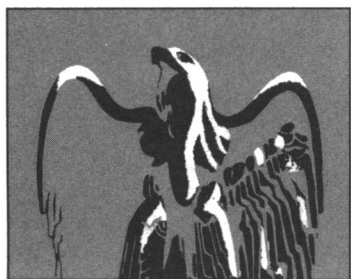

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Economic Implications of Changing Population Trends

William L. Wascher, Susan W. Burch, and John L. Goodman, Jr., of the Board's Division of Research and Statistics, prepared this article. Diana Stella provided research assistance.

The years since World War II have been marked by sharp changes in the size and composition of the U.S. population. The baby boom that followed the low birth rates of the 1930s and early 1940s, improvements in longevity and health, and important changes in immigration patterns all have drawn a profile of the U.S. population much different from that in 1950. These developments, together with changes in living arrangements and family structure, have had far-reaching influences on many aspects of American life including, as this article explains, the economy.

The growth and structure of the population affect the economy through both supply and demand channels. On the supply side, the size of the working-age population is a key determinant of the number of people who take part in the production of goods and services. In addition, changes in the composition of the population may affect productivity growth, labor force participation rates, and the length of the workweek. These are important determinants of the supply of labor services and thus critical elements of the productive potential of the economy.

On the demand side, population growth directly influences consumer expenditures—not only their total amount but also their composition. The demand for housing and related goods and services is especially sensitive to demographic changes, but other aspects of consumption as well as saving behavior also are influenced.

This article reviews the major postwar changes in the population and describes some of their effects, particularly on labor market conditions, on consumer expenditures and saving, and on the housing market. In the context of projected

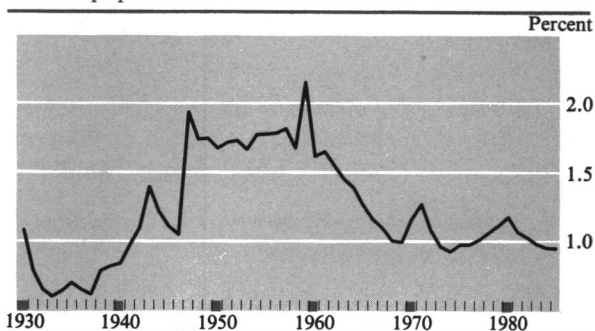
demographic trends, the final section of the article then draws some implications for developments in these areas over the remainder of this decade.

THE CHANGING STRUCTURE OF THE POPULATION—AN OVERVIEW

The population of the United States stood at nearly 240 million in 1985, almost 100 million more than in 1950. Population growth was most rapid in the 1950s and early 1960s, averaging more than 1½ percent per year; and it has slowed markedly since that time (chart 1). This pattern of growth has been determined by the three sources of change in the population: the number of births, the number of deaths, and the amount of net immigration.

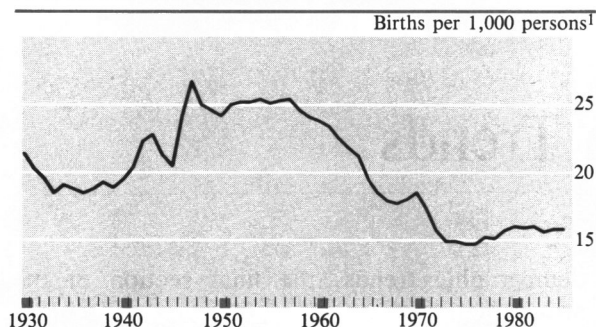
No other demographic event during the postwar period has drawn the attention paid the high birth rates between the late 1940s and the early 1960s (chart 2). The bulge of children that resulted from this “baby boom,” which grew to more than a third of the total population in the early

1. Annual percentage change in size of U.S. population



SOURCE: U.S. Bureau of the Census.

2. U.S. birth rate



1. Live births, all races.

SOURCE: National Center for Health Statistics.

1960s, has since moved through the age structure of the population (chart 3). The initial pressures that baby boomers placed on school systems gave way to other problems and influences in the late 1960s and 1970s as they became young adults. Now beginning to reach middle age, they promise to have significant effects on the labor market and on consumption patterns for several more decades.

An important change also has occurred at the upper end of the age distribution. Advances in health care have lengthened the average life by

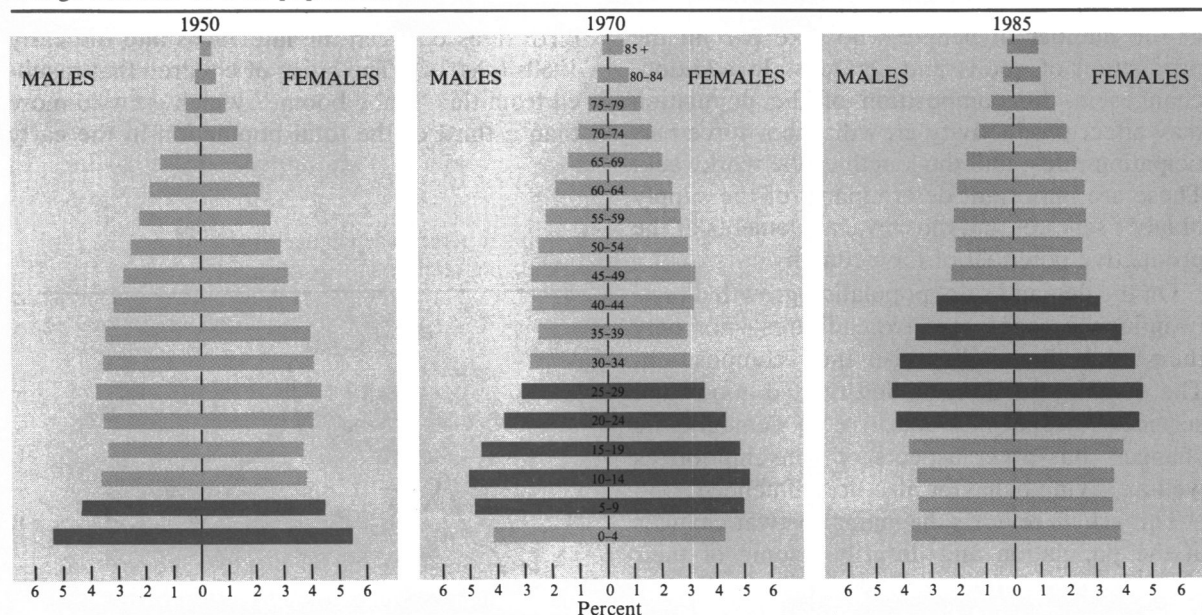
more than six years since 1950. As a result, both the number and the proportion of elderly persons has risen steadily, and that rise has exerted unique influences of its own.

A third factor that has influenced population growth in recent decades is the net flow of immigrants into the United States. The rate of legal immigration throughout the postwar era remained well below that recorded in the 19th and early 20th centuries, adding only about 0.2 percent per year to the total population. Although legislative limits kept immigration close to that rate between 1950 and the mid-1970s, in recent years these limits have been eased in the face of several Asian refugee crises, and the net immigration rate rose to around 0.25 percent.

But legal immigration is only part of the story. The number of illegal aliens entering the country each year also has risen. According to estimates by the Census Bureau, the number of illegal immigrants probably increased by between ½ million and 1½ million from 1980 to 1985, accounting for as much as 40 percent of total immigration.

Apart from sheer numbers, changing demographic patterns have had an influence on the number and structure of households and fam-

3. Age structure of U.S. population



Shaded bars indicate the baby-boom cohort.

SOURCE: U.S. Bureau of the Census.

ilies. Household formations—that is, the change in the number of households—is a summary measure of demographic expansion, reflecting not only population growth but also changes in the age composition, marital status, and living arrangements of the population. (A household is one or more individuals occupying a house, apartment, or mobile home; a family is two or more related individuals sharing such a housing unit.) Explosive growth in the number of young adults, the age group in which households typically are formed, contributed heavily to a sharp increase in the pace of household formation during the 1960s and 1970s. But a rise in independent living among adults of all age groups also played a role. Promoted by long-term income gains as well as by changes in marriage, divorce, and death rates, one-person households have become more prevalent and now account for nearly one-fourth of all households, compared with less than 10 percent in 1950 (table 1). At the same time, household composition has shifted away from the traditional husband-wife family. In 1950, married couples accounted for more than three quarters of all households; by 1984, their proportion was little more than half. In contrast, the number of other kinds of families, many of which are headed by a single parent, have been growing rapidly over the past 15 years, and by 1984 they accounted for 14 percent of all U.S. households.

The spread of independent living arrangements

1. Change in household composition, selected years, 1950–85

Percent of all households

Type of household	1950	1970	1980	1985
Single persons living alone	9.1	17.1	22.6	23.7
Married couples with no children under 18	32.9	30.3	29.9	30.1
Married couples with children under 18	45.1	40.3	30.9	27.9
Single-parent and other family ¹	11.1	10.6	12.9	14.2
Unrelated persons	1.8	1.7	3.7	4.0
All households	100.0	100.0	100.0	100.0

1. "Other family" consists of households whose members include two or more related individuals apart from those with married couples.

SOURCES. *Current Population Reports*, Series P-20, No. 398; *Statistical Abstract of the United States, 1951*; and unpublished data from the Census Bureau.

is also one reason that the average size of a household has fallen from 3.7 in 1960 to 2.7 today. Another is that families have been having fewer children. The average number of children per family dropped from 1.41 in 1960 to 0.98 in 1985.

THE INFLUENCE OF DEMOGRAPHICS ON THE LABOR MARKET

The changes in the size and structure of the population described above have had significant implications for the U.S. labor market. Obviously, the size of the population is a determinant of the amount of labor supplied to the economy. However, changes in the composition of the population have also affected the distribution of skills supplied to the economy, which has influenced the average productivity of workers, the extent of inflationary pressures in the economy, and the distribution of income.

An important aspect of past demographic trends has been their influence on growth in the economy's productive capacity. Although that potential can be estimated in various ways, one approach is to sum the trend growth rates of its three key determinants: the size of the labor force (the combination of the size of the population and labor force participation rates), the average length of the workweek, and the average productivity of workers (table 2).

The rapid growth in the working-age population associated with the entrance of the baby boom into the labor market contributed to higher rates of growth in potential output in the late 1960s and early 1970s simply by swelling the pool of available workers. In particular, the average annual rate of increase in the working-age population (age 16 and over) rose from about 1 percent in the 1950s to 1¾ percent in the 1960s

2. Sources of growth in potential GNP, 1950–85

Percent change at an annual rate

Source of growth	1950–60	1960–70	1970–80	1980–85
Working-age population ..	1.1	1.6	2.0	1.2
Labor force participation ..	.1	.2	.5	.3
Workweek	-.3	-.4	-.5	-.1
Productivity	2.1	2.3	1.0	1.2
All sources	3.0	3.7	3.0	2.6

SOURCE. U.S. Bureau of Labor Statistics.

and early 1970s. At the same time, ever greater proportions of working-age women were entering the labor market, owing to the changing sociological and economic conditions of that period. As a result, growth in the labor force averaged $2\frac{1}{2}$ percent per year by the 1970s, about twice the pace of the 1950s.

Partially offsetting this increase in the supply of labor was a downward trend in the length of the average workweek, apparently associated with the increase in the number of women and young people (aged 16 to 24) holding jobs. Many of these new entrants were juggling childrearing or schooling (or both) with their jobs, creating the need for more flexible work schedules. Coupled with the expansion of service-producing industries, in which flexibility is more easily arranged, these conditions doubled the percentage of persons voluntarily working at part-time jobs—from 7 percent in the 1950s to about 14 percent in the mid-1970s.

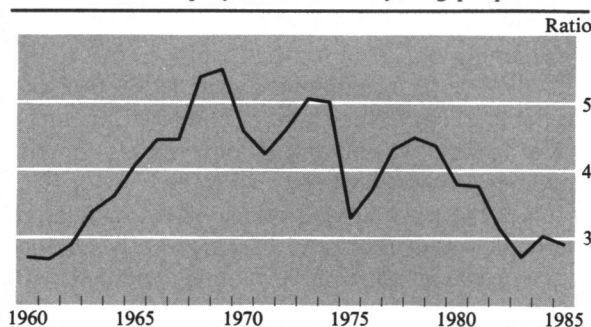
At the same time, productivity growth slowed markedly, further damping the effect of a rapidly expanding work force on potential output. Although other factors may account for much of the fluctuation in productivity growth over the last three decades, the sharp increase in new workers in the 1960s and 1970s probably had some influence. In particular, women and young people, whose attachment to jobs may have been less permanent or who were embarking on careers for the first time, often were inadequate substitutes for experienced workers. The rise in the proportion of these inexperienced workers probably offset some of the ongoing gains in productivity associated with capital investment and technological change.

As members of the huge baby-boom generation moved into their late twenties and thirties at the beginning of this decade, their effect on labor market trends diminished or reversed. With baby-boom workers and women in general obtaining work experience and moving into better jobs, the changing demographic patterns probably have favored productivity growth in this decade. At the same time, a reduction in the flow of new workers, as both population growth and the rise in the participation rates of women have slackened, has slowed labor force growth to about $1\frac{1}{2}$ percent per year.

The net effect of these demographic events was that the potential growth of the economy rose less during the 1980s than during the 1960s and 1970s. Indeed, the slower rate of labor force growth in the first half of this decade has more than offset slightly higher growth in productivity and a slower decrease in the workweek. As a result, potential growth appears to have been closer to $2\frac{1}{2}$ percent per year in the first half of the 1980s than to the 3 to $3\frac{1}{2}$ percent evident in earlier decades.

The ability of an economy to translate potential growth into actual growth depends upon its ability to adapt to changing supply or demand conditions and upon fiscal and monetary policies. The potential for economic growth expanded with the surge in population and in labor force participation rates in the 1960s and early 1970s, but some of that added potential went untapped because the labor market was unable to adjust quickly to the sharp influx of inexperienced labor.

Indeed, structural labor market imbalances associated with changes in the demographic composition of the labor force had important macroeconomic implications for the ability of policymakers to reduce aggregate unemployment without generating additional inflation. In general, unemployment rates are higher for young workers than for adults, even at times of high employment: new entrants into the labor market are less experienced and thus less readily employable than older, more experienced workers, and they often switch jobs in search of a more desirable position. As a result, the higher proportion of young workers in the labor market beginning in the 1960s caused a rise in the rate of unemployment consistent with nonaccelerating inflation. (This nonaccelerating-inflation rate of unemployment is sometimes referred to as the NAIRU or the natural rate of unemployment in the economics literature. It is a term for the rate of unemployment below which the pressures on wages cause prices to rise faster than they have been.) Even if the unemployment rates for specific age groups had remained unchanged, the shift in the demographic composition of the labor force toward persons in the age groups that typically have relatively high unemployment rates would have raised the NAIRU during the

4. Relative unemployment rate for young people¹

1. The relative unemployment rate is defined as the ratio of the rate for people aged 16 to 24 to that for men aged 45 to 54.

SOURCE: U.S. Bureau of Labor Statistics.

1970s. In fact, the unemployment rate for young persons rose sharply relative to that for males aged 45 to 54 in the 1960s and declined only gradually through the mid-1970s, adding further to the rise in the NAIRU (chart 4).

Most estimates suggest that the higher percentage of young people in the labor force and the rise in their unemployment contributed more than 1 percentage point to the rise in the NAIRU between the 1950s and the late 1970s. (That jobless rates for nearly all age-sex groups have shown an upward trend over the past two decades indicates that other structural and institutional changes also have been at work.) In this decade, however, as baby boomers move into middle age, with correspondingly lower average unemployment rates, the NAIRU apparently has begun to decline gradually. Indeed, the expected demographic shifts along this path will, other things equal, exert downward pressure on the NAIRU over the rest of the decade.

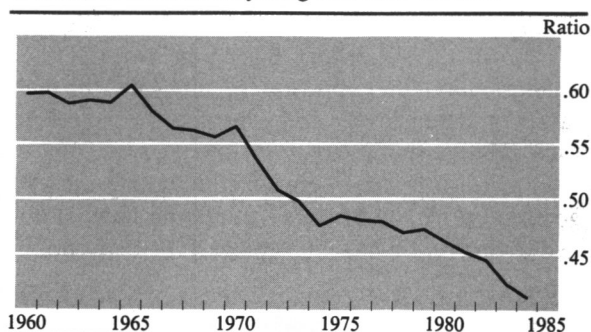
Today, with the baby boomers largely past their youth, shortages of workers rather than surpluses are surfacing at the lower end of the skill distribution. Today's teenagers, members of a "baby bust" generation, often face ample choices of entry-level jobs. Indeed, anecdotal evidence suggests that in many areas, employers with jobs typically filled by less-experienced young people are having difficulties attracting workers. To some extent, the changing immigration patterns of the late 1970s and early 1980s are helping to alleviate these labor market shortages. Although the Census Bureau's population projections currently assume that net immigration will level off, the influx of immigrants, both legal

and illegal, who arrived in the late 1970s and early 1980s has added to the supply of lower-skilled workers. Many of the recent immigrants have arrived from less developed and often war-torn countries, are relatively young, and have little job training or command of English. They are more willing to accept jobs requiring little skill, which often pay far more than similar jobs in their home countries.

DEMOGRAPHIC CHANGE AND THE DISTRIBUTION OF INCOME

Although higher relative unemployment rates among younger workers accompanied the entrance of the baby boomers into the labor market in the 1960s and 1970s, the influence of this group on youth unemployment was much smaller eventually than at the outset. As chart 4 indicates, even though the relative unemployment rate for 16- to 24-year-olds jumped as the first wave of the baby boom entered the labor market, this added supply of workers was absorbed fairly quickly into the work force.

The ability of the U.S. economy to create the jobs necessary to accommodate the onslaught of baby boomers largely reflected the degree of wage flexibility in the U.S. labor market. As the huge number of inexperienced entrants into the labor force (both young people and adult women) searched for jobs, the consequences became evident in their earnings profiles as well as in their unemployment rates. The income of year-

5. Relative income of young full-time workers¹

1. Relative income is defined as the ratio of the median income of all full-time workers aged 15 to 24 to that of full-time male workers aged 45 to 54.

SOURCE: U.S. Bureau of the Census, *Current Population Reports*, Series P-60, various issues.

round full-time workers aged 16 to 24 relative to that of males aged 45 to 54 began to decline in the mid-1960s, with the influx of young workers into the labor market (chart 5). Unlike relative unemployment rates, however, the relative income of employed young workers worsened throughout the 1970s and even into the early 1980s as the large number of young workers continued to depress wage rates for this group. Both the higher unemployment rates faced by the baby-boom generation and their persistently low relative wage rates suggest that the substitutability of young workers for older workers was imperfect. If young workers had been more easily substituted for experienced workers, the result would have been a broader decline in wages and a greater general increase in unemployment rather than the sharp relative changes that actually occurred.

Moreover, the deterioration in the relative income position of young workers in the 1970s suggests that labor market conditions were worse for individuals born later in the baby boom than for those born earlier. Many of the latter probably were able to take advantage of the shortage of workers in the preceding generation and became middle- and upper-level managers. Those who came later faced fewer and less favorable opportunities.

The relationship between the size of their population group and earnings growth has become less certain for the baby-boom generation as they have entered their late twenties and early thirties. Several recent studies have found evidence not only that their relative wages were lower than was true for previous generations during their youth, but also that subsequent *growth* in their earnings has been lower. Other studies claim the opposite result: that through faster income growth, baby boomers have raised their relative income.¹

For full-time workers in the small current generation of youth, relative income has continued to drop even as they replaced the baby-boom

generation. Demographic considerations suggest that relative income, like unemployment, should have improved. That it did not may be due to the recent absence of minimum wage legislation and to the increase in the share of nonlabor income—such as interest and transfer payments—in the income of older workers.

Over the past 20 years these shifts in relative unemployment rates and earnings between successive generations of the young, coupled with changes in living arrangements and the age distribution of the population, have altered the way household income is distributed by age. The income of households headed by a young person declined from about 62 percent of that for the 45–54 age group in 1967 to about 45 percent in 1984 (see table 3). The reason lies partly in the lower relative earnings of baby-boom workers, but also in the sharp increase in the number of single persons living alone. Because single persons often are young and because their income, on average, is lower than that of households with two or more persons, the rise in one-person households has depressed average household income for the group aged 14 to 24. In addition, the proportion of families headed by a single parent, who also tend to be young, has risen. This group, in particular, is likely to be at the low end of the income distribution.

For households headed by 25- to 34-year-olds, relative income has declined since the late 1960s, largely reflecting the lower relative earnings of baby-boom workers currently of this age. However, a substantial rise in the proportion of households with more than one earner, from about 45 percent in the late 1950s and early 1960s to nearly 70 percent by the early 1980s, has kept this decline from being even greater. Many baby-

3. Relative household income, by age of head, selected years, 1967–84

Percent of median income of households with heads aged 45–54

Age of head	1967	1975	1984
14–24.....	61.7	50.7	44.5
25–34.....	88.1	79.4	75.3
35–44.....	98.9	96.0	94.5
45–54.....	100.0	100.0	100.0
55–64.....	76.5	77.6	76.5
65 or over.....	30.3	35.6	40.6

SOURCE: U.S. Bureau of the Census, *Current Population Reports*, Series P-60, various issues.

1. For a detailed survey of this literature, see Frank Nothaft, "The Effect of Cohort Size on Earnings and Employment" (Ph.D. dissertation, Columbia University, 1986); and David Bloom and Richard Freeman, "The Youth Problem: Age or Generational Crowding?" Working Paper 1829 (National Bureau of Economic Research, February 1986).

4. Distribution of household income, by age of head, selected years, 1967–84

Percent of income received by all households

Age of head	1967	1975	1984
14–24.....	4.6	5.3	3.8
25–34.....	18.3	21.2	22.0
35–44.....	23.9	20.7	24.5
45–54.....	25.1	22.9	19.1
55–64.....	17.4	17.7	16.7
65 or more.....	10.8	12.2	13.9
All.....	100.0	100.0	100.0

SOURCE: U.S. Bureau of the Census, *Current Population Reports*, Series P-60, various issues.

boom households have counteracted their lower relative wage rates by sending additional earners into the labor market, placing these families in the upper half of the income distribution.

Unlike the baby-boom generation, elderly people have improved their income position even though more of them are living alone. The relative income for households with heads aged 65 and over rose from 30 percent of that for households with heads aged 45 to 54 in 1967 to more than 40 percent in 1984. A number of factors have influenced the relative income of the elderly. First, since the early 1970s social security benefits have kept pace with inflation. Moreover, elderly households receive a significant portion of their income from interest payments on their accumulated assets, and in recent years these payments have risen more rapidly than wage income.

Together with the changes in relative income shown in table 3, the changes in the age distribution of the population have influenced the proportion of income received by each age group, which in turn has been an important determinant of its relative purchasing power. The percentage of total income received by households with younger heads rose between 1967 and 1975 despite the worsening of their relative income (table 4). As the percentage of households in this age group dwindled in the late 1970s and early 1980s, their share of total income fell to less than 4 percent. In contrast, the share for households whose head is 25 to 44 has risen, reflecting the maturing of the baby-boom cohort. In addition, the share of income received by households with an elderly head has risen steadily as their numbers have increased and their relative income has improved.

Influences on Saving and Consumer Expenditures

These changes in the distribution of income, and consequently in the relative purchasing power of specific demographic groups, have had important effects on consumer behavior. Demographic trends influence consumption expenditures along two fronts: First, they affect the extent of consumption out of current income and, as a result, the rate of personal saving. Second, they affect the allocation of consumer expenditures among various goods and services.

As individuals age and the size of their family changes, their saving and outlays vary in a systematic way. For example, younger people save relatively less than older ones, probably because they have heavier demands for durable goods and education and because their current income is lower than the average they expect over their lifetime. As they age, rising incomes, coupled with their expectations about the educational needs of children and about the loss of wage and salary income after retirement, induce them to save proportionally more throughout most of their working years. Finally, the elderly typically save less out of current income as they often use accumulated assets for living expenses.

This pattern in personal saving rates across age groups, along with the observed changes in the age structure of the population, has significant implications for the aggregate personal saving rate. In particular, as the baby-boom generation entered their low-saving young-adult years during the late 1960s and the early 1970s, they tended to depress the aggregate saving rate below what it otherwise would have been; they subsequently boosted the aggregate saving rate in the late 1970s and 1980s as they matured into higher-saving age groups. However, while the baby boomers were moving into their high-saving years, the proportion of the elderly, whose saving rates are low, was increasing. As a result of these two largely offsetting demographic developments, changes in the age structure of the population appear to have had little net effect in recent years on the overall saving rate.

Two other demographic factors appear to have influenced the aggregate personal saving rate in offsetting ways. On the one hand, changes in living arrangements—notably, the spread of sin-

gle-person households—have been a damping influence on the overall saving rate in recent years. Single-person households typically save a much smaller proportion of their income than do larger households of the same age group. The reasons are not clear. One may be that single people tend to be more concentrated in the lower half of the income distribution where, cross-section studies suggest, saving rates may be lower than they are for upper-income households. Another reason may be that single people view their current household status as a temporary state; they expect higher household incomes in the future and thus do not feel as great a need to save out of current income. In any event, the increase in single-person households has lowered average saving rates, largely among the elderly and the young, who make up the bulk of such households.

On the other hand, an increase in the number of multi-earner families—typically husband-wife households in which both spouses work outside the home—has tended to boost the aggregate saving rate. The additional income in a multi-earner family often is enough to place that family near the top of the income distribution, where, cross-section studies suggest, saving rates are relatively high. The effect of the rise in multi-earner families appears to be concentrated among households whose head is 25 to 44, among which labor force participation rates for women have increased most rapidly.

Thus, although difficult to quantify, longer-run demographic trends—changes in the age structure of the population, changes in living arrangements, and increases in the number of multi-earner families—appear on balance to have had only a small net effect on the aggregate saving rate in recent years.

Consumer Expenditures

Demographic trends also can influence the way people divide their expenditures among the components of personal consumption. In general, recent changes in the composition of consumer spending can be traced, on demographic grounds, to changes in three influences: the age distribution of the population, the relative income of specific age groups, and living arrangements and household size. The net effect of these

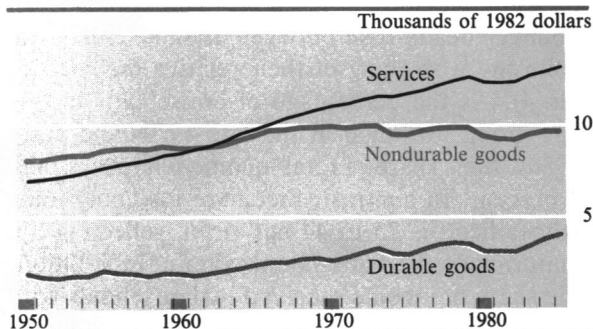
demographic influences, coupled with generally higher standards of living, has been to spur real spending on services relative to expenditures on durable and nondurable goods (chart 6).

Changes related to the age distribution of the population alone largely reflect the maturation of the baby-boom generation and the increase in the number of elderly persons. Because, as table 5 suggests, younger households typically spend a larger portion of their budget on durable goods than do households whose head is over 34, the increase in their number should have boosted total expenditures in this category during the 1970s and 1980s. However, the relatively poor income performance of the baby boomers curbed this stimulus to spending on durable goods, particularly for new cars and major household durables.

At the other end of the age distribution, the elderly spend a much greater portion of their budget on services than other age groups do. Thus, as they came to account for a greater share of the population, they helped to boost expenditures on services throughout that time, particularly for medical care. Improvements in the relative income of the elderly, especially supported as it was by favorable tax provisions, reinforced that trend.

A final factor tipping the distribution of spending toward services has been the rise in the number of single-person households. Whatever their age, these individuals devote more of their budget to services (and less to durables) than other households, largely because their per capita cost of housing services is higher.

6. Spending on major components of personal consumption¹



1. Annual personal consumption expenditures per household.
SOURCE. U.S. Bureau of Economic Analysis; and U.S. Bureau of the Census.

5. Distribution of personal expenditures, by age of head and size of urban household, 1982-83

Percent of all personal consumption expenditures

Age of head	All households			Single-person households			Households with more than one person		
	Durables	Non-durables	Ser-vices ¹	Durables	Non-durables	Ser-vices ¹	Durables	Non-durables	Ser-vices ¹
Less than 25	17.7	33.3	49.0	15.6	35.1	49.3	19.3	31.9	48.8
24-34	18.0	30.1	51.8	17.3	30.7	52.0	18.2	30.0	51.8
35-44	16.0	30.9	53.1	15.8	28.6	55.6	16.0	31.2	52.9
45-54	14.8	30.9	54.3	14.5	28.1	57.4	14.8	31.1	54.1
55-64	11.8	30.1	58.1	10.1	28.3	61.6	12.2	30.4	57.5
65-71	8.8	26.2	65.0	6.3	23.0	70.7	9.9	27.6	62.5
All	14.6	30.0	55.3	12.9	28.5	58.6	15.0	30.3	54.6

1. Includes imputed rent on owner-occupied housing.

SOURCE. U.S. Bureau of Labor Statistics, consumer expenditure data, interview survey, 1982-83; and calculations by Board staff. For

a description of the survey, see U.S. Bureau of Labor Statistics, *Consumer Expenditure Survey: Interview Survey*, Bulletin 2246, February 1986.

POPULATION AND HOUSING

Perhaps the sector of the economy most sensitive to changing demographic trends is housing. The rate of population growth, shifts in the population's age and geographic distribution, and changes in its living arrangements all have important implications for the quantity and characteristics of newly constructed housing.

Growth in the number of households has been responsible for most of the new housing built during the postwar era. In the 10 years ending in 1983, most of the additions to the housing stock were a result of new construction and went to accommodate the growth in households (table 6). The 1.9 million annual additions to the stock, minus the 200,000 units that were demolished or lost through natural disaster, brought the average

6. Sources and uses of additions to the housing stock, 1973-83

Average annual number of units, in thousands

Source or use	Number
Sources	
New construction	1,500
Mobile homes	250
Net conversions of existing structures	150
All sources	1,900
Uses	
Household formations	1,600
Replacement of existing units	200
Vacation properties	100
All uses	1,900

SOURCE. Estimates based on reports of the U.S. Bureau of the Census: *Current Housing Reports*, *Annual Housing Survey*, Series H-150-1983; *Current Population Reports*, Series P-20; and *Construction Reports*, Series C-20.

annual net change during that period to approximately 1.7 million housing units, compared with an average annual increase of 1.6 million households over the same period.

At the beginning of the 1980s, projected changes in the age structure of the population and past trends in living arrangements suggested that household formations would remain near 1.7 million per year for several more years. Instead, household formations fell sharply, dropping to 1.2 million units annually between 1981 and 1984 before rebounding during the past two years. The back-to-back recessions earlier in this decade almost certainly played a role in holding formations below their long-term trend. But noneconomic factors also contributed to the falloff in household formations, notably an easing of the "sibling squeeze." Young adults in the early 1980s typically had fewer younger brothers and sisters at home than did their counterparts during the 1970s, and therefore the pressure for them to move out was less. Indeed, the proportion of 18- to 24-year-olds living with their parents rose from 49 percent in 1980 to 54 percent four years later.

As household formations fell, housing starts dropped during the early 1980s to their lowest level in 30 years. Although the weakening of the demographic component of housing demand probably played a role, in large measure these short-term cyclical downswings in household formation and construction probably had the same underlying economic causes: declines in income, high unemployment, high interest rates, and low consumer confidence.

Growth in the number of households is highly correlated with increases in the number of housing units built, but by itself the number tells little about the demand for particular housing characteristics: space, amenities, neighborhood, and homeownership. On the other hand, changes in the composition of the population have implications for each of these characteristics. Coupled with a gradual rise in the median age of the population, the shift toward single-person and single-parent households and away from the traditional husband-wife family has significantly influenced the type and location of the nation's housing.

Regarding homeownership, the likelihood of being an owner increases with age, at least up to late middle age; and, at any age, husband-wife households are more likely to be owners than are other types of households (table 7). There are two links between age and homeownership. First, older workers are likely to have more work experience and thus higher wages. Their higher income makes homeownership both possible and, because tax benefits increase with income, financially more attractive. Second, older households are less likely to face a change in job or in family size that warrants a move and so are more

willing to risk the greater expenses of moving that confront owners. By the same token, younger adults who anticipate moving again within a few years are less likely to buy. As a result, changes in the age composition first supported the rental market as the baby boomers entered the housing market and now favor homeownership as that generation matures.

Changes in the average size of a household also have influenced the demand for housing. The average number of persons per household has fallen steadily in the postwar era, both because the number of single-person households has increased sharply and because the average number of children per family has declined. Along with inflation- and tax-related incentives for ownership, this reduction in average household size spurred the market for owner-occupied apartments, and these units now account for roughly 5 percent of the housing stock and a substantially larger share of new construction. In general, however, the average size of houses and apartments has increased as the effect of higher incomes has more than offset that of smaller households.

One other demographic influence on housing is the shifting geographic distribution of the population. During the postwar era, migration from the northeast and midwest regions of the country to the south and west, as well as the continuing movement from city to suburb, has increased housing needs above what they would have been with a less mobile population. For example, although just a bit more than half of the nation lives in the south and the west, in the past five years fully three-quarters of the new dwelling units have been built there.

7. Rate of homeownership, by age of household head and type of household, 1983

Percent

Age of household head and type of household	Home-ownership rate
Less than 25	20
Husband-wife	31
Living alone	12
All other	10
25-34	50
Husband-wife	63
Living alone	26
All other	28
35-44	71
Husband-wife	82
Living alone	39
All other	50
45-64	79
Husband-wife	88
Living alone	54
All other	65
65 or over	74
Husband-wife	86
Living alone	61
All other	73

SOURCE: U.S. Bureau of the Census, *Annual Housing Survey*, 1983.

ON THE HORIZON

The implications of demographic change over the rest of this decade are, in general, associated with the aging of the population and further changes in living arrangements. As the baby-boom generation continues to mature, many of the trends associated with its entry into the labor market may reverse as it is replaced by the relatively small baby-bust generation. In addition, improvements in health care are likely to

lengthen the average life of the population, further skewing the age distribution of the population toward the elderly.

The Census Bureau's middle-series demographic projections show an average annual population growth of 0.9 percent over the rest of the decade, a bit less than the average rate of growth between 1980 and 1985 (table 8). The slowing in population growth largely reflects an assumed decline in the birth rate and essentially no change in the death rate or in the net immigration rate over the next five years. Under these assumptions, the median age of the population will rise, with increases in the percentage of people in both the middle (25 to 44) and older (over 65) age groups and a corresponding decrease in the percentage of young people.

Household growth probably will remain near the reduced rate of the first half of this decade as a decline in the number of young adults—barring any unforeseen surge in immigration—seems likely to dominate any plausible increase in independent living. According to Census Bureau projections, household formations will gradually decline over the rest of the decade, falling from the 1.5 million average recorded in the two years ending March 1986 to 1.2 million annually by 1990 if the proportions of individuals of any given age living in any given arrangement do not change. Household growth could be higher—perhaps 1.6 million annually—if the past trend toward independent living persists. In addition, the average household is likely to shrink further because the downtrend in family size will probably continue.

The implications of these demographic trends for the labor market are mixed. On the one hand, a slowing in population growth and a likely

slowing in the rate of increase in the labor force participation of women should retard potential output growth. But two other forces will favor it. First, with a greater proportion of workers concentrated in the middle years, the average work experience of the population will continue to rise over the rest of this decade, lending a positive impetus to the trend rate of productivity growth. Second, many of the structural imbalances that characterized the labor market when the baby-boom generation was in its youth have moderated as this group has aged. Now that members of this generation are in the prime working years, when unemployment rates are typically lower, the nonaccelerating-inflation rate of unemployment probably is edging down, and thus some of the barriers that prevented the economy from reaching its productive capacity have been lowered.

Indeed, the current youth cohort—the baby-bust generation—is off to a good start as they choose among entry-level positions. Although relative income for young people remains low, the initial experience obtained by these workers and the relatively small number of competitors for future higher-paying positions should boost their relative income as they pursue their careers. In contrast, members of the baby-boom generation probably will continue to face intense competition in the labor market even as they age. Although recent studies differ on the effect of cohort size on earnings growth, none suggests that this generation has completely recovered from the depressed levels of relative income it experienced during its youth. Predicting how baby-boom workers will fare is difficult, but it is plausible that their income path will remain below that of other generations. Finally, the elderly should continue to maintain their share of income in the foreseeable future, thanks to the wealth—particularly in the form of homeownership—they have amassed during their working years.

Demographic influences on saving and consumption patterns largely reflect the inevitable aging of the population and the changes in living arrangements. In particular, between now and 1990 changes in the age structure alone will probably have a slightly positive effect on the saving rate as the baby-boom generation increas-

8. Demographic projections, 1986–90

Item	Actual, 1980–85	Projected, 1986–90
Population growth (annual percentage change).....	1.2	.9
Births (per 1,000 population)....	15.8	14.5
Deaths (per 1,000 population)....	8.7	8.9
Median age (years).....	30.6	32.2
Household formations (millions per year).....	1.2	1.2–1.6
Average household size (persons)...	2.7	2.6

SOURCE. U.S. Bureau of the Census; and National Center for Health Statistics.

ingly moves into the typically high-saving middle-aged years and offsets the increase in the number of typically low-saving older households. These influences may be counteracted if the trend toward living alone continues or if slower growth in the labor force participation of women brakes the increase in the number of high-income multi-earner households.

In terms of the composition of consumption outlays, the large number of people now in their late twenties and thirties, when income typically rises and households tend to spend relatively more on goods than on services, should have a substantial positive influence on the demand for both durable and nondurable goods. However, the growth in the purchasing power of the elderly and in the number of people living alone, both groups that spend relatively more on services, may moderate the boost to durables and nondurables associated with the baby-boom generation. Instead, these factors should continue to stimulate expenditures on services, albeit at a slower rate than in the first half of the 1980s.

Finally, demographic trends promise to affect the volume and characteristics of housing construction for the balance of the decade. The potential decline in household formations from the 1.5 million annual average of the past two years implies a reduction of as many as 300,000 units (approximately 15 percent fewer than at present) in the required annual additions to the housing stock. On balance, this trend suggests some gradual reduction in housing starts, al-

though over shorter periods the demographic influence could be overwhelmed by changes in incomes, housing costs, and interest rates.

The slowdown of household formations and the aging of the population will also alter the composition of the housing stock. Although economic conditions—notably tax laws and the inflation rate—will play a key role, homeownership is likely to spread as the baby-boom generation continues to mature. In addition, first-time buyers of homes will constitute a smaller share of the single-family market. With proportionally fewer households headed by young adults, upgrading moves will be more common, another manifestation of the maturation of the baby-boom generation that will lead to improvements in average housing quality. At the same time, marked growth in the number of households headed by the elderly means that their special housing needs will play a larger role in housing construction.

In sum, although economic growth and the general state of the economy are sensitive to cyclical influences, demographic change can play a significant role over longer periods of time. Indeed, demographic trends influence the overall potential for growth in an economy as well as specific areas in which demographic pressures may affect economic conditions. Although shorter-term influences may overwhelm demographic change at times, the importance of demographic trends for the longer-run allocation of resources cannot be ignored.

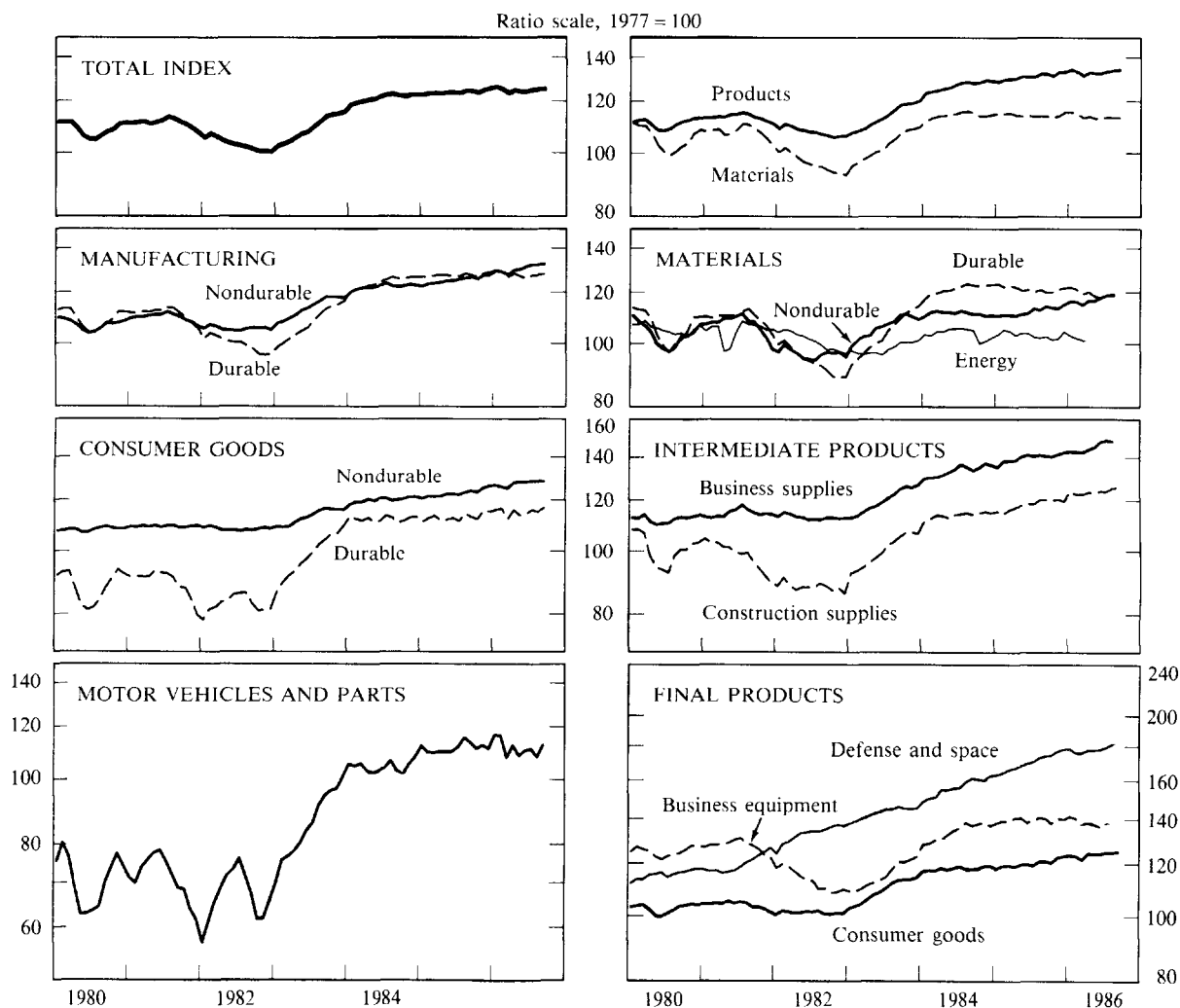
Industrial Production

Released for publication October 16

Industrial production increased an estimated 0.1 percent in September, following a similar gain in August and an upward revised increase of 0.5 percent for July. Output of consumer goods and equipment was led by gains in automotive products and transit equipment respectively. However, production of some other types of equipment

declined in September and output of materials and intermediate products changed little. At 125.3 percent of the 1977 average, industrial production in September was 0.8 percent higher than it was a year earlier, and in the third quarter grew at a 2.3 percent annual rate.

In market groups, total output of consumer goods increased 0.3 percent in September, primarily due to an increase in auto assemblies to an



All series are seasonally adjusted. Latest figures: September.

Group	1977 = 100		Percentage change from preceding month					Percentage change, Sept. 1985 to Sept. 1986
	1986		1986					
	Aug.	Sept.	May	June	July	Aug.	Sept.	
	Major market groups							
Total industrial production	125.1	125.3	-.4	.0	.5	.1	.1	.8
Products, total	133.7	133.9	-.2	.0	.6	.3	.2	1.5
Final products.....	132.5	132.9	-.4	-.4	.8	.3	.3	.5
Consumer goods.....	124.9	125.2	-.2	.1	.6	-.1	.3	3.4
Durable	115.3	116.9	-1.8	.5	1.4	-.6	1.4	3.3
Nondurable	128.5	128.3	.3	.0	.3	.0	-.1	3.5
Business equipment.....	139.2	139.7	-.5	-.9	1.2	.7	.3	-.6
Defense and space.....	181.5	181.9	.0	.2	.7	1.1	.2	4.3
Intermediate products.....	137.7	137.7	.4	1.4	.3	.3	-.1	4.8
Construction supplies	125.5	126.0	-.1	.5	-.1	1.2	.4	4.7
Materials	113.4	113.4	-.7	.1	.4	-.1	.0	-.4
	Major industry groups							
Manufacturing.....	129.4	129.8	-.4	.0	.8	.1	.3	2.2
Durable.....	127.6	128.0	-.9	-.6	.9	.2	.3	.5
Nondurable	132.0	132.2	.2	1.0	.7	-.1	.2	4.6
Mining	96.5	96.1	-1.2	-.9	-1.8	-.6	-.4	-11.2
Utilities.....	110.1	111.0	-.8	.1	2.0	-.6	.8	-2.0

NOTE. Indexes are seasonally adjusted.

annual rate of 7.7 million units from a 7.0 million rate in August. Among other durables, home goods declined somewhat in September following strong recent gains, and output of nondurable consumer goods also edged down. Output of business equipment posted its third consecutive monthly gain in September but remained below its 1985 year-end level. In this group a large increase occurred in production of business vehicles, while other equipment areas were sluggish. Production of defense and space equipment posted a small gain in September after sharp increases in July and August. In September, as during most earlier months of this year, con-

struction supplies increased and materials output remained sluggish.

In industry groups, manufacturing output rose 0.3 percent in September to a level 2.2 percent above that of a year earlier, with both durable and nondurable manufacturing contributing to the gains. However, mining production declined 0.4 percent further in September, falling to a level more than 11 percent below that of a year earlier. In this group, oil and gas well drilling rose for the second month after very sharp cutbacks earlier. Utilities output gained 0.8 percent in September.

Announcements

EMMETT J. RICE RESIGNATION AS A MEMBER OF THE BOARD OF GOVERNORS

Emmett J. Rice will resign as a member of the Board of Governors, effective December 31, 1986. The text of Governor Rice's letter of resignation to President Reagan and a statement by Chairman Volcker follow:

October 2, 1986

President Ronald W. Reagan
The White House

Dear Mr. President

I hereby submit my resignation from the Board of Governors of the Federal Reserve System effective December 31, 1986. My decision to leave is entirely personal and was reached after serving many years in public service, the last seven and a half as a member of the Board. I feel the time has come to return to private life.

It has been a great honor and privilege to have had the opportunity to serve on the Board of Governors and contribute to the formulation of monetary policy which I feel has been most successful in the best interest of the country over this particular period of history. I leave the Federal Reserve with the highest professional and personal regard for Chairman Volcker and my other colleagues on the Board of Governors.

Sincerely,

Emmett J. Rice

Chairman Paul A. Volcker made the following statement on the resignation of Governor Rice:

I have known for a long time of Governor Rice's increasing desire to return to private life. Naturally, I regret that the time has now come, but I appreciate his long and faithful service to the government in general and important contribution to so many aspects of the Federal Reserve's work in recent years. We will miss him here, but he will leave with our best wishes and thanks.

GUIDELINES TO CREDIT PRACTICES RULE: UPDATE

The Federal Reserve Board published on October 28, 1986, an update to its guidelines on the Credit Practices Rule, which applies to all banks and their subsidiaries, concerning unfair or deceptive acts or practices in the extending of consumer credit. The updated guidelines became effective November 1.

The rule applies to all consumer credit obligations except for the purchase of real property. The rule prohibits banks from using certain remedies to enforce consumer credit obligations and from imposing a late charge practice called pyramiding. It also provides protections for cosigners in consumer credit transactions.

REGULATION Y: REVISION

The Federal Reserve Board has adopted a comprehensive revision to provisions of Regulation Y (Bank Holding Companies and Change in Bank Control) that deal with permissible insurance activities for bank holding companies. As part of this revision the Board eliminated a 1972 requirement that bank holding companies engaging in credit life, accident, and health insurance underwriting provide rate reductions or increased policy benefits. The requirement had stipulated that premiums must be charged below state-mandated rates, on a sliding scale 2 to 15 percent lower than the state-allowed maximum.

The Board determined that this requirement put bank holding companies at a disadvantage with respect to other providers of this insurance underwriting. The Board also determined that other adequate safeguards exist to deal with the possibility of adverse effects on the public.

The general revision of the insurance provisions of Regulation Y was originally proposed in March 1984 to reflect amendments to the Bank Holding Company Act contained in the Garn-St Germain Depository Institutions Act of 1982.

In clarifying the scope of insurance activities that are closely related to banking and permissible for bank holding companies under the Garn-St Germain Act, the Board further defined seven specific exemptions contained in the act.

These exemptions generally allow bank holding companies to sell credit-related life, accident, and health insurance, and involuntary unemployment insurance; to sell property insurance on collateral securing loans of \$10,000 or less (\$25,000 for manufactured homes) through finance company subsidiaries; to act as general insurance agents (a) in towns with populations of less than 5,000 or (b) when the bank holding company has less than \$50 million in assets; to continue to sell and expand, in certain instances, insurance agency activities authorized on or before May 1, 1982; to act as a managing general agent for group insurance for the holding company; and to engage in certain insurance agency activities conducted before 1971.

NEW ACTIVITIES PERMISSIBLE UNDER REGULATION Y

The Federal Reserve Board approved on October 31, 1986, a list of six additional permissible nonbanking activities for bank holding companies under Regulation Y, subject to certain conditions and limitations.

Some of these activities have previously been approved on a case-by-case basis. The Board's latest action means that applications for these additional activities may now be filed under expedited procedure.

The additional activities are the following: consumer financial counseling; tax planning and tax preparation; futures and options advisory services; check guaranty service; collection agency and credit bureau services; and personal property appraisals.

Consumer financial counseling involves providing counseling, educational courses, and instructional material to individuals on consumer-oriented, financial-management matters, including debt consolidation, mortgage applications, bankruptcy, budget management, real estate tax shelters, tax planning, retirement and estate

planning, insurance, and general investment management. This service would not involve the sale of specific products or investments, or the provision of portfolio investment advice or portfolio management authorized under Regulation Y.

Tax planning and tax preparation activity authorizes bank holding companies to provide advice and strategies designed to minimize tax liabilities and to prepare tax forms for both corporations and individuals.

