130.2	132.7	133.9	135.3	137.3	137.1	141.8	141.3	136.7	143.7	144.8
Commercial, transit, farm eq.	5.97	110.3	118.3	116.5	113.6	117.6	123.3	123.2	122.9	124.7	130.7	123.5	122.9	131.5	130.5
Commercial equipment	3.30	118.4	126.0	125.2	122.3	123.0	127.8	126.9	129.1	131.6	140.1	139.3	140.4	144.7	140.8
Transit equipment	2.00	96.8	104.0	104.6	99.2	108.1	114.8	114.9	110.8	112.0	113.8	102.6	96.8	108.0	115.1
Farm equipment	.67	110.5	123.2	109.0	113.2	118.9	126.2	129.7	128.2	128.6	134.9	108.2	113.9	136.3	125.9
Defense and space equipment	*7.68*	*77.9*	*78.0*	*80.2*	*81.5*	*79.8*	*80.5*	*80.4*	*79.5*	*79.6*	*80.7*	*80.0*	*78.8*	*79.9*	*80.0*
Military products	5.15	80.1	79.1	81.7	82.4	81.2	81.9	81.8	80.8	80.3	81.3	80.5	78.4	79.0	78.9
Intermediate products															
Construction products	5.93	120.8	131.0	128.3	121.9	120.5	128.0	131.9	135.0	136.4	140.7	131.6	136.0	139.8	140.8
Misc. intermediate products	7.34	121.3	129.3	126.9	122.5	121.7	124.5	125.7	125.2	127.4	130.7	131.9	135.0	135.9	133.3
Materials															
Durable goods materials	*20.91*	*113.5*	*121.3*	*121.0*	*121.8*	*121.6*	*128.8*	*130.7*	*131.2*	*132.2*	*132.8*	*124.4*	*128.9*	*133.5*	*133.5*
Consumer durable parts	4.75	113.8	120.5	122.1	126.8	126.8	129.3	129.4	130.0	128.8	130.5	120.4	122.9	128.7	130.4
Equipment parts	5.41	99.3	107.2	108.7	111.0	110.8	114.7	117.5	117.4	118.7	120.7	116.3	119.4	123.3	123.0
Durable materials n.e.c.	10.75	120.6	128.7	126.7	125.1	124.7	135.7	137.9	138.7	140.6	139.9	130.3	136.3	140.8	140.2
Nondurable goods materials	*13.99*	*122.5*	*128.2*	*127.1*	*123.9*	*124.5*	*129.2*	*128.2*	*129.4*	*130.7*	*130.8*	*123.4*	*130.1*	*130.1*	*132.3*
Textile, paper, and chem. mat.	8.58	129.2	135.7	135.6	131.8	133.7	139.6	139.0	140.9	142.2	142.2	132.1	141.3	141.2	143.5
Nondurable materials n.e.c.	5.41	111.9	116.4	113.7	111.4	110.0	112.8	111.2	111.1	112.6	112.7	109.7	112.4	112.4	114.5
Fuel and power, industrial	2.89	120.9	123.3	123.6	120.3	122.6	124.5	123.2	122.3	122.7	123.9	119.9	126.6	127.9	127.9
Supplementary groups															
Home goods and clothing	9.34	117.7	127.8	122.3	115.3	119.0	126.9	130.2	129.2	128.6	133.8	119.2	132.5	139.2	138.6
Containers	1.82	129.7	141.3	133.3	125.0	129.4	140.5	142.6	139.4	140.9	145.8	131.2	144.6	142.9	146.2

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INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average	1972			1973								
			Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.[r]	Sept.[r]	Oct.
Manufacturing, total	*88.55*	*114.0*	*122.2*	*120.0*	*116.3*	*117.6*	*123.2*	*124.6*	*124.7*	*125.8*	*128.9*	*121.1*	*125.3*	*130.3*	*130.4*
Durable	52.33	108.4	116.4	115.3	113.3	114.9	121.0	122.5	122.4	123.2	125.8	117.9	119.3	126.1	126.8
Nondurable	36.22	122.1	130.6	126.7	120.6	121.5	126.3	127.7	128.0	129.5	133.3	125.6	133.9	136.3	135.6
Mining and utilities	*11.45*	*124.1*	*126.5*	*123.8*	*125.2*	*128.6*	*127.5*	*125.0*	*122.7*	*123.6*	*128.2*	*133.0*	*137.2*	*137.2*	*132.0*
Mining	6.37	108.8	111.3	110.6	109.2	107.0	109.2	107.6	108.5	110.7	110.9	108.3	112.3	112.7	113.1
Utilities	5.08	143.4	145.5	140.5	145.4	155.7	150.6	146.8	140.5	139.9	149.9	164.1	168.4	168.0	155.8
Durable manufactures															
Primary and fabricated metals	*12.55*	*113.9*	*121.1*	*120.3*	*120.5*	*120.4*	*130.0*	*132.1*	*131.7*	*131.2*	*130.5*	*121.6*	*125.5*	*131.5*	*131.2*
Primary metals	6.61	113.1	119.4	117.1	118.9	118.5	131.3	133.8	133.9	131.7	127.7	116.4	121.6	129.9	127.3
Iron and steel, subtotal	4.23	107.1	113.4	110.9	114.2	112.3	125.8	128.3	128.5	125.8	121.1	112.7	117.1	124.9	117.7
Fabricated metal products	5.94	114.8	123.0	123.9	122.3	122.6	128.5	130.1	129.3	130.7	133.7	127.5	129.8	133.3	135.6
Machinery and allied goods	*32.44*	*103.5*	*111.3*	*110.6*	*109.0*	*111.8*	*116.0*	*117.1*	*116.7*	*117.9*	*121.7*	*114.1*	*113.0*	*121.2*	*122.5*
Machinery	17.39	107.5	117.1	115.0	114.6	116.9	121.8	123.3	123.5	124.9	129.4	122.2	125.8	133.1	132.6
Nonelectrical machinery	9.17	105.7	114.3	113.1	112.5	114.0	121.2	122.2	122.3	124.0	129.6	122.9	126.3	132.2	129.5
Electrical machinery	8.22	109.6	120.3	117.1	117.0	120.2	122.4	124.5	124.8	125.9	129.2	121.4	125.2	134.2	136.0
Transportation equipment	9.29	99.0	107.2	108.0	103.2	108.7	113.5	114.0	112.8	113.4	116.3	104.0	94.0	108.3	114.0
Motor vehicles and parts	4.56	123.1	137.5	138.3	129.2	142.6	148.6	147.3	144.9	145.6	151.2	129.0	108.5	135.2	145.5
Aerospace and misc. trans. eq.	4.73	75.8	78.0	78.9	78.1	76.0	79.6	82.0	81.8	82.4	82.7	79.8	80.1	82.4	83.6
Instruments	2.07	120.2	128.9	126.5	125.3	126.3	128.1	131.5	130.5	137.5	143.1	140.8	143.9	147.4	145.3
Ordnance, private and Govt.	3.69	86.0	84.6	87.4	88.2	87.5	87.9	87.8	86.4	85.6	87.1	86.0	82.8	83.4	82.9
Lumber, clay, and glass	*4.44*	*120.0*	*130.9*	*124.5*	*115.4*	*115.3*	*123.2*	*127.2*	*130.9*	*132.8*	*135.1*	*128.9*	*134.9*	*134.5*	*136.7*
Lumber and products	1.65	122.4	133.0	124.8	111.9	115.6	128.4	130.5	131.3	128.6	132.3	123.3	132.8	134.4	137.0
Clay, glass, and stone products	2.79	118.6	129.7	124.3	117.5	115.1	120.1	125.3	130.7	135.3	136.8	132.3	136.2	134.6	136.5
Furniture and miscellaneous	*2.90*	*122.7*	*131.1*	*131.3*	*127.6*	*126.1*	*134.3*	*133.9*	*132.4*	*132.5*	*137.2*	*127.6*	*138.9*	*142.9*	*140.4*
Furniture and fixtures	1.38	113.5	118.8	122.1	121.5	121.6	128.7	127.3	124.2	123.0	125.7	114.5	128.7	131.7	130.0
Miscellaneous manufactures	1.52	131.1	142.2	139.6	133.2	130.2	139.4	139.9	139.9	141.2	147.6	139.5	148.2	153.1	149.9
Nondurable manufactures															
Textiles, apparel, and leather	*6.90*	*108.1*	*115.3*	*112.0*	*103.9*	*106.4*	*115.4*	*118.2*	*116.9*	*113.8*	*120.4*	*102.0*	*120.0*	*121.4*	*119.5*
Textile mill products	2.69	117.4	125.7	125.1	117.0	117.8	126.1	129.6	128.7	129.1	135.0	112.1	133.6	132.4	131.9
Apparel products	3.33	105.7	113.0	108.2	98.7	103.9	113.7	116.3	115.6	110.0	117.4	102.6	118.1	121.7	.....
Leather and products	.88	88.9	92.1	86.5	83.3	80.6	88.7	89.9	85.8	81.3	87.1	68.7	85.5	86.7	87.0
Paper and printing	*7.92*	*116.1*	*126.3*	*122.3*	*113.8*	*113.2*	*118.7*	*120.4*	*121.4*	*122.8*	*125.7*	*121.8*	*128.4*	*127.1*	*127.0*
Paper and products	3.18	128.2	137.9	133.7	123.6	130.2	137.5	138.9	137.6	138.5	138.4	127.6	136.7	133.0	140.0
Printing and publishing	4.74	107.9	118.5	114.7	107.3	101.7	106.0	107.9	110.6	112.2	117.2	117.9	122.8	123.1	118.2
Chemicals, petroleum, and rubber	*11.92*	*137.8*	*145.6*	*143.0*	*140.3*	*141.1*	*144.8*	*145.6*	*147.6*	*150.6*	*153.8*	*147.1*	*151.3*	*154.6*	*155.3*
Chemicals and products	7.86	139.6	146.8	143.2	139.5	140.5	143.8	145.0	148.8	152.2	*155.5*	150.3	152.6	156.7	156.2
Petroleum products	1.80	120.6	125.8	124.3	125.2	123.9	120.9	119.5	121.3	127.0	132.8	132.8	133.2	130.4	130.9
Rubber and plastics products	2.26	145.5	157.2	157.0	155.0	156.8	167.3	168.3	164.4	164.0	164.6	147.4	161.2	166.5	171.7
Foods and tobacco	*9.48*	*117.6*	*126.4*	*120.5*	*113.8*	*114.9*	*117.4*	*118.1*	*117.1*	*120.0*	*123.1*	*119.2*	*126.6*	*132.0*	*129.6*
Foods	8.81	118.6	126.9	121.0	115.9	115.4	117.7	118.1	117.8	120.7	123.7	121.1	127.2	133.2	130.6
Tobacco products	.67	103.7	120.4	113.4	86.0	107.7	113.5	118.3	108.0	110.1	115.6	93.9	118.5	115.9	.....
Mining															
Metal, stone, and earth minerals	*1.26*	*107.3*	*114.4*	*110.8*	*108.7*	*103.4*	*105.7*	*109.0*	*116.4*	*125.7*	*125.3*	*119.0*	*125.5*	*126.0*	*125.1*
Metal mining	.51	120.9	123.2	115.0	115.0	114.0	120.6	118.7	127.2	143.4	144.0	133.9	139.7	143.0	138.3
Stone and earth minerals	.75	98.1	108.5	107.9	104.4	96.2	95.5	102.4	109.0	113.6	112.6	108.9	115.8	114.4	116.2
Coal, oil, and gas	*5.11*	*109.2*	*110.5*	*110.5*	*109.3*	*107.9*	*110.1*	*107.2*	*106.5*	*107.0*	*107.3*	*105.6*	*109.0*	*109.4*	*110.1*
Coal	.69	104.2	107.8	104.9	98.0	98.0	104.2	104.3	101.7	102.9	103.2	89.3	110.8	112.9	112.1
Oil and gas extraction	4.42	110.0	110.9	111.4	111.1	109.5	111.0	107.6	107.2	107.7	108.0	108.1	108.7	108.8	109.8
Utilities															
Electric	3.91	149.4	152.0	145.3	151.6	165.1	158.5	153.8	145.4	144.6	157.5	175.9	181.5	181.0	164.9
Gas	1.17	123.4	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

NOTE.—Pages A-58 and A-59 include revisions stemming from changes in seasonal adjustment factors, and pages A-60 and A-61 include revisions in some series that are not seasonally adjusted, beginning in March 1972 in both instances. Data for the complete year of 1972 are available in a pamphlet *Industrial Production Indexes 1972* from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

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

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SELECTED BUSINESS INDEXES

(1967=100, except as noted)

Period	Industrial production								Capacity utilization in mfg. (1967 output = 100)	Construction contracts	Nonagricultural employment—Total[1]	Manufacturing[2]		Total retail sales[3]	Prices[4]	
	Total	Market					Industry					Employment	Payrolls		Consumer	Wholesale commodity
		Total	Products					Manufacturing								
			Final			Intermediate	Materials									
			Total	Consumer goods	Equipment											
1954	51.9	51.8	50.8	53.3	47.9	55.1	52.0	51.5	84.1	.....	74.4	89.6	55.1	54	80.5	87.6
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	.....	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	.....	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	.....	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	91	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	103.1	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	106.7	103.2	116.6	114	109.8	106.5
1970	106.7	106.0	104.5	110.3	96.3	111.7	107.7	105.2	78.3	123.1	107.2	98.0	114.1	120	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	107.3	93 9	116.3	122	121.2	113.9
1972	115.2	113.8	111.9	123.6	95.5	121.1	117.4	114.0	r78.6	165.3	110.5	96.7	130.2	142	125.3	119.8
1972—Oct.	119.2	117.3	115.3	127.0	98.9	124.7	122.3	118.5	}	171.0	111.7	98.4	136.1	149	126.6	120.0
Nov.	120.2	118.6	116.3	127.4	100.7	127.6	122.8	119.5	81.5	177.0	112.1	99.1	139.0	148	126.9	120.7
Dec.	121.1	119.1	116.8	127.7	101.5	127.7	124.4	120.4	}	163.0	112.4	99.6	139.3	151	127.3	122.9
1973—Jan.	122.2	120.7	118.6	129.8	102.9	128.4	124.5	121.4	}	181.0	112.7	99.9	139.8	156	127.7	124.5
Feb.	123.4	121.5	119.3	130.2	104.1	129.5	126.7	122.7	82.8	191.0	113.5	100.7	142.9	158	128.6	126.9
Mar.	123.7	121.7	119.6	130.8	104.1	129.4	127.0	123.4	}	193.0	113.8	101.0	142.6	160	129.8	129.7
Apr.	124.1	122.0	120.0	130.9	104.7	129.3	127.7	123.8	}	177.0	114.0	101.5	144.8	157	130.7	130.7
May	124.8	122.9	120.8	131.8	105.7	130.5	128.3	124.9	r83.3	173.0	114.4	101.7	144.9	160	131.5	133.4
June	125.6	123.7	121.3	131.9	106.6	132.0	129.0	125.6	}	183.0	114.7	r102.1	145.3	157	132.4	136.7
July	126.7	124.2	122.1	132.8	107.3	132.5	130.9	126.5	}	175.0	114.6	101.8	146.3	164	132.7	134.9
Aug.	126.5	r123.7	r121.4	r131.2	r107.6	r132.1	r130.9	r126.1	83.3	206.0	115.0	102.1	146.7	r162	135.1	142.7
Sept.	r126.8	r124.3	r122.6	r132.4	r109.0	r131.0	r131.3	r126.4	}	182.0	r115.3	102.1	r149.8	r162	135.5	140.2
Oct.	r127.0	r124.5	r122.8	r132.9	r108.6	r130.9	r131.2	r126.4	.....	191.0	115.8	r102.9	r151.8	165	136.6	139.5
Nov.p	127.2	125.0	123.1	133.2	109.0	132.0	130.7	126.9	.....	.....	116.1	103.0	154.4	165	.....	141.8

[1] Employees only; excludes personnel in the Armed Forces.
[2] Production workers only.
[3] F.R. index based on Census Bureau figures.
[4] Prices are not seasonally adjusted. 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 Informations Systems Company F.W. Dodge Division, monthly index of dollar value of total construction contracts, including residential, nonresidential, and heavy engineering; does not include data for Alaska and Hawaii.

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	1971	1972	1972				1973								
			Sept.r	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
Total construction[1]	80,188	91,183	8,047	8,225	7,248	6,464	6,795	6,839	8,644	8,814	9,428	9,910	9,228	10,303	8,151
By type of ownership:															
Public	23,927	24,084	2,041	1,668	1,785	1,650	1,918	1,717	2,046	2,071	2,359	2,995	2,581	2,968	2,328
Private[1]	56,261	67,098	6,006	6,557	5,462	4,814	4,877	5,122	6,599	6,743	7,069	6,916	6,647	7,335	5,822
By type of construction:															
Residential building[1]	34,754	45,123	4,027	4,298	3,663	3,120	3,195	3,277	4,643	4,512	4,754	4,612	4,224	4,233	3,638
Nonresidential building	25,574	27,082	2,338	2,384	2,184	2,215	2,420	2,229	2,707	2,634	2,629	2,976	2,991	3,241	2,719
Nonbuilding	19,282	18,982	1,682	1,544	1,402	1,132	1,180	1,333	1,294	1,668	2,045	2,322	2,013	2,828	1,794
Private housing units authorized (In thousands, S.A., A.R.)	1,925	2,399	2,366	2,318	2,226	2,399	2,233	2,209	2,129	1,939	1,838	2,030	1,780	1,750	r1,591

[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 constracts as reported by the McGraw-Hill Informations Systems Company, F.W. Dodge Division. Totals of monthly data exceed annual totals because adjustments—negative—are made in accumulated monthly data after original figures have been published.

Private housing units authorized are Census Bureau series for 14,000 reporting areas with local building permit systems; 1971 data are for 13,000 reporting areas.

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VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total	Private							Public				
		Total	Residential	Nonresidential					Total	Military	Highway	Conservation & development	Other [2]
				Total	Buildings			Other					
					Industrial	Commercial	Other buildings [1]						
1962 [3]	59,965	42,096	25,150	16,946	2,842	5,144	3,631	5,329	17,869	1,266	6,365	1,523	8,715
1963 [4]	64,563	45,206	27,874	17,332	2,906	4,995	3,745	5,686	19,357	1,179	7,084	1,694	9,400
1964	67,413	47,030	28,010	19,020	3,565	5,396	3,994	6,065	20,383	910	7,133	1,750	10,590
1965	73,412	51,350	27,934	23,416	5,118	6,739	4,735	6,824	22,062	830	7,550	2,019	11,663
1966	76,002	51,995	25,715	26,280	6,679	6,879	5,037	7,685	24,007	727	8,405	2,194	12,681
1967	77,503	51,967	25,568	26,399	6,131	6,982	4,993	8,293	25,536	695	8,591	2,124	14,126
1968	86,626	59,021	30,565	28,456	6,021	7,761	4,382	10,292	27,605	808	9,321	1,973	15,503
1969	93,368	65,404	33,200	32,204	6,783	9,401	4,971	11,049	27,964	879	9,250	1,783	4,822
1970	94,167	66,071	31,864	34,207	6,538	9,754	5,125	12,790	28,096	718	9,981	1,908	4,832
1971	109,238	79,367	43,268	36,099	5,423	11,619	5,437	13,620	29,871	901	10,658	2,095	4,820
1972	123,836	93,640	54,186	39,454	4,676	13,462	5,898	13,418	30,196	1,080	10,448	2,172	4,996
1972—Oct.	128,513	96,201	56,361	39,840	4,345	13,720	6,197	15,578	32,312	1,076	10,642	2,205	18,389
Nov.	126,831	97,506	57,167	40,339	4,617	13,607	6,235	15,880	29,325	1,200	10,585	2,042	15,498
Dec.	131,550	98,450	57,545	40,905	4,765	13,865	6,220	16,055	33,100	1,188	11,045	2,065	18,802
1973—Jan.	135,503	101,801	59,112	42,689	5,292	15,001	6,002	16,394	33,702	1,221	.....	1,999	.....
Feb.	136,148	103,860	61,219	42,641	5,180	14,873	6,145	16,443	32,288	1,422	.....	1,712	.....
Mar.	137,960	104,331	61,240	43,091	5,479	15,071	6,179	16,362	33,629	1,303	.....	2,490	.....
Apr.	135,511	102,951	59,851	43,100	5,287	15,473	6,282	16,057	32,560	1,158	.....	1,675	.....
May	136,453	104,104	59,849	44,255	5,338	16,118	6,251	16,547	32,349	1,277	.....	2,291	.....
June	135,878	104,906	60,116	44,790	5,928	15,704	6,383	16,775	30,972	1,162	.....	1,870	.....
July	138,434	106,939	60,238	46,701	6,340	16,110	6,492	r17,759	31,495	1,341	.....	1,658	.....
Aug. r	138,164	107,112	60,087	47,025	6,687	15,800	6,122	18,416	31,052	1,048	.....	1,833	.....
Sept. r	137,234	104,341	58,917	45,424	6,324	15,111	5,742	18,247	32,893	972	.....	1,859	.....
Oct.	134,654	102,720	56,099	46,621	6,516	15,554	6,189	18,362	31,934	1,053	.....	1,956	.....

[1] Includes religious, educational, hospital, institutional, and other buildings.

[2] Sewer and water, formerly shown separately, now included in "Other."

[3] Beginning July 1962, reflects inclusion of new series affecting most private nonresidential groups.

[4] Beginning 1963, reflects inclusion of new series under "Public" (for State and local govt. activity only).

NOTE.—Census Bureau data; monthly series at seasonally adjusted annual rates.

NEW HOUSING UNITS

(In thousands)

Period	Units started													Mobile home shipments (N.S.A.)
	Private (S.A., A.R.)							Private and public (N.S.A.)			Government-underwritten (N.S.A.)			
	Total	Region				Type of structure								
		Northeast	North Central	South	West	1-family	2- to 4-family	5- or more-family	Total	Private	Public	Total	FHA	VA	
1963	1,603	261	328	591	430	1,012	589		1,635	1,603	32	292	221	71	151
1964	1,529	254	340	578	357	970	108	450	1,561	1,529	32	264	205	59	191
1965	1,473	270	362	575	266	964	87	422	1,510	1,473	37	246	197	49	216
1966	1,165	206	288	472	198	778	61	325	1,196	1,165	31	195	158	37	217
1967	1,292	215	337	520	220	844	72	376	1,322	1,292	30	232	180	53	240
1968	1,508	227	369	618	294	900	81	527	1,546	1,508	38	283	227	56	318
1969	1,467	206	349	588	324	814	85	571	1,500	1,467	33	284	233	51	413
1970	1,434	218	294	612	310	813	85	536	1,469	1,434	35	482	421	61	401
1971	2,052	264	434	869	486	1,151	120	781	2,084	2,052	32	621	528	93	497
1972	2,357	330	443	1,057	527	1,309	141	906	2,379	2,357	22	475	371	104	576
1972—Oct.	2,446	372	469	1,125	480	1,315	153	978	218	217	2	34	25	9	54
Nov.	2,395	353	400	1,106	536	1,324	134	937	187	186	1	29	21	8	50
Dec.	2,369	486	330	1,080	473	1,207	128	1,034	153	151	2	48	42	6	38
1973—Jan.	2,497	348	599	1,086	464	1,450	163	884	147	147	1	19	12	7	41
Feb.	2,456	366	571	1,087	434	1,372	123	961	140	138	2	21	14	7	43
Mar.	2,260	297	415	1,142	406	1,245	123	892	201	200	1	27	19	8	57
Apr.	2,123	292	387	890	554	1,202	131	790	205	205	.....	27	18	9	62
May	2,413	267	595	999	552	1,271	162	980	234	234	.....	29	18	11	57
June	2,128	370	474	837	447	1,124	129	875	203	203	1	27	17	8	57
July	2,191	225	487	1,063	416	1,247	151	793	203	203	1	20	12	8	r50
Aug. r	2,094	287	481	841	485	1,125	111	858	200	197	3	23	14	9	54
Sept. r	1,761	279	400	723	359	977	96	688	146	145	1	15	10	6	45
Oct.	1,613	251	380	654	328	945	68	600	147	144	2	.....	.....	6	.....

NOTE.—Starts are Census Bureau series (including farm starts) except for Govt.-underwritten, which are from Federal Housing Admin. and Veterans Admin. and represent units started, including rehabilitation units under FHA, based on field office reports of first compliance inspections. Data may not add to totals because of rounding.

Mobile home shipments are as reported by Mobile Homes Manufacturers Assn.

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LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

(In thousands of persons, except as noted)

Period	Total noninstitutional population (N.S.A.)	Not in labor force (N.S.A.)	Total labor force (S.A.)	Civilian labor force (S.A.)					Unemployment rate[2] (per cent; S.A.)
				Total	Employed[1]			Unemployed	
					Total	In nonagricultural industries	In agriculture		
1967	133,319	52,527	80,793	77,347	74,372	70,527	3,844	2,975	3.8
1968	135,562	53,291	82,272	78,737	75,920	72,103	3,817	2,817	3.6
1969	137,841	53,602	84,240	80,734	77,902	74,296	3,606	2,832	3.5
1970	140,182	54,280	85,903	82,715	78,627	75,165	3,462	4,088	4.9
1971	142,596	55,666	86,929	84,113	79,120	75,732	3,387	4,993	5.9
1972	145,775	56,785	88,991	86,542	81,702	78,230	3,472	4,840	5.6
1972—Nov.	146,709	57,309	89,454	87,023	82,525	78,969	3,556	4,498	5.2
Dec.	146,923	57,486	89,707	87,267	82,780	79,130	3,650	4,487	5.1
1973—Jan.	147,129	59,008	89,325	86,921	82,555	79,054	3,501	4,366	5.0
Feb.	147,313	58,238	89,961	87,569	83,127	79,703	3,424	4,442	5.1
Mar.	147,541	57,856	90,629	88,268	83,889	80,409	3,480	4,379	5.0
Apr.	147,729	57,906	90,700	88,350	83,917	80,606	3,311	4,433	5.0
May	147,940	58,050	90,739	88,405	84,024	80,749	3,275	4,381	5.0
June	148,147	55,417	91,247	88,932	84,674	81,271	3,403	4,258	4.8
July	148,361	55,133	91,121	88,810	84,614	81,098	3,516	4,196	4.7
Aug.	148,565	56,129	90,958	88,651	84,434	80,991	3,443	4,217	4.8
Sept.	148,782	57,484	91,694	89,403	85,127	81,757	3,370	4,276	4.8
Oct.	149,001	56,955	92,053	89,764	85,695	82,224	3,471	4,069	4.5
Nov.	149,208	57,040	92,235	89,952	85,688	82,052	3,636	4,264	4.7

[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 & public utilities	Trade	Finance	Service	Government
1967	65,857	19,447	613	3,208	4,261	13,606	3,225	10,099	11,398
1968	67,915	19,781	606	3,285	4,310	14,084	3,382	10,623	11,845
1969	70,284	20,167	619	3,435	4,429	14,639	3,564	11,229	12,202
1970	70,593	19,349	623	3,381	4,493	14,914	3,688	11,612	12,535
1971	70,645	18,529	602	3,411	4,442	15,142	3,796	11,669	12,858
1972	72,764	18,933	607	3,521	4,495	15,683	3,927	12,309	13,290
SEASONALLY ADJUSTED									
1972—Nov.	73,835	19,312	608	3,524	4,549	15,911	3,981	12,497	13,453
Dec.	74,002	19,402	607	3,459	4,558	15,946	3,991	12,537	13,502
1973—Jan.	74,252	19,463	610	3,498	4,574	16,013	3,995	12,621	13,478
Feb.	74,715	19,586	612	3,594	4,580	16,114	4,014	12,682	13,533
Mar.	74,914	19,643	610	3,604	4,580	16,163	4,024	12,716	13,574
Apr.	75,105	19,727	608	3,571	4,591	16,217	4,031	12,746	13,614
May	75,321	19,782	608	3,620	4,593	16,256	4,044	12,776	13,642
June	75,526	19,856	629	3,654	4,597	16,262	4,049	12,820	13,659
July	75,493	19,804	631	3,680	4,598	16,294	4,048	12,828	13,610
Aug.	75,747	19,861	634	3,676	4,617	16,352	4,064	12,906	13,637
Sept.	75,961	19,882	633	3,700	4,629	16,388	4,078	12,995	13,656
Oct.[p]	76,275	20,007	639	3,689	4,670	16,472	4,089	13,035	13,674
Nov.[p]	76,476	20,053	640	3,708	4,647	16,540	4,090	13,087	13,711
NOT SEASONALLY ADJUSTED									
1972—Nov.	74,449	19,414	607	3,630	4,554	16,162	3,965	12,472	13,645
Dec.	74,778	19,423	603	3,373	4,558	16,669	3,971	12,474	13,707
1973—Jan.	73,343	19,279	598	3,155	4,510	15,865	3,959	12,406	13,571
Feb.	73,724	19,420	598	3,184	4,507	15,776	3,978	12,530	13,731
Mar.	74,255	19,521	598	3,294	4,539	15,880	4,000	12,627	13,796
Apr.	74,861	19,586	603	3,442	4,559	16,088	4,019	12,771	13,793
May	75,404	19,667	608	3,616	4,593	16,200	4,040	12,865	13,815
June	76,308	20,002	642	3,837	4,661	16,335	4,089	12,999	13,743
July	75,384	19,729	644	3,934	4,653	16,262	4,113	12,982	13,067
Aug.	75,686	20,018	648	3,981	4,659	16,279	4,121	13,009	12,971
Sept.	76,238	20,132	641	3,944	4,671	16,367	4,082	12,982	13,419
Oct.[p]	76,827	20,160	640	3,918	4,679	16,522	4,077	13,048	13,783
Nov.[p]	77,114	20,160	639	3,819	4,652	16,800	4,074	13,061	13,909

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

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PRODUCTION WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES

(In thousands of persons)

Industry group	Seasonally adjusted[1]				Not seasonally adjusted[1]			
	1972	1973			1972	1973		
	Nov.	Sept.	Oct.[p]	Nov.[p]	Nov.	Sept.	Oct.[p]	Nov.[p]
Total	**14,175**	**14,609**	**14,717**	**14,735**	**14,281**	**14,841**	**14,864**	**14,842**
Durable goods	**8,200**	**8,599**	**8,679**	**8,678**	**8,248**	**8,681**	**8,729**	**8,728**
Ordnance and accessories	102	96	96	93	103	98	96	94
Lumber and wood products	535	544	544	545	535	555	551	545
Furniture and fixtures	419	434	434	434	425	437	440	441
Stone, clay, and glass products	539	554	561	565	542	568	569	569
Primary metal industries	1,025	1,082	1,006	1,099	1,010	1,072	1,075	1,083
Fabricated metal products	1,075	1,123	1,132	1,131	1,087	1,135	1,143	1,143
Machinery	1,298	1,398	1,413	1,431	1,289	1,396	1,405	1,421
Electrical equipment and supplies	1,288	1,386	1,415	1,418	1,304	1,404	1,426	1,436
Transportation equipment	1,294	1,332	1,332	1,306	1,311	1,350	1,348	1,323
Instruments and related products	287	311	314	317	289	312	315	318
Miscellaneous manufacturing industries	338	339	342	339	353	355	362	354
Nondurable goods	**5,975**	**6,010**	**6,038**	**6,057**	**6,033**	**6,160**	**6,135**	**6,114**
Food and kindred products	1,171	1,157	1,169	1,188	1,195	1,274	1,236	1,212
Tobacco manufactures	57	57	59	63	62	69	69	68
Textile-mill products	887	899	902	904	891	901	902	909
Apparel and related products	1,176	1,160	1,160	1,150	1,189	1,171	1,174	1,163
Paper and allied products	546	558	563	564	550	561	563	568
Printing, publishing, and allied industries	659	661	661	664	663	660	664	668
Chemicals and allied products	589	606	609	607	587	606	607	605
Petroleum refining and related industries	119	120	120	122	118	122	121	126
Rubber and misc. plastic products	513	538	542	540	518	543	546	545
Leather and leather products	258	254	253	255	260	253	252	256

[1] Data adjusted to 1971 benchmark.