Futures and options advisory services include advice with respect to financial futures and options approved for futures commission merchant subsidiaries or "FCMs." Additionally, bank holding companies are authorized to provide such advice as a "stand alone" activity as a commodity trading advisor or "CTA." FCMs and CTAs are subject to regulation by the Commodity Futures Trading Commission pursuant to the Commodity Exchange Act. This advice would include general research and counseling on market conditions, trades, and trading strategies; client account information and reconciliation of trades; communication linkage between clients and the commodity exchange floor; and assistance to a customer in structuring hedging strategies. Such advice would be limited to sophisticated customers.

Check guaranty services involve the authorization by bank holding companies to subscribing merchants to accept personal checks tendered by the merchant's customers in payment for goods and services and the purchase from merchants of validly authorized checks that are not subsequently honored.

Collection agency operation involves collecting overdue accounts receivable, either retail or commercial, for a contingent fee based upon a specified percentage of the amount collected. Credit bureau services involve maintaining files on the past credit history of certain borrowers and providing that information for a fee to a credit grantor who is considering a borrower's application for credit.

Personal property appraisal involves estimating or determining the value of all property other than real property. Real property appraisals were previously included on the list of permissible activities.

PROPOSED ACTION

The Federal Reserve Board has extended the comment period to December 12 on its proposal to amend Regulation E (Electronic Fund Transfers) to eliminate the periodic statement requirement for providers of EFT services that do not hold consumer accounts.

REVISED RATES FOR FEDERAL RESERVE BOARD PUBLICATIONS

In view of substantial increases in the cost of publishing and distributing the *Federal Reserve Regulatory Service* and *Handbooks*, the subscription rates have been revised effective January 1, 1987. The new annual rates are as follows: (See the list of publications on page A84.)

DOMESTIC RATES

<i>Federal Reserve Regulatory Service</i> (three volumes)	\$200.00
<i>Consumer and Community Affairs Handbook</i> ...	\$ 75.00
<i>Monetary Policy and Reserve Requirements Handbook</i>	\$ 75.00
<i>Securities Credit Transactions Handbook</i>	\$ 75.00

FOREIGN RATES¹

<i>Federal Reserve Regulatory Service</i> (three volumes)	\$250.00
Each <i>Handbook</i>	\$ 90.00

1. Rates shown include additional air mail costs for subscribers outside the United States.

Existing subscribers will be sent renewal notices reflecting the new price schedules before their expiration dates in 1987.

Also, because of the costs involved in maintaining our mailing lists, a charge to cover postage will be imposed for subscriptions to the Board's statistical releases effective January 1, 1987. (See the list of releases on page A87.)

PUBLICATION OF ANNUAL STATISTICAL DIGEST, 1985

The *Annual Statistical Digest, 1985*, is now available. This one-year *Digest* is designed as a compact source of economic, and especially financial, data. The *Digest* provides a single source of historical continuations of the statistics carried regularly in the FEDERAL RESERVE BUL-

LETIN. The *Digest* also offers a continuation of series that formerly appeared regularly in the BULLETIN, as well as certain special, irregular tables that the BULLETIN also once carried.

This issue of the *Digest* covers only 1985 unless data were revised for earlier years. It serves to maintain the historical series first published in *Banking and Monetary Statistics, 1941-1970*, and the *Digest* for 1970-79 and yearly issues thereafter. A *Concordance of Statistics* will be included with all orders. The *Concordance* provides a guide to tables that cover the same material in the current and the previous year's *Digest*, the ten-year *Digest* for 1970-79, and the BULLETIN.

Copies of the *Digest* are available from Publications Services, Mail Stop 138, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The price is \$15.00 per copy.

DISCONTINUANCE OF QUARTERLY FEDERAL RESERVE CHART BOOK

The quarterly *Federal Reserve Chart Book* is being discontinued. The final edition will be issued in February 1987, and copies will no longer be available on an annual subscription basis. The price for one copy is \$2.00 in the United States, its possessions, Canada, and Mexico and \$3.00 elsewhere.

The *Historical Chart Book* is still available at \$1.25 per copy in the United States, its possessions, Canada, and Mexico and \$1.50 elsewhere. The price for 10 or more copies sent to one address is \$1.00 each.

PUBLICATION OF REVISED LIST OF OTC STOCKS SUBJECT TO MARGIN REGULATIONS

The Federal Reserve Board has published a revised list of over-the-counter (OTC) stocks that are subject to its margin regulations, effective November 11, 1986.

This List of Marginable OTC Stocks supersedes the revised list that was effective on August 12, 1986. Changes that have been made in the list, which now includes 2,887 OTC stocks,

are as follows: 219 stocks have been included for the first time, 181 under national market system designation; 40 stocks previously on the list have been removed for substantially failing to meet the requirements for continued listing; and 42 stocks have been removed for other reasons such as listing on a national securities exchange or involvement in an acquisition.

The list includes all over-the-counter securities designated by the Board pursuant to its established criteria as well as all securities qualified for trading in the national market system (NMS). This list includes all securities qualified for trading in tier 1 of the NMS through November 11 and those in tier 2 through October 21, 1986. Additional OTC securities may be designated as NMS securities in the interim between the Board's quarterly publications and will be immediately marginable. The next publication of the Board's list is scheduled for January 1987.

In addition to NMS-designated securities, the Board will continue to monitor the market activity of other OTC stocks to determine which stocks meet the requirements for inclusion and continued inclusion on the list.

CHANGE IN BOARD STAFF

The Board of Governors has announced the appointment of Patricia A. Welch to the official staff as Assistant Director in the Division of Applications Development and Statistical Services effective October 22, 1986. Ms. Welch will have responsibility for the Statistical Services Branch of the division.

Ms. Welch came to the Board in September 1973, and is Chief of the Generalized Statistics Systems Section. She has a B.S. in Technology of Management from American University.

SYSTEM MEMBERSHIP:

ADMISSION OF STATE BANKS

The following bank was admitted to membership in the Federal Reserve System during the period October 1 through October 31, 1986:

New York

New York City United Missouri Trust
Company of New York

Legal Developments

AMENDMENT TO REGULATION Y

The Board of Governors is amending its Regulation Y, Bank Holding Companies and Change in Bank Control, implementing the Bank Holding Company Act, to include on the list of nonbanking activities generally permissible for bank holding companies the following activities: personal property appraisals, commodity trading and futures commission merchant advice, consumer financial counseling, tax preparation and planning, check guaranty services, operating a collection agency, and operating a credit bureau. Certain of these activities have been previously approved by the Board by order.

Effective December 15, 1986, the Board amends 12 C.F.R. Part 225 as follows:

Part 225—Bank Holding Companies and Change in Bank Control

1. The authority citation for 12 C.F.R. Part 225 continues to read as follows:

Authority: 12 U.S.C. §§ 1817(j)(13), 1818, 1843(c)(8), 1844(b), 3106, 3108, 3907, and 3909.

2. Section 225.25(b) is amended by revising paragraph (13) and adding new paragraphs (19), (20), (21), (22), (23), and (24) to read as follows:

* * * * *

(13) *Real estate and personal property appraising.* Performing appraisals of real estate and tangible and intangible personal property, including securities.

* * * * *

(19) *Investment advice on financial futures and options on futures.* Providing investment advice, including counsel, publications, written analyses and reports, as a futures commission merchant ("FCM") authorized pursuant to paragraph (18) of this subsection or as a commodity trading advisor ("CTA") registered with the Commodity Futures Trading Commission, with respect to the purchase and sale of futures contracts and options on futures contracts for the commodities and instruments referred to in paragraph (18), provided that the FCM or CTA:

(i) does not trade for its own account except for the purpose of hedging a cash position in the related government security, bullion, foreign currency, or money market instrument; and

(ii) limits its advice to financial institutions and other financially sophisticated customers that have significant dealings or holdings in the underlying commodities, securities, or instruments.

(20) *Consumer financial counseling.* Providing advice, educational courses, and instructional materials to consumers on individual financial management matters, including debt consolidation, applying for a mortgage, bankruptcy, budget management, tax planning, retirement and estate planning, insurance and general investment management, provided:

(i) educational materials and presentations used by the counselor may not promote specific products and services;

(ii) the counselor advises each customer that the customer is not required to purchase any services from affiliates; and

(iii) the counselor does not obtain or disclose confidential information concerning its customers without the customer's written consent or pursuant to legal process.

This paragraph does not authorize the provision of advice on specific products or investments or the provision of portfolio investment advice or portfolio management, which are authorized under paragraphs (3) and (4)(iii) of this subsection subject to certain fiduciary standards. If consumer financial counseling is offered by a company that also offers securities brokerage services pursuant to paragraph (15) of this subsection, the brokerage and counseling services must be provided by different personnel and in separate offices or in separate and distinctly marked areas.

(21) *Tax planning and preparation.* Providing individuals, businesses, and nonprofit organizations tax planning and tax preparation services, including advice and strategies to minimize tax liabilities, and the preparation of tax forms, provided:

(i) the materials used by the tax planner or preparer do not promote other specific products and services; and

(ii) the tax planner or preparer does not obtain or disclose confidential information concerning its customers without the customer's written consent or pursuant to legal process.

(22) *Check guaranty services.* Authorizing a subscribing merchant to accept personal checks tendered by the merchant's customers in payment for goods and services and purchasing from the merchant validly authorized checks that are subsequently dishonored, provided that the check guarantor does not discriminate against checks drawn on unaffiliated banks.

(23) *Operating collection agency.* Collecting overdue accounts receivable, either retail or commercial, provided the collection agency:

- (i) does not obtain the names of customers of competing collection agencies from an affiliated depository institution that maintains trust accounts for those agencies; and
- (ii) does not provide preferential treatment to an affiliate or a customer of such affiliate seeking collection of an outstanding debt.

(24) *Operating credit bureau.* Maintaining files on the past credit history of consumers and providing that information to a credit grantor who is considering a borrower's application for credit, provided that the credit bureau does not provide preferential treatment to a customer of an affiliated financial institution.

* * * * *

ORDERS ISSUED UNDER BANK HOLDING COMPANY ACT, BANK MERGER ACT, BANK SERVICE CORPORATION ACT, AND FEDERAL RESERVE ACT

Orders Issued Under Section 3 of the Bank Holding Company Act

Advance Bancorp, Inc.
Chicago, Illinois

Order Approving Formation of a Bank Holding Company

Advance Bancorp, Inc., Chicago, Illinois, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act of 1956, as amended ("BHC Act") (12 U.S.C. § 1842(a)(1)), to become a bank holding company by acquiring all of the outstanding voting shares of South Chicago Savings Bank, Chicago, Illinois ("Bank").

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

Applicant is a non-operating corporation formed for the purpose of acquiring Bank. Principals of Applicant are also principals of Bank. Bank is the 87th largest commercial banking organization in Illinois, with total deposits of \$165.5 million, representing 0.2 percent of total deposits in commercial banks in the state.¹ This proposal represents a restructuring of existing ownership interests. Consummation of this proposal would not result in the concentration of banking resources or in any significant adverse competitive effects in Illinois.

Bank competes in the Chicago banking market² where it is the 60th largest commercial banking organization, controlling approximately 0.2 percent of total deposits in commercial banks in the market. Principals of Applicant and Bank are not associated with any other financial institutions located in the market. Consummation of this transaction would not result in the concentration of banking resources or in any significant adverse competitive effects in any relevant geographic area. Thus, competitive factors are consistent with approval.

The financial and managerial resources and future prospects of Applicant and Bank are considered satisfactory and consistent with approval.

In considering the convenience and needs of the community to be served, the Board has taken into account the record of Bank under the Community Reinvestment Act ("CRA") (12 U.S.C. § 2901 *et seq.*). The CRA requires the federal bank supervisory agencies to encourage financial institutions to help meet the credit needs of the local communities in which they are chartered consistent with the safe and sound operation of such institutions. To accomplish this end, the CRA requires the appropriate federal supervisory authority to "assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with the safe and sound operation of the institution." The Board is required to "take such record into account in its evaluation" of applications under section 3 of the BHC Act.

The record reflects that Bank's past record under CRA has been less than satisfactory. The Board would generally regard this as a significant adverse factor in its evaluation of an application. In this case, however, there are a number of special circumstances that mitigate the Board's concern regarding Bank's service to the convenience and needs of its community and

1. All banking data are as of June 30, 1985.

2. The Chicago banking market is approximated by Cook, DuPage, and Lake Counties, all in Illinois.

that convince the Board that convenience and needs considerations are consistent with approval of this application.

The Board notes that this is the third application to the Board involving Bank within a period of three years. In connection with the processing of the previous two applications, Bank's deficiencies were pointed out and the applications were withdrawn. During the processing of this application, Applicant met on numerous occasions with Board and Reserve Bank staff to discuss Bank's CRA performance, the improvements in that performance, and measures that Bank could take to further improve its performance and correct specific deficiencies noted in its CRA review. As a result of these discussions, Applicant has made specific commitments designed to improve the entire scope of its CRA performance.

As a result of this effort, Bank has shown improvement in its service to the convenience and needs of the community. As of Bank's last CRA examination, Bank's performance was satisfactory in three of the five areas considered in assessing a bank's overall CRA performance: community credit needs and marketing; discrimination or other illegal practices; and community development.³ As of its last examination, Bank's CRA performance was deficient in two areas: the geographic distribution of Bank's lending and the types of credit offered and extended by Bank.

Concerning the geographic distribution of Bank's lending, Bank has substantially expanded its CRA community delineation so that Bank will serve a far greater number of low- and moderate-income neighborhoods.⁴ Bank is located on the southeast side of Chicago in an area that has traditionally been the hub of steel-making and heavy manufacturing, both of which have suffered serious economic setbacks over the past decade. Applicant and Bank have committed to extend Bank's CRA community delineation to the north and west to include 46 new census tracts of which 44 have a Black population in excess of 80 percent and 28 of which are considered low-income areas.

Concerning the types of credit offered and extended by Bank, Applicant and Bank have committed to the

Board that Bank will increase its loan-to-deposit ratio within five years and increase the number of loans made in its delineated CRA community to a level providing an equivalent ratio of the number of loan accounts to the number of deposit accounts both inside and outside its delineated CRA community. Applicant and Bank have also committed that Bank will expand and enlarge the percentage of Bank's consumer loans, including the percentage of consumer loans made within Bank's delineated CRA community.

In addition, Applicant and Bank have committed to further study the needs of Bank's newly enlarged designated CRA community by conducting an independent survey of consumer credit needs; to solicit advice from members of community organizations and invite their participation on Bank's Community Advisory Group; to increase substantially advertising to make known its lending program to its designated CRA community; and to participate in various community development programs.

Finally, the Board notes that this application to form a holding company over Bank involves a restructuring of existing ownership interests for the apparent purpose of enabling Applicant to further expand its banking operations. Any such expansion will require an application to the Board. At such time, the Board will carefully scrutinize such an application to determine whether Applicant has made substantial measurable progress in fulfilling the commitments it has made to the Board to improve its service to the convenience and need of its community.

In this connection, the Board has directed the Reserve Bank to monitor the performance of Applicant and Bank, including their progress in fulfilling their commitments to the Board. To ensure that the Federal Reserve Bank of Chicago can accurately monitor progress on these commitments, Applicant and Bank have committed to submit monthly reports to the Reserve Bank concerning progress on Bank's CRA program.

It is in this context that the Board believes it is appropriate to give weight to commitments for future actions as part of its consideration of convenience and needs factors. Such commitments are considered an important aspect of the Board's role in encouraging performance.⁵ In view of the fact that the Board is taking limited action in this case that will set the stage for further reviews of Bank's CRA performance, and in view of the fact that the commitments by Applicant and Bank would correct the deficiencies in Bank's CRA record, the Board believes that it is appropriate

3. An institution's overall CRA performance is evaluated on the basis of five separate performance categories: community credit needs and marketing; types of credit offered and extended; geographic distribution; discrimination or other illegal credit practices; and community development.

4. A low-income census tract has a median family income of less than 80 percent of the median family income and a moderate-income census tract has a median family income between 80 and 125 percent of the median family income for that metropolitan statistical area.

5. See Board statement of January 3, 1980, *Federal Reserve Regulatory Service*, ¶ 6-1312.

in this case to give substantial weight to the commitments of Applicant and Bank in assessing Bank's CRA performance and convenience and needs factors. On this basis, and in light of the progress shown to date by Bank in improving its CRA record, as well as the commitments made by Applicant and Bank and other facts of record, the Board believes that considerations relating to the convenience and needs of the communities to be served are consistent with approval.⁶

Based on the foregoing and other facts of record, the Board has determined that approval of the application would be consistent with the public interest and that the application should be and hereby is approved. The transaction shall not be consummated before the thirtieth calendar day following the effective date of this Order, or later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Chicago acting pursuant to delegated authority.

By order of the Board of Governors, effective October 17, 1986.

Voting for this action: Vice Chairman Johnson and Governors Wallich, Seger, Angell, and Heller. Voting against this action: Governor Rice. Absent and not voting: Chairman Volcker.

JAMES MCAFEE

[SEAL]

Associate Secretary of the Board

Dissenting Statement By Governor Rice

I dissent from the Board's action in this case. I cannot agree with the majority's decision to provide bank holding company status to an institution that has chosen to ignore its obligations under law to serve the convenience and needs of its community as consistently and for as long a period as Bank has done in this case.

The Community Reinvestment Act ("CRA") contains a Congressional finding that regulated financial

institutions have a "continuing and affirmative obligation to help meet the credit needs of the local communities in which they are chartered." To this end, CRA requires that the appropriate Federal financial supervisory agencies shall "assess the institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with the safe and sound operation of such institution," and "take such record into account in its evaluation" of an application under the Bank Holding Company Act. Thus, Congress has chosen the application process as the mechanism to encourage a financial institution to build a good record in meeting its community's credit needs by directly tying an institution's ability to expand to its past record in meeting its obligations to serve the convenience and needs of its community.

Bank's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, has been consistently judged less than satisfactory by Federal financial supervisory agencies during the entire period following the enactment of CRA. Bank is one of only a handful of financial institutions in the country with such a consistently poor record. Even though Bank's performance has improved somewhat over time, it has not reached a satisfactory level, despite continuing efforts by regulatory agencies to provide Bank with guidance in improving its performance.

It is only when Bank desired to form a bank holding company and was faced with the application process that it chose to make some promises to the Board concerning its future performance in meeting the credit needs of its community. The majority of the Board relies upon Bank's improving performance and the commitments that Applicant and Bank have made concerning the future. This seems insufficient to me. In my opinion, the Board should not approve Bank's application on the basis of promises of future performance when Bank's demonstrated, longterm record has been and continues to be unsatisfactory. Rather, in this case the Board should require that Bank first demonstrate a satisfactory track record of meeting the credit needs of its community. This is all the more important for a bank, like Bank, that is situated in an area that has predominantly low- and moderate-income neighborhoods.

I recognize that most CRA issues are raised in the context of a protested application. Typically, these issues are resolved through the process of discussion and constructive negotiation between applicants and protestants. This process has worked well, and in fact, no applications have been denied on CRA grounds. The record in this case demonstrates a failure by Applicant to respond to the concerns expressed by regulatory authorities and a refusal to work out that

6. The Board has also received comments concerning Bank's CRA performance that were submitted to the Board by Woodstock Institute and the Illinois Foreclosure Coalition (collectively, "commenters") after the expiration of the comment period on this application. The commenters allege that Bank has discriminated on the basis of race in defining the community it serves and in lending to Black sections of the community it has designated. The commenters also allege that Bank has failed to make loans, especially residential loans, in its designated community area. Based upon the facts of record, there is insufficient evidence to indicate that Bank is discriminating on the basis of race in its lending practices. As discussed earlier in this Order, Applicant and Bank have made a number of commitments which the Board believes sufficiently address the concerns of commenters.

kind of accommodation, such as to warrant, in my opinion, disapproval of this application.

Accordingly, I would deny this proposal until such time as Bank demonstrates, through more than generalized promises of improvement, that it has recognized its obligations to satisfy the convenience and needs of its entire community, including low- and moderate-income neighborhoods.

October 17, 1986

Consorcio Inversionista Mercantil y Agrícola
C.A.
Caracas, Venezuela

Banco Mercantil C.A.
Caracas, Venezuela

Order Approving the Formation of Bank Holding Companies

Consorcio Inversionista Mercantil y Agrícola C.A., Caracas, Venezuela ("CIMA"), and Banco Mercantil C.A., Caracas, Venezuela, have applied for Board approval under section 3 of the Bank Holding Company Act (12 U.S.C. § 1842) ("Act") to acquire the shares of Commercebank, N.A., Miami, Florida ("Bank"), and thereby to become bank holding companies for purposes of the Act.¹

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

Banco Mercantil, with total assets of approximately \$2.8 billion as of March 31, 1986, is the third largest private bank in Venezuela. CIMA is a Venezuelan corporation that was originally formed by Banco Mercantil for the purpose of providing services to Banco Mercantil, including data processing, printing, and similar services, and to hold and maintain the bank

premises of Banco Mercantil. In addition, CIMA holds shares of a number of companies engaged in a variety of banking and nonbanking activities outside the United States, including commercial financing, mortgage banking, insurance activities, and real estate investment and development activities. CIMA had consolidated assets of approximately \$1.2 billion as of December 31, 1985. The shares of CIMA and Banco Mercantil are held by the same shareholders and, under the provisions of the articles of incorporation of CIMA and Banco Mercantil, may only be transferred together. The Board has determined that Banco Mercantil and CIMA meet the requirements of section 211.23(b) of Regulation K for the exemptions to the nonbanking prohibitions of the Act provided to qualifying foreign banking organizations. 12 C.F.R. § 211.23(b), (c), and (f).

Bank had total assets of approximately \$26 million as of March 31, 1986. The only U.S. operation of Banco Mercantil is an agency in Miami, Florida. While the agency and Bank operate in the same banking market, neither controls a significant share of the banking business in that market, and the acquisition of Bank by Applicants will not have any significantly adverse effects on competition or significantly increase the concentration of resources in any relevant market. Accordingly, competitive factors are consistent with approval of the application.

Section 3(c) of the Act requires in every case that the Board consider the financial resources of the applicant organization and the bank or bank holding company to be acquired. As the Board has previously stated, review of the financial resources of foreign banking organizations raises a number of complex issues that the Board believes require careful consideration and that the Board continues to have under review.² In this regard, the Board has initiated consultations with appropriate foreign bank supervisors and notes that work is currently in progress among foreign and domestic bank supervisory officials to develop more fully the concept of functional equivalency of capital ratios for banks of different countries. Pending the outcome of these consultations and deliberations, the Board has determined to consider the issues raised by applications by foreign banks to acquire domestic banks on a case-by-case basis.

In this case, the Board notes that the primary capital ratio of Banco Mercantil, after making certain adjustments in accord with U.S. regulatory and accounting

1. CIMA proposes to acquire its shares of Bank through a trust and series of off-shore companies. CIMA, an unnamed United Kingdom subsidiary of CIMA, and the shareholders of CIMA are beneficiaries of the trust. The trust will own all of the voting shares of the Schatten Corporation, a holding company established under the laws of the United Kingdom. The Schatten Corporation, in turn, will own all of the shares of two companies: the Geld Corporation, which is a Channel Islands corporation that will serve as the trustee for the trust; and Mountain Corporation, a Florida holding company. The shares of Bank will be held by Mountain Corporation. Banco Mercantil proposes to make a substantial investment in Mountain Corporation in the form of debt that will convert into equity of Mountain Corporation after a fixed period. In addition to Banco Mercantil and CIMA, the United Kingdom subsidiary of CIMA, the trust, Schatten Corporation, Geld Corporation, and Mountain Corporation have each applied under the Act to become bank holding companies as a result of this transaction.

2. See, e.g., *Ljubljanska Banka-Associated Bank*, 72 FEDERAL RESERVE BULLETIN 489 (1986); *The Industrial Bank of Japan, Ltd.*, 72 FEDERAL RESERVE BULLETIN 71 (1986); *The Mitsubishi Bank, Limited*, 70 FEDERAL RESERVE BULLETIN 518 (1984); see also Policy Statement on Supervision and Regulation of Foreign-Based Bank Holding Companies, *Federal Reserve Regulatory Service* ¶ 4-835 (1979).

practices, is slightly below the minimum level established for domestic bank holding companies. The Board also notes that the primary capital ratio of CIMA is below the minimum level established for domestic bank holding companies. The Board regards this as a negative factor. In other similar cases, the Board has considered mitigating factors, including adjustments to the applicant's capital that reflect differences in accounting and regulatory practices and that generally cause applicant's capital to reflect the levels required for domestic bank holding companies. In this case, the Board puts particular emphasis on the facts that Bank will be strongly capitalized by Applicants and is small in relation to Applicants; that Applicants have established a plan to increase their capital, on a combined basis, to a level that will equal or exceed the capital guidelines set for U.S. bank holding companies; and that Applicants are in compliance with capital and other financial requirements of the appropriate supervisory authorities in Venezuela and that Applicants' resources and prospects are viewed as satisfactory by those authorities.

The Board expects that Applicants will continue to maintain Bank as among the more strongly capitalized banking organizations of comparable size in the United States. Based on these and all of the other facts of record, including the commitments made by Applicants, the Board concludes that the financial and managerial factors are consistent with approval of these applications.

The Board has also determined that considerations relating to the convenience and needs of the community to be served are consistent with approval. Based on the foregoing and all the facts of record, including the commitments made by Applicants, the Board has determined that consummation of the transaction would be consistent with the public interest. Accordingly, the Board has determined that the applications should be and hereby are approved. The transaction shall not be consummated before the thirtieth calendar day following the effective date of this Order, or 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 October 23, 1986.

Voting for this action: Chairman Volcker and Governors Johnson, Rice, and Seger. Voting against this action: Governors Angell and Heller. Absent and not voting: Governor Wallich.

JAMES MCAFEE

[SEAL]

Associate Secretary of the Board

Dissenting Statement Of Governors Angell And Heller

We dissent from the Board's action in this case. It is our concern that the limitations imposed by Venezuelan law on the investments of Venezuelan banks and the trust arrangement proposed in this case will limit the ability of Applicants to serve as sources of financial strength to Bank.

This case also raises the general issue of comparability of capital adequacy standards between domestic and foreign banking organizations. It is our view that the same standards should be applied equally to domestic bank holding companies and to foreign banking organizations seeking to acquire banks in the United States. In this regard, we wish to emphasize the importance of developing international standards for comparing capital adequacy in order to assure the consistent treatment of foreign and domestic banking organizations.

October 23, 1986

Merchants National Corporation Indianapolis, Indiana

Order Approving Acquisition of Bank Holding Companies and a Bank

Merchants National Corporation, Indianapolis, Indiana, a bank holding company within the meaning of the Bank Holding Company Act of 1956, as amended (12 U.S.C. § 1841 *et seq.*) ("Act"), has applied for the Board's approval under section 3(a)(5) of the Act (12 U.S.C. § 1842(a)(5)) to merge with Farmers State Corporation, Zionsville, Indiana ("FSC") and thereby indirectly acquire FSC's subsidiary bank, Mid State Bank, Zionsville, Indiana; with US Bancorp, Carmel, Indiana ("USB") and thereby indirectly acquire USB's subsidiary bank, Union State Bank, Carmel, Indiana; and with Alliance Bancorp, Danville, Indiana ("Alliance") and thereby indirectly acquire Alliance's subsidiary bank, Mid State Bank of Hendricks County, Danville, Indiana. Applicant has also applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to acquire Anderson Banking Company, Anderson, Indiana ("Anderson").

Notice of the applications, affording opportunity for interested persons to submit comments (51 *Federal Register* 25,257 (July 11, 1986)), has been given in accordance with section 3(b) of the Act. The time for filing comments has expired, and the Board has considered the applications and all comments received in light of the factors set forth in section 3(c) of the Act.

Applicant is the third largest banking organization in Indiana, controlling four subsidiary banks in the state, which hold deposits of \$2.1 billion, representing 5.6 percent of the total deposits of commercial banks in the state.¹ FSC, USB and Alliance each have one subsidiary bank. Their subsidiary banks in each case control less than one percent of the total deposits in commercial banks in the state, and respectively control total deposits of \$74.1 million, \$129.6 million and \$86.2 million.² Anderson Banking Company is the 33rd largest banking organization in the state, controlling deposits of \$210.4 million, representing 0.58 percent of the total deposits in commercial banks in the state. Upon consummation of these applications, Applicant would remain the third largest banking organization in the state. Accordingly, consummation of the proposal would have no significant effect on the concentration of banking resources in Indiana.

The Board has considered the effects of the proposal upon competition in the relevant banking markets in which Applicant, FSC, USB, Alliance and Anderson operate. Three of Applicant's subsidiary banks and the subsidiary banks of FSC, USB and Alliance operate in the Indianapolis banking market.³ Applicant is the third largest banking organization in this market with \$1.7 billion in deposits, representing 19.4 percent of the total deposits in commercial banks in the market. The subsidiary banks of FSC, USB and Alliance are the 14th, 8th and 12th largest banking organizations in the Indianapolis market, together holding 3.3 percent of the total deposits in commercial banks in the market. Upon consummation, Applicant would remain the third largest banking organization in the market, and would control deposits of \$2 billion, representing 22.7 percent of total deposits in commercial banks in the market. The Indianapolis market is highly concentrated, with the four largest commercial banks controlling 79 percent of the deposits of commercial banks in the market. The Herfindahl-Hirschman Index ("HHI") for the market is 2042, and upon consummation of the proposal the HHI would increase by 131 points to 2113.⁴

Although consummation of the proposal would eliminate some existing competition between Applicant's subsidiary banks and the subsidiary banks of FSC, USB and Alliance in the Indianapolis banking market, numerous other commercial banking organizations would remain as competitors after consummation of the proposal. In addition, the presence of 19 thrift institutions that control approximately 18.6 percent of the market's total deposits mitigates the anticompetitive effects of the transaction.⁵ Thrift institutions already exert a considerable competitive influence in the market as providers of NOW accounts and consumer loans. In addition, most of the thrift institutions are engaged in the business of making commercial loans and are providing an alternative for such services in the Indianapolis market. Based upon the above considerations, the Board concludes that consummation of the proposal is not likely to substantially lessen competition in the Indianapolis market.⁶

Anderson Banking Company operates in the Anderson banking market, a market where Applicant does not operate.⁷ Consummation of the proposal would therefore not eliminate any existing competition in that market. The Board has considered the effects of the proposed merger on probable future competition in the Anderson market. On the basis of the number of probable future entrants into the market and the fact that the market is not concentrated, the Board has concluded that consummation of the proposal would not have any significant adverse effects on probable future competition in the market.

In its evaluation of Applicant's managerial resources, the Board has considered certain violations by Applicant of the Currency and Foreign Transactions Reporting Act ("CFTRA") and the regulations thereunder.⁸ In this regard, the Board notes that

will not be challenged (in the absence of other factors indicating anticompetitive effect) unless the post-merger HHI is at least 1800 and the merger increases the HHI by at least 200 points.

5. The Board has previously indicated that thrift institutions have become or have the potential to become, major competitors of commercial banks. *National City Corporation*, 70 FEDERAL RESERVE BULLETIN 743 (1984); *NCNB Bancorporation*, 70 FEDERAL RESERVE BULLETIN 225 (1984); *General Bancshares Corporation*, 69 FEDERAL RESERVE BULLETIN 802 (1983); *First Tennessee National Corporation*, 69 FEDERAL RESERVE BULLETIN 298 (1983).

6. If 50 percent of deposits held by thrift institutions in the Indianapolis banking market were included in the calculation of market concentration, the share of total deposits held by the four largest organizations in the market would, as a result of the proposal, increase from 74.3 percent to 75.4 percent. Applicant would control 20.3 percent of the market's deposits upon consummation of the proposal. The HHI would increase by 106 points to 1765.

7. The Anderson banking market is approximated by Madison County, Indiana.

8. 31 U.S.C. § 5311, *et seq.*; 31 C.F.R. § 103.

1. All banking data are as of June 30, 1985.

2. The subsidiary banks of FSC, USB and Alliance respectively rank in size as the 115th, 57th and 95th largest banking organizations in Indiana.

3. The Indianapolis banking market is approximated by the Indianapolis MSA, consisting of Boone, Hamilton, Hancock, Hendricks, Johnson, Marion, Morgan and Shelby counties in Indiana.

4. Under the revised Department of Justice Merger Guidelines (49 *Federal Register* 26,823 (June 29, 1984)), any market in which the post merger HHI is above 1800 is considered highly concentrated. The Department has informed the Board that a bank merger or acquisition

Applicant, the United States Attorney for Southern Indiana and the IRS have reached agreement on a settlement of all outstanding violations of CFTRA, and that throughout the investigative process Applicant cooperated fully with law enforcement agencies. Applicant and its subsidiaries have also undertaken a comprehensive remedial program to correct these violations and to prevent similar violations from occurring in the future. Applicant has advised the Board that it has filed corrective currency transaction reports ("CTRs"), appointed a senior officer responsible for ensuring compliance with CFTRA reporting requirements, including reporting for transactions aggregating over \$3,000 on a daily basis; instituted intensive internal training for bank personnel regarding compliance with the CFTRA; eliminated its exempt list until convinced that its bank personnel are thoroughly knowledgeable of CFTRA requirements so as to permit rebuilding of the list; established a new automated teller system allowing for the centralization of exempt list computation and the monitoring of CTRs; and required all bank personnel to participate in CFTRA retraining courses at least once a year. The Board has also consulted with appropriate enforcement agencies with respect to this matter, and has considered Applicant's past record of compliance with the law.

For the foregoing reasons and based upon a review of all of the facts of record, the Board concludes that the managerial resources of Applicant are consistent with approval. The Board also finds that the financial resources of Applicant, FSC, USB, Alliance and Anderson are consistent with approval of these applications. Considerations relating to the convenience and needs of the communities to be served are also consistent with approval.

Based on the foregoing and other facts of record, the Board has determined that the applications should be and hereby are approved. The transaction shall not be consummated before the thirtieth calendar day following the effective date of this Order or later than three months after the effected date of this Order, unless such period is extended by the Board or by the Federal Reserve Bank of Chicago acting pursuant to delegated authority.

By order of the Board of Governors, effective October 29, 1986.

Voting for this action: Chairman Volcker and Governors Johnson, Seger, Angell, and Heller. Absent and not voting: Governors Wallich and Rice.

JAMES MCAFEE

Associate Secretary of the Board

[SEAL]

Orders Issued Under Section 4 of the Bank Holding Company Act

Sovran Financial Corporation Norfolk, Virginia

Order Approving an Application to Deal in Gold and Silver Bullion and Coins

Sovran Financial Corporation, Norfolk, Virginia, a bank holding company within the meaning of the Bank Holding Company Act of 1956 ("Act") (12 U.S.C. § 1841 *et seq.*), has applied pursuant to section 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)) and section 225.23(a) of the Board's Regulation Y (12 C.F.R. § 225.23(a)), to expand the activities of its wholly owned subsidiary, Sovran Investment Corporation, Richmond, Virginia ("SIC"), to include purchasing and selling gold and silver bullion and gold coins upon receipt of a customer's order.

Notice of the application, affording interested persons an opportunity to submit comments, has been duly published (50 *Federal Register* 29,701 (1986)). The time for filing comments has expired, and the Board has considered the application and all comments received in light of the public interest factors set forth in section 4(c)(8) of the Act.

Applicant, with total assets of \$14.2 billion,¹ is the largest banking organization in Virginia. Applicant operates three subsidiary banks throughout Virginia, Maryland and the District of Columbia, and engages through certain subsidiaries in other nonbanking activities permissible for bank holding companies.

This application represents a corporate reorganization whereby Sovran Bank, N.A., a subsidiary of Applicant, will transfer its gold and silver operations to SIC. SIC will buy or sell precious metals only upon a firm customer order. SIC will also establish an arrangement with metal supply dealers whereby SIC would acquire title to an inventory of metal, subject to the supplier's security interest, but would not be obligated to make payment to the supplier until SIC actually sold a portion of the metal. SIC will not use its assets to deal in or take a position in the precious metals market in a manner generally associated with the activities of a principal. The Board has previously determined that the purchase and sale of gold and

1. Data are as of June 30, 1986.

silver bullion by a bank holding company is closely related to banking.²

In order to approve this application, the Board is also required to determine that the performance of the proposed activity by Applicant "can reasonably be expected to produce benefits to the public . . . that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." (12 U.S.C. § 1843(c)(8)).

This proposal is basically a corporate reorganization, and thus consummation of this proposal should result in operational and managerial efficiencies. Accordingly, the Board concludes that Applicant's performance of the proposed activities can reasonably be expected to provide benefits to the public.

The Board has also considered the potential for adverse effects that may be associated with this proposal. There is no evidence in the record that consummation of the proposal would result in any adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices.

Based upon a consideration of all the relevant facts, the Board concludes that the balance of the public interest factors that it is required to consider under section 4(c)(8) is favorable. Accordingly, the application is hereby approved.

This determination is also subject to all of the conditions set forth in Regulation Y, including sections 225.4(d) and 225.23(b)(3) (12 C.F.R. §§ 225.4(d) and 225.23(b)(3)), and to the Board's authority to require such modification or termination of the activities of a bank holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

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

By order of the Board of Governors, effective October 20, 1986.

Voting for this action: Chairman Volcker and Governors Johnson, Rice, Seger, Angell, and Heller. Absent and not voting: Governor Wallich.

JAMES MCAFEE

[SEAL]

Associate Secretary of the Board

Orders Issued Under Sections 3 and 4 of the Bank Holding Company Act

Lloyds Bank Plc
London, England

Order Approving the Acquisition of a Bank Holding Company

Lloyds Bank Plc, London, England, has applied for Board approval under section 3 of the Bank Holding Company Act ("BHC Act") (12 U.S.C. § 1841 *et seq.*) to acquire up to 30 percent of the voting shares of Standard Chartered Plc, London, England, a registered bank holding company by virtue of its indirect ownership of Union Bancorp and its wholly owned subsidiary, Union Bank ("Bank"), Los Angeles, California. Lloyds Bank Plc has also applied for Board approval under section 4(c)(8) of the BHC Act (12 U.S.C. § 1843(c)(8)) to acquire indirectly the voting shares of the following direct and indirect non-banking subsidiaries of Standard Chartered operating within the United States: Stanchart Business Credit, which engages in commercial lending and leasing activities through offices in Los Angeles, Pasadena, Atlanta, Chicago, Miami, Seattle, New York City, and Richmond; Market Investment Services Corporation, Los Angeles, California, which provides discount brokerage services; Institutional Credit Services Corporation, Los Angeles, California, which engages in consumer financing, servicing and leasing activities; Stanchart Real Estate Advisors, Inc., London, England, which provides real estate investment advisory services and advisory services related to leasing real and personal property; Mocatta Metal Corporation, New York, New York, which engages in the purchase and sale of gold and silver bullion and coins and the purchase and granting of options to buy or sell gold or silver bullion; Iron Mountain Depository Corporation, which engages in storing, weighing, counting and transporting bullion and coins; and Mocatta Trade Corporation, New York, New York, which provides the services of a futures commission merchant. In addition, Applicant has applied to acquire indirectly the shares of Standard Chartered Bank International, Houston, Texas, a corporation chartered pursuant to section 25(a) of the Federal Reserve Act (the "Edge Act") (12 U.S.C. § 611 *et seq.*) and has provided notice under section 4(c)(14) of the BHC Act (12 U.S.C. § 1843(c)(14)) of its intention to acquire indirectly Stanchart Export Services Company, Los Angeles, California, an export trading company.

Notice of the applications, affording interested persons an opportunity to submit comments, has been given in accordance with sections 3 and 4 of the BHC

2. *The Hongkong and Shanghai Banking Corporation*, 72 FEDERAL RESERVE BULLETIN 345 (1986).

Act (51 *Federal Register* 19,797 (1986)). The time for filing comments has expired, and the Board has considered the applications and all the comments received,¹ in light of the factors set forth in section 3(c) of the BHC Act, the considerations specified in sections 4(c)(8) and (14) of the BHC Act, and the purposes of the Edge Act.

Applicant, with total assets of approximately \$65.9 billion, is the fourth largest bank in the United Kingdom.² Standard Chartered is the fifth largest bank in the United Kingdom, with approximately \$43.4 billion in total assets. In the United States, Applicant operates full-service branches in Los Angeles, San Francisco, Chicago, and New York; limited service branches in Boston and Pittsburgh; two limited purpose merchant bank subsidiaries in New York; and agencies or loan production offices in 17 other cities nationwide.³ In addition to Union Bancorp, Standard Chartered operates in the United States through full-service branches in Chicago, New York and Seattle, an agency in Los Angeles, and representative offices in San Francisco, Atlanta, and Miami.

Both Applicant and Standard Chartered have selected California as their home state under the Board's Regulation K (12 C.F.R. § 211.22(b)). Applicant may retain its current full-service branches in Chicago, New York, Los Angeles, and San Francisco under the provisions of section 5(b) of the International Banking Act ("IBA") (12 U.S.C. § 3103(b)) because these offices were duly established by Applicant prior to July 27, 1978. While Applicant contends that the branches of Standard Chartered may be operated indirectly by Applicant as full-service branches after consummation of the proposal,⁴ the Board has determined that the

provisions of section 5 of the IBA (12 U.S.C. § 3103) would not permit Applicant to continue to accept domestic deposits at those branches after Applicant has acquired 25 percent or more of the voting shares of Standard Chartered.⁵ Accordingly, based on these facts and conditions, the Board concludes that the acquisition of Standard Chartered by Applicant is consistent with section 5(a) of the IBA and section 3(d) of the BHC Act (12 U.S.C. § 1842(d)).

Union Bancorp, with total assets of approximately \$9.6 billion, controls approximately 3.1 percent of total deposits in commercial banking organizations in California and is the fifth largest commercial banking organization in the state. Applicant recently sold its interest in Lloyds Bank California and currently does not operate a bank subsidiary in California. Upon consummation, Applicant would become the fifth largest commercial banking organization in California, and would control approximately 3.1 percent of deposits in commercial banks in the state.

Applicant and Standard Chartered both operate branches or agencies in Chicago, New York, and Los Angeles. Upon consummation of the proposal, there will remain numerous commercial bank competitors in these markets and Applicant and Standard Chartered together would control less than one percent of the deposits in commercial banking organizations in these markets.

Accordingly, the Board has determined that consummation of this proposal would not have significantly adverse effects on either existing or potential competition in any relevant banking market.

Section 3(c) of the BHC Act requires in every case that the Board consider the financial resources of the applicant organization and the bank or bank holding company to be acquired. As the Board has previously stated, review of the financial resources of foreign banking organizations raises a number of complex issues that the Board believes require careful consideration and that the Board continues to have under review.⁶ In this regard, the Board has initiated consultations with appropriate foreign bank supervisors and notes that work is currently in progress among foreign and domestic bank supervisory officials to develop more fully the concept of functional equivalency of

1. Standard Chartered and Union Bancorp submitted comments opposing Board approval of these applications and requesting a public hearing regarding the applications. These comments are discussed below. The Board has also reviewed the comments submitted by the California/Nevada Interfaith Committee on Corporate Responsibility ("CN-ICCR") and the response to those comments submitted by Applicant, and has determined, based on all the facts of record, that the comments submitted by the CN-ICCR do not warrant denial of these applications.

2. All banking data are as of December 31, 1985.

3. Applicant recently sold its interest in Lloyds Bank California in a transaction reviewed and approved by the Federal Deposit Insurance Corporation.

4. Applicant contends that section 5(b) of the IBA would permit Applicant to operate indirectly the domestic branches of Standard Chartered because those branches were established and operated prior to July 27, 1978. Under this interpretation, a foreign banking organization could acquire any branch or bank in any state, provided the branch or bank had been established and operated by anyone prior to July 27, 1978. The Board believes that the literal terms of section 5 of the IBA permit foreign banking organizations to retain only branches that they have established and operated prior to the grandfather date and do not permit foreign banking organizations to acquire domestic branches established by another organization prior to the grandfather date.

5. The Board has determined that, in the event Applicant acquires 25 percent or more of the voting shares of Standard Chartered, Applicant must, within six months, conform the deposit-taking activities of the domestic branches of Standard Chartered to the activities permissible for a corporation organized under section 25(a) of the Federal Reserve Act (12 U.S.C. § 611 *et seq.*) or divest the branches.

6. *Bank of Montreal*, 70 FEDERAL RESERVE BULLETIN 664 (1984); *Mitsubishi Bank, Ltd.*, 70 FEDERAL RESERVE BULLETIN 518 (1984). See also Policy Statement on Supervision and Regulation of Foreign-Based Bank Holding Companies, 1 *Federal Reserve Regulatory Service* ¶ 4-835 (1979).

capital ratios for banks of different countries. Pending the outcome of these consultations and deliberations, the Board has determined to consider the issues raised by applications by foreign banks to acquire domestic banks on a case-by-case basis.

In this case, Applicant's primary capital ratio, on a U.S. basis, would be above the minimum levels specified in the Capital Adequacy Guidelines established by the Board for U.S. bank holding companies, both before and after consummation of the proposed transaction.⁷ The Board has also noted that the current and *pro forma* capital levels of Applicant do not reflect any intangibles. In addition, the Board notes Applicant's current U.S. operations are satisfactory. Based on these and all of the other facts of record, the Board concludes that the financial and managerial factors are consistent with approval of this application. Factors related to the convenience and needs of the communities to be served are also consistent with approval.

Applicant has also applied, pursuant to section 4(c)(8) of the BHC Act, to acquire the nonbanking subsidiaries of Standard Chartered PLC listed above. The Board has previously determined by Order that the activities of Mocatta Metal Corporation and its wholly owned subsidiary, Iron Mountain Depository Corporation, are closely related to banking.⁸ The Board has previously determined by regulation that each of the activities of the other nonbanking companies that Applicant proposes to acquire are permissible nonbanking activities for bank holding companies.⁹

With the exception of various leasing activities, Applicant and Standard Chartered do not conduct similar nonbanking activities in the same relevant markets in the United States. The volume of leasing activities of both Applicant and Standard Chartered is small and the overlapping market share is insignificant in comparison with the total market volume. Moreover, there is a large number of competitors in the market for leasing services, and elimination of either Applicant or Standard Chartered as a competitor would not have any significant adverse effects.

There is no evidence in the record to indicate that approval of this proposal would result in undue concentration of resources, decreased or unfair competition, conflicts of interest, unsound banking practices, or other effects adverse to the public interest. Accordingly, subject to the conditions and limitations set forth in the Board's Order approving the acquisition of Mocatta Metal Corporation, the Board has determined that the balance of the public interest factors that it

must consider under section 4(c)(8) of the BHC Act is favorable and consistent with approval of the applications to acquire the nonbanking subsidiaries of Standard Chartered.

The financial and managerial resources of Applicant are consistent with approval of its indirect acquisition of Standard Chartered Bank International. The acquisition would result in the continuation of the international services currently provided, and is consistent with the purposes of the Edge Act. Accordingly, the Board finds that the continued operation of Standard Chartered Bank International upon acquisition by Applicant would be in the public interest.

Standard Chartered and Union Bancorp ("Protestants") have objected to Board approval of the proposed acquisition and have requested that the Board hold a public hearing regarding the applications. The Protestants raised questions concerning, among other things, the capital position of Applicant, its managerial resources and record of operations in the United States, Applicant's plans regarding the retention and operation of Bank, the effect of the presence of a minority shareholder on the operations and future prospects of Standard Chartered and Union Bancorp, and the effect of the proposed acquisition on the convenience and needs of the communities served by Bank. The Board has considered these comments carefully, as well as the responses to these comments submitted by Applicant, and has reviewed the application in light of all of the information presented and otherwise available to the Board, including the relevant reports of examination and other financial information regarding Applicant's U.S. banking operations.

For the reasons discussed above, the Board has analyzed the financial aspects of this case in accord with its policy of reviewing applications by foreign banks to acquire domestic banking organizations on a case-by-case basis, giving appropriate weight to all relevant financial factors. As stated above, based on the Board's review of all of the facts in this case, including the fact that Applicant's tangible primary capital on a U.S. basis is above the Board's minimum levels specified in the Capital Adequacy Guidelines, the Board believes that the financial resources of Applicant are consistent with approval of this application.

The Board has also considered that Applicant has stated its intention to retain Bank and that it has no present plans to change either the executive management, business plan, structure, or services provided by Bank. As discussed above, on the basis of these and all of the other facts of record, the Board believes that the managerial resources of Applicant and its current plans for Bank, including those regarding the

7. 50 *Federal Register* 16057 (April 24, 1985); 71 *FEDERAL RESERVE BULLETIN* 445 (1985).

8. 38 *Federal Register* 27,552 (1973).

9. See 12 C.F.R. § 225.25(b)(1), (4), (5), and (18).

continued provision of services to the communities Bank currently serves, are consistent with approval of this application.¹⁰

Protestants also contend that the Board should deny the application in this case because the acquisition by Applicant of a minority interest in Standard Chartered would only perpetuate dissension and uncertainty in the management of Standard Chartered without permitting Applicant to gain actual control of Standard Chartered or Union Bancorp. In support of its position, Protestants rely on the Board's decision in *NBC Co.*, 60 FEDERAL RESERVE BULLETIN 782 (1974), denying an application to acquire between 20 and 25 percent of the voting shares of a bank. The Board stated in that case that, because a single shareholder held over 50 percent of the voting shares of the bank and vigorously opposed the acquisition, the acquisition "would only perpetuate or aggravate dissension in Bank's management" without the applicant having any opportunity to obtain control of the bank. *Id.* 784. The Board also noted that the proposed acquisition in *NBC Co.* could detract from the overall financial condition of the applicant, which would not be in a position to assure that the bank in which it proposed to invest could continue to pay dividends to service the applicant's acquisition debt.

While the Board has considered the effects on Union Bancorp and Bank of Applicant's proposed minority ownership position, the facts in this case may be distinguished from the circumstances in *NBC Co.* In this case, unlike in *NBC Co.*, Applicant will become the largest single shareholder of Standard Chartered and may determine to seek to acquire a majority of the shares of Standard Chartered once Applicant is permitted to renew its offer under relevant British law. Moreover, as discussed above, the proposed investment will not impair the financial resources of Applicant, and Applicant would not be dependent upon dividends from Standard Chartered to meet its debt servicing requirements. Consequently, this case more closely resembles the facts of several cases approved by the Board, which involved the acquisition by a bank holding company of a minority position in another institution without the consent of the institution's management. *See, e.g., City Holding Company*, 71 FEDERAL RESERVE BULLETIN 575 (1985); *Hudson Financial Associates*, 72 FEDERAL RESERVE BULLETIN 151 (1986).

10. The retention of Bank or its current management is not a condition of the Board's action in this case. The Board expects that all future actions that Applicant takes regarding Union Bancorp or Bank will be consistent with relevant law, the Board's regulations, this Order, and safe and sound banking practice.