NOTE.—Bureau of Labor Statistics; data cover production and related workers only (full- and part-time) who worked during, or received pay for, the pay period that includes the 12th of the month.

HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING INDUSTRIES

Industry group	Average hours worked[1] (per week; S.A.)				Average weekly earnings[1] (dollars per week; N.S.A.)				Average hourly earnings[1] (dollars per hour; N.S.A.)			
	1972	1973			1972	1973			1972	1973		
	Nov.	Sept.	Oct.[p]	Nov.[p]	Nov.	Sept.	Oct.[p]	Nov.[p]	Nov.	Sept.	Oct.[p]	Nov.[p]
Total	**40.8**	**40.8**	**40.6**	**40.6**	**159.49**	**169.33**	**168.50**	**169.32**	**3.89**	**4.13**	**4.14**	**4.15**
Durable goods	**41.7**	**41.4**	**41.3**	**41.3**	**173.05**	**183.06**	**181.75**	**182.16**	**4.14**	**4.39**	**4.39**	**4.40**
Ordnance and accessories	42.3	42.5	42.4	42.7	175.11	185.73	185.27	190.03	4.13	4.37	4.38	4.44
Lumber and wood products	41.0	40.7	40.3	40.3	139.06	150.51	148.96	146.73	3.40	3.68	3.66	3.65
Furniture and fixtures	40.3	39.7	39.5	39.6	127.39	133.87	133.60	134.00	3.13	3.33	3.34	3.35
Stone, clay, and glass products	41.8	42.2	41.9	42.2	167.60	181.48	180.62	181.04	4.00	4.26	4.27	4.28
Primary metal industries	42.7	42.7	42.6	42.5	203.04	220.85	216.82	218.50	4.80	5.16	5.15	5.19
Fabricated metal products	41.6	41.5	41.5	41.7	169.72	179.74	179.71	181.41	4.07	4.30	4.32	4.34
Machinery	42.6	43.0	42.8	42.8	187.03	198.23	197.27	199.06	4.38	4.61	4.62	4.64
Electrical equipment and supplies	40.8	40.4	40.0	39.9	153.71	158.75	157.18	157.58	3.74	3.91	3.91	3.92
Transportation equipment	42.2	41.1	41.6	40.9	206.98	212.16	215.27	211.77	4.87	5.10	5.15	5.14
Instruments and related products	40.5	40.9	40.8	40.9	152.97	161.52	160.74	162.31	3.74	3.93	3.93	3.93
Miscellaneous manufacturing industries	39.3	39.1	38.6	38.9	125.06	129.42	128.43	131.26	3.15	3.31	3.31	3.34
Nondurable goods	**39.8**	**39.8**	**39.7**	**39.7**	**141.20**	**150.00**	**149.27**	**150.42**	**3.53**	**3.75**	**3.76**	**3.77**
Food and kindred products	40.3	40.6	40.7	40.8	147.86	159.01	158.32	159.51	3.66	3.85	3.89	3.90
Tobacco manufactures	38.0	37.9	40.0	42.0	133.32	143.52	155.63	162.89	3.49	3.68	3.75	3.86
Textile-mill products	41.3	40.9	40.5	40.6	115.93	123.82	123.02	125.05	2.78	3.02	3.03	3.05
Apparel and related products	36.1	35.9	35.8	35.6	97.55	101.96	101.67	102.32	2.68	2.84	2.84	2.85
Paper and allied products	43.1	42.8	42.6	42.8	174.50	183.61	182.33	184.04	4.03	4.26	4.26	4.28
Printing, publishing, and allied industries	38.2	38.0	37.8	38.0	174.65	182.31	179.17	180.59	4.56	4.76	4.74	4.74
Chemicals and allied products	41.9	42.0	41.9	41.8	180.18	190.26	189.81	190.23	4.29	4.53	4.53	4.54
Petroleum refining and related industries	42.4	42.5	42.1	42.2	213.35	227.47	223.55	222.08	5.02	5.29	5.26	5.25
Rubber and misc. plastic products	41.6	41.0	40.9	41.2	153.46	159.42	158.67	160.24	3.68	3.86	3.87	3.88
Leather and leather products	37.8	38.4	38.0	38.0	103.09	107.35	107.54	109.73	2.72	2.84	2.86	2.88

[1] Data adjusted to 1971 benchmark.

NOTE.—Bureau of Labor Statistics; data are for production and related workers only.

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CONSUMER PRICES

(1967 = 100)

Period	All items	Food	Housing						Apparel and upkeep	Transportation	Health and recreation				
			Total	Rent	Homeownership	Fuel oil and coal	Gas and electricity	Furnishings and operation			Total	Medical care	Personal care	Reading and recreation	Other goods and services
1929	51.3	48.3	.....	76.0	.....	.....	.....	.....	48.5	.....	.....	.....	.....	.....	.....
1933	38.8	30.6	.....	54.1	.....	.....	.....	.....	36.9	.....	.....	.....	.....	.....	.....
1941	44.1	38.4	53.7	57.2	.....	40.5	81.4	.....	44.8	44.2	.....	37.0	41.2	47.7	49.2
1945	53.9	50.7	59.1	58.8	.....	48.0	79.6	.....	61.5	47.8	.....	42.1	55.1	62.4	56.9
1960	88.7	88.0	90.2	91.7	86.3	89.2	98.6	93.8	89.6	89.6	85.1	79.1	90.1	87.3	87.8
1965	94.5	94.4	94.9	96.9	92.7	94.6	99.4	95.3	93.7	95.9	93.4	89.5	95.2	95.9	94.2
1966	97.2	99.1	97.2	98.2	96.3	97.0	99.6	97.0	96.1	97.2	96.1	93.4	97.1	97.5	97.2
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	104.2	103.6	104.2	102.4	105.7	103.1	100.9	104.4	105.4	103.2	105.0	106.1	104.2	104.7	104.6
1969	109.8	108.9	110.8	105.7	116.0	105.6	102.8	109.0	111.5	107.2	110.3	113.4	109.3	108.7	109.1
1970	116.3	114.9	118.9	110.1	128.5	110.1	107.3	113.4	116.1	112.7	116.2	120.6	113.2	113.4	116.0
1971	121.3	118.4	124.3	115.2	133.7	117.5	114.7	118.1	119.8	118.6	122.2	128.4	116.8	119.3	120.9
1972	125.3	123.5	129.2	119.2	140.1	118.5	120.5	121.0	122.3	119.9	126.1	132.5	119.8	122.8	125.5
1972—Oct.	126.6	124.9	130.4	120.3	141.8	118.1	120.9	121.8	124.3	121.2	127.2	133.9	120.8	124.0	126.4
Nov.	126.9	125.4	130.8	120.5	142.0	119.3	122.2	122.1	125.0	121.4	127.4	134.1	121.0	124.1	126.4
Dec.	127.3	126.0	131.2	121.0	142.6	119.4	122.5	122.3	125.0	121.3	127.5	134.4	121.5	124.0	126.5
1973—Jan.	127.7	128.6	131.4	121.5	142.6	120.7	124.1	122.2	123.0	121.0	127.8	134.9	121.8	124.1	126.7
Feb.	128.6	131.1	132.0	122.1	142.9	127.2	124.5	122.6	123.6	121.1	128.1	135.3	122.4	124.3	127.1
Mar.	129.8	134.5	132.3	122.6	143.2	127.8	125.0	123.0	124.8	121.5	128.6	135.8	123.1	124.5	127.6
Apr.	130.7	136.5	132.8	123.0	143.6	128.3	125.5	123.6	125.8	122.6	129.2	136.2	123.8	125.2	128.2
May	131.5	137.9	133.3	123.5	144.2	129.3	125.7	123.9	126.7	123.5	129.6	136.6	124.4	125.6	128.5
June	132.4	139.8	133.9	123.9	145.0	131.6	125.4	124.7	126.8	124.6	130.0	137.0	124.9	125.9	129.0
July	132.7	140.9	134.2	124.3	145.2	131.7	125.5	125.0	125.8	124.8	130.3	137.3	125.3	126.2	129.5
Aug.	135.1	149.4	135.2	125.0	147.0	132.8	125.8	125.3	126.5	124.5	130.5	137.6	125.7	126.1	129.4
Sept.	135.5	148.3	136.6	125.4	149.2	133.6	126.5	126.1	128.3	123.9	131.1	138.3	126.3	126.8	129.9
Oct.	136.6	148.4	138.1	125.9	151.5	141.1	127.4	126.7	129.6	125.0	132.1	140.6	127.3	127.2	130.3

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.	Nonmetallic minerals	Transportation equipment[1]	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
1961	94.5	96.3	91.0	94.8	97.7	91.7	97.2	100.7	99.2	91.0	95.2	91.9	91.9	98.4	97.6	.....	93.3
1962	94.8	98.0	91.9	94.8	98.6	92.7	96.7	99.1	96.3	91.6	96.3	91.2	92.0	97.7	97.6	.....	93.7
1963	94.5	96.0	92.5	94.7	98.5	90.0	96.3	97.9	96.8	93.5	95.6	91.3	92.2	97.0	97.1	.....	94.5
1964	94.7	94.6	92.3	95.2	99.2	90.3	93.7	98.3	95.5	95.4	95.4	93.8	92.8	97.4	97.3	.....	95.2
1965	96.6	98.7	95.5	96.4	99.8	94.3	95.5	99.0	95.9	95.9	96.2	96.4	93.9	96.9	97.5	.....	95.9
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	100.8	105.2
1970	110.4	111.0	112.0	110.0	107.2	110.1	105.9	102.2	108.6	113.7	108.2	116.7	111.4	107.5	113.3	104.5	109.9
1971	113.9	112.9	114.3	114.0	108.6	114.0	114.2	104.2	109.2	127.0	110.1	119.0	115.5	109.9	122.4	110.3	112.8
1972	119.1	125.0	120.8	117.9	113.6	131.3	118.6	104.2	109.3	144.3	113.4	123.5	117.9	111.4	126.1	113.8	114.6
1972—Nov.	120.7	128.8	123.1	119.1	115.1	144.0	121.3	104.7	109.8	149.4	115.0	124.1	118.5	112.3	127.3	113.0	115.0
Dec.	122.9	137.5	129.4	119.4	115.6	142.2	121.9	104.8	109.8	149.8	115.1	124.4	118.6	112.4	127.4	114.2	115.1
1973—Jan.	124.5	144.2	132.4	120.0	116.6	143.9	122.2	105.1	110.0	151.0	115.8	125.6	118.9	112.6	128.2	114.1	115.8
Feb.	126.9	150.9	137.0	121.3	117.4	144.9	126.0	105.6	110.1	161.0	116.5	126.9	119.4	113.1	128.4	114.2	117.1
Mar.	129.7	160.9	141.4	122.7	119.0	143.5	126.7	106.7	110.3	173.2	118.3	129.2	120.0	113.5	129.0	114.5	117.9
Apr.	130.7	160.6	139.8	124.4	120.8	145.0	131.8	107.7	110.6	182.0	119.8	130.5	120.8	114.1	130.0	114.9	118.6
May	133.5	170.4	145.0	125.8	122.3	142.2	135.5	109.3	111.5	186.9	120.7	131.7	121.5	115.1	130.5	115.1	119.5
June	136.7	182.3	151.8	126.9	123.7	140.9	142.8	110.4	112.6	183.1	122.0	132.5	121.9	115.2	131.1	115.0	120.2
July	134.9	173.3	146.5	126.9	124.2	141.4	142.8	110.8	112.9	177.8	122.3	132.8	122.0	115.2	130.0	115.0	120.9
Aug.	142.7	213.3	166.2	127.4	125.2	143.0	142.9	111.0	113.1	178.8	123.3	133.7	122.3	115.9	130.0	115.1	121.0
Sept.	140.2	200.4	156.3	128.1	126.8	143.8	144.8	111.5	112.8	181.9	124.4	134.4	122.6	116.0	129.9	114.5	121.1
Oct.	139.5	188.4	153.1	129.6	128.5	143.8	150.5	112.7	114.0	180.3	125.8	135.9	123.1	116.6	130.9	115.9	121.0
Nov.	141.8	184.0	151.9	133.5	130.0	143.0	179.2	113.5	114.8	184.7	127.6	138.5	123.8	117.2	131.5	116.1	121.3

[1] Dec. 1968=100.

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WHOLESALE PRICES: DETAIL

(1967=100)

Group	1972	1973		
	Nov.	Sept.	Oct.	Nov.
Farm products:				
Fresh and dried produce	141.8	149.0	162.1	168.2
Grains	113.6	231.5	229.0	220.8
Livestock	139.5	207.4	185.5	180.0
Live poultry	102.8	226.5	189.2	154.4
Plant and animal fibers	112.2	267.9	266.5	234.0
Fluid milk	123.5	158.7	168.2	177.2
Eggs	123.1	191.5	177.7	181.2
Hay and seeds	124.6	304.5	211.1	194.3
Other farm products	134.0	153.2	154.7	152.6
Processed foods and feeds:				
Cereal and bakery products	118.3	147.7	150.5	156.2
Meat, poultry, and fish	127.9	187.3	170.2	165.0
Dairy products	121.8	137.2	139.6	139.9
Processed fruits and vegetables	123.8	130.0	135.0	136.3
Sugar and confectionery	121.7	136.9	139.8	143.8
Beverages and beverage materials	119.4	121.6	123.0	123.8
Animal fats and oils	134.9	264.7	308.8	247.8
Crude vegetable oils	93.7	195.2	223.0	164.7
Refined vegetable oils	104.6	164.8	180.5	159.1
Vegetable oil end products	121.6	160.1	167.6	164.8
Miscellaneous processed foods	116.1	128.1	129.3	129.4
Manufactured animal feeds	130.5	190.1	184.5	183.3
Textile products and apparel:				
Cotton products	124.2	153.1	155.5	161.2
Wool products	107.1	133.7	130.2	128.9
Manmade fiber textile products	109.5	126.7	127.7	128.6
Apparel	115.9	119.5	121.5	121.9
Textile housefurnishings	109.9	112.3	115.2	119.1
Miscellaneous textile products	118.7	121.4	127.0	132.0
Hides, skins, leather, and products:				
Hides and skins	287.0	257.3	256.3	239.8
Leather	162.6	162.8	160.7	160.4
Footwear	128.5	130.3	131.0	131.9
Other leather products	127.1	130.4	130.5	130.1
Fuels and related products, and power:				
Coal	201.2	222.6	224.1	239.0
Coke	157.0	167.3	167.3	167.3
Gas fuels	119.0	132.2	133.4	133.1
Electric power	123.0	130.9	132.1	133.5
Crude petroleum	114.7	133.3	133.3	139.3
Petroleum products, refined	111.5	146.1	156.6	210.9
Chemicals and allied products:				
Industrial chemicals	100.9	104.3	105.3	105.4
Prepared paint	118.2	121.2	126.0	128.1
Paint materials	105.1	116.2	116.8	117.1
Drugs and pharmaceuticals	103.6	104.7	104.7	104.9
Fats and oils, inedible	123.2	279.5	273.0	241.8
Agricultural chemicals and products	92.4	95.9	95.9	104.9
Plastic resins and materials	89.6	93.1	92.4	93.1
Other chemicals and products	114.1	118.3	121.2	122.1
Rubber and plastic products:				
Rubber and rubber products	114.6	118.4	120.2	121.2
Crude rubber	100.8	113.4	111.4	113.9
Tires and tubes	109.7	110.4	115.1	116.3
Miscellaneous rubber products	122.0	125.8	126.4	126.8
Plastic construction products (Dec. 1969=100)	93.3	94.0	94.7	94.4
Unsupported plastic film and sheeting (Dec. 1970=100)	98.6	100.9	101.1	101.4
Laminated sheets, high pressure (Dec. 1970=100)	97.9	98.5	97.7	99.5
Lumber and wood products:				
Lumber	166.8	216.9	214.5	211.1
Millwork	130.9	149.0	149.4	149.5
Plywood	133.3	138.2	134.6	169.9
Other wood products	130.2	155.9	158.2	159.0
Pulp, paper, and allied products:				
Pulp, paper and products, excluding building paper and board	115.3	124.8	126.1	127.9
Woodpulp	111.5	133.3	145.7	146.2
Wastepaper	136.9	230.5	252.9	293.2
Paper	117.3	121.7	122.3	124.7
Paperboard	106.8	116.7	118.0	119.7
Converted paper and paperboard	115.6	123.8	123.8	124.4
Building paper and board	107.2	115.9	117.7	118.8
Metals and metal products:				
Iron and steel	129.0	136.5	138.6	141.6
Steelmill products	130.2	134.3	135.3	135.3
Nonferrous metals	117.2	138.5	140.7	144.9
Metal containers	131.1	135.6	134.8	134.8
Hardware	121.4	126.8	127.7	128.2
Plumbing equipment	120.8	127.2	127.8	129.1
Heating equipment	119.2	120.7	120.8	121.1
Fabricated structural metal products	123.1	128.7	129.6	130.9
Miscellaneous metal products	124.9	131.4	132.2	133.8
Machinery and equipment:				
Agricultural machinery and equip	122.9	125.6	127.5	128.9
Construction machinery and equip	126.3	131.4	132.5	132.7
Metalworking machinery and equip	121.3	126.6	127.5	128.0
General purpose machinery and equipment	123.3	127.6	128.4	130.3
Special industry machinery and equipment	124.5	132.6	132.9	133.3
Electrical machinery and equip	110.6	112.8	113.0	113.3
Miscellaneous machinery	120.6	125.0	125.2	125.6
Furniture and household durables:				
Household furniture	118.1	124.4	125.2	126.6
Commercial furniture	123.4	132.8	133.6	133.9
Floor coverings	99.1	102.6	103.3	103.4
Household appliances	108.0	109.0	109.1	109.5
Home electronic equipment	92.5	91.5	91.5	91.5
Other household durable goods	126.9	130.5	131.3	132.0
Nonmetallic mineral products:				
Flat glass	122.5	118.2	118.2	120.6
Concrete ingredients	128.5	131.7	131.9	132.0
Concrete products	127.3	132.5	133.6	134.1
Structural clay products excluding refractories	118.8	123.9	124.6	124.6
Refractories	132.1	136.3	136.3	136.3
Asphalt roofing	131.2	136.3	136.8	139.7
Gypsum products	115.0	122.0	122.4	122.0
Glass containers	136.4	137.1	143.5	143.5
Other nonmetallic minerals	127.3	127.3	127.3	127.7
Transportation equipment:[1]				
Motor vehicles and equipment	117.0	118.3	120.0	120.1
Railroad equipment	130.2	136.1	136.2	136.7
Miscellaneous products:				
Toys, sporting goods, small arms, ammunition	115.0	118.3	119.2	119.9
Tobacco products	117.5	122.5	122.7	122.8
Notions	112.9	113.6	115.5	117.1
Photographic equipment and supplies	107.0	108.6	108.6	108.7
Other miscellaneous products	116.9	129.5	127.8	128.2

[1] Dec. 1968 = 100.

NOTE.—Bureau of Labor Statistics indexes.

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GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1972		1973		
										III	IV	I	II	III
Gross national product	103.1	55.6	124.5	284.8	864.2	930.3	977.1	1,055.5	1,155.2	1,166.5	1,199.2	1,242.5	1,272.0	1,304.5
Final purchases	*101.4*	*57.2*	*120.1*	*278.0*	*857.1*	*922.5*	*972.6*	*1,049.4*	*1,149.1*	*1,157.8*	*1,191.0*	*1,237.8*	*1,267.5*	*1,299.8*
Personal consumption expenditures	77.2	45.8	80.6	191.0	536.2	579.5	617.6	667.2	726.5	734.1	752.6	779.4	795.6	816.0
Durable goods	9.2	3.5	9.6	30.5	84.0	90.8	91.3	103.6	117.4	120.2	122.9	132.2	132.8	132.8
Nondurable goods	37.7	22.3	42.9	98.1	230.8	245.9	263.8	278.7	299.9	302.3	310.7	322.2	330.3	341.6
Services	30.3	20.1	28.1	62.4	221.3	242.7	262.6	284.9	309.2	311.6	319.0	325.0	332.6	341.6
Gross private domestic investment	16.2	1.4	17.9	54.1	126.0	139.0	136.3	153.2	178.3	181.5	189.4	194.5	198.2	202.0
Fixed investment	*14.5*	*3.0*	*13.4*	*47.3*	*118.9*	*131.1*	*131.7*	*147.1*	*172.3*	*172.9*	*181.2*	*189.9*	*193.7*	*197.3*
Nonresidential	*10.6*	*2.4*	*9.5*	*27.9*	*88.8*	*98.5*	*100.6*	*104.4*	*118.2*	*118.3*	*124.3*	*130.9*	*134.1*	*138.0*
Structures	5.0	.9	2.9	9.2	30.3	34.2	36.1	37.9	41.7	41.3	43.0	45.3	47.2	49.5
Producers' durable equipment	5.6	1.5	6.6	18.7	58.5	64.3	64.4	66.5	76.5	77.0	81.2	85.5	86.9	88.6
Residential structures	4.0	.6	3.9	19.4	30.1	32.6	31.2	42.7	54.0	54.5	56.9	59.0	59.6	59.2
Nonfarm	3.8	.5	3.7	18.6	29.5	32.0	30.7	42.2	53.5	53.9	56.4	58.4	59.1	58.6
Change in business inventories	1.7	−1.6	4.5	6.8	7.1	7.8	4.5	6.1	6.0	8.7	8.2	4.6	4.5	4.7
Nonfarm	1.8	−1.4	4.0	6.0	6.9	7.7	4.3	4.5	5.6	8.4	7.9	4.4	4.4	3.2
Net exports of goods and services	1.1	.4	1.3	1.8	2.5	1.9	3.6	.8	−4.6	−3.8	−3.5	.0	2.8	7.6
Exports	7.0	2.4	5.9	13.8	50.6	55.5	62.9	66.3	73.5	74.0	79.7	89.7	97.2	104.5
Imports	5.9	2.0	4.6	12.0	48.1	53.6	59.3	65.5	78.1	77.7	83.2	89.7	94.4	97.0
Government purchases of goods and services	8.5	8.0	24.8	37.9	199.6	210.0	219.5	234.3	255.0	254.7	260.7	268.6	275.3	279.0
Federal	*1.3*	*2.0*	*16.9*	*18.4*	*98.8*	*98.8*	*96.2*	*98.1*	*104.4*	*102.3*	*102.7*	*105.5*	*107.3*	*106.8*
National defense	.....	.....	13.8	14.1	78.3	78.4	74.6	71.6	74.4	71.9	72.4	74.3	74.2	74.2
Other	.....	.....	3.1	4.3	20.5	20.4	21.6	26.5	30.1	30.4	30.3	31.2	33.1	32.7
State and local	7.2	6.0	7.9	19.5	100.8	111.2	123.3	136.2	150.5	152.4	158.0	163.0	168.0	172.2
Gross national product in constant (1958) dollars	203.6	141.5	263.7	355.3	706.6	725.6	722.5	745.4	790.7	796.7	812.3	829.3	834.3	841.3

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*, (generally the July issue) and the Aug. 1966 Supplement to the *Survey*.

NATIONAL INCOME

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1972		1973		
										III	IV	I	II	III[p]
National income	86.8	40.3	104.2	241.1	711.1	766.0	800.5	859.4	941.8	949.2	978.6	1,015.0	1,038.2	1,067.8
Compensation of employees	51.1	29.5	64.8	154.6	514.6	566.0	603.9	644.1	707.1	713.1	731.2	757.4	774.9	794.0
Wages and salaries	*50.4*	*29.0*	*62.1*	*146.8*	*464.9*	*509.7*	*542.0*	*573.8*	*627.3*	*632.5*	*648.7*	*666.7*	*682.3*	*699.3*
Private	45.5	23.9	51.9	124.4	369.2	405.6	426.9	449.7	493.3	497.5	510.9	525.1	538.7	553.2
Military	.3	.3	1.9	5.0	17.9	19.0	19.6	19.4	20.3	20.0	20.1	20.9	20.5	20.4
Government civilian	4.6	4.9	8.3	17.4	77.8	85.1	95.5	104.7	113.8	115.1	117.7	120.7	123.1	125.7
Supplements to wages and salaries	.7	.5	2.7	7.8	49.7	56.3	61.9	70.3	79.7	80.5	82.5	90.8	92.6	94.7
Employer contributions for social insurance	.1	.1	2.0	4.0	24.3	27.8	29.7	33.7	39.0	39.3	40.2	47.4	48.3	49.4
Other labor income	.6	.4	.7	3.8	25.4	28.4	32.2	36.6	40.7	41.3	42.3	43.3	44.2	45.3
Proprietors' income	15.1	5.9	17.5	37.5	64.2	67.2	66.9	68.7	74.2	74.1	77.1	80.6	81.5	85.0
Business and professional	9.0	3.3	11.1	24.0	49.5	50.5	50.0	51.9	54.0	54.3	55.3	56.3	57.1	57.9
Farm	6.2	2.6	6.4	13.5	14.7	16.7	16.9	16.8	20.2	19.8	21.8	24.3	24.4	27.1
Rental income of persons	5.4	2.0	3.5	9.4	21.2	22.6	23.9	24.5	24.1	24.9	24.9	24.7	24.6	25.3
Corporate profits and inventory valuation adjustment	10.5	−1.2	15.2	37.7	84.3	79.8	69.2	80.1	91.1	91.5	98.8	104.3	107.9	112.4
Profits before tax	*10.0*	*1.0*	*17.7*	*42.6*	*87.6*	*84.9*	*74.0*	*85.1*	*98.0*	*98.4*	*106.1*	*119.6*	*128.9*	*129.4*
Profits tax liability	1.4	.5	7.6	17.8	39.9	40.1	34.8	37.4	42.7	42.9	45.9	52.7	57.4	57.9
Profits after tax	*8.6*	*.4*	*10.1*	*24.9*	*47.8*	*44.8*	*39.3*	*47.6*	*55.4*	*55.6*	*60.3*	*66.9*	*71.6*	*71.5*
Dividends	5.8	2.0	4.4	8.8	23.6	24.3	24.7	25.1	26.0	26.2	26.4	26.9	27.3	28.1
Undistributed profits	2.8	−1.6	5.7	16.0	24.2	20.5	14.6	22.5	29.3	29.4	33.9	40.0	44.2	43.5
Inventory valuation adjustment	.5	−2.1	−2.5	−5.0	−3.3	−5.1	−4.8	−4.9	−6.9	−6.9	−7.3	−15.4	−21.1	−17.0
Net interest	4.7	4.1	3.2	2.0	26.9	30.5	36.5	42.0	45.2	45.7	46.6	47.9	49.4	51.1

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table above.

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RELATION OF GROSS NATIONAL PRODUCT, NATIONAL INCOME, AND PERSONAL INCOME AND SAVING

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1972		1973		
										III	IV	I	II	III[p]
Gross national product	103.1	55.6	124.5	284.8	864.2	930.3	977.1	1,055.5	1,155.2	1,166.5	1,199.2	1,242.5	1,272.0	1,304.5
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	74.5	81.6	87.3	93.8	102.4	102.3	105.1	106.9	109.0	110.6
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	78.6	85.9	93.5	102.4	109.5	110.5	112.8	115.6	117.2	118.5
Business transfer payments	.6	.7	.5	.8	3.4	3.8	4.0	4.3	4.6	4.7	4.7	4.8	4.9	5.0
Statistical discrepancy	.7	.6	.4	1.5	−2.7	−6.1	−6.4	−3.4	−1.5	1.6	0.2	1.1	3.2	3.3
Plus: Subsidies less current surplus of government enterprises	−.1	.....	.1	.2	.7	1.0	1.7	1.2	1.7	1.8	2.2	.9	.4	.6
Equals: National income	86.8	40.3	104.2	241.1	711.1	766.0	800.5	859.4	941.8	949.2	978.6	1,015.0	1,038.2	1,067.8
Less: Corporate profits and inventory valuation adjustment	10.5	−1.2	15.2	37.7	84.3	79.8	69.2	80.1	91.1	91.5	98.8	104.3	107.9	112.4
Contributions for social insurance	.2	.3	2.8	6.9	47.1	54.2	57.7	64.6	73.7	74.5	75.8	89.3	90.9	93.0
Excess of wage accruals over disbursements	.....	.....	.....	.....	.....	.....	.0	.6	−.5	−.2	.0	.0	−.3	.0
Plus: Government transfer payments	.9	1.5	2.6	14.3	56.1	61.9	75.1	88.9	98.3	96.4	107.3	108.8	110.8	113.7
Net interest paid by government and consumers	2.5	1.6	2.2	7.2	26.1	28.7	31.0	31.0	32.7	32.9	33.7	34.7	36.1	38.0
Dividends	5.8	2.0	4.4	8.8	23.6	24.3	24.7	25.1	26.0	26.2	26.4	26.9	27.3	28.1
Business transfer payments	.6	.7	.5	.8	3.4	3.8	4.0	4.3	4.6	4.7	4.7	4.8	4.9	5.0
Equals: Personal income	85.9	47.0	96.0	227.6	688.9	750.9	808.3	863.5	939.2	943.7	976.1	996.6	1,019.0	1,047.1
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	97.9	116.5	116.6	117.5	142.2	142.8	147.4	145.1	149.3	156.0
Equals: Disposable personal income	83.3	45.5	92.7	206.9	591.0	634.4	691.7	746.0	797.0	800.9	828.7	851.5	869.7	891.1
Less: Personal outlays	79.1	46.5	81.7	193.9	551.2	596.2	635.5	685.8	747.2	755.1	774.3	801.5	818.7	840.1
Personal consumption expenditures	77.2	45.8	80.6	191.0	536.2	579.5	617.6	667.2	726.5	734.1	752.6	779.4	795.6	816.0
Consumer interest payments	1.5	.5	.9	2.4	14.3	15.8	16.8	17.7	19.7	20.0	20.7	21.2	22.0	23.0
Personal transfer payments to foreigners	.3	.2	.2	.5	.8	.9	1.0	1.0	1.0	1.0	1.1	.9	1.0	1.1
Equals: Personal saving	4.2	−.9	11.0	13.1	39.8	38.2	56.2	60.2	49.7	45.8	54.4	50.0	51.0	51.1
Disposable personal income in constant (1958) dollars	150.6	112.2	190.3	249.6	499.0	513.6	534.8	554.9	577.9	579.3	595.1	603.9	604.8	609.5

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of opposite page.

PERSONAL INCOME

(In billions of dollars)

Item	1971	1972	1972			1973								
			Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.[p]
Total personal income	863.5	939.2	967.0	977.6	983.6	989.1	997.4	1,003.3	1,011.6	1,018.7	1,026.6	1,035.6	1,047.3	1,058.5	1,067.7
Wage and salary disbursements	573.3	627.8	643.8	648.4	654.0	661.7	667.2	671.1	677.6	682.0	688.2	693.2	698.9	706.0	712.3
Commodity-producing industries	206.3	226.0	232.8	235.0	236.8	239.2	242.2	243.5	245.9	248.3	251.7	253.4	254.8	257.8	260.1
Manufacturing only	*160.5*	*175.9*	*181.6*	*183.8*	*185.6*	*187.1*	*189.6*	*190.6*	*192.9*	*194.7*	*197.0*	*197.9*	*198.7*	200.8	202.7
Distributive industries	138.3	151.5	155.2	155.6	157.2	158.7	159.3	160.6	162.2	163.2	164.5	165.3	167.1	168.7	169.6
Service industries	104.7	116.1	119.2	119.8	121.3	122.9	124.1	124.9	126.4	126.8	127.7	129.4	130.8	132.5	133.4
Government	123.9	134.2	136.7	138.1	138.7	140.9	141.6	142.2	143.1	143.7	144.4	145.1	146.2	147.0	149.2
Other labor income	36.6	40.7	42.0	42.3	42.7	43.0	43.3	43.6	43.9	44.2	44.5	44.8	45.3	45.8	46.2
Proprietors' income	68.7	74.2	75.9	77.5	77.9	80.1	80.6	81.0	81.0	81.5	81.9	83.7	85.1	86.4	86.5
Business and professional	51.9	54.0	55.1	55.1	55.6	56.1	56.3	56.4	56.8	57.1	57.3	57.8	58.0	58.1	58.2
Farm	16.8	20.2	20.8	22.4	22.3	24.0	24.3	24.6	24.2	24.4	24.6	25.9	27.1	28.3	28.3
Rental income	24.5	24.1	25.1	24.7	24.9	24.8	24.8	24.6	24.3	24.6	24.9	25.0	25.3	25.5	25.6
Dividends	25.1	26.0	26.3	26.3	26.5	26.8	26.9	27.0	27.3	27.3	27.4	27.6	28.2	28.3	28.5
Personal interest income	73.0	78.0	79.6	80.4	81.1	81.9	82.6	83.4	84.5	85.7	86.5	87.8	89.0	90.3	91.2
Transfer payments	93.2	103.0	109.7	113.7	112.6	112.5	113.8	114.5	115.3	115.9	116.0	116.9	119.0	120.2	121.4
Less: Personal contributions for social insurance	30.9	34.7	35.4	35.7	35.9	41.7	41.9	42.0	42.4	42.5	42.8	43.4	43.6	43.9	44.0
Nonagricultural income	839.8	911.5	938.8	947.7	953.6	957.4	965.3	970.9	979.5	986.4	994.2	1,001.8	1,012.1	1,021.8	1,030.8
Agricultural income	23.7	27.7	28.2	29.9	30.0	31.8	32.1	32.4	32.0	32.2	32.4	33.8	35.2	36.7	36.9

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

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

(Seasonally adjusted annual rates; in billions of dollars)

	Transaction category, or sector	1966	1967	1968	1969	1970	1971	1972	1971 H1	1971 H2	1972 H1	1972 H2	1973 H1	
	Funds raised, by type and sector													
1	**Total funds raised by nonfinancial sectors**	67.7	82.2	94.6	91.4	97.5	146.7	166.1	134.7	158.7	145.2	187.3	201.0	1
2	***Excluding equities***	66.9	80.0	95.9	88.0	92.6	135.0	156.1	123.8	146.1	134.7	177.8	192.1	2
3	U.S. Government	3.6	13.0	13.4	−3.6	12.8	25.5	17.3	22.7	28.4	12.4	22.2	17.1	3
4	Public debt securities	2.3	8.9	10.3	−1.3	12.9	26.0	13.9	24.2	27.8	10.5	17.2	15.8	4
5	Budget agency issues	1.3	4.1	3.1	−2.4	−.1	−.5	3.4	−1.6	.5	1.9	4.9	1.3	5
6	All other nonfinancial sectors	64.1	69.2	81.2	95.0	84.7	121.2	148.8	112.0	130.4	132.8	165.1	183.9	6
7	Corporate equities	.8	2.2	−1.4	3.4	4.9	11.7	10.0	10.9	12.6	10.4	9.5	8.8	7
8	***Debt instruments***	63.3	67.0	82.6	91.6	79.8	109.5	138.8	101.1	117.8	122.3	155.6	175.1	8
9	Debt capital instruments	38.9	45.7	50.6	50.6	57.7	83.2	92.4	79.5	86.9	87.3	97.6	92.3	9
10	State and local government securities	5.6	7.8	9.5	9.9	11.3	16.6	11.9	17.9	15.4	12.0	11.9	7.4	10
11	Corporate and foreign bonds	11.0	15.9	14.0	13.0	20.6	19.7	13.2	22.3	17.2	14.4	12.0	10.0	11
12	Mortgages	22.3	22.0	27.1	27.7	25.7	46.8	67.3	39.3	54.3	60.9	73.7	74.9	12
13	*Home mortgages*	*11.7*	*11.5*	*15.1*	*15.7*	*12.8*	*26.0*	*39.7*	*20.6*	*31.5*	*35.6*	*43.7*	*41.4*	13
14	*Other residential*	*3.1*	*3.6*	*3.4*	*4.7*	*5.8*	*8.8*	*10.3*	*8.5*	*9.1*	*9.1*	*11.5*	*14.1*	14
15	*Commercial*	*5.7*	*4.7*	*6.4*	*5.3*	*5.3*	*10.0*	*14.8*	*8.5*	*11.5*	*13.5*	*16.0*	*15.1*	15
16	*Farm*	*1.8*	*2.3*	*2.2*	*1.9*	*1.8*	*2.0*	*2.6*	*1.7*	*2.3*	*2.7*	*2.5*	*4.3*	16
17	Other private credit	24.4	21.3	32.0	41.0	22.1	26.3	46.4	21.7	30.9	35.0	58.0	82.8	17
18	Bank loans n.e.c.	10.7	9.5	13.1	15.3	6.4	9.3	21.8	5.1	13.5	14.5	29.3	54.0	18
19	Consumer credit	6.4	4.5	10.0	10.4	6.0	11.2	19.2	8.9	13.6	15.8	22.5	24.7	19
20	Open-market paper	1.0	2.1	1.6	3.3	3.8	−.9	−1.6	−1.0	−.8	−.3	−2.8	−3.4	20
21	Other	6.2	5.1	7.2	12.0	5.9	6.6	7.0	8.7	4.6	5.0	9.0	7.6	21
22	By borrowing sector	64.1	69.2	81.2	95.0	84.7	121.2	148.8	112.0	130.4	132.8	165.1	183.9	22
23	***Debt instruments***	63.3	67.0	82.6	91.6	79.8	109.5	138.8	101.1	117.8	122.3	155.6	175.1	23
24	Foreign	1.6	4.0	2.9	2.9	3.0	5.7	3.8	5.3	6.1	3.4	4.3	11.2	24
25	State and local governments	6.3	7.9	9.8	10.7	11.4	17.0	12.3	17.9	16.1	11.9	12.7	7.5	25
26	Households	22.6	19.0	29.6	32.2	22.9	38.3	63.2	30.0	46.6	56.2	70.5	71.9	26
27	Nonfinancial business	32.8	36.0	40.2	45.9	42.5	48.5	59.5	47.9	49.0	50.9	68.2	84.5	27
28	*Farm*	*3.1*	*3.6*	*2.8*	*3.2*	*3.2*	*4.1*	*4.9*	*4.0*	*4.2*	*4.4*	*5.3*	*7.3*	28
29	*Nonfarm noncorporate*	*5.4*	*5.0*	*5.6*	*7.4*	*5.3*	*8.7*	*10.4*	*9.3*	*8.1*	*9.5*	*11.6*	*13.4*	29
30	*Corporate*	*24.3*	*27.4*	*31.8*	*35.4*	*33.9*	*35.7*	*44.2*	*34.6*	*36.8*	*37.0*	*51.2*	*63.8*	30
31	***Corporate equities***	.8	2.2	−1.4	3.4	4.9	11.7	10.0	10.9	12.6	10.4	9.5	8.8	31
32	Foreign	−.3	.1	.2	.5	.1	*	−.4	.4	−.3	−.2	−.6	−.4	32
33	Corporate business	1.1	2.2	−1.5	2.9	4.8	11.7	10.4	10.5	12.9	10.7	10.1	9.2	33
	Totals including equities													
34	Foreign	1.3	4.0	3.1	3.3	3.0	5.7	3.4	5.7	5.8	3.2	3.7	10.8	34
35	Nonfinancial business	33.9	38.2	38.7	48.8	47.3	60.2	69.9	58.4	61.9	61.6	78.3	93.7	35
36	Corporate	25.4	29.6	30.3	38.3	38.8	47.4	54.6	45.1	49.7	47.7	61.3	73.0	36
37	Memo: U.S. Govt. cash balance	−.4	1.2	−1.1	.4	2.8	3.2	.5	−.2	6.6	−3.0	4.0	3.6	37
	Totals net of changes in U.S. Govt. cash balances													
38	Total funds raised	68.1	81.1	95.7	91.0	94.7	143.5	165.6	134.9	152.1	148.1	183.3	197.4	38
39	By U.S. Government	4.0	11.8	14.5	−4.0	10.0	22.3	16.8	22.9	21.7	15.4	18.1	13.5	39
	Private domestic net investment and borrowing in credit markets													
	Total, households and business													
1	***Total capital outlays*** [1]	190.6	188.1	207.6	226.7	224.2	252.5	291.1	246.3	258.7	279.9	302.3	323.8	1
2	Capital consumption [2]	118.5	128.4	140.4	154.3	166.0	179.0	193.4	175.8	182.2	190.3	196.6	205.5	2
3	Net physical investment	72.2	59.7	67.2	72.4	58.2	73.5	97.7	70.5	76.6	89.7	105.7	118.3	3
4	Net funds raised	56.5	57.3	68.3	81.0	70.2	98.5	133.1	88.4	108.5	117.7	148.8	165.6	4
5	Excess net investment [3]	15.7	2.4	−1.1	−8.6	−12.0	−25.0	−35.4	−17.9	−32.0	−28.0	−43.1	−47.4	5
	Total business													
6	***Total capital outlays***	96.4	93.4	97.9	108.9	108.0	116.6	133.3	115.8	117.3	127.4	139.3	145.6	6
7	Capital consumption	54.2	58.5	63.2	69.5	74.6	80.3	87.6	78.8	81.7	86.2	88.9	92.7	7
8	Net physical investment	42.3	35.0	34.7	39.4	33.5	36.3	45.8	37.0	35.5	41.2	50.4	53.0	8
9	Net debt funds raised	32.8	36.0	40.2	45.9	42.5	48.5	59.5	47.9	49.0	50.9	68.2	84.5	9
10	Corporate equity issues	1.1	2.2	−1.5	2.9	4.8	11.7	10.4	10.5	12.9	10.7	10.1	9.2	10
11	Excess net investment [3]	8.4	−3.2	−4.0	−9.4	−13.8	−23.9	−24.1	−21.4	−26.4	−20.4	−27.9	−40.7	11
	Corporate business													
12	***Total capital outlays***	76.5	71.4	75.0	83.7	84.0	86.7	100.7	86.5	87.0	96.0	105.4	108.6	12
13	Capital consumption	38.2	41.5	45.1	49.8	53.6	57.7	62.8	56.7	58.7	61.8	63.8	66.5	13
14	Net physical investment	38.3	29.9	29.9	33.9	30.4	29.1	37.8	29.8	28.3	34.1	41.5	42.1	14
15	Net debt funds raised	24.3	27.4	31.8	35.4	33.9	35.7	44.2	34.6	36.8	37.0	51.2	63.8	15
16	Corporate equity issues	1.1	2.2	−1.5	2.9	4.8	11.7	10.4	10.5	12.9	10.7	10.1	9.2	16
17	Excess net investment [3]	12.9	.3	−.4	−4.4	−8.4	−18.3	−16.8	−15.3	−21.4	−13.5	−19.8	−30.9	17
	Households													
18	***Total capital outlays***	94.2	94.6	109.7	117.8	116.2	135.9	157.8	130.4	141.4	152.6	163.0	178.2	18
19	Capital consumption	64.3	69.9	77.2	84.8	91.4	98.7	105.9	97.0	100.4	104.1	107.7	112.9	19
20	Net physical investment	29.9	24.7	32.5	33.0	24.7	37.2	51.9	33.5	41.0	48.5	55.3	65.3	20
21	Net funds raised	22.6	19.0	29.6	32.2	22.9	38.3	63.2	30.0	46.6	56.2	70.5	71.9	21
22	Excess net investment [3]	7.3	5.7	2.9	.8	1.8	−1.1	−11.3	3.5	−5.6	−7.6	−15.2	−6.6	22

[1] Capital outlays are totals for residential and nonresidential fixed capital, net change in inventories, and consumer durables, except outlays by financial business.

[2] Capital consumption includes amounts for consumer durables and excludes financial business capital consumption.

[3] Excess of net investment over net funds raised.

NOTE.—Full statements for sectors and transaction types are available on a quarterly basis and annually for flows and for amounts outstanding. Requests for these statements should be addressed to the Flow of Funds Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C., 20551.

Funds raised by type and sector. Credit flows included here are the net amounts raised by households, nonfinancial business, governments, and foreigners. All funds raised by financial sectors are excluded. U.S. Government budget issues (line 4) are loan participation certificates issued by CCC, Export-Import Bank, FNMA, and GNMA, together with security issues by FHA, Export-Import Bank, and TVA. Issues by Federally sponsored credit agencies are excluded as borrowing by financial institutions. Such issues are in U.S. Government securities on p. A-71, line 11. Corporate share issues are net cash issues by nonfinancial and foreign corporations. Mortgages exclude loans in process. Open-market paper is commercial paper issued by nonfinancial corporations plus bankers' acceptances.

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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	1971 H1	1971 H2	1972 H1	1972 H2	1973 H1	
1	**Total funds advanced in credit markets to nonfinancial sectors**	66.9	80.0	95.9	88.0	92.6	135.0	156.1	123.8	146.1	134.7	177.8	192.1	1
	By public agencies and foreign													
2	Total net advances	11.9	11.3	12.2	15.8	28.0	41.3	16.9	38.6	44.0	19.7	14.1	42.6	2
3	U.S. Government securities	3.4	6.8	3.4	.9	15.7	33.4	7.3	32.9	34.0	12.7	2.0	21.4	3
4	Residential mortgages	2.8	2.1	2.8	4.6	5.7	5.7	5.2	4.2	7.1	6.2	4.3	5.0	4
5	FHLB advances to S&L's	.9	−2.5	.9	4.0	1.3	−2.7	*	−5.5	.2	−2.4	2.5	7.8	5
6	Other loans and securities	4.8	4.9	5.1	6.3	5.2	4.9	4.3	7.1	2.7	3.2	5.4	8.5	6
	By agency—													
7	U.S. Government	4.9	4.6	4.9	2.9	2.8	3.2	2.3	4.3	2.2	1.5	3.1	.5	7
8	Sponsored credit agencies	5.1	−.1	3.2	9.0	9.9	2.8	6.0	−1.4	7.0	7.5	4.5	18.7	8
9	Monetary authorities	3.5	4.8	3.7	4.2	5.0	8.8	.2	8.4	9.3	4.5	−4.1	12.0	9
10	Foreign	−1.6	2.0	.3	−.3	10.3	26.4	8.4	27.3	25.5	6.2	10.6	11.5	10
11	Agency borrowing not included in line 1	4.8	−.6	3.5	8.8	8.2	4.3	6.2	.9	7.7	7.4	5.0	17.6	11
	Private domestic funds advanced													
12	**Total net advances**	59.8	68.1	87.2	80.9	72.8	98.0	145.4	86.1	109.9	122.4	168.6	167.1	12
13	U.S. Government securities	5.4	5.7	13.3	4.6	5.4	−3.5	16.3	−9.2	2.1	7.1	25.3	13.4	13
14	State and local obligations	5.6	7.8	9.5	9.9	11.3	16.6	11.9	17.9	15.4	12.0	11.9	7.4	14
15	Corporate and foreign bonds	10.3	16.0	13.8	12.5	20.0	19.5	13.2	22.1	16.8	14.2	12.1	9.7	15
16	Residential mortgages	12.0	13.0	15.5	15.7	12.8	29.1	44.6	24.8	33.4	38.4	50.8	50.4	16
17	Other mortgages and loans	27.4	23.1	35.9	42.2	24.6	33.7	59.5	25.0	42.3	48.3	71.0	94.0	17
18	Less: FHLB advances	.9	−2.5	.9	4.0	1.3	−2.7	*	−5.5	.2	−2.4	2.5	7.8	18
	Private financial intermediation													
19	*Credit market funds advanced by private financial institutions*	*45.4*	*63.5*	*75.3*	*54.9*	*74.9*	*111.4*	*150.2*	*112.2*	*110.6*	*130.5*	*170.1*	*188.0*	19
20	Commercial banking	17.5	35.9	38.7	18.2	35.1	50.6	69.7	53.2	48.0	57.2	82.4	100.8	20
21	Savings institutions	7.9	15.0	15.6	14.5	16.9	41.5	48.7	45.4	37.5	48.4	48.9	49.9	21
22	Insurance and pension funds	15.5	12.9	14.0	12.3	17.3	14.1	16.0	12.5	15.7	14.1	17.8	23.1	22
23	Other finance	4.5	−.3	7.0	9.9	5.7	5.3	15.8	1.2	9.4	10.6	21.0	14.2	23
24	*Sources of funds*	*45.4*	*63.5*	*75.3*	*54.9*	*74.9*	*111.4*	*150.2*	*112.2*	*110.6*	*130.5*	*170.1*	*188.0*	24
25	Private domestic deposits	22.5	50.0	45.9	2.6	63.2	90.8	97.8	107.7	73.9	97.9	97.9	103.0	25
26	Credit market borrowing	3.2	−.4	8.5	19.1	−.4	9.2	20.2	2.6	15.9	16.4	24.0	36.9	26
27	Other sources	19.8	13.9	21.0	33.3	12.1	11.3	32.2	1.9	20.8	16.2	48.2	48.1	27
28	Foreign funds	3.7	2.3	2.6	9.3	−8.5	−3.2	5.1	−7.2	.8	5.5	4.7	5.0	28
29	Treasury balances	−.5	.2	−.2	*	2.9	2.2	.7	−.8	5.3	−3.6	5.1	−1.4	29
30	Insurance and pension reserves	13.6	12.0	11.4	10.4	13.1	9.6	11.3	7.7	11.5	8.4	14.1	16.5	30
31	Other, net	3.0	−.6	7.2	13.5	4.5	2.7	15.1	2.2	3.2	5.9	24.3	28.0	31
	Private domestic nonfinancial investors													
32	Direct lending in credit markets	17.6	4.2	20.3	45.0	−2.4	−4.2	15.4	−23.5	15.2	8.3	22.5	16.0	32
33	U.S. Government securities	8.2	−1.4	8.0	16.8	−8.3	−13.0	4.1	−22.4	−3.5	−3.3	11.5	11.3	33
34	State and local obligations	2.6	−2.5	−.2	8.7	−1.1	−.1	2.1	−2.7	2.6	.9	3.4	1.3	34
35	Corporate and foreign bonds	2.1	4.6	4.7	7.4	10.1	8.2	4.9	8.6	7.7	4.5	5.2	1.6	35
36	Commercial paper	2.3	1.9	5.8	10.2	−4.4	−.6	3.7	−7.3	6.0	6.7	.8	−.4	36
37	Other	2.3	1.7	2.1	2.0	1.4	1.3	.6	.3	2.3	−.4	1.7	2.2	37
38	Deposits and currency	24.4	52.1	48.3	5.4	66.6	94.2	102.2	110.6	77.9	103.3	101.3	109.0	38
39	Time and savings accounts	20.3	39.3	33.9	−2.3	56.1	81.2	85.7	92.6	69.8	88.8	82.6	99.0	39
40	Large negotiable CD'S	−.2	4.3	3.5	−13.7	15.0	7.7	8.7	3.4	12.0	2.1	15.3	27.3	40
41	Other at commercial banks	13.3	18.3	17.5	3.4	24.2	32.9	31.0	44.0	21.9	38.9	23.2	33.9	41
42	At savings institutions	7.3	16.7	12.9	8.0	16.9	40.6	46.0	45.3	35.9	47.8	44.1	37.9	42
43	Money	4.1	12.8	14.5	7.7	10.5	13.0	16.5	17.9	8.1	14.5	18.7	10.0	43
44	Demand deposits	2.1	10.6	12.1	4.8	7.1	9.6	12.1	15.1	4.1	9.1	15.3	3.9	44
45	Currency	2.0	2.1	2.4	2.8	3.5	3.4	4.4	2.8	3.9	5.5	3.4	6.0	45
46	**Total of credit market instr., deposits, and currency**	42.0	56.3	68.7	50.5	64.2	90.0	117.7	87.1	93.0	111.7	123.8	125.1	46
47	Public support rate (in per cent)	17.9	14.1	12.7	18.0	30.2	30.6	10.8	31.2	30.1	14.6	7.9	22.2	47
48	Private financial intermediation (in per cent)	75.9	93.2	86.4	67.9	102.8	113.7	103.3	130.3	100.7	106.6	100.9	112.5	48
49	Total foreign funds	2.1	4.3	2.9	9.1	1.8	23.2	13.5	20.1	26.3	11.6	15.3	16.4	49
		Corporate equities not included above												
1	**Total net issues**	4.6	5.3	5.1	9.5	9.5	14.7	12.0	13.0	16.3	12.4	11.5	9.6	1
2	Mutual fund shares	3.7	3.0	5.8	4.8	2.6	1.2	−.6	.3	2.1	−.8	−.4	−1.7	2
3	Other equities	.9	2.3	−.7	4.7	6.9	13.5	12.6	12.7	14.2	13.3	12.0	11.3	3
4	Acquisitions by financial institutions	6.0	9.1	10.8	12.2	11.4	19.2	15.6	23.4	15.0	17.6	13.6	12.4	4
5	Other net purchases	−1.4	−3.8	−5.8	−2.7	−1.9	−4.6	−3.6	−10.4	1.3	−5.1	−2.1	−2.8	5

Notes

Line

1. Line 2 of p. A-70.
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 + 44.
26. Excludes equity issues and investment company shares. Includes line 18.
28. Foreign deposits at commercial banks, bank borrowings from foreign branches, and liabilities of foreign banking agencies to foreign affiliates.
29. Demand deposits at commercial banks.
30. Excludes net investment of these reserves in corporate equities.
31. Mainly retained earnings and net miscellaneous liabilities.
32. Line 12 less line 19 plus line 26.
33–37. Lines 13–17 less amounts acquired by private finance. Line 37 includes mortgages.
39+44. See line 25.
45. Mainly an offset to line 9.
46. Lines 32 plus 38 or line 12 less line 27 plus line 45.
47. Line 2/line 1.
48. Line 19/line 12.
49. Lines 10 plus 28.

Corporate equities

Line 1 and 3. Includes issues by financial institutions.