The position taken by the Protestants would preclude the Board from approving any proposal to acquire less than an absolute majority of the shares of a bank holding company if the management of the bank holding company opposes the acquisition. The BHC Act recognizes, however, that control is possible without ownership of an absolute majority of voting shares. Therefore, after careful review of the comments submitted by Protestants, Applicant's response to these comments, and all of the facts of record in this case, the Board has determined that the comments submitted by Protestants do not warrant denial of these applications.¹¹

The Board has also considered Protestants' request for a formal hearing. The BHC Act requires the Board to hold a formal hearing regarding an application submitted under section 3 of the BHC Act only in the event that the state supervisory authority, in the case of a state bank such as Union Bank, expresses written disapproval of the proposed transaction.¹² This hearing requirement is not triggered in this case because the Superintendent of Banking for the State of California has not expressed written disapproval of the proposed transaction.

Further, Protestants have been given the opportunity to submit facts and arguments to the Board regarding this application, and have not provided any basis to support the belief that the facts already before the Board are incomplete or insufficient to permit the Board to carry out its responsibility under the BHC Act, or that further investigation would produce additional relevant information. The Board is not required to hold a formal hearing where a party disputes the conclusions to be drawn from established facts or where such proceeding would not serve to develop new or useful facts.¹³

Accordingly, based on these facts, and the extensive submissions by the parties, the Board concludes that a formal hearing is not warranted in this case, and hereby denies Protestants' request for a hearing.

Based on the foregoing, the commitments made by Applicant, and all the facts of record, the Board has

11. Protestants have also raised questions regarding certain alleged violations of the Export Administration Act during 1983. 50 App. U.S.C. § 2401 *et seq.* Based on all the facts of record, including the fact that Applicant has instituted a comprehensive compliance program, Applicant's record since 1983, and the fact that the record does not indicate that the violations were willful, the Board has determined that these violations do not warrant denial of the applications in this case.

12. 12 U.S.C. § 1842(b); *Northwest Bancorporation v. Board of Governors*, 303 F.2d 832, 843-44 (8th Cir. 1962); *Grandview Bank & Trust Co. v. Board of Governors*, 550 F.2d 415 (8th Cir.), *cert. denied*, 434 U.S. 821 (1977); and, *Farmers & Merchants Bank of Las Cruces v. Board of Governors*, 567 F.2d 1082 (D.C. Cir. 1977).

13. *Northwest Bancorporation*, *supra*, n. 20.

determined that the applications under sections 3 and 4 of the BHC Act and under the Edge Act should be, and hereby are, approved.¹⁴

The Board has also considered the notice by Applicant to acquire Stanchart Export Services Company under section 4(c)(14) of the BHC Act. Based on the facts of record, the Board has determined that disapproval of the proposed investment is not warranted.

The acquisition shall not be consummated before the thirtieth day following the effective date of this Order or later than three months after the effective date of this Order, unless such period is extended by the Board or by the Federal Reserve Bank of San

Francisco, pursuant to delegated authority. The determinations herein regarding nonbank activities are subject to the conditions stated herein as well as all of the conditions set forth in Regulation Y, including sections 225.4(d) and 225.23(b), 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, or to prevent evasion of, the provisions and purposes of the BHC Act and the Board's regulations and orders issued thereunder.

By order of the Board of Governors, effective October 1, 1986.

Voting for this action: Vice Chairman Johnson and Governors Rice, Seger, Angell, and Heller. Absent and not voting: Chairman Volcker and Governor Wallich.

JAMES McAFEE

[SEAL]

Associate Secretary of the Board

14. By its action today, the Board does not indicate any preference or endorsement, either in support or in opposition, to the proposed acquisition or to any further acquisitions of shares of Standard Chartered by Applicant. Rather, the Board is acting on the applications before it solely with respect to the U.S. activities of Standard Chartered and in order that the proposed transaction, if consummated, may be made in accordance with relevant U.S. law.

ORDERS APPROVED UNDER BANK HOLDING COMPANY ACT

By the Secretary of the Board

Recent applications have been approved by the Secretary of the Board as listed below. Copies are available upon request to Publications Services, Division of Support Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Section 3

Applicant	Bank(s)	Effective date
First-Knox Banc Corp., Mount Vernon, Ohio	The Farmers and Savings Bank, Loudonville, Ohio	October 17, 1986

By Federal Reserve Banks

Recent applications have been approved by the Federal Reserve Banks as listed below. Copies are available upon request to the Reserve Banks.

Section 3

Applicant	Bank(s)	Reserve Bank	Effective date
Ambanc Financial Services, Inc., Beaver Dam, Wisconsin	Bank of Helenville, Helenville, Wisconsin	Chicago	October 24, 1986
AmeriTrust Corporation, Cleveland, Ohio	Central Indiana Bancorp, Inc., Fairland, Indiana	Cleveland	October 16, 1986

Section 3—Continued

Applicant	Bank(s)	Reserve Bank	Effective date
AmeriTrust Corporation, Cleveland, Ohio	Union Banc Corp., Kokomo, Indiana	Cleveland	October 24, 1986
Banc One Corporation, Columbus, Ohio	First National Corporation, Bloomington, Indiana	Cleveland	October 24, 1986
Bank Maryland Corp., Towson, Maryland	Bank of Maryland, Towson, Maryland	Richmond	October 22, 1986
Bank Shares Incorporated, Minneapolis, Minnesota	First Brookdale State Bank, Brooklyn Center, Minnesota	Minneapolis	October 24, 1986
Bay Holdings Corporation, Rockport, Texas	Portland State Bank, Portland, Texas	Dallas	October 24, 1986
BNB Bancorp, Inc., Chicago, Illinois	Belmont National Bank of Chicago, Chicago, Illinois	Chicago	October 9, 1986
Capital National Bancshares, Inc., Oklahoma City, Oklahoma	Capital National Bank, Oklahoma City, Oklahoma	Kansas City	October 21, 1986
Cardinal Bancorp, Inc., Washington, Missouri	Citizens National Bank of Greater St. Louis, St. Louis, Missouri	St. Louis	October 10, 1986
Carolina First Corporation, Greenville, South Carolina	Carolina First Bank, Greenville, South Carolina	Richmond	October 21, 1986
The Central Bancorporation, Inc., Cincinnati, Ohio	Oberlin Bancshares, Inc., Oberlin, Ohio	Cleveland	October 3, 1986
Central National Corporation, Sarasota, Florida	Central National Bank, Sarasota, Florida	Atlanta	October 14, 1986
Chambers Bancshares, Inc., Danville, Arkansas	Danville State Bank, Danville, Arkansas	St. Louis	October 7, 1986
Citizens Fidelity Corporation, Louisville, Kentucky	Mercer County National Bank of Harrodsburg, Harrodsburg, Kentucky	St. Louis	October 21, 1986
Community Financial Corporation, Harbor Beach, Michigan	First of America Bank—Huron, Harbor Beach, Michigan	Chicago	October 8, 1986
Cosmopolitan Bancorp Incorporated, Chicago, Illinois	The Cosmopolitan National Bank of Chicago, Chicago, Illinois	Chicago	October 24, 1986
Dakota Company, Inc., Minneapolis, Minnesota	Security State Bank, Doland, South Dakota	Minneapolis	October 23, 1986
DeSoto Bancshares, Inc., DeSoto, Kansas	DeSoto State Bank, DeSoto, Kansas	Kansas City	October 7, 1986

Section 3—Continued

Applicant	Bank(s)	Reserve Bank	Effective date
Dickey County Bancorporation, Ellendale, North Dakota	The First National Bank of Oakes, Oakes, North Dakota	Minneapolis	October 9, 1986
Dickey County Bancorporation, Ellendale, North Dakota	Liberty National Bank and Trust Company, Dickinson, North Dakota	Minneapolis	October 3, 1986
Dominion Bankshares Corporation, Roanoke, Virginia	Nashville City Bank and Trust Company, Nashville, Tennessee	Richmond	October 20, 1986
F&M Bankshares of Reedsburg, Inc., Reedsburg, Wisconsin	Farmers and Merchants Bank, Reedsburg, Wisconsin	Chicago	October 24, 1986
F & M Financial Services Corporation, Menomonee Falls, Wisconsin	The Bank of Ashippun, Ashippun, Wisconsin	Chicago	October 17, 1986
First Bryson Bancorporation, Inc., Bryson, Texas	Bryson Bancshares, Inc., Bryson, Texas The First State Bank of Bryson, Bryson, Texas	Dallas	October 21, 1986
First Indiana Bancorp, Elkhart, Indiana	Central Indiana Bancorp, Inc., Fairland, Indiana	Cleveland	October 16, 1986
First National Bancorp, Gainesville, Georgia	The Citizens Bank of Toccoa, Toccoa, Georgia	Atlanta	October 20, 1986
G.S.B. Investments, Inc., Gainesville, Florida	Keystone Securities, Inc., Keystone Heights, Florida	Atlanta	October 22, 1986
Gulf Harbor Banks, Inc., Dunedin, Florida	Gulf Bank of Dunedin, Dunedin, Florida	Atlanta	October 6, 1986
Hartford National Corporation, Hartford, Connecticut	Charter Financial Corporation, Framingham, Massachusetts	Boston	October 17, 1986
Hartford National Corporation, Hartford, Connecticut	First New England Bankshares Corp., Taunton, Massachusetts	Boston	October 15, 1986
HomeBanc Corporation, Guntersville, Alabama	The Home Bank of Albertville, Albertville, Alabama	Atlanta	September 25, 1986
Huntington Bancshares Incorporated, Columbus, Ohio	Kasco Financial Corporation, Warren, Michigan	Cleveland	October 16, 1986
Huntington Bancshares Michigan, Inc., Columbus, Ohio			
IBT Bancorp, Inc., Irwin, Pennsylvania	Irwin Bank and Trust Company, Irwin, Pennsylvania	Cleveland	October 23, 1986
Illini Community Bancorp, Inc., Springfield, Illinois	Peoples National Bank of Springfield, Springfield, Illinois	Chicago	October 24, 1986

Section 3—Continued

Applicant	Bank(s)	Reserve Bank	Effective date
Jefferson Bancorp, Inc., Miami Beach, Florida	Jefferson National Bank, Boca Raton, Florida	Atlanta	October 14, 1986
JSB Bancorp, Inc., Jerseyville, Illinois	Jersey State Bank, Jerseyville, Illinois	St. Louis	October 21, 1986
Lamar Capital Corporation, Purvis, Mississippi	Lamar County Bank, Purvis, Mississippi	Atlanta	October 1, 1986
Lawson Financial Corporation, Kansas City, Missouri	Lawson Bank, Lawson, Missouri	Kansas City	October 21, 1986
LBT Bancshares, Inc., Litchfield, Illinois	First National Bank of Mt. Auburn, Mt. Auburn, Illinois	St. Louis	October 9, 1986
Limestone Bancshares, Inc., Sand Springs, Oklahoma	Limestone National Bank, Sand Springs, Oklahoma	Kansas City	October 7, 1986
Lincoln Financial Corporation, Fort Wayne, Indiana	Angola State Bancorp, Angola, Indiana CNB FINANCIAL CORP., Auburn, Indiana	Chicago	October 22, 1986
Lincolnland Bancorp, Inc., Dale, Indiana	Farmers State Bank, Rockport, Indiana	St. Louis	October 16, 1986
Louise Bancshares, Inc., Louise, Texas	First City Bank of Wallis, Wallis, Texas The First State Bank, Louise, Texas	Dallas	October 10, 1986
Lowden Bancshares, Inc., Lowden, Iowa	American Trust & Savings Bank, Lowden, Iowa	Chicago	October 2, 1986
The Marine Corporation, Milwaukee, Wisconsin	Marine Bank of Mt. Pleasant, National Association, Mt. Pleasant, Wisconsin	Chicago	October 7, 1986
Marisub, Inc., Milwaukee, Wisconsin			
Marshfield Investment Company, Springfield, Missouri	Bank of Kimberling City, Kimberling City, Missouri	St. Louis	October 24, 1986
MBT BANCORP, West Harrison, Indiana	The Merchant's Bank and Trust Company, West Harrison, Indiana	Chicago	October 23, 1986
Metropolitan Bancorporation, Inc., Bloomington, Minnesota	Continental Bancshares, Inc., Bloomington, Minnesota	Minneapolis	October 23, 1986
Midlands Bancorp, Inc., Papillion, Nebraska	Bank of the Midlands, Papillion, Nebraska	Kansas City	October 17, 1986
Mount Vernon Bancorp, Mount Vernon, Iowa	Mount Vernon Bank and Trust Company, Mount Vernon, Iowa	Chicago	October 23, 1986

Section 3—Continued

Applicant	Bank(s)	Reserve Bank	Effective date
National City Bancshares, Inc., Evansville, Indiana	Poole Deposit Bank, Poole, Kentucky	St. Louis	October 20, 1986
NCNB Corporation, Charlotte, North Carolina	The Prince William Bank, Dumfries, Virginia	Richmond	October 21, 1986
Northeastern Oklahoma Bancshares, Inc., Inola, Oklahoma	Northeastern Oklahoma Bancorporation, Inola, Oklahoma	Kansas City	October 6, 1986
Peoples Bancorporation, Rocky Mount, North Carolina	Mid-South BancShares (N.C.), Inc., Sanford, North Carolina	Richmond	October 22, 1986
Peoples National Bancorp, Inc., State College, Pennsylvania	Heritage Financial Services Corporation, Lewistown, Pennsylvania	Philadelphia	October 10, 1986
Peoples Tri-County Bancorporation, Des Moines, Iowa	Peoples State Bank, Albia, Iowa	Chicago	October 17, 1986
Rush County National Corporation, Rushville, Indiana	The Rush County National Bank of Rushville, Rushville, Indiana	Chicago	September 26, 1986
Saban S.A., Panama City, Republic of Panama	Republic New York Corporation, New York, New York	New York	October 1, 1986
S.B.T. Bancshares, Inc., San Marcos, Texas	State Bank and Trust Company, San Marcos, Texas	Dallas	October 10, 1986
Sooner Southwest Bancshares, Inc., Bristow, Oklahoma	Hugo Bancshares, Inc., Hugo, Oklahoma Community Bancorporation, Inc., Bristow, Oklahoma	Kansas City	October 7, 1986
Southeast Banking Corporation, Miami, Florida	Southeast Bank of Tallahassee, Tallahassee, Florida	Atlanta	October 6, 1986
SouthTrust Corporation, Birmingham, Alabama	SouthTrust Bank of Cleburne County, N.A., Heflin, Alabama	Atlanta	October 9, 1986
SouthTrust Corporation, Birmingham, Alabama	SouthTrust Bank of Decatur, Decatur, Alabama	Atlanta	October 14, 1986
State Financial Services Corporation, Hales Corner, Wisconsin	Edgewood Bank, Greenfield, Wisconsin	Chicago	October 1, 1986
Stroud Bancorp, Inc., Stroud, Oklahoma	Stroud National Bank, Stroud, Oklahoma	Kansas City	September 30, 1986
Summcorp, Fort Wayne, Indiana	SOUTH CENTRAL BANCORP, Edinburg, Indiana Clinton County Bancorp., Frankfort, Indiana Industrial Trust & Savings Bank, Muncie, Indiana	Chicago	October 22, 1986

Section 3—Continued

Applicant	Bank(s)	Reserve Bank	Effective date
Tripoli Bancshares, Inc., Tripoli, Iowa	American Savings Bank, Tripoli, Iowa	Chicago	October 16, 1986
UNITEDCORP, Bangor, Maine	United Bank, Bangor, Maine	Boston	October 8, 1986
Valley Bancorp, Inc. Employees' Stock Ownership Plan and Trust, Brighton, Colorado	Lyons Bancorp, Inc., Lyons, Colorado	Kansas City	October 10, 1986
Valley Bancshares, Inc., Valley Park, Missouri	Meramec State Bank, Sullivan, Missouri	St. Louis	October 3, 1986
Ventura County National Bancorp, Oxnard, California	Conejo Valley National Bank, Thousand Oaks, California	San Francisco	October 24, 1986
Versailles Bancorporation, Inc., Britton, Indiana	Bank of Versailles, Versailles, Indiana	Chicago	October 16, 1986
WVB Bancorp, Vincennes, Indiana	Wabash Valley Bank of Vincennes, Vincennes, Indiana	St. Louis	October 7, 1986

Section 4

Applicant	Nonbanking Company	Reserve Bank	Effective date
Carlson Bankshares, Inc., Comfrey, Minnesota	Peoples State Agency, Inc., Comfrey, Minnesota	Minneapolis	September 29, 1986
CITIZENS BANKING CORPORATION, Flint, Michigan	First National Capital Corporation, Birmingham, Michigan	Chicago	October 10, 1986
MCorp, Dallas, Texas	MBank Facilities Corp, Dallas, Texas	Dallas	September 29, 1986
MCorp Financial, Inc., Wilmington, Delaware			

Sections 3 and 4

Applicant	Bank(s)/Nonbanking Company	Reserve Bank	Effective date
Walsh County Bancorporation, Inc., Drayton, North Dakota	Bank of Minto, Minto, North Dakota Minto Insurance Agency, Minto, North Dakota	Minneapolis	October 8, 1986

ORDERS APPROVED UNDER BANK MERGER ACT

By Federal Reserve Banks

Applicant	Bank(s)	Reserve Bank	Effective date
Banco de Ponce, Ponce, Puerto Rico	two branches of The East New York Savings Bank, New York, New York	New York	October 10, 1986
Hawkeye-Capital Bank & Trust, Des Moines, Iowa	Hawkeye Bank & Trust of Des Moines, Des Moines, Iowa	Chicago	October 16, 1986
Imperial Bank, Coral Gables, Florida	Popular Bank of Florida, Miami, Florida	Atlanta	October 14, 1986
Norstar Bank, Rochester, New York	purchase certain assets and assume certain liabilities of two branches of Norstar Bank of Upstate New York, Albany, New York	New York	October 10, 1986

ORDERS APPROVED UNDER BANK SERVICE CORPORATION ACT

By Federal Reserve Banks

Applicant	Nonbanking Company	Reserve Bank	Effective date
Northern Indiana Financial Service Corporation, Marion, Indiana	Grant Life Insurance Company, Phoenix, Arizona	Chicago	September 26, 1986

PENDING CASES INVOLVING THE BOARD OF GOVERNORS

This list of pending cases does not include suits against the Federal Reserve Banks in which the Board of Governors is not named a party.

- Independent Insurance Agents of America, et al. v. Board of Governors*, Nos. 86-1572, 1573, 1576 (D.C. Cir., filed Oct. 24, 1986).
- Securities Industry Association v. Board of Governors*, No. 86-2728 (D.C. Cir., filed Oct. 7, 1986).
- Independent Community Bankers Association v. Board of Governors*, No. 86-5373 (8th Cir., filed Oct. 3, 1986).
- Jenkins v. Board of Governors*, No. 86-1419 (D.C. Cir., filed July 18, 1986).
- Securities Industry Association v. Board of Governors*, No. 86-1412 (D.C. Cir., filed July 14, 1986).
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I.10 RESERVES, MONEY STOCK, LIQUID ASSETS, AND DEBT MEASURES

Item	Monetary and credit aggregates (annual rates of change, seasonally adjusted in percent) ¹								
	1985	1986			1986				
	Q4	Q1	Q2	Q3	May	June ^r	July	Aug.	Sept.
<i>Reserves of depository institutions²</i>									
1 Total	12.5	13.1	17.8	22.9	33.0	21.4	25.3	19.7 ^r	11.5
2 Required	11.5	12.3	19.8	23.9	32.7	19.5	26.3	24.2	11.9
3 Nonborrowed	10.4	19.1	17.6	23.2	34.1	23.7	27.3	16.8	8.4
4 Monetary base ³	8.2	8.6	8.8	9.9	13.7	9.2	8.8	12.0	5.3
<i>Concepts of money, liquid assets, and debt⁴</i>									
5 M1	10.7	7.7	15.8	17.4	23.2 ^r	14.9	16.7	20.8	9.9
6 M2	6.1	4.3	10.4 ^r	11.2	12.6 ^r	9.5	12.8 ^r	11.1 ^r	7.6
7 M3	6.6	7.6	9.0	10.1	7.9	8.5	13.0	8.9 ^r	8.9
8 L	9.5	8.4 ^r	7.0 ^r	n.a.	9.8 ^r	7.1	10.0 ^r	8.9	n.a.
9 Debt	13.3 ^r	15.2 ^r	9.7 ^r	n.a.	11.5 ^r	11.2	10.6 ^r	12.4	n.a.
<i>Nontransaction components</i>									
10 In M2 ⁵	4.6	3.3	8.7	9.1	9.1	7.7	11.5 ^r	7.9 ^r	6.8
11 In M3 only ⁶	8.5	20.6 ^r	3.4	6.0	-10.5	4.7	13.8	.0 ^r	14.0
<i>Time and savings deposits</i>									
<i>Commercial banks</i>									
12 Savings ⁷	3.2	1.9	11.8	25.5	22.7	17.7	22.9	30.6	36.0
13 Small-denomination time ⁸	-1.6	5.3	-3.1	-9.0	-9.6	-10.0	-5.3 ^r	-12.6	-10.9
14 Large-denomination time ^{9,10}	14.1	18.5	-8.8	-3.0	-23.4 ^r	-4.3	-2.1 ^r	7.3 ^r	-2.6
<i>Thrift institutions</i>									
15 Savings ⁷	7.5	3.1	20.9	23.0	30.5	29.1	22.3	17.0 ^r	15.6
16 Small-denomination time	-2.9	6.6	2.6	-3.6	-3.8	-5.7	-.5	-5.7 ^r	-5.3
17 Large-denomination time ⁹	5.2	10.0	11.0	2.4	-.7	-2.2	8.0	2.2	-2.2
<i>Debt components⁴</i>									
18 Federal	13.7 ^r	16.9 ^r	11.5 ^r	n.a.	17.2 ^r	19.4	14.8 ^r	8.8	n.a.
19 Nonfederal	13.1 ^r	14.7 ^r	9.2 ^r	n.a.	9.8 ^r	8.7	9.2 ^r	13.5	n.a.
20 Total loans and securities at commercial banks ¹¹	9.3 ^r	12.7	4.1	10.3	5.9	3.8	13.1 ^r	13.9 ^r	11.7

1. Unless otherwise noted, rates of change are calculated from average amounts outstanding in preceding month or quarter.

2. Figures incorporate adjustments for discontinuities associated with the implementation of the Monetary Control Act and other regulatory changes to reserve requirements. To adjust for discontinuities due to changes in reserve requirements on reservable nondeposit liabilities, the sum of such required reserves is subtracted from the actual series. Similarly, in adjusting for discontinuities in the monetary base, required clearing balances and adjustments to compensate for float also are subtracted from the actual series.

3. The monetary base not adjusted for discontinuities consists of total reserves plus required clearing balances and adjustments to compensate for float at Federal Reserve Banks plus the currency component of the money stock less the amount of vault cash holdings of thrift institutions that is included in the currency component of the money stock plus, for institutions not having required reserve balances, the excess of current vault cash over the amount applied to satisfy current reserve requirements. After the introduction of contemporaneous reserve requirements (CRR), currency and vault cash figures are measured over the weekly computation period ending Monday.

Before CRR, all components of the monetary base other than excess reserves are seasonally adjusted as a whole, rather than by component, and excess reserves are added on a not seasonally adjusted basis. After CRR, the seasonally adjusted series consists of seasonally adjusted total reserves, which include excess reserves on a not seasonally adjusted basis, plus the seasonally adjusted currency component of the money stock plus the remaining items seasonally adjusted as a whole.

4. Composition of the money stock measures and debt is as follows:

M1: (1) currency outside the Treasury, Federal Reserve Banks, and the vaults of commercial banks; (2) travelers checks of nonbank issuers; (3) demand deposits at all commercial banks other than those due to domestic banks, the U.S. government, and foreign banks and official institutions less cash items in the process of collection and Federal Reserve float; and (4) other checkable deposits (OCD) consisting of negotiable order of withdrawal (NOW) and automatic transfer service (ATS) accounts at depository institutions, credit union share draft accounts, and demand deposits at thrift institutions. The currency and demand deposit components exclude the estimated amount of vault cash and demand deposits respectively held by thrift institutions to service their OCD liabilities.

M2: M1 plus overnight (and continuing contract) repurchase agreements (RPs) issued by all commercial banks and overnight Eurodollars issued to U.S. residents by foreign branches of U.S. banks worldwide, Money Market Deposit Accounts (MMDAs), savings and small-denomination time deposits (time deposits)—including retail RPs—in amounts of less than \$100,000, and balances in both taxable and tax-exempt general purpose and broker/dealer money market mutual funds. Excludes individual retirement accounts (IRA) and Keogh balances at depository institutions and money market funds. Also excludes all balances held by U.S.

commercial banks, money market funds (general purpose and broker/dealer), foreign governments and commercial banks, and the U.S. government. Also subtracted is a consolidation adjustment that represents the estimated amount of demand deposits and vault cash held by thrift institutions to service their time and savings deposits.

M3: M2 plus large-denomination time deposits and term RP liabilities (in amounts of \$100,000 or more) issued by commercial banks and thrift institutions, term Eurodollars held by U.S. residents at foreign branches of U.S. banks worldwide and at all banking offices in the United Kingdom and Canada, and balances in both taxable and tax-exempt, institution-only money market mutual funds. Excludes amounts held by depository institutions, the U.S. government, money market funds, and foreign banks and official institutions. Also subtracted is a consolidation adjustment that represents the estimated amount of overnight RPs and Eurodollars held by institution-only money market mutual funds.

L: M3 plus the nonbank public holdings of U.S. savings bonds, short-term Treasury securities, commercial paper and bankers acceptances, net of money market mutual fund holdings of these assets.

Debt: Debt of domestic nonfinancial sectors consists of outstanding credit market debt of the U.S. government, state and local governments, and private nonfinancial sectors. Private debt consists of corporate bonds, mortgages, consumer credit (including bank loans), other bank loans, commercial paper, bankers acceptances, and other debt instruments. The source of data on domestic nonfinancial debt is the Federal Reserve Board's flow of funds accounts. Debt data are based on monthly averages. Growth rates for debt reflect adjustments for discontinuities over time in the levels of debt presented in other tables.

5. Sum of overnight RPs and Eurodollars, money market fund balances (general purpose and broker/dealer), MMDAs, and savings and small time deposits less the estimated amount of demand deposits and vault cash held by thrift institutions to service their time and savings deposit liabilities.

6. Sum of large time deposits, term RPs, and Eurodollars of U.S. residents, money market fund balances (institution-only), less a consolidation adjustment that represents the estimated amount of overnight RPs and Eurodollars held by institution-only money market mutual funds.

7. Excludes MMDAs.

8. Small-denomination time deposits—including retail RPs—are those issued in amounts of less than \$100,000. All IRA and Keogh accounts at commercial banks and thrifts are subtracted from small time deposits.

9. Large-denomination time deposits are those issued in amounts of \$100,000 or more, excluding those booked at international banking facilities.

10. Large-denomination time deposits at commercial banks less those held by money market mutual funds, depository institutions, and foreign banks and official institutions.

11. Changes calculated from figures shown in table 1.23.

A4 Domestic Financial Statistics □ December 1986

1.11 RESERVES OF DEPOSITORY INSTITUTIONS AND RESERVE BANK CREDIT

Millions of dollars

Factors	Monthly averages of daily figures			Weekly averages of daily figures for week ending						
	1986			1986						
	July	Aug.	Sept.	Aug. 13	Aug. 20	Aug. 27	Sept. 3	Sept. 10	Sept. 17	Sept. 24
SUPPLYING RESERVE FUNDS										
1 Reserve Bank credit	210,913	210,945	215,130	211,399	209,941	210,690	211,925	213,485	213,294	217,100
2 U.S. government securities ¹	185,112	185,339	188,598	185,309	185,038	185,595	186,260	187,176	187,375	190,388
3 Bought outright	183,550	185,339	187,237	185,309	185,038	185,595	186,260	187,176	187,375	187,842
4 Held under repurchase agreements	1,562	0	1,361	0	0	0	0	0	0	2,546
5 Federal agency obligations	8,581	8,076	8,252	8,098	8,047	8,047	8,047	8,047	8,047	8,323
6 Bought outright	8,137	8,076	8,047	8,098	8,047	8,047	8,047	8,047	8,047	8,047
7 Held under repurchase agreements	444	0	205	0	0	0	0	0	0	276
8 Acceptances	0	0	0	0	0	0	0	0	0	0
9 Loans	762	847	1,046	812	933	887	971	1,251	868	1,094
10 Float	438	610	734	434	430	733	522	862	523	592
11 Other Federal Reserve assets	16,020	16,073	16,500	16,746	15,494	15,429	16,126	16,150	16,481	16,704
12 Gold stock	11,084	11,084	11,084	11,084	11,084	11,084	11,084	11,084	11,084	11,084
13 Special drawing rights certificate account	4,818	4,844	5,018	4,818	4,818	4,818	5,018	5,018	5,018	5,018
14 Treasury currency outstanding	17,342	17,374	17,427	17,365	17,375	17,385	17,396	17,410	17,424	17,438
ABSORBING RESERVE FUNDS										
15 Currency in circulation	200,878	201,116	201,439 ²	201,473	201,276	200,600	201,998	202,514	201,710	200,726
16 Treasury cash holdings	564	516	495 ²	519	518	512	497	496	496	496
Deposits, other than reserve balances, with Federal Reserve Banks										
17 Treasury	3,638	3,210	5,677	3,695	3,454	3,284	2,095	3,424	4,098	7,625
18 Foreign	256	208	285	204	198	224	239	275	249	268
19 Service-related balances and adjustments	1,824	1,901	1,886	1,837	1,995	1,963	1,918	1,879	1,885	1,973
20 Other	471	508	497	412	566	453	513	485	566	482
21 Other Federal Reserve liabilities and capital	6,383	6,479	6,405	6,686	6,311	6,267	6,494	6,549	6,346	6,321
22 Reserve balances with Federal Reserve Banks ²	30,143	30,308	31,974	29,838	28,899	30,675	31,669	31,374	31,470	32,750
End-of-month figures										
Wednesday figures										
1986										
1986										
SUPPLYING RESERVE FUNDS										
23 Reserve Bank credit	209,666	211,705	219,358	210,719	209,624	211,131	213,679	218,226	213,138	215,489
24 U.S. government securities ¹	183,446	185,937	190,751	184,482	184,199	185,575	186,777	189,075	186,918	187,958
25 Bought outright	183,446	185,937	184,437	184,482	184,199	185,575	186,777	189,075	186,918	186,247
26 Held under repurchase agreements	0	0	6,314	0	0	0	0	0	0	1,711
27 Federal agency obligations	8,137	8,047	9,856	8,047	8,047	8,047	8,047	8,047	8,047	8,266
28 Bought outright	8,137	8,047	8,047	8,047	8,047	8,047	8,047	8,047	8,047	8,047
29 Held under repurchase agreements	0	0	1,809	0	0	0	0	0	0	219
30 Acceptances	0	0	0	0	0	0	0	0	0	0
31 Loans	737	913	879	881	817	944	1,350	4,332	752	1,555
32 Float	831	261	849	408	708	2,117	1,295	453	1,266	924
33 Other Federal Reserve assets	16,515	16,547	17,023	16,901	15,853	14,448	16,210	16,319	16,155	16,786
34 Gold stock	11,084	11,084	11,084	11,084	11,084	11,084	11,084	11,084	11,084	11,084
35 Special drawing rights certificate account	4,818	5,018	5,018	4,818	4,818	4,818	5,018	5,018	5,018	5,018
36 Treasury currency outstanding	17,353	17,394	17,450	17,374	17,384	17,394	17,408	17,422	17,436	17,450
ABSORBING RESERVE FUNDS										
37 Currency in circulation	200,552	201,778	200,642	201,548	200,985	200,976	202,839	202,320	201,401	200,500
38 Treasury cash holdings	532	497	492	519	512	511	496	496	496	493
Deposits, other than reserve balances, with Federal Reserve Banks										
39 Treasury	3,983	1,106	7,514	3,169	3,542	3,890	3,125	3,959	4,665	7,744
40 Foreign	233	227	342	199	270	228	228	406	247	208
41 Service-related balances and adjustments	1,631	1,669	1,681	1,631	1,671	1,670	1,669	1,673	1,668	1,668
42 Other	688	461	663	410	449	497	501	509	503	449
43 Other Federal Reserve liabilities and capital	6,658	6,562	6,463	6,171	6,122	6,113	6,335	6,224	6,200	6,153
44 Reserve balances with Federal Reserve Banks ²	28,644	32,901	35,113	30,347	29,359	30,542	31,996	36,163	31,496	31,826

1. Includes securities loaned—fully guaranteed by U.S. government securities pledged with Federal Reserve Banks—and excludes any securities sold and scheduled to be bought back under matched sale-purchase transactions.

2. Excludes required clearing balances and adjustments to compensate for float.

NOTE. For amounts of currency and coin held as reserves, see table 1.12.

1.12 RESERVES AND BORROWINGS Depository Institutions

Millions of dollars

Reserve classification	Monthly averages ^a									
	1983	1984	1985	1986						
	Dec.	Dec.	Dec.	Feb.	Mar.	Apr.	May	June	July	Aug.
1 Reserve balances with Reserve Banks ¹	21,138	21,738	27,620	24,700	27,114	28,892	28,279	29,499	30,313	30,165
2 Total vault cash ²	20,755	22,316	22,956	24,962	22,688	22,231	22,474	22,805	23,098	23,451
3 Vault cash used to satisfy reserve requirements ³	17,908	18,958	20,522	21,952	20,160	19,990	20,140	20,439	20,716	21,112
4 Surplus vault cash ⁴	2,847	3,358	2,434	3,010	2,528	2,241	2,334	2,366	2,381	2,339
5 Total reserves ⁵	38,894	40,696	48,142	46,652	47,274	48,882	48,419	49,938	51,029	51,277
6 Required reserves	38,333	39,843	47,085	45,555	46,378	48,081	47,581	49,007	50,118	50,538
7 Excess reserve balances at Reserve Banks ⁶	561	853	1,058	1,097	896	801	838	931	910	740
8 Total borrowings at Reserve Banks	774	3,186	1,318	884	761	893	876	803	741	872
9 Seasonal borrowings at Reserve Banks	96	113	56	56	68	73	94	108	116	144
10 Extended credit at Reserve Banks ⁷	2	2,604	499	492	518	634	584	531	378	465
Biweekly averages of daily figures for weeks ending										
1986										
	June 18	July 2	July 16	July 30 ^r	Aug. 13	Aug. 27	Sept. 10 ^r	Sept. 24 ^r	Oct. 8	Oct. 22 ^p
11 Reserve balances with Reserve Banks ¹	30,156	29,044	31,267	29,549	30,185	29,758 ^r	31,527	32,103	32,158	32,987
12 Total vault cash ²	22,250	23,580	22,466	23,644	23,323	23,792	22,671	23,623	22,671	23,955
13 Vault cash used to satisfy reserve requirements ³	20,106	20,958	20,283	21,095	20,992	21,388	20,534	21,567	21,782	21,910
14 Surplus vault cash ⁴	2,144	2,622	2,183	2,549	2,331	2,404	2,137	2,056	2,233	2,045
15 Total reserves ⁵	50,262	50,002	51,550	50,644	51,177	51,146	52,061	53,670	53,940	54,897
16 Required reserves	49,627	48,755	50,871	49,528	50,592	50,279	51,268	52,964	53,272	54,122
17 Excess reserve balances at Reserve Banks ⁶	636	1,247	679	1,117	585	867	793	706	668	775
18 Total borrowings at Reserve Banks	719	879	758	702	759	910	1,111	981	902	771
19 Seasonal borrowings at Reserve Banks	102	119	104	127	134	152	149	135	125	88
20 Extended credit at Reserve Banks ⁷	526	525	442	294	373	515	592	569	538	488

1. Excludes required clearing balances and adjustments to compensate for float.

2. Dates refer to the maintenance periods in which the vault cash can be used to satisfy reserve requirements. Under contemporaneous reserve requirements, maintenance periods end 30 days after the lagged computation periods in which the balances are held.

3. Equal to all vault cash held during the lagged computation period by institutions having required reserve balances at Federal Reserve Banks plus the amount of vault cash equal to required reserves during the maintenance period at institutions having no required reserve balances.

4. Total vault cash at institutions having no required reserve balances less the amount of vault cash equal to their required reserves during the maintenance period.

5. Total reserves not adjusted for discontinuities consist of reserve balances with Federal Reserve Banks, which exclude required clearing balances and adjustments to compensate for float, plus vault cash used to satisfy reserve requirements. Such vault cash consists of all vault cash held during the lagged

computation period by institutions having required reserve balances at Federal Reserve Banks plus the amount of vault cash equal to required reserves during the maintenance period at institutions having no required reserve balances.

6. Reserve balances with Federal Reserve Banks plus vault cash used to satisfy reserve requirements less required reserves.

7. Extended credit consists of borrowing at the discount window under the terms and conditions established for the extended credit program to help depository institutions deal with sustained liquidity pressures. Because there is not the same need to repay such borrowing promptly as there is with traditional short-term adjustment credit, the money market impact of extended credit is similar to that of nonborrowed reserves.

8. Before February 1984, data are prorated monthly averages of weekly averages; beginning February 1984, data are prorated monthly averages of biweekly averages.

NOTE: These data also appear in the Board's H.3 (502) release. For address, see inside front cover.

1.13 SELECTED BORROWINGS IN IMMEDIATELY AVAILABLE FUNDS Large Member Banks¹

Averages of daily figures, in millions of dollars

By maturity and source	1986 week ending Monday								
	Aug. 18	Aug. 25	Sept. 1	Sept. 8	Sept. 15	Sept. 22	Sept. 29	Oct. 6	Oct. 13
<i>Federal funds purchased, repurchase agreements, and other selected borrowing in immediately available funds</i>									
From commercial banks in the United States									
1 For one day or under continuing contract	73,971	72,709	71,747	79,935	76,260	70,433	65,390	75,099	74,705
2 For all other maturities	9,435	9,148	9,810	8,953	9,450	9,606	9,338	9,440	10,804
From other depository institutions, foreign banks and foreign official institutions, and United States government agencies									
3 For one day or under continuing contract	39,130	39,548	41,393	43,667	41,138	9,606	9,338	9,440	10,804
4 For all other maturities	6,131	5,372	5,123	5,670	6,683	6,443	7,070	6,331	6,854
<i>Repurchase agreements on United States government and federal agency securities in immediately available funds</i>									
Brokers and nonbank dealers in securities									
5 For one day or under continuing contract	12,170	12,202	11,250	11,639	11,318	11,010	10,721	11,504	12,202
6 For all other maturities	9,282	9,472	9,985	9,133	9,818	10,283	10,020	8,173	9,209
All other customers									
7 For one day or under continuing contract	29,339	29,053	29,476	27,418	27,380	26,885	26,512	26,351	26,847
8 For all other maturities	9,616	9,316	10,200	11,031	11,599	11,483	10,722	9,608	10,398
MEMO: Federal funds loans and resale agreements in immediately available funds in maturities of one day or under continuing contract									
9 To commercial banks in the United States	29,435	27,328	27,686	30,498	28,114	26,250	24,570	30,132	28,714
10 To all other specified customers ²	10,530	9,552	9,728	11,539	12,242	11,631	10,665	11,100	10,793

Banks with assets of \$1 billion or more as of Dec. 31, 1977.

2. Brokers and nonbank dealers in securities; other depository institutions; foreign banks and official institutions; and United States government agencies.

A6 Domestic Financial Statistics □ December 1986

1.14 FEDERAL RESERVE BANK INTEREST RATES

Percent per annum

Current and previous levels										
Federal Reserve Bank	Short-term adjustment credit and seasonal credit ¹			Extended credit ²						Effective date for current rates
				First 60 days of borrowing		Next 90 days of borrowing		After 150 days		
	Rate on 10/27/86	Effective date	Previous rate	Rate on 10/27/86	Previous rate	Rate on 10/27/86	Previous rate	Rate on 10/27/86	Previous rate	
Boston	5½	8/21/86	6	5½	6	6½	7	7½	8	8/21/86
New York	↑	8/21/86	↑	↑	↑	↑	↑	↑	↑	8/21/86
Philadelphia		8/22/86								8/22/86
Cleveland		8/21/86								8/21/86
Richmond		8/21/86								8/21/86
Atlanta		8/21/86								8/21/86
Chicago		8/21/86								8/21/86
St. Louis		8/22/86								8/22/86
Minneapolis		8/21/86								8/21/86
Kansas City		8/21/86								8/21/86
Dallas		8/21/86								8/21/86
San Francisco	5½	8/21/86	6	5½	6	6½	7	7½	8	8/21/86

Range of rates in recent years³

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.	Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.	Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1973	7½	7½	1978— Aug. 21	7¾	7¾	1982— July 20	11½–12	11½
1974— Apr. 25	7½–8	8	Sept. 22	8	8	Aug. 2	11½	11½
30	8	8	Oct. 16	8–8½	8½	3	11–11½	11
Dec. 9	7¾–8	7¾	20	8½	8½	11	11	11
16	7¾	7¾	Nov. 1	8½–9½	9½	16	10½	10½
			3	9½	9½	27	10–10½	10
1975— Jan. 6	7¼–7¾	7¾				30	10	10
10	7¼–7¾	7¼	1979— July 20	10	10	Oct. 12	9½–10	9½
24	7¼	7¼	Aug. 17	10–10½	10½	13	9½	9½
Feb. 5	6¾–7¼	6¾	20	10½	10½	Nov. 22	9–9½	9
7	6¾	6¾	Sept. 19	10½–11	11	26	9	9
Mar. 10	6¼–6¾	6¼	21	11	11	Dec. 14	8½–9	9
14	6¼	6¼	Oct. 8	11–12	12	15	8½–9	8½
May 16	6–6¼	6	10	12	12	17	8½	8½
23	6	6						
1976— Jan. 19	5½–6	5½	1980— Feb. 15	12–13	13	1984— Apr. 9	8½–9	9
23	5½	5½	19	13	13	13	9	9
Nov. 22	5¼–5½	5¼	May 29	12–13	13	Nov. 21	8½–9	8½
26	5¼	5¼	30	12	12	26	8½	8½
			June 13	11–12	11	Dec. 24	8	8
1977— Aug. 30	5¼–5¾	5¼	16	11	11			
31	5¼–5¾	5¼	July 28	10–11	10	1985— May 20	7½–8	7½
Sept. 2	5¾	5¾	29	10	10	24	7½	7½
Oct. 26	6	6	Sept. 26	11	11			
			Nov. 17	12	12	1986— Mar. 7	7–7½	7
1978— Jan. 9	6–6½	6½	Dec. 5	12–13	13	10	7	7
20	6½	6½	8	13	13	Apr. 21	6½–7	6½
May 11	6½–7	7				23	6½	6½
12	7	7	1981— May 5	13–14	14	July 11	6	6
July 3	7–7¼	7¼	8	14	14	Aug. 21	5½–6	5½
July 10	7¼	7¼	Nov. 2	13–14	13	22	5½	5½
			6	13	13			
			Dec. 4	12	12	In effect Oct. 27, 1986	5½	5½

1. After May 19, 1986, the highest rate within the structure of discount rates may be charged on adjustment credit loans of unusual size that result from a major operating problem at the borrower's facility.

A temporary simplified seasonal program was established on Mar. 8, 1985, and the interest rate was a fixed rate ½ percent above the rate on adjustment credit. The program was re-established on Feb. 18, 1986; the rate may be either the same as that for adjustment credit or a fixed rate ½ percent higher.

2. Applicable to advances when exceptional circumstances or practices involve only a particular depository institution and to advances when an institution is under sustained liquidity pressures. As an alternative, for loans outstanding for more than 150 days, a Federal Reserve Bank may charge a flexible rate that takes into account rates on market sources of funds, but in no case will the rate charged be less than the basic rate plus one percentage point. Where credit provided to a particular depository institution is anticipated to be outstanding for an unusually prolonged period and in relatively large amounts, the time period in which each

rate under this structure is applied may be shortened. See section 201.3(b)(2) of Regulation A.

3. Rates for short-term adjustment credit. For description and earlier data see the following publications of the Board of Governors: *Banking and Monetary Statistics, 1914–1941*, and *1941–1970; Annual Statistical Digest, 1970–1979, 1980, 1981, and 1982*.

In 1980 and 1981, the Federal Reserve applied a surcharge to short-term adjustment credit borrowings by institutions with deposits of \$500 million or more that had borrowed in successive weeks or in more than 4 weeks in a calendar quarter. A 3 percent surcharge was in effect from Mar. 17, 1980, through May 7, 1980. There was no surcharge until Nov. 17, 1980, when a 2 percent surcharge was adopted; the surcharge was subsequently raised to 3 percent on Dec. 5, 1980, and to 4 percent on May 5, 1981. The surcharge was reduced to 3 percent effective Sept. 22, 1981, and to 2 percent effective Oct. 12. As of Oct. 1, the formula for applying the surcharge was changed from a calendar quarter to a moving 13-week period. The surcharge was eliminated on Nov. 17, 1981.

1.15 RESERVE REQUIREMENTS OF DEPOSITORY INSTITUTIONS¹

Percent of deposits

Type of deposit, and deposit interval	Member bank requirements before implementation of the Monetary Control Act		Type of deposit, and deposit interval ⁵	Depository institution requirements after implementation of the Monetary Control Act ⁶	
	Percent	Effective date		Percent	Effective date
<i>Net demand</i> ²			<i>Net transaction accounts</i> ^{7,8}		
\$0 million–\$2 million.....	7	12/30/76	\$0–\$31.7 million.....	3	12/31/85
\$2 million–\$10 million.....	9½	12/30/76	Over \$31.7 million.....	12	12/31/85
\$10 million–\$100 million.....	11¾	12/30/76			
\$100 million–\$400 million.....	12¾	12/30/76	<i>Nonpersonal time deposits</i> ⁹		
Over \$400 million.....	16¼	12/30/76	By original maturity		
			Less than 1½ years.....	3	10/6/83
<i>Time and savings</i> ^{2,3}			1½ years or more.....	0	10/6/83
Savings.....	3	3/16/67	<i>Eurocurrency liabilities</i>		
			All types.....	3	11/13/80
<i>Time</i> ⁴					
\$0 million–\$5 million, by maturity					
30–179 days.....	3	3/16/67			
180 days to 4 years.....	2½	1/8/76			
4 years or more.....	1	10/30/75			
Over \$5 million, by maturity					
30–179 days.....	6	12/12/74			
180 days to 4 years.....	2½	1/8/76			
4 years or more.....	1	10/30/75			

1. For changes in reserve requirements beginning 1963, see Board's *Annual Statistical Digest, 1971–1975*, and for prior changes, see Board's *Annual Report for 1976*, table 13. Under provisions of the Monetary Control Act, depository institutions include commercial banks, mutual savings banks, savings and loan associations, credit unions, agencies and branches of foreign banks, and Edge Act corporations.

2. Requirement schedules are graduated, and each deposit interval applies to that part of the deposits of each bank. Demand deposits subject to reserve requirements were gross demand deposits minus cash items in process of collection and demand balances due from domestic banks.

The Federal Reserve Act as amended through 1978 specified different ranges of requirements for reserve city banks and for other banks. Reserve cities were designated under a criterion adopted effective Nov. 9, 1972, by which a bank having net demand deposits of more than \$400 million was considered to have the character of business of a reserve city bank. The presence of the head office of such a bank constituted designation of that place as a reserve city. Cities in which there were Federal Reserve Banks or branches were also reserve cities. Any banks having net demand deposits of \$400 million or less were considered to have the character of business of banks outside of reserve cities and were permitted to maintain reserves at ratios set for banks not in reserve cities.

Effective Aug. 24, 1978, the Regulation M reserve requirements on net balances due from domestic banks to their foreign branches and on deposits that foreign branches lend to U.S. residents were reduced to zero from 4 percent and 1 percent respectively. The Regulation D reserve requirement of borrowings from unrelated banks abroad was also reduced to zero from 4 percent.

Effective with the reserve computation period beginning Nov. 16, 1978, domestic deposits of Edge corporations were subject to the same reserve requirements as deposits of member banks.

3. Negotiable order of withdrawal (NOW) accounts and time deposits such as Christmas and vacation club accounts were subject to the same requirements as savings deposits.

The average reserve requirement on savings and other time deposits before implementation of the Monetary Control Act had to be at least 3 percent, the minimum specified by law.

4. Effective Nov. 2, 1978, a supplementary reserve requirement of 2 percent was imposed on large time deposits of \$100,000 or more, obligations of affiliates, and ineligible acceptances. This supplementary requirement was eliminated with the maintenance period beginning July 24, 1980.

Effective with the reserve maintenance period beginning Oct. 25, 1979, a marginal reserve requirement of 8 percent was added to managed liabilities in excess of a base amount. This marginal requirement was increased to 10 percent beginning Apr. 3, 1980, was decreased to 5 percent beginning June 12, 1980, and was eliminated beginning July 24, 1980. Managed liabilities are defined as large time deposits, Eurodollar borrowings, repurchase agreements against U.S. government and federal agency securities, federal funds borrowings from nonmember institutions, and certain other obligations. In general, the base for the marginal reserve requirement was originally the greater of (a) \$100 million or (b) the average amount of the managed liabilities held by a member bank, Edge corporation, or family of U.S. branches and agencies of a foreign bank for the two reserve computation periods ending Sept. 26, 1979. For the computation period beginning Mar. 20, 1980, the base was lowered by (a) 7 percent or (b) the decrease in an institution's U.S. office gross loans to foreigners and gross balances due from foreign offices of other institutions between the base period (Sept. 13–26, 1979) and the week ending Mar. 12, 1980, whichever was greater. For the computation period beginning May 29, 1980, the base was increased by 7½ percent above the base used to calculate the marginal reserve in the statement week of May 14–21, 1980. In addition, beginning Mar. 19, 1980, the base was reduced to the extent that foreign loans and balances declined.

5. The Garn–St Germain Depository Institutions Act of 1982 (Public Law 97–320) provides that \$2 million of reservable liabilities (transaction accounts, nonpersonal time deposits, and Eurocurrency liabilities) of each depository institution be subject to a zero percent reserve requirement. The Board is to adjust the amount of reservable liabilities subject to this zero percent reserve requirement each year for the next succeeding calendar year by 80 percent of the percentage increase in the total reservable liabilities of all depository institutions, measured on an annual basis as of June 30. No corresponding adjustment is to be made in the event of a decrease. Effective Dec. 9, 1982, the amount of the exemption was established at \$2.1 million. Effective with the reserve maintenance period beginning Jan. 1, 1985, the amount of the exemption is \$2.4 million. Effective with the reserve computation period beginning Dec. 31, 1985, the amount of the exemption is \$2.6 million. In determining the reserve requirements of a depository institution, the exemption shall apply in the following order: (1) nonpersonal money market deposit accounts (MMDAs) described in 12 CFR section 204.2 (d)(2); (2) net NOW accounts (NOW accounts less allowable deductions); (3) net other transaction accounts; and (4) nonpersonal time deposits or Eurocurrency liabilities starting with those with the highest reserve ratio. With respect to NOW accounts and other transaction accounts, the exemption applies only to such accounts that would be subject to a 3 percent reserve requirement.