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1. U.S. BALANCE OF PAYMENTS

(In millions of dollars)

Line	Credits+, debits−	1970	1971	1972	1972			1973	
					II	III	IV	I	II[p]
	Summary—Seasonally adjusted								
1	Merchandise trade balance [1]	2,176	−2,698	−6,912	−1,774	−1,573	−1,745	−960	−230
2	Exports	41,964	42,768	48,769	11,539	12,362	13,213	15,320	16,747
3	Imports	−39,788	−45,466	−55,681	−13,313	−13,935	−14,958	−16,280	−16,977
4	Military transactions, net	−3,374	−2,918	−3,558	−954	−846	−864	−825	−727
5	Travel and transportation, net	−2,013	−2,288	−2,853	−691	−679	−730	−608	−742
6	Investment income, net [2]	6,260	7,972	7,862	1,791	1,950	2,232	2,309	2,071
7	U.S. direct investments abroad	7,920	9,456	10,433	2,450	2,600	2,991	3,152	3,210
8	Other U.S. investments abroad	3,506	3,443	3,492	820	876	875	1,006	1,056
9	Foreign investments in the United States	−5,166	−4,927	−6,063	−1,479	−1,526	−1,634	−1,849	−2,195
10	Other services, net	581	739	850	202	209	234	237	244
11	**Balance on goods and services** [3]	3,630	807	−4,609	−1,426	−939	−870	150	616
12	Remittances, pensions, and other transfers	−1,481	−1,553	−1,570	−375	−373	−429	−397	−381
13	**Balance on goods, services, and remittances**	2,150	−745	−6,179	−1,801	−1,312	−1,299	−247	235
14	U.S. Government grants (excluding military)	−1,734	−2,045	−2,174	−563	−581	−452	−345	−549
15	**Balance on current account**	416	−2,790	−8,353	−2,364	−1,893	−1,751	−592	−314
16	U.S. Government capital flows excluding nonscheduled repayments, net [4]	−1,829	−2,117	−1,714	−245	−542	−627	−671	−531
17	Nonscheduled repayments of U.S. Government assets	244	225	137	17	7	26	111	174
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies	−433	−467	238	133	169	15	224	451
19	Long-term private capital flows, net	−1,429	−4,401	−151	604	−393	781	−19	−562
20	U.S. direct investments abroad	−4,410	−4,943	−3,404	−183	−1,148	−771	−2,025	−1,158
21	Foreign direct investments in the United States	1,030	−115	160	183	178	160	273	455
22	Foreign securities	−942	−966	−614	−346	209	−40	51	−128
23	U.S. securities other than Treasury issues	2,190	2,269	4,335	956	553	1,768	1,745	512
24	Other, reported by U.S. banks	178	−862	−1,120	−263	−426	−442	−102	−293
25	Other, reported by U.S. nonbanking concerns	526	216	492	257	241	106	39	50
26	**Balance on current account and long-term capital** [4]	−3,031	−9,550	−9,842	−1,855	−2,652	−1,556	−947	−782
27	Nonliquid short-term private capital flows, net	−482	−2,347	−1,637	310	−430	−982	−1,793	−1,054
28	Claims reported by U.S. banks	−1,023	−1,802	−1,495	206	−267	−859	−1,796	−1,327
29	Claims reported by U.S. nonbanking concerns	−361	−530	−315	62	−122	−250	−32	263
30	Liabilities reported by U.S. nonbanking concerns	902	−15	173	42	−41	127	35	10
31	Allocations of Special Drawing Rights (SDR's)	867	717	710	178	177	177	.....	.....
32	Errors and omissions, net	−1,205	−10,784	−3,112	−940	−1,626	−1,490	−3,921	229
33	**Net liquidity balance**	−3,851	−21,965	−13,882	−2,307	−4,531	−3,851	−6,661	−1,607
34	Liquid private capital flows, net	−5,988	−7,788	3,542	1,456	7	2,367	−3,838	1,983
35	Liquid claims	252	−1,097	−1,234	109	−410	−131	−1,939	815
36	Reported by U.S. banks	−99	−566	−742	246	−274	−77	−1,296	839
37	Reported by U.S. nonbanking concerns	351	−531	−492	−137	−136	−54	−643	−24
38	Liquid liabilities	−6,240	−6,691	4,776	1,347	417	2,498	−1,899	1,168
39	To foreign commercial banks	−6,508	−6,908	3,862	1,136	295	1,995	−1,916	734
40	To international and regional organizations	181	682	104	−70	−32	181	10	73
41	To other foreigners	87	−465	810	281	154	322	7	361
42	**Official reserve transactions balance**	−9,839	−29,753	−10,340	−851	−4,524	−1,484	−10,499	376
	Financed by changes in:								
43	Liquid liabilities to foreign official agencies	7,637	27,615	9,720	1,057	4,467	1,645	9,121	−820
44	Other readily marketable liabilities to foreign official agencies [5]	−810	−551	399	27	34	117	1,202	259
45	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Govt.	535	341	189	−2	78	−167	−44	168
46	U.S. official reserve assets, net	2,477	2,348	32	−231	−55	−111	220	17
47	Gold	787	866	547	.....	3	.....	.....	.....
48	SDR's	−851	−249	−703	−171	−177	−177	.....	9
49	Convertible currencies	2,152	381	35	−245	134	82	233	.....
50	Gold tranche position in IMF	389	1,350	153	185	−15	−16	−13	8
	Memoranda:								
51	Transfers under military grant programs (excluded from lines 2, 4, and 14)	2,586	3,153	4,200	920	1,189	949	716	832
52	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20)	2,948	3,192	(6)	(6)	(6)	(6)	(6)	(6)
53	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 9 and 21)	434	498	(6)	(6)	(6)	(6)	(6)	(6)

For notes see end of table.

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1. U.S. BALANCE OF PAYMENTS—Continued

(In millions of dollars)

Credits +, debits −	1970	1971	1972	1972			1973	
				II	III	IV	I	II[p]
Balances excluding allocations of SDR's—Seasonally adjusted								
Net liquidity balance	−4,718	−22,682	−14,592	−2,485	−4,708	−4,028	−6,661	−1,607
Official reserve transactions balance	−10,706	−30,470	−11,050	−1,029	−4,701	−1,661	−10,499	376
Balances not seasonally adjusted								
Balance on goods and services	3,630	807	−4,609	−1,489	−2,409	168	819	721
Balance on goods, services, and remittances	2,150	−745	−6,179	−1,873	−2,796	−263	448	332
Balance on current account	416	−2,790	−8,353	−2,471	−3,333	−698	74	−249
Balance on current account and long-term capital [4]	−3,031	−9,550	−9,842	−2,310	−4,052	343	−865	−965
Balances including allocations of SDR's:								
Net liquidity	−3,851	−21,965	−13,882	−3,034	−5,299	−3,197	−6,286	−2,009
Official reserve transactions	−9,839	−29,753	−10,340	−741	−5,590	−1,503	−9,995	804
Balances excluding allocations of SDR's:								
Net liquidity	−4,718	−22,682	−14,592	−3,034	−5,299	−3,197	−6,286	−2,009
Official reserve transactions	−10,706	−30,470	−11,050	−741	−5,590	−1,503	−9,995	804

[1] Adjusted to balance of payments basis; excludes transfers under military grants, exports under U.S. military agency sales contracts and imports of U.S. military agencies.

[2] Includes fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States.

[3] Equal to net exports of goods and services in national income and product accounts of the United States.

[4] Includes some short-term U.S. Govt. assets.

[5] Includes changes in long-term liabilities reported by banks in the United States and in investments by foreign official agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

[6] Not available.

NOTE.—Data are from U.S. Department of Commerce, Bureau of Economic Analysis. Details may not add to totals because of rounding.

2. MERCHANDISE EXPORTS AND IMPORTS

(Seasonally adjusted; in millions of dollars)

	Exports [1]				Imports [2]				Trade balance			
	1970	1971	1972	1973	1970	1971	1972	1973	1970	1971	1972	1973
Month:												
Jan.	3,406	3,601	4,074	4,977	3,222	3,599	4,415	5,281	184	2	−341	−304
Feb.	3,546	3,695	3,824	5,065	3,279	3,564	4,473	5,541	267	130	−649	−476
Mar.	3,375	3,790	3,869	5,380	3,219	3,628	4,515	5,432	156	160	−647	−53
Apr.	3,410	3,631	3,820	5,487	3,262	3,774	4,417	5,291	148	−143	−596	196
May	3,661	3,746	3,882	5,603	3,367	3,908	4,486	5,761	324	−161	−604	−158
June	3,727	3,672	3,971	5,778	3,265	4,037	4,468	5,794	462	−365	−497	−16
July	3,704	3,573	4,074	5,869	3,254	3,832	4,565	5,762	450	−259	−491	106
Aug.	3,591	3,667	4,197	6,004	3,346	3,913	4,726	6,021	245	−247	−530	−17
Sept.	3,553	4,487	4,176	6,448	3,423	4,179	4,612	5,575	130	308	−436	873
Oct.	3,688	2,669	4,316	6,432	3,498	3,469	4,738	5,905	190	−800	−421	527
Nov.	3,499	3,196	4,473	.....	3,428	3,456	5,148	.....	71	−260	−675	.....
Dec.	3,569	3,881	4,558	.....	3,401	4,169	5,002	.....	168	−288	−444	.....
Quarter:												
I	10,327	11,086	11,767	15,421	9,720	10,792	13,403	16,254	607	294	−1,637	−833
II	10,798	11,049	11,673	16,868	9,864	11,719	13,370	16,846	933	−670	−1,697	22
III	10,848	11,727	12,447	18,321	10,023	11,924	13,903	17,358	816	−197	−1,456	963
IV	10,756	9,746	13,347	.....	10,327	11,094	14,888	.....	425	−1,348	−1,540	.....
Year[3]	42,659	43,549	49,208	.....	39,952	45,563	55,555	.....	2,707	−2,014	−6,347	.....

[1] Exports of domestic and foreign merchandise; excludes Dept. of Defense shipments of grant-aid military equipment and supplies under Mutual Security Program.

[2] General imports including imports for immediate consumption plus entries into bonded warehouses.

[3] Sum of unadjusted figures.

NOTE.—Bureau of the Census data. Details may not add to totals because of rounding.

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3. U.S. NET MONETARY GOLD TRANSACTIONS WITH FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

(Net sales [−] or net acquisitions; in millions of dollars at $35 per fine troy ounce until May 8, 1972, and at $38 per fine troy ounce thereafter)

Area and country	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1972	1973		
											IV	I	II	III
Western Europe:														
Austria	−82	−55	−100	−25			4							
Belgium		−40	−83			−58			−110					
France	−518	−405	−884	−601		600	325	−129	−473					
Germany, Fed. Rep. of		−225					500							
Ireland		−1	−2	−2	−2	−52	41	2						
Italy		200	−80	−60	−85	−209	−76							
Netherlands		−60	−35			−19		−50	−25					
Spain	−130	−32	−180					51						
Switzerland		−81	−50	−2	−30	−50	−25	−50	−175					
United Kingdom	329	618	150	80	−879	−835								
Bank for Intl. Settlements							200							
Other	1	−6	−35	−49	16	−47	[1] 1	−29	−13					
Total	−399	−88	−1,299	−659	−980	−669	969	−204	−796					
Canada				200	150	50								
Latin American republics:														
Argentina	−30			−39	−1	−25	−25	−28						
Brazil	72	54	25	−3	−1	*		−23						
Colombia		10	29	7			*	−1						
Venezuela			−25											
Other	−11	−9	−13	−6	11	−40	−29	−80	−5					
Total	32	56	17	−41	9	−65	−54	−131	−5					
Asia:														
Iraq			−10	−4	−21	−42								
Japan				−56				−119						
Lebanon		−11		−11	−1	−95			−35					
Malaysia						−34			−10					
Philippines	25	20	*	−1		9	40	−4	−2					
Saudi Arabia						−50								
Singapore						−81	11		−30					
Other	−13	−6	−14	−14	−22	−75	−9	[2] −91	39	−3				
Total	12	3	−24	−86	−44	−366	42	−213	−38	−3				
All other	−36	−7	−16	−22	[3] −166	[3] −68	−1	−81	−6					
Total foreign countries	−392	−36	−1,322	−608	−1,031	−1,118	957	[4] −631	−845	−3				
Intl. Monetary Fund [5]			[6] −225	177	22	−3	10	−156	−22	−544				
Grand total	−392	−36	−1,547	−431	−1,009	−1,121	967	−787	−867	−547				

[1] Includes purchase from Denmark of $25 million.
[2] Includes purchase from Kuwait of $25 million.
[3] Includes sales to Algeria of $150 million in 1967 and $50 million in 1968.
[4] Data for IMF include the U.S. payment of $385 million increase in its gold subscription to the IMF and gold sold by the IMF to the United States in mitigation of U.S. sales to other countries making gold payments to the IMF. The country data include U.S. gold sales to various countries in connection with the IMF quota payments. Such U.S. sales to countries and resales to the United States by the IMF total $548 million each.
[5] Includes IMF gold sales to and purchases from the United States, U.S. payment of increases in its gold subscription to IMF, gold deposits by the IMF (see note 1 (b) to Table 4), and withdrawal of deposits. The first withdrawal ($17 million) was made in June 1968 and the last withdrawal ($144 million) was made in Feb. 1972.
IMF sold to the United States a total of $800 million of gold ($200 million in 1956, and $300 million in 1959 and in 1960) with the right of repurchase; proceeds from these sales invested by IMF in U.S. Treasury securities. IMF repurchased $400 million in Sept. 1970 and the remaining $400 million in Feb. 1972.
[6] Payment to the IMF of $259 million increase in U.S. gold subscription less gold deposits by the IMF.

Notes to Table 5 on opposite page:

[1] Represents net IMF sales of gold to acquire U.S. dollars for use in IMF operations. Does not include transactions in gold relating to gold deposit or gold investment (see Table 6).
[2] Positive figures represent purchases from the IMF of currencies of other members for equivalent amounts of dollars; negative figures represent repurchase of dollars, including dollars derived from charges on purchases and from other net dollar income of the IMF. The United States has a commitment to repurchase within 3 to 5 years, but only to the extent that the holdings of dollars of the IMF exceed 75 per cent of the U.S. quota. Purchases of dollars by other countries reduce the U.S. commitment to repurchase by an equivalent amount.
[3] Includes dollars obtained by countries other than the United States from sales of gold to the IMF.
[4] Represents the U.S. gold tranche position in the IMF (the U.S. quota minus the holdings of dollars of the IMF), which is the amount that the United States could purchase in foreign currencies automatically if needed. Under appropriate conditions, the United States could purchase additional amounts equal to its quota.
[5] Includes $259 million gold subscription to the IMF in June 1965 for a U.S. quota increase, which became effective on Feb. 23, 1966. In figures published by the IMF from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.
[6] Includes $30 million of Special Drawing Rights.
[7] Represents amount payable in dollars to the IMF to maintain the value of IMF holdings of U.S. dollars.

NOTE.—The initial U.S. quota in the IMF was $2,750 million. The U.S. quota was increased to $4,125 million in 1959, to $5,160 million in Feb. 1966, to $6,700 million in Dec. 1970, and revalued to $7,274 million in May 1972 and $8,083 million in Oct. 1973 as a result of changes in par value of the U.S. dollar. Under the Articles of Agreement subscription payments equal to the quota have been made 25 per cent in gold and 75 per cent in dollars.

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4. U.S. RESERVE ASSETS

(In millions of dollars)

End of year	Total	Gold stock[1]		Convertible foreign currencies	Reserve position in IMF[3]	SDR's[4]	End of month	Total	Gold stock		Convertible foreign currencies[5]	Reserve position in IMF[3]	SDR's[4]
		Total[2]	Treasury						Total[2]	Treasury			
1959...	21,504	19,507	19,456	.....	1,997	.....	1972						
1960...	19,359	17,804	17,767	.....	1,555	.....	Nov....	13,307	10,487	10,410	403	459	1,958
1961...	18,753	16,947	16,889	116	1,690	.....	Dec....	13,151	10,487	10,410	241	465	1,958
1962...	17,220	16,057	15,978	99	1,064	.....							
1963...	16,843	15,596	15,513	212	1,035	.....	1973						
1964...	16,672	15,471	15,388	432	769	.....	Jan....	13,054	10,487	10,410	140	469	1,958
							Feb....	12,926	10,487	10,410	8	473	1,958
1965...	15,450	[6]13,806	[6]13,733	781	[6] 863	.....	Mar....	12,931	10,487	10,410	8	478	1,958
1966...	14,882	13,235	13,159	1,321	326	.....	Apr....	12,904	10,487	10,410	8	460	1,949
1967...	14,830	12,065	11,982	2,345	420	.....	May....	12,916	10,487	10,410	16	464	1,949
1968...	15,710	10,892	10,367	3,528	1,290	.....	June....	12,914	10,487	10,410	8	470	1,949
1969...	[7]16,964	11,859	10,367	[7]2,781	2,324	.....	July....	12,918	10,487	10,410	8	474	1,949
							Aug....	12,923	10,487	10,410	8	479	1,949
1970...	14,487	11,072	10,732	629	1,935	851	Sept....	12,927	10,487	10,410	8	483	1,949
1971...	[8]12,167	10,206	10,132	[8]276	585	1,100	Oct....	[10]14,367	[10]11,652	[10]11,567	8	[10]541	[10]2,166
1972[9]..	13,151	10,487	10,410	241	465	1,958	Nov....	14,373	11,652	11,567	8	547	2,166

[1] Includes (a) gold sold to the United States by the IMF with the right of repurchase, and (b) gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for the purpose of making gold subscriptions to the IMF under quota increases. For corresponding liabilities, see Table 6.

[2] Includes gold in Exchange Stabilization Fund.

[3] The United States has the right to purchase foreign currencies equivalent to its reserve position in the IMF automatically if needed. Under appropriate conditions the United States could purchase additional amounts equal to the U.S. quota. See Table 5.

[4] Includes allocations by the IMF of Special Drawing Rights as follows: $867 million on Jan. 1, 1970; $717 million on Jan. 1, 1971; and $710 million on Jan. 1, 1972; plus net transactions in SDRs.

[5] For holdings of F.R. Banks only, see pp. A-12 and A-13.

[6] Reserve position includes, and gold stock excludes, $259 million gold subscription to the IMF in June 1965 for a U.S. quota increase which became effective on Feb. 23, 1966. In figures published by the IMF from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.

[7] Includes gain of $67 million resulting from revaluation of the German mark in Oct. 1969, of which $13 million represents gain on mark holdings at time of revaluation.

[8] Includes $28 million increase in dollar value of foreign currencies revalued to reflect market exchange rates as of Dec. 31, 1971.

[9] Total reserve assets include an increase of $1,016 million resulting from change in par value of the U.S. dollar on May 8, 1972; of which, total gold stock is $828 million (Treasury gold stock $822 million), reserve position in IMF $33 million, and SDR's $155 million.

[10] Total reserve assets include an increase of $1,436 million resulting from change in par value of the U.S. dollar on Oct. 18, 1973; consisting of $1,165 million total gold stock, $1,157 million Treasury gold stock, $54 million reserve position in IMF, and $217 million special drawing rights.

NOTE.—See Table 24 for gold held under earmark at F.R. Banks for foreign and international accounts. Gold under earmark is not included in the gold stock of the United States.

5. U.S. POSITION IN THE INTERNATIONAL MONETARY FUND

(In millions of dollars)

Period	Transactions affecting IMF holdings of dollars (during period)							IMF holdings of dollars (end of period)		U.S. reserve position in IMF (end of period)[4]
	U.S. transactions with IMF				Transactions by other countries with IMF		Total change	Amount	Per cent of U.S. quota	
	Payments of subscriptions in dollars	Net gold sales by IMF[1]	Transactions in foreign currencies[2]	IMF net income in dollars	Purchases of dollars[3]	Repurchases in dollars				
1946—1957	2,063	600	.....	−45	−2,670	827	775	775	28	1,975
1958—1963	1,031	150	.....	60	−1,666	2,740	2,315	3,090	75	1,035
1964—1966	776	.....	1,640	45	−723	6	1,744	4,834	94	[5]326
1967	.....	.....	.....	20	−114	.....	−94	4,740	92	420
1968	.....	.....	−84	20	−806	.....	−870	3,870	75	1,290
1969	.....	22	.....	19	−1,343	268	−1,034	2,836	55	2,324
1970	1,155	[6]712	150	25	−854	741	1,929	4,765	71	1,935
1971	.....	*	1,362	−28	−24	40	1,350	6,115	91	585
1972	[7]541	.....	200	−47	.....	.....	694	6,810	94	465
1972—Nov.	.....	.....	.....	−4	.....	.....	−4	6,816	94	459
Dec.	.....	.....	.....	−6	.....	.....	−6	6,810	94	465
1973—Jan.	.....	.....	.....	−4	.....	.....	−4	6,806	94	469
Feb.	.....	.....	.....	−5	.....	.....	−5	6,801	93	473
Mar.	.....	.....	.....	−5	.....	.....	−5	6,796	93	478
Apr.	.....	.....	.....	18	.....	.....	18	6,814	94	460
May	.....	.....	.....	−4	.....	.....	−4	6,810	94	464
June	.....	.....	.....	−6	.....	.....	−6	6,804	94	470
July	.....	.....	.....	−4	.....	.....	−4	6,800	93	474
Aug.	.....	.....	.....	−5	.....	.....	−5	6,795	93	479
Sept.	.....	.....	.....	−4	.....	.....	−4	6.791	93	483
Oct.	[7]754	.....	.....	−4	.....	.....	750	7,541	93	541
Nov.	.....	.....	.....	−5	.....	.....	−5	7,536	93	547

For notes see opposite page.

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6. U.S. LIQUID AND OTHER 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 nonmonetary intl. and regional organizations[8]
			Official institutions[2]						Liquid liabilities to commercial banks abroad[6]	Liquid liabilities to other foreigners			
			Total	Liquid			Nonmarketable nonconvertible 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]	
				Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes[3]	Nonmarketable convertible U.S. Treas. bonds and notes							
1962 [9]	24,268	800	12,914	11,963	751	.....	200	.....	5,346	3,013	2,565	448	2,195
1963 [9]	26,433	800	14,459	12,467	1,217	703	63	9	5,817	3,397	3,046	351	1,960
	26,394	800	14,425	12,467	1,183	703	63	9	5,817	3,387	3,046	341	1,965
1964 [9]	29,313	800	15,790	13,224	1,125	1,079	204	158	7,271	3,730	3,354	376	1,722
	29,364	800	15,786	13,220	1,125	1,079	204	158	7,303	3,753	3,377	376	1,722
1965	29,569	834	15,826	13,066	1,105	1,201	334	120	7,419	4,059	3,587	472	1,431
1966 [9]	31,145	1,011	14,841	12,484	860	256	328	913	10,116	4,271	3,743	528	906
	31,020	1,011	14,896	12,539	860	256	328	913	9,936	4,272	3,744	528	905
1967 [9]	35,819	1,033	18,201	14,034	908	711	741	1,807	11,209	4,685	4,127	558	691
	35,667	1,033	18,194	14,027	908	711	741	1,807	11,085	4,678	4,120	558	677
1968 [9]	38,687	1,030	17,407	11,318	529	701	2,518	2,341	14,472	5,053	4,444	609	725
	38,473	1,030	17,340	11,318	462	701	2,518	2,341	14,472	4,909	4,444	465	722
1969 [9]	[10] 45,755	1,019	[10] 15,975	11,054	346	[10] 555	[10] 2,515	1,505	23,638	4,464	3,939	525	659
	45,914	1,019	15,998	11,077	346	555	2,515	1,505	23,645	4,589	4,064	525	663
1970—Dec. [9]	47,009	566	23,786	19,333	306	429	3,023	695	17,137	4,676	4,029	647	844
	46,960	566	23,775	19,333	295	429	3,023	695	17,169	4,604	4,039	565	846
1971—Dec. [11]	67,681	544	51,209	39,679	1,955	6,060	3,371	144	10,262	4,138	3,691	447	1,528
	67,808	544	50,651	39,018	1,955	6,093	3,441	144	10,949	4,141	3,694	447	1,523
1972—Oct.	81,420	.....	60,931	40,266	4,457	12,097	3,651	460	14,173	4,822	4,416	406	1,494
Nov.[r]	82,373	.....	61,127	40,045	4,834	12,098	3,651	499	14,776	4,745	4,322	423	1,725
Dec.[r]	82,883	.....	61,520	39,994	5,236	12,108	3,639	543	14,785	4,952	4,527	425	1,626
1973—Jan.[r]	82,048	.....	60,796	38,534	5,798	12,110	3,780	574	14,767	4,892	4,467	425	1,593
Feb.[r]	87,854	.....	68,475	45,413	6,377	12,110	3,627	948	12,791	4,968	4,596	372	1,620
Mar.[r]	[12] 90,884	.....	[12] 71,331	46,924	6,917	[12] 12,128	3,617	1,745	12,955	4,960	4,584	376	1,638
Apr.[r]	[13] 90,580	.....	70,748	45,949	6,934	12,245	3,631	1,989	13,052	5,149	4,750	399	1,631
May[r]	92,085	.....	70,915	46,112	6,934	12,245	3,628	1,996	14,274	5,147	4,763	384	1,749
June[r]	92,185	.....	70,693	45,705	6,934	12,245	3,805	2,004	14,500	5,323	4,940	383	1,669
July[r]	93,212	.....	71,019	46,129	6,934	12,245	3,705	2,006	15,420	5,257	4,883	374	1,516
Aug.	92,569	.....	70,513	45,714	6,906	12,319	3,555	2,019	15,204	5,322	4,987	335	1,530
Sept.[p]	92,101	.....	69,775	45,172	6,914	12,319	3,355	2,015	15,219	5,490	5,143	347	1,617
Oct.[p]	93,121	.....	69,691	45,201	6,929	12,319	3,233	2,009	16,092	5,518	5,144	374	1,820

[1] Includes (a) liability on gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for gold subscriptions to the IMF under quota increases, and (b) U.S. Treasury obligations at cost value and funds awaiting investment obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets.

[2] Includes BIS and European Fund.

[3] Derived by applying reported transactions to benchmark data; breakdown of transactions by type of holder estimated 1959–63.

[4] Excludes notes issued to foreign official nonreserve agencies.

[5] Includes long-term liabilities reported by banks in the United States and debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

[6] Includes short-term liabilities payable in dollars to commercial banks abroad and short-term liabilities payable in foreign currencies to commercial banks abroad and to "other foreigners."

[7] Includes marketable U.S. Treasury bonds and notes held by commercial banks abroad.

[8] Principally the International Bank for Reconstruction and Development and the Inter-American and Asian Development Banks. From Dec. 1957 through Jan. 1972 includes difference between cost value and face value of securities in IMF gold investment account.

[9] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on first line are comparable with those shown for the preceding date; figures on second line are comparable with those shown for the following date.

[10] Includes $101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969 as follows: liquid, $17 million, and other, $84 million.

[11] Data on the second line differ from those on first line because certain accounts previously classified as "official institutions" are included with "banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury securities payable in foreign currencies issued to official institutions of foreign countries have been increased in value to reflect market exchange rates as of Dec. 31, 1971.

[12] Includes $15 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

[13] Includes $147 million increase in dollar value of foreign currency liabilities to official institutions of foreign countries revalued to reflect market exchange rates as follows: short-term liabilities, $15 million; nonmarketable convertible U.S. Treasury bonds and notes, $113 million; and nonmarketable nonconvertible U.S. Treasury bonds and notes, $19 million.

NOTE.—Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond generally to statistics following in this section, except for the exclusion of nonmarketable, nonconvertible U.S. Treasury notes issued to foreign official nonreserve agencies, the inclusion of investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations, and minor rounding differences. Table excludes IMF "holdings of dollars," and holdings of U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by other international and regional organizations.

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7. U.S. LIQUID AND OTHER LIABILITIES TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES, BY AREA

(Amounts outstanding; in millions of dollars)

End of period	Total foreign countries	Western Europe [1]	Canada	Latin American republics	Asia	Africa	Other countries [2]
1967	18,194	10,321	1,310	1,582	4,428	250	303
1968 [3]	17,407	8,070	1,867	1,865	5,043	259	303
	17,340	8,062	1,866	1,865	4,997	248	302
1969 [3]	[4] 15,975	[4] 7,074	1,624	1,888	4,552	546	291
	15,998	7,074	1,624	1,911	4,552	546	291
1970 [3]	23,786	13,620	2,951	1,681	4,713	407	414
	23,775	13,615	2,951	1,681	4,708	407	413
1971 [5]	51,209	30,010	3,980	1,414	14,519	415	871
	50,651	30,134	3,980	1,429	13,823	415	870
1972—Oct.	60,931	35,078	4,468	1,473	16,805	616	2,491
Nov.	61,127	34,608	4,289	1,444	17,372	694	2,720
Dec.	61,520	34,197	4,279	1,731	17,573	777	2,963
1973—Jan.[r]	60,796	34,146	4,201	1,728	17,033	673	3,015
Feb.	68,475	40,773	4,290	1,895	17,907	809	2,801
Mar.	[6] 71,331	[6] 45,229	4,221	1,749	16,564	823	2,745
Apr.	[7] 70,748	[7] 45,608	4,157	1,915	15,415	839	2,814
May[r]	70,915	46,646	4,104	1,903	14,425	940	2,897
June[r]	70,693	46,967	4,111	1,998	13,727	992	2,898
July[r]	71,019	47,140	4,043	2,072	13,686	928	3,150
Aug.	70,513	47,260	3,836	2,014	13,631	738	3,034
Sept.[p]	69,775	47,099	3,759	1,860	13,289	769	2,999
Oct.[p]	69,691	47,515	3,851	1,927	12,601	735	3,062

[1] Includes Bank for International Settlements and European Fund.
[2] Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.
[3] See note 9 to Table 6.
[4] Includes $101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.
[5] Data on second line differ from those on the first line because certain accounts previously classified as "Official institutions" are included in "Banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury liabilities payable in foreign currencies to official institutions of foreign countries have been increased in value by $110 million to reflect market exchange rates as of Dec. 31, 1971.
[6] Includes $15 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.
[7] Includes $147 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

NOTE.—Data represent short- and long-term liabilities to the official institutions of foreign countries, as reported by banks in the United States; foreign official holdings of marketable and nonmarketable U.S. Treasury securities with an original maturity of more than 1 year, except for nonmarketable notes issued to foreign official nonreserve agencies; and investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	To all foreigners							To nonmonetary international and regional organizations [6]				
	Total [1]	Payable in dollars					Payable in foreign currencies	IMF gold investment [5]	Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab. [4]
		Total	Deposits		U.S. Treasury bills and certificates [3]	Other short-term liab. [4]				Demand	Time [2]		
			Demand	Time [2]									
1969	40,199	39,770	20,460	6,959	5,015	7,336	429	800	613	62	83	244	223
1970 [7]	41,719	41,351	15,785	5,924	14,123	5,519	368	400	820	69	159	211	381
	41,761	41,393	15,795	5,961	14,123	5,514	368	400	820	69	159	211	381
1971 [8]	55,404	55,018	10,399	5,209	33,025	6,385	386	400	1,372	73	192	210	896
	55,428	55,036	6,459	4,217	33,025	11,335	392	400	1,367	73	192	210	892
1972—Oct.	60,136	59,598	7,071	5,146	33,071	14,310	538	.....	1,281	63	210	204	804
Nov.[r]	60,654	60,112	7,011	5,379	32,774	14,948	543	.....	1,512	95	242	380	794
Dec.[r]	60,719	60,222	8,288	5,629	31,850	14,455	496	.....	1,412	86	202	326	799
1973—Jan[r]	59,148	58,622	7,452	5,533	30,134	15,504	526	.....	1,380	118	172	279	811
Feb.[r]	64,218	63,705	7,786	5,595	36,522	13,801	513	.....	1,418	133	144	287	854
Mar.[r]	65,889	65,341	7,606	5,612	37,947	14,175	548	.....	1,426	114	134	260	918
Apr.[r]	65,180	64,596	8,118	5,654	36,440	14,383	584	.....	1,429	119	112	221	976
May[r]	66,729	66,157	8,364	5,714	35,965	16,114	572	.....	1,579	141	119	148	1,172
June[r]	66,714	66,070	9,113	5,829	34,931	16,197	644	.....	1,569	155	134	169	1,110
July[r]	67,919	67,312	8,988	5,876	34,556	17,892	607	.....	1,486	206	114	116	1,049
Aug.	67,389	66,779	8,435	6,139	34,257	17,948	611	.....	1,485	178	116	61	1,129
Sept.[p]	67,085	66,424	8,779	6,139	33,702	17,804	660	.....	1,550	80	98	62	1,311
Oct.[p]	68,204	67,628	9,076	6,760	32,869	18,923	577	.....	1,767	70	93	173	1,430

For notes see the following page.