6. For nonmember banks and thrift institutions that were not members of the Federal Reserve System on or after July 1, 1979, a phase-in period ends Sept. 3, 1987. For banks that were members on or after July 1, 1979, but withdrew on or before Mar. 31, 1980, the phase-in period established by Public Law 97–320 ends on Oct. 24, 1985. For existing member banks the phase-in period of about three years was completed on Feb. 2, 1984. All new institutions will have a two-year phase-in beginning with the date that they open for business, except for those institutions that have total reservable liabilities of \$50 million or more.

7. Transaction accounts include all deposits on which the account holder is permitted to make withdrawals by negotiable or transferable instruments, payment orders of withdrawal, and telephone and preauthorized transfers (in excess of three per month) for the purpose of making payments to third persons or others. However, MMDAs and similar accounts offered by institutions not subject to the rules that permit no more than six preauthorized, automatic, or other transfers per month of which no more than three can be checks—are not transaction accounts (such accounts are savings deposits subject to time deposit reserve requirements.)

8. The Monetary Control Act of 1980 requires that the amount of transaction accounts against which the 3 percent reserve requirement applies be modified annually by 80 percent of the percentage increase in transaction accounts held by all depository institutions determined as of June 30 each year. Effective Dec. 31, 1981, the amount was increased accordingly from \$25 million to \$26 million; effective Dec. 30, 1982, to \$26.3 million; effective Dec. 29, 1983, to \$28.9 million; effective Jan. 1, 1985, to \$29.8 million; and effective Dec. 31, 1985, to \$31.7 million.

9. In general, nonpersonal time deposits are time deposits, including savings deposits, that are not transaction accounts and in which a beneficial interest is held by a depositor that is not a natural person. Also included are certain transferable time deposits held by natural persons, and certain obligations issued to depository institution offices located outside the United States. For details, see section 204.2 of Regulation D.

NOTE. Required reserves must be held in the form of deposits with Federal Reserve Banks or vault cash. Nonmembers may maintain reserve balances with a Federal Reserve Bank indirectly on a pass-through basis with certain approved institutions.

1.16 MAXIMUM INTEREST RATES PAYABLE on Time and Savings Deposits at Federally Insured Institutions¹

Percent per annum

Type of deposit	Commercial banks		Savings and loan associations and mutual savings banks (thrift institutions) ¹	
	In effect Oct. 31, 1986		In effect Oct. 31, 1986	
	Percent	Effective date	Percent	Effective date
1 Savings	(2)	4/1/86	(2)	4/1/86
2 Negotiable order of withdrawal accounts	(3)	1/1/86	(3)	1/1/86
3 Money market deposit account	(4)	12/14/82	(4)	12/14/82
<i>Time accounts</i>				
4 7-31 days	(5)	1/1/86	(5)	9/1/86
5 More than 31 days		10/1/83		10/1/83

1. Effective Oct. 1, 1983, restrictions on the maximum rates of interest payable by commercial banks and thrift institutions on various categories of deposits were removed. For information regarding previous interest rate ceilings on all categories of accounts see earlier issues of the FEDERAL RESERVE BULLETIN, the *Federal Home Loan Bank Board Journal*, and the *Annual Report of the Federal Deposit Insurance Corporation*.

2. Effective Apr. 1, 1986, the interest rate ceiling on savings deposits was removed. Before Apr. 1, 1986, savings deposits were subject to an interest rate ceiling of 5½ percent.

3. Before Jan. 1, 1986, NOW accounts with minimum denomination requirements of less than \$1,000 were subject to an interest rate ceiling of 5¼ percent. NOW accounts with minimum required denominations of \$1,000 or more and IRA/Keough (HR10) Plan accounts were not subject to interest rate ceilings. Effective Jan. 1, 1986, the minimum denomination requirement was removed.

4. Effective Dec. 14, 1982, depository institutions are authorized to offer a new account with a required initial balance of \$2,500 and an average maintenance balance of \$2,500 not subject to interest rate restrictions. Effective Jan. 1, 1985, the minimum denomination and average balance maintenance requirements was lowered to \$1,000. Effective Jan. 1, 1986, the minimum denomination and average balance maintenance requirements were removed. No minimum maturity period is required for this account, but depository institutions must reserve the right to require seven days' notice before withdrawals.

5. Before Jan. 1, 1986, deposits of less than \$1,000 were subject to an interest rate ceiling of 5½ percent. Deposits of less than \$1,000 issued to governmental units were subject to an interest rate ceiling of 8 percent. Effective Jan. 1, 1986, the minimum denomination requirement was removed.

1.17 FEDERAL RESERVE OPEN MARKET TRANSACTIONS

Millions of dollars

Type of transaction		1983	1984	1985	1986						
					Feb.	Mar.	Apr.	May	June	July	Aug.
U.S. GOVERNMENT SECURITIES											
Outright transactions (excluding matched transactions)											
Treasury bills											
1	Gross purchases	18,888	20,036	22,214	0	396	2,988	3,196	1,402	867	2,940
2	Gross sales	3,420	8,557	4,118	2,277	0	0	0	0	0	0
3	Exchange	0	0	0	0	0	0	0	0	0	0
4	Redemptions	2,400	7,700	3,500	1,000	0	0	0	0	0	0
Others within 1 year											
5	Gross purchases	484	1,126	1,349	0	0	0	0	0	0	0
6	Gross sales	0	0	0	0	0	0	0	0	0	0
7	Maturity shift	18,887	16,354	19,763	4,776	1,152	447	1,847	1,152	579	1,715
8	Exchange	-16,553	-20,840	-17,717	-2,148	-1,458	-1,129	-1,819	-1,957	-1,253	-4,087
9	Redemptions	87	0	0	0	0	0	0	0	0	0
1 to 5 years											
10	Gross purchases	1,896	1,638	2,185	0	0	0	0	0	0	0
11	Gross sales	0	0	0	0	0	0	0	0	0	0
12	Maturity shift	-15,533	-13,709	-17,459	-4,776	-1,152	-447	-1,532	-1,152	-386	-1,194
13	Exchange	11,641	16,039	13,853	1,548	1,458	1,134	1,019	1,957	1,253	2,587
5 to 10 years											
14	Gross purchases	890	536	458	0	0	0	0	0	0	0
15	Gross sales	0	300	100	0	0	0	0	0	0	0
16	Maturity shift	-2,450	-2,371	-1,857	0	0	-5	-315	0	-193	-520
17	Exchange	2,950	2,750	2,184	350	0	0	500	0	0	1,000
Over 10 years											
18	Gross purchases	383	441	293	0	0	0	0	0	0	0
19	Gross sales	0	0	0	0	0	0	0	0	0	0
20	Maturity shift	-904	-275	-447	0	0	0	0	0	0	0
21	Exchange	1,962	2,052	1,679	250	0	0	300	0	0	500
All maturities											
22	Gross purchases	22,540	23,776	26,499	0	396	2,988	3,196	1,402	867	2,940
23	Gross sales	3,420	8,557	4,218	2,277	0	0	0	0	0	0
24	Redemptions	2,487	7,700	3,500	1,000	0	0	0	0	0	0
Matched transactions											
25	Gross sales	578,591	808,986	866,175	90,459	88,917	109,253	62,663	80,219	70,928	60,460
26	Gross purchases	576,908	810,432	865,968	94,368	88,604	103,957	67,147	80,674	69,659	60,011
Repurchase agreements											
27	Gross purchases	105,971	127,933	134,253	0	6,748	21,156	12,395	5,640	18,657	0
28	Gross sales	108,291	127,690	132,351	3,087	6,748	13,634	19,917	5,640	18,657	0
29	Net change in U.S. government securities	12,631	8,908	20,477	-2,456	83	5,214	158	1,857	-403	2,491
FEDERAL AGENCY OBLIGATIONS											
Outright transactions											
30	Gross purchases	0	0	0	0	0	0	0	0	0	0
31	Gross sales	0	0	0	0	0	0	0	0	0	0
32	Redemptions	292	256	162	40	0	0	50	0	*	90
Repurchase agreements											
33	Gross purchases	8,833	11,509	22,183	0	1,821	3,369	3,135	1,691	4,984	0
34	Gross sales	9,213	11,328	20,877	623	1,821	1,955	4,567	1,691	4,984	0
35	Net change in federal agency obligations	-672	-76	1,144	-663	0	1,432	-1,482	0	*	-90
BANKERS ACCEPTANCES											
36	Repurchase agreements, net	-1,062	-418	0	0	0	0	0	0	0	0
37	Total net change in System Open Market Account	10,897	8,414	21,621	-3,119	83	6,647	-1,324	1,857	-403	2,401

NOTE. Sales, redemptions, and negative figures reduce holdings of the System Open Market Account; all other figures increase such holdings. Details may not add to totals because of rounding.

A10 Domestic Financial Statistics □ December 1986

1.18 FEDERAL RESERVE BANKS Condition and Federal Reserve Note Statements

Millions of dollars

Account	Wednesday					End of month		
	1986					1986		
	Aug. 27	Sept. 3	Sept. 10	Sept. 17	Sept. 24	July	Aug.	Sept.
Consolidated condition statement								
ASSETS								
1 Gold certificate account	11,084	11,084	11,084	11,084	11,084	11,084	11,084	11,084
2 Special drawing rights certificate account	4,818	5,018	5,018	5,018	5,018	4,818	5,018	5,018
3 Coin	476	461	462	475	501	467	468	507
Loans								
4 To depository institutions	944	1,350	4,332	752	1,555	737	913	879
5 Other	0	0	0	0	0	0	0	0
Acceptances—Bought outright								
6 Held under repurchase agreements	0	0	0	0	0	0	0	0
Federal agency obligations								
7 Bought outright	8,047	8,047	8,047	8,047	8,047	8,137	8,047	8,047
8 Held under repurchase agreements	0	0	0	0	219	0	0	1,809
U.S. government securities								
Bought outright								
9 Bills	93,202	94,404	96,702	94,545	93,874	91,073	93,564	92,064
10 Notes	66,597	66,597	66,597	66,597	66,597	67,097	66,597	66,597
11 Bonds	25,776	25,776	25,776	25,776	25,776	25,276	25,776	25,776
12 Total bought outright ¹	185,575	186,777	189,075	186,918	186,247	183,446	185,937	184,437
13 Held under repurchase agreements	0	0	0	0	1,711	0	0	6,314
14 Total U.S. government securities	185,575	186,777	189,075	186,918	187,958	183,446	185,937	190,751
15 Total loans and securities	194,566	196,174	201,454	195,717	197,779	192,320	194,897	201,486
16 Items in process of collection	7,741	10,107	6,310	8,294	6,485	6,206	5,632	9,125
17 Bank premises	642	643	644	643	648	638	642	647
Other assets								
18 Denominated in foreign currencies ²	8,681	9,148	9,153	9,164	9,177	8,657	9,147	9,126
19 All other ³	5,125	6,419	6,522	6,348	6,961	7,220	6,758	7,250
20 Total assets	233,133	239,054	240,647	236,743	237,653	231,410	233,646	244,243
LIABILITIES								
21 Federal Reserve notes	184,569	186,388	185,856	184,936	184,044	184,198	185,349	184,191
Deposits								
22 To depository institutions	32,212	33,665	37,836	33,164	33,494	30,275	34,570	36,794
23 U.S. Treasury—General account	3,890	3,125	3,959	4,665	7,744	3,983	1,106	7,514
24 Foreign—Official accounts	228	228	406	247	208	233	227	342
25 Other	497	501	509	503	449	688	461	663
26 Total deposits	36,827	37,519	42,710	38,579	41,895	35,179	36,364	45,313
27 Deferred credit items	5,624	8,812	5,857	7,028	5,561	5,375	5,371	8,276
28 Other liabilities and accrued dividends ⁴	2,103	2,118	2,233	2,202	2,147	2,212	2,193	2,193
29 Total liabilities	229,123	234,837	236,656	232,745	233,647	226,964	229,277	239,973
CAPITAL ACCOUNTS								
30 Capital paid in	1,844	1,846	1,847	1,846	1,848	1,834	1,843	1,849
31 Surplus	1,781	1,781	1,780	1,781	1,781	1,781	1,781	1,780
32 Other capital accounts	385	590	364	371	377	831	745	641
33 Total liabilities and capital accounts	233,133	239,054	240,647	236,743	237,653	231,410	233,646	244,243
34 MEMO: Marketable U.S. government securities held in custody for foreign and international account	155,291	160,151	158,893	160,333	161,580	153,973	155,182	163,236
Federal Reserve note statement								
35 Federal Reserve notes outstanding	221,734	221,835	222,400	222,848	223,566	218,626	221,640	223,928
36 Less: Held by bank	37,165	35,447	36,544	37,912	39,522	34,428	36,291	39,737
37 Federal Reserve notes, net	184,569	186,388	185,856	184,936	184,044	184,198	185,349	184,191
Collateral held against notes net:								
38 Gold certificate account	11,084	11,084	11,084	11,084	11,084	11,084	11,084	11,084
39 Special drawing rights certificate account	4,818	5,018	5,018	5,018	5,018	4,818	5,018	5,018
40 Other eligible assets	0	0	0	0	0	0	0	0
41 U.S. government and agency securities	168,667	170,286	169,754	168,834	167,942	168,296	169,247	168,089
42 Total collateral	184,569	186,388	185,856	184,936	184,044	184,198	185,349	184,191

1. Includes securities loaned—fully guaranteed by U.S. government securities pledged with Federal Reserve Banks—and excludes (if any) securities sold and scheduled to be bought back under matched sale-purchase transactions.

2. Assets shown in this line are revalued monthly at market exchange rates.

3. Includes special investment account at Chicago of Treasury bills maturing within 90 days.

4. Includes exchange-translation account reflecting the monthly revaluation at market exchange rates of foreign-exchange commitments.

NOTE: Some of these data also appear in the Board's H.4.1 (503) release. For address, see inside front cover.

1.19 FEDERAL RESERVE BANKS Maturity Distribution of Loan and Security Holdings

Millions of dollars

Type and maturity groupings	Wednesday					End of month		
	1986					1986		
	Aug. 27	Sept. 3	Sept. 10	Sept. 17	Sept. 24	July 31	Aug. 29	Sept. 30
1 Loans—Total.....	944	1,350	4,332	752	1,555	737	913	879
2 Within 15 days.....	935	1,290	4,277	749	1,551	693	863	855
3 16 days to 90 days.....	9	60	55	3	4	44	50	24
4 91 days to 1 year.....	0	0	0	0	0	0	0	0
5 Acceptances—Total.....	0	0	0	0	0	0	0	0
6 Within 15 days.....	0	0	0	0	0	0	0	0
7 16 days to 90 days.....	0	0	0	0	0	0	0	0
8 91 days to 1 year.....	0	0	0	0	0	0	0	0
9 U.S. government securities—Total.....	185,575	186,777	189,075	186,918	187,958	183,446	185,937	190,751
10 Within 15 days.....	11,364	9,358	9,189	9,981	10,644	8,813	5,582	11,681
11 16 days to 90 days.....	42,266	45,637	46,158	43,328	43,805	41,303	42,894	46,290
12 91 days to 1 year.....	56,980	56,675	58,621	58,502	58,402	61,454	60,596	57,693
13 Over 1 year to 5 years.....	36,576	36,718	36,718	36,718	36,718	34,467	38,476	36,698
14 Over 5 years to 10 years.....	15,580	15,580	15,580	15,580	15,580	15,100	15,580	15,580
15 Over 10 years.....	22,809	22,809	22,809	22,809	22,809	22,309	22,809	22,809
16 Federal agency obligations—Total.....	8,047	8,047	8,047	8,047	8,266	8,137	8,047	9,856
17 Within 15 days.....	251	49	10	218	437	175	251	2,118
18 16 days to 90 days.....	704	921	912	791	791	645	704	755
19 91 days to 1 year.....	1,569	1,566	1,636	1,549	1,549	1,704	1,569	1,502
20 Over 1 year to 5 years.....	3,925	3,913	3,891	3,891	3,891	3,885	3,925	3,905
21 Over 5 years to 10 years.....	1,174	1,174	1,174	1,174	1,174	1,304	1,174	1,152
22 Over 10 years.....	424	424	424	424	424	424	424	424

1. Holdings under repurchase agreements are classified as maturing within 15 days in accordance with maximum maturity of the agreements.

1.20 AGGREGATE RESERVES OF DEPOSITORY INSTITUTIONS AND MONETARY BASE

Billions of dollars, averages of daily figures

Item	1982 Dec.	1983 Dec.	1984 Dec.	1985 Dec.	1986							
	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.				
ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS ¹	Seasonally adjusted											
1 Total reserves ²	34.28	36.14	39.51	45.61	46.37	46.87	47.28	48.58	49.45	50.49	51.32	51.81
2 Nonborrowed reserves	33.65	35.36	36.32	44.29	45.49	46.10	46.38	47.70	48.64	49.75	50.45 ^r	50.80
3 Nonborrowed reserves plus extended credit ³	33.83	35.37	38.93	44.79	45.98	46.62	47.02	48.29	49.17	50.13	50.91	51.37
4 Required reserves	33.78	35.58	38.66	44.55	45.27	45.97	46.47	47.74	48.51	49.58	50.58	51.08
5 Monetary base ⁴	170.04	185.39	199.17	216.72	219.79	221.26	222.36	224.90	226.63	228.30	230.59	231.60
	Not seasonally adjusted											
6 Total reserves ²	35.01	36.86	40.57	46.84	45.68	46.34	47.94	47.71	49.20	50.32	50.62	51.55
7 Nonborrowed reserves	34.37	36.09	37.38	45.52	44.80	45.58	47.04	46.84	48.40	49.58	49.75	50.54
8 Nonborrowed reserves plus extended credit ³	34.56	36.09	39.98	46.02	45.29	46.10	47.68	47.42	48.93	49.96	50.21	51.11
9 Required reserves	34.51	36.30	39.71	45.78	44.59	45.44	47.14	46.87	48.27	49.41	49.88	50.82
10 Monetary base ⁴	173.07	188.66	202.34	220.36	216.78	218.99	222.13	223.61	227.04	230.02	230.76	231.48
NOT ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS ⁵												
11 Total reserves ²	41.85	38.89	40.70	48.14	46.65	47.27	48.88	48.42	49.94	51.03	51.28 ^r	53.19
12 Nonborrowed reserves	41.22	38.12	37.51	46.82	45.77	46.51	47.99	47.54	49.14	50.29	50.41	52.18
13 Nonborrowed reserves plus extended credit ³	41.41	38.12	40.09	47.41	46.22	47.17	48.22	48.24	49.81	50.68	50.90	52.76
14 Required reserves	41.35	38.33	39.84	47.08	45.55	46.38	48.08	47.58	49.01	50.12	50.54	52.46
15 Monetary base ⁴	180.42	192.26	204.18	223.53	219.57	221.70	224.88	226.12	229.68	232.55	233.32	235.04

1. Figures incorporate adjustments for discontinuities associated with the implementation of the Monetary Control Act and other regulatory changes to reserve requirements. To adjust for discontinuities due to changes in reserve requirements on reservable nondeposit liabilities, the sum of such required reserves is subtracted from the actual series. Similarly, in adjusting for discontinuities in the monetary base, required clearing balances and adjustments to compensate for float also are subtracted from the actual series.

2. Total reserves not adjusted for discontinuities consist of reserve balances with Federal Reserve Banks, which exclude required clearing balances and adjustments to compensate for float, plus vault cash used to satisfy reserve requirements. Such vault cash consists of all vault cash held during the lagged computation period by institutions having required reserve balances at Federal Reserve Banks plus the amount of vault cash equal to required reserves during the maintenance period at institutions having no required reserve balances.

3. Extended credit consists of borrowing at the discount window under the terms and conditions established for the extended credit program to help depository institutions deal with sustained liquidity pressures. Because there is not the same need to repay such borrowing promptly as there is with traditional short-term adjustment credit, the money market impact of extended credit is similar to that of nonborrowed reserves.

4. The monetary base not adjusted for discontinuities consists of total reserves plus required clearing balances and adjustments to compensate for float at Federal Reserve Banks and the currency component of the money stock less the amount

of vault cash holdings of thrift institutions that is included in the currency component of the money stock plus, for institutions not having required reserve balances, the excess of current vault cash over the amount applied to satisfy current reserve requirements. After the introduction of contemporaneous reserve requirements (CRR), currency and vault cash figures are measured over the weekly computation period ending Monday.

Before CRR, all components of the monetary base other than excess reserves are seasonally adjusted as a whole, rather than by component, and excess reserves are added on a not seasonally adjusted basis. After CRR, the seasonally adjusted series consists of seasonally adjusted total reserves, which include excess reserves on a not seasonally adjusted basis, plus the seasonally adjusted currency component of the money stock and the remaining items seasonally adjusted as a whole.

5. Reflects actual reserve requirements, including those on nondeposit liabilities, with no adjustments to eliminate the effects of discontinuities associated with implementation of the Monetary Control Act or other regulatory changes to reserve requirements.

NOTE: Latest monthly and biweekly figures are available from the Board's H.3(502) statistical release. Historical data and estimates of the impact on required reserves of changes in reserve requirements are available from the Banking Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

1.21 MONEY STOCK, LIQUID ASSETS, AND DEBT MEASURES

Billions of dollars, averages of daily figures

Item ¹	1982 Dec.	1983 Dec.	1984 Dec.	1985 Dec.	1986			
					June	July	Aug.	Sept.
Seasonally adjusted								
1 M1	479.9	527.1	558.5	626.6	666.8	676.1	687.8	693.5
2 M2	1,952.6	2,186.0	2,373.8	2,566.5	2,670.6 ^r	2,699.1	2,724.1 ^r	2,741.3
3 M3	2,443.5	2,697.3	2,986.5	3,201.1	3,338.9 ^r	3,375.1 ^r	3,400.1 ^r	3,425.2 ^r
4 L	2,850.1	3,162.7 ^r	3,532.4 ^r	3,839.5 ^r	3,973.8 ^r	4,007.0 ^r	4,036.6	n.a.
5 Debt	4,662.3 ^r	5,197.6 ^r	5,950.3 ^r	6,769.0 ^r	7,145.5 ^r	7,208.4 ^r	7,282.9	n.a.
M1 components								
6 Currency ²	134.3	148.3	158.5	170.6	176.7	177.5	179.0	179.8
7 Travelers checks ³	4.3	4.9	5.2	5.9	6.2	6.4	6.5	6.5
8 Demand deposits ⁴	237.9	242.7	248.4	271.5	284.9	288.3	291.8	292.2
9 Other checkable deposits ⁵	103.4	131.3	146.3	178.6	199.0	203.9	210.6 ^r	215.1
Nontransactions components								
10 In M2 ⁶	1,472.7	1,658.9	1,815.4	1,939.9	2,003.8 ^r	2,023.0	2,036.3 ^r	2,047.8
11 In M3 only ⁷	490.9	511.3	612.7	634.6	668.3 ^r	676.0 ^r	676.0 ^r	683.9
Savings deposits ⁹								
12 Commercial Banks	163.7	133.4	122.3	124.5	130.9	133.4	136.8	140.9
13 Thrift institutions	194.2	173.2	167.3	179.1	194.1	197.7	200.5	203.1
Small denomination time deposits ⁹								
14 Commercial Banks	380.4	351.1	387.2	384.1	381.7 ^r	380.0	376.0	372.6
15 Thrift institutions	472.4	434.1	500.3	496.2	503.9	503.7	501.3 ^r	499.1
Money market mutual funds								
16 General purpose and broker/dealer	185.2	138.2	167.5	176.5	197.3 ^r	199.7 ^r	200.3 ^r	202.2
17 Institution-only	51.1	43.2	62.7	64.6	75.0	77.5	80.8	84.4
Large denomination time deposits ¹⁰								
18 Commercial Banks ¹¹	262.1	228.7	263.7	279.1	280.5	280.0 ^r	281.7 ^r	281.1
19 Thrift institutions	65.8	101.1	150.2	157.3	164.6	165.7	166.0	165.7
Debt components								
20 Federal debt	979.7 ^r	1,172.8 ^r	1,367.7 ^r	1,587.0 ^r	1,691.5 ^r	1,712.4 ^r	1,724.9	n.a.
21 Non-federal debt	3,682.6 ^r	4,024.8 ^r	4,582.6 ^r	5,182.0 ^r	5,454.1 ^r	5,496.1 ^r	5,558.0	n.a.
Not seasonally adjusted								
22 M1	490.9	538.8	570.5	639.9	669.1 ^r	679.8	684.8 ^r	691.0
23 M2	1,958.6	2,192.8	2,380.8	2,574.7	2,672.8 ^r	2,704.4	2,718.9 ^r	2,732.0
24 M3	2,453.3	2,707.9	2,997.8	3,213.8	3,339.6 ^r	3,372.7 ^r	3,394.8 ^r	3,417.9
25 L	2,856.4	3,169.3 ^r	3,537.6 ^r	3,845.7 ^r	3,973.9 ^r	4,007.1 ^r	4,033.1	n.a.
26 Debt	4,656.3 ^r	5,191.9 ^r	5,944.4 ^r	6,762.4 ^r	7,110.8 ^r	7,172.9 ^r	7,251.7	n.a.
M1 components								
27 Currency ²	136.5	150.5	160.9	173.1	177.4	179.1	179.9	179.6
28 Travelers checks ³	4.1	4.6	4.9	5.5	6.5	7.2	7.3	6.9
29 Demand deposits ⁴	246.2	251.3	257.3	281.3	285.6	290.0	288.9 ^r	290.8
30 Other checkable deposits ⁵	104.1	132.4	147.5	180.1	199.6	203.5	208.7 ^r	213.7
Nontransactions components								
31 M2 ⁶	1,467.7	1,654.0	1,810.3	1,934.7	2,003.6 ^r	2,024.6	2,034.1 ^r	2,041.0
32 M3 only ⁷	494.7	515.1	617.0	639.2	666.8 ^r	668.3 ^r	675.9 ^r	685.9
Money market deposit accounts								
33 Commercial banks	26.3	230.5	267.2	332.4	355.2	358.9	363.5 ^r	368.0
34 Thrift institutions	16.9	148.7	149.7	179.6	185.2	187.2	189.8	190.7
Savings deposits ⁸								
35 Commercial Banks	162.1	132.2	121.4	123.5	132.2	135.1	137.3 ^r	140.7
36 Thrift institutions	193.1	172.3	166.5	178.3	194.8	198.6 ^r	199.4	202.1
Small denomination time deposits ⁹								
37 Commercial Banks	380.1	351.1	387.6	384.8	380.6 ^r	379.8 ^r	378.0	375.1
38 Thrift institutions	471.7	434.2	501.2	497.6	501.0	502.8	500.6 ^r	498.9
Money market mutual funds								
39 General purpose and broker/dealer	185.2	138.2	167.5	176.5	197.3 ^r	199.7 ^r	200.3 ^r	202.2
40 Institution-only	51.1	43.2	62.7	64.6	75.0	77.5	80.8	84.4
Large denomination time deposits ¹⁰								
41 Commercial Banks ¹¹	265.2	230.8	265.4	280.9	278.8	279.0 ^r	282.0 ^r	283.2
42 Thrift institutions	65.8	101.4	150.6	157.8	164.1	164.6	165.9	165.7
Debt components								
43 Federal debt	976.4	1,170.2	1,364.7	1,583.7	1,678.9	1,695.6	1,713.3	n.a.
44 Non-federal debt	3,679.9 ^r	4,021.7 ^r	4,579.7 ^r	5,178.6	5,431.8 ^r	5,477.3 ^r	5,538.4	n.a.

For notes see following page.

NOTES TO TABLE 1.21

1. Composition of the money stock measures and debt is as follows:

M1: (1) currency outside the Treasury, Federal Reserve Banks, and the vaults of commercial banks; (2) travelers checks of nonbank issuers; (3) demand deposits at all commercial banks other than those due to domestic banks, the U.S. government, and foreign banks and official institutions less cash items in the process of collection and Federal Reserve float; and (4) other checkable deposits (OCD) consisting of negotiable order of withdrawal (NOW) and automatic transfer service (ATS) accounts at depository institutions, credit union share draft accounts, and demand deposits at thrift institutions. The currency and demand deposit components exclude the estimated amount of vault cash and demand deposits respectively held by thrift institutions to service their OCD liabilities.

M2: M1 plus overnight (and continuing contract) repurchase agreements (RPs) issued by all commercial banks and overnight Eurodollars issued to U.S. residents by foreign branches of U.S. banks worldwide, MMDAs, savings and small-denomination time deposits (time deposits—including retail RPs—in amounts of less than \$100,000), and balances in both taxable and tax-exempt general purpose and broker/dealer money market mutual funds. Excludes individual retirement accounts (IRA) and Keogh balances at depository institutions and money market funds. Also excludes all balances held by U.S. commercial banks, money market funds (general purpose and broker/dealer), foreign governments and commercial banks, and the U.S. government. Also subtracted is a consolidation adjustment that represents the estimated amount of demand deposits and vault cash held by thrift institutions to service their time and savings deposits.

M3: M2 plus large-denomination time deposits and term RP liabilities (in amounts of \$100,000 or more) issued by commercial banks and thrift institutions, term Eurodollars held by U.S. residents at foreign branches of U.S. banks worldwide and at all banking offices in the United Kingdom and Canada, and balances in both taxable and tax-exempt, institution-only money market mutual funds. Excludes amounts held by depository institutions, the U.S. government, money market funds, and foreign banks and official institutions. Also subtracted is a consolidation adjustment that represents the estimated amount of overnight RPs and Eurodollars held by institution-only money market mutual funds.

L: M3 plus the nonbank public holdings of U.S. savings bonds, short-term Treasury securities, commercial paper and bankers acceptances, net of money market mutual fund holdings of these assets.

Debt: Debt of domestic nonfinancial sectors consists of outstanding credit market debt of the U.S. government, state and local governments, and private nonfinancial sectors. Private debt consists of corporate bonds, mortgages, consumer credit (including bank loans), other bank loans, commercial paper, bankers acceptances, and other debt instruments. The source of data on domestic nonfinancial debt is the Federal Reserve Board's flow of funds accounts. Debt data are based on monthly averages.

2. Currency outside the U.S. Treasury, Federal Reserve Banks, and vaults of commercial banks. Excludes the estimated amount of vault cash held by thrift institutions to service their OCD liabilities.

3. Outstanding amount of U.S. dollar-denominated travelers checks of nonbank issuers. Travelers checks issued by depository institutions are included in demand deposits.

4. Demand deposits at commercial banks and foreign-related institutions other than those due to domestic banks, the U.S. government, and foreign banks and official institutions less cash items in the process of collection and Federal Reserve float. Excludes the estimated amount of demand deposits held at commercial banks by thrift institutions to service their OCD liabilities.

5. Consists of NOW and ATS balances at all depository institutions, credit union share draft balances, and demand deposits at thrift institutions. Other checkable deposits seasonally adjusted equals the difference between the seasonally adjusted sum of demand deposits plus OCD and seasonally adjusted demand deposits. Included are all ceiling free "Super NOWs," authorized by the Depository Institutions Deregulation committee to be offered beginning Jan. 5, 1983.

6. Sum of overnight RPs and overnight Eurodollars, money market fund balances (general purpose and broker/dealer), MMDAs, and savings and small time deposits, less the consolidation adjustment that represents the estimated amount of demand deposits and vault cash held by thrift institutions to service their time and savings deposits liabilities.

7. Sum of large time deposits, term RPs and term Eurodollars of U.S. residents, money market fund balances (institution-only), less a consolidation adjustment that represents the estimated amount of overnight RPs and Eurodollars held by institution-only money market funds.

8. Savings deposits exclude MMDAs.

9. Small-denomination time deposits—including retail RPs—are those issued in amounts of less than \$100,000. All individual retirement accounts (IRA) and Keogh accounts at commercial banks and thrifts are subtracted from small time deposits.

10. Large-denomination time deposits are those issued in amounts of \$100,000 or more, excluding those booked at international banking facilities.

11. Large-denomination time deposits at commercial banks less those held by money market mutual funds, depository institutions, and foreign banks and official institutions.

NOTE: Latest monthly and weekly figures are available from the Board's H.6 (508) release. Historical data are available from the Banking Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

1.22 BANK DEBITS AND DEPOSIT TURNOVER

Debits are shown in billions of dollars, turnover as ratio of debits to deposits. Monthly data are at annual rates.

Bank group, or type of customer	1983 ¹	1984 ¹	1985 ¹	1986					
				Mar.	Apr.	May	June	July	Aug.
DEBITS TO	Seasonally adjusted								
Demand deposits ²									
1 All insured banks	109,642.3	128,440.8	154,556.0	182,841.8	192,847.2	189,819.7	187,035.1	188,874.2	194,457.3
2 Major New York City banks	47,769.4	57,392.7	70,445.1	89,350.3	95,699.5	87,846.7	89,201.2	91,040.8	92,961.7
3 Other banks	61,873.1	71,048.1	84,110.9	93,491.5	97,147.7	101,973.0	97,833.9	97,833.4	101,495.6
4 ATS-NOW accounts ³	1,405.5	1,588.7	1,920.8	2,266.0	2,088.7	2,255.6	2,188.0	2,320.1	2,414.8
5 Savings deposits ⁴	741.4	633.1	539.0	356.7	385.2	389.7	382.6	417.4	421.0
DEPOSIT TURNOVER									
Demand deposits ²									
6 All insured banks	379.7	434.4	496.5	566.0	593.6	569.7	553.3	556.4	567.6
7 Major New York City banks	1,528.0	1,843.0	2,168.9	2,517.7	2,635.1	2,457.8	2,504.5	2,417.2	2,437.0
8 Other banks	240.9	268.6	301.8	325.1	336.6	342.8	323.5	324.2	333.4
9 ATS-NOW accounts ³	15.6	15.8	16.7	17.7	16.0	17.0	16.2	16.8	16.9
10 Savings deposits ⁴	5.4	5.0	4.5	2.9	3.1	3.1	3.0	3.2	3.2
DEBITS TO	Not seasonally adjusted								
Demand deposits ²									
11 All insured banks	109,517.6	128,059.1	154,108.4	179,715.2	195,373.5	184,827.4	188,924.1	198,657.9	186,892.9
12 Major New York City banks	47,707.4	57,282.4	70,400.9	87,757.0	95,408.5	85,189.6	91,315.2	96,686.1	88,807.6
13 Other banks	64,310.2	70,776.9	83,707.8	91,958.3	99,965.0	99,637.8	97,608.9	101,971.8	98,085.3
14 ATS-NOW accounts ³	1,397.0	1,579.5	1,903.4	2,349.0	2,393.2	2,256.6	2,356.3	2,240.4	2,140.8
15 MMDA ⁵	567.4	848.8	1,179.0	1,600.9	1,638.8	1,557.9	1,697.2	1,575.9	1,530.6
16 Savings deposits ⁴	742.0	632.9	538.7	362.3	418.7	377.8	385.9	419.9	413.7
DEPOSIT TURNOVER									
Demand deposits ²									
17 All insured banks	379.9	433.5	497.4	569.5	600.1	569.4	564.1	587.8	554.7
18 Major New York City banks	1,510.0	1,838.6	2,191.1	2,494.1	2,661.7	2,487.0	2,570.0	2,620.6	2,421.9
19 Other banks	240.5	267.9	301.6	328.0	345.0	343.2	326.0	338.7	326.6
20 ATS-NOW accounts ³	15.5	15.7	16.6	18.3	17.9	17.1	17.4	16.3	15.1
21 MMDA ⁵	2.8	3.5	3.8	4.7	4.8	4.5	4.8	4.4	4.2
22 Savings deposits ⁴	5.4	5.0	4.5	3.0	3.4	3.0	3.0	3.2	3.1

1. Annual averages of monthly figures.

2. Represents accounts of individuals, partnerships, and corporations and of states and political subdivisions.

3. Accounts authorized for negotiable orders of withdrawal (NOW) and accounts authorized for automatic transfer to demand deposits (ATS). ATS data availability starts with December 1978.

4. Excludes ATS and NOW accounts, MMDA and special club accounts, such as Christmas and vacation clubs.

5. Money market deposit accounts.

NOTE. Historical data for demand deposits are available back to 1970 estimated in part from the debits series for 233 SMSAs that were available through June 1977. Historical data for ATS-NOW and savings deposits are available back to July 1977. Back data are available on request from the Banking Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

These data also appear on the Board's G.6 (406) release. For address, see inside front cover.

1.23 LOANS AND SECURITIES All Commercial Banks¹

Billions of dollars; averages of Wednesday figures

Category	1985			1986								
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
Seasonally adjusted												
1 Total loans and securities²	1,855.5	1,876.0	1,900.4	1,930.0	1,935.5	1,944.6	1,947.9	1,957.5	1,963.7	1,985.0	2,007.7	2,027.1
2 U.S. government securities	274.2	276.0	273.1	268.2	273.6	269.5	270.0	274.1	274.8	285.4	290.9	294.1
3 Other securities	157.3	163.3	177.6	192.5	188.1	183.3	182.1	181.9	183.6	186.1	192.3	200.5
4 Total loans and leases ³	1,424.0	1,436.8	1,449.7	1,469.3	1,473.7	1,491.8	1,495.8	1,501.5	1,505.3	1,513.4	1,524.5	1,532.6
5 Commercial and industrial	492.7	495.7	499.5	502.1	502.4	506.1	507.8	506.7	508.7	508.7	510.4	510.8
6 Bankers acceptances held ³	4.9	4.9	4.9	4.9	4.8	4.9	5.2	5.6	6.1	5.8	5.9	6.2
7 Other commercial and industrial	487.8	490.7	494.7	497.2	497.6	501.2	502.6	501.0	502.6	502.8	504.4	504.6
8 U.S. addressees ⁴	479.4	482.4	486.0	488.0	488.4	491.3	492.7	490.6	493.1	493.8	495.4	495.7
9 Non-U.S. addressees ⁴	8.4	8.3	8.7	9.3	9.2	9.9	9.8	10.5	9.5	9.0	9.1	8.9
10 Real estate	414.0	418.0	422.4	427.1	431.4	436.1	440.7	446.4	450.7	455.9	461.4	465.8
11 Individual	287.5	289.7	291.5	294.6	297.4	299.5	301.1	303.0	304.5	305.6	306.9	308.8
12 Security	39.2	39.8	40.1	44.1	43.4	50.4	48.0	46.4	42.5	44.8	44.2	44.0
13 Nonbank financial institutions	31.3	32.0	32.6	32.6	31.9	32.3	32.4	33.3	34.7	34.2	34.4	35.1
14 Agricultural	37.9	37.1	36.3	35.9	35.4	34.9	34.6	34.1	33.7	33.3	33.3	33.2
15 State and political subdivisions	49.3	50.0	52.8	60.5	60.3	60.2	59.8	59.5	59.4	59.0 ⁴	59.4	59.4
16 Foreign banks	9.3	9.0	9.1	9.1	9.2	9.2	9.2	9.3	9.5	9.5	9.3	9.4
17 Foreign official institutions	6.6	6.7	6.9	7.0	7.0	6.8	5.3	5.1	6.4	6.5	6.5	6.4
18 Lease financing receivables	18.3	18.4	18.8	19.4	19.6	19.8	19.9	19.8	20.0	20.0	20.2	20.4
19 All other loans	38.0	40.3	39.6	36.8	35.7	36.5	37.3	37.9	35.4	35.9 ⁴	38.5	39.3
Not seasonally adjusted												
20 Total loans and securities²	1,851.8	1,875.7	1,912.6	1,934.8	1,932.4	1,944.1	1,950.5	1,956.7	1,965.4	1,981.4	1,999.8	2,024.8
21 U.S. government securities	270.3	273.7	271.0	267.7	275.0	273.2	274.0	275.4	276.2	285.3	289.1	292.5
22 Other securities	156.8	163.3	178.7	193.8	188.9	183.9	181.8	182.2	182.5	183.9	192.1	200.5
23 Total loans and leases ³	1,424.7	1,438.7	1,462.9	1,473.3	1,468.5	1,487.1	1,494.7	1,499.0	1,506.7	1,512.1	1,518.7	1,531.9
24 Commercial and industrial	492.0	494.8	501.5	501.4	500.1	506.9	510.0	508.5	509.4	508.6	508.3	509.9
25 Bankers acceptances held ³	4.8	5.0	5.2	4.9	4.7	5.0	5.2	5.5	6.0	6.0	5.9	6.0
26 Other commercial and industrial	487.2	489.7	496.4	496.5	495.4	501.9	504.9	503.0	503.4	502.6	502.4	503.9
27 U.S. addressees ⁴	478.4	481.0	487.3	487.3	486.3	492.7	495.4	493.3	494.0	493.3	493.1	494.7
28 Non-U.S. addressees ⁴	8.8	8.8	9.0	9.2	9.1	9.2	9.5	9.7	9.4	9.3	9.4	9.2
29 Real estate	415.2	419.2	423.3	427.3	430.6	434.9	439.5	445.2	450.2	455.8	461.7 ⁴	466.9
30 Individual	289.0	291.0	294.8	297.0	296.3	296.8	298.6	301.1	303.1	304.9	307.2	310.2
31 Security	38.6	41.0	45.4	46.8	42.6	49.5	48.5	45.6	42.5	43.0	41.3	41.5
32 Nonbank financial institutions	31.1	32.1	33.4	32.9	31.3	31.7	32.2	33.1	34.6	34.3	34.6	35.3
33 Agricultural	38.5	37.2	36.0	35.2	34.5	34.0	33.9	34.0	34.2	34.1	34.0	33.9
34 State and political subdivisions	49.3	50.0	52.8	60.5	60.3	60.2	59.8	59.5	59.4	59.0 ⁴	59.4	59.4
35 Foreign banks	9.5	9.3	9.5	9.3	9.3	9.1	9.0	9.1	9.2	9.4	9.1	9.4
36 Foreign official institutions	6.6	6.7	6.9	7.0	7.0	6.8	5.3	5.1	6.4	6.5	6.5	6.4
37 Lease financing receivables	18.2	18.3	18.8	19.6	19.8	19.8	19.9	19.9	20.0	20.0	20.1	20.3
38 All other loans	36.7	39.1	40.5	36.3	36.5	37.4	38.1	37.9	37.7	36.5	36.3	38.7

1. Data are prorated averages of Wednesday estimates for domestically chartered insured banks, based on weekly sample reports and quarterly universe reports. For foreign-related institutions, data are averages of month-end estimates based on weekly reports from large U.S. agencies and branches and quarterly reports from all U.S. agencies and branches. New York investment companies majority owned by foreign banks, and Edge Act corporations owned by domestically chartered and foreign banks.

2. Excludes loans to commercial banks in the United States.

3. Includes nonfinancial commercial paper held.

4. United States includes the 50 states and the District of Columbia.

NOTE: These data also appear in the Board's G.7 (407) release. For address, see inside front cover.

1.24 MAJOR NONDEPOSIT FUNDS OF COMMERCIAL BANKS¹

Monthly averages, billions of dollars

Source	1985			1986								
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
Total nondeposit funds												
1 Seasonally adjusted ²	118.8	122.3	128.2	131.7	131.7	141.2	134.1	135.7	132.6	136.0	137.7	142.3
2 Not seasonally adjusted	117.4	123.4	127.9	131.8	134.4	143.7	135.0	137.9	131.4	132.1	136.7	140.6
Federal funds, RPs, and other borrowings from nonbanks ³												
3 Seasonally adjusted	144.3	149.4	154.1	151.6	152.7	160.6	160.4	157.9	157.1	166.2	168.0	167.3
4 Not seasonally adjusted	142.9	150.5	153.7	151.6	155.3	163.1	161.3	160.0	155.8	162.3	166.9	165.6
5 Net balances due to foreign-related institutions, not seasonally adjusted	-25.5	-27.2	-25.9	-19.9	-21.0	-19.4	-26.3	-22.2	-24.5	-30.2	-30.2	-25.0
MEMO												
6 Domestically chartered banks' net positions with own foreign branches, not seasonally adjusted ⁴	-28.6	-30.2	-31.6	-28.0	-25.8	-26.5	-30.2	-29.3	-30.5	-33.8	-31.2	-29.2
7 Gross due from balances	74.2	74.1	76.3	74.3	69.4	71.7	75.2	72.9	72.2	73.9	75.2	74.0
8 Gross due to balances	45.5	43.9	44.7	46.4	43.6	45.2	45.1	43.6	41.7	40.1	44.0	44.8
9 Foreign-related institutions' net positions with directly related institutions, not seasonally adjusted ⁵	3.2	3.1	5.7	8.1	4.8	7.1	3.9	7.2	6.0	3.6	1.0	4.2
10 Gross due from balances	55.2	55.9	56.7	57.6	60.0	60.7	62.5	60.0	62.8	64.2	66.2	67.9
11 Gross due to balances	58.4	58.9	62.5	65.7	64.8	67.8	66.4	67.1	68.8	67.8	67.2	72.1
Security RP borrowings												
12 Seasonally adjusted ⁶	85.6	85.9	89.4	87.6	89.5	89.7	89.7	89.0	89.2	95.7	96.3	96.0
13 Not seasonally adjusted	84.2	87.0	89.0	87.7	92.2	92.2	90.6	91.2	88.0	91.8	95.3	94.3
U.S. Treasury demand balances ⁷												
14 Seasonally adjusted	4.7	13.5	17.5	19.0	21.1	15.7	17.4	21.3	18.5	14.7	13.1	16.0
15 Not seasonally adjusted	5.4	7.9	14.6	24.0	24.2	15.7	17.8	21.8	16.1	16.8	11.0	18.2
Time deposits, \$100,000 or more ⁸												
16 Seasonally adjusted	333.9	335.9	337.6	349.4	351.9	347.7	346.9	340.4	339.8	338.4	342.6	342.1
17 Not seasonally adjusted	336.3	337.5	339.4	348.3	350.7	348.3	343.5	339.7	338.1	337.3	342.9	344.2

1. Commercial banks are those in the 50 states and the District of Columbia with national or state charters plus agencies and branches of foreign banks, New York investment companies majority owned by foreign banks, and Edge Act corporations owned by domestically chartered and foreign banks.

Data for lines 1-4 and 12-17 have been revised in light of benchmarking and revised seasonal adjustment.

2. Includes seasonally adjusted federal funds, RPs, and other borrowings from nonbanks and not seasonally adjusted net Eurodollars. Includes averages of Wednesday data for domestically chartered banks and averages of current and previous month-end data for foreign-related institutions.

3. Other borrowings are borrowings on any instrument, such as a promissory note or due bill, given for the purpose of borrowing money for the banking business. This includes borrowings from Federal Reserve Banks and from foreign banks, term federal funds, overdrawn due from bank balances, loan RPs, and participations in pooled loans.

4. Averages of daily figures for member and nonmember banks.

5. Averages of daily data.

6. Based on daily average data reported by 122 large banks.

7. Includes U.S. Treasury demand deposits and Treasury tax-and-loan notes at commercial banks. Averages of daily data.

8. Averages of Wednesday figures.

A18 Domestic Financial Statistics □ December 1986

1.25 ASSETS AND LIABILITIES OF COMMERCIAL BANKING INSTITUTIONS Last-Wednesday-of-Month Series

Billions of dollars

Account	1985		1986								
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
ALL COMMERCIAL BANKING INSTITUTIONS¹											
1 Loans and securities.....	2,035.6	2,068.7	2,065.2	2,078.8	2,091.4	2,113.4	2,101.3	2,105.5	2,134.0	2,154.4	2,171.1
2 Investment securities.....	410.5	420.4	432.5	432.8	427.2	429.5	430.9	432.6	445.7	455.1	464.6
3 U.S. government securities.....	254.9	253.9	251.9	255.1	253.7	255.8	257.7	259.6	269.6	272.2	275.9
4 Other.....	155.6	166.5	180.6	177.7	173.5	173.6	173.2	173.0	176.1	183.0	188.7
5 Trading account assets.....	32.0	31.1	30.1	34.0	30.1	27.8	27.0	27.4	28.7	29.3	27.9
6 Total loans.....	1,593.1	1,617.2	1,602.6	1,612.0	1,634.2	1,656.1	1,643.5	1,645.5	1,659.6	1,670.0	1,678.5
7 Interbank loans.....	149.0	150.6	140.4	143.5	146.0	155.7	146.2	139.2	148.6	149.4	145.3
8 Loans excluding interbank.....	1,444.2	1,466.7	1,462.2	1,468.5	1,488.1	1,500.4	1,497.2	1,506.3	1,511.0	1,520.6	1,533.2
9 Commercial and industrial.....	495.8	500.2	496.7	501.8	508.5	510.5	506.2	512.3	507.3	510.1	512.1
10 Real estate.....	420.2	423.7	428.7	431.5	435.9	441.7	446.4	451.4	457.6	463.2	467.7
11 Individual.....	292.0	296.0	297.4	296.4	296.9	300.4	301.1	304.0	305.6	308.4	310.5
12 All other.....	236.2	246.7	239.4	238.7	246.9	247.8	243.6	238.7	240.5	238.8	242.9
13 Total cash assets.....	209.0	213.3	187.3	193.7	198.1	209.9	221.0	196.0	206.2	205.8	196.6
14 Reserves with Federal Reserve Banks.....	20.4	27.6	21.9	26.2	29.1	25.5	30.2	27.9	28.2	27.9	27.8
15 Cash in vault.....	21.4	22.2	23.0	22.7	21.8	22.3	23.9	23.0	23.3	23.7	22.9
16 Cash items in process of collection.....	82.1	79.5	64.2	66.9	68.8	80.7	84.6	67.3	72.1	73.5	66.3
17 Demand balances at U.S. depository institutions.....	35.8	36.0	31.3	31.8	31.1	34.7	36.8	32.0	33.8	33.6	32.3
18 Other cash assets.....	49.4	48.0	47.0	46.1	47.4	46.7	45.5	45.8	48.7	47.1	47.4
19 Other assets.....	197.1	201.9	187.0	186.5	195.3	207.0	195.9	196.6	196.6	196.2	200.8
20 Total assets/total liabilities and capital.....	2,441.8	2,483.8	2,439.6	2,458.9	2,484.8	2,530.3	2,518.3	2,498.1	2,536.7	2,556.4	2,568.4
21 Deposits.....	1,751.7	1,772.5	1,739.5	1,746.4	1,762.8	1,798.4	1,807.4	1,791.9	1,819.5	1,833.6	1,830.8
22 Transaction deposits.....	522.2	536.9	488.8	492.1	502.5	540.7	542.7	523.3	540.0	544.2	537.4
23 Savings deposits.....	450.4	452.0	454.2	457.2	462.0	467.8	477.3	482.4	490.8	497.7	504.4
24 Time deposits.....	779.1	783.6	796.5	797.1	798.3	789.9	787.5	786.3	788.7	791.7	789.0
25 Borrowings.....	356.1	367.8	364.4	374.7	373.1	390.7	367.4	366.8	379.2	377.3	388.1
26 Other liabilities.....	167.9	175.8	167.6	169.1	179.3	170.4	173.1	168.5	168.6	174.7	177.5
27 Residual (assets less liabilities).....	166.0	167.7	168.2	168.8	169.7	170.8	170.3	170.9	169.4	170.8	172.1
MEMO											
28 U.S. government securities (including trading account).....	274.8	269.7	269.8	278.4	273.7	274.0	275.1	276.5	288.8	289.8	292.5
29 Other securities (including trading account).....	167.7	181.8	192.8	188.4	183.6	183.3	182.8	183.5	185.6	194.6	200.0
DOMESTICALLY CHARTERED COMMERCIAL BANKS²											
30 Loans and securities.....	1,926.0	1,954.3	1,954.3	1,964.0	1,972.4	1,993.3	1,985.3	1,990.0	2,014.0	2,029.4	2,039.8
31 Investment securities.....	399.5	409.9	421.1	420.8	416.0	416.1	417.1	419.6	432.5	440.2	448.0
32 U.S. government securities.....	250.1	249.0	247.0	249.6	248.5	248.8	250.2	253.1	263.2	264.5	267.5
33 Other.....	149.4	160.9	174.1	171.2	167.5	167.2	166.9	166.5	169.4	175.7	180.5
34 Trading account assets.....	32.0	31.1	30.1	34.0	30.1	27.8	27.0	27.4	28.7	29.3	27.9
35 Total loans.....	1,494.5	1,513.4	1,503.1	1,509.2	1,526.3	1,549.4	1,541.3	1,543.0	1,552.8	1,559.8	1,564.0
36 Interbank loans.....	124.1	123.8	115.8	115.8	120.2	129.3	123.3	117.3	122.7	123.1	118.9
37 Loans excluding interbank.....	1,370.4	1,389.5	1,387.3	1,393.5	1,406.1	1,420.1	1,418.0	1,425.8	1,430.1	1,436.7	1,445.1
38 Commercial and industrial.....	441.8	445.3	442.5	446.2	448.2	452.3	449.8	452.5	448.4	448.4	447.2
39 Real estate.....	415.0	418.4	423.6	426.4	430.7	436.3	440.7	445.8	451.9	457.3	461.7
40 Individual.....	291.7	295.7	297.1	296.2	296.6	300.1	300.8	303.6	305.3	308.1	310.1
41 All other.....	222.0	230.1	224.1	224.7	230.7	231.4	226.7	223.9	224.6	222.9	226.1
42 Total cash assets.....	193.4	197.2	171.1	179.1	182.7	194.3	205.8	180.1	187.8	189.3	180.4
43 Reserves with Federal Reserve Banks.....	19.2	25.8	21.0	25.5	28.4	24.4	28.7	26.3	27.2	26.6	26.9
44 Cash in vault.....	21.4	22.2	23.0	22.6	21.7	22.2	23.8	22.9	23.2	23.7	22.8
45 Cash items in process of collection.....	81.8	79.3	63.8	66.5	68.4	80.3	84.2	66.7	71.7	73.1	65.9
46 Demand balances at U.S. depository institutions.....	33.9	34.3	29.4	30.1	29.4	33.0	35.1	30.2	32.0	31.9	30.5
47 Other cash assets.....	37.1	35.7	34.0	34.3	34.7	34.3	34.0	34.0	33.6	34.1	34.4
48 Other assets.....	146.2	150.0	137.8	134.6	144.0	150.3	142.8	144.1	143.2	141.7	145.5
49 Total assets/total liabilities and capital.....	2,265.6	2,301.6	2,263.1	2,277.8 [*]	2,299.1	2,337.9	2,334.0	2,314.1	2,345.0	2,360.3	2,365.7
50 Deposits.....	1,704.6	1,724.4	1,689.6	1,698.2	1,713.1	1,749.1	1,758.7	1,741.4	1,768.0	1,779.9	1,775.2
51 Transaction deposits.....	515.3	529.5	481.6	484.8	495.0	533.1	535.3	515.5	532.1	536.1	529.3
52 Savings deposits.....	448.6	450.3	452.4	455.3	460.1	465.8	475.2	480.3	488.7	495.5	502.1
53 Time deposits.....	740.7	744.7	755.7	758.1	758.1	750.1	748.1	745.6	747.2	748.2	743.8
54 Borrowings.....	285.0	295.7	298.0	304.9	304.8	309.1	294.2	293.5	300.5	295.5	305.2
55 Other liabilities.....	113.0	116.9	110.5	109.0	114.6	112.0	113.9	111.5	110.3	117.3	116.4
56 Residual (assets less liabilities).....	162.9	164.6	165.0	165.6	166.5	167.7	167.2	167.8	166.2	167.7	168.9

1. Commercial banking institutions include insured domestically chartered commercial banks, branches and agencies of foreign banks, Edge Act and Agreement corporations, and New York State foreign investment corporations.

2. Insured domestically chartered commercial banks include all member banks and insured nonmember banks.

NOTE: Figures are partly estimated. They include all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries. Loan and securities data for domestically chartered commercial banks are estimates for the last Wednesday of the month based on a sample of weekly reporting banks and quarter-end condition report data. Data for other banking institutions are estimates made for the last Wednesday of the month based on a weekly reporting sample of foreign-related institutions and quarter-end condition reports.

1.26 ALL LARGE WEEKLY REPORTING COMMERCIAL BANKS with Domestic Assets of \$1.4 Billion or More on December 31, 1982, Assets and Liabilities

Millions of dollars, Wednesday figures

Account	1986								
	July 30	Aug. 6	Aug. 13	Aug. 20	Aug. 27	Sept. 3	Sept. 10	Sept. 17	Sept. 24
1 Cash and balances due from depository institutions	98,047	93,723 ^r	91,845	95,904 ^r	99,843 ^r	108,532	100,020	98,355	90,017
2 Total loans, leases and securities, net	943,443 ^r	950,686 ^r	945,322 ^r	949,719 ^r	950,779 ^r	970,761	962,988	967,106	957,772
3 U.S. Treasury and government agency	103,182	105,087	101,746	102,145	102,924	106,507	103,985	105,436	102,040
4 Trading account	22,545	24,614	21,326	21,028	20,937	24,875	22,593	22,808	19,947
5 Investment account, by maturity	80,638	80,473	80,420	81,118	81,987	81,633	81,392	82,628	82,092
6 One year or less	17,999	17,510	17,563	17,368	17,641	17,314	17,956	18,238	17,876
7 Over one through five years	37,644	38,671	38,214	39,237	39,078	38,808	38,011	38,436	37,766
8 Over five years	24,995	24,292	24,643	24,512	25,268	25,510	25,426	25,954	26,450
9 Other securities	69,450	70,818	71,633	72,193	74,154	79,275	78,480	77,705	76,352
10 Trading account	5,435	5,894	6,243	6,436	7,131	8,788	7,785	7,098	6,223
11 Investment account	64,014	64,924	65,390	65,757	67,023	70,487	70,695	70,608	70,129
12 States and political subdivisions, by maturity	56,003	56,577	56,996	57,248	58,301	61,327	61,329	61,466	61,013
13 One year or less	8,216	8,605	8,805	8,886	9,646	10,623	10,684	11,508	11,068
14 Over one year	47,788	47,973	48,191	48,361	48,654	50,704	50,645	49,959	49,945
15 Other bonds, corporate stocks, and securities	8,011	8,346	8,394	8,510	8,722	9,160	9,365	9,141	9,116
16 Other trading account assets	4,293 ^r	4,415 ^r	4,080 ^r	4,366 ^r	4,858 ^r	5,106	5,351	5,989	5,425
17 Federal funds sold ¹	59,056	58,673	58,934	58,976	55,949	61,056	62,117	58,974	56,348
18 To commercial banks	35,992	36,615	35,764	38,916	35,446	38,529	37,813	34,772	32,312
19 To nonbank brokers and dealers in securities	15,644	15,450	15,740	12,585	13,739	15,039	13,830	15,470	15,238
20 To others	7,420	6,607	7,430	7,474	6,764	7,488	10,474	8,731	8,798
21 Other loans and leases, gross ²	728,195 ^r	732,642 ^r	729,864 ^r	732,997 ^r	733,940 ^r	739,976	734,292	740,272	738,820
22 Other loans, gross ³	712,149 ^r	716,569 ^r	713,756 ^r	716,860 ^r	717,743 ^r	723,756	718,036	723,890	722,384
23 Commercial and industrial ²	256,483	258,229	256,312	256,086	257,020 ^r	258,748	256,925	258,638	256,932
24 Bankers acceptances and commercial paper	2,215	2,324	2,228	2,148	2,071	2,447	2,257	2,268	2,257
25 All other	254,268	255,905	254,084	253,938	254,950 ^r	256,300	254,668	256,370	254,675
26 U.S. addressees	250,296	251,866	250,028	249,870	250,892	252,240	250,639	252,386	250,699
27 Non-U.S. addressees	3,972	4,038	4,056	4,068	4,058 ^r	4,061	4,029	3,984	3,976
28 Real estate loans ²	194,171	194,740	195,998	196,668	196,897	196,959	197,711	198,943	199,106
29 To individuals for personal expenditures	137,290 ^r	137,290 ^r	137,629 ^r	138,073 ^r	138,588 ^r	138,790	139,130	139,558	139,843
30 To depository and financial institutions	45,565	46,636	46,083	47,274	46,660	47,876	47,496	48,177	48,611
31 Commercial banks in the United States	14,839	15,379	15,098	15,319	14,894	14,938	15,045	14,915	16,616
32 Banks in foreign countries	5,151	5,290	4,665	4,852	5,031	5,774	5,058	5,258	5,304
33 Nonbank depository and other financial institutions	25,575	25,967	26,319	27,103	26,735	27,163	27,393	28,004	26,691
34 For purchasing and carrying securities	16,635	17,554	16,174	16,844	16,712	17,567	15,269	16,294	16,043
35 To finance agricultural production	6,124	6,123	6,144	6,093	6,042	6,051	6,000	6,009	5,948
36 To states and political subdivisions	36,088	36,135	36,172	36,207	36,340	36,441	36,228	36,179	36,273
37 To foreign governments and official institutions	3,227	3,312	3,249	3,254	3,097 ^r	3,234	3,121	3,170	3,086
38 All other	16,566	16,550 ^r	15,995	16,360 ^r	16,386	18,092	16,156	16,922	16,542
39 Lease financing receivables	16,046	16,073	16,108	16,137	16,197	16,220	16,256	16,382	16,436
40 LESS: Unearned income	4,907 ^r	4,878 ^r	4,886 ^r	4,890 ^r	4,898 ^r	4,846	4,869	4,884	4,902
41 Loan and lease reserve ²	15,827	16,071	16,050	16,068 ^r	16,149	16,314	16,366	16,388	16,311
42 Other loans and leases, net ²	707,461	711,693 ^r	708,929 ^r	712,039 ^r	712,892	718,816	713,054	719,000	717,607
43 All other assets	125,556 ^r	127,158 ^r	126,674 ^r	125,182 ^r	124,427 ^r	127,731	125,509	129,235	126,746
44 Total assets	1,167,045 ^r	1,171,567 ^r	1,163,842 ^r	1,170,804 ^r	1,175,049 ^r	1,207,024	1,188,517	1,194,695	1,174,536
45 Demand deposits	215,803	215,902 ^r	210,136	217,201	216,839	234,527	217,506	219,342	209,280
46 Individuals, partnerships, and corporations	165,733	165,003 ^r	164,739	164,622 ^r	163,596	178,178	168,931	169,594	159,935
47 States and political subdivisions	5,105	5,412	4,417	5,329	5,324	5,519	4,668	5,521	5,138
48 U.S. government	2,839	2,158	1,092	3,902	2,588	1,607	2,611	2,169	2,976
49 Depository institutions in United States	24,116	24,991	22,954	24,357	24,684	29,377	25,239	25,614	24,262
50 Banks in foreign countries	6,058	6,875	6,192	6,263	6,712	7,260	6,495	6,498	6,580
51 Foreign governments and official institutions	945	881	748	784	715	701	811	972	854
52 Certified and officers' checks	11,008	10,783	9,993	11,945	13,220	11,884	8,751	8,975	9,535
53 Transaction balances other than demand deposits	46,428	48,801	47,998	48,215	47,932	51,042	50,618	50,375	48,643
54 Nontransaction balances	495,485	497,094 ^r	497,327 ^r	498,838 ^r	499,049 ^r	499,540	500,448	499,768	499,450
55 Individuals, partnerships and corporations	458,606 ^r	459,984 ^r	459,082 ^r	460,244 ^r	460,316 ^r	461,099	461,923	461,489	460,627
56 States and political subdivisions	24,420	24,726	25,399	25,705	25,790	25,716	25,673	25,526	25,660
57 U.S. government	807	817	811	832	832	883	863	850	799
58 Depository institutions in the United States	10,390	10,292	10,777	10,816	10,866	10,612	10,752	10,666	11,095
59 Foreign governments, official institutions and banks	1,263	1,275	1,258	1,241	1,245	1,230	1,237	1,237	1,269
60 Liabilities for borrowed money	245,783 ^r	248,020 ^r	245,899 ^r	241,451 ^r	241,774 ^r	253,882	253,149	255,478	249,683
61 Borrowings from Federal Reserve Banks	185	150	216	200	192	730	3,521	150	787
62 Treasury tax-and-loan notes	12,293	3,204	4,924	3,294	5,622	2,863	808	16,366	19,716
63 All other liabilities for borrowed money ⁴	233,304 ^r	244,666 ^r	240,758 ^r	237,957 ^r	235,959 ^r	250,289	248,820	238,961	229,180
64 Other liabilities and subordinated note and debentures	81,803	79,182	79,639	82,458 ^r	86,915	85,263	83,619	86,831	84,412
65 Total liabilities	1,085,301	1,089,000 ^r	1,080,998	1,088,163 ^r	1,092,509	1,124,254	1,105,340	1,111,793	1,091,468
66 Residual (total assets minus total liabilities) ⁴	81,744 ^r	82,566 ^r	82,843 ^r	82,642 ^r	82,539 ^r	82,769	83,177	82,902	83,068
MEMO									
67 Total loans and leases (gross) and investments adjusted ⁵	913,346 ^r	919,641 ^r	915,395 ^r	916,442 ^r	921,486 ^r	938,454	931,368	938,690	930,057
68 Total loans and leases (gross) adjusted ^{2,5}	736,420 ^r	739,320 ^r	737,936 ^r	737,738 ^r	739,549 ^r	747,565	743,551	749,559	746,241
69 Time deposits in amounts of \$100,000 or more	153,567 ^r	154,312 ^r	154,293 ^r	154,972 ^r	155,375 ^r	153,714	154,143	153,795	154,654
70 Loans sold outright to affiliates—total ⁶	1,610	1,602	1,613	1,628	1,744	1,706	1,729	1,738	1,748
71 Commercial and industrial	920	919	952	964	1,054	1,023	1,032	1,041	1,046
72 Other	691	684	661	664	689	684	697	697	702
73 Nontransaction savings deposits (including MMDAs)	209,314	211,386	211,784	212,998	212,975	215,314	215,623	215,662	214,955

1. Includes securities purchased under agreements to resell.

2. Levels of major loan items were affected by the Sept. 26, 1984, transaction between Continental Illinois National Bank and the Federal Deposit Insurance Corporation. For details see the H.4.2 statistical release dated Oct. 5, 1984.

3. Includes federal funds purchased and securities sold under agreements to repurchase; for information on these liabilities at banks with assets of \$1 billion or more on Dec. 31, 1977, see table 1.13.

4. This is not a measure of equity capital for use in capital adequacy analysis or for other analytic uses.

5. Exclusive of loans and federal funds transactions with domestic commercial banks.

6. Loans sold are those sold outright to a bank's own foreign branches, nonconsolidated nonbank affiliates of the bank, the bank's holding company (if not a bank), and nonconsolidated nonbank subsidiaries of the holding company.

A20 Domestic Financial Statistics □ December 1986

1.28 LARGE WEEKLY REPORTING COMMERCIAL BANKS IN NEW YORK CITY Assets and Liabilities

Millions of dollars, Wednesday figures except as noted

Account	1986								
	July 30	Aug. 6	Aug. 13	Aug. 20	Aug. 27	Sept. 3	Sept. 10	Sept. 17	Sept. 24
1 Cash and balances due from depository institutions.....	27,006	24,443	21,513	26,721	26,768	24,696	25,700	22,741	20,592
2 Total loans, leases and securities, net ¹	199,965	199,722 ²	198,826	200,948 ³	201,286	202,915	202,817	201,427	202,739
<i>Securities</i>									
3 U.S. Treasury and government agency ²	0	0	0	0	0	0	0	0	0
4 Trading account ²	0	0	0	0	0	0	0	0	0
5 Investment account, by maturity.....	11,026	11,531	12,115	11,525	10,728	10,735	10,666	10,155	10,989
6 One year or less.....	1,138	993	1,142	1,265	1,215	1,197	1,246	1,293	1,363
7 Over one through five years.....	5,626	5,868	5,897	6,652	5,731	5,689	5,547	5,133	5,344
8 Over five years.....	4,262	4,670	5,075	3,608	3,782	3,849	3,872	3,729	4,281
9 Other securities ²	0	0	0	0	0	0	0	0	0
10 Trading account ²	0	0	0	0	0	0	0	0	0
11 Investment account.....	15,362	15,662	15,813	15,862	16,240	17,221	17,089	17,074	16,967
12 States and political subdivisions, by maturity.....	13,266	13,448	13,576	13,614	13,958	14,927	14,772	14,982	14,957
13 One year or less.....	1,562	1,655	1,716	1,666	1,732	1,767	1,767	2,427	2,386
14 Over one year.....	11,705	11,792	11,860	11,948	12,226	13,160	13,005	12,555	12,570
15 Other bonds, corporate stocks and securities.....	2,095	2,215	2,237	2,248	2,281	2,294	2,316	2,092	2,010
16 Other trading account assets ²	0	0	0	0	0	0	0	0	0
<i>Loans and leases</i>									
17 Federal funds sold ¹	29,585	27,122	27,104	28,599	28,007	26,009	30,352	26,664	25,452
18 To commercial banks.....	14,393	13,397	13,534	17,010	15,436	13,491	15,754	12,619	11,349
19 To nonbank brokers and dealers in securities.....	8,798	8,572	7,907	5,539	7,120	7,196	6,226	7,595	7,020
20 To others.....	6,394	5,153	5,663	6,051	5,450	5,322	8,373	6,450	7,083
21 Other loans and leases, gross.....	149,832	151,324 ⁴	149,736	150,903 ⁵	152,291	154,960	150,798	153,636	155,358
22 Other loans, gross.....	146,716	148,188 ⁶	146,590	147,739 ⁷	149,112	151,768	147,593	150,411	152,116
23 Commercial and industrial.....	55,760	56,572	56,263	55,939	57,054	57,652	57,037	57,477	56,997
24 Bankers acceptances and commercial paper.....	501	569	552	468	449	563	580	504	459
25 All other.....	55,258	56,003	55,710	55,471	56,605	57,089	56,456	56,973	56,537
26 U.S. addressees.....	54,855	55,571	55,218	55,020	56,178	56,628	55,975	56,505	56,035
27 Non-U.S. addressees.....	403	432	492	452	427	460	482	469	502
28 Real estate loans.....	32,582	32,685	32,699	32,974	33,059	33,026	33,061	33,488	33,770
29 To individuals for personal expenditures.....	18,966	19,042	19,114	19,192	19,273	19,357	19,446	19,544	19,434
30 To depository and financial institutions.....	16,137	16,425	15,892	16,855	16,724	17,009	16,410	16,706	18,478
31 Commercial banks in the United States.....	6,875	7,117	7,007	7,472	6,832	6,686	6,592	6,780	8,469
32 Banks in foreign countries.....	2,221	2,360	1,798	2,077	2,431	2,964	2,246	2,279	2,712
33 Nonbank depository and other financial institutions.....	7,041	6,947	7,087	7,305	7,461	7,359	7,571	7,646	7,297
34 For purchasing and carrying securities.....	8,358	8,934	8,172	8,672	8,457	9,040	7,401	8,735	8,655
35 To finance agricultural production.....	280	276	287	278	290	325	329	316	314
36 To states and political subdivisions.....	8,746	8,795	8,798	8,826	8,791	8,879	8,853	8,915	9,011
37 To foreign governments and official institutions.....	830	905	844	851	726	836	735	815	749
38 All other.....	5,056	4,554 ⁸	4,523	4,153 ⁹	4,736	4,321	4,321	4,415	4,708
39 Lease financing receivables.....	3,116	3,137	3,146	3,164	3,179	3,192	3,205	3,225	3,242
40 Less: Unearned income.....	1,474	1,468	1,474	1,476	1,480	1,466	1,473	1,480	1,484
41 Loan and lease reserve.....	4,366	4,449	4,467	4,465	4,500	4,545	4,615	4,622	4,543
42 Other loans and leases, net.....	143,992	145,407 ¹⁰	143,795	144,962 ¹¹	146,311	148,950	144,710	147,534	149,331
43 All other assets ⁴	69,718	74,205 ¹²	70,418	68,601	68,594	75,527	70,506	73,426	70,069
44 Total assets.....	296,689	298,370 ¹³	290,757	296,270 ¹⁴	296,648	303,138	299,023	297,594	293,400
<i>Deposits</i>									
45 Demand deposits.....	58,093	55,115 ¹⁵	52,379	58,759 ¹⁶	58,904	58,598	55,811	56,120	54,785
46 Individuals, partnerships, and corporations.....	40,426	36,913 ¹⁷	35,938	38,832 ¹⁸	38,154	39,186	38,342	39,024	36,487
47 States and political subdivisions.....	606	712	601	748	897	496	535	709	790
48 U.S. government.....	658	344	151	674	495	213	493	209	494
49 Depository institutions in the United States.....	5,482	6,086	5,325	6,193	6,232	6,515	6,901	6,347	6,626
50 Banks in foreign countries.....	4,780	5,369	4,932	5,014	5,438	5,963	5,247	5,232	5,414
51 Foreign governments and official institutions.....	788	744	609	630	564	575	665	812	693
52 Certified and officers' checks.....	5,352	4,946	4,823	6,668	7,123	5,649	3,627	3,787	4,281
53 Transaction balances other than demand deposits.....	5,462	5,730	5,665	5,681	5,676	5,965	6,016	6,035	5,819
54 Nontransaction balances.....	91,781	91,824	91,106	92,571 ¹⁹	92,351	92,228	92,212	92,525	92,744
55 Individuals, partnerships and corporations.....	83,326	83,309	82,415	83,827 ²⁰	83,543	83,534	83,424	83,884	83,755
56 States and political subdivisions.....	5,410	5,480	5,585	5,661	5,712	5,667	5,645	5,535	5,622
57 U.S. government.....	88	83	85	84	85	84	90	74	72
58 Depository institutions in the United States.....	2,285	2,271	2,356	2,344	2,370	2,317	2,425	2,403	2,635
59 Foreign governments, official institutions and banks.....	672	682	665	655	640	625	628	628	659
60 Liabilities for borrowed money.....	81,581	86,546	82,496	78,557	76,248	83,395	83,383	79,921	77,216
61 Borrowings from Federal Reserve Banks.....	0	0	0	0	0	0	2,540	0	250
62 Treasury tax-and-loan notes.....	3,594	632	1,422	800	1,273	942	119	3,907	4,736
63 All other liabilities for borrowed money ⁵	77,987	85,914	81,074	77,757	74,975	82,453	80,724	76,014	72,230
64 Other liabilities and subordinated note and debentures.....	33,227	32,212	32,057	33,794 ²¹	36,649	35,880	34,412	35,855	35,785
65 Total liabilities.....	270,144	271,427 ²²	263,703	269,362 ²³	269,827	276,066	271,834	270,456	266,350
66 Residual (total assets minus total liabilities) ¹⁶	26,546	26,943	27,054	26,908	26,820	27,072	27,188	27,138	27,051
<i>MEMO</i>									
67 Total loans and leases (gross) and investments adjusted ^{1,7}	184,536	185,126 ²⁴	184,227	182,406 ²⁵	184,998	188,748	186,558	188,130	188,949
68 Total loans and leases (gross) adjusted ⁷	158,148	157,933 ²⁶	156,299	155,020 ²⁷	158,030	160,792	158,804	160,902	160,993
69 Time deposits in amounts of \$100,000 or more.....	33,326	33,480	32,678	33,374	33,229	32,608	32,668	32,927	32,954

1. Excludes trading account securities.

2. Not available due to confidentiality.

3. Includes securities purchased under agreements to resell.

4. Includes trading account securities.

5. Includes federal funds purchased and securities sold under agreements to repurchase.

6. Not a measure of equity capital for use in capital adequacy analysis or for other analytic uses.

7. Exclusive of loans and federal funds transactions with domestic commercial banks.

NOTE: These data also appear in the Board's H.4.2 (504) release. For address, see inside front cover.

1.30 LARGE WEEKLY REPORTING U.S. BRANCHES AND AGENCIES OF FOREIGN BANKS¹ Assets and Liabilities

Millions of dollars, Wednesday figures

Account	1986								
	July 30	Aug. 6	Aug. 13	Aug. 20	Aug. 27	Sept. 3	Sept. 10	Sept. 17	Sept. 24
1 Cash and due from depository institutions	11,169	10,491	9,338	9,994	10,076	10,587	10,064	9,388	9,647
2 Total loans and securities	69,394	67,864	69,569	71,536	72,603	73,793	72,869	73,551	76,462
3 U.S. Treasury and govt. agency securities	4,606	4,677	5,366	5,848	5,435	5,613	5,736	5,947	5,917
4 Other securities	4,659	4,741	4,879	4,997	4,985	5,491	5,620	5,692	5,710
5 Federal funds sold ²	4,475	3,081	4,113	3,695	4,404	3,976	3,755	3,771	4,805
6 To commercial banks in the United States	3,540	2,135	3,180	2,823	3,369	3,003	2,789	2,855	3,630
7 To others	935	946	933	872	1,034	972	966	916	1,175
8 Other loans, gross	55,654	55,365	55,210	56,996	57,779	58,714	57,758	58,142	60,030
9 Commercial and industrial	32,581	32,406	32,583	33,793	34,163	33,964	34,172	34,604	35,910
10 Bankers acceptances and commercial paper	3,000	3,048	3,047	2,975	2,993	2,984	3,143	3,223	3,225
11 All other	29,582	29,358	29,536	30,818	31,170	30,980	31,029	31,381	32,685
12 U.S. addressees	27,184	27,040	27,172	28,612	28,855	28,702	28,682	29,064	30,326
13 Non-U.S. addressees	2,398	2,317	2,365	2,206	2,315	2,278	2,347	2,317	2,359
14 To financial institutions	15,313	15,471	15,278	15,454	15,718	16,918	16,194	15,605	15,680
15 Commercial banks in the United States	12,295	12,480	12,366	12,531	12,762	13,932	13,167	12,679	12,696
16 Banks in foreign countries	1,051	1,110	990	1,116	1,122	1,202	1,182	1,166	1,161
17 Nonbank financial institutions	1,967	1,881	1,921	1,807	1,834	1,784	1,845	1,760	1,822
18 To foreign govt. and official institutions	638	656	617	617	606	605	605	602	642
19 For purchasing and carrying securities	3,045	2,816	2,661	2,799	3,035	2,918	2,495	2,919	3,403
20 All other	4,076	4,014	4,071	4,333	4,258	4,309	4,292	4,411	4,395
21 Other assets (claims on nonrelated parties)	22,044	21,881	21,956	21,791	22,162	23,007	22,738	22,900	22,880
22 Net due from related institutions	12,779	15,097	12,744	15,218	13,384	14,968	13,706	13,389	13,552
23 Total assets	115,387	115,333	113,607	118,539	118,226	122,355	119,378	119,229	122,542
24 Deposits or credit balances due to other than directly related institutions	33,853	33,374	33,994	35,144	35,725	35,704	35,779	36,561	36,579
25 Transaction accounts and credit balances ³	3,370	2,968	2,810	3,351	3,368	3,232	3,134	3,275	3,149
26 Individuals, partnerships, and corporations	1,928	1,693	1,768	1,814	1,870	1,802	1,800	1,777	1,778
27 Other	1,441	1,275	1,042	1,537	1,497	1,430	1,335	1,498	1,371
28 Nontransaction accounts ⁴	30,484	30,406	31,183	31,794	32,357	32,472	32,644	33,286	33,430
29 Individuals, partnerships, and corporations	24,097	23,888	24,698	25,088	25,904	26,349	26,508	27,253	27,427
30 Other	6,387	6,518	6,485	6,706	6,452	6,122	6,136	6,033	6,003
31 Borrowings from other than directly related institutions	45,863	47,749	44,493	50,230	47,399	51,432	48,755	47,563	47,806
32 Federal funds purchased ⁵	21,595	24,552	21,796	27,019	24,850	26,483	26,124	24,985	25,059
33 From commercial banks in the United States	14,990	16,788	14,583	17,556	17,284	17,888	17,387	16,577	15,189
34 From others	6,605	7,765	7,213	9,462	7,566	8,595	8,737	8,408	9,870
35 Other liabilities for borrowed money	24,268	23,197	22,697	23,211	22,549	24,949	22,632	22,578	22,747
36 To commercial banks in the United States	21,256	20,078	19,850	20,218	20,108	22,452	20,141	20,129	20,457
37 To others	3,012	3,118	2,847	2,993	2,441	2,497	2,491	2,450	2,290
38 Other liabilities to nonrelated parties	23,795	23,652	23,845	23,331	23,990	24,155	24,138	24,676	24,815
39 Net due to related institutions	11,876	10,557	11,275	9,834	11,112	11,064	10,706	10,428	13,341
40 Total liabilities	115,387	115,333	113,607	118,539	118,226	122,355	119,378	119,229	122,542
MEMO									
41 Total loans (gross) and securities adjusted ⁶	53,560	53,249	54,022	56,182	56,472	56,858	56,913	58,018	60,136
42 Total loans (gross) adjusted ⁶	44,294	43,830	43,777	45,337	46,052	45,754	45,557	46,378	48,508

1. Effective Jan. 1, 1986, the reporting panel includes 65 U.S. branches and agencies of foreign banks that include those branches and agencies with assets of \$750 million or more on June 30, 1980, plus those branches and agencies that had reached the \$750 million asset level on Dec. 31, 1984.

2. Includes securities purchased under agreements to resell.

3. Includes credit balances, demand deposits, and other checkable deposits.

4. Includes savings deposits, money market deposit accounts, and time deposits.

5. Includes securities sold under agreements to repurchase.

6. Exclusive of loans to and federal funds sold to commercial banks in the United States.

1.31 GROSS DEMAND DEPOSITS Individuals, Partnerships, and Corporations¹

Billions of dollars, estimated daily-average balances, not seasonally adjusted

Type of holder	Commercial banks									
	1981 Dec.	1982 Dec.	1983 Dec.	1984 Dec.	1985				1986	
					Mar. ^{3,4}	June	Sept.	Dec.	Mar.	June
1 All holders—Individuals, partnerships, and corporations.....	288.9	291.8	293.5	302.7	286.3	298.4	299.3	321.0	307.4	322.4
2 Financial business	28.0	35.4	32.8	31.7	27.3	27.9	28.1	32.3	31.8	32.3
3 Nonfinancial business	154.8	150.5	161.1	166.3	157.9	164.5	167.2	178.5	166.6	180.0
4 Consumer	86.6	85.9	78.5	81.5	78.9	82.8	82.0	85.5	84.0	86.4
5 Foreign	2.9	3.0	3.3	3.6	3.6	3.7	3.5	3.5	3.4	3.0
6 Other	16.7	17.0	17.8	19.7	18.7	19.5	18.5	21.2	21.6	20.6
Weekly reporting banks										
	1981 Dec.	1982 Dec.	1983 Dec.	1984 Dec. ²	1985				1986	
					Mar. ^{3,4}	June	Sept.	Dec.	Mar.	June
7 All holders—Individuals, partnerships, and corporations.....	137.5	144.2	146.2	157.1	147.7	151.2	153.6	168.6	159.7	168.5
8 Financial business	21.0	26.7	24.2	25.3	21.9	22.1	22.7	25.9	25.5	25.7
9 Nonfinancial business	75.2	74.3	79.8	87.1	82.3	83.7	85.5	94.5	86.8	93.1
10 Consumer	30.4	31.9	29.7	30.5	30.2	31.0	31.6	33.2	32.6	34.9
11 Foreign	2.8	2.9	3.1	3.4	3.4	3.5	3.3	3.1	3.3	2.9
12 Other	8.0	8.4	9.3	10.9	9.8	10.9	10.5	12.0	11.5	11.9

1. Figures include cash items in process of collection. Estimates of gross deposits are based on reports supplied by a sample of commercial banks. Types of depositors in each category are described in the June 1971 BULLETIN, p. 466. Figures may not add to totals because of rounding.

2. Beginning in March 1984, these data reflect a change in the panel of weekly reporting banks, and are not comparable to earlier data. Estimates in billions of dollars for December 1983 based on the new weekly reporting panel are: financial business, 24.4; nonfinancial business, 80.9; consumer, 30.1; foreign, 3.1; other, 9.5.

3. Beginning March 1985, financial business deposits and, by implication, total gross demand deposits have been redefined to exclude demand deposits due to

thrift institutions. Historical data have not been revised. The estimated volume of such deposits for December 1984 is \$5.0 billion at all insured commercial banks and \$3.0 billion at weekly reporting banks.

4. Historical data back to March 1985 have been revised to account for corrections of bank reporting errors. Historical data before March 1985 have not been revised, and may contain reporting errors. Data for all commercial banks for March 1985 were revised as follows (in billions of dollars): all holders, -.3; financial business, -.8; nonfinancial business, -.4; consumer, .9; foreign, .1; other, -.1. Data for weekly reporting banks for March 1985 were revised as follows (in billions of dollars): all holders, -.1; financial business, -.7; nonfinancial business, -.5; consumer, 1.1; foreign, .1; other, -.2.

1.32 COMMERCIAL PAPER AND BANKERS DOLLAR ACCEPTANCES OUTSTANDING

Millions of dollars, end of period

Instrument	1981 Dec.	1982 Dec.	1983 Dec.	1984 Dec.	1985 Dec.	1986					
						Mar.	Apr.	May	June	July	Aug.
	Commercial paper (seasonally adjusted unless noted otherwise)										
1 All issuers	165,829	166,436	187,658	237,586	300,899	301,110	297,108	309,843	310,711	311,435	326,601
Financial companies ³											
Dealer-placed paper ⁴											
2 Total	30,333	34,605	44,455	56,485	78,443	84,071	83,871	87,423	89,757	90,038	94,084
3 Bank-related (not seasonally adjusted)	6,045	2,516	2,441	2,035	1,602	1,348	1,520	1,575	1,568	1,772	1,799
Directly placed paper ⁵											
4 Total	81,660	84,393	97,042	110,543	135,504	135,510	135,801	142,252	142,933	142,121	149,200
5 Bank-related (not seasonally adjusted)	26,914	32,034	35,566	42,105	44,778	37,013	37,835	39,009	40,147	39,067	40,415
6 Nonfinancial companies ⁶	53,836	47,437	46,161	70,558	86,952	81,529	77,436	80,168	78,021	79,276	83,317
	Bankers dollar acceptances (not seasonally adjusted) ⁷										
7 Total	69,226	79,543	78,309	77,121	68,115	66,882	66,235	66,759	67,080	66,437	64,463
Holder											
8 Accepting banks	10,857	10,910	9,355	9,811	11,174	13,061	12,287	12,216	12,789	11,577	12,127
9 Own bills	9,743	9,471	8,125	8,621	9,448	10,722	10,261	10,254	10,641	9,257	9,794
10 Bills bought	1,115	1,439	1,230	1,191	1,726	2,339	2,026	1,962	2,147	2,320	2,333
Federal Reserve Banks											
11 Own account	195	1,480	418	0	0	0	0	0	0	0	0
12 Foreign correspondents	1,442	949	729	671	937	877	746	664	896	931	897
13 Others	56,731	66,204	67,807	66,639	56,004	52,944	53,202	53,880	53,396	53,929	51,439
Basis											
14 Imports into United States	14,765	17,683	15,649	17,560	15,147	13,595	14,464	15,094	15,106	15,601	15,796
15 Exports from United States	15,400	16,328	16,880	15,859	13,204	13,410	13,473	13,574	13,721	13,781	12,948
16 All other	39,060	45,531	45,781	43,702	39,765	39,878	38,299	38,091	38,254	37,056	35,719

1. Effective Dec. 1, 1982, there was a break in the commercial paper series. The key changes in the content of the data involved additions to the reporting panel, the exclusion of broker or dealer placed borrowings under any master note agreements from the reported data, and the reclassification of a large portion of bank-related paper from dealer-placed to directly placed.

2. Correction of a previous misclassification of paper by a reporter has created a break in the series beginning December 1983. The correction adds some paper to nonfinancial and to dealer-placed financial paper.

3. Institutions engaged primarily in activities such as, but not limited to, commercial, savings, and mortgage banking; sales, personal, and mortgage financing; factoring, finance leasing, and other business lending; insurance underwriting; and other investment activities.

4. Includes all financial company paper sold by dealers in the open market.

5. As reported by financial companies that place their paper directly with investors.

6. Includes public utilities and firms engaged primarily in such activities as communications, construction, manufacturing, mining, wholesale and retail trade, transportation, and services.

7. Beginning October 1984, the number of respondents in the bankers acceptance survey were reduced from 340 to 160 institutions—those with \$50 million or more in total acceptances. The new reporting group accounts for over 95 percent of total acceptances activity.

1.33 PRIME RATE CHARGED BY BANKS on Short-Term Business Loans

Percent per annum

Effective date	Rate	Effective Date	Rate	Month	Average rate	Month	Average rate
1984—Mar. 19	11.50	1985—Jan. 15	10.50	1984—Jan.	11.00	1985—June	9.78
Apr. 5	12.00	May 20	10.00	Feb.	11.00	July	9.50
May 8	12.50	June 18	9.50	Mar.	11.21	Aug.	9.50
June 25	13.00			Apr.	11.93	Sept.	9.50
Sept. 27	12.75	1986—Mar. 7	9.00	May.	12.39	Oct.	9.50
Oct. 17	12.50	Apr. 21	8.50	June	12.60	Nov.	9.50
29	12.00	July 11	8.00	July	13.00	Dec.	9.50
Nov. 9	11.75	Aug. 26	7.50	Aug.	13.00		
28	11.25			Sept.	12.97	1986—Jan.	9.50
Dec. 20	10.75			Oct.	12.58	Feb.	9.50
				Nov.	11.77	Mar.	9.10
				Dec.	11.06	Apr.	8.83
						May.	8.50
				1985—Jan.	10.61	June	8.50
				Feb.	10.50	July	8.16
				Mar.	10.50	Aug.	7.90
				Apr.	10.50	Sept.	7.50
				May.	10.31		

NOTE. These data also appear in the Board's H.15 (519) release. For address, see inside front cover.

1.35 INTEREST RATES Money and Capital Markets

Averages, percent per annum; weekly and monthly figures are averages of business day data unless otherwise noted.

Instrument	1983	1984	1985	1986				1986, week ending					
				June	July	Aug.	Sept.	Aug. 29	Sept. 5	Sept. 12	Sept. 19	Sept. 26	
MONEY MARKET RATES													
1 Federal funds ^{1,2}	9.09	10.22	8.10	6.92	6.56	6.17	5.89	5.87	5.83	5.82	5.88	5.81	
2 Discount window borrowing ^{1,2,3}	8.50	8.80	7.69	6.50	6.16	5.82	5.50	5.50	5.50	5.50	5.50	5.50	
Commercial paper ^{4,5}													
3 1-month.....	8.87	10.05	7.94	6.79	6.42	6.02	5.74	5.64	5.59	5.72	5.78	5.79	
4 3-month.....	8.88	10.10	7.95	6.71	6.33	5.92	5.68	5.57	5.49	5.67	5.73	5.74	
5 6-month.....	8.89	10.16	8.01	6.63	6.24	5.83	5.61	5.49	5.39	5.60	5.66	5.69	
Finance paper, directly placed ^{4,5}													
6 1-month.....	8.80	9.97	7.91	6.80	6.42	5.98	5.76	5.61	5.62	5.77	5.77	5.81	
7 3-month.....	8.70	9.73	7.77	6.61	6.31	5.94	5.61	5.62	5.60	5.56	5.63	5.67	
8 6-month.....	8.69	9.65	7.75	6.53	6.24	5.90	5.54	5.59	5.55	5.48	5.50	5.63	
Bankers acceptances ^{5,6}													
9 3-month.....	8.90	10.14	7.92	6.60	6.23	5.80	5.60	5.44	5.41	5.62	5.64	5.67	
10 6-month.....	8.91	10.19	7.96	6.49	6.14	5.71	5.56	5.38	5.34	5.58	5.61	5.63	
Certificates of deposit, secondary market ⁷													
11 1-month.....	8.96	10.17	7.97	6.79	6.43	5.97	5.73	5.63	5.57	5.73	5.76	5.81	
12 3-month.....	9.07	10.37	8.05	6.73	6.37	5.92	5.71	5.57	5.49	5.71	5.75	5.79	
13 6-month.....	9.27	10.68	8.25	6.72	6.36	5.92	5.71	5.57	5.49	5.72	5.76	5.80	
14 Eurodollar deposits, 3-month ⁸	9.56	10.73	8.28	6.95	6.54	6.06	5.88	5.79	5.59	5.79	5.96	6.00	
U.S. Treasury bills ⁹													
Secondary market ⁹													
15 3-month.....	8.61	9.52	7.48	6.21	5.83	5.53	5.21	5.27	5.21	5.20	5.18	5.24	
16 6-month.....	8.73	9.76	7.65	6.27	5.86	5.58	5.35	5.31	5.26	5.36	5.37	5.38	
17 1-year.....	8.80	9.92	7.81	6.32	5.90	5.60	5.45	5.36	5.35	5.46	5.48	5.47	
Auction average ¹⁰													
18 3-month.....	8.52	9.57	7.47	6.21	5.84	5.57	5.19	5.32	5.12	5.24	5.16	5.25	
19 6-month.....	8.76	9.80	7.64	6.28	5.85	5.58	5.31	5.35	5.17	5.35	5.34	5.40	
20 1-year.....	8.86	9.91	7.83	6.59	5.98	5.82	5.33	n.a.	5.33	n.a.	n.a.	n.a.	
CAPITAL MARKET RATES													
U.S. Treasury notes and bonds ¹¹													
Constant maturities ¹²													
21 1-year.....	9.57	10.89	8.43	6.73	6.27	5.93	5.77	5.67	5.66	5.79	5.81	5.80	
22 2-year.....	10.21	11.65	9.27	7.18	6.67	6.33	6.35	6.05	6.12	6.35	6.43	6.42	
23 3-year.....	10.45	11.89	9.64	7.41	6.86	6.49	6.62	6.25	6.35	6.64	6.71	6.71	
24 5-year.....	10.80	12.24	10.13	7.64	7.06	6.80	6.92	6.55	6.63	6.96	7.01	6.99	
25 7-year.....	11.02	12.40	10.51	7.75	7.22	7.01	7.28	6.81	6.99	7.30	7.38	7.35	
26 10-year.....	11.10	12.44	10.62	7.80	7.30	7.17	7.45	7.02	7.18	7.46	7.56	7.52	
27 20-year.....	11.34	12.48	10.97	7.69	7.29	7.28	7.56	7.17	7.33	7.57	7.66	7.64	
28 30-year.....	11.18	12.39	10.79	7.57	7.27	7.33	7.62	7.24	7.40	7.63	7.71	7.69	
Composite ¹³													
29 Over 10 years (long-term).....	10.84	11.99	10.75	8.23	7.86	7.72	8.08	7.59	7.78	8.07	8.21	8.18	
State and local notes and bonds													
Moody's series ¹⁴													
30 Aaa.....	8.80	9.61	8.60	7.49	7.24	7.11	6.91	6.80	6.85	7.00	6.95	6.85	
31 Baa.....	10.17	10.38	9.58	8.14	7.95	7.81	7.59	7.40	7.50	7.70	7.65	7.50	
32 Bond Buyer series ¹⁵	9.51	10.10	9.11	7.87	7.51	7.21	7.11	6.93	7.00	7.15	7.14	7.15	
Corporate bonds													
Seasoned issues ¹⁶													
33 All industries.....	12.78	13.49	12.05	9.73	9.52	9.44	9.55	9.35	9.43	9.53	9.60	9.61	
34 Aaa.....	12.04	12.71	11.37	9.13	8.88	8.72	8.89	8.62	8.74	8.85	8.95	8.97	
35 Aa.....	12.42	13.31	11.82	9.49	9.28	9.22	9.36	9.16	9.24	9.35	9.41	9.42	
36 A.....	13.10	13.74	12.28	9.96	9.76	9.64	9.73	9.57	9.64	9.72	9.78	9.79	
37 Baa.....	13.55	14.19	12.72	10.34	10.16	10.18	10.20	10.04	10.08	10.21	10.24	10.24	
38 A-rated, recently-offered utility bonds ¹⁷	12.73	13.81	12.06	9.65	9.57	9.51	9.56	9.32	9.43	9.59	9.72	9.62	
MEMO: Dividend/price ratio ¹⁸													
39 Preferred stocks.....	11.02	11.59	10.49	8.89	8.68	8.42	8.10	8.30	7.99	8.12	8.14	8.15	
40 Common stocks.....	4.40	4.64	4.25	3.36	3.41	3.36	3.43	3.26	3.30	3.34	3.57	3.49	

1. Weekly and monthly figures are averages of all calendar days, where the rate for a weekend or holiday is taken to be the rate prevailing on the preceding business day. The daily rate is the average of the rates on a given day weighted by the volume of transactions at these rates.

2. Weekly figures are averages for statement week ending Wednesday.

3. Rate for the Federal Reserve Bank of New York.

4. Unweighted average of offering rates quoted by at least five dealers (in the case of commercial paper), or finance companies (in the case of finance paper). Before November 1979, maturities for data shown are 30-59 days, 90-119 days, and 120-179 days for commercial paper; and 30-59 days, 90-119 days, and 150-179 days for finance paper.

5. Yields are quoted on a bank-discount basis, rather than an investment yield basis (which would give a higher figure).

6. Dealer closing offered rates for top-rated banks. Most representative rate (which may be, but need not be, the average of the rates quoted by the dealers).

7. Unweighted average of offered rates quoted by at least five dealers early in the day.

8. Calendar week average. For indication purposes only.

9. Unweighted average of closing bid rates quoted by at least five dealers.

10. Rates are recorded in the week in which bills are issued. Beginning with the Treasury bill auction held on Apr. 18, 1983, bidders were required to state the percentage yield (on a bank discount basis) that they would accept to two decimal

places. Thus, average issuing rates in bill auctions will be reported using two rather than three decimal places.

11. Yields are based on closing bid prices quoted by at least five dealers.

12. Yields adjusted to constant maturities by the U.S. Treasury. That is, yields are read from a yield curve at fixed maturities. Based on only recently issued, actively traded securities.

13. Averages (to maturity or call) for all outstanding bonds neither due nor callable in less than 10 years, including one very low yielding "flower" bond.

14. General obligations based on Thursday figures; Moody's Investors Service.

15. General obligations only, with 20 years to maturity, issued by 20 state and local governmental units of mixed quality. Based on figures for Thursday.

16. Daily figures from Moody's Investors Service. Based on yields to maturity on selected long-term bonds.

17. Compilation of the Federal Reserve. This series is an estimate of the yield on recently-offered, A-rated utility bonds with a 30-year maturity and 5 years of call protection. Weekly data are based on Friday quotations.

18. Standard and Poor's corporate series. Preferred stock ratio based on a sample of ten issues: four public utilities, four industrials, one financial, and one transportation. Common stock ratios on the 500 stocks in the price index.

NOTE. These data also appear in the Board's H.15 (519) and G.13 (415) releases. For address, see inside front cover.

1.36 STOCK MARKET Selected Statistics

Indicator	1983	1984	1985	1986								
				Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
Prices and trading (averages of daily figures)												
<i>Common stock prices</i>												
1 New York Stock Exchange (Dec. 31, 1965 = 50).....	92.63	92.46	108.09	120.16	126.43	133.97	137.25	137.37	140.82	138.32	140.91	137.06
2 Industrial.....	107.45	108.01	123.79	137.13	144.03	152.75	157.35	158.59	163.15	158.06	160.10	156.52
3 Transportation.....	89.36	85.63	104.11	115.72	124.18	128.66	125.92	122.21	120.65	112.03	111.24	114.06
4 Utility.....	47.00	46.44	56.75	62.46	65.18	68.06	69.35	68.65	70.69	74.20	77.84	74.56
5 Finance.....	95.34	89.28	114.21	132.36	142.13	153.94	154.83	151.28	151.73	150.23	152.90	145.56
6 Standard & Poor's Corporation (1941-43 = 10) ¹ ...	160.41	160.50	186.84	208.19	219.37	232.33	237.97	238.46	245.30	240.18	245.00	238.27
7 American Stock Exchange ² (Aug. 31, 1973 = 50).....	216.48	207.96	229.10	245.27	246.09	264.91	270.59	274.22	281.18	269.93	268.55	264.30
<i>Volume of trading (thousands of shares)</i>												
8 New York Stock Exchange.....	85,418	91,084	109,191	130,872	152,590	160,755	146,330	127,624	126,151	137,709	128,661	150,831
9 American Stock Exchange.....	8,215	6,107	8,355	11,105	14,057	15,902	13,503	11,870	12,795	10,320	9,885	10,853
Customer financing (end-of-period balances, in millions of dollars)												
10 Margin credit at broker-dealers ³	23,000	22,470	28,390	26,810	27,450	29,090	30,760	32,370	32,480	33,170	34,550	34,580
<i>Free credit balances at brokers⁴</i>												
11 Margin-account ⁵	1,755	2,715	2,645	2,545	2,715	3,065	2,405	2,585	2,570	3,035	3,395	
12 Cash-account.....	8,430	10,215	12,840	11,695	12,355	13,920	14,340	12,970	13,570	14,600	14,210	14,060
Margin-account debt at brokers (percentage distribution, end of period) ⁶												
13 Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	↑	↑	↑
<i>By equity class (in percent)⁷</i>												
14 Under 40.....	22.0	18.0	34.0	32.0	28.0	29.0	29.0	30.0	31.0	↑	↑	↑
15 40-49.....	22.0	18.0	20.0	21.0	19.0	19.0	20.0	19.0	20.0	n.a.	n.a.	n.a.
16 50-59.....	16.0	16.0	19.0	19.0	21.0	22.0	20.0	22.0	20.0	↓	↓	↓
17 60-69.....	9.0	9.0	11.0	11.0	13.0	13.0	13.0	12.0	13.0	↓	↓	↓
18 70-79.....	6.0	5.0	8.0	8.0	9.0	8.0	9.0	8.0	8.0	↓	↓	↓
19 80 or more.....	6.0	6.0	8.0	9.0	10.0	9.0	9.0	9.0	8.0	↓	↓	↓
Special miscellaneous-account balances at brokers (end of period) ⁶												
20 Total balances (millions of dollars) ⁸	58,329	75,840	99,310	99,290	104,228	103,450	105,790	109,620	112,401	↑	↑	↑
<i>Distribution by equity status (percent)</i>												
21 Net credit status.....	63.0	59.0	58.0	59.0	60.0	61.0	59.0	58.0	59.0	n.a.	n.a.	n.a.
Debt status, equity of										↓	↓	↓
22 60 percent or more.....	28.0	29.0	31.0	33.0	32.0	31.0	33.0	33.0	32.0	↓	↓	↓
23 Less than 60 percent.....	9.0	11.0	11.0	8.0	8.0	8.0	8.0	9.0	9.0	↓	↓	↓
Margin requirements (percent of market value and effective date) ⁹												
	Mar. 11, 1968	June 8, 1968	May 6, 1970	Dec. 6, 1971	Nov. 24, 1972	Jan. 3, 1974						
24 Margin stocks.....	70	80	65	55	65	50						
25 Convertible bonds.....	50	60	50	50	50	50						
26 Short sales.....	70	80	65	55	65	50						

1. Effective July 1976, includes a new financial group, banks and insurance companies. With this change the index includes 400 industrial stocks (formerly 425), 20 transportation (formerly 15 rail), 40 public utility (formerly 60), and 40 financial.