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8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE—Continued

(Amounts outstanding; in millions of dollars)

End of period	To residents of foreign countries						To official institutions[10]					
	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.[4]	
		Demand	Time[2]					Demand	Time[2]			
1969	38,786	20,397	6,876	3,971	7,113	429	11,077	1,930	2,942	3,844	2,159	202
1970[7]	40,499	15,716	5,765	13,511	5,138	368	19,333	1,652	2,554	13,367	1,612	148
	40,541	15,726	5,802	13,511	5,133	368	19,333	1,652	2,554	13,367	1,612	148
1971[8]	53,632	10,326	5,017	32,415	5,489	386	39,679	1,620	2,504	32,311	3,086	158
	53,661	6,386	4,025	32,415	10,443	392	39,018	1,327	2,039	32,311	3,177	165
1972—Oct.	58,855	7,008	4,935	32,867	13,506	538	40,266	1,335	2,569	32,794	3,398	171
Nov.	59,143	6,915	5,137	32,394	14,154	543	40,045	1,271	2,643	32,315	3,645	171
Dec.[r]	59,306	8,203	5,427	31,523	13,657	496	39,994	1,589	2,876	31,453	3,905	171
1973—Jan.[r]	57,768	7,333	5,361	29,855	14,693	526	38,534	1,405	2,875	29,779	4,303	171
Feb.[r]	62,800	7,653	5,450	36,235	12,948	513	45,413	1,756	2,841	36,147	4,497	172
Mar.[r]	64,463	7,492	5,478	37,687	13,257	548	46,924	1,543	2,832	37,620	4,757	172
Apr.[r]	63,751	7,999	5,542	36,219	13,407	584	45,949	1,714	2,916	36,137	4,996	187
May[r]	65,149	8,223	5,596	35,817	14,942	572	46,112	1,719	2,945	35,736	5,525	187
June[r]	65,145	8,958	5,695	34,762	15,087	644	45,705	1,940	3,117	34,684	5,777	187
July[r]	66,432	8,781	5,761	34,440	16,843	607	46,129	1,934	3,185	34,360	6,461	189
Aug.	65,905	8,257	6,023	34,196	16,819	611	45,714	1,575	3,348	34,118	6,545	127
Sept.[p]	65,534	8,699	6,042	33,640	16,494	660	45,172	1,631	3,226	33,554	6,634	127
Oct.[p]	66,437	9,006	6,666	32,696	17,493	577	45,201	1,810	3,836	32,613	6,815	127

End of period	Total	To banks[11]					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.[4]	
			Demand	Time[2]				Demand	Time[2]			
1969	27,709	23,419	16,756	1,999	20	4,644	4,064	1,711	1,935	107	312	226
1970[7]	21,166	16,917	12,376	1,326	14	3,202	4,029	1,688	1,886	131	325	220
	21,208	16,949	12,385	1,354	14	3,197	4,039	1,688	1,895	131	325	220
1971[8]	13,953	10,034	7,047	850	8	2,130	3,691	1,660	1,663	96	274	228
	14,643	10,721	3,399	320	8	6,995	3,694	1,660	1,666	96	271	228
1972—Oct.	18,589	13,805	3,798	434	3	9,570	4,417	1,875	1,933	70	538	368
Nov.	19,097	14,404	3,938	481	5	9,981	4,322	1,706	2,014	75	528	372
Dec.[r]	19,312	14,460	4,649	525	5	9,270	4,527	1,954	2,026	65	481	325
1973—Jan.[r]	19,234	14,413	4,155	415	7	9,835	4,467	1,773	20,70	69	555	355
Feb.[r]	17,387	12,449	4,084	483	5	7,877	4,596	1,813	2,127	83	573	341
Mar.[r]	17,539	12,579	4,144	518	5	7,912	4,584	1,805	2,128	63	588	376
Apr.[r]	17,803	12,654	4,335	514	7	7,799	4,751	1,951	2,113	75	611	398
May[r]	19,037	13,889	4,645	535	8	8,701	4,764	1,859	2,116	73	716	385
June[r]	19,440	14,042	5,053	404	8	8,577	4,941	1,965	2,174	70	732	457
July[r]	20,303	15,003	4,957	432	8	9,605	4,883	1,890	2,144	72	776	418
Aug.	20,191	14,720	4,806	491	10	9,413	4,987	1,876	2,183	68	861	483
Sept.[p]	20,362	14,686	5,096	603	8	8,979	5,143	1,972	2,213	77	881	533
Oct.[p]	21,236	15,642	5,219	651	7	9,765	5,145	1,977	2,179	76	912	449

[1] Data exclude "holdings of dollars" of the IMF.

[2] Excludes negotiable time certificates of deposit, which are included in "Other."

[3] Includes nonmarketable certificates of indebtedness issued to official institutions of foreign countries.

[4] Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit. See also note 8(a).

[5] U.S. Treasury bills and certificates obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets. Upon termination of investment, the same quantity of gold was reacquired by the IMF.

[6] Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.

Includes difference between cost value and face value of securities in IMF gold investment account.

[7] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

[8] Data on second line differ from those on first line because (a) those liabilities of U.S. banks to their foreign branches and those liabilities of U.S. agencies and branches of foreign banks to their head offices and foreign branches, which were previously reported as deposits, are included in "Other short-term liabilities"; (b) certain accounts previously classified as "Official institutions" are included in "Banks"; and (c) a number of reporting banks are included in the series for the first time.

[9] Includes $15 million increase in foreign currency liabilities to official institutions of foreign countries revalued to reflect market exchange rates.

[10] Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.

[11] Excludes central banks, which are included in "Official institutions."

NOTE.—"Short term" refers to obligations payable on demand or having an original maturity of 1 year or less. For data on long-term liabilities reported by banks, see Table 10. Data exclude the "holdings of dollars" of the International Monetary Fund; these obligations to the IMF 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 non-negotiable, non-interest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.

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9. 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	1972	1973									
	Dec.r	Jan.r	Feb.r	Mar.r	Apr.r	Mayr	Junr	Julyr	Aug.	Sept.p	Oct.p
Europe:											
Austria	272	268	267	281	292	301	297	305	302	292	204
Belgium-Luxembourg	1,092	974	1,165	1,253	1,245	1,373	1,376	1,456	1,378	1,377	1,410
Denmark	284	321	364	400	406	502	489	477	437	409	470
Finland	163	152	158	142	168	244	194	165	153	145	135
France	4,441	4,434	4,483	5,000	5,167	5,327	5,406	5,452	5,246	5,301	4,135
Germany	5,346	5,034	10,494	12,990	12,701	12,161	12,003	12,837	12,912	13,256	14,162
Greece	238	210	224	223	175	219	219	240	236	215	280
Italy	1,338	1,085	1,041	968	1,020	1,171	1,072	870	1,506	1,140	1,095
Netherlands	1,468	1,356	1,762	2,532	2,543	2,427	2,369	2,029	1,945	2,022	2,534
Norway	978	973	995	1,018	1,035	1,046	1,049	1,082	1,055	1,024	999
Portugal	416	439	498	518	502	511	500	477	472	459	467
Spain	256	231	222	256	250	325	334	282	237	259	284
Sweden	1,184	1,189	1,403	1,483	1,682	1,787	1,905	1,951	1,871	1,835	1,787
Switzerland	2,857	2,924	2,845	2,901	2,959	3,272	3,268	3,310	3,226	3,309	3,320
Turkey	97	109	94	105	118	71	75	102	115	72	83
United Kingdom	5,011	5,510	4,546	4,657	4,741	5,899	6,317	6,457	5,943	5,593	6,403
Yugoslavia	117	82	78	58	69	73	66	66	57	58	69
Other Western Europe[1]	1,483	1,464	1,502	1,619	1,772	2,164	2,360	2,965	3,015	3,099	3,423
U.S.S.R.	11	14	21	14	8	9	11	18	17	16	40
Other Eastern Europe	81	71	65	71	71	66	74	81	90	114	96
Total	27,134	26,840	32,227	36,488	36,924	38,949	39,383	40,621	40,212	39,994	41,393
Canada	3,467	3,861	3,306	3,293	3,600	3,796	3,327	3,392	3,786	3,720	3,811
Latin America:											
Argentina	631	631	689	687	694	730	727	750	800	889	765
Bahamas[2]	539	291	263	200	228	502	462	796	563	589	457
Brazil	605	643	648	671	703	768	770	920	732	700	745
Chile	137	132	136	143	140	137	140	134	126	127	137
Colombia	210	210	218	184	197	219	200	200	168	167	207
Cuba	6	7	7	6	7	7	10	7	7	7	7
Mexico	831	783	800	788	853	843	925	919	975	1,044	1,029
Panama	167	193	201	171	168	192	186	194	217	204	231
Peru	225	176	167	172	167	170	180	190	177	178	152
Uruguay	140	140	138	132	143	150	180	128	126	114	115
Venezuela	1,077	995	1,051	948	1,044	967	1,054	1,066	1,078	941	1,130
Other Latin American republics	860	839	827	804	818	778	783	744	791	791	742
Netherlands Antilles and Surinam	86	81	84	76	72	64	68	78	61	65	70
Other Latin America	44	236	237	216	243	269	648	408	402	463	529
Total	5,558	5,356	5,463	5,197	5,478	5,796	6,323	6,532	6,224	6,279	6,317
Asia:											
China, People's Rep. of (China Mainland	39	39	37	49	43	44	41	38	43	40	37
China, Republic of (Taiwan)	675	737	783	816	831	832	846	790	810	813	779
Hong Kong	318	336	319	337	330	368	341	289	356	349	363
India	98	115	134	114	125	145	110	141	103	99	105
Indonesia	108	101	96	89	90	117	155	176	140	254	169
Israel	177	139	146	137	144	142	161	159	146	173	278
Japan	15,843	14,570	14,733	12,344	10,415	9,056	8,458	8,126	8,003	7,680	7,061
Korea	192	224	210	227	214	231	226	219	217	213	198
Philippines	438	445	453	513	520	575	544	545	541	482	480
Thailand	171	211	187	170	166	177	175	146	140	143	161
Other	1,071	951	897	869	940	873	883	958	1,139	1,165	1,138
Total	19,131	17,867	17,995	15,665	13,818	12,560	11,940	11,588	11,640	11,412	10,769
Africa:											
Egypt	24	21	28	17	33	67	29	29	41	34	34
Morocco	12	9	8	13	9	8	11	15	10	11	10
South Africa	115	111	104	125	125	120	155	169	100	132	103
Zaire	21	18	23	22	28	45	17	21	27	19	26
Other	768	573	728	739	798	786	904	803	683	765	747
Total	939	733	891	917	992	10,25	1,118	1,037	862	962	920
Other countries:											
Australia	3,027	3,046	2,861	2,489	2,882	2,961	2,985	3,202	3,124	3,106	3,169
All other	51	65	57	54	57	60	71	61	57	61	59
Total	3,077	3,111	2,918	2,903	2,939	3,022	3,056	3,263	3,181	3,168	3,228
Total foreign countries	59,306	57,768	62,800	64,463	63,751	6,5149	65,145	66,432	65,905	65,534	66,437
International and regional:											
International[3]	952	931	958	980	983	1,132	1,149	1,097	1,123	1,181	1,402
Latin American regional	307	301	318	320	337	345	329	309	289	298	299
Other regional[4]	154	147	141	126	109	102	89	81	72	71	66
Total	1,412	1,380	1,418	1,426	1,429	1,579	1,569	1,486	1,485	1,550	1,767
Grand total	60,719	59,148	64,218	65,889	65,180	66,729	66,714	67,919	67,389	67,085	68,204

For notes see the following page.

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9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(End of period. Amounts outstanding; in millions of dollars)

Supplementary data [5]

Area and country	1971		1972		1973
	Apr.	Dec.	Apr.	Dec.	Apr.
Other Western Europe:					
Cyprus	7	2	2	3	9
Iceland	10	11	9	9	12
Ireland, Rep. of	29	16	15	17	22
Other Latin American republics:					
Bolivia	59	55	53	87	65
Costa Rica	43	62	70	92	75
Dominican Republic	90	123	91	114	104
Ecuador	72	57	62	121	109
El Salvador	80	78	83	76	86
Guatemala	97	117	123	132	127
Haiti	19	18	23	27	25
Honduras	44	42	50	58	64
Jamaica	19	19	32	41	32
Nicaragua	47	50	66	61	79
Paraguay	15	17	17	22	26
Trinidad & Tobago	14	10	15	20	17
Other Latin America:					
Bermuda	(2)	(2)	(2)	(2)	127
British West Indies	38	32	23	36	100
Other Asia:					
Afghanistan	15	19	17	25	19
Bahrain	35	21	18	24	(7)
Burma	3	10	5	2	(7)
Cambodia	2	5	2	3	3
Iran	67	59	88	93	114
Iraq	7	10	9	10	(7)
Jordan	3	2	2	4	4
Other Asia—Cont.:					
Kuwait	36	20	16	39	36
Laos	2	3	3	2	3
Lebanon	60	46	60	55	55
Malaysia	28	23	25	54	59
Pakistan	28	33	58	59	93
Ryukyu Islands (incl. Okinawa)[6]	39	29	53	.....	.....
Saudi Arabia	41	79	80	344	236
Singapore	43	35	45	77	53
Sri Lanka (Ceylon)	4	4	6	5	6
Syria	3	4	6	4	39
Vietnam	161	159	185	135	98
Other Africa:					
Algeria	13	23	31	32	51
Ethiopia (incl. Eritrea)	12	11	29	57	75
Ghana	6	8	11	10	28
Kenya	13	9	14	23	19
Liberia	21	23	25	30	31
Libya	91	274	296	393	(7)
Nigeria	25	46	56	85	(7)
Southern Rhodesia	2	2	2	2	1
Sudan	1	1	5	3	3
Tanzania	10	6	6	11	16
Tunisia	6	9	7	10	11
Uganda	5	3	10	7	19
Zambia	14	13	7	28	(7)
All other:					
New Zealand	22	23	27	30	34

[1] Includes Bank for International Settlements and European Fund.
[2] Bermuda included with Bahamas through Dec. 1972.
[3] Data exclude "holdings of dollars" of the International Monetary Fund but include IMF gold investment until Feb. 1972, when investment was terminated.
[4] Asian, African, and European regional organizations, except BIS and European Fund, which are included in "Europe."
[5] Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe").
[6] Included in Japan after Apr. 1972.
[7] Not available.

10. LONG-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	To intl. and regional	To foreign countries				Country or area						
			Total	Official institutions	Banks[1]	Other foreigners	Germany	United Kingdom	Other Europe	Total Latin America	Japan	Other Asia	All other countries
1969	2,490	889	1,601	1,505	56	40	*	46	7	239	655	582	70
1970	1,703	789	914	695	165	53	110	42	26	152	385	137	62
1971	902	446	457	144	257	56	164	52	30	111	3	87	9
1972—Oct.	1,068	615	453	97	269	87	165	68	37	135	0	32	16
Nov.	1,051	600	450	94	269	88	165	68	37	134	1	32	14
Dec.[2]	1,000	562	439	93	259	87	165	63	32	136	1	32	10
	1,018	580	439	93	259	87	165	63	32	136	1	32	10
1973—Jan.[r]	1,044	617	427	74	257	96	165	61	30	127	1	30	13
Feb.[r]	1,276	613	663	304	258	100	164	59	233	118	1	71	16
Mar.[r]	1,406	697	709	328	269	112	164	66	234	133	1	96	16
Apr.[r]	1,399	686	713	329	274	111	164	68	239	128	1	98	16
May[r]	1,379	688	691	313	274	104	164	68	231	115	1	96	16
June[r]	1,467	769	697	311	274	113	164	68	233	125	2	94	10
July[r]	1,527	770	757	311	305	141	164	68	265	145	2	93	19
Aug.	1,532	777	755	322	305	127	165	68	265	143	2	95	17
Sept.[p]	1,504	760	744	318	302	123	165	68	263	145	2	84	18
Oct.[p]	1,473	735	738	312	305	122	165	68	265	140	2	81	18

[1] Excludes central banks, which are included with "Official institutions."
[2] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

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11. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. TREASURY BONDS AND NOTES

(End of period; in millions of dollars)

	1972			1973									
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.[p]	Oct.[p]
Europe:													
Belgium-Luxembourg	6	6	6	6	6	6	6	6	6	6	6	7	7
Sweden	35	85	85	110	135	135	135	135	135	135	135	165	165
Switzerland	45	45	45	45	44	43	44	43	43	42	37	37	37
United Kingdom	308	326	327	327	276	278	300	281	280	275	236	247	290
Other Western Europe	79	79	79	79	79	79	79	85	85	85	85	85	85
Eastern Europe	5	5	5	5	5	5	5	5	5	5	5	5	5
Total	478	545	547	572	544	546	569	555	554	547	504	546	588
Canada	479	559	558	558	559	561	561	560	560	560	560	560	560
Latin America:													
Latin American republics	1	1	1	1	1	1	1	1	1	4	8	9	9
Other Latin America	6	6	6	6	6	6	6	6	6	3	3	3	3
Total	7	7	7	7	7	7	7	7	7	7	11	12	12
Asia:													
Japan	3,756	4,003	4,380	4,867	5,421	5,961	5,978	5,978	5,977	5,977	5,949	5,950	5,950
Other Asia	10	10	10	10	10	10	10	10	10	9	9	11	11
Total	3,766	4,013	4,391	4,877	5,431	5,971	5,988	5,988	5,988	5,987	5,959	5,961	5,961
Africa	133	133	133	183	183	183	183	183	183	183	183	158	158
All other	*	*	25	25	25	25	25	25	25	25	25	25	25
Total foreign countries	4,863	5,257	5,661	6,223	6,749	7,293	7,333	7,318	7,317	7,308	7,241	7,261	7,303
International and regional:													
International	186	186	186	186	176	186	176	142	72	1	1	21	6
Latin American regional	27	28	28	28	26	26	27	27	27	28	45	45	47
Total	213	214	214	214	202	212	202	169	100	29	46	66	53
Grand total	5,076	5,471	5,874	6,436	6,951	7,505	7,535	7,487	7,417	7,337	7,287	7,327	7,356

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 benchmark surveys of holdings and regular monthly reports of securities transactions (see Table 16).

12. NONMARKETABLE U.S. TREASURY BONDS AND NOTES ISSUED TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES

(In millions of dollars or dollar equivalent)

End of period	Total	Payable in dollars								Payable in foreign currencies			
		Total	Belgium	Canada [1]	China, Rep. of (Taiwan)	Germany	Italy [2]	Korea	Thailand	Total	Germany [3]	Italy	Switzerland
1969	[4] 3,181	1,431	32	1,129	20	.....	135	15	100	[4] 1,750	[4] 1,084	125	541
1970	3,563	2,480	32	2,289	20	.....	25	15	100	1,083	542	.....	541
1971	[5] 9,657	7,829	32	2,640	20	5,000	22	15	100	[5] 1,827	612	.....	1,215
1972—Nov.	15,872	14,345	32	2,840	20	11,315	22	15	100	1,528	306	.....	1,222
Dec.	15,872	14,333	20	2,840	20	11,315	22	15	100	1,539	306	.....	1,233
1973—Jan.	16,016	14,474	20	2,840	20	11,471	22	.....	100	1,542	306	.....	1,236
Feb.	15,863	14,474	20	2,840	20	11,471	22	.....	100	1,389	153	.....	1,236
Mar.	[6] 15,870	14,464	20	2,840	10	11,471	22	.....	100	[6] 1,407	153	.....	1,254
Apr.	[6] 16,015	14,459	20	2,840	5	11,471	22	.....	100	[6] 1,556	172	.....	1,384
May	16,012	14,456	20	2,840	2	11,471	22	.....	100	1,556	172	.....	1,384
June	16,189	14,633	.....	2,840	.....	11,670	22	.....	100	1,556	172	.....	1,384
July	16,089	14,533	.....	2,840	.....	11,670	22	.....	.....	1,556	172	.....	1,384
Aug.	16,015	14,383	.....	2,690	.....	11,670	22	.....	.....	1,631	172	.....	1,458
Sept.	15,813	14,183	.....	2,490	.....	11,670	22	.....	.....	1,631	172	.....	1,458
Oct.	15,691	14,233	.....	2,540	.....	11,670	22	.....	.....	1,458	.....	.....	1,458
Nov.	15,692	14,233	.....	2,540	.....	11,670	22	.....	.....	1,459	.....	.....	1,459

[1] Includes bonds issued in 1964 to the Government of Canada in connection with transactions under the Columbia River treaty. Amounts outstanding end of 1967 through Oct. 1968, $114 million; Nov. 1968 through Sept. 1969, $84 million; Oct. 1969 through Sept. 1970, $54 million; and Oct. 1970 through Oct. 1971, $24 million.

[2] Notes issued to the Government of Italy in connection with military purchases in the United States.

[3] In addition, nonmarketable U.S. Treasury notes amounting to $125 million equivalent were held by a group of German commercial banks from June 1968 through Nov. 1972. The dollar value of these notes was increased by $10 million in Oct. 1969 and by $18 million as of Dec. 31, 1971.

[4] Includes an increase in dollar value of $84 million resulting from revaluation of the German mark in Oct. 1969.

[5] Includes $106 million increase in dollar value of foreign currency obligations revalued to reflect market exchange rates as of Dec. 31, 1971.

[6] Includes $15 million increase in Mar. and $145 million increase in Apr. in dollar value of foreign currency obligations revalued to reflect market exchange rates.

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13. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1971	1972		1973							
	Dec.	Dec.[1]		Mar.[r]	Apr.[r]	May[r]	June[r]	July[r]	Aug.	Sept.[p]	Oct.[p]
Europe:											
Austria	11	8	8	9	9	9	12	10	18	14	14
Belgium–Luxembourg	57	120	120	100	87	73	94	96	107	190	150
Denmark	49	59	59	60	63	69	69	56	67	52	50
Finland	135	118	118	131	134	140	141	134	125	114	97
France	263	330	330	424	451	447	389	434	368	413	461
Germany	235	321	321	371	345	356	399	349	281	313	371
Greece	30	29	29	29	32	19	19	28	20	16	26
Italy	160	255	255	269	288	327	326	278	278	242	282
Netherlands	105	108	108	118	129	115	109	101	155	144	127
Norway	67	69	69	70	66	67	65	79	70	67	74
Portugal	12	19	19	20	30	17	19	18	14	18	23
Spain	70	207	.207	282	238	360	387	272	251	183	183
Sweden	118	156	164	243	246	267	234	224	184	166	155
Switzerland	145	125	125	152	186	190	245	208	206	234	242
Turkey	3	6	6	5	5	6	9	7	6	6	8
United Kingdom	559	849	967	1,032	918	984	999	1,061	1,346	1,304	1,236
Yugoslavia	19	22	22	18	20	13	12	12	10	10	8
Other Western Europe	12	20	20	22	29	21	29	20	21	26	34
U.S.S.R.	28	41	41	54	61	50	56	56	42	46	49
Other Eastern Europe	37	49	49	52	60	69	73	84	83	97	87
Total	2,114	2,911	3,037	3,462	3,396	3,599	3,684	3,526	3,654	3,654	3,677
Canada	1,627	1,897	1,914	2,481	2,305	2,400	2,034	2,168	2,186	1,907	2,210
Latin America:											
Argentina	305	379	379	406	396	408	408	431	442	455	468
Bahamas [2]	262	476	476	461	505	409	399	495	454	617	686
Brazil	435	649	469	740	759	851	891	965	915	879	837
Chile	139	52	52	51	45	40	43	36	50	40	80
Colombia	380	418	418	380	401	398	412	420	422	423	423
Cuba	13	13	13	13	13	13	14	13	13	13	15
Mexico	934	1,202	1,202	1,320	1,343	1,343	1,399	1,376	1,338	1,322	1,388
Panama	125	244	244	212	183	190	218	223	262	252	273
Peru	176	145	145	132	143	147	169	180	176	178	208
Uruguay	41	40	40	40	36	31	34	34	35	39	45
Venezuela	268	383	383	404	401	440	454	454	441	430	436
Other Latin American republics	374	388	388	369	382	383	380	373	394	409	431
Netherlands Antilles and Surinam	18	14	14	17	24	35	38	48	38	31	23
Other Latin America	26	36	36	03	85	74	66	71	89	90	136
Total	3,494	4,437	4,437	4,646	4,715	4,762	4,925	5,119	5,069	5,176	5,449
Asia:											
China, People's Rep. of (China Mainland)	1	1	1	2	2	5	3	7	6	7	15
China, Republic of (Taiwan)	109	194	194	231	238	216	200	198	183	141	136
Hong Kong	70	93	93	111	122	132	204	218	116	128	121
India	21	14	14	16	14	19	21	18	17	19	14
Indonesia	41	87	87	127	127	97	94	91	77	81	89
Israel	129	105	105	142	126	116	111	133	133	145	145
Japan	4,280	4,158	4,158	5,568	5,665	5,536	5,756	5,753	5,791	5,801	5,745
Korea	348	296	296	301	331	338	347	348	336	343	372
Philippines	138	149	149	140	150	139	144	134	129	121	105
Thailand	172	191	191	205	197	194	173	188	185	179	206
Other	252	300	300	274	296	324	354	352	350	361	349
Total	5,560	5,589	5,589	7,118	7,269	7,116	7,407	7,441	7,321	7,325	7,296
Africa:											
Egypt	10	21	21	20	22	25	34	44	41	43	38
Morocco	4	4	4	7	5	4	4	5	5	11	4
South Africa	156	143	143	155	151	166	163	150	151	157	150
Zaire	21	13	13	11	13	13	42	43	49	48	51
Other	96	124	124	133	137	136	145	149	173	144	161
Total	288	304	304	325	327	343	388	391	419	403	404
Other countries:											
Australia	158	291	291	244	249	232	260	271	230	218	224
All other	28	40	40	47	50	47	46	40	41	36	36
Total	186	330	330	291	299	280	305	310	271	254	260
Total foreign countries	13,269	15,468	15,611	18,323	18,311	18,501	18,744	18,956	1,9821	18,719	19,295
International and regional	3	3	3	1	2	2	1	2	1	1	1
Grand total	13,272	15,471	15,614	18,324	18,312	18,502	18,745	18,957	18,922	18,720	19,297

[1] Data in the two columns shown for this date differ because of changes in reporting coverage. Figures in the first column are comparable in coverage with those shown for the preceding date; figures in the second column are comparable with those shown for the following date.

[2] Includes Bermuda through Dec. 1972.

NOTE.—Short-term claims are principally the following items payable on demand or with a contractual maturity of not more than 1 year: loans made to, and acceptances made for, foreigners; drafts drawn against foreigners, where collection is being made by banks and bankers for their own account or for account of their customers in the United States; and foreign currency balances held abroad by banks and bankers and their customers in the United States. Excludes foreign currencies held by U.S. monetary authorities.

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14. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars								Payable in foreign currencies			
		Total	Loans to—				Collections 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							
1969	9,680	9,165	3,278	262	1,943	1,073	2,015	3,202	670	516	352	89	74
1970	10,802	10,192	3,051	119	1,720	1,212	2,389	3,985	766	610	352	92	166
1971[2]	13,170	12,328	4,503	223	2,613	1,667	2,475	4,243	1,107	842	549	119	174
	13,272	12,377	3,969	231	2,080	1,658	2,475	4,254	1,679	895	548	173	174
1972—Oct.	13,845	13,069	5,138	146	2,666	2,326	2,987	2,953	1,991	776	408	209	159
Nov.	14,419	13,649	5,306	157	2,700	2,448	3,130	3,129	2,085	770	412	219	139
Dec.[3]	15,471	14,625	5,674	163	2,975	2,535	3,269	3,204	2,478	846	441	223	182
	15,614	14,768	5,682	163	2,975	2,543	3,298	3,204	2,584	846	441	223	182
1973—Jan.[r]	15,172	14,347	5,437	142	2,814	2,480	3,280	3,103	2,527	825	443	253	128
Feb.[r]	17,973	16,902	6,460	162	3,674	2,624	3,608	3,283	3,551	1,071	596	313	162
Mar.[r]	18,324	17,374	6,534	141	3,683	2,711	3,751	3,464	3,624	951	524	262	165
Apr.[r]	18,312	17,494	6,842	146	3,931	2,765	3,834	3,464	3,354	819	460	207	152
May[r]	18,502	17,649	6,931	163	3,812	2,956	3,844	3,602	3,271	854	499	237	118
June[r]	18,745	17,907	7,285	205	4,037	3,043	3,901	3,963	2,758	838	552	140	147
July[r]	18,957	18,095	7,015	162	3,916	2,936	3,891	3,899	3,290	862	561	151	151
Aug.	18,922	18,036	6,964	176	4,021	2,767	3,967	3,694	3,411	886	488	151	247
Sep.[p]	18,720	17,943	6,815	151	3,912	2,752	4,088	3,697	3,344	777	459	143	175
Oct.[p]	19,297	18,436	6,998	206	3,994	2,798	4,119	3,755	3,563	861	510	187	163

[1] Excludes central banks, which are included with "Official institutions."