2. Beginning July 5, 1983, the American Stock Exchange rebased its index effectively cutting previous readings in half.

3. Beginning July 1983, under the revised Regulation T, margin credit at broker-dealers includes credit extended against stocks, convertible bonds, stocks acquired through exercise of subscription rights, corporate bonds, and government securities. Separate reporting of data for margin stocks, convertible bonds, and subscription issues was discontinued in April 1984, and margin credit at broker-dealers became the total that is distributed by equity class and shown on lines 17-22.

4. Free credit balances are in accounts with no unfulfilled commitments to the brokers and are subject to withdrawal by customers on demand.

5. New series beginning June 1984.

6. In July 1986, the New York Stock Exchange stopped reporting certain data items that were previously obtained in a monthly survey of a sample of brokers

and dealers. Data items that are no longer reported include distributions of margin debt by equity status of the account and special miscellaneous-account balances.

7. Each customer's equity in his collateral (market value of collateral less net debit balance) is expressed as a percentage of current collateral values.

8. 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.

9. Regulations G, T, and U of the Federal Reserve Board of Governors, prescribed in accordance with the Securities Exchange Act of 1934, limit the amount of credit to purchase and carry margin stocks that may be extended on securities as collateral by prescribing a maximum loan value, which is a specified percentage of the market value of the collateral at the time the credit is extended. Margin requirements are the difference between the market value (100 percent) and the maximum loan value. The term "margin stocks" is defined in the corresponding regulation.

1.37 SELECTED FINANCIAL INSTITUTIONS Selected Assets and Liabilities

Millions of dollars, end of period

Account	1983	1984	1985		1986									
			Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	
Savings and loan associations														
1 Assets.....	773,417	903,488	942,212	948,781	938,467	943,029 ^r	947,302 ^r	954,129 ^r	962,509 ^r	953,580 ^r	957,294 ^r	964,378 ^r	954,960	
2 Mortgages.....	494,789	555,277	583,262	585,462	578,472	576,608	574,732 ^r	575,298 ^r	575,114 ^r	565,205 ^r	565,435 ^r	566,532 ^r	558,409	
3 Mortgage-backed securities.....			96,844	97,303	96,891	98,482	99,332	102,419 ^r	107,311 ^r	112,148 ^r	112,054 ^r	112,594 ^r	112,720	
4 Cash and investment securities ¹	104,274	124,801	123,670	126,712	123,415	127,028 ^r	131,464 ^r	132,347 ^r	134,870 ^r	131,000 ^r	132,769 ^r	138,876 ^r	139,861	
5 Other.....	174,354	223,396	237,275	238,833	236,850	239,394 ^r	241,104 ^r	246,484 ^r	252,522 ^r	257,372 ^r	259,089 ^r	258,968 ^r	256,688	
6 Liabilities and net worth.....	773,417	903,488	942,212	948,781	938,467	943,029 ^r	947,302 ^r	954,129 ^r	962,509 ^r	953,580 ^r	957,294 ^r	964,378 ^r	954,960	
7 Savings capital.....	634,455	725,045	744,697	750,071	745,218	747,016 ^r	752,056	750,299 ^r	751,138 ^r	744,018 ^r	747,015 ^r	749,086 ^r	743,635	
8 Borrowed money.....	92,127	125,666	134,938	138,798	131,521	131,671	133,407 ^r	139,574 ^r	144,179 ^r	147,166 ^r	145,691 ^r	147,658 ^r	151,899	
9 FHLBB.....	52,626	64,207	72,370	73,888	71,488	71,214	70,464	73,815	73,520	73,555 ^r	75,059 ^r	75,594 ^r	80,409	
10 Other.....	39,501	61,459	62,568	64,910	60,033	60,457	62,943 ^r	65,759 ^r	70,659 ^r	73,611 ^r	70,632 ^r	72,064 ^r	71,490	
11 Other.....	15,968	17,944	22,949	19,045	21,024	23,125	20,078 ^r	22,078 ^r	24,803 ^r	20,947 ^r	22,899 ^r	24,788 ^r	16,181	
12 Net worth ²	30,867	34,833	39,820	41,064	40,704	41,217 ^r	41,760 ^r	42,178 ^r	42,388 ^r	41,450 ^r	41,689 ^r	42,846 ^r	43,245	
MEMO														
13 Mortgage loan commitments outstanding ³	54,113	61,305	59,280	56,051	51,130	52,542	54,366 ^r	55,773 ^r	57,992 ^r	57,147 ^r	55,546 ^r	52,980 ^r	51,306	
FSLIC-insured federal savings banks														
14 Assets.....	64,969	98,559	130,754	131,868	142,136 ^r	146,508 ^r	152,823 ^r	155,684 ^r	164,129 ^r	180,134 ^r	183,239 ^r	186,693 ^r	196,173	
15 Mortgages.....	38,698	57,429	72,852	72,355	78,984	81,641	85,028 ^r	86,599	89,108 ^r	99,599 ^r	101,206 ^r	102,422 ^r	107,335	
16 Mortgage-backed securities.....	7,172	9,949	15,386	15,676	16,620	16,367	17,851	18,661	19,829 ^r	21,649 ^r	23,330 ^r	24,187	24,447	
17 Other.....	6,595	10,971	11,895	11,723	13,274 ^r	13,759 ^r	13,923 ^r	14,590 ^r	15,083 ^r	16,816 ^r	17,714 ^r	17,794 ^r	18,326	
18 Liabilities and net worth.....	64,969	98,559	130,754	131,868	142,136 ^r	146,508 ^r	152,823 ^r	155,684	164,129 ^r	180,134 ^r	183,239 ^r	186,693 ^r	196,173	
19 Savings capital.....	53,227	79,572	102,937	103,462	111,879 ^r	114,743	119,434	121,133	126,123	138,168	140,610	142,805	149,086	
20 Borrowed money.....	7,477	12,798	18,606	19,323	20,419	21,254	22,747 ^r	23,196	25,686	28,502 ^r	28,697	29,387 ^r	32,231	
21 FHLBB.....	4,640	7,515	10,353	10,510	11,151	11,283	12,064	12,476	12,830	15,301	15,866	16,157 ^r	16,845	
22 Other.....	2,837	5,283	8,253	8,813	9,268	9,971	10,683 ^r	10,720	12,856	13,201 ^r	12,831	13,230	15,386	
23 Other.....	1,157	1,903	3,113	2,732	2,983	3,397	3,291	3,755	4,338	4,279 ^r	4,504 ^r	4,851 ^r	4,675	
24 Net worth.....	3,108	4,286	6,098	6,351	6,857 ^r	7,114 ^r	7,349	7,599	7,982	9,186	9,427	9,650	10,180	
MEMO														
25 Mortgage loan commitments outstanding ³	2,151	3,234	5,636	5,355	6,707	7,718	8,330	8,287	8,762	9,343 ^r	10,134	9,378 ^r	10,113	
Savings banks														
26 Assets.....	193,535	203,898	216,793	216,776	216,673	218,119	221,256	222,542	226,495	223,239	224,569	227,011	n.a.	
Loans														
27 Mortgage.....	97,356	102,895	109,494	110,371	108,973	109,702	110,271	111,813	112,417	110,877	111,971	113,265		
28 Other.....	19,129	24,954	31,217	30,876	31,752	32,501	34,873	34,591	35,500	36,684	36,421	37,350		
Securities														
29 U.S. government.....	15,360	14,643	13,434	13,111	12,568	12,474	12,313	12,013	13,210	12,111	12,297	12,043		
30 Mortgage-backed securities.....	18,205	19,215	19,828	19,481	21,372	21,525	21,593	21,885	22,546	22,400	22,954	21,161		
31 State and local government.....	2,177	2,077	2,148	2,323	2,298	2,297	2,306	2,372	2,343	2,280	2,309	2,400		
32 Corporate and other.....	25,375	23,747	22,816	21,199	20,828	20,707	20,403	20,439	20,260	20,355	20,862	20,602		
33 Cash.....	6,263	4,954	4,771	6,225	5,645	5,646	5,845	5,570	6,225	5,300	4,651	5,018		
34 Other assets.....	9,670	11,413	13,085	13,113	13,237	13,267	13,652	13,859	13,994	13,232	13,104	13,172		
35 Liabilities	193,535	203,898	216,793	216,776	216,673	218,119	221,256	222,542	226,495	223,239	224,569	227,011		
36 Deposits.....	172,665	180,616	187,552	185,972	186,321	186,777	188,960	189,025	190,310	188,987	188,615	189,937		
37 Regular ⁴	170,135	177,418	183,716	181,921	182,399	182,890	184,704	184,580	185,716	183,847	183,433	184,764		
38 Ordinary savings.....	38,554	33,739	33,638	33,018	32,365	32,693	33,021	33,057	33,577	33,985	34,166	34,530		
39 Time.....	95,129	104,732	104,116	103,311	104,436	104,588	105,562	105,550	105,146	103,013	102,374	102,668		
40 Other.....	2,530	3,198	3,836	4,051	3,922	3,887	4,256	4,445	4,594	5,140	5,182	5,173		
41 Other liabilities.....	10,154	12,504	16,309	17,414	17,086	17,793	18,412	19,074	21,384	19,205	20,641	21,360		
42 General reserve accounts.....	10,368	10,510	12,567	12,823	12,925	13,211	13,548	14,114	14,519	14,746	15,084	15,427		

1.37 Continued

Account	1983	1984	1985		1986									
			Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	
Credit unions ⁵														
43 Total assets/liabilities and capital	81,961	93,036	117,029	118,010	118,933	122,623	126,653	128,229	132,415	134,703	137,901	139,233	↑ n.a.	
44 Federal	54,482	63,205	77,829	77,861	78,619	80,024	82,275	83,543	86,289	87,579	89,539	90,367		
45 State	27,479	29,831	39,200	40,149	40,314	42,599	44,378	44,686	46,126	47,124	48,362	48,866		
46 Loans outstanding	50,083	62,561	72,404	73,513	73,513	74,207	75,300	76,385	76,774	77,847	79,647	80,656		
47 Federal	32,930	42,337	47,538	47,933	48,055	48,059	48,633	49,756	49,950	50,613	51,331	52,007		
48 State	17,153	20,224	24,866	25,580	25,458	26,148	26,667	26,629	26,824	27,234	28,316	28,649		
49 Savings	74,739	84,348	105,384	105,963	107,238	110,541	114,579	116,703	120,331	122,952	125,331	126,268		
50 Federal	49,889	57,539	71,117	70,926	72,166	73,227	75,698	77,112	79,479	80,975	82,596	83,132		
51 State	24,850	26,809	34,267	35,037	35,072	37,314	38,881	39,591	40,852	41,977	42,735	43,136		
Life insurance companies														
52 Assets	654,948	722,979	802,024	816,203	831,716	839,856	848,535	855,605	863,610	872,359	↑	↑	↑	
Securities														
53 Government	50,752	63,899	73,451	77,230	75,937	76,761	77,965	78,494	79,051	78,284				
54 United States ⁶	28,636	42,204	50,321	53,559	52,243	53,264	54,289	54,705	55,120	54,197				
55 State and local	9,986	8,713	9,615	10,086	9,869	9,588	9,674	9,869	9,930	10,114				
56 Foreign ⁷	12,130	12,982	13,515	13,585	13,825	13,909	14,002	13,920	14,001	13,973				
57 Business	322,854	359,333	410,141	414,424	428,979	435,758	440,963	445,573	450,279	455,119	n.a.	n.a.	n.a.	
58 Bonds	257,986	295,998	335,129	337,205	351,402	354,911	357,196	361,306	364,122	367,966				
59 Stocks	64,868	63,335	75,012	77,219	77,577	80,847	83,767	84,267	86,157	87,153				
60 Mortgages	150,999	156,699	167,306	170,460	172,324	172,997	174,823	175,951	177,554	180,041				
61 Real estate	22,234	25,767	28,844	28,662	29,035	29,356	29,804	30,059	30,025	30,350				
62 Policy loans	54,063	54,505	54,121	54,200	54,264	54,267	54,273	54,272	54,351	57,342				
63 Other assets	54,046	63,776	68,161	71,227	57,090	57,351	57,753	57,492	57,802	58,290	↓	↓	↓	

1. Holdings of stock of the Federal Home Loan Banks are in "other assets."

2. Includes net undistributed income accrued by most associations.

3. As of July 1985, data include loans in process.

4. Excludes checking, club, and school accounts.

5. Data include all federally insured credit unions, both federal and state chartered, serving natural persons.

6. Direct and guaranteed obligations. Excludes federal agency issues not guaranteed, which are shown in the table under "Business" securities.

7. Issues of foreign governments and their subdivisions and bonds of the International Bank for Reconstruction and Development.

NOTE. *Savings and loan associations*: Estimates by the FHLBB for all associations in the United States based on annual benchmarks for non-FSLIC-insured associations and the experience of FSLIC-insured associations.

FSLIC-insured federal savings banks: Estimates by the FHLBB for federal savings banks insured by the FSLIC and based on monthly reports of federally insured institutions.

Savings banks: Estimates by the National Council of Savings Institutions for all savings banks in the United States and for FDIC-insured savings banks that have converted to federal savings banks.

Credit unions: Estimates by the National Credit Union Administration for federally chartered and federally insured state-chartered credit unions serving natural persons.

Life insurance companies: Estimates of the American Council of Life Insurance for all life insurance companies in the United States. Annual 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."

1.38 FEDERAL FISCAL AND FINANCING OPERATIONS

Millions of dollars

Type of account or operation	Fiscal year 1983	Fiscal year 1984	Fiscal year 1985	Calendar year					
				1986					
				Apr.	May	June	July	Aug.	Sept.
<i>U.S. budget¹</i>									
1 Receipts, total	600,562	666,457	733,996	91,438	46,246	77,024	62,974	56,523	78,013
2 On-budget	n.a.	n.a.	n.a.	69,130	30,004	58,400	47,571	41,404	59,978
3 Off-budget	n.a.	n.a.	n.a.	22,308	16,242	18,624	15,402	15,119	18,035
4 Outlays, total	808,273	851,796	945,927	81,510	85,642	78,034	85,203	84,434	81,750
5 On-budget	n.a.	n.a.	n.a.	67,276	69,611	60,982	69,604	68,112	65,614
6 Off-budget	n.a.	n.a.	n.a.	14,234	16,031	17,052	15,599	16,322	16,136
7 Surplus, or deficit (-), total	-207,711	-185,339	-211,931	9,928	-39,396	-1,011	-22,229	-27,911	-3,737
8 On-budget	n.a.	n.a.	n.a.	1,854	-39,607	-2,583	-22,033	-26,708	-5,636
9 Off-budget	n.a.	n.a.	n.a.	8,074	211	1,572	-196	-1,203	1,898
Source of financing (total)									
10 Borrowing from the public	212,424	170,817	197,269	14,213	17,960	18,500	14,980	20,278	22,188
11 Cash and monetary assets (decrease, or increase (-)) ²	-9,889	5,636	10,673	-22,542	22,774	-13,065	3,972	10,298	-21,313
12 Other ³	5,176	8,885	3,989	-1,599	-1,338	-4,424	3,277	-2,665	2,862
MEMO									
13 Treasury operating balance (level, end of period)	37,057	22,345	17,060	34,417	12,808	24,641	20,810	10,428	31,384
14 Federal Reserve Banks	16,557	3,791	4,174	11,550	3,083	3,143	3,983	1,106	7,514
15 Tax and loan accounts	20,500	18,553	12,886	22,867	9,725	21,498	16,827	9,322	23,870

1. In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985, all former off-budget entries are now presented on-budget. The Federal Financing Bank (FFB) activities are now shown as separate accounts under the agencies that use the FFB to finance their programs. The act has also moved two social security trust funds (Federal old-age survivors insurance and Federal disability insurance trust funds) off-budget.

2. Includes U.S. Treasury operating cash accounts; SDRs; reserve position on the U.S. quota in the IMF; loans to International Monetary Fund; and other cash and monetary assets.

3. Includes accrued interest payable to the public; allocations of special drawing rights; deposit funds; miscellaneous liability (including checks outstanding) and asset accounts; seigniorage; increment on gold; net gain/loss for U.S. currency valuation adjustment; net gain/loss for IMF valuation adjustment; and profit on the sale of gold.

SOURCE: "Monthly Treasury Statement of Receipts and Outlays of the U.S. Government," and the "Daily Treasury Statement."

1.39 U.S. BUDGET RECEIPTS AND OUTLAYS

Millions of dollars

Source or type	Fiscal year 1984	Fiscal year 1985	Calendar year						
			1984	1985		1986	1986		
			H2	H1	H2	H1	July	Aug.	Sept.
RECEIPTS									
1 All sources.....	666,457	734,057 ¹	341,392	380,618	364,790	394,345	62,974	56,523	78,013
2 Individual income taxes, net.....	295,960	334,560 ²	157,229	166,783	169,987	169,444	31,438	25,764	37,125
3 Withheld.....	279,350	298,941	145,210	149,288	155,725	153,919	30,329	24,504	24,707
4 Presidential Election Campaign Fund.....	35	35	5	29	6	31	2	1	1
5 Nonwithheld.....	81,346	101,328 ²	19,403	76,155	22,295	78,981	2,838	2,846	14,199
6 Refunds.....	64,770	65,743	7,387	58,684	8,038	63,488	1,732	1,587	1,782
Corporation income taxes.....									
7 Gross receipts.....	74,179	77,413	35,190	42,193	36,528	41,946	4,483	1,997	13,162
8 Refunds.....	17,286	16,082	6,847	8,370	7,751	9,557	1,109	922	1,713
9 Social insurance taxes and contributions, net.....	241,902	265,163 ²	118,690	144,598	128,017	156,714	21,564	23,738	23,507
10 Employment taxes and contributions ¹	212,180	234,646 ²	105,624	126,038	116,276	139,706	19,675	19,529	22,819
11 Self-employment taxes and contributions ²	8,709	10,468	1,086	9,482	985	10,581	-264	0	1,379
12 Unemployment insurance.....	25,138	25,758	10,706	16,213	9,281	14,674	1,464	3,842	314
13 Other net receipts ³	4,580	4,759	2,360	2,350	2,458	2,333	424	366	374
14 Excise taxes.....	37,361	35,992 ²	18,961	17,259	18,470	15,944	2,755	2,340 ²	2,653
15 Customs deposits.....	11,370	12,079	6,329	5,807	6,354	6,369	1,305	1,272	1,236
16 Estate and gift taxes.....	6,010	6,422	3,029	3,204	3,323	3,487	612	608	599
17 Miscellaneous receipts ⁴	16,965	18,510 ²	8,812	9,144	9,861	10,002	1,926	1,725	1,445
OUTLAYS									
18 All types.....	851,781	946,223	446,944	463,842	487,188	486,037	85,203	84,434	81,750
19 National defense.....	227,413	252,748	118,286	124,186	134,675	135,367	23,647	22,448	23,964
20 International affairs.....	15,876	16,176	8,550	6,675	8,367	5,384	889	999	2,603
21 General science, space, and technology.....	8,317	8,627	4,473	4,230	4,727	12,519 ²	679	694	876
22 Energy.....	7,086	5,685	1,423	680	3,305	2,484	393	671	228
23 Natural resources and environment.....	12,593	13,357	7,370	5,892	7,553	6,245	1,346	1,142	1,227
24 Agriculture.....	13,613	25,565	8,524	11,705	15,412	14,482	2,029	844	2,801
25 Commerce and housing credit.....	6,917	4,229	2,663	-260	644	860	1,127	175	1,884
26 Transportation.....	23,669	25,838	13,673	11,440	15,360	12,658	2,551	2,310	2,969
27 Community and regional development.....	7,673	7,680	4,836	3,408	3,901	3,169	635	582	516
28 Education, training, employment, social services.....	27,579	29,342	13,737	14,149	14,481	14,712	2,399	2,630	2,507
29 Health.....	30,417	33,542	15,692	16,945	17,237	17,872	3,125	3,241	2,997
30 Social security and medicare.....	235,764	254,446	119,613	128,351	129,037	135,214	23,471	22,809	22,756
31 Income security.....	112,668	128,200	61,558	65,246	59,457	60,786	10,192	10,740	8,574
32 Veterans benefits and services.....	25,614	26,352	13,317	11,956	14,527	12,193	2,366	3,373	829
33 Administration of justice.....	5,660	6,277	2,992	3,016	3,212	3,352	603	516	513
34 General government.....	5,053	5,228	2,552	2,857	3,634	3,566	188	598	525
35 General-purpose fiscal assistance.....	6,768	6,353	3,458	2,659	3,391	2,179	1,071	49	1,139
36 Net interest ⁵	111,058	129,436	61,293	65,143	67,448	68,054	11,174	12,652	8,640
37 Undistributed offsetting receipts ⁶	-31,957	-32,759	-17,061	-14,436	-17,953	-17,193	-2,683	-2,079	-3,796

1. Old-age, disability, and hospital insurance, and railroad retirement accounts.

2. Old-age, disability, and hospital insurance.

3. Federal employee retirement contributions and civil service retirement and disability fund.

4. Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.

5. Net interest function includes interest received by trust funds.

6. Consists of rents and royalties on the outer continental shelf and U.S. government contributions for employee retirement.

SOURCE: "Monthly Treasury Statement of Receipts and Outlays of the U.S. Government," and the *Budget of the U.S. Government, Fiscal Year 1987*.

A30 Domestic Financial Statistics □ December 1986

1.40 FEDERAL DEBT SUBJECT TO STATUTORY LIMITATION

Billions of dollars

Item	1984			1985			1986		
	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30
1 Federal debt outstanding	1,517.2	1,576.7	1,667.4	1,715.1	1,779.0	1,827.5	1,950.3	1,991.1	2,063.6
2 Public debt securities	1,512.7	1,572.3	1,663.0	1,710.7	1,774.6	1,823.1	1,945.9	1,986.8	2,059.3
3 Held by public	1,255.1	1,309.2	1,373.4	1,415.2	1,460.5	1,506.6	1,597.1	1,634.3	1,684.9
4 Held by agencies	257.6	263.1	289.6	295.5	314.2	316.5	348.9	352.6	374.4
5 Agency securities	4.5	4.5	4.5	4.4	4.4	4.4	4.4	4.3	4.3
6 Held by public	3.4	3.4	3.4	3.3	3.3	3.3	3.3	3.2	3.2
7 Held by agencies	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
8 Debt subject to statutory limit	1,513.4	1,573.0	1,663.7	1,711.4	1,775.3	1,823.8	1,932.4	1,973.3	2,060.0
9 Public debt securities	1,512.1	1,571.7	1,662.4	1,710.1	1,774.0	1,822.5	1,931.1	1,972.0	2,058.7
10 Other debt ¹	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
11 MEMO: Statutory debt limit	1,520.0	1,573.0	1,823.8	1,823.8	1,823.8	1,823.8	2,078.7	2,078.7	2,078.7

1. Includes guaranteed debt of government agencies, specified participation certificates, notes to international lending organizations, and District of Columbia stadium bonds.

NOTE. Data from *Treasury Bulletin* and *Daily Treasury Statement* (U.S. Treasury Department).

1.41 GROSS PUBLIC DEBT OF U.S. TREASURY Types and Ownership

Billions of dollars, end of period

Type and holder	1981	1982	1983	1984	1985		1986	
					Q3	Q4	Q1	Q2
1 Total gross public debt	1,028.7	1,197.1	1,410.7	1,663.0	1,823.1	1,945.9	1,986.8	2,059.3
By type								
2 Interest-bearing debt	1,027.3	1,195.5	1,400.9	1,660.6	1,821.0	1,943.4	1,984.2	2,056.7
3 Marketable	720.3	881.5	1,050.9	1,247.4	1,360.2	1,437.7	1,472.8	1,498.2
4 Bills	245.0	311.8	343.8	374.4	384.2	399.9	393.2	396.9
5 Notes	375.3	465.0	573.4	705.1	776.4	812.5	842.5	869.3
6 Bonds	99.9	104.6	133.7	167.9	199.5	211.1	223.0	232.3
7 Nonmarketable ¹	307.0	314.0	350.0	413.2	460.8	505.7	511.4	558.5
8 State and local government series	23.0	25.7	36.7	44.4	62.8	87.5	88.5	98.2
9 Foreign issues ²	19.0	14.7	10.4	9.1	6.6	7.5	6.7	5.3
10 Government	14.9	13.0	10.4	9.1	6.6	7.5	6.7	5.3
11 Public	4.1	1.7	0	0	0	0	0	0
12 Savings bonds and notes	68.1	68.0	70.7	73.1	77.0	78.1	79.8	82.3
13 Government account series ³	196.7	205.4	231.9	286.2	313.9	332.2	336.0	372.3
14 Non-interest-bearing debt	1.4	1.6	9.8	2.3	2.1	2.5	2.6	2.6
By holder ⁴								
15 U.S. government agencies and trust funds	203.3	209.4	236.3	289.6	316.5	348.9	352.6	374.4
16 Federal Reserve Banks	131.0	139.3	151.9	160.9	169.7	181.3	184.8	183.8
17 Private investors	694.5	848.4	1,022.6	1,212.5	1,338.2	1,417.2	1,473.1	1,502.7
18 Commercial banks	111.4	131.4	188.8	183.4	196.9	192.2	193.1	197.2
19 Money market funds	21.5	42.6	22.8	25.9	22.7	25.1	29.9	22.8
20 Insurance companies	29.0	39.1	56.7	76.4	88.6	93.2	95.8	n.a.
21 Other companies	17.9	24.5	39.7	50.1	59.0	59.0	59.6	59.8
22 State and local governments	104.3	127.8	155.1	179.4	n.a.	n.a.	n.a.	n.a.
Individuals								
23 Savings bonds	68.1	68.3	71.5	74.5	78.2	79.8	81.4	83.8
24 Other securities	42.7	48.2	61.9	69.3	73.2	75.0	76.1	73.4
25 Foreign and international ⁵	136.6	149.5	166.3	192.9	209.8	214.6	225.4	237.9
26 Other miscellaneous investors ⁶	163.0	217.0	259.8	360.6	n.a.	n.a.	n.a.	n.a.

1. Includes (not shown separately): Securities issued to the Rural Electrification Administration; depository bonds, retirement plan bonds, and individual retirement bonds.

2. Nonmarketable dollar-denominated and foreign currency-denominated series held by foreigners.

3. Held almost entirely by U.S. government agencies and trust funds.

4. Data for Federal Reserve Banks and U.S. government agencies and trust funds are actual holdings; data for other groups are Treasury estimates.

5. Consists of investments of foreign and international accounts. Excludes non-interest-bearing notes issued to the International Monetary Fund.

6. Includes savings and loan associations, nonprofit institutions, credit unions, mutual savings banks, corporate pension trust funds, dealers and brokers, certain U.S. government deposit accounts, and U.S. government-sponsored agencies.

SOURCES. Data by type of security, U.S. Treasury Department. *Monthly Statement of the Public Debt of the United States*; data by holder. *Treasury Bulletin*.

1.42 U.S. GOVERNMENT SECURITIES DEALERS Transactions¹

Par value; averages of daily figures, in millions of dollars

Item	1983	1984	1985	1986			1986 week ending Wednesday					
				June ^r	July ^r	Aug. ^r	July 23	July 30	Aug. 6	Aug. 13 ^r	Aug. 20 ^r	Aug. 27
Immediate delivery ²												
1 U.S. government securities	42,135	52,778	75,331	90,149	84,935	101,961	74,974 ^r	79,945 ^r	103,815 ^r	112,425	97,598	97,245 ^r
By maturity												
2 Bills	22,393	26,035	32,900	32,470	31,171	36,838	29,024	28,862	40,330 ^r	39,034	31,300	37,893 ^r
3 Other within 1 year	708	1,305	1,811	2,271	2,182	2,250	2,028	2,042	2,283	2,416	2,503	2,196
4 1-5 years	8,758	11,733	18,361	23,257	22,860	30,246	20,348 ^r	23,026 ^r	30,391 ^r	28,998	35,144	30,243
5 5-10 years	5,279	7,606	12,703	20,994	19,256	21,354	16,235 ^r	15,606	21,148 ^r	25,426	17,546	18,481
6 Over 10 years	4,997	6,099	9,556	11,157	9,467	11,272	7,339 ^r	10,409	9,663 ^r	16,551	11,104	8,433
By type of customer												
7 U.S. government securities dealers	2,257	2,919	3,336	3,732	3,625	4,572	3,027	3,223	5,293	4,629	3,867	4,285 ^r
8 U.S. government securities brokers	21,045	25,580	36,222	47,405	44,583	53,271	40,648	43,671 ^r	52,459	60,190	51,314	50,712
9 All others ³	18,833	24,278	35,773	39,013	36,727	44,118	31,299	33,051 ^r	46,064 ^r	47,606	42,417	42,249 ^r
10 Federal agency securities	5,576	7,846	11,640	16,036	15,817	16,963	14,031	12,035	14,206	16,369	20,642	17,506 ^r
11 Certificates of deposit	4,333	4,947	4,016	4,748	4,725	4,384	4,296 ^r	3,938	3,449	4,889	4,048	4,906
12 Bankers acceptances	2,642	3,243	3,242	3,284	3,473	3,211	3,310	2,770	3,288	3,284	3,176	3,383
13 Commercial paper	8,036	10,018	12,717	17,093	16,934	17,093	16,197	15,855	17,229	16,592	17,140	17,044
Futures transactions ⁴												
14 Treasury bills	6,655	6,947	5,561	2,912	2,196	2,869	1,962	2,368	1,955	2,295	3,683	3,198 ^r
15 Treasury coupons	2,501	4,503	6,069	7,202	5,276	5,931	5,318	5,777	5,765 ^r	6,931	5,566	5,368 ^r
16 Federal agency securities	265	262	240	17	13	12	*	5	2	1	41	1
Forward transactions ⁵												
17 U.S. government securities	1,493	1,364	1,283	1,707	1,377	2,905	1,579	1,350	3,408	3,033	2,652	3,278
18 Federal agency securities	1,646	2,843	3,857	6,739	7,623	7,783	7,313	6,834 ^r	5,851	9,167	8,891	6,748 ^r

1. Transactions are market purchases and sales of securities as reported to the Federal Reserve Bank of New York by the U.S. government securities dealers on its published list of primary dealers.

Averages for transactions are based on the number of trading days in the period. The figures exclude allotments of, and exchanges for, new U.S. government securities, redemptions of called or matured securities, purchases or sales of securities under repurchase agreement, reverse repurchase (resale), or similar contracts.

2. Data for immediate transactions do not include forward transactions.

3. Includes, among others, all other dealers and brokers in commodities and

securities, nondealer departments of commercial banks, foreign banking agencies, and the Federal Reserve System.

4. Futures contracts are standardized agreements arranged on an organized exchange in which parties commit to purchase or sell securities for delivery at a future date.

5. Forward transactions are agreements arranged in the over-the-counter market in which securities are purchased (sold) for delivery after 5 business days from the date of the transaction for government securities (Treasury bills, notes, and bonds) or after 30 days for mortgage-backed agency issues.

NOTE. Data shown above and previously published for the period since May 1, 1986 are partially estimated.

1.43 U.S. GOVERNMENT SECURITIES DEALERS Positions and Financing¹

Averages of daily figures, in millions of dollars

Item	1983	1984	1985	1986			1986 week ending Wednesday					
				July ^r	Aug. ^r	Sept.	Aug. 27 ^r	Sept. 3	Sept. 10	Sept. 17	Sept. 24	
	Positions											
Net immediate ²												
1 U.S. government securities	14,082	5,429	7,391	11,973	21,151	18,596	17,839	18,498	19,539	16,936	18,935	
2 Bills	10,800	5,500	10,075	10,491	15,727	12,812	14,009	16,479	13,744	11,042	11,458	
3 Other within 1 year	921	63	1,050	6,167	4,718	3,515	4,121	3,797	3,768	3,625	3,041	
4 1-5 years	1,912	2,159	5,154	6,945	10,944	11,600	11,462	11,445	12,885	9,093	12,642	
5 5-10 years	-78	-1,119	-6,202	-9,317	-8,482	-7,790	-8,827	-9,171	-8,546	-6,212	-8,030	
6 Over 10 years	528	-1,174	-2,686	-2,314	-1,756	-1,541	-2,926	-4,052	-2,312	-612	-176	
7 Federal agency securities	7,313	15,294	22,860	35,014	31,295	26,857	29,237	28,937	27,521	26,197	25,210	
8 Certificates of deposit	5,838	7,369	9,192	11,530	10,919	9,960	9,866	9,977	10,262	9,582	9,888	
9 Bankers acceptances	3,332	3,874	4,586	5,466	6,734	5,172	5,809	5,615	5,676	4,781	4,593	
10 Commercial paper	3,159	3,788	5,570	7,989	8,027	7,469	7,261	8,262	7,950	6,789	6,833	
Futures positions												
11 Treasury bills	-4,125	-4,525	-7,322	-14,058	-16,381	-16,246	-14,734	-14,897	-15,831	-16,949	-16,747	
12 Treasury coupons	-1,033	1,794	4,465	2,324	2,522	2,340	4,251	4,592	3,165	1,239	1,281	
13 Federal agency securities	171	233	-722	-95	-67	-60	-70	-69	-65	-56	-54	
Forward positions												
14 U.S. government securities	-1,936	-1,643	-911	-2,636	-3,046	-3,503	-3,370	-4,507	-2,912	-3,224	-3,900	
15 Federal agency securities	-3,561	-9,205	-9,420	-10,490	-11,383	-9,906	-10,867	-10,528	-9,740	-9,973	-9,839	
	Financing ³											
Reverse repurchase agreements ⁴												
16 Overnight and continuing	29,099	44,078	68,035	92,366	97,709	98,805	97,903	97,509	94,321	98,265	100,226	
17 Term agreements	52,493	68,357	80,509	108,761	102,897	106,640	105,635	109,265	112,931	104,596	103,623	
Repurchase agreements ⁵												
18 Overnight and continuing	57,946	75,717	101,410	137,536	144,251	138,823	140,374	139,272	134,300	139,577	140,750	
19 Term agreements	44,410	57,047	77,748	102,427	99,140	103,532	101,012	104,714	108,177	101,872	101,228	

1. Data for dealer positions and sources of financing are obtained from reports submitted to the Federal Reserve Bank of New York by the U.S. government securities dealers on its published list of primary dealers.

Data for positions are averages of daily figures, in terms of par value, based on the number of trading days in the period. Positions are net amounts and are shown on a commitment basis. Data for financing are in terms of actual amounts borrowed or lent and are based on Wednesday figures.

2. Immediate positions are net amounts (in terms of par values) of securities owned by nonbank dealer firms and dealer departments of commercial banks on a commitment, that is, trade-date basis, including any such securities that have been sold under agreements to repurchase (RPs). The maturities of some repurchase agreements are sufficiently long, however, to suggest that the securities involved are not available for trading purposes. Immediate positions include

reverses to maturity, which are securities that were sold after having been obtained under reverse repurchase agreements that mature on the same day as the securities. Data for immediate positions do not include forward positions.

3. Figures cover financing involving U.S. government and federal agency securities, negotiable CDs, bankers acceptances, and commercial paper.

4. Includes all reverse repurchase agreements, including those that have been arranged to make delivery on short sales and those for which the securities obtained have been used as collateral on borrowings, that is, matched agreements.

5. Includes both repurchase agreements undertaken to finance positions and "matched book" repurchase agreements.

NOTE: Data on positions shown above and previously published data for the period since May 1, 1986 are partially estimated.

1.44 FEDERAL AND FEDERALLY SPONSORED CREDIT AGENCIES Debt Outstanding

Millions of dollars, end of period

Agency	1983	1984	1985	1986					
				Mar.	Apr.	May	June	July	Aug.
1 Federal and federally sponsored agencies	240,068	271,220	293,905	291,525	293,336	294,961	296,226	298,361	n.a.
2 Federal agencies	33,940	35,145	36,390	35,927	35,530	36,110	35,826	35,768	36,132
3 Defense Department ¹	243	142	71	59	55	52	48	45	40
4 Export-Import Bank ^{2,3}	14,853	15,882	15,678	15,257	15,257	15,256	14,953	14,953	14,953
5 Federal Housing Administration ⁴	194	133	115	108	114	118	115	115	115
6 Government National Mortgage Association participation certificates ⁵	2,165	2,165	2,165	2,165	2,165	2,165	2,165	2,165	2,165
7 Postal Service ⁶	1,404	1,337	1,940	1,940	1,940	1,940	1,854	1,854	1,854
8 Tennessee Valley Authority	14,970	15,435	16,347	16,324	15,925	16,505	16,617	16,562	16,931
9 United States Railway Association ⁶	111	51	74	74	74	74	74	74	74
10 Federally sponsored agencies ⁷	206,128	236,075	257,515	255,670*	257,806	258,851	260,400	262,593	n.a.
11 Federal Home Loan Banks	48,930	65,085	74,447	74,778	76,527	78,718	81,558	83,081	85,997
12 Federal Home Loan Mortgage Corporation	6,793	10,270	11,926	12,963	13,492	12,475	12,276	12,818	n.a.
13 Federal National Mortgage Association	74,594	83,720	93,896	92,414	92,401	92,629	92,562	93,417	92,286
14 Farm Credit Banks	72,816	71,193	68,851	66,002*	65,188	64,629	63,585	62,857	61,575
15 Student Loan Marketing Association ⁸	3,402	5,745	8,395	9,513	10,198	10,400	10,419	10,420	10,420
MEMO									
16 Federal Financing Bank debt⁹	135,791	145,217	153,373	153,455	153,508	155,076	155,222	155,526	156,132
<i>Lending to federal and federally sponsored agencies</i>									
17 Export-Import Bank ³	14,789	15,852	15,670	15,250	15,250	15,250	14,947	14,947	14,947
18 Postal Service ⁶	1,154	1,087	1,690	1,690	1,690	1,690	1,604	1,604	1,604
19 Student Loan Marketing Association	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
20 Tennessee Valley Authority	13,245	13,710	14,622	14,649	14,250	14,830	14,942	14,937	15,306
21 United States Railway Association ⁶	111	51	74	74	74	74	74	74	74
<i>Other Lending¹⁰</i>									
22 Farmers Home Administration	55,266	58,971	64,234	63,464	63,829	64,544	64,924	65,174	65,274
23 Rural Electrification Administration	19,766	20,693	20,654	20,959	21,061	21,154	21,255	21,321	21,398
24 Other	26,460	29,853	31,429	32,369	32,354	32,534	32,476	32,469	32,529

1. Consists of mortgages assumed by the Defense Department between 1957 and 1963 under family housing and homeowners assistance programs.

2. Includes participation certificates reclassified as debt beginning Oct. 1, 1976.

3. Off-budget Aug. 17, 1974, through Sept. 30, 1976; on-budget thereafter.

4. Consists of debentures issued in payment of Federal Housing Administration insurance claims. Once issued, these securities may be sold privately on the securities market.

5. Certificates of participation issued before fiscal 1969 by the Government National Mortgage Association acting as trustee for the Farmers Home Administration; Department of Health, Education, and Welfare; Department of Housing and Urban Development; Small Business Administration; and the Veterans Administration.

6. Off-budget.

7. Includes outstanding noncontingent liabilities: Notes, bonds, and debentures. Some data are estimated.

8. Before late 1981, the Association obtained financing through the Federal Financing Bank.

9. The FFB, which began operations in 1974, is authorized to purchase or sell obligations issued, sold, or guaranteed by other federal agencies. Since FFB incurs debt solely for the purpose of lending to other agencies, its debt is not included in the main portion of the table in order to avoid double counting.

10. Includes FFB purchases of agency assets and guaranteed loans; the latter contain loans guaranteed by numerous agencies with the guarantees of any particular agency being generally small. The Farmers Home Administration item consists exclusively of agency assets, while the Rural Electrification Administration entry contains both agency assets and guaranteed loans.

A34 Domestic Financial Statistics □ December 1986

1.45 NEW SECURITY ISSUES Tax-Exempt State and Local Governments

Millions of dollars

Type of issue or issuer, or use	1983	1984	1985	1986							
				Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
1 All issues, new and refunding¹	86,421	106,641	214,189	1,572	3,300	8,008	12,578	13,215	12,611	19,833	25,965
<i>Type of issue</i>											
2 General obligation	21,566	26,485	52,622	751	916	2,720	5,459	7,115	6,326	6,531	5,931
3 Revenue	64,855	80,156	161,567	821	2,384	5,288	7,120	6,100	6,285	13,302	20,034
<i>Type of issuer</i>											
4 State	7,140	9,129	13,004	296	287	1,088	1,956	2,825	1,705	2,879	2,121
5 Special district and statutory authority ²	51,297	63,550	134,363	579	1,691	4,383	7,350	6,427	6,351	10,589	15,714
6 Municipalities, counties, townships	27,984	33,962	66,822	697	1,322	2,537	3,273	3,962	4,554	6,365	8,125
7 Issues for new capital, total	72,441	94,050	156,050	1,350	2,022	3,314	6,938	7,155	8,178	13,165	17,810
<i>Use of proceeds</i>											
8 Education	8,099	7,553	16,658	370	441	624	1,706	1,827	1,694	2,800	2,926
9 Transportation	4,387	7,552	12,070	246	380	795	815	273	947	3,164	1,460
10 Utilities and conservation	13,588	17,844	26,852	315	1,352	4,082	4,554	3,450	1,583	4,425	6,292
11 Social welfare	26,910	29,928	63,181	6	239	337	579	1,424	1,518	1,186	2,554
12 Industrial aid	7,821	15,415	12,892	0	134	37	313	264	255	975	489
13 Other purposes	11,637	15,758	24,398	413	729	2,132	4,610	5,978	6,614	7,281	12,245

1. Par amounts of long-term issues based on date of sale.
2. Includes school districts beginning April 1986.

SOURCES: Securities Data Company beginning April 1986. Public Securities Association for earlier data. This new data source began with the November BULLETIN.

1.46 NEW SECURITY ISSUES Corporations

Millions of dollars

Type of issue or issuer, or use	1983	1984	1985	1986							
				Jan.	Feb.	Mar.	Apr.	May	June	July ^r	Aug.
1 All issues¹	119,949	132,531	201,269	17,093	23,931	30,444	33,489	19,564	25,776^r	20,999	24,022
2 Bonds²	68,370	109,903	165,754	13,693	19,469	24,923	27,883	13,050	20,756^r	16,672	18,202
<i>Type of offering</i>											
3 Public	47,244	73,579	119,559	13,693	19,469	24,923	27,883	13,050	20,756 ^r	16,672	18,202
4 Private placement	21,126	36,324	46,195	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<i>Industry group</i>											
5 Manufacturing	17,001	24,607	52,228	4,596	3,950	8,895	7,975	3,939	5,368	2,535	4,536
6 Commercial and miscellaneous	7,540	13,726	15,215	624	1,216	790	2,640	1,776	2,206	3,410	1,030
7 Transportation	3,833	4,694	5,743	633	373	303	614	427	250	497	550
8 Public utility	9,125	10,679	12,957	820	2,540	2,133	3,330	1,709	1,948	1,470	2,098
9 Communication	3,642	2,997	10,456	0	1,200	1,907	3,115	712	810	465	1,615
10 Real estate and financial	27,227	53,199	69,157	7,021	10,190	10,895	10,210	4,487	10,174	8,295	8,373
11 Stocks³	51,579	22,628	35,515	3,400	4,462	5,521	5,606	6,514	5,020	4,327	5,820
<i>Type</i>											
12 Preferred	7,213	4,118	6,505	570	975	1,160	751	856	1,284	726	1,290
13 Common	44,366	18,510	29,010	2,830	3,487	4,361	4,855	5,658	3,736	3,601	4,530
<i>Industry group</i>											
14 Manufacturing	14,135	4,054	5,700	827	1,269	851	1,434	1,827	1,132	746	991
15 Commercial and miscellaneous	13,112	6,277	9,149	683	434	607	910	953	421	917	803
16 Transportation	2,729	589	1,544	78	302	355	158	372	154	179	57
17 Public utility	5,001	1,624	1,966	176	153	357	165	346	406	305	208
18 Communication	1,822	419	978	231	282	0	27	74	140	107	379
19 Real estate and financial	14,780	9,665	16,178	1,405	2,022	3,351	2,912	2,942	2,767	2,073	3,382

1. Figures, which represent gross proceeds of issues maturing in more than one year, sold for cash in the United States, are principal amount or number of units multiplied by offering price. Excludes offerings of less than \$100,000, secondary offerings, undefined or exempted issues as defined in the Securities Act of 1933, employee stock plans, investment companies other than closed-end, intracorporate transactions, and sales to foreigners.

2. Monthly data include only public offerings.
3. Beginning in August 1981, gross stock offerings include new equity volume from swaps of debt for equity.
SOURCES: IDD Information Services, Inc., Securities and Exchange Commission and the Board of Governors of the Federal Reserve System.

1.47 OPEN-END INVESTMENT COMPANIES Net Sales and Asset Position

Millions of dollars

Item	1984	1985	1986							
			Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
INVESTMENT COMPANIES ¹										
1 Sales of own shares ²	107,480	222,670	32,466	27,489	33,764	37,656	31,251	30,619	35,684	32,611
2 Redemptions of own shares ³	77,032	132,440	15,836	11,860	15,085	21,699	16,706	18,921	21,508	20,107
3 Net sales	30,448	90,230	16,630	15,629	18,679	15,957	14,545	11,698	14,176	12,504
4 Assets ⁴	137,126	251,695	265,487	292,002	315,245	329,684	343,926	356,040	360,050	387,504
5 Cash position ⁵	12,181	20,607	22,425	23,716	27,639	29,599	28,184	28,083	28,080	28,817
6 Other	124,945	231,088	243,062	268,286	287,606	300,085	315,742	327,957	331,970	358,687

1. Excluding money market funds.

2. Includes reinvestment of investment income dividends. Excludes reinvestment of capital gains distributions and share issue of conversions from one fund to another in the same group.

3. Excludes share redemption resulting from conversions from one fund to another in the same group.

4. Market value at end of period, less current liabilities.

5. Also includes all U.S. government securities and other short-term debt securities.

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.

1.48 CORPORATE PROFITS AND THEIR DISTRIBUTION

Billions of dollars; quarterly data are at seasonally adjusted annual rates.

Account	1983	1984	1985	1984		1985				1986	
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
1 Corporate profits with inventory valuation and capital consumption adjustment	213.7	264.7	280.6	259.8	265.0	266.4	274.3	296.3	285.6	296.4	293.1
2 Profits before tax	207.6	235.7	223.1	225.1	221.9	213.8	213.8	229.2	235.8	224.3	231.3
3 Profits tax liability	77.2	95.4	91.8	89.3	87.8	87.8	87.1	95.8	96.4	89.1	93.3
4 Profits after tax	130.4	140.3	131.4	135.8	134.1	126.0	126.7	133.4	139.4	135.2	138.0
5 Dividends	71.5	78.3	81.6	79.0	80.1	80.9	81.4	81.6	82.5	85.2	87.5
6 Undistributed profits	58.8	62.0	49.8	56.8	54.0	45.1	45.3	51.8	57.0	50.0	50.4
7 Inventory valuation	-10.9	-5.5	-6	-1.8	-1.6	-5	1.6	6.1	-9.4	16.5	10.6
8 Capital consumption adjustment	17.0	34.5	58.1	36.5	44.7	53.2	58.9	61.0	59.2	55.6	51.3

SOURCE. Survey of Current Business (Department of Commerce).

A36 Domestic Financial Statistics □ December 1986

1.49 NONFINANCIAL CORPORATIONS Assets and Liabilities

Billions of dollars, except for ratio

Account	1980	1981	1982	1983	1984	1985				1986
						Q1	Q2	Q3	Q4	Q1
1 Current assets	1,328.3	1,419.6	1,437.1	1,575.9	1,703.0	1,722.7	1,734.6	1,763.0	1,784.6	1,795.7
2 Cash.....	127.0	135.6	147.8	171.8	173.6	167.5	167.1	176.3	189.2	195.3
3 U.S. government securities.....	18.7	17.7	23.0	31.0	36.2	35.7	35.4	32.6	33.0	31.0
4 Notes and accounts receivable.....	507.5	532.5	517.4	583.0	633.1	650.3	654.1	661.0	671.5	663.4
5 Inventories.....	543.0	584.0	579.0	603.4	656.9	665.7	666.7	675.0	666.0	679.6
6 Other.....	132.1	149.7	169.8	186.7	203.2	203.5	211.2	218.0	224.9	226.3
7 Current liabilities	890.6	971.3	986.0	1,059.6	1,163.6	1,174.1	1,182.9	1,211.9	1,233.6	1,222.3
8 Notes and accounts payable.....	514.4	547.1	550.7	595.7	647.8	636.9	651.7	670.4	682.7	668.4
9 Other.....	376.2	424.1	435.3	463.9	515.8	537.1	531.2	541.5	550.9	553.9
10 Net working capital	437.8	448.3	451.1	516.3	539.5	548.6	551.7	551.1	551.0	573.4
11 MEMO: Current ratio ¹	1.492	1.462	1.458	1.487	1.464	1.467	1.466	1.455	1.447	1.469

1. Ratio of total current assets to total current liabilities.

NOTE. For a description of this series, see "Working Capital of Nonfinancial Corporations" in the July 1978 BULLETIN, pp. 533-37.

All data in this table reflect the most current benchmarks. Complete data are available upon request from the Flow of Funds Section, Division of Research and

Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

SOURCE. Federal Trade Commission and Bureau of the Census.

1.50 TOTAL NONFARM BUSINESS EXPENDITURES on New Plant and Equipment ▲

Billions of dollars; quarterly data are at seasonally adjusted annual rates.

Industry	1984	1985	1986 ¹	1985				1986			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3 ¹	Q4 ¹
1 Total nonfarm business	354.44	387.13	379.59	373.56	387.86	389.23	397.88	377.94	375.92	380.52	383.99
<i>Manufacturing</i>											
2 Durable goods industries.....	66.24	73.27	68.23	70.29	74.34	72.99	75.47	68.01	68.33	66.30	70.28
3 Nondurable goods industries.....	72.58	80.21	75.78	76.64	79.91	81.48	82.79	76.02	73.35	76.43	77.32
<i>Nonmanufacturing</i>											
4 Mining.....	16.86	15.88	11.29	15.81	16.56	15.89	15.25	12.99	11.22	10.80	10.16
<i>Transportation</i>											
5 Railroad.....	6.79	7.08	6.60	6.42	7.38	7.79	6.74	6.22	6.77	7.09	6.31
6 Air.....	3.56	4.79	5.88	4.23	3.71	5.17	6.07	6.58	5.77	5.40	5.75
7 Other.....	6.17	6.15	5.87	6.04	6.35	5.85	6.34	5.42	5.74	6.25	6.08
<i>Public utilities</i>											
8 Electric.....	37.03	36.11	33.60	36.49	36.00	35.58	36.38	34.21	33.81	33.61	32.78
9 Gas and other.....	10.44	12.71	12.62	11.95	12.61	12.86	13.41	12.82	12.74	12.46	12.46
10 Commercial and other ²	134.75	150.93	159.72	145.68	150.99	151.62	155.42	155.67	158.18	162.18	162.84

▲Trade and services are no longer being reported separately. They are included in Commercial and other, line 10.

1. Anticipated by business.

2. "Other" consists of construction; wholesale and retail trade; finance and insurance; personal and business services; and communication.

SOURCE. Survey of Current Business (Department of Commerce).

1.51 DOMESTIC FINANCE COMPANIES Assets and Liabilities

Billions of dollars, end of period

Account	1981	1982	1983	1984	1985				1986	
					Q1	Q2	Q3	Q4	Q1	Q2
ASSETS										
Accounts receivable, gross										
1 Consumer	72.4	78.1	87.4	96.7	99.1	106.0	116.4	120.8	125.5	134.7
2 Business	100.3	101.4	113.4	135.2	142.1	144.6	141.4	152.8	159.7	160.3
3 Real estate	17.9	20.2	22.5	26.3	27.2	28.4	29.0	30.4	31.5	32.4
4 Total	190.5	199.7	223.4	258.3	268.5	279.0	286.5	304.0	316.7	327.5
Less:										
5 Reserves for unearned income	30.0	31.9	33.0	36.5	36.6	38.6	41.0	40.9	41.3	41.8
6 Reserves for losses	3.2	3.5	4.0	4.4	4.9	4.8	4.9	5.0	5.1	5.2
7 Accounts receivable, net	157.3	164.3	186.4	217.3	227.0	235.6	240.6	258.1	270.3	280.4
8 All other	27.1	30.7	34.0	35.4	35.9	39.5	46.3	46.8	50.6	52.1
9 Total assets	184.4	195.0	220.4	252.7	262.9	275.2	286.9	304.9	321.0	332.5
LIABILITIES										
10 Bank loans	16.1	18.3	18.7	21.3	19.8	18.5	18.2	21.0	20.4	22.9
11 Commercial paper	57.2	51.1	59.7	72.5	79.1	82.6	93.6	96.9	102.0	106.4
Debt										
12 Other short-term	11.3	12.7	13.9	16.2	16.8	16.6	16.6	17.2	18.5	20.9
13 Long-term	56.0	64.4	68.1	77.2	78.3	85.7	86.4	93.0	100.0	101.8
14 All other liabilities	18.5	21.2	30.1	33.1	35.4	36.9	36.6	39.6	41.4	40.4
15 Capital, surplus, and undivided profits	25.3	27.4	29.8	32.3	33.5	34.8	35.7	37.1	38.8	40.2
16 Total liabilities and capital	184.4	195.0	220.4	252.7	262.9	275.2	286.9	304.9	321.0	332.5

NOTE. Components may not add to totals due to rounding.
 These data also appear in the Board's G.20 (422) release. For address, see inside front cover.

1.52 DOMESTIC FINANCE COMPANIES Business Credit

Millions of dollars, seasonally adjusted except as noted

Type	Accounts receivable outstanding Aug. 31, 1986 ¹	Changes in accounts receivable			Extensions			Repayments		
		1986			1986			1986		
		June	July	Aug.	June	July	Aug.	June	July	Aug.
1 Total	157,820	-151	949	190	26,687	27,277	28,014	26,838	26,328	27,824
Retail financing of installment sales										
2 Automotive (commercial vehicles)	16,916	380	390	291	1,336	1,365	1,302	956	975	1,011
3 Business, industrial, and farm equipment	20,091	-51	-106	-91	1,044	1,022	786	1,095	1,128	876
Wholesale financing										
4 Automotive	22,855	471	-1,097	127	10,397	9,030	10,220	9,926	10,128	10,093
5 Equipment	4,668	45	211	-44	506	900	845	462	689	889
6 All other	7,154	-15	-242	33	1,609	1,656	1,703	1,624	1,898	1,669
Leasing										
7 Automotive	16,303	-121	103	185	820	1,077	892	941	973	707
8 Equipment	40,474	-101	647	22	1,264	1,669	1,540	1,365	1,022	1,518
9 Loans on commercial accounts receivable and factored commercial accounts receivable	16,867	-882	716	-307	8,441	9,208	9,429	9,323	8,492	9,735
10 All other business credit	12,492	123	327	-27	1,270	1,350	1,298	1,146	1,023	1,325

1. Not seasonally adjusted.

NOTE. These data also appear in the Board's G.20 (422) release. For address, see inside front cover.

1.53 MORTGAGE MARKETS

Millions of dollars; exceptions noted.

Item	1983	1984	1985	1986						
				Mar.	Apr.	May	June	July	Aug.	Sept.
	Terms and yields in primary and secondary markets									
PRIMARY MARKETS										
Conventional mortgages on new homes										
Terms ¹										
1 Purchase price (thousands of dollars)	92.8	96.8	104.1	108.2	114.2	114.7	122.1	115.7	117.9 ^r	120.3
2 Amount of loan (thousands of dollars)	69.5	73.7	77.4	79.6	83.9	83.0	88.0	83.4	84.8 ^r	88.1
3 Loan/price ratio (percent)	77.1	78.7	77.1	75.4	75.9	74.7	74.9	73.9	74.5 ^r	75.1
4 Maturity (years)	26.7	27.8	26.9	26.9	25.9	25.8	26.6	26.2	26.5 ^r	27.0
5 Fees and charges (percent of loan amount) ²	2.40	2.64	2.53	2.60	2.34	2.19	2.40	2.35	2.40 ^r	2.52
6 Contract rate (percent per annum)	12.20	11.87	11.12	10.04	9.87	9.84	9.74	9.89	9.84 ^r	9.78
Yield (percent per annum)										
7 FHLBB series ³	12.66	12.37	11.58	10.50	10.27	10.22	10.15	10.30	10.26 ^r	10.22
8 HUD series ⁴	13.43	13.80	12.28	10.06	9.99	10.32	10.38	10.28	9.88	9.96
SECONDARY MARKETS										
Yield (percent per annum)										
9 FHA mortgages (HUD series) ⁵	13.11	13.81	12.24	9.77	9.80	10.07	9.98	10.01	9.80	9.90
10 GNMA securities ⁶	12.25	13.13	11.61	9.44	9.17	9.23	9.57	9.31	9.11	9.17
	Activity in secondary markets									
FEDERAL NATIONAL MORTGAGE ASSOCIATION										
Mortgage holdings (end of period)										
11 Total	74,847	83,339	94,574	98,795	98,746	98,096	97,295	97,255	96,675	97,717
12 FHA/VA-insured	37,393	35,148	34,244	33,368	33,246	32,558	31,241	30,766	28,451	26,658
13 Conventional	37,454	48,191	60,331	65,427	65,500	65,538	66,054	66,489	68,224	71,059
Mortgage transactions (during period)										
14 Purchases	17,554	16,721	21,510	1,410	1,631	1,978	3,000	3,343	3,800	4,649
15 Sales	3,528	978	1,301	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Mortgage commitments ⁷										
16 Contracted (during period)	18,607	21,007	20,155	1,917	3,774	3,538	3,049	3,270	3,840	4,248
17 Outstanding (end of period)	5,461	6,384	3,402	4,851	6,942	8,444	7,862	7,706	7,671	7,252
FEDERAL HOME LOAN MORTGAGE CORPORATION										
Mortgage holdings (end of period) ⁸										
18 Total	5,996	9,283	12,399	13,623	13,144	14,302	14,194	13,795	↑	↑
19 FHA/VA	974	910	841	787	778	769	742	692	↑	↑
20 Conventional	5,022	8,373	11,558	12,836	12,366	13,533	13,452	13,103	↑	↑
Mortgage transactions (during period)										
21 Purchases	23,089	21,886	44,012	5,318	6,195	8,947	10,505	8,518	n.a.	n.a.
22 Sales	19,686	18,506	38,905	5,897	5,591	7,354	9,588	6,179	n.a.	n.a.
Mortgage commitments ⁹										
23 Contracted (during period)	32,852	32,603	48,989	7,128	9,869	10,612	10,338	9,814	↓	↓
24 Outstanding (end of period)	16,964	13,318	16,613	n.a.	n.a.	n.a.	n.a.	n.a.	↓	↓

1. Weighted averages based on sample surveys of mortgages originated by major institutional lender groups; compiled by the Federal Home Loan Bank Board in cooperation with the Federal Deposit Insurance Corporation.

2. Includes all fees, commissions, discounts, and "points" paid (by the borrower or the seller) to obtain a loan.

3. Average effective interest rates on loans closed, assuming prepayment at the end of 10 years.

4. Average contract rates on new commitments for conventional first mortgages; from Department of Housing and Urban Development.

5. Average gross yields on 30-year, minimum-downpayment, Federal Housing Administration-insured first mortgages for immediate delivery in the private secondary market. Based on transactions on first day of subsequent month. Large monthly movements in average yields may reflect market adjustments to changes in maximum permissible contract rates.

6. Average net yields to investors on Government National Mortgage Association guaranteed, mortgage-backed, fully modified pass-through securities, assuming prepayment in 12 years on pools of 30-year FHA/VA mortgages carrying the prevailing ceiling rate. Monthly figures are averages of Friday figures from the *Wall Street Journal*.

7. Includes some multifamily and nonprofit hospital loan commitments in addition to 1- to 4-family loan commitments accepted in FNMA's free market auction system, and through the FNMA-GNMA tandem plans.

8. Includes participation as well as whole loans.

9. Includes conventional and government-underwritten loans. FHLMC's mortgage commitments and mortgage transactions include activity under mortgage/securities swap programs, while the corresponding data for FNMA exclude swap activity.

1.54 MORTGAGE DEBT OUTSTANDING

Millions of dollars, end of period

Type of holder, and type of property	1983	1984	1985	1985			1986	
				Q2	Q3	Q4	Q1	Q2
1 All holders	1,813,856	2,034,602	2,266,976	2,139,019	2,201,732	2,266,976	2,316,013	2,380,765
2 1- to 4-family	1,189,822	1,318,888	1,467,578	1,383,101	1,426,770	1,467,578	1,495,398	1,542,847
3 Multifamily	160,805	185,414	213,936	197,418	203,742	213,936	220,733	227,600
4 Commercial	350,389	418,300	479,840	447,631	462,929	479,840	495,323	507,888
5 Farm	112,840	112,000	105,622	110,869	108,291	105,622	104,559	102,430
6 Selected financial institutions	1,130,781	1,272,206	1,392,793	1,325,659	1,358,654	1,392,793	1,410,827	1,437,827
7 Commercial banks ¹	330,521	379,498	429,207	400,746	415,599	429,207	440,985	456,168
8 1- to 4-family	182,514	196,163	213,537	203,003	209,119	213,537	216,598	222,929
9 Multifamily	18,410	20,264	23,403	21,582	22,254	23,403	24,445	25,637
10 Commercial	120,210	152,894	180,882	165,554	173,190	180,882	188,137	195,377
11 Farm	9,387	10,177	11,385	10,607	11,036	11,385	11,805	12,225
12 Savings banks	131,940	154,441	177,263	165,705	174,427	177,263	187,823	205,413
13 1- to 4-family	93,649	107,302	121,879	114,375	119,952	121,879	131,099	143,246
14 Multifamily	17,247	19,817	23,329	21,357	22,604	23,329	23,965	26,833
15 Commercial	21,016	27,291	31,973	29,942	31,757	31,973	32,673	35,229
16 Farm	28	31	82	31	114	82	86	105
17 Savings and loan associations	494,789	555,277	585,461	569,291	575,684	585,461	577,062	567,354
18 1- to 4-family	387,924	421,489	434,072	425,021	427,081	434,072	422,034	415,035
19 Multifamily	44,333	55,750	66,663	60,231	62,608	66,663	67,418	66,063
20 Commercial	62,403	77,605	84,118	83,447	85,358	84,118	86,949	85,722
21 Farm	129	433	608	592	637	608	661	534
22 Life insurance companies	150,999	156,699	170,460	161,485	163,929	170,460	173,418	176,468
23 1- to 4-family	15,319	14,120	12,279	13,562	13,382	12,279	12,496	12,746
24 Multifamily	19,107	18,938	19,731	18,983	18,972	19,731	19,836	19,936
25 Commercial	103,831	111,175	126,621	116,812	119,543	126,621	129,441	132,241
26 Farm	12,742	12,466	11,829	12,128	12,032	11,829	11,645	11,545
27 Finance companies ²	22,532	26,291	30,402	28,432	29,015	30,402	31,539	32,424
28 Federal and related agencies	148,328	158,993	166,928	165,912	166,248	166,928	165,730	162,000
29 Government National Mortgage Association	3,395	2,301	1,473	1,825	1,640	1,473	1,533	847
30 1- to 4-family	630	585	539	564	552	539	527	47
31 Multifamily	2,765	1,716	934	1,261	1,088	934	1,006	800
32 Farmers Home Administration	2,141	1,276	733	790	577	733	704	570
33 1- to 4-family	1,159	213	183	223	185	183	217	146
34 Multifamily	173	119	113	136	139	113	33	66
35 Commercial	409	497	159	163	72	159	217	111
36 Farm	400	447	278	268	181	278	237	247
37 Federal Housing and Veterans Administration	4,894	4,816	4,920	4,888	4,918	4,920	4,964	5,092
38 1- to 4-family	1,893	2,048	2,254	2,199	2,251	2,254	2,309	2,447
39 Multifamily	3,001	2,768	2,666	2,689	2,667	2,666	2,655	2,645
40 Federal National Mortgage Association	78,256	87,940	98,282	94,777	96,769	98,282	98,795	97,295
41 1- to 4-family	73,045	82,175	91,966	88,788	90,590	91,966	92,315	90,460
42 Multifamily	5,211	5,765	6,316	5,989	6,179	6,316	6,480	6,835
43 Federal Land Banks	52,010	52,261	47,498	51,056	49,255	47,498	46,111	44,002
44 1- to 4-family	3,081	3,074	2,798	3,006	2,895	2,798	2,711	2,589
45 Farm	48,929	49,187	44,700	48,050	46,360	44,700	43,400	41,413
46 Federal Home Loan Mortgage Corporation	7,632	10,399	14,022	12,576	13,089	14,022	13,623	14,194
47 1- to 4-family	7,559	9,654	11,881	11,288	11,457	11,881	12,231	11,890
48 Multifamily	73	745	2,141	1,288	1,632	2,141	1,392	2,304
49 Mortgage pools or trusts ³	285,073	332,057	415,042	365,748	388,948	415,042	440,701	475,615
50 Government National Mortgage Association	159,850	179,981	212,145	192,925	201,026	212,145	220,348	229,204
51 1- to 4-family	155,950	175,589	207,198	188,228	196,198	207,198	215,148	223,838
52 Multifamily	3,900	4,392	4,947	4,697	4,828	4,947	5,200	5,366
53 Federal Home Loan Mortgage Corporation	57,895	70,822	100,387	83,327	91,915	100,387	110,337	125,903
54 1- to 4-family	57,273	70,253	99,515	82,369	90,997	99,515	108,020	123,676
55 Multifamily	622	569	872	958	918	872	2,317	2,227
56 Federal National Mortgage Association	25,121	36,215	54,987	42,755	48,769	54,987	62,310	72,377
57 1- to 4-family	25,121	35,965	54,036	41,985	47,857	54,036	61,117	71,153
58 Multifamily	n.a.	250	951	770	912	951	1,193	1,224
59 Farmers Home Administration	42,207	45,039	47,523	46,741	47,238	47,523	47,706	48,131
60 1- to 4-family	20,404	21,813	22,186	21,962	22,090	22,186	22,082	21,987
61 Multifamily	5,090	5,841	6,675	6,377	6,415	6,675	6,943	7,170
62 Commercial	7,351	7,559	8,190	8,014	8,192	8,190	8,150	8,347
63 Farm	9,362	9,826	10,472	10,388	10,541	10,472	10,531	10,627
64 Individuals and others ⁴	249,674	271,346	292,213	281,700	287,882	292,213	298,755	305,323
65 1- to 4-family	141,769	152,154	162,853	158,096	163,149	162,853	164,955	168,234
66 Multifamily	40,873	48,480	55,195	51,100	52,526	55,195	57,850	60,494
67 Commercial	35,169	41,279	47,897	43,699	44,817	47,897	49,756	50,861
68 Farm	31,863	29,433	26,268	28,805	27,390	26,268	26,194	25,734

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

2. Assumed to be entirely 1- to 4-family loans.

3. Outstanding principal balances of mortgage pools backing securities insured or guaranteed by the agency indicated.

4. Other holders include mortgage companies, real estate investment trusts, state and local credit agencies, state and local retirement funds, noninsured pension funds, credit unions, and other U.S. agencies.

NOTE: Based on data from various institutional and governmental sources, with some quarters estimated in part by the Federal Reserve. Multifamily debt refers to loans on structures of five or more units.

1.55 CONSUMER INSTALLMENT CREDIT^{1,4} Total Outstanding, and Net Change, seasonally adjusted

Millions of dollars

Holder, and type of credit	1984	1985	1985	1986							
			Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July ^a	Aug.
			Amounts outstanding (end of period)								
1 Total.....	453,580	535,098	535,098	542,753	547,852	550,939	555,810	562,267	567,653	573,216	576,959
<i>By major holder</i>											
2 Commercial banks.....	209,158	240,796	240,796	243,256	244,761	245,172	247,498	248,681	249,753	251,197	252,308
3 Finance companies ²	96,126	120,095	120,095	123,717	126,001	127,422	128,728	131,172	134,933	137,197	138,938
4 Credit unions.....	66,544	75,127	75,127	75,810	76,431	76,953	77,957	78,474	79,095	80,130	80,557
5 Retailers ³	37,061	39,187	39,187	39,416	39,497	39,844	39,826	40,139	40,076	40,251	40,351
6 Savings institutions.....	40,330	55,555	55,555	56,290	57,048	57,573	58,024	60,247	60,352	61,051	61,435
7 Gasoline companies.....	4,361	4,337	4,337	4,264	4,114	3,975	3,777	3,554	3,445	3,389	3,368
<i>By major type of credit</i>											
8 Automobile.....	173,122	206,482	206,482	210,661	213,342	214,361	215,814	218,965	222,606	226,234	228,744
9 Commercial banks.....	83,900	92,764	92,764	93,489	93,828	93,377	93,013	93,157	93,261	94,014	94,689
10 Credit unions.....	28,614	30,577	30,577	30,855	31,107	31,320	31,728	31,939	32,191	32,613	32,787
11 Finance companies.....	54,663	73,391	73,391	76,410	78,310	79,416	80,685	83,221	86,520	88,862	90,578
12 Savings institutions.....	5,945	9,750	9,750	9,907	10,097	10,248	10,386	10,648	10,634	10,745	10,690
13 Revolving.....	98,514	118,296	118,296	119,682	120,724	122,131	123,442	124,545	124,720	125,577	125,767
14 Commercial banks.....	58,145	73,893	73,893	74,991	75,953	77,021	78,421	79,151	79,397	79,998	79,983
15 Retailers.....	33,064	34,560	34,560	34,770	34,843	35,188	35,170	35,449	35,390	35,542	35,639
16 Gasoline companies.....	4,361	4,337	4,337	4,264	4,114	3,975	3,777	3,554	3,445	3,389	3,368
17 Savings institutions.....	2,944	5,506	5,506	5,657	5,813	5,947	6,075	6,392	6,488	6,649	6,776
18 Mobile home.....	24,184	25,461	25,461	25,371	25,573	25,584	25,513	25,560	25,479	25,398	25,236
19 Commercial banks.....	9,623	9,578	9,578	9,457	9,566	9,348	9,264	9,215	9,196	9,156	9,093
20 Finance companies.....	9,161	9,116	9,116	9,125	9,161	9,327	9,286	9,115	9,077	8,989	8,882
21 Savings institutions.....	5,400	6,767	6,767	6,789	6,846	6,909	6,963	7,230	7,206	7,253	7,262
22 Other.....	157,760	184,859	184,859	187,039	188,212	188,863	191,041	193,197	194,847	196,007	197,212
23 Commercial banks.....	57,490	64,561	64,561	65,319	65,414	65,427	66,800	67,158	67,898	68,030	68,543
24 Finance companies.....	32,302	37,588	37,588	38,182	38,530	38,678	38,757	38,836	39,336	39,345	39,479
25 Credit unions.....	37,930	44,550	44,550	44,955	45,323	45,633	46,228	46,535	46,903	47,517	47,770
26 Retailers.....	3,997	4,627	4,627	4,646	4,653	4,656	4,656	4,690	4,686	4,710	4,712
27 Savings institutions.....	26,041	33,533	33,533	33,937	34,291	34,469	34,600	35,977	36,024	36,405	36,707
Net change (during period)											
28 Total.....	77,341	81,518	6,477	7,655	5,099	3,087	4,871	6,457	5,386	5,563	3,743
<i>By major holder</i>											
29 Commercial banks.....	39,819	31,638	2,176	2,460	1,505	411	2,326	1,183	1,072	1,444	1,111
30 Finance companies ³	9,961	23,969	1,739	3,622	2,284	1,421	1,306	2,444	3,761	2,264	1,741
31 Credit unions.....	13,456	8,583	1,010	683	621	522	1,004	517	621	1,035	427
32 Retailers ³	2,900	2,126	148	229	81	347	-18	313	-63	175	100
33 Savings institutions.....	11,038	15,225	1,248	735	758	525	451	2,223	105	699	384
34 Gasoline companies.....	167	-24	155	-73	-150	-139	-198	-223	-109	-56	-21
<i>By major type of credit</i>											
35 Automobile.....	27,214	33,360	2,716	4,179	2,681	1,019	1,453	3,151	3,641	3,628	2,510
36 Commercial banks.....	16,352	8,864	637	725	339	-451	-364	144	104	753	675
37 Credit unions.....	3,223	1,963	411	278	252	213	408	211	252	422	174
38 Finance companies.....	4,576	18,728	1,395	3,019	1,900	1,106	1,269	2,536	3,299	2,342	1,716
39 Savings institutions.....	3,063	3,805	273	157	190	151	138	262	-14	111	-55
40 Revolving.....	20,145	19,782	1,246	1,386	1,042	1,407	1,311	1,103	175	857	190
41 Commercial banks.....	15,949	15,748	817	1,098	962	1,068	1,400	730	246	601	-15
42 Retailers.....	2,512	1,496	74	210	73	345	-18	279	-59	152	97
43 Gasoline companies.....	167	-24	155	-73	-150	-139	-198	-223	-109	-56	-21
44 Savings institutions.....	1,517	2,562	200	151	156	134	128	317	96	161	127
45 Mobile home.....	1,990	1,277	146	-90	202	11	-71	47	-81	-81	-162
46 Commercial banks.....	-199	-45	-6	-121	109	-218	-84	-49	-19	-40	-63
47 Finance companies.....	544	-45	59	9	36	166	-41	-171	-38	-88	-107
48 Savings institutions.....	1,645	1,367	93	22	57	63	54	267	-24	47	9
49 Other.....	27,992	27,099	2,369	2,180	1,173	651	2,178	2,156	1,650	1,160	1,205
50 Commercial banks.....	7,717	7,071	728	758	95	13	1,373	358	740	132	513
51 Finance companies.....	4,841	5,286	285	594	348	148	79	79	500	9	134
52 Credit unions.....	10,233	6,620	599	405	368	310	595	307	368	614	253
53 Retailers.....	388	630	74	19	7	3	0	34	-4	24	2
54 Savings institutions.....	4,813	7,492	683	404	354	178	131	1,377	47	381	302

1. The Board's series cover most short- and intermediate-term credit extended to individuals that is scheduled to be repaid (or has the option of repayment) in two or more installments.

2. More detail for finance companies is available in the G.20 statistical release.

3. Excludes 30-day charge credit held by travel and entertainment companies.

4. All data have been revised.

1.56 TERMS OF CONSUMER INSTALLMENT CREDIT

Percent unless noted otherwise

Item	1983	1984	1985	1986						
				Feb.	Mar.	Apr.	May	June	July	Aug.
INTEREST RATES										
Commercial banks ¹										
1 48-month new car ²	13.92	13.71	12.91	12.29	n.a.	n.a.	11.45	n.a.	n.a.	11.00
2 24-month personal	16.68	16.47	15.94	15.52	n.a.	n.a.	14.89	n.a.	n.a.	14.70
3 120-month mobile home ²	16.08	15.58	14.96	14.57	n.a.	n.a.	13.97	n.a.	n.a.	13.95
4 Credit card	18.78	18.77	18.69	18.48	n.a.	n.a.	18.32	n.a.	n.a.	18.15
Auto finance companies										
5 New car	12.58	14.62	11.98	9.70	10.51	10.55	9.49	9.35	9.31	9.29
6 Used car	18.74	17.85	17.59	16.74	16.63	16.67	16.56	16.06	15.83	15.56
OTHER TERMS ³										
Maturity (months)										
7 New car	45.9	48.3	51.5	51.3	51.0	50.6	49.4	49.5	49.9	50.4
8 Used car	37.9	39.7	41.4	42.5	42.4	42.5	42.5	42.7	42.8	42.9
Loan-to-value ratio										
9 New car	86	88	91	92	90	89	89	89	89	90
10 Used car	92	92	94	95	95	96	97	97	97	97
Amount financed (dollars)										
11 New car	8,787	9,333	9,915	10,074	10,306	10,402	10,521	10,608	10,748	10,756
12 Used car	5,033	5,691	6,089	6,194	6,207	6,281	6,393	6,611	6,614	6,569

1. Data for midmonth of quarter only.

2. Before 1983 the maturity for new car loans was 36 months, and for mobile home loans was 84 months.

3. At auto finance companies.

NOTE. These data also appear in the Board's G.19 (421) release. For address, see inside front cover.

1.57 FUNDS RAISED IN U.S. CREDIT MARKETS

Billions of dollars; half-yearly data are at seasonally adjusted annual rates.

Transaction category, sector	1980	1981	1982	1983	1984	1985	1983	1984		1985		1986
							H2	H1	H2	H1	H2		H1
Nonfinancial sectors												
1 Total net borrowing by domestic nonfinancial sectors	344.9	375.8	387.4	548.8	756.3	859.1	591.5	728.8	783.8	726.3	992.0	668.6
By sector and instrument												
2 U.S. government	79.2	87.4	161.3	186.6	198.8	223.6	156.6	181.0	216.6	201.3	246.0	210.7
3 Treasury securities	79.8	87.8	162.1	186.7	199.0	223.7	156.7	181.2	216.8	201.4	246.0	210.8
4 Agency issues and mortgages	-6	-5	-9	-1	-2	-1	-1	-2	-1	-1	-1	-1
5 Private domestic nonfinancial sectors	265.7	288.5	226.2	362.2	557.5	635.5	434.9	547.8	567.2	525.1	746.0	457.9
6 Debt capital instruments	189.1	155.5	148.3	252.8	314.0	462.4	277.9	298.5	329.5	354.3	570.6	371.2
7 Tax-exempt obligations	30.3	23.4	44.2	53.7	50.4	152.4	51.8	42.7	58.0	67.4	237.3	11.8
8 Corporate bonds	27.7	22.8	18.7	16.0	46.1	73.9	11.5	31.2	61.0	72.7	75.0	129.2
9 Mortgages	131.2	109.3	85.4	183.0	217.5	236.2	214.6	224.5	210.4	214.1	258.2	230.2
10 Home mortgages	94.2	72.2	50.5	117.1	129.9	151.8	135.0	135.2	124.6	133.1	170.4	151.7
11 Multifamily residential	7.6	4.8	5.4	14.1	25.1	29.3	20.4	27.5	22.7	24.5	34.1	27.3
12 Commercial	19.2	22.2	25.2	49.0	63.3	61.5	55.3	62.9	63.7	59.3	63.7	58.1
13 Farm	10.2	10.0	4.2	2.8	-8	-6.4	3.9	-1.1	-5	-2.8	-9.9	-6.8
14 Other debt instruments	76.6	133.0	77.9	109.5	243.5	173.1	157.0	249.3	237.7	170.8	175.4	86.7
15 Consumer credit	4.5	22.6	17.7	56.8	95.0	96.6	75.1	98.7	91.3	97.3	95.9	74.9
16 Bank loans n.e.c.	37.8	57.0	52.9	25.8	80.1	37.6	41.1	93.0	67.2	28.5	46.8	4.9
17 Open market paper	4.0	14.7	-6.1	-8	21.7	14.6	4.3	24.8	18.7	12.3	16.9	-15.7
18 Other	30.3	38.7	13.4	27.7	46.6	24.3	36.5	32.8	60.4	32.7	15.8	22.6
19 By borrowing sector	265.7	288.5	226.2	362.2	557.5	635.5	434.9	547.8	567.2	525.1	746.0	457.9
20 State and local governments	17.2	6.8	21.5	34.0	27.4	107.8	33.7	25.2	29.6	56.8	158.8	31.4
21 Households	120.0	121.4	88.4	188.0	239.5	292.0	223.2	232.9	246.1	248.5	335.5	217.5
22 Farm	15.2	16.6	6.8	4.3	.1	-14.3	6.7	-4	.5	-7.4	-21.2	-16.5
23 Nonfarm noncorporate	31.8	38.5	40.2	76.6	97.1	90.0	91.7	101.4	92.7	83.3	96.7	85.8
24 Corporate	81.5	105.2	69.2	59.3	193.4	160.1	79.7	188.6	198.2	143.9	176.3	139.7
25 Foreign net borrowing in United States	23.8	23.5	16.0	17.4	6.1	2.1	15.5	35.4	-23.2	-4.2	8.4	27.5
26 Bonds	.8	5.4	6.7	3.1	1.3	4.0	2.3	1.1	1.5	5.5	2.6	6.9
27 Bank loans n.e.c.	11.8	3.0	-5.5	3.6	-6.6	-2.6	-3.4	-2.3	-11.0	-6.1	.9	.9
28 Open market paper	2.4	3.9	1.9	6.5	6.2	6.2	6.0	18.0	-5.6	4.2	8.2	20.6
29 U.S. government loans	8.8	11.1	13.0	4.1	5.3	-5.5	10.7	18.7	-8.1	-7.8	-3.2	1.0
30 Total domestic plus foreign	368.7	399.3	403.4	566.2	762.4	861.2	607.1	764.2	760.6	722.1	1000.4	696.0
Financial sectors												
31 Total net borrowing by financial sectors	65.4	101.9	90.1	94.0	139.0	186.9	123.1	134.3	143.8	154.9	218.8	186.4
By instrument												
32 U.S. government related	44.8	47.4	64.9	67.8	74.9	101.5	68.8	69.8	80.0	92.9	110.2	130.2
33 Sponsored credit agency securities	24.4	30.5	14.9	1.4	30.4	20.6	8.1	29.1	31.8	25.3	15.9	4.4
34 Mortgage pool securities	19.2	15.0	49.5	66.4	44.4	79.9	60.7	40.7	48.2	67.6	92.1	125.1
35 Loans from U.S. government	1.2	1.9	.4			1.1					2.2	.8
36 Private financial sectors	20.6	54.5	25.2	26.2	64.1	85.3	54.3	64.5	63.8	62.0	108.7	56.2
37 Corporate bonds	1.6	4.4	12.5	12.1	23.3	36.5	13.1	17.3	29.3	35.3	37.7	24.0
38 Mortgages	*	*	.1	*	.4	.1	*	.4	.4	*	.1	.1
39 Bank loans n.e.c.	-1.0	1.2	1.9	-1	.7	2.5	2.1	*	1.4	1.0	4.1	3.5
40 Open market paper	12.9	32.7	9.9	21.3	24.1	32.0	40.9	31.1	17.0	13.9	50.1	15.2
41 Loans from Federal Home Loan Banks	7.1	16.2	.8	-7.0	15.7	14.2	-1.8	15.7	15.7	11.7	16.7	13.5
By sector												
42 Sponsored credit agencies	25.6	32.4	15.3	1.4	30.4	21.7	8.1	29.1	31.8	25.3	18.1	5.2
43 Mortgage pools	19.2	15.0	49.5	66.4	44.4	79.9	60.7	40.7	48.2	67.6	92.1	125.1
44 Private financial sectors	20.6	54.5	25.2	26.2	64.1	85.3	54.3	64.5	63.8	62.0	108.7	56.2
45 Commercial banks	8.3	11.6	11.7	5.0	7.3	-4.9	17.1	15.4	-9	-9.2	-6	-13.4
46 Bank affiliates	6.7	9.2	6.8	12.1	15.6	14.5	14.9	23.7	7.5	13.7	15.3	7.1
47 Savings and loan associations	7.4	15.5	2.5	-2.1	22.7	22.3	4.6	20.2	25.1	12.1	32.6	31.9
48 Finance companies	-1.3	18.5	4.3	11.4	17.8	52.8	18.0	4.4	31.2	44.9	60.8	28.9
49 REITs	-5	-2	*	-2	.8	.5	-3	.8	.8	.5	.5	1.7
All sectors												
50 Total net borrowing	434.1	501.3	493.5	660.2	901.4	1048.1	730.2	898.5	904.3	877.0	1219.2	882.5
51 U.S. government securities	122.9	133.0	225.9	254.4	273.8	324.2	225.5	250.9	296.7	294.3	354.0	340.2
52 State and local obligations	30.3	23.4	44.2	53.7	50.4	152.4	51.8	42.7	58.0	67.4	237.3	11.8
53 Corporate and foreign bonds	30.1	32.6	37.8	31.2	70.7	114.4	26.8	49.6	91.8	113.5	115.3	160.1
54 Mortgages	131.1	109.2	85.4	183.0	217.8	236.1	214.5	224.9	210.7	214.0	258.2	230.3
55 Consumer credit	4.5	22.6	17.7	56.8	95.0	96.6	75.1	98.7	91.3	97.3	95.9	74.9
56 Bank loans n.e.c.	48.5	61.2	49.3	29.3	74.2	37.6	39.8	90.7	57.6	23.3	51.8	9.3
57 Open market paper	19.3	51.3	5.7	26.9	52.0	52.8	51.2	73.9	30.1	30.4	75.2	20.0
58 Other loans	47.5	68.0	27.6	24.8	67.6	34.1	45.4	67.1	68.0	36.6	31.5	35.9
External corporate equity funds raised in United States												
59 Total new share issues	21.2	-3.3	33.6	67.0	-31.1	37.5	52.1	-40.1	-22.2	33.3	41.6	163.4
60 Mutual funds	4.5	6.0	16.8	32.1	38.0	103.4	28.7	39.3	36.6	93.6	113.1	214.1
61 All other	16.8	-9.3	16.8	34.9	-69.1	-65.9	23.4	-79.4	-58.8	-60.4	-71.5	-50.7
62 Nonfinancial corporations	12.9	-11.5	11.4	28.3	-77.0	-81.6	18.4	-84.5	-69.4	-75.7	-87.5	-67.5
63 Financial corporations	1.8	1.9	4.0	2.7	6.7	11.7	2.9	5.9	7.6	11.0	12.4	8.3
64 Foreign shares purchased in United States	2.1	.3	1.5	3.9	1.2	4.0	2.1	-7	3.0	4.3	3.6	8.5

1.58 DIRECT AND INDIRECT SOURCES OF FUNDS TO CREDIT MARKETS

Billions of dollars, except as noted; half-yearly data are at seasonally adjusted annual rates.

Transaction category, or sector	1980	1981	1982	1983	1984	1985	1983	1984		1985		1986
							H2	H1	H2	H1	H2	H1
1 Total funds advanced in credit markets to domestic nonfinancial sectors	344.9	375.8	387.4	548.8	756.3	859.1	591.5	728.8	783.8	726.3	992.0	668.6
<i>By public agencies and foreign</i>												
2 Total net advances	94.9	104.4	115.4	115.3	154.6	193.0	106.8	133.4	175.8	195.6	190.3	255.9
3 U.S. government securities	15.8	17.1	22.7	27.6	36.0	43.1	19.0	27.6	44.4	50.1	36.1	63.3
4 Residential mortgages	31.7	23.5	61.0	76.1	56.5	94.6	71.5	52.7	60.2	85.6	103.7	121.2
5 FHLB advances to savings and loans	7.1	16.2	.8	-7.0	15.7	14.2	-1.8	15.7	15.7	11.7	16.7	13.5
6 Other loans and securities	40.2	47.7	30.8	18.6	46.5	41.0	18.1	37.5	55.5	48.2	33.9	57.9
Total advanced, by sector												
7 U.S. government	23.7	24.0	15.9	9.7	17.4	10.8	9.7	9.0	25.7	20.8	.7	7.9
8 Sponsored credit agencies	45.6	48.2	65.5	69.8	73.3	101.5	70.5	74.0	72.5	98.2	104.9	128.0
9 Monetary authorities	4.5	9.2	9.8	10.9	8.4	21.6	12.2	9.0	7.8	24.0	19.2	10.1
10 Foreign	21.1	23.0	24.1	24.9	55.5	59.1	14.5	41.3	69.8	52.6	65.6	109.9
Agency and foreign borrowing not in line 1												
11 Sponsored credit agencies and mortgage pools	44.8	47.4	64.9	67.8	74.9	101.5	68.8	69.8	80.0	92.9	110.2	130.2
12 Foreign	23.8	23.5	16.0	17.4	6.1	2.1	15.5	35.4	-23.2	-4.2	8.4	27.5
<i>Private domestic funds advanced</i>												
13 Total net advances	318.7	342.3	352.9	518.7	682.7	769.8	569.1	700.6	664.8	619.4	920.2	570.4
14 U.S. government securities	107.1	115.9	203.1	226.9	237.8	281.1	206.5	223.3	252.3	244.2	317.9	276.8
15 State and local obligations	30.3	23.4	44.2	53.7	50.4	152.4	51.8	42.7	58.0	67.4	237.3	11.8
16 Corporate and foreign bonds	20.3	19.8	14.8	14.6	32.6	36.5	9.0	25.6	39.5	47.1	25.9	88.8
17 Residential mortgages	70.0	53.5	-5.3	55.0	98.5	86.3	83.9	109.9	87.0	71.9	100.8	57.7
18 Other mortgages and loans	98.1	145.9	96.9	161.5	279.1	227.7	216.0	314.7	243.6	200.4	255.0	148.7
19 Less: Federal Home Loan Bank advances	7.1	16.2	.8	-7.0	15.7	14.2	-1.8	15.7	15.7	11.7	16.7	13.5
<i>Private financial intermediation</i>												
20 Credit market funds advanced by private financial institutions	286.2	320.2	261.9	391.9	550.5	547.2	447.6	583.4	517.5	461.2	633.2	574.1
21 Commercial banking	107.6	106.5	110.2	144.3	168.9	186.8	167.2	185.7	152.0	135.8	237.9	86.6
22 Savings institutions	51.3	26.2	21.8	135.6	149.2	85.7	143.8	173.6	124.9	63.1	108.3	113.8
23 Insurance and pension funds	93.2	93.5	86.2	97.8	124.0	133.4	105.7	144.6	103.5	113.9	153.0	141.5
24 Other finance	34.0	94.0	43.7	14.1	108.3	141.3	30.9	79.5	137.1	148.4	134.1	232.1
25 Sources of funds	286.2	320.2	261.9	391.9	550.5	547.2	447.6	583.4	517.5	461.2	633.2	574.1
26 Private domestic deposits and RPs	170.8	214.5	195.2	212.2	317.6	206.9	235.7	300.3	334.8	201.8	212.1	215.1
27 Credit market borrowing	20.6	54.5	25.2	26.2	64.1	85.3	54.3	64.5	63.8	62.0	108.7	56.2
28 Other sources	94.8	51.2	41.5	153.4	168.8	254.9	157.6	218.6	119.0	197.4	312.5	302.7
29 Foreign funds	-25.1	-23.7	-31.4	16.3	5.4	16.2	46.2	3.0	7.8	11.2	21.2	-6.4
30 Treasury balances	-2.6	-1.1	6.1	-5.3	4.0	10.3	-21.9	-4	8.5	13.9	6.6	-7.8
31 Insurance and pension reserves	88.9	89.6	92.5	110.6	112.5	102.2	122.4	146.5	78.5	92.0	112.5	107.7
32 Other, net	33.6	-13.6	-25.7	31.8	46.8	126.3	10.9	69.5	24.2	80.4	172.2	209.3
<i>Private domestic nonfinancial investors</i>												
33 Direct lending in credit markets	53.1	76.6	116.3	153.0	196.4	307.9	175.8	181.7	211.0	220.2	395.6	52.5
34 U.S. government securities	34.2	37.1	69.9	95.5	132.9	156.8	89.2	140.9	125.0	134.4	179.3	55.7
35 State and local obligations	7.0	11.1	25.0	39.0	29.6	58.8	37.8	25.0	34.3	20.2	97.4	-37.1
36 Corporate and foreign bonds	-11.7	-4.0	2.0	-12.7	-3.4	15.5	-4.5	-26.7	19.9	34.5	-3.5	27.2
37 Open market paper	-4.6	1.4	-1.3	15.1	8.9	49.9	32.1	15.6	2.3	4.9	94.9	-16.4
38 Other	28.2	31.0	20.6	16.2	28.3	26.9	21.2	26.9	29.7	26.3	27.6	23.1
39 Deposits and currency	183.9	222.4	204.5	229.7	321.1	217.2	248.8	311.5	330.7	215.0	219.3	216.6
40 Currency	10.3	9.5	9.7	14.3	8.6	12.4	17.4	13.2	4.1	15.9	8.9	11.4
41 Checkable deposits	6.5	18.5	18.6	28.8	27.8	44.2	16.2	30.2	25.4	18.1	70.2	76.0
42 Small time and savings accounts	82.3	47.3	135.7	215.3	150.7	137.5	148.1	136.2	165.1	166.7	108.3	115.5
43 Money market fund shares	29.2	107.5	24.7	-44.1	47.2	-2.2	-4.2	30.2	64.2	4.2	-8.6	29.0
44 Large time deposits	45.9	36.0	5.2	-6.3	84.9	14.0	53.8	92.9	77.0	-1.5	29.6	-5.4
45 Security RPs	6.8	5.2	11.1	18.5	7.0	13.4	21.8	10.8	3.1	14.3	12.5	.1
46 Deposits in foreign countries	2.8	-1.7	-4	3.1	-5.1	-2.1	-4.3	-2.0	-8.2	-2.6	-1.7	-10.0
47 Total of credit market instruments, deposits and currency	237.0	299.0	320.7	382.7	517.4	525.1	424.6	493.2	541.7	435.2	614.9	269.0
48 Public holdings as percent of total	25.7	26.2	28.6	20.4	20.3	22.4	17.6	17.5	23.1	27.1	19.0	36.8
49 Private financial intermediation (in percent)	89.8	93.6	74.2	75.5	80.6	71.1	78.7	83.3	77.8	74.5	68.8	100.7
50 Total foreign funds	-4.0	-7	-7.3	41.3	60.9	75.2	60.6	44.3	77.6	63.7	86.7	103.5
MEMO: Corporate equities not included above												
51 Total net issues	21.2	-3.3	33.6	67.0	-31.1	37.5	52.1	-40.1	-22.2	33.3	41.6	163.4
52 Mutual fund shares	4.5	6.0	16.8	32.1	38.0	103.4	28.7	39.3	36.6	93.6	113.1	214.1
53 Other equities	16.8	-9.3	16.8	34.9	-69.1	-65.9	23.4	-79.4	-58.8	-60.4	-71.5	-50.7
54 Acquisitions by financial institutions	22.2	19.9	27.6	46.8	8.2	31.2	35.6	-4.1	20.6	48.0	14.3	28.5
55 Other net purchases	-1.0	-23.2	6.0	20.2	-39.4	6.3	16.5	-36.0	-42.7	-14.7	27.3	134.9

NOTES BY LINE NUMBER.

1. Line 1 of table 1.57.
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, and net issues of federally related mortgage pool securities.
13. Line 1 less line 2 plus line 11 and 12. Also line 20 less line 27 plus line 33. Also sum of lines 28 and 47 less lines 40 and 46.
16. Includes farm and commercial mortgages.
18. Line 39 less lines 40 and 46.
27. Excludes equity issues and investment company shares. Includes line 19.
29. Foreign deposits at commercial banks, bank borrowings from foreign branches, and liabilities of foreign banking agencies to foreign affiliates, less claims on foreign affiliates and deposits by banking in foreign banks.
30. Demand deposits and note balances at commercial banks.

31. Excludes net investment of these reserves in corporate equities.

32. Mainly retained earnings and net miscellaneous liabilities.

33. Line 13 less line 20 plus line 27.

34-38. Lines 14-18 less amounts acquired by private finance plus amounts borrowed by private finance. Line 38 includes mortgages.

40. Mainly an offset to line 9.

47. Lines 33 plus 39, or line 13 less line 28 plus 40 and 46.

48. Line 2/line 1.

49. Line 20/line 13.

50. Sum of lines 10 and 29.

51, 53. Includes issues by financial institutions.

NOTE. Full statements for sectors and transaction types in flows and in amounts outstanding may be obtained from Flow of Funds Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

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2.10 NONFINANCIAL BUSINESS ACTIVITY Selected Measures¹

1977 = 100; monthly and quarterly data are seasonally adjusted. Exceptions noted.

Measure	1983	1984	1985	1986								
				Jan.	Feb.	Mar.	Apr.	May	June	July ^r	Aug. ^r	Sept.
1 Industrial production.....	109.2	121.8	124.5	126.2	125.3	123.6	124.7	124.2	124.2 ^r	124.9	125.1	125.3
<i>Market groupings</i>												
2 Products, total.....	113.9	127.1	131.7	134.0	132.9	131.2	132.7	132.4	132.4 ^r	133.2	133.7	133.9
3 Final, total.....	114.7	127.8	132.0	133.9	132.8	130.6	132.1	131.6	131.1 ^r	132.1	132.5	132.9
4 Consumer goods.....	109.3	118.2	120.7	123.8	123.3	121.8	124.5	124.3	124.4 ^r	125.1	124.9	125.2
5 Equipment.....	121.7	140.5	147.1	147.5	145.4	142.3	142.3	141.2	140.0 ^r	141.3	142.5	143.0
6 Intermediate.....	111.2	124.9	130.6	134.2	133.4	133.3	134.5	135.1	137.0 ^r	137.3	137.7	137.7
7 Materials.....	102.8	114.6	114.7	115.5	114.8	113.3	113.8	113.0	113.1 ^r	113.5	113.4	113.4
<i>Industry groupings</i>												
8 Manufacturing.....	110.2	123.9	127.1	129.4	128.7	127.2	128.7	128.2	128.3 ^r	129.3	120.4	129.8
Capacity utilization (percent) ²												
9 Manufacturing.....	74.0	80.8	80.3	80.8	80.2	79.1	79.9	79.4	79.3 ^r	79.8	79.7	79.8
10 Industrial materials industries.....	75.3	82.3	80.2	80.1	79.6	78.5	78.7	78.1	78.0 ^r	78.3	78.1	78.0
11 Construction contracts (1977 = 100) ³	138.0	150.0	161.0	146.0	162.0	149.0	176.0	160.0	161.0	163.0	168.0	158.0
12 Nonagricultural employment, total ⁴	109.4	114.5	118.5	120.4	120.6	120.6	121.0	121.2	121.1	121.4	121.6	121.7
13 Goods-producing, total.....	95.9	101.6	102.9	103.1	102.9	102.5	102.9	102.6	102.1	102.2	102.2	102.1
14 Manufacturing, total.....	93.6	98.6	98.7	98.0	98.0	97.8	97.8	97.5	97.2	97.1	97.1	96.9
15 Manufacturing, production-worker.....	88.6	94.1	93.5	92.7	92.6	92.4	92.4	92.1	91.8	91.7	91.7	91.5
16 Service-producing.....	115.0	120.0	125.0	127.6	128.0	128.2	128.6	129.0	129.0	129.5	129.7	129.9
17 Personal income, total.....	176.6	193.5	206.2	212.6	213.7	214.3	216.9	216.6	216.6	217.3	217.7	218.4
18 Wages and salary disbursements.....	168.7	184.8	197.8	204.8	205.7	206.4	206.8	207.1	207.6	208.5	209.6	210.2
19 Manufacturing.....	149.0	164.6	172.5	176.6	176.2	176.4	175.8	176.1	175.4	175.5	176.7	176.5
20 Disposable personal income ⁵	176.0	193.6	205.0	211.8	212.9	213.7	216.5	215.9	215.5	216.0	216.2	216.6
21 Retail sales (1977 = 100) ⁶	162.0	179.0	190.6	194.8	194.5	193.7	195.4	197.0	197.5	198.9	201.8	211.1
Prices ⁷												
22 Consumer.....	298.4	311.1	322.2	328.4	327.5	326.0	325.3	326.3	327.9	328.0	328.6	330.2
23 Producer finished goods.....	285.2	291.1	293.7	296.0	291.9	288.1	287.2	289.0	288.9	288.0	288.3	287.5

1. A major revision of the industrial production index and the capacity utilization rates was released in July 1985. See "A Revision of the Index of Industrial Production" and accompanying tables that contain revised indexes (1977=100) through December 1984 in the FEDERAL RESERVE BULLETIN, vol. 71 (July 1985), pp. 487-501. The revised indexes for January through June 1985 were shown in the September BULLETIN.