[2] Data on second line differ from those on first line because (a) those claims of U.S. banks on their foreign branches and those claims of U.S. agencies and branches of foreign banks on their head offices and foreign branches, which were previously reported as "Loans", are included in "Other short-term claims"; and (b) a number of reporting banks are included in the series for the first time.

[3] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

15. LONG-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	Type						Country or area						
		Payable in dollars					Payable in foreign currencies	United Kingdom	Other Europe	Canada	Latin America	Japan	Other Asia	All other countries
		Loans to—				Other long-term claims								
		Total	Official institutions	Banks[1]	Other foreigners									
1969	3,250	2,806	502	209	2,096	426	18	67	411	408	1,329	88	568	378
1970	3,075	2,698	504	236	1,958	352	25	71	411	312	1,325	115	548	292
1971	3,667	3,345	575	315	2,455	300	22	130	593	228	1,458	246	583	429
1972—Oct.	4,649	4,323	796	412	3,114	292	35	139	658	340	1,897	305	828	481
Nov.	4,702	4,378	819	432	3,127	291	33	143	658	360	1,880	305	863	493
Dec.[r]	4,954	4,539	833	430	3,276	375	40	145	704	406	1,996	319	881	503
	5,014	4,539	835	430	3,274	436	40	145	701	406	2,006	348	901	509
1973—Jan.[r]	5,017	4,536	835	442	3,258	440	41	144	724	403	1,967	353	918	508
Feb.[r]	5,126	4,625	836	477	3,311	449	52	135	763	434	1,987	342	930	535
Mar.[r]	5,270	4,763	883	496	3,384	460	47	121	851	453	978	336	987	544
Apr.[r]	5,413	4,917	903	544	3,469	448	49	122	904	477	2,000	337	1,031	544
May[r]	5,514	5,010	932	545	3,532	456	48	131	923	511	2,000	331	1,059	558
June[r]	5,605	5,096	978	550	3,568	464	45	131	980	523	2,003	311	1,096	561
July	5,626	5,116	957	554	3,605	456	54	128	1,029	517	1,983	310	1,123	535
Aug.	5,521	5,009	1,002	514	3,492	466	46	137	1,007	404	1,964	304	1,158	548
Sep.[r]	5,392	4,865	1,010	511	3,345	457	70	131	975	418	1,924	252	1,192	501
Oct.[p]	5,565	5,009	1,041	537	3,432	476	80	130	1,011	491	1,958	258	1,203	514

[1] Excludes central banks, which are included with "Official institutions."

[2] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

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16. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

(In millions of dollars)

Period	Marketable U.S. Treas. bonds and notes [1]					U.S. corporate securities [2]			Foreign bonds			Foreign stocks		
	Net purchases or sales					Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales
	Total	Intl. and regional	Foreign											
			Total	Official	Other									
1970	56	−25	82	−41	123	11,426	9,844	1,582	1,490	2,441	−951	1,033	998	35
1971	1,672	130	1,542	1,661	−119	14,573	13,158	1,415	1,687	2,621	−935	1,385	1,439	−57
1972	3,316	57	3,258	3,281	−23	19,073	15,015	4,058	1,901	2,961	−1,060	2,532	2,123	409
1973—Jan.–Oct.[p]	1,482	−161	1,643	1,692	−49	15,251	10,672	4,579	1,216	1,927	−711	1,414	1,232	182
1972—Oct.	356	.....	356	340	17	1,353	1,045	309	154	207	−53	188	119	69
Nov.	395	1	395	377	18	1,927	1,295	632	136	171	−35	192	110	82
Dec.	404	.....	404	403	1	2,014	1,375	639	243	465	−222	233	178	55
1973—Jan.[r]	562	.....	562	562	*	1,852	1,116	736	191	323	−132	161	158	3
Feb.[r]	515	−12	527	579	−52	1,761	1,045	716	145	144	1	194	145	49
Mar.	554	10	544	540	3	2,220	1,111	1,109	144	125	19	211	114	97
Apr.	31	−9	40	16	23	1,564	1,040	523	117	292	−175	121	112	9
May	−48	−33	−15	*	−15	1,141	1,101	40	139	150	−11	137	125	12
June	−71	−69	−1	.....	−1	1,097	899	198	125	103	22	123	111	12
July	−79	−71	−9	.....	−9	1,320	843	477	94	194	−100	107	107	*
Aug.	−51	17	−68	−28	−39	1,343	819	524	96	157	−61	117	125	−8
Sept.[p]	40	20	20	8	12	1,172	962	210	67	101	−34	115	105	10
Oct.[p]	29	−13	42	15	27	1,779	1,735	45	97	336	−239	129	131	−2

[1] Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries; see Table 12.

[2] Includes State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

NOTE.—Statistics include transactions of international and regional organizations.

17. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE STOCKS, BY COUNTRY

(In millions of dollars)

Period	Purchases	Sales	Net purchases or sales (−)	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Other
1970	8,927	8,301	626	58	195	128	110	−33	24	482	−9	47	85	21
1971	11,626	10,894	731	87	131	219	168	−49	71	627	−93	37	108	52
1972	14,361	12,173	3,188	372	−51	297	642	561	137	1,958	−78	−32	256	83
1973—Jan.–Oct.[p]	10,399	8,010	2,389	303	−34	253	680	320	261	1,782	125	12	435	35
1972—Oct.	1,005	846	159	65	6	24	83	−89	19	109	8	2	29	11
Nov.	1,560	1,070	490	85	44	55	61	150	53	449	13	25	−8	12
Dec.	1,464	1,114	350	48	−3	42	59	132	19	297	−1	8	42	4
1973—Jan.[r]	1,401	924	477	32	29	46	143	108	21	380	25	−20	85	8
Feb.[r]	1,282	835	446	25	5	67	150	82	42	371	37	−11	44	5
Mar.	1,144	793	350	35	8	47	148	21	29	288	25	5	21	11
Apr.	866	728	139	21	9	−8	53	−16	46	105	34	−10	5	4
May	777	898	−121	−2	−43	−14	−22	−39	3	−117	−7	−16	11	9
June	766	632	134	2	−23	7	52	15	21	74	8	−2	55	−2
July	880	564	316	67	−19	25	80	28	28	210	19	11	71	5
Aug.	972	631	341	53	1	60	57	40	34	245	10	11	81	−6
Sept.[p]	947	734	213	63	6	18	52	15	14	167	*	27	21	−3
Oct.[p]	1,366	1,271	94	6	−7	5	−34	66	24	60	−26	17	41	4

[1] Includes international and regional organizations.

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18. 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	Other Europe	Total Europe	Canada	Latin America	Asia	Africa	Other countries	Intl. and regional
1970	956	35	48	37	134	118	91	464	128	25	28	1	−12	324
1971	684	15	35	−1	197	327	39	612	37	19	−2	*	−21	39
1972	1,871	336	77	74	135	357	315	1,293	82	22	323	2	*	148
1973—Jan.–Oct.[p]	2,190	188	46	−21	217	165	436	1,031	70	25	980	*	11	73
1972—Oct	150	36	7	1	35	34	54	168	5	3	2	*	*	−28
Nov	142	2	30	27	−1	46	42	147	−6	1	1	*	*	*
Dec	289	56	30	*	14	49	60	210	8	3	29	1	*	38
1973—Jan	260	12	*	−2	29	49	73	161	1	6	31	*	*	60
Feb	270	6	4	2	30	46	60	149	36	1	110	*	*	−26
Mar	759	45	3	−22	−7	−3	158	174	*	4	623	*	*	−42
Apr	385	33	2	*	65	−96	94	98	16	4	199	*	*	68
May	161	1	−4	−1	76	120	22	215	7	1	2	*	*	−63
June	64	6	−3	*	−3	−9	−2	−10	7	−1	*	*	10	59
July	161	*	−2	*	13	−15	7	3	3	3	1	*	*	150
Aug	183	31	46	1	−5	72	10	154	−1	4	2	*	*	24
Sept.[p]	−2	2	*	*	−1	14	12	26	−1	1	11	*	*	−39
Oct.[p]	−50	53	*	1	21	−14	1	62	4	1	1	*	*	−118

NOTE.—Statistics include State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

19. NET PURCHASES OR SALES BY FOREIGNERS OF LONG-TERM FOREIGN SECURITIES, BY AREA

(In millions of dollars)

Period	Total	Intl. and regional	Total foreign countries	Europe	Canada	Latin America	Asia	Africa	Other countries
1970	−915	−254	−662	50	−586	−11	−129	−6	20
1971	−992	−310	−682	31	−275	−46	−366	−57	32
1972	−651	−90	−561	492	−651	−69	−296	−66	29
1973—Jan.–Oct.[p]	−529	79	−608	−50	−478	−86	−30	1	35
1972—Oct	16	16	*	46	−73	2	23	*	2
Nov	47	11	36	39	−4	8	−8	*	*
Dec	−167	9	−176	7	−158	−26	−2	2	1
1973—Jan.[r]	−129	9	−138	7	−67	−70	−9	*	*
Feb	49	−2	51	−3	41	−16	29	*	*
Mar	116	23	93	24	34	8	27	*	1
Apr	−166	16	−182	22	−193	−6	−5	*	*
May	−1	11	−10	−22	−13	6	6	−1	14
June	34	7	27	10	6	13	−13	1	9
July	−100	3	−103	−14	−100	*	9	*	3
Aug	−69	5	−75	−21	−44	−4	−8	*	3
Sept.[p]	−25	4	−28	−28	8	−8	−1	*	2
Oct.[p]	−240	4	−244	−25	−148	−8	−64	1	1

20. FOREIGN CREDIT AND DEBIT BALANCES IN BROKERAGE ACCOUNTS

(Amounts outstanding; in millions of dollars)

End of period	Credit balances (due to foreigners)	Debit balances (due from foreigners)
1970—Sept	291	203
Dec	349	281
1971—Mar	511	314
June	419	300
Sept	333	320
Dec	311	314
1972—Mar	325	379
June	312	339
Sept	286	336
Dec	372	405
1973—Mar	310	364
June	316	243
Sept.[p]	290	255

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.

Notes to Tables 21a and 21b on following pages:

[1] Total assets and total liabilities payable in U.S. dollars amounted to $15,439 million and $15,765 million, respectively, on July 31, 1973.

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.

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21a. ASSETS OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

Location and currency form	Month-end	Total	Claims on U.S.			Claims on foreigners					Other
			Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Non-bank foreigners	
IN ALL FOREIGN COUNTRIES											
Total, all currencies	1970—Dec.	47,363	9,740	7,248	2,491	36,221	6,887	16,997	695	11,643	1,403
	1971—Dec.	61,334	4,798	2,311	2,486	54,752	11,211	24,550	1,167	17,823	1,785
	1972—July	69,963	4,058	1,514	2,544	63,941	11,622	30,419	1,407	20,492	1,965
	Aug.	72,856	4,504	1,759	2,745	66,268	11,655	31,821	1,566	21,225	2,084
	Sept.	74,906	4,952	2,243	2,709	67,607	11,335	33,395	1,539	21,338	2,346
	Oct.	74,796	4,967	2,239	2,728	67,599	11,343	33,098	1,549	21,610	2,230
	Nov.	76,241	4,456	1,824	2,632	69,425	11,350	34,203	1,577	22,295	2,360
	Dec.	80,034	4,735	2,124	2,611	73,031	11,717	36,738	1,665	22,910	2,268
	1973—Jan.	81,200	4,926	2,327	2,600	74,007	11,946	36,797	1,621	23,643	2,267
	Feb.	87,989	4,327	1,565	2,762	81,106	12,273	42,206	1,747	24,881	2,555
	Mar.	91,646	4,296	1,988	2,308	84,370	12,458	44,268	1,965	25,679	2,980
	Apr.	90,987	3,917	1,672	2,244	84,091	12,787	42,976	2,081	26,247	2,979
	May	92,994	4,218	1,926	2,292	85,577	13,490	42,746	2,004	27,337	3,199
	June	98,756	4,955	2,333	2,622	90,207	13,528	46,277	1,900	28,501	3,594
	July	103,667	5,403	2,505	2,898	94,460	15,298	47,454	2,035	29,674	3,804
Payable in U.S. dollars	1970—Dec.	34,619	9,452	7,233	2,219	24,642	4,213	13,265	362	6,802	525
	1971—Dec.	40,182	4,541	2,305	2,236	35,064	6,659	18,006	864	9,536	577
	1972—July	45,034	3,811	1,488	2,324	40,523	7,260	21,666	984	10,613	700
	Aug.	47,175	4,263	1,741	2,523	42,184	7,320	22,717	1,063	11,085	728
	Sept.	48,704	4,685	2,222	2,463	43,141	7,048	23,840	1,105	11,148	879
	Oct.	48,986	4,669	2,216	2,453	43,556	7,391	23,555	1,084	11,526	761
	Nov.	49,631	4,173	1,803	2,371	44,664	7,439	24,123	1,083	12,019	793
	Dec.	54,058	4,473	2,102	2,371	48,768	8,083	26,907	1,128	12,651	817
	1973—Jan.	54,197	4,592	2,303	2,289	48,829	8,094	26,764	1,063	12,908	777
	Feb.	57,633	3,987	1,534	2,452	52,718	8,551	29,831	1,097	13,239	929
	Mar.	58,745	3,988	1,957	2,031	53,752	8,438	30,568	1,124	13,622	1,005
	Apr.	57,515	3,589	1,645	1,944	52,871	8,426	29,498	1,108	13,839	1,055
	May	58,019	3,930	1,899	2,031	52,871	8,548	28,677	1,140	14,506	1,218
	June	61,843	4,602	2,285	2,317	55,885	8,493	31,261	1,129	15,003	1,356
	July	64,034	4,799	2,469	2,330	57,757	9,211	31,715	1,220	15,612	1,478
IN UNITED KINGDOM											
Total, all currencies	1970—Dec.	28,451	6,729	5,214	1,515	21,121	3,475	11,095	316	6,235	601
	1971—Dec.	34,552	2,694	1,230	1,464	30,996	5,690	16,211	476	8,619	862
	1972—July	39,463	1,876	810	1,066	36,741	5,742	20,946	546	9,507	847
	Aug.	40,596	2,117	1,078	1,039	37,538	5,688	21,411	595	9,844	941
	Sept.	42,053	2,350	1,253	1,097	38,606	5,651	22,559	650	9,745	1,097
	Oct.	41,649	2,409	1,386	1,023	38,201	5,751	22,157	630	9,662	1,040
	Nov.	41,600	1,939	907	1,032	38,643	5,490	22,671	584	9,898	1,018
	Dec.	43,684	2,234	1,138	1,096	40,430	5,659	23,983	609	10,179	1,020
	1973—Jan.	44,347	2,585	1,466	1,118	40,796	5,637	24,333	574	10,252	966
	Feb.	48,533	1,945	848	1,097	45,487	5,887	28,473	585	10,542	1,102
	Mar.	49,696	2,052	1,130	922	46,520	5,783	29,148	663	10,926	1,124
	Apr.	49,181	1,662	794	868	46,332	5,437	29,255	651	10,989	1,188
	May	49,080	1,744	910	834	46,001	5,725	28,394	614	11,268	1,336
	June	51,415	1,876	1,012	864	48,031	5,279	30,348	607	11,797	1,508
	July	54,203	2,500	1,492	1,008	50,129	6,274	30,769	649	12,436	1,575
Payable in U.S. dollars	1970—Dec.	22,574		6,596		15,655	2,223	9,420		4,012	323
	1971—Dec.	24,428		2,585		21,493	4,135	12,762		4,596	350
	1972—July	26,680		1,791		24,494	4,097	15,589		4,808	395
	Aug.	27,185		2,036		24,734	4,013	15,768		4,953	415
	Sept.	28,204		2,264		25,463	4,004	16,609		4,851	476
	Oct.	27,978		2,307		25,244	4,169	16,249		4,827	427
	Nov.	27,865		1,846		25,579	4,049	16,399		5,132	439
	Dec.	30,381		2,146		27,787	4,326	17,976		5,485	447
	1973—Jan.	30,652		2,468		27,778	4,184	18,069		5,526	405
	Feb.	32,746		1,814		30,423	4,568	20,219		5,637	508
	Mar.	32,658		1,953		30,183	4,324	20,033		5,827	522
	Apr.	31,833		1,539		29,778	4,034	20,119		5,625	515
	May	30,906		1,654		28,666	3,943	18,848		5,874	587
	June	32,864		1,784		30,386	3,900	20,413		6,073	694
	July	33,437		2,193		30,521	4,042	20,164		6,316	724
IN THE BAHAMAS											
Total, all currencies	1970—Dec.	4,815	1,173	455	717	3,583		2,119		1,464	59
	1971—Dec.	8,493	1,282	505	778	7,119		3,798		3,320	92
	1972—July	10,329	1,409	110	1,298	8,786		4,924		3,863	134
	Aug.	11,515	1,530	118	1,413	9,846		5,682		4,164	139
	Sept.	11,914	1,612	221	1,391	10,150		5,929		4,221	152
	Oct.	12,017	1,739	251	1,489	10,120		5,836		4,284	157
	Nov.	12,330	1,586	221	1,365	10,577		6,209		4,368	167
	Dec.	13,091	1,496	225	1,272	11,419		6,965		4,454	175
	1973—Jan.	13,065	1,387	182	1,206	11,496		6,754		4,742	181
	Feb.	13,559	1,461	83	1,378	11,860		7,189		4,671	238
	Mar.	13,764	1,211	90	1,121	12,283		7,520		4,764	271
	Apr.	13,653	1,407	293	1,113	11,988		6,726		5,262	258
	May	14,730	1,498	272	1,227	12,888		7,242		5,647	343
	June	16,184	1,917	410	1,507	14,002		8,206		5,796	265
	July	17,086	1,929	350	1,579	14,862		8,802		6,060	295

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21b. LIABILITIES OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

Total	To U.S.			To foreigners					Other	Month-end	Location and currency form
	Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Non-bank foreigners			
											IN ALL FOREIGN COUNTRIES
47,354	2,575	716	1,859	42,812	6,426	24,829	4,180	7,377	1,967	.....1970—Dec.	.....Total, all currencies
61,336	3,114	669	2,445	56,124	10,773	31,081	5,513	8,756	2,098	.....1971—Dec.	
69,963	3,212	736	2,476	64,712	11,283	35,860	7,176	10,393	2,039	.....1972—July	
72,855	3,263	680	2,583	67,392	11,510	37,327	7,841	10,714	2,200	.....Aug.	
74,905	3,303	728	2,575	69,340	11,123	39,328	8,208	10,680	2,263	.....Sept.	
74,795	3,255	716	2,539	69,198	11,204	38,470	8,236	11,287	2,342	.....Oct.	
76,239	3,233	802	2,432	70,513	11,146	39,324	8,401	11,642	2,493	.....Nov.	
80,035	3,559	1,000	2,559	73,842	11,344	42,531	8,486	11,483	2,634	.....Dec.	
81,200	3,414	836	2,578	75,273	11,746	42,260	9,236	12,032	2,513	.....1973—Jan.	
87,989	3,967	1,132	2,835	80,886	11,901	46,373	9,388	13,224	3,136	.....Feb.	
91,646	4,137	1,218	2,919	84,066	12,219	48,520	9,454	13,873	3,443	.....Mar.	
90,987	4,095	1,044	3,051	83,345	12,638	47,874	9,538	13,294	3,547	.....Apr.	
92,994	4,548	1,122	3,426	84,655	13,284	48,536	9,331	13,505	3,792	.....May	
98,756	4,578	1,009	3,569	90,133	13,315	53,388	9,593	13,837	4,044	.....June	
103,667	4,484	1,211	3,273	94,825	15,026	55,608	9,676	14,515	4,358	.....July	
36,086	2,334	657	1,677	32,509	4,079	19,816	3,737	4,877	1,243	.....1970—Dec.	.....Payable in U.S. dollars
42,033	2,674	511	2,163	38,083	6,653	22,069	4,433	4,928	1,276	.....1971—Dec.	
47,460	2,754	611	2,143	43,634	7,507	24,766	5,777	5,584	1,072	.....1972—July	
49,436	2,800	549	2,252	45,463	7,660	25,861	6,252	5,690	1,173	.....Aug.	
51,092	2,833	605	2,227	47,055	7,401	27,133	6,490	6,031	1,204	.....Sept.	
51,326	2,789	582	2,207	47,305	7,706	26,770	6,567	6,262	1,232	.....Oct.	
52,139	2,753	651	2,102	48,082	7,741	27,241	6,734	6,365	1,305	.....Nov.	
56,375	3,104	848	2,256	51,811	8,178	30,253	6,913	6,467	1,459	.....Dec.	
56,405	2,995	693	2,302	52,114	8,400	29,234	7,680	6,800	1,297	.....1973—Jan.	
60,890	3,466	954	2,511	55,815	8,783	32,024	7,809	7,200	1,609	.....Feb.	
62,430	3,613	1,038	2,575	57,127	8,735	33,131	7,771	7,489	1,691	.....Mar.	
60,915	3,562	886	2,676	55,604	8,657	31,970	7,743	7,234	1,750	.....Apr.	
61,427	4,005	955	3,050	55,636	8,810	32,275	7,361	7,190	1,786	.....May	
64,660	4,035	868	3,167	58,781	8,774	35,470	7,354	7,183	1,844	.....June	
66,224	3,886	1,045	2,841	60,381	9,611	36,187	7,092	7,490	1,957	.....July	
											IN UNITED KINGDOM
28,451	1,339	116	1,222	26,520	2,320	16,533	3,119	4,548	592	.....1970—Dec.	.....Total, all currencies
34,552	1,660	111	1,550	32,128	3,401	19,137	4,464	5,126	763	.....1971—Dec.	
39,463	1,497	150	1,347	37,075	3,464	21,720	5,565	6,326	892	.....1972—July	
40,596	1,498	153	1,345	38,165	3,423	22,236	6,007	6,499	933	.....Aug.	
42,053	1,497	137	1,360	39,517	3,139	23,739	6,272	6,367	1,039	.....Sept.	
41,649	1,465	136	1,329	39,225	3,060	23,001	6,309	6,854	959	.....Oct.	
41,600	1,481	132	1,349	39,149	2,928	22,769	6,340	7,112	969	.....Nov.	
43,684	1,456	113	1,343	41,232	2,961	24,776	6,453	7,042	997	.....Dec.	
44,347	1,501	107	1,394	41,933	3,277	23,959	7,285	7,412	913	.....1973—Jan.	
48,533	1,844	264	1,580	45,628	3,157	27,038	7,517	7,915	1,062	.....Feb.	
49,696	1,858	235	1,624	46,750	3,164	28,119	7,388	8,078	1,088	.....Mar.	
49,181	1,970	165	1,805	46,075	3,397	27,796	7,509	7,373	1,136	.....Apr.	
49,080	2,028	170	1,857	45,792	3,614	27,168	7,324	7,685	1,260	.....May	
51,415	1,957	122	1,835	48,145	3,321	29,332	7,585	7,907	1,313	.....June	
54,203	1,868	163	1,705	50,918	3,883	30,978	7,817	8,241	1,417	.....July	
23,005	1,208	98	1,110	21,495	1,548	13,684	2,859	3,404	302	.....1970—Dec.	.....Payable in U.S. dollars
24,845	1,412	23	1,389	23,059	2,164	14,038	3,676	3,181	374	.....1971—Dec.	
27,130	1,294	103	1,190	25,393	2,197	15,000	4,641	3,554	444	.....1972—July	
27,625	1,271	100	1,171	25,887	2,140	15,217	4,981	3,549	467	.....Aug.	
28,589	1,269	86	1,184	26,788	1,926	15,959	5,117	3,787	531	.....Sept.	
28,477	1,245	80	1,165	26,759	1,942	15,597	5,216	4,004	473	.....Oct.	
28,558	1,270	92	1,178	26,778	1,959	15,383	5,280	4,155	510	.....Nov.	
30,933	1,276	72	1,203	29,121	2,008	17,478	5,349	4,287	536	.....Dec.	
30,926	1,335	72	1,264	29,091	2,234	16,205	6,162	4,490	500	.....1973—Jan.	
33,966	1,661	226	1,436	31,714	2,188	18,360	6,394	4,771	591	.....Feb.	
33,929	1,676	195	1,481	31,655	2,128	18,334	6,251	4,942	598	.....Mar.	
33,050	1,735	119	1,616	30,782	2,318	17,672	6,245	4,546	533	.....Apr.	
32,148	1,809	138	1,671	29,730	2,225	16,982	5,897	4,626	608	.....May	
33,584	1,731	102	1,629	31,278	2,234	18,390	5,990	4,663	575	.....June	
33,851	1,655	148	1,507	31,603	2,316	18,683	5,868	4,736	594	.....July	
											IN THE BAHAMAS
4,815		542		4,183	488	2,872		823	90	.....1970—Dec.	.....Total, all currencies
8,495		750		7,557	1,649	4,784		1,124	188	.....1971—Dec.	
10,329		1,043		9,126	1,633	6,169		1,323	160	.....1972—.July	
11,515		1,121		10,238	1,885	6,898		1,455	156	.....Aug.	
11,913		1,137		10,620	1,935	7,192		1,493	156	.....Sept.	
12,017		1,053		10,793	1,928	7,415		1,450	171	.....Oct.	
12,329		934		11,230	1,982	7,862		1,386	166	.....Nov.	
13,091		1,220		11,703	1,964	8,395		1,344	168	.....Dec.	
13,065		1,137		11,761	1,875	8,503		1,383	167	.....1973—Jan.	
13,559		1,186		12,144	2,223	8,394		1,527	230	.....Feb.	
13,765		1,303		12,195	1,855	8,803		1,537	267	.....Mar.	
13,653		1,126		12,138	1,977	8,505		1,656	389	.....Apr.	
14,730		1,404		12,981	2,238	9,259		1,483	345	.....May	
16,184		1,480		14,370	2,579	10,410		1,381	334	.....June	
117,086		1,374		15,381	3,002	10,762		1,616	331	.....July	

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22. LIABILITIES OF U.S. BANKS TO THEIR FOREIGN BRANCHES AND FOREIGN BRANCH HOLDINGS OF SPECIAL U.S. GOVERNMENT SECURITIES

(Amounts outstanding; in millions of dollars)

Wednesday	Liabilities[1]	Liab. plus sec.[2]	Wednesday	Liabilities[1]	Wednesday	Liabilities[1]
1968			1972		1973	
Mar. 27	4,920	.....	Jan. 26	1,419	June 6	940
June 26	6,202	.....	Feb. 23	1,068	13	1,266
Sept. 25	7,104	.....	Mar. 29	1,532	20	1,242
Dec. 31 (1/1/69)	6,039	.....	Apr. 26	1,374	27	1,521
1969			May 31	1,465	July 3	1,766
			June 28	1,443	11	1,664
			July 26	1,345	18	2,146
			Aug. 30	1,270	25	2,086
Mar. 26	9,621	.....	Sept. 27	2,023	Aug. 1	2,226
June 25	13,269	.....	Oct. 25	1,415	8	2,276
Sept. 24	14,349	.....	Nov. 29	1,745	15	1,900
Dec. 31	12,805	.....	Dec. 27	1,406	22	2,440
1970			1973		29	2,793
			Jan. 31	1,413	Sept. 5	1,512
			Feb. 28	790	12	1,942
Mar. 25	11,885	.....	Mar. 28	1,127	19	1,801
June 24	12,172	.....			26	1,731
Sept. 30	9,663	.....	Apr. 4	1,011	Oct. 3	1,695
Dec. 30	7,676	.....	11	1,203	10[r]	1,790
1971			18	1,193	17[r]	1,814
			25	1,123	24[r]	1,642
					31[r]	1,702
Mar. 31	2,858	4,358	May 2	1,238		
June 30	1,492	4,500	9	1,073	Nov. 7	1,693
Sept. 29	2,475	3,578	16	1,721	14	1,826
Dec. 29	909	.....	23	1,492	21	2,428
			30	1,351	28	2,412

[1] Represents gross liabilities of reporting banks to their branches in foreign countries.
[2] For period Jan. 27, 1971 through Oct. 20, 1971, includes U.S. Treasury Certificates Eurodollar Series and special Export-Import Bank securities held by foreign branches. Beginning July 28, 1971, all of the securities held were U.S. Treasury Certificates Eurodollar Series.

23. MATURITY OF EURO-DOLLAR DEPOSITS IN FOREIGN BRANCHES OF U.S. BANKS

(End of month; in billions of dollars)

Maturity of liability	1973		
	June	July	Aug.
Overnight	2.57	3.19	2.45
Call	3.04	3.16	2.55
Other liabilities, maturing in following calendar months after report date:			
1st	15.47	13.38	13.56
2nd	7.61	8.14	8.90
3rd	6.55	7.49	6.89
4th	3.96	4.20	3.89
5th	3.67	3.45	3.73
6th	3.08	3.55	3.56
7th	.54	.89	1.02
8th	.82	.98	.74
9th	.96	.72	.53
10th	.54	.38	.36
11th	.36	.34	.82
12th	.32	.76	.66
Maturities of more than 1 year	1.92	1.88	1.89
Total	51.27	52.50	51.54

NOTE.—Includes interest-bearing U.S. dollar deposits and direct borrowings of all branches in the Bahamas and of all other foreign branches for which such deposits and direct borrowings amount to $50 million or more.
Details may not add to totals due to rounding.

24. 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
1970	148	16,226	12,926
1971	294	43,195	13,815
1972—Nov.	188	51,874	[2]15,530
Dec.	325	50,934	15,530
1973—Jan.	310	50,118	15,526
Feb.	455	56,914	15,522
Mar.	327	[3]59,389	15,519
Apr.	328	[3]58,255	15,513
May	289	58,015	15,511
June	334	57,545	15,486
July	280	57,054	15,464
Aug.	259	55,855	15,455
Sept.	250	55,407	15,437
Oct.	426	54,766	[4]17,122
Nov.	420	52,998	17,104

[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] Increase reflects principally change in par value of the U.S. dollar in May 1972.
[3] Includes $15 million increase in Mar. and $160 million increase in Apr. in dollar value of foreign currency obligations revalued to reflect market exchange rates.
[4] Increase reflects change in par value of the U.S. dollar in Oct. 1973.

NOTE.—Excludes deposits and U.S. Treas. securities held for international and regional organizations. Earmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

25. 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]		
1968	1,638	1,219	87	272	60	979	280
1969 [2]	1,319	952	116	174	76	610	469
	1,491	1,062	161	183	86	663	534
1970	1,141	697	150	173	121	372	443
1971—Dec.[2]	1,648	1,092	203	234	120	577	587
	1,507	1,078	127	234	68	580	443
1972—Sept.	2,101	1,527	170	359	45	685	604
Oct.	2,033	1,472	171	332	57	681	551
Nov.	2,058	1,493	167	343	55	635	587
Dec.[2]	1,965	1,446	169	307	42	702	485
	2,219	1,758	55	338	68	868	506
1973—Jan.	2,369	1,861	74	342	93	915	655
Feb.	2,901	2,155	149	373	225	1,010	1,042
Mar.	2,963	2,191	139	408	225	1,093	914
Apr.	2,938	2,175	110	414	238	1,033	840
May	3,063	2,309	113	430	211	996	940
June	3,109	2,457	67	451	134	1,054	835
July	3,153	2,387	118	473	175	1,060	898
Aug.	3,238	2,477	65	481	214	1,059	874
Sept.	3,052	2,403	67	413	169	1,029	830

[1] Negotiable and other readily transferable foreign obligations payable on demand or having a contractual maturity of not more than 1 year from the date on which the obligation was incurred by the foreigner.
[2] Data on the two lines for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

NOTE.—Data represent the liquid assets abroad of large nonbanking concerns in the United States. They are a portion of the total claims on foreigners reported by nonbanking concerns in the United States and are included in the figures shown in Tables 26 and 27.

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26. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(End of period. Amounts outstanding; in millions of dollars)

Area and country	Liability to foreigners					Claims on foreigners				
	1972			1973		1972			1973	
	Sept.	Dec.[1]		Mar.	June[p]	Sept.	Dec.[1]		Mar.	June[p]
Europe:										
Austria	2	2	2	3	2	15	20	19	14	17
Belgium-Luxembourg	82	75	83	75	81	63	62	73	106	93
Denmark	5	9	7	8	19	19	28	29	26	20
Finland	3	4	4	4	4	16	23	25	21	21
France	145	163	167	161	165	188	220	230	290	318
Germany, Fed, Rep. of	130	145	156	146	165	200	176	194	242	270
Greece	14	24	15	19	24	30	39	35	36	40
Italy	108	118	121	107	103	174	194	202	204	199
Netherlands	79	102	109	100	110	71	78	83	96	97
Norway	5	9	14	14	13	19	17	16	17	19
Portugal	3	4	4	5	4	20	21	19	19	25
Spain	63	79	81	82	72	130	137	157	159	140
Sweden	14	12	12	22	23	45	56	57	45	49
Switzerland	119	122	106	127	85	57	79	82	85	89
Turkey	2	3	4	3	3	8	47	47	23	15
United Kingdom	943	949	1,009	857	702	992	1,044	1,155	1,385	1,360
Yugoslavia	5	7	7	16	17	11	12	12	14	18
Other Western Europe	2	2	2	2	3	11	14	12	9	9
Eastern Europe	9	3	3	6	21	47	42	42	40	91
Total	1,733	1,830	1,905	1,758	1,617	2,117	2,309	2,489	2,831	2,890
Canada	183	209	211	267	246	996	899	930	1,308	1,256
Latin America:										
Argentina	16	19	29	30	24	52	59	78	74	62
Brazil	24	35	35	42	47	163	175	168	170	176
Chile	17	18	18	17	13	33	33	34	31	29
Colombia	6	8	7	8	7	39	41	40	40	36
Cuba	1	1	1	*	*	1	1	1	1	1
Mexico	21	27	27	34	38	154	180	183	195	205
Panama	5	8	18	17	18	20	19	67	72	72
Peru	5	5	4	4	6	36	40	36	33	34
Uruguay	2	6	7	5	3	7	4	4	5	5
Venezuela	17	17	21	23	23	74	89	92	106	99
Other L.A. republics	30	35	45	46	47	96	91	94	95	101
Bahamas [2]	293	319	366	288	382	519	520	547	534	740
Neth. Antilles and Surinam.	9	10	10	10	11	11	12	13	12	11
Other Latin America	6	7	4	8	19	23	23	35	44	91
Total	453	514	589	532	638	1,226	1,289	1,390	1,410	1,661
Asia:										
China, People's Republic of (China Mainland)	28	32	32	32	31	1	*	*	1	10
China, Rep. of (Taiwan)	26	28	26	33	35	51	67	65	61	76
Hong Kong	12	12	12	12	12	22	24	32	31	34
India	7	7	7	7	7	36	33	34	31	28
Indonesia	6	12	16	16	15	32	33	33	38	35
Israel	11	12	13	16	9	18	31	31	34	27
Japan	223	149	160	194	234	452	456	467	509	500
Korea	16	20	20	19	18	57	63	63	47	40
Philippines	5	15	15	25	19	63	49	48	47	47
Thailand	5	5	5	5	6	14	15	22	25	24
Other Asia	112	117	152	156	140	171	201	203	188	203
Total	451	410	458	513	525	918	972	999	1,012	1,024
Africa:										
Egypt	1	25	32	37	20	7	7	16	25	23
South Africa	17	7	8	6	6	45	53	52	55	52
Zaire	2	1	1	12	12	7	5	8	16	15
Other Africa	37	59	61	66	67	64	75	79	78	84
Total	57	92	103	121	105	122	140	155	173	174
Other countries:										
Australia	46	47	46	54	72	92	94	84	82	77
All other	11	13	13	11	11	18	20	21	22	23
Total	57	60	59	64	82	110	114	105	104	100
International and regional	*	*	*	*	*	5	1	1	1	1
Grand total	2,933	3,115	3,324	3,256	3,213	5,495	5,723	6,068	6,839	7,106

[1] Data in the two columns shown for this date differ because of changes in reporting coverage. Figures in the first column are comparable in coverage with those shown for the preceding date; figures in the second column are comparable with those shown for the following date.

[2] Includes Bermuda.

NOTE.—Reported by exporters, importers, and industrial and commercial concerns and other nonbanking institutions in the United States. Data exclude claims held through U.S. banks, and intercompany accounts between U.S. companies and their foreign affiliates.

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27. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Liabilities			Claims			
	Total	Payable in dollars	Payable in foreign currencies	Total	Payable in dollars	Payable in foreign currencies	
						Deposits with banks abroad in reporter's name	Other
1969—June	1,613	1,263	350	4,023	3,316	429	278
Sept.	1,797	1,450	346	3,874	3,222	386	267
Dec.[1]	1,786	1,399	387	3,710	3,124	221	365
	2,124	1,654	471	4,159	3,532	244	383
1970—June	2,387	1,843	543	4,457	3,868	234	355
Sept.	2,512	1,956	557	4,361	3,756	301	305
Dec.	2,677	2,281	496	4,160	3,579	234	348
1971—Mar.	2,437	1,975	462	4,515	3,909	232	374
June	2,375	1,937	438	4,708	4,057	303	348
Sept.	2,564	2,109	454	4,894	4,186	383	326
Dec.[1]	2,704	2,229	475	5,185	4,535	318	333
	2,763	2,301	463	5,004	4,467	290	247
1972—Mar.	2,844	2,407	437	5,177	4,557	318	302
June	2,925	2,452	472	5,331	4,685	376	270
Sept.	2,933	2,435	498	5,495	4,833	432	230
Dec.[1]	3,115	2,630	484	5,723	5,074	411	238
	3,324	2,825	499	6,068	5,394	393	281
1973—Mar.	3,256	2,743	513	6,839	5,945	458	436
June[p]	3,213	2,652	561	7,106	6,249	502	355

[1] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

28. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total liabilities	Claims										
		Total	Country or area									
			United Kingdom	Other Europe	Canada	Brazil	Mexico	Other Latin America	Japan	Other Asia	Africa	All other
1969—June	1,325	1,952	168	368	447	195	76	216	142	229	72	40
Sept.	1,418	1,965	167	369	465	179	70	213	143	246	71	42
Dec. [1]	1,725	2,215	152	433	496	172	73	388	141	249	69	42
	2,304	2,363	152	442	562	177	77	420	142	271	75	46
1970—Mar.	2,358	2,744	159	735	573	181	74	458	158	288	71	47
June	2,587	2,757	161	712	580	177	65	477	166	288	76	54
Sept.	2,785	2,885	157	720	620	180	63	586	144	284	73	58
Dec.	3,102	2,950	146	708	669	183	60	618	140	292	71	64
1971—Mar.	3,177	2,983	154	688	670	182	63	615	161	302	77	72
June	3,172	2,982	151	687	677	180	63	625	138	312	75	74
Sept.	2,939	3,019	135	672	765	178	60	597	133	319	85	75
Dec.[1]	3,159	3,118	128	705	761	174	60	652	141	327	86	85
	3,138	3,118	128	705	767	174	60	653	136	325	86	84
1972—Mar.	3,093	3,191	129	713	787	175	60	665	137	359	81	85
June	3,300	3,255	108	713	797	188	61	671	161	377	86	93
Sept.	3,448	3,235	128	695	805	177	63	661	132	389	89	96
Dec.[1]	3,540	3,369	162	715	833	184	60	659	156	406	87	109
	3,858	3,472	179	755	870	187	63	698	134	394	80	111
1973—Mar.	3,988	3,604	144	808	884	165	62	783	124	409	102	125
June[p]	3,963	3,662	157	819	894	146	64	797	138	412	105	131

[1] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

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FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Ceylon (rupee)	Denmark (krone)	Finland (markka)	France (franc)
1968	111.25	3.8675	2.0026	92.801	16.678	13.362	23.761	20.191
1969	111.10	3.8654	1.9942	92.855	16.741	13.299	23.774	19.302
1970	111.36	3.8659	2.0139	95.802	16.774	13.334	23.742	18.087
1971	113.61	4.0009	2.0598	99.021	16.800	13.508	23.758	18.148
1972	119.23	4.3228	2.2716	100.937	16.057	14.384	24.022	19.825
1972—Nov.	119.09	4.3064	2.2685	101.279	15.026	14.510	24.022	19.839
Dec.	120.74	4.3172	2.2670	100.326	14.936	14.601	24.000	19.657
1973—Jan.	127.16	4.3203	2.2665	100.071	14.904	14.536	23.986	19.671
Feb.	135.46	4.8582	2.3981	100.440	15.407	15.386	24.728	20.987
Mar.	141.29	4.8759	2.5378	100.333	15.774	16.275	25.628	22.191
Apr.	141.50	4.8330	2.4895	99.928	15.777	16.099	25.872	21.959
May	141.50	4.9082	2.5356	99.916	15.883	16.241	25.277	22.341
June	141.58	5.2408	2.6643	100.160	16.538	17.130	26.731	23.472
July	141.78	5.8124	2.8151	100.049	16.431	18.041	27.202	24.655
Aug.	141.48	5.5917	2.7035	99.605	15.948	17.521	27.314	23.527
Sept.	146.83	5.5695	2.7089	99.181	15.768	17.480	27.042	23.466
Oct.	148.22	5.5871	2.7328	99.891	15.481	17.692	27.202	23.718
Nov.	148.22	5.2670	2.5882	100.092	15.503	16.744	26.894	22.687

Period	Germany (Deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)	Malaysia (dollar)	Mexico (peso)	Netherlands (guilder)
1968	25.048	13.269	239.35	.16042	.27735	32.591	8.0056	27.626
1969	25.491	13.230	239.01	.15940	.27903	32.623	8.0056	27.592
1970	27.424	13.233	239.59	.15945	.27921	32.396	8.0056	27.651
1971	28.768	13.338	244.42	.16174	.28779	32.989	8.0056	28.650
1972	31.364	13.246	250.08	.17132	.32995	35.610	8.0000	31.153
1972—Nov.	31.215	12.540	235.05	.17109	.33224	36.124	8.0000	30.964
Dec.	31.262	12.467	234.48	.17146	.33196	35.531	8.0000	30.962
1973—Jan.	31.288	12.494	235.62	.17079	.33136	35.523	8.0000	31.084
Feb.	33.273	12.910	242.75	.17421	.36041	37.679	8.0000	33.119
Mar.	35.548	13.260	247.24	.17604	.38190	39.922	8.0000	34.334
Apr.	35.252	13.255	248.37	.16971	.37666	40.307	8.0000	33.890
May	35.841	13.340	253.05	.17100	.37786	40.333	8.0000	34.488
June	38.786	13.753	257.62	.16792	.37808	40.865	8.0000	36.582
July	42.821	13.605	253.75	.17200	.37801	43.121	8.0000	38.700
Aug.	41.219	13.220	247.57	.17423	.37704	43.859	8.0000	37.596
Sept.	41.246	12.987	241.83	.17691	.37668	43.361	8.0000	38.542
Oct.	41.428	12.938	242.92	.17656	.37547	43.641	8.0000	40.011
Nov.	38.764	12.767	238.70	.16904	.35941	41.838	8.0000	37.267

Period	New Zealand (dollar)	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
1968	111.37	14.000	3.4864	139.10	1.4272	19.349	23.169	239.35
1969	111.21	13.997	3.5013	138.90	1.4266	19.342	23.186	239.01
1970	111.48	13.992	3.4978	139.24	1.4280	19.282	23.199	239.59
1971	113.71	14.205	3.5456	140.29	1.4383	19.592	24.325	244.42
1972	119.35	15.180	3.7023	129.43	1.5559	21.022	26.193	250.08
1972—Nov.	119.45	15.144	3.7140	127.52	1.5753	21.076	26.346	235.05
Dec.	119.53	15.187	3.7248	127.57	1.5753	21.080	26.526	234.48
1973—Jan.	119.52	15.128	3.7280	127.55	1.5755	21.092	26.820	235.62
Feb.	126.87	16.038	3.8562	134.91	1.6355	21.935	29.326	242.75
Mar.	132.21	16.954	4.1005	141.43	1.7183	22.582	31.084	247.24
Apr.	132.99	16.428	3.9563	141.70	1.7217	22.161	30.821	248.37
May	132.34	17.196	4.0050	141.65	1.7224	22.567	31.494	253.05
June	132.40	18.192	4.2175	148.07	1.7229	23.746	32.757	257.62
July	135.02	18.932	4.4624	148.63	1.7385	24.732	35.428	253.75
Aug.	135.33	18.145	4.3243	148.52	1.7553	24.070	33.656	247.57
Sept.	145.07	18.048	4.2784	148.50	1.7610	23.769	33.146	241.83
Oct.	148.64	18.285	4.3014	148.54	1.7576	23.942	33.019	242.92
Nov.	147.74	17.872	4.1155	148.45	1.7479	23.019	31.604	238.70

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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CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of Nov. 30, 1972		Changes during the last 12 months											Rate as of Nov. 30, 1973
			1972	1973										
	Per cent	Month effective	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	
Argentina	18.0	Feb. 1972	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	18.0
Austria	5.5	Nov. 1972	.....	.....	.....	.....	.....	.....	.....	6.0	.....	.....	.....	.....	6.0
Belgium	4.5	Nov. 1972	5.0	.....	.....	.....	.....	5.50	.....	6.0	6.5	.....	7.75	.....	7.75
Brazil	18.0	Feb. 1972	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	18.0
Canada	4.75	Oct. 1971	.....	.....	.....	.....	5.25	5.75	6.25	.....	6.75	.....	.....	.....	6.75
Ceylon	6.5	Jan. 1970	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	6.5
Chile	7.0	Jan. 1972	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	7.0
China, Rep. of (Taiwan)	9.25	May 1971	.....	.....	.....	.....	.....	.....	.....	10.5	.....	.....	10.75	.....	10.75
Colombia	14.0	May 1970	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	8.0
Costa Rica	5.0	June 1966	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	5.0
Denmark	7.0	Oct. 1972	.....	.....	.....	.....	.....	.....	.....	8.0	.....	.....	.....	.....	8.0
Ecuador	8.0	Jan. 1970	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	8.0
Egypt	5.0	May 1962	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	5.0
El Salvador	4.0	Aug. 1964	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	4.0
Ethiopia	6.50	Aug. 1970	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	6.50
Finland	7.75	Jan. 1972	.....	.....	.....	.....	.....	.....	.....	9.25	.....	.....	.....	.....	9.25
France	7.5	Nov. 1972	.....	.....	.....	.....	.....	.....	.....	8.50	9.5	11.0	.....	.....	11.0
Germany, Fed. Rep. of	4.5	Nov. 1972	.....	5.0	.....	.....	.....	6.0	7.0	.....	.....	.....	.....	.....	7.0
Ghana	8.0	July 1971	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	8.0
Greece	6.5	Sept. 1969	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	6.5
Honduras	4.0	Feb. 1966	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	4.0
Iceland	5.25	Jan. 1966	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	5.25
India	6.0	Jan. 1971	.....	.....	.....	.....	.....	7.0	.....	.....	.....	.....	.....	.....	7.0
Indonesia	6.0	May 1969	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	6.0
Iran	7.0	Oct. 1969	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	7.0
Ireland	7.44	Oct. 1972	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	7.44
Italy	4.0	Apr. 1972	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	4.0
Jamaica	6.0	June 1972	.....	7.0	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	7.0
Japan	4.25	June 1972	.....	.....	.....	.....	5.0	5.5	.....	6.0	7.0	.....	.....	.....	7.0
Korea	13.0	Jan. 1972	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	13.0
Mexico	4.5	June 1942	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	4.5
Morocco	3.50	Nov. 1951	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	3.50
Netherlands	4.0	Nov. 1972	.....	.....	.....	.....	.....	.....	5.0	6.0	6.5	.....	7.0	.....	7.0
New Zealand	6.0	Mar. 1972	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	6.0
Nigeria	4.50	June 1968	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	4.50
Norway	4.5	Sept. 1969	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	4.5
Pakistan	6.0	May 1972	.....	.....	.....	.....	.....	.....	.....	.....	8.0	.....	.....	.....	8.0
Peru	9.5	Nov. 1959	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	9.5
Philippine Republic	10.0	June 1969	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	10.0
Portugal	3.75	Feb. 1971	4.0	.....	.....	5.5	.....	.....	.....	.....	.....	.....	.....	.....	4.0
South Africa	6.0	Aug. 1972	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	5.5
Spain	5.0	Oct. 1971	.....	.....	.....	.....	.....	.....	.....	6.0	.....	.....	.....	.....	6.0
Sweden	5.0	Nov. 1971	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	5.0
Switzerland	3.75	Sept. 1969	.....	4.50	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	4.50
Thailand	5.0	Oct. 1959	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	5.0
Tunisia	5.0	Sept. 1966	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	5.0
Turkey	9.0	Sept. 1970	.....	.....	.....	8.0	.....	.....	.....	.....	.....	.....	.....	8.75	8.75
United Kingdom	7.5	Oct. 1972	9.0	8.75	.....	8.5	.....	7.75	7.50	11.50	.....	.....	.....	.....	†11.50
Venezuela	5.0	Oct. 1970	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	5.0
Vietnam	18.0	Sept. 1970	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	18.0

NOTE.—Rates shown are mainly those at which the central bank either discounts or makes advances against eligible commercial paper and/or govt. securities for commercial banks or brokers. For countries with more than one rate applicable to such discounts or advances, the rate shown is the one at which it is understood the central bank transacts the largest proportion of its credit operations. Other rates for some of these countries follow:

Argentina—3 and 5 per cent for certain rural and industrial paper, depending on type of transaction;

Brazil—8 per cent for secured paper and 4 per cent for certain agricultural paper;

Chile—Various rates ranging from 1 per cent to 17 per cent; 20 per cent for loans to make up reserve deficiencies.

Colombia—5 per cent for warehouse receipts covering approved lists of products, 6 and 7 per cent for agricultural bonds, and 12 and 18 per cent for rediscounts in excess of an individual bank's quota;

Costa Rica—5 per cent for paper related to commercial transactions (rate shown is for agricultural and industrial paper);

Ecuador—5 per cent for special advances and for bank acceptances for agricultural purposes, 7 per cent for bank acceptances for industrial purposes, and 10 per cent for advances to cover shortages in legal reserves;

Ethiopia—5 per cent for export paper and 6 per cent for Treasury bills.

Honduras—Rate shown is for advances only.

Indonesia—Various rates depending on type of paper, collateral, commodity involved, etc.;

Japan—Penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;

Morocco—Various rates from 3 per cent to 4.6 per cent depending on type of paper, maturity, collateral, guarantee, etc.

Peru—3.5, 5, and 7 per cent for small credits to agricultural or fish production, import substitution industries and manufacture of exports; 8 per cent for other agricultural, industrial and mining paper;

Philippines—6 per cent for financing the production, importation, and distribution of rice and corn and 7.75 per cent for credits to enterprises engaged in export activities. Preferential rates are also granted on credits to rural banks; and

† *United Kingdom*—On Oct. 9, 1972, the Bank of England announced: "With effect from Friday October 13th the Bank's minimum lending rate will until further notice be the average rate of discount for Treasury bills established at the most recent tender plus one half percent rounded to the nearest one quarter percent above. Although the rate will therefore be automatically determined by this formula it will for convenience be made known each Friday afternoon concurrently with and in the same manner as the results of the Treasury bill tender. The regular weekly bank rate announcement will be discontinued from now on." Therefore, the minimum lending rate as of last Friday of the month will be carried in place of Bank rate.

Venezuela—2 per cent for rediscounts of certain agriculture paper, 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.

Vietnam—10 per cent for export paper; treasury bonds are rediscounted at a rate 4 percentage points above the rate carried by the bond; and there is a penalty rate of 24 per cent for banks whose loans exceed quantitative ceilings.

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OPEN MARKET RATES

(Per cent per annum)

Month	Canada		United Kingdom				France	Germany, Fed. Rep. of		Netherlands		Switzerland
	Treasury bills, 3 months[1]	Day-to-day money[2]	Prime bank bills, 3 months[3]	Treasury bills, 3 months	Day-to-day money	Clearing banks' deposit rates[4]	Day-to-day money[5]	Treasury bills, 60–90 days[6]	Day-to-day money[7]	Treasury bills, 3 months	Day-to-day money	Private discount rate
1971	3.62	3.76	6.41	5.57	4.93	3.84	5.84	4.54	6.10	4.34	3.76	5.24
1972	3.55	3.65	6.06	5.02	4.83	3.84	.....	3.04	4.30	2.15	1.97	4.81
1972—Nov.	3.61	3.71	7.28	6.88	5.70	5.25	6.33	3.75	5.71	3.13	3.31	4.75
Dec.	3.66	3.71	8.08	7.76	6.23	5.57	7.32	4.25	6.69	3.12	3.20	4.75
1973—Jan.	3.79	3.72	8.76	8.49	7.66	6.55	7.23	4.75	5.58	3.16	2.78	5.00
Feb.	3.91	3.93	9.34	8.14	8.31	7.30	7.71	5.75	2.18	2.33	1.55	5.00
Mar.	4.28	4.21	9.76	8.16	7.52	7.50	7.49	5.75	11.37	1.53	.61	5.00
Apr.	4.73	4.53	8.64	7.87	7.20	7.25	7.46	5.75	14.84	1.22	.77	5.00
May	5.08	4.67	8.35	7.45	8.29	7.11	7.71	5.75	7.40	2.89	3.88	5.00
June	5.40	5.00	8.14	7.12	6.66	6.55	7.46	7.00	10.90	3.59	4.28	5.00
July	5.67	5.28	9.06	8.35	5.89	6.25	8.50	.....	15.78	5.58	5.65	5.00
Aug.	6.47	5.87	12.78	10.98	9.70	8.99	9.15	.....	10.63	5.92	7.24	5.25
Sept.	6.41	6.31	12.12	11.37	9.13	9.50	10.22	.....	9.76	5.67	7.97	.....
Oct.	6.56	6.54	11.37	10.75	10.53	9.50	11.13	.....	10.57	5.25	7.93	.....
Nov.	6.48	6.56	13.38	11.76	8.80	9.50	11.08	.....	.....	.....	.....	.....

[1] Based on average yield of weekly tenders during month.
[2] Based on weekly averages of daily closing rates.
[3] Data for 1968 through Sept. 1971 are for bankers' acceptances, 3 months.
[4] Data for 1968 through Sept. 1971 are for bankers' allowance on deposits.
[5] Rate shown is on private securities.
[6] Rate in effect at end of month.
[7] Monthly averages based on daily quotations.
[8] Bill rates in table are buying rates for prime paper.

NOTE.—For description and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

ARBITRAGE ON TREASURY BILLS

(Per cent per annum)

Date	United States and United Kingdom					United States and Canada					
	Treasury bill rates			Premium (+) or discount (−) on forward pound	Net incentive (favor of London)	Treasury bill rates				Premium (+) or discount (−) on forward Canadian dollars	Net incentive (favor of Canada)
						Canada		United States	Spread (favor of Canada)		
	United Kingdom (adj. to U.S. quotation basis)	United States	Spread (favor of London)			As quoted in Canada	Adj. to U.S. quotation basis				
1973											
June 1	7.06	6.87	.19	−1.43	−1.24	5.19	5.07	6.87	−1.80	1.12	−.68
8	7.06	7.02	.04	−1.41	−1.37	5.25	5.11	7.02	−1.91	1.38	−.53
15	6.93	7.07	−.14	−1.38	−1.52	5.44	5.29	7.07	−1.78	1.48	−.30
22	6.90	7.16	−.26	−1.40	−1.66	5.46	5.31	7.16	−1.85	1.60	−.25
29	6.86	7.29	−.43	−1.68	−2.11	5.48	5.33	7.29	−1.96	1.58	−.38
July 6	6.76	7.87	−1.11	−2.36	−3.47	5.62	5.47	7.87	−2.40	1.70	−.70
13	6.85	7.59	−.74	−2.22	−2.96	5.62	5.47	7.59	−2.12	1.68	−.44
20	8.26	8.05	.21	−2.13	−1.92	5.71	5.55	8.05	−2.50	2.27	−.23
27	10.74	8.15	2.59	−3.55	−.96	5.74	5.59	8.15	−2.56	2.48	−.08
Aug. 3	10.63	8.18	2.45	−2.97	−.52	5.82	5.66	8.18	−2.52	2.64	.12
10	10.76	8.76	2.00	−4.60	−2.60	5.99	5.82	8.76	−2.94	2.88	−.06
17	10.78	8.47	2.31	−4.55	−2.24	6.05	5.82	8.47	−2.65	2.69	.04
24	10.83	8.45	2.38	−4.88	−2.50	6.12	5.95	8.45	−2.50	2.64	.14
31	10.82	8.53	2.29	−4.45	−2.16	8.38	6.00	8.53	−2.53	2.58	.05
Sept. 7	10.84	8.77	2.07	−4.55	−2.48	6.22	6.04	8.77	−2.73	2.26	−.47
14	10.80	8.75	2.05	−5.49	−3.44	6.42	6.25	8.75	−2.50	2.06	−.44
21	10.83	8.00	2.83	−4.84	−2.01	6.48	6.26	8.00	−1.74	1.89	.15
28	10.79	6.94	3.85	−4.52	−.67	6.50	6.29	6.94	−0.65	1.37	.72
Oct. 5	10.74	7.36	3.38	−3.73	−.35	6.68	6.26	7.36	−1.11	1.41	.30
12	10.67	7.08	3.59	−3.56	.03	6.51	6.29	7.08	−.79	.46	−.33
19	10.56	6.98	3.58	−3.68	−.10	6.53	6.30	6.98	−.68	.08	−.60
26	10.54	6.99	3.55	−4.08	−.53	6.51	6.30	6.99	−.69	−.70	−1.39
Nov. 2	10.46	7.39	3.07	−3.79	−.72	6.53	6.30	7.39	−1.09	−.28	−1.37
9	10.57	8.01	2.56	−3.54	−.98	6.52	6.33	8.01	−1.68	−.06	−1.74
16	12.24	7.51	4.73	−5.11	−.38	6.47	6.25	7.51	−1.26	.18	−1.08
23	12.31	7.74	4.57	−5.92	−1.35	6.47	6.23	7.74	−1.51	.22	−1.29
30	12.28	7.32	4.76	−5.50	−.54	6.43	6.22	7.32	−1.10	.30	−.80

NOTE.—*Treasury bills:* All rates are on the latest issue of 91-day bills. U.S. and Canadian rates are market offer rates 11 a.m. Friday; U.K. rates are Friday opening market offer rates in London.

Premium or discount on forward pound and on forward Canadian dollar: Rates per annum computed on basis of midpoint quotations (between bid and offer) at 11 a.m. Friday in New York for both spot and forward pound sterling and for both spot and forward Canadian dollars.

All series: Based on quotations reported to F.R. Bank of New York by market sources.

For description of series and for back figures, see Oct. 1964 BULLETIN, pp. 1241–60. For description of adjustments to U.K. and Canadian Treasury bill rates, see notes to Table 1, p. 1257, and to Table 2, p. 1260, Oct. 1964 BULLETIN.

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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	Brazil	Burma	Canada	Chile
1965	[2]43,230	[3]1,869	13,806	27,285	6	66	223	700	1,558	63	84	1,151	44
1966	43,185	2,652	13,235	27,300	6	84	224	701	1,525	45	84	1,046	45
1967	41,600	2,682	12,065	26,855	155	84	231	701	1,480	45	84	1,015	45
1968	40,905	2,288	10,892	27,725	205	109	257	714	1,524	45	84	863	46
1969	41,015	2,310	11,859	26,845	205	135	263	715	1,520	45	84	872	47
1970	41,275	4,339	11,072	25,865	191	140	239	714	1,470	45	63	791	47
1971	r41,160	4,732	10,206	r26,220	192	90	259	729	1,544	46	22	792	47
1972—Oct.	.....	5,777	10,487	.....	208	152	282	792	1,636	50	16	834	.....
Nov.	.....	5,778	10,487	.....	208	152	282	792	1,642	50	16	834	.....
Dec.	r44,890	5,830	10,487	r28,575	208	152	281	792	1,638	50	12	834	.....
1973—Jan.	.....	5,830	10,487	.....	208	152	281	793	1,621	50	12	834	.....
Feb.	.....	5,830	10,487	.....	208	152	281	793	1,603	50	12	834	.....
Mar.	r44,880	5,830	10,487	r28,565	208	152	282	793	1,603	50	12	834	.....
Apr.	.....	5,830	10,487	.....	208	152	281	793	1,603	50	12	834	.....
May	.....	5,826	10,487	.....	208	152	281	793	1,603	50	12	834	.....
June	44,865	5,831	10,487	28,545	208	152	281	793	1,603	50	12	834	.....
July	.....	5,826	10,487	.....	208	.....	281	793	1,603	50	12	834	.....
Aug.	.....	5,826	10,487	.....	208	.....	281	793	1,603	50	11	834	.....
Sept.	p44,895	5,826	10,487	p28,580	208	.....	282	793	1,603	50	.....	834	.....
Oct.p	.....	6,474	11,652	.....	231	.....	312	881	1,781	.....	.....	927	.....

End of period	China, Rep. of (Taiwan)	Colombia	Denmark	Egypt	Finland	France	Germany, Fed. Rep. of	Greece	India	Iran	Iraq	Ireland	Israel
1965	55	35	97	139	84	4,706	4,410	78	281	146	110	21	56
1966	62	26	108	93	45	5,238	4,292	120	243	130	106	23	46
1967	81	31	107	93	45	5,234	4,228	130	243	144	115	25	46
1968	81	31	114	93	45	3,877	4,539	140	243	158	193	79	46
1969	82	26	89	93	45	3,547	4,079	130	243	158	193	39	46
1970	82	17	64	85	29	3,532	3,980	117	243	131	144	16	43
1971	80	14	64	85	49	3,523	4,077	98	243	131	144	16	43
1972—Oct.	87	16	69	92	53	3,826	4,436	132	264	142	156	17	42
Nov.	87	16	69	92	53	3,826	4,436	132	264	142	156	17	44
Dec.	87	16	69	92	53	3,826	4,459	133	264	142	156	17	43
1973—Jan.	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
Feb.	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
Mar.	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
Apr.	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
May	87	16	69	92	53	3,834	4,469	133	264	142	156	17	41
June	87	16	69	92	53	3,841	4,462	133	264	142	156	17	41
July	87	16	69	92	53	3,835	4,469	133	.....	142	156	17	41
Aug.	87	16	69	92	53	3,835	4,469	133	.....	142	156	17	41
Sept.	87	16	69	.....	53	3,835	4,469	133	.....	142	156	16	41
Oct.p	.....	18	77	.....	59	4,261	4,966	148	.....	158	173	19	.....

End of period	Italy	Japan	Kuwait	Lebanon	Libya	Malaysia	Mexico	Morocco	Netherlands	Norway	Pakistan	Peru	Philippines
1965	2,404	328	52	182	68	2	158	21	1,756	31	53	67	38
1966	2,414	329	67	193	68	1	109	21	1,730	18	53	65	44
1967	2,400	338	136	193	68	31	166	21	1,711	18	53	20	60
1968	2,923	356	122	288	85	66	165	21	1,697	24	54	20	62
1969	2,956	413	86	288	85	63	169	21	1,720	25	54	25	45
1970	2,887	532	86	288	85	48	176	21	1,787	23	54	40	56
1971	2,884	679	87	322	85	58	184	21	1,909	33	55	40	67
1972—Oct.	3,130	801	94	350	93	63	188	23	2,078	36	60	41	72
Nov.	3,130	801	94	350	93	63	188	23	2,059	36	60	41	71
Dec.	3,130	801	94	350	93	63	188	23	2,059	37	60	41	71
1973—Jan.	3,134	801	94	350	93	63	188	23	2,059	37	60	41	71
Feb.	3,134	801	94	350	93	63	188	23	2,059	37	60	41	71
Mar.	3,134	801	94	350	93	63	188	23	2,059	37	60	41	71
Apr.	3,134	801	94	350	93	63	188	23	2,059	37	60	41	50
May	3,134	802	.....	350	93	63	188	23	2,059	37	60	41	50
June	3,134	802	.....	350	93	63	186	23	2,063	37	60	41	40
July	3,134	802	.....	350	93	63	184	23	2,063	37	60	41	40
Aug.	3,134	802	.....	350	93	63	.....	23	2,065	37	60	41	40
Sept.	3,134	802	.....	350	93	63	.....	.....	2,065	37	60	.....	40
Oct.p	3,483	891	.....	388	103	.....	.....	.....	2,294	41	67	.....	45

For notes see end of table.

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GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS—Continued

(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	Portugal	Saudi Arabia	South Africa	Spain	Sweden	Switzerland	Thailand	Turkey	United Kingdom	Uruguay	Venezuela	Yugoslavia	Bank for Intl. Settlements [4]
1965	576	73	425	810	202	3,042	96	116	2,265	155	401	19	−558
1966	643	69	637	785	203	2,842	92	102	1,940	146	401	21	−424
1967	699	69	583	785	203	3,089	92	97	1,291	140	401	22	−624
1968	856	119	1,243	785	225	2,624	92	97	1,474	133	403	50	−349
1969	876	119	1,115	784	226	2,642	92	117	1,471	165	403	51	−480
1970	902	119	666	498	200	2,732	92	126	1,349	162	384	52	−282
1971	921	r108	410	498	200	2,909	82	130	775	148	391	51	310
1972—Oct.	1,021	r117	636	541	217	3,158	89	122	800	169	425	56	267
Nov.	1,021	r117	662	541	217	3,158	89	122	800	169	425	56	255
Dec.	1,021	r117	681	541	217	3,158	89	136	800	133	425	56	218
1973—Jan.	1,022	r117	706	542	220	3,162	89	136	810	133	425	56	218
Feb.	1,022	r117	711	542	220	3,162	89	136	810	133	425	56	214
Mar.	1,022	r117	714	542	220	3,162	89	136	810	133	425	56	214
Apr.	1,022	r117	720	542	220	3,162	89	136	810	133	425	56	214
May	1,022	r117	721	542	220	3,162	89	136	810	133	425	56	199
June	1,022	r117	724	542	220	3,162	89	136	810	133	425	56	205
July	1,022	r117	734	542	220	3,162	89	136	.....	133	425	56	204
Aug.	1,035	r117	740	542	220	3,162	89	136	.....	133	425	56	205
Sept.	1,036	116	738	542	220	3,162	89	136	.....	133	425	56	213
Oct.p	.....	129	820	.....	244	3,512	99	.....	.....	148	472	61	227

[1] Includes reported or estimated gold holdings of international and regional organizations, central banks and govts. of countries listed in this table, and also of a number not shown separately here, and gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; excludes holdings of the U.S.S.R., other Eastern European countries, and China Mainland.

The figures included for the Bank for International Settlements are the Bank's gold assets net of gold deposit liabilities. This procedure avoids the overstatement of total world gold reserves since most of the gold deposited with the BIS is included in the gold reserves of individual countries.

[2] Adjusted to include gold subscription payments to the IMF made by some member countries in anticipation of increase in Fund quotas, except those matched by gold mitigation deposits with the United States and United Kingdom; adjustment is $270 million.

[3] Excludes gold subscription payments made by some member countries in anticipation of increase in Fund quotas: for most of these countries the increased quotas became effective in Feb. 1966.

[4] Net gold assets of BIS, i.e., gold in bars and coins and other gold assets minus gold deposit liabilities.

NOTE.—For back figures and description of the data in this and the following tables on gold (except production), see "Gold," Section 14 of *Supplement to Banking and Monetary Statistics*, 1962.

GOLD PRODUCTION

(In millions of dollars; valued at $35 per fine ounce through 1971 and at $38 per fine ounce thereafter)

Period	World production [1]	Africa			North and South America					Asia			Other	
		South Africa	Ghana	Zaire	United States	Canada	Mexico	Nicaragua	Colombia	India	Japan	Philippines	Australia	All other [1]
1966	1,445.0	1,080.8	24.0	5.6	63.1	114.6	7.5	5.2	9.8	4.2	19.4	15.8	32.1	62.9
1967	1,410.0	1,068.7	26.7	5.4	53.4	103.7	5.8	5.2	9.0	3.4	23.7	17.2	28.4	59.4
1968	1,420.0	1,088.0	25.4	5.9	53.9	94.1	6.2	4.9	8.4	4.0	21.5	18.5	27.6	61.6
1969	1,420.0	1,090.7	24.8	6.0	60.1	89.1	6.3	3.7	7.7	3.4	23.7	20.0	24.5	60.0
1970	1,450.0	1,128.0	24.6	6.2	63.5	84.3	6.9	4.0	7.1	3.7	24.8	21.1	21.7	54.1
1971p	.....	1,098.7	24.4	6.0	52.3	79.1	5.3	3.7	6.6	4.1	27.0	22.2	23.5	.....
1972p	.....	1,109.8	27.5	5.3	54.3	77.2	5.6	3.0	7.1	4.0	32.2	23.0	28.7	.....
1972—Sept.	.....	93.9	.....	.....	.....	6.3	.4	.....	.6	.3	3.1	.....	2.3	.....
Oct.	.....	94.2	.....	.....	.....	6.3	.4	.....	.5	.3	2.7	.....	2.1	.....
Nov.	.....	91.5	.....	.....	.....	6.0	.5	.....	.7	.4	.....	.....	2.0	.....
Dec.	.....	84.3	.....	.....	.....	6.3	.....	.....	.5	.3	.....	.....	1.9	.....
1973—Jan.	.....	88.2	.....	.....	.....	6.2	.....	.....	.8	.3	.....	.....	2.4	.....
Feb.	.....	86.5	.....	.....	.....	6.1	.....	.....	.5	.3	.....	.....	1.8	.....
Mar.	.....	88.5	.....	.....	.....	6.3	.....	.....	.5	.4	.....	.....	.....	.....
Apr.	.....	86.6	.....	.....	.....	6.2	.....	.....	.6	.2	.....	.....	.....	.....
May	.....	86.0	.....	.....	.....	6.8	.....	.....	.6	.....	.....	.....	.....	.....
June	.....	87.6	.....	.....	.....	6.4	.....	.....	.....	.....	.....	.....	.....	.....
July	.....	88.3	.....	.....	.....	5.6	.....	.....	.....	.....	.....	.....	.....	.....
Aug.	.....	89.4	.....	.....	.....	5.7	.....	.....	.....	.....	.....	.....	.....	.....
Sept.	.....	.....	.....	.....	.....	5.7	.....	.....	.....	.....	.....	.....	.....	.....

[1] Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

[2] Quarterly data.

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SALES, REVENUE, PROFITS, AND DIVIDENDS OF LARGE MANUFACTURING CORPORATIONS

(In millions of dollars)

Industry	1969	1970	1971	1972	1971		1972				1973	
					III	IV	I	II	III	IV	I[r]	II
Total (170 corps.):												
Sales	299,533	305,370	334,957	371,946	80,916	87,214	88,349	93,853	89,550	100,194	102,379	109,598
Total revenue	303,257	309,532	339,134	376,604	82,017	88,317	89,452	95,271	90,803	101,078	103,586	111,065
Profits before taxes	34,311	29,266	35,771	41,164	7,893	9,709	9,715	10,467	8,978	12,003	12,695	14,063
Profits after taxes	18,830	16,556	19,146	21,753	4,293	5,031	5,212	5,674	4,936	5,931	6,801	7,534
Memo: PAT unadj.[1]	18,335	16,436	18,020	21,233	3,950	4,373	5,162	5,687	4,490	5,894	6,754	7,375
Dividends	9,962	10,024	10,104	10,538	2,509	2,581	2,538	2,598	2,525	2,877	2,646	2,738
Nondurable goods industries (86 corps.):[2]												
Sales	138,621	147,808	160,973	176,329	40,188	41,887	42,254	43,395	43,865	46,815	46,966	49,857
Total revenue	140,837	150,312	163,448	178,915	40,928	42,382	42,930	44,273	44,689	47,023	47,706	50,799
Profits before taxes	17,404	16,935	19,900	21,799	4,940	5,438	5,043	4,998	5,278	6,479	6,487	7,173
Profits after taxes	10,223	9,649	10,490	11,154	2,672	2,672	2,673	2,682	2,852	2,946	3,411	3,699
Memo: PAT unadj.[1]	9,529	9,591	10,085	10,859	2,625	2,409	2,625	2,625	2,574	3,035	3,348	3,587
Dividends	5,386	5,560'	5,664	5,780	1,417	1,442	1,447	1,430	1,427	1,476	1,487	1,485
Durable goods industries (84 corps.):[3]												
Sales	160,912	157,562	173,985	195,618	40,727	45,327	46,095	50,458	45,685	53,379	55,413	59,741
Total revenue	162,420	159,220	175,686	197,690	41,090	45,935	46,522	50,999	46,115	54,055	55,880	60,266
Profits before taxes	16,907	12,332	15,871	19,365	2,953	4,271	4,673	5,469	3,697	5,524	6,208	6,890
Profits after taxes	8,607	6,908	8,656	10,599	1,621	2,359	2,539	2,992	2,083	2,984	3,390	3,835
Memo: PAT unadj.[1]	8,806	6,845	7,935	10,374	1,325	1,964	2,537	3,062	1,916	2,859	3,406	3,788
Dividends	4,577	4,464	4,440	4,758	1,092	1,139	1,091	1,168	1,097	1,401	1,159	1,253
Selected industries:												
Food and kindred prod. (28 corps.):												
Sales	28,962	31,966	34,584	37,624	8,717	9,073	8,824	9,229	9,531	10,039	9,561	10,183
Total revenue	29,341	32,393	35,090	38,091	8,831	9,206	8,941	9,371	9,665	10,115	9,711	10,346
Profits before taxes	2,845	3,122	3,372	3,573	898	863	794	880	940	960	890	989
Profits after taxes	1,364	1,571	1,714	1,845	453	446	414	454	486	490	470	509
Memo: PAT unadj.[1]	1,266	1,540	1,644	1,805	448	386	408	452	492	452	453	490
Dividends	764	812	862	893	216	218	221	222	223	227	237	230
Chemical and allied prod. (22 corps.):												
Sales	29,961	31,086	33,005	36,638	8,344	8,432	8,779	9,167	9,099	9,593	10,153	10,693
Total	30,308	31,490	33,388	37,053	8,423	8,574	8,868	9,265	9,196	9,723	10,264	10,849
Profits before taxes	4,123	3,863	4,123	4,853	1,060	1,031	1,172	1,184	1,216	1,280	1,487	1,615
Profits after taxes	2,180	2,111	2,290	2,672	580	586	652	667	683	669	838	900
Memo: PAT unadj.[1]	2,206	2,137	2,167	2,671	573	494	649	626	684	712	834	884
Dividends	1,262	1,298	1,332	1,395	336	342	337	341	340	378	346	359
Petroleum refining (15 corps.):												
Sales	56,411	61,360	68,534	74,662	16,805	18,007	18,269	18,169	18,298	19,925	19,924	21,323
Total revenue	57,770	62,826	69,903	76,133	17,291	18,154	18,695	18,756	18,837	19,845	20,339	21,876
Profits before taxes	8,490	8,509	10,835	11,461	2,590	3,138	2,684	2,433	2,628	3,717	3,514	3,889
Profits after taxes	5,630	5,158	5,624	5,562	1,421	1,418	1,384	1,270	1,398	1,509	1,760	1,903
Memo: PAT unadj.[1]	4,987	5,131	5,519	5,325	1,396	1,390	1,356	1,273	1,119	1,578	1,737	1,888
Dividends	2,836	2,917	2,952	2,992	734	755	763	742	741	746	777	772
Primary metals and prod. (23 corps.):												
Sales	30,460	30,769	31,441	34,359	7,144	7,335	7,848	8,886	8,525	9,099	9,635	10,784
Total revenue	30,928	31,288	31,808	34,797	7,232	7,445	7,931	8,984	8,629	9,253	9,733	10,891
Profits before taxes	2,721	2,072	1,517	1,969	52	254	386	581	413	589	618	888
Profits after taxes	1,544	1,316	969	1,195	50	189	247	372	274	302	383	545
Memo: PAT unadj.[1]	1,731	1,371	561	1,109	41	−213	260	465	128	256	397	538
Dividends	890	913	739	653	180	162	162	161	162	168	200	178
Machinery (27 corps.):												
Sales	44,858	46,486	49,206	55,615	12,170	13,368	12,939	13,796	13,862	15,018	14,828	16,033
Total revenue	45,314	47,028	49,846	56,348	12,317	13,561	13,102	13,993	14,050	15,203	14,997	16,228
Profits before taxes	5,281	4,885	5,277	6,358	1,290	1,453	1,416	1,550	1,583	1,810	1,705	1,883
Profits after taxes	2,593	2,566	2,884	3,522	702	806	781	854	870	1,017	933	1,037
Memo: PAT unadj.[1]	2,596	2,477	2,560	3,388	435	786	774	848	865	902	931	1,019
Dividends	1,165	1,327	1,450	1,497	364	366	373	374	375	375	389	401
Motor vehicles and equipment (9 corps.):												
Sales	53,996	48,905	61,481	70,653	13,621	16,109	17,273	18,953	14,703	19,725	21,616	22,256
Total revenue	54,248	49,108	61,804	71,139	13,670	16,308	17,353	19,105	14,735	19,946	21,710	22,361
Profits before taxes	5,315	2,153	5,648	6,955	696	1,598	2,017	2,290	628	2,019	2,716	2,704
Profits after taxes	2,644	1,306	2,948	3,626	385	831	1,037	1,186	343	1,060	1,405	1,446
Memo: PAT unadj.[1]	2,638	1,301	2,952	3,640	381	849	1,034	1,178	337	1,091	1,429	1,436
Dividends	1,750	1,434	1,433	1,762	359	359	359	439	365	599	369	474

[1] Profits after taxes (PAT) as reported by the individual companies. In contrast to other profits data in the series, these figures reflect company variations in accounting treatment of special charges and credits.

[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.

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Aggregate Reserves and Member Bank Deposits (H.3)	Tuesday	Week ended previous Wednesday
Applications and Reports Received, or Acted on, by 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
Capital Market Developments (H.16)	Monday	Week ended previous Friday
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
Condition Report of Large Commercial Banks in New York and Chicago (H.4.3)	Thursday	Previous Wednesday
Condition Report of Large Commercial Banks and Domestic Subsidiaries (H.4.2)[3]	Wednesday	Wednesday, 1 week earlier
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Factors Affecting Bank Reserves and Condition Statement of Federal Reserve Banks (H.4.1)	Thursday	Week ended previous Wednesday
Money Stock Measures (H.6)	Thursday	Week ended Wednesday of previous week
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Selected Interest and Exchange Rates for Major Countries and the United States (H.13)	Thursday	Week ended previous Saturday
Weekly Foreign Exchange Rates (H.10)	Monday	Week ended previous Friday
Weekly Summary of Banking and Credit Measures (H.9)	Thursday	Week ended previous Wednesday; and week ended Wednesday of previous week
Weekly U.S. Government Security Yields and Prices (H.15)	Monday	Week ended previous Saturday

[1]Release 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.

[2]Contains monthly H.12b release on second Wednesday of month.

[3]Contains revised H.4.3 data.

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Semimonthly and bimonthly releases

Finance Rates and Other Terms on Selected Categories of Consumer Instalment Credit Extended by Finance Companies (J.3)	20th of month	2nd month previous
Research Library—Recent Acquisitions (J.2)	1st and 16th of month	Period since last release

Monthly releases

Assets and Liabilities of All Member Banks by Districts (G.7.1).	14th of month	Last Wednesday of previous month
Automobile Loans by Major Finance Companies (G.25)	7th working day of month	2nd month previous
Automobile Instalment Credit Developments (G.26)	6th working day of month	2nd month previous
Bank Debits, Deposits, and Deposit Turnover (G.6)	25th of month	Previous month
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Commercial and Industrial Term Loans Outstanding by Industry (H.12b) **Available only as attachment to weekly H.12 release**	2nd Wednesday of month	Last Wednesday of previous month
Consumer Credit (G.19)	3rd working day of month	2nd month previous
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(Also annual)	1st week of February	End of previous year
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U.S. Government Security Yields and Prices (G.14)	4th of month	Previous month

Quarterly releases

Bank Rates on Short Term Business Loans (E.2)	18th of March, June, September, December	1st 15 days of February, May, August, November
Capacity Utilization in Manufacturing (E.5)	21st of January, April, July, October	Previous quarter

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Quarterly releases (cont.)	**Approximate release day**	**Date or period to which data refer**
Flow of Funds: Seasonally adjusted and unadjusted (Z.1) Seasonally adjusted **only** (Z.1a) Volume and Composition of Individuals' Saving (Flow of funds series) (E.8)	15th of February, May, August, and November	Previous quarter
Sales, Revenue, Profits, and Dividends of Large Manufacturing Corporations (E.6)	10th of April, June, September, December	2nd quarter previous
Semiannual releases		
Assets and Liabilities of All Commercial Banks, by Class of Bank (E.3.4)	May and November	End of previous December and June
List of OTC Margin Stocks (E.7)	June 30, December 31	Release date
Assets, Liabilities, and Capital Accounts of Commercial and Mutual Savings Banks—Reports of Call (Joint Release of Federal Deposit Insurance Corp., Board of Governors of Federal Reserve System, and Office of Comptroller of the Currency. *Published and distributed by FDIC.*)	May and November	End of previous December and June
Annual releases	**Approximate release day**	**Date or period to which data refer**
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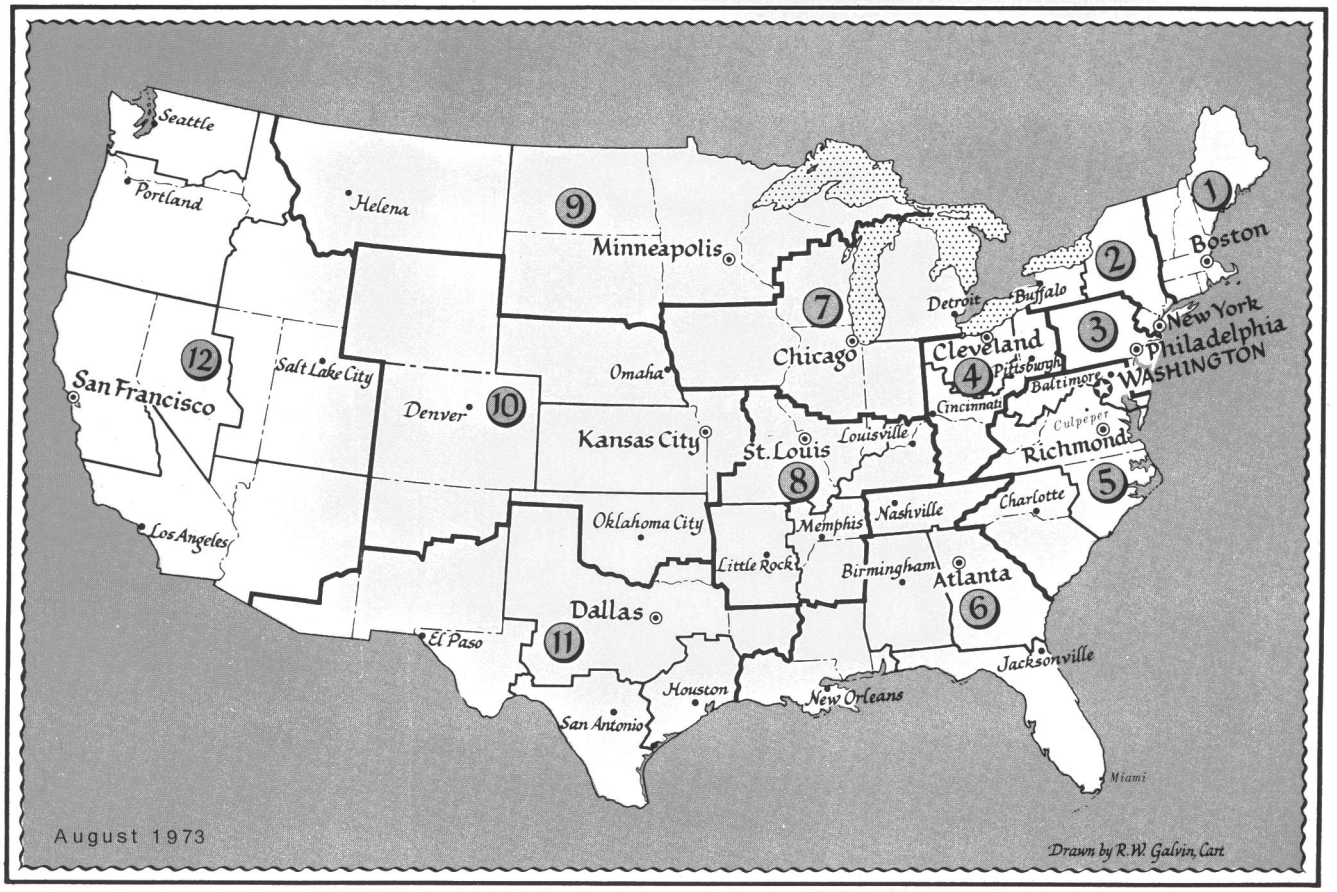
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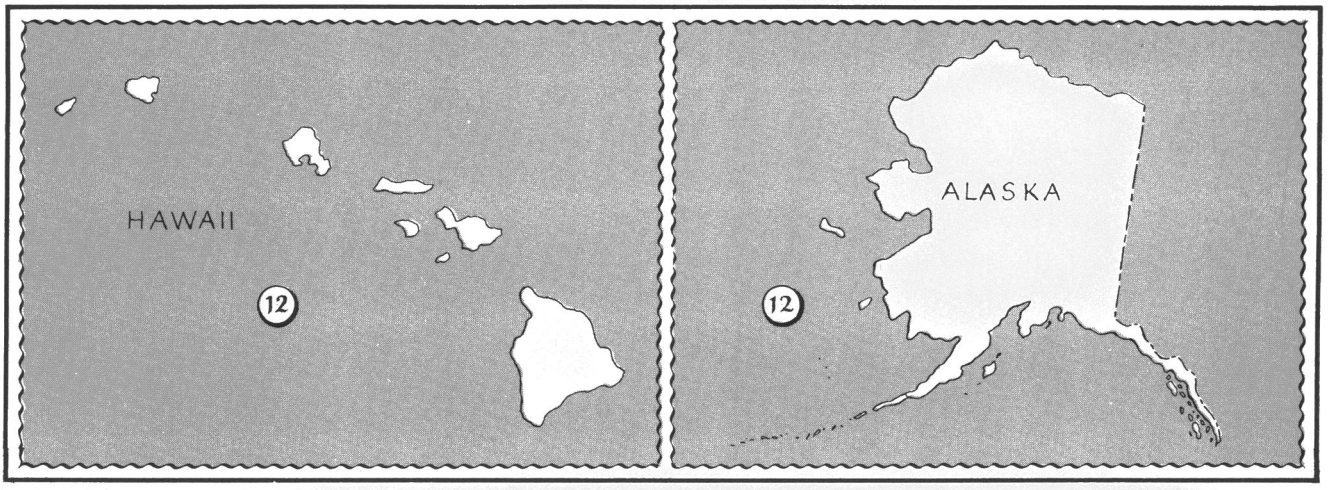
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BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



THE FEDERAL RESERVE SYSTEM



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 Facilities

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