2. Ratios of indexes of production to indexes of capacity. Based on data from Federal Reserve, McGraw-Hill Economics Department, Department of Commerce, and other sources.

3. Index of dollar value of total construction contracts, including residential, nonresidential and heavy engineering, from McGraw-Hill Information Systems Company, F. W. Dodge Division.

4. Based on data in *Employment and Earnings* (U.S. Department of Labor). Series covers employees only, excluding personnel in the Armed Forces.

5. Based on data in *Survey of Current Business* (U.S. Department of Commerce).

6. Based on Bureau of Census data published in *Survey of Current Business*.

7. Data without seasonal adjustment, as published in *Monthly Labor Review*. Seasonally adjusted data for changes in the price indexes may be obtained from the Bureau of Labor Statistics, U.S. Department of Labor.

NOTE. Basic data (not index numbers) for series mentioned in notes 4, 5, and 6, and indexes for series mentioned in notes 3 and 7 may also be found in the *Survey of Current Business*.

Figures for industrial production for the last two months are preliminary and estimated, respectively.

2.11 LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

Thousands of persons; monthly data are seasonally adjusted. Exceptions noted.

Category	1983	1984	1985	1986							
				Feb.	Mar.	Apr.	May	June	July ^r	Aug.	Sept.
HOUSEHOLD SURVEY DATA											
1 Noninstitutional population ¹	176,414	178,602	180,440	182,055	182,223	182,387	182,545	182,732	182,906	183,074	183,261
2 Labor force (including Armed Forces) ¹	113,749	115,763	117,695	119,322	119,445	119,473	119,898	120,345	120,296	120,428	120,484
3 Civilian labor force	111,550	113,544	115,461	117,088	117,207	117,234	117,664	118,116	118,072	118,182	118,220
<i>Employment</i>											
4 Nonagricultural industries ²	97,450	101,685	103,971	105,465	105,503	105,670	105,950	106,508	106,769	107,107	106,770
5 Agriculture	3,383	3,321	3,179	3,096	3,285	3,222	3,160	3,165	3,112	3,048	3,121
<i>Unemployment</i>											
6 Number	10,717	8,539	8,312	8,527	8,419	8,342	8,554	8,443	8,190	8,027	8,329
7 Rate (percent of civilian labor force) ...	9.6	7.5	7.2	7.3	7.2	7.1	7.3	7.1	6.9	6.8	7.0
8 Not in labor force	62,665	62,839	62,745	62,733	62,778	62,914	62,647	62,387	62,610	62,646	62,777
ESTABLISHMENT SURVEY DATA											
9 Nonagricultural payroll employment ³	90,196	94,461	97,698	99,429	99,484	99,783	99,918	99,843	100,105	100,261 ^r	100,368
10 Manufacturing	18,434	19,412	19,426	19,294	19,255	19,245	19,201	19,135	19,121	19,122 ^r	19,084
11 Mining	952	974	969	880	852	821	790	772	768	752	745
12 Contract construction	3,948	4,345	4,661	4,864	4,838	4,972	4,974	4,947	4,980	5,012 ^r	5,014
13 Transportation and public utilities	4,954	5,171	5,300	5,277	5,280	5,266	5,265	5,167	5,288	5,250 ^r	5,279
14 Trade	20,881	22,134	23,195	23,638	23,669	23,715	23,783	23,773	23,841	23,898 ^r	23,943
15 Finance	5,468	5,682	5,924	6,157	6,184	6,228	6,261	6,295	6,334	6,365 ^r	6,385
16 Service	19,694	20,761	21,929	22,638	22,707	22,825	22,924	23,072	23,176	23,242 ^r	23,296
17 Government	15,869	15,984	16,295	16,681	16,699	16,711	16,720	16,682	16,597	16,620 ^r	16,622

1. Persons 16 years of age and over. Monthly figures, which are based on sample data, relate to the calendar week that contains the 12th day; annual data are averages of monthly figures. By definition, seasonality does not exist in population figures. Based on data from *Employment and Earnings* (U.S. Department of Labor).

2. Includes self-employed, unpaid family, and domestic service workers.

3. Data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th day of the month, and

exclude proprietors, self-employed persons, domestic servants, unpaid family workers, and members of the Armed Forces. Data are adjusted to the March 1984 benchmark and only seasonally adjusted data are available at this time. Based on data from *Employment and Earnings* (U.S. Department of Labor).

4. In addition to the revisions noted here, data for January through June 1985 have been revised as follows: Jan., 21,382; Feb., 21,480; Mar., 21,644; Apr., 21,723; May, 21,813; and June, 21,856. These data were reported incorrectly in the BULLETIN for November 1985 through March 1986.

2.12 OUTPUT, CAPACITY, AND CAPACITY UTILIZATION

Seasonally adjusted

Series	1985	1986				1985	1986				1985	1986			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3			
	Output (1977 = 100)				Capacity (percent of 1977 output)				Utilization rate (percent)						
1 Total industry	124.7	125.0	124.3	125.1	155.4	156.3	157.1	157.9	80.2	80.0	79.2	79.2			
2 Mining	107.1	105.4	100.1	96.6	132.5	132.1	132.1	137.5	80.9	79.6	75.6	73.2			
3 Utilities	112.8	110.5	109.5	110.6	135.7	136.3	136.9	149.0	83.2	81.1	79.5	80.5			
4 Manufacturing	127.4	128.4	128.3	129.5	159.5	160.5	161.4	162.3	79.9	80.0	79.5	79.8			
5 Primary processing	110.3	111.5	111.1	111.9	133.1	133.6	134.0	134.5	82.8	83.5	82.9	83.2			
6 Advanced processing	137.8	138.5	138.8	140.1	175.3	176.7	177.9	179.2	78.6	78.4	78.0	78.2			
7 Materials	114.3	114.5	113.4	113.4	143.6	144.2	144.7	145.3	79.6	79.4	78.3	78.1			
8 Durable goods	121.1	120.9	118.8	118.7	159.0	159.9	160.7	161.5	76.2	75.6	73.9	73.5			
9 Metal materials	82.6	79.0	75.2	72.6	115.5	115.0	114.5	114.0	71.5	68.7	65.7	63.7			
10 Nondurable goods	113.9	115.7	116.8	118.9	138.6	139.0	139.5	139.9	82.2	83.2	83.8	85.0			
11 Textile, paper, and chemical	114.0	116.2	117.0	119.6	138.0	138.4	138.8	139.2	82.7	83.9	84.3	85.9			
12 Paper	124.8	128.8	130.2	.....	136.5	137.3	138.1	.....	91.4	93.8	94.3	.....			
13 Chemical	113.4	115.3	115.4	.....	143.6	144.0	144.3	.....	79.0	80.1	79.9	.....			
14 Energy materials	102.6	102.2	100.8	99.4	120.9	121.1	121.3	121.4	84.9	84.4	82.9	81.9			
	Previous cycle ¹		Latest cycle ²		1985	1986									
	High	Low	High	Low	Aug.	Jan.	Feb.	Mar.	Apr.	May	June ²	July ²	Aug. ²	Sept.	
	Capacity utilization rate (percent)														
15 Total industry	88.6	72.1	86.9	69.5	80.6	80.9	80.2	79.0	79.5	79.1	78.9	79.1	79.0	79.2	
16 Mining	92.8	87.8	95.2	76.9	81.6	81.6	79.4	77.9	76.4	75.5	74.9	73.5	73.1	72.9	
17 Utilities	95.6	82.9	88.5	78.0	81.5	82.7	80.4	80.1	80.0	79.3	79.2	80.7	80.1	80.6	
18 Manufacturing	87.7	69.9	86.5	68.0	80.3	80.8	80.2	79.1	79.9	79.4	79.3	79.8	79.7	79.8	
19 Primary processing	91.9	68.3	89.1	65.1	82.5	84.4	83.6	82.4	83.2	82.9	82.7	83.0	83.3	83.4	
20 Advanced processing	86.0	71.1	85.1	69.5	79.3	79.2	78.6	77.4	78.5	78.0	77.7	78.4	78.1	78.0	
21 Materials	92.0	70.5	89.1	68.4	79.8	80.1	79.6	78.5	78.7	78.1	78.0	78.3	78.1	78.0	
22 Durable goods	91.8	64.4	89.8	60.9	76.8	76.5	75.9	74.5	74.9	73.7	73.2	73.6	73.5	73.5	
23 Metal materials	99.2	67.1	93.6	45.7	70.2	71.0	69.0	66.0	68.3	65.2	63.2	63.8	63.4	63.9	
24 Nondurable goods	91.1	66.7	88.1	70.6	81.6	83.7	83.5	82.5	83.6	83.5	84.3	84.9	85.0	85.0	
25 Textile, paper, and chemical	92.8	64.8	89.4	68.6	81.7	84.3	84.2	83.4	83.6	84.2	85.7	85.5	86.1	86.0	
26 Paper	98.4	70.6	97.3	79.9	89.7	94.6	93.8	93.0	93.6	93.1	96.1	95.6	.....	.....	
27 Chemical	92.5	64.4	87.9	63.3	78.7	80.8	80.2	79.4	79.4	80.2	80.4	80.5	80.9	.....	
28 Energy materials	94.6	86.9	94.0	82.2	84.8	85.1	84.3	83.7	82.8	82.9	83.1	82.6	81.7	81.3	

1. Monthly high 1973; monthly low 1975.

2. Monthly highs 1978 through 1980; monthly lows 1982.

NOTE. These data also appear in the Board's G.3 (402) release. For address, see inside front cover.

2.13 INDUSTRIAL PRODUCTION Indexes and Gross Value ▲

Monthly data are seasonally adjusted

Grouping	1977 pro- portion	1985 avg.	1985				1986											
			Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June ^r	July	Aug. ^p	Sept. ^s			
Index (1977 = 100)																		
MAJOR MARKET																		
1 Total index	100.00	123.8	124.3	123.6	124.8	125.6	126.2	125.3	123.6	124.7	124.2	124.2	124.9	125.1	125.3			
2 Products	57.72	130.8	132.0	131.0	132.8	133.0	134.0	132.9	131.2	132.7	132.4	132.4	133.2	133.7	133.9			
3 Final products	44.77	131.1	132.2	131.0	133.1	133.2	133.9	132.8	130.6	132.1	131.6	131.1	132.1	132.5	132.9			
4 Consumer goods	25.52	120.2	121.1	120.5	122.7	123.3	123.8	123.3	121.8	124.5	124.3	124.4	125.1	124.9	125.2			
5 Equipment	19.25	145.4	146.9	144.9	147.0	146.4	147.5	145.4	142.3	142.3	141.2	140.0	141.3	142.5	143.0			
6 Intermediate products	12.94	130.0	131.3	131.2	131.8	132.0	134.2	133.4	133.3	134.5	135.1	137.0	137.3	137.7	137.7			
7 Materials	42.28	114.2	113.8	113.4	113.9	115.4	115.5	114.8	113.3	113.8	113.0	113.1	113.5	113.4	113.4			
Consumer goods																		
8 Durable consumer goods	6.89	112.9	113.1	112.3	115.4	115.3	116.0	116.6	112.4	115.9	113.8	114.3	116.0	115.3	116.9			
9 Automotive products	2.98	114.0	116.2	113.2	115.6	113.9	116.2	117.6	110.4	116.4	113.2	113.7	115.9	113.4	117.4			
10 Autos and trucks	1.79	112.0	115.8	111.3	114.1	110.4	118.2	119.4	106.3	115.1	110.3	112.2	114.5	110.8	117.5			
11 Autos, consumer	1.16	98.9	98.8	94.9	95.6	94.6	105.5	107.1	93.7	100.8	94.8	99.3	95.3	87.8	96.2			
12 Trucks, consumer	.63	136.3	147.4	141.8	148.6	139.8	141.7	142.1	129.6	141.5	139.1	136.1	150.3	153.4	.....			
13 Auto parts and allied goods	1.19	116.9	116.8	116.0	117.7	119.0	113.3	114.9	116.6	118.4	117.4	116.1	117.9	117.5	117.4			
14 Home goods	3.91	112.2	110.7	111.6	115.3	116.4	115.8	115.8	113.9	115.5	114.3	114.8	116.0	116.7	116.4			
15 Appliances, A/C and TV	1.24	131.0	126.1	127.5	138.8	140.4	133.2	135.1	133.7	138.8	133.9	137.5	138.9	139.6	138.0			
16 Appliances and TV	1.19	131.8	128.3	129.8	141.3	143.2	135.7	137.6	136.0	140.6	135.8	139.1	141.6	142.7	.....			
17 Carpeting and furniture	.96	119.8	121.7	121.9	124.6	123.3	125.1	124.4	121.2	121.8	123.3	122.5	125.6	125.7	.....			
18 Miscellaneous home goods	1.71	94.3	93.3	94.4	93.1	95.1	98.0	97.0	95.5	95.0	95.0	94.1	94.1	95.1	.....			
19 Nondurable consumer goods	18.63	122.9	124.1	123.5	125.3	126.3	126.6	125.8	125.3	127.7	128.1	128.1	128.4	128.5	128.3			
20 Consumer staples	15.29	129.0	130.1	129.4	131.3	132.5	132.8	132.3	131.6	134.3	135.0	135.1	135.3	135.6	135.4			
21 Consumer foods and tobacco	7.80	128.8	130.1	128.7	130.5	131.6	130.1	131.1	130.3	131.9	132.4	133.3	132.0	132.8	.....			
22 Nonfood staples	7.49	129.2	130.1	130.1	132.1	133.4	135.6	133.5	133.0	136.7	137.7	137.0	138.8	138.5	138.4			
23 Consumer chemical products	2.75	149.1	152.9	149.1	154.8	153.6	156.3	158.3	156.4	163.1	162.4	163.6	166.4	164.9	.....			
24 Consumer paper products	1.88	141.9	142.6	143.5	143.2	146.5	148.9	143.4	143.1	145.1	148.6	147.1	146.4	146.6	.....			
25 Consumer energy	2.86	101.8	99.9	103.0	103.1	105.4	107.0	103.2	104.0	106.0	106.8	104.8	107.4	107.7	.....			
26 Consumer fuel	1.44	88.6	84.6	90.1	89.8	91.7	94.1	92.0	92.2	93.7	96.4	91.8	93.1	95.5	.....			
27 Residential utilities	1.42	115.3	115.5	116.2	116.6	119.4	120.1	114.5	116.1	118.4	117.5	118.1	122.0	.....	.....			
Equipment																		
28 Business and defense equipment	18.01	146.0	147.4	145.7	148.2	147.8	149.1	147.8	145.5	146.6	146.0	145.1	146.7	147.8	148.3			
29 Business equipment	14.34	139.6	140.4	138.3	140.8	140.0	141.5	140.5	137.7	138.6	137.9	136.6	138.3	139.2	139.7			
30 Construction, mining, and farm	2.08	64.3	64.4	64.2	65.1	66.3	65.3	63.0	59.5	58.6	60.9	61.9	60.6	57.5	.....			
31 Manufacturing	3.27	110.7	112.2	110.0	110.5	111.6	113.0	112.9	112.4	111.9	111.9	111.7	112.6	113.1	113.1			
32 Power	1.27	83.5	84.3	85.3	84.1	85.4	82.9	82.3	82.0	83.0	82.9	83.5	81.7	83.2	82.9			
33 Commercial	5.22	217.9	216.9	212.3	218.6	217.0	217.8	216.8	214.3	213.4	212.9	208.2	215.6	217.2	216.0			
34 Transit	2.49	105.4	109.5	109.5	109.7	105.5	112.7	111.7	104.3	112.1	107.3	108.8	103.9	106.9	112.3			
35 Defense and space equipment	3.67	170.6	174.5	174.8	177.2	178.5	178.7	176.3	176.2	178.0	178.0	178.4	179.5	181.5	181.9			
Intermediate products																		
36 Construction supplies	5.95	118.3	120.3	120.2	120.5	119.8	124.0	122.6	122.6	123.6	123.5	124.1	124.0	125.5	126.0			
37 Business supplies	6.99	140.0	140.7	140.5	141.5	142.4	142.9	142.6	142.5	143.8	145.0	147.9	148.7	148.2	.....			
38 General business supplies	5.67	143.9	144.2	144.3	145.3	146.2	147.2	146.7	146.4	148.0	148.3	151.6	153.4	152.2	.....			
39 Commercial energy products	1.31	122.9	125.4	123.8	125.4	126.2	124.4	124.9	125.6	125.8	130.7	131.9	128.3	130.8	.....			
Materials																		
40 Durable goods materials	20.50	121.4	119.9	120.1	121.2	121.9	122.2	121.3	119.3	120.2	118.4	117.8	118.6	118.7	118.9			
41 Durable consumer parts	4.92	100.3	98.6	99.8	100.7	101.1	103.5	103.2	99.9	99.3	96.4	96.3	96.5	95.1	95.7			
42 Equipment parts	5.94	158.0	155.4	152.7	154.0	154.1	153.8	153.0	153.7	154.8	152.3	151.8	154.2	155.7	155.4			
43 Durable materials n.e.c.	9.64	109.7	108.9	110.3	111.4	112.8	112.2	111.0	108.0	109.4	108.8	107.9	108.0	107.9	108.3			
44 Basic metal materials	4.64	84.8	84.0	85.5	87.8	87.9	85.2	83.0	79.6	82.9	78.9	76.7	77.4	76.3	.....			
45 Nondurable goods materials	10.09	112.2	114.2	113.6	113.3	114.9	116.2	116.1	114.8	116.5	116.5	117.7	118.7	119.1	119.3			
46 Textile, paper, and chemical materials	7.53	112.2	114.4	113.7	113.4	115.0	116.5	116.5	115.5	115.9	116.9	118.2	119.0	119.9	119.8			
47 Textile materials	1.52	98.7	104.3	105.2	106.1	103.8	104.1	107.5	105.7	106.7	108.4	109.5	111.2	113.0	.....			
48 Pulp and paper materials	1.55	124.1	123.8	121.8	123.6	129.0	129.7	128.8	128.0	129.0	128.6	132.7	134.4	135.0	.....			
49 Chemical materials	4.46	112.7	114.6	113.7	112.4	114.0	116.2	115.4	114.5	114.5	115.7	116.1	116.3	117.0	.....			
50 Miscellaneous nondurable materials	2.57	112.1	113.5	113.4	112.8	114.4	115.4	115.0	112.8	118.2	115.3	116.4	117.9	116.6	.....			
51 Energy materials	11.69	103.4	102.8	101.5	101.8	104.5	103.0	102.1	101.4	100.4	100.5	100.8	100.2	99.2	98.8			
52 Primary energy	7.57	107.2	106.3	105.5	106.5	108.1	106.9	106.7	107.4	106.2	106.7	106.5	104.7	103.5	.....			
53 Converted fuel materials	4.12	96.4	96.2	94.2	93.3	97.9	95.8	93.6	90.5	89.7	89.2	90.4	92.0	91.3	.....			

2.13 INDUSTRIAL PRODUCTION Indexes and Gross Value—Continued

Grouping	SIC code	1977 proportion	1985 avg.	1985				1986								
				Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June ^a	July	Aug. ^b	Sept. ^c
Index (1977 = 100)																
MAJOR INDUSTRY																
1 Mining and utilities.....		15.79	110.0	110.1	108.8	108.8	110.2	109.8	106.8	105.4	104.2	103.1	102.6	102.2	101.6	101.7
2 Mining.....		9.83	108.8	108.2	106.9	106.9	107.4	108.1	105.1	103.0	101.0	99.8	98.9	97.1	96.5	96.1
3 Utilities.....		5.96	111.9	113.3	111.8	111.9	114.8	112.5	109.7	109.3	109.4	108.5	108.6	110.8	110.1	111.0
4 Manufacturing.....		84.21	126.4	127.0	126.3	127.8	128.2	129.4	128.7	127.2	128.7	128.2	128.3	129.3	129.4	129.8
5 Nondurable.....		35.11	125.1	126.4	125.8	127.2	127.5	129.3	128.7	127.7	129.6	129.9	131.2	132.1	132.0	132.2
6 Durable.....		49.10	127.3	127.4	126.7	128.2	128.7	129.5	128.7	126.8	128.1	127.0	126.2	127.4	127.6	128.0
Mining																
7 Metal.....	10	.50	75.0	73.8	76.0	78.3	77.3	73.5	77.2	75.9	76.0	72.0	65.9	.....	.....	.....
8 Coal.....	11.12	1.60	126.8	126.9	122.9	125.8	128.4	130.8	126.5	124.7	124.4	124.0	127.3	120.2	122.2	.....
9 Oil and gas extraction.....	13	7.07	106.2	105.4	104.4	103.6	104.2	104.9	101.1	99.2	96.2	95.1	93.3	92.3	90.8	90.3
10 Stone and earth minerals.....	14	.66	118.3	118.8	118.5	118.0	114.6	113.5	116.8	111.6	115.0	112.4	114.5	111.8	114.8	.....
Nondurable manufactures																
11 Foods.....	20	7.96	130.2	132.2	129.4	131.5	132.1	132.0	132.9	132.2	133.1	133.7	134.6	133.9	134.9	.....
12 Tobacco products.....	21	.62	100.2	98.9	103.2	102.8	100.3	93.8	97.0	93.6	100.3	101.6	97.6	100.0	.....	.....
13 Textile mill products.....	22	2.29	103.2	107.0	107.7	110.0	107.7	107.9	109.9	108.0	111.4	111.3	112.6	113.1	113.5	.....
14 Apparel products.....	23	2.79	100.9	101.8	102.1	103.8	104.5	105.5	102.8	102.8	103.1	102.6	101.7	103.3	101.5	.....
15 Paper and products.....	26	3.15	127.6	128.0	127.7	128.9	131.3	133.6	132.6	132.4	134.1	133.2	137.2	138.3	138.6	.....
16 Printing and publishing.....	27	4.54	153.9	153.4	154.5	156.8	157.6	160.9	156.7	157.8	161.6	161.9	164.0	166.0	163.5	164.0
17 Chemicals and products.....	28	8.05	127.1	129.1	127.3	128.2	128.1	131.7	132.0	130.2	132.8	131.5	134.2	134.8	135.1	.....
18 Petroleum products.....	29	2.40	86.8	85.3	87.9	87.6	88.9	94.7	90.1	88.6	91.3	95.7	91.8	91.8	94.5	93.1
19 Rubber and plastic products.....	30	2.80	146.9	148.8	149.0	150.1	149.4	150.2	151.1	147.8	146.8	150.1	152.2	155.7	154.9	.....
20 Leather and products.....	31	.53	68.5	70.1	68.2	68.7	66.4	65.4	64.8	62.7	61.5	59.5	57.9	61.9	61.7	.....
Durable manufactures																
21 Lumber and products.....	24	2.30	113.4	116.0	116.2	115.0	116.1	120.5	120.3	120.7	121.3	121.6	120.9	119.7	.....	.....
22 Furniture and fixtures.....	25	1.27	139.7	142.8	140.0	142.2	140.5	141.2	143.2	142.9	145.9	146.2	147.1	150.8	149.5	.....
23 Clay, glass, stone products.....	32	2.72	115.5	117.4	116.1	116.7	118.2	120.0	119.3	120.0	121.6	120.2	120.8	119.6	119.8	.....
24 Primary metals.....	33	5.33	80.5	80.8	81.9	82.9	81.7	82.4	80.3	76.3	78.1	74.8	71.4	73.5	72.6	72.6
25 Iron and steel.....	331.2	3.49	70.4	70.3	72.4	73.9	71.6	72.2	69.5	64.3	65.6	60.2	58.3	61.4	59.9	.....
26 Fabricated metal products.....	34	6.46	107.3	106.7	107.9	107.6	108.2	109.2	108.3	107.6	108.2	106.5	106.6	105.5	106.5	107.1
27 Nonelectrical machinery.....	35	9.54	145.3	144.2	141.7	144.8	146.2	144.9	143.9	141.7	140.8	141.3	140.4	142.6	142.9	141.5
28 Electrical machinery.....	36	7.15	168.4	164.5	164.2	166.9	168.7	166.1	164.8	165.2	166.8	166.0	163.2	166.8	167.0	167.5
29 Transportation equipment.....	37	9.13	121.4	124.5	123.3	124.8	124.0	128.2	127.5	122.6	126.2	124.1	125.1	125.6	125.3	127.4
30 Motor vehicles and parts.....	371	5.25	111.5	113.7	111.4	112.6	111.4	116.5	116.4	108.1	112.6	108.7	110.6	111.2	108.3	112.8
31 Aerospace and miscellaneous transportation equipment.....	372-6.9	3.87	134.9	139.1	139.4	141.3	141.0	143.9	142.6	142.4	144.8	145.0	144.7	145.1	148.5	147.2
32 Instruments.....	38	2.66	139.1	139.0	138.4	139.9	140.4	141.5	141.9	142.0	142.4	140.3	139.9	141.7	142.6	142.6
33 Miscellaneous manufactures.....	39	1.46	96.1	95.3	95.0	94.8	96.6	100.9	100.9	99.0	99.2	101.0	98.3	97.9	98.2	.....
Utilities																
34 Electric.....		4.17	119.7	120.8	119.4	120.1	122.4	119.7	119.5	119.8	121.6	121.7	123.1	125.4	124.4	.....
Gross value (billions of 1978 dollars, annual rates)																
MAJOR MARKET																
35 Products, total.....		517.5	1,650.9	1,653.8	1,658.6	1,680.6	1,676.6	1,702.1	1,686.5	1,660.8	1,686.3	1,687.6	1,676.7	1,672.0	1,682.5	1,690.3
36 Final.....		405.7	1,282.3	1,283.5	1,284.6	1,304.9	1,302.5	1,321.2	1,310.3	1,282.5	1,307.0	1,301.1	1,289.5	1,284.8	1,292.6	1,301.3
37 Consumer goods.....		272.7	820.7	817.3	822.1	838.1	841.7	850.7	845.3	832.0	852.3	852.4	843.8	843.6	846.7	848.6
38 Equipment.....		133.0	461.7	466.2	462.5	466.8	460.8	470.5	465.1	450.4	454.7	448.7	445.7	441.2	445.9	452.8
39 Intermediate.....		111.9	368.6	370.3	374.0	375.7	374.1	380.8	376.2	378.3	379.3	386.4	387.2	387.2	389.9	389.0

▲ A major revision of the industrial production index and the capacity utilization rates was released in July 1985. See "A Revision of the Index of Industrial Production" and accompanying tables that contain revised indexes (1977=100) through December 1984 in the FEDERAL RESERVE BULLETIN, vol. 71

(July 1985), pp. 487-501. The revised indexes for January through June 1985 were shown in the September BULLETIN.

NOTE: These data also appear in the Board's G.12.3 (414) release. For address, see inside front cover.

2.14 HOUSING AND CONSTRUCTION

Monthly figures are at seasonally adjusted annual rates except as noted.

Item	1983	1984	1985	1985		1986								
				Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May ^r	June ^r	July ^r	Aug.	
Private residential real estate activity (thousands of units)														
NEW UNITS														
1 Permits authorized	1,605	1,682	1,733	1,668	1,839	1,861	1,808	1,834	1,885	1,788	1,792	1,759	1,673	
2 1-family.....	902	922	957	932	963	1,060	1,033	1,043	1,139	1,092	1,121	1,093	1,039	
3 2-or-more-family	703	759	777	736	876	801	775	791	746	696	671	666	634	
4 Started	1,703	1,749	1,742	1,654	1,882	2,034	2,001	1,960	2,019	1,853	1,852	1,782	1,818	
5 1-family.....	1,067	1,084	1,072	1,006	1,098	1,335	1,202	1,221	1,242	1,241	1,230	1,137	1,199	
6 2-or-more-family	635	665	669	648	784	699	799	739	777	612	622	645	619	
7 Under construction, end of period ¹	1,003	1,051	1,063	1,087	1,088	1,094	1,110	1,099	1,135	1,132	1,151	1,156	1,167	
8 1-family.....	524	556	539	570	561	571	581	574	586	597	612	623	633	
9 2-or-more-family	479	494	524	517	528	522	529	526	549	534	539	532	534	
10 Completed	1,390	1,652	1,703	1,721	1,762	1,778	1,725	1,806	1,693	1,829	1,620	1,764	1,765	
11 1-family.....	924	1,025	1,072	1,095	1,141	1,075	1,038	1,153	1,127	1,140	1,060	1,068	1,114	
12 2-or-more-family	466	627	631	626	621	703	687	653	566	689	560	696	651	
13 Mobile homes shipped	296	296	284	287	285	280	266	240	249	239	226	236	232	
Merchant builder activity in 1-family units														
14 Number sold	622	639	688	722	729	735	741	924	880	787	717	686	594	
15 Number for sale, end of period ¹	304	358	350	353	349	352	352	338	336	336	342	351	356	
Price (thousands of dollars) ²														
16 Median Units sold.....	75.5	80.0	84.3	87.2	87.9	86.6	89.7	88.7	92.5	92.1	91.2	94.7	91.4	
17 Average Units sold.....	89.9	97.5	101.0	104.1	106.1	104.1	106.6	108.0	110.3	114.6	110.5	117.5	116.3	
EXISTING UNITS (1-family)														
18 Number sold	2,719	2,868	3,217	3,450	3,520	3,300	3,270	3,200	3,570	3,450	3,390	3,470	3,610	
Price of units sold (thousands of dollars) ²														
19 Median	69.8	72.3	75.4	74.9	75.5	77.1	77.4	79.8	80.2	83.2	82.6	79.9	80.9	
20 Average	82.5	85.9	90.6	90.3	91.8	93.0	93.1	96.8	98.1	101.7	102.1	99.2	99.4	
Value of new construction ³ (millions of dollars)														
CONSTRUCTION														
21 Total put in place	279,240	327,209	355,570	357,630	365,554	373,378	373,947	368,027	373,904 ^r	374,483	375,397	378,121	382,226	
22 Private	228,527	271,973	292,792	294,425	300,619	305,366	305,682	298,868	303,320 ^r	302,573	304,567	305,661	308,579	
23 Residential	126,553	155,148	158,818	158,210	161,786	163,413	164,713	165,645	170,520 ^r	172,491	174,478	175,854	176,684	
24 Nonresidential, total.....	101,974	116,825	133,974	136,215	138,833	141,953	140,969	133,223	132,800 ^r	130,082	130,089	129,807	131,895	
Buildings														
25 Industrial	12,863	13,746	15,769	16,095	16,546	15,783	16,381	13,354	14,557 ^r	13,658	13,027	12,878	13,182	
26 Commercial	35,789	48,100	59,626	61,185	63,863	65,222	63,494	60,716	59,763 ^r	57,368	57,443	57,886	58,771	
27 Other.....	11,838	12,547	12,619	12,748	12,487	12,781	13,065	13,131	13,006 ^r	13,131	13,263	13,269	13,603	
28 Public utilities and other	41,484	42,432	45,960	46,187	45,937	48,167	48,029	46,022	45,474 ^r	45,925	46,356	45,774	46,339	
29 Public	50,715	55,232	62,777	63,205	64,935	68,013	68,264	69,159	70,583 ^r	71,910	70,830	72,460	73,647	
30 Military	2,544	2,839	3,283	3,598	3,539	3,407	3,974	3,673	3,725 ^r	3,637	3,761	3,768	4,021	
31 Highway	14,143	16,343	19,998	19,854	21,017	22,129	22,273	22,673	23,155	23,240	22,001	21,802	21,857	
32 Conservation and development	4,820	4,654	4,952	5,090	4,958	5,614	4,372	4,598	4,947 ^r	4,729	4,657	4,423	4,279	
33 Other.....	29,208	31,396	34,544	34,663	35,421	36,863	37,645	38,215	38,756 ^r	40,304	40,411	42,467	43,490	

1. Not at annual rates.

2. Not seasonally adjusted.

3. Value of new construction data in recent periods may not be strictly comparable with data in prior periods because of changes by the Bureau of the Census in its estimating techniques. For a description of these changes see *Construction Reports* (C-30-76-5), issued by the Bureau in July 1976.

NOTE. Census Bureau estimates for all series except (a) mobile homes, which are private, domestic shipments as reported by the Manufactured Housing Institute and seasonally adjusted by the Census Bureau, and (b) sales and prices of existing units, which are published by the National Association of Realtors. All back and current figures are available from originating agency. Permit authorizations are those reported to the Census Bureau from 16,000 jurisdictions beginning with 1978.

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2.15 CONSUMER AND PRODUCER PRICES

Percentage changes based on seasonally adjusted data, except as noted

Item	Change from 12 months earlier		Change from 3 months earlier (at annual rate)				Change from 1 month earlier					Index level Sept. 1986 (1967 = 100) ¹
	1985 Sept.	1986 Sept.	1985 Dec.	1986			1986					
				Mar.	June	Sept.	May	June	July	Aug.	Sept.	
CONSUMER PRICES ²												
1 All items	3.2	1.8	5.3	-1.9	1.5	2.2	.2	.5	.0	.2	.3	330.2
2 Food	1.9	4.3	5.9	-1.4	3.4	9.4	.4	.1	.9	.9	.4	323.2
3 Energy items	.8	-16.6	3.3	-34.2	-12.5	-19.5	.3	2.3	-4.1	-1.9	.7	360.6
4 All items less food and energy	3.9	4.1	5.4	4.1	3.1	3.7	.1	.3	.4	.3	.3	329.9
5 Commodities	1.6	1.7	3.6	.3	-.5	3.1	-1	.1	.2	.3	.2	264.5
6 Services	5.3	5.6	6.5	6.5	5.2	4.1	.2	.4	.4	.3	.3	401.4
PRODUCER PRICES												
7 Finished goods	.2	-.9	9.2	-12.5	.0	1.1	.5 ^r	.0	-.4	.3	.4	287.5
8 Consumer foods	-2.7	6.2	16.0	-8.1	6.0	12.8	1.3	.0	1.9	1.3	-.2	282.2
9 Consumer energy	-1.9	-33.6	20.7	-66.9	-25.1	-34.5	1.8 ^r	-.8 ^r	-11.9	-1.5	3.7	477.2
10 Other consumer goods	1.9	2.9	4.4	2.5	1.7	2.5	.0 ^r	.1 ^r	.3	.1	.2	256.9
11 Capital equipment	1.3	2.7	5.6	.7	1.9	2.6	.0 ^r	.1	.2	.1	.4	304.2
12 Intermediate materials ³	-.4	-4.0	2.9	-11.8	-4.8	-1.3	-.3	.1 ^r	-.7	-.2	.5	311.5
13 Excluding energy	.2	-.1	.0	-1.0	-1.3	2.0	-.1	.0	.2	.0	.3	304.7
Crude materials												
14 Foods	-14.8	7.7	47.0	-24.7	-.2	22.3	4.4 ^r	-1.2 ^r	3.4	2.5	-.8	231.9
15 Energy	-5.7	-26.8	-4.0	-51.3	-33.8	-7.1	-1.1 ^r	-2.9 ^r	-2.8	-2.6	3.7	544.1
16 Other	-6.6	-3.0	1.5	-.2	6.6	-17.8	.2 ^r	1.1	.1	-5.3	.5	239.2

1. Not seasonally adjusted.

2. Figures for consumer prices are those for all urban consumers and reflect a rental equivalence measure of homeownership after 1982.

3. Excludes intermediate materials for food manufacturing and manufactured animal feeds.

SOURCE: Bureau of Labor Statistics.

2.16 GROSS NATIONAL PRODUCT AND INCOME

Billions of current dollars except as noted; quarterly data are at seasonally adjusted annual rates.

Account	1983	1984	1985	1985		1986		
				Q3	Q4	Q1	Q2	Q3
GROSS NATIONAL PRODUCT								
1 Total	3,405.7	3,765.0	3,998.1	4,030.5	4,087.7	4,149.2	4,175.6	4,234.3
By source								
2 Personal consumption expenditures	2,234.5	2,428.2	2,600.5	2,627.1	2,667.9	2,697.9	2,732.0	2,799.3
3 Durable goods	289.1	331.2	359.3	373.3	362.0	360.8	373.9	410.2
4 Nondurable goods	816.7	870.1	905.1	907.4	922.6	929.7	928.4	935.5
5 Services	1,128.7	1,227.0	1,336.1	1,346.4	1,383.2	1,407.4	1,429.8	1,453.6
6 Gross private domestic investment	502.3	662.1	661.1	657.4	669.5	708.3	687.3	674.7
7 Fixed investment	509.4	598.0	650.0	654.3	672.6	664.4	672.8	682.3
8 Nonresidential	356.9	416.5	458.2	459.8	474.0	459.2	457.5	461.1
9 Structures	124.0	139.3	154.8	155.0	157.2	154.6	141.5	139.6
10 Producers' durable equipment	232.8	277.3	303.4	304.7	316.8	304.6	316.0	321.5
11 Residential structures	152.5	181.4	191.8	194.5	198.6	205.3	215.3	221.1
12 Change in business inventories	-7.1	64.1	11.1	3.1	-3.1	43.8	14.5	-7.5
13 Nonfarm	.4	56.6	12.2	3.2	16.7	41.2	10.5	-7.4
14 Net exports of goods and services	-6.1	-58.7	-78.9	-83.7	-105.3	-93.7	-104.5	-110.1
15 Exports	352.5	382.7	369.8	362.3	368.2	374.8	363.0	373.5
16 Imports	358.7	441.4	448.6	446.0	473.6	468.5	467.5	483.7
17 Government purchases of goods and services	675.0	733.4	815.4	829.7	855.6	836.7	860.8	870.4
18 Federal	283.5	311.3	354.1	360.9	380.9	355.7	367.6	365.7
19 State and local	391.5	422.2	461.3	468.8	474.7	480.9	493.3	504.7
By major type of product								
20 Final sales, total	3,412.8	3,700.9	3,987.0	4,027.4	4,090.8	4,105.4	4,161.2	4,241.8
21 Goods	1,396.1	1,576.7	1,630.2	1,642.8	1,644.1	1,669.0	1,661.6	1,684.4
22 Durable	573.3	675.0	700.2	710.3	709.1	710.6	703.1	728.0
23 Nondurable	822.7	901.7	930.0	932.5	935.0	958.4	958.5	956.4
24 Services	1,682.5	1,813.1	1,959.8	1,971.9	2,025.5	2,057.7	2,087.4	2,115.7
25 Structures	327.1	375.1	408.1	415.9	418.1	422.6	426.7	434.1
26 Change in business inventories	-7.1	64.1	11.1	3.1	-3.1	43.8	14.5	-7.5
27 Durable goods	-1.0	39.2	6.6	-2.7	9.5	28.6	-1	-14.7
28 Nondurable goods	-6.1	24.9	4.5	5.8	-12.7	15.3	14.6	7.2
29 MEMO: Total GNP in 1982 dollars	3,279.1	3,489.9	3,585.2	3,603.8	3,622.3	3,655.9	3,661.4	3,683.3
NATIONAL INCOME								
30 Total	2,719.5	3,032.0	3,222.3	3,243.4	3,287.3	3,340.7	3,376.4	n.a.
31 Compensation of employees	2,020.7	2,214.7	2,368.2	2,380.9	2,423.6	2,461.5	2,480.2	2,507.8
32 Wages and salaries	1,676.2	1,837.0	1,965.8	1,976.0	2,012.8	2,044.1	2,058.8	2,081.6
33 Government and government enterprises	324.3	346.2	372.2	374.2	381.6	387.2	392.5	398.4
34 Other	1,352.3	1,490.6	1,593.9	1,601.8	1,631.1	1,656.8	1,666.3	1,683.2
35 Supplement to wages and salaries	344.5	377.7	402.4	404.9	410.9	417.4	421.3	426.2
36 Employer contributions for social insurance	170.9	193.1	205.5	206.1	209.1	212.9	214.1	215.8
37 Other labor income	173.6	184.5	196.9	198.8	201.7	204.5	207.3	210.4
38 Proprietors' income ¹	190.9	236.9	254.4	249.3	262.1	265.3	289.1	279.3
39 Business and professional ¹	178.4	205.3	225.2	227.7	232.7	240.9	249.6	257.9
40 Farm ¹	12.4	31.5	29.2	21.6	29.4	24.4	39.5	21.4
41 Rental income of persons ²	13.2	8.3	7.6	7.3	8.3	12.8	16.3	16.3
42 Corporate profits ¹	213.7	264.7	280.7	296.3	285.6	296.4	293.1	n.a.
43 Profits before tax ³	207.6	235.7	223.2	229.2	235.8	224.3	231.3	n.a.
44 Inventory valuation adjustment	-10.9	-5.5	-6	6.1	-9.4	16.5	10.6	7.1
45 Capital consumption adjustment	17.0	34.5	58.1	61.0	59.2	55.6	51.3	50.4
46 Net interest	281.0	307.4	311.4	309.7	307.6	304.9	297.7	292.5

1. With inventory valuation and capital consumption adjustments.
 2. With capital consumption adjustment.

3. For after-tax profits, dividends, and the like, see table 1.48.
 SOURCE: *Survey of Current Business* (Department of Commerce).

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2.17 PERSONAL INCOME AND SAVING

Billions of current dollars; quarterly data are at seasonally adjusted annual rates. Exceptions noted.

Account	1983	1984	1985	1985		1986		
				Q3	Q4	Q1	Q2	Q3
PERSONAL INCOME AND SAVING								
1 Total personal income.....	2,838.6	3,110.2	3,314.5	3,323.2	3,382.9	3,432.6	3,483.3	3,501.6
2 Wage and salary disbursements.....	1,676.6	1,836.8	1,966.1	1,976.0	2,012.8	2,044.1	2,058.8	2,081.6
3 Commodity-producing industries.....	523.1	577.8	607.7	608.3	617.7	622.0	620.8	622.6
4 Manufacturing.....	397.4	439.1	460.1	460.7	467.5	470.5	468.8	470.1
5 Distributive industries.....	404.2	442.2	469.8	472.4	478.9	485.2	484.3	487.9
6 Service industries.....	425.1	470.6	516.4	521.1	534.6	549.6	561.3	573.2
7 Government and government enterprises.....	324.3	346.2	372.2	374.2	381.6	387.2	392.5	398.4
8 Other labor income.....	173.6	184.5	196.9	198.8	201.7	204.5	207.3	210.4
9 Proprietors' income ¹	190.9	236.9	254.4	249.3	262.1	265.3	289.1	279.3
10 Business and professional ¹	178.4	205.3	225.2	227.7	232.7	240.9	249.6	257.9
11 Farm ¹	12.4	31.5	29.2	21.6	29.4	24.4	39.5	21.4
12 Rental income of persons ²	13.2	8.3	7.6	7.3	8.3	12.8	16.3	16.3
13 Dividends.....	68.7	74.7	76.4	76.3	76.7	79.1	81.1	82.0
14 Personal interest income.....	393.1	446.9	476.2	475.2	480.6	480.8	480.1	474.4
15 Transfer payments.....	442.6	455.6	487.1	491.1	493.6	504.7	510.1	518.3
16 Old-age survivors, disability, and health insurance benefits.....	221.7	235.7	253.4	256.5	256.8	263.2	264.1	269.8
17 LESS: Personal contributions for social insurance.....	120.1	133.5	150.2	150.7	152.9	158.6	159.5	160.8
18 EQUALS: Personal income.....	2,838.6	3,110.2	3,314.5	3,323.2	3,382.9	3,432.6	3,483.3	3,501.6
19 LESS: Personal tax and nontax payments.....	410.5	439.6	486.5	491.2	500.7	497.5	504.8	518.6
20 EQUALS: Disposable personal income.....	2,428.1	2,670.6	2,828.0	2,832.0	2,882.2	2,935.1	2,978.5	2,983.0
21 LESS: Personal outlays.....	2,297.4	2,501.9	2,684.7	2,712.4	2,756.4	2,789.4	2,825.5	2,895.4
22 EQUALS: Personal saving.....	130.6	168.7	143.3	119.6	125.8	145.6	153.1	87.5
MEMO								
Per capita (1982 dollars)								
23 Gross national product.....	13,963.7	14,721.1	14,980.9	15,040.5	15,079.9	15,188.0 ^a	15,179.9	15,232.8
24 Personal consumption expenditures.....	9,138.5	9,475.4	9,713.0	9,774.4	9,790.3	9,857.1 ^a	9,985.0	10,134.0
25 Disposable personal income.....	9,930.0	10,421.0	10,563.0	10,537.0	10,577.0	10,723.0	10,886.0	10,800.0
26 Saving rate (percent).....	5.4	6.3	5.1	4.2	4.4	5.0	5.1	2.9
GROSS SAVING								
27 Gross saving.....	463.6	573.3	551.5	541.7	524.1	583.2	539.7	n.a.
28 Gross private saving.....	592.2	674.8	687.8	679.6	679.2	714.8	718.7	n.a.
29 Personal saving.....	130.6	168.7	143.3	119.6	125.8	145.6	153.1	87.5
30 Undistributed corporate profits ¹	65.0	91.0	107.3	118.8	106.8	122.1	112.3	n.a.
31 Corporate inventory valuation adjustment.....	-10.9	-5.5	-6	6.1	-9.4	16.5	10.6	7.1
Capital consumption allowances								
32 Corporate.....	242.7	253.9	268.2	270.1	273.3	275.3	278.9	281.4
33 Noncorporate.....	153.9	161.2	169.0	171.2	173.4	171.8	174.4	176.5
34 Wage accruals less disbursements.....	.0	.0	.0	.0	.0	.0	.0	.0
35 Government surplus, or deficit (-), national income and product accounts.....	-128.6	-101.5	-136.3	-138.0	-155.1	-131.6	-179.0	n.a.
36 Federal.....	-176.0	-170.0	-198.0	-197.5	-217.6	-201.6	-238.1	n.a.
37 State and local.....	47.5	68.5	61.7	59.5	62.5	70.0	59.0	n.a.
38 Capital grants received by the United States, net.....	.0	.0	.0	.0	.0	.0	.0	.0
39 Gross investment.....	468.8	571.4	545.9	536.2	525.7	579.6	544.3	529.8
40 Gross private domestic.....	502.3	662.1	661.1	657.4	669.5	708.3	687.3	674.7
41 Net foreign.....	-33.5	-90.7	-115.2	-121.2	-143.8	-128.6	-143.0	-145.0
42 Statistical discrepancy.....	5.2	-1.9	-5.5	-5.5	1.6	-3.6	4.6	4.6

1. With inventory valuation and capital consumption adjustments.
2. With capital consumption adjustment.

SOURCE: *Survey of Current Business* (Department of Commerce).

3.10 U.S. INTERNATIONAL TRANSACTIONS Summary

Millions of dollars; quarterly data are seasonally adjusted except as noted.¹

Item credits or debits	1983	1984	1985	1985			1986	
				Q2	Q3	Q4	Q1	Q2 ²
1 Balance on current account	-46,605	-106,466	-117,677	-29,416	-28,454	-33,698	-34,038	-34,731
2 Not seasonally adjusted				-30,362	-32,275	-31,510	-31,020	-35,753
3 Merchandise trade balance ²	-67,080	-112,522	-124,439	-30,367	-31,675	-37,352	-36,459	-36,023
4 Merchandise exports	201,820	219,900	214,424	53,875	52,498	52,727	53,661	54,795
5 Merchandise imports	-268,900	-332,422	-338,863	-84,242	-84,173	-90,079	-90,120	-90,818
6 Military transactions, net	-370	-1,827	-2,917	-729	-619	-1,322	-1,066	-704
7 Investment income, net ³	24,841	18,751	25,188	5,449	8,262	9,255	6,517	5,290
8 Other service transactions, net	5,484	1,288	-525	-311	-421	-35	-7	753
9 Remittances, pensions, and other transfers	-3,194	-3,621	-3,787	-881	-914	-937	-954	-843
10 U.S. government grants (excluding military)	-6,286	-8,536	-11,196	-2,577	-3,087	-3,307	-2,069	-3,204
11 Change in U.S. government assets, other than official reserve assets, net (increase, -)	-5,005	-5,523	-2,824	-1,055	-422	-540	-250	-181
12 Change in U.S. official reserve assets (increase, -)	-1,196	-3,130	-3,858	-356	-121	-3,148	-115	16
13 Gold	0	0	0	0	0	0	0	0
14 Special drawing rights (SDRs)	-66	-979	-897	-180	-264	-189	-274	-104
15 Reserve position in International Monetary Fund	-4,434	-995	908	72	388	168	344	366
16 Foreign currencies	3,304	-1,156	-3,869	-248	-245	-3,126	-185	-246
17 Change in U.S. private assets abroad (increase, -) ³	-43,821	-14,987	-25,754	-1,382	-5,324	-19,579	-12,533	-17,584
18 Bank-reported claims	-29,928	-11,127	-691	3,450	4,009	-8,485	6,333	-10,744
19 Nonbank-reported claims	-6,513	5,081	1,665	1,706	-1,517	418	-2,842	n.a.
20 U.S. purchase of foreign securities, net	-7,007	-5,082	-7,977	-2,325	-1,664	-1,411	-6,133	-1,567
21 U.S. direct investments abroad, net ³	-373	-3,859	-18,752	-4,213	-6,152	-10,101	-9,891	-5,273
22 Change in foreign official assets in the United States (increase, +)	5,968	3,037	-1,324	8,486	2,577	-1,322	2,469	13,766
23 U.S. Treasury securities	6,972	4,690	-546	8,685	-81	-1,976	3,256	13,889
24 Other U.S. government obligations	-476	13	-295	136	46	-171	-177	-597
25 Other U.S. government liabilities ⁴	725	436	483	606	58	263	288	663
26 Other U.S. liabilities reported by U.S. banks	545	555	522	-107	2,932	722	-1,261	350
27 Other foreign official assets ⁵	-1,798	-2,657	-1,488	-834	-378	-160	363	-539
28 Change in foreign private assets in the United States (increase, +) ³	79,528	99,730	128,430	16,872	33,088	53,158	34,151	32,738
29 U.S. bank-reported liabilities	50,342	33,849	40,387	606	7,276	20,427	8,434	4,983
30 U.S. nonbank-reported liabilities	-118	4,704	-1,172	-1,837	589	2,232	-2,057	n.a.
31 Foreign private purchases of U.S. Treasury securities, net	8,721	23,059	20,500	5,123	7,484	5,676	7,666	1,391
32 Foreign purchases of other U.S. securities, net	8,636	12,759	50,859	7,223	11,628	22,441	18,686	22,590
33 Foreign direct investments in the United States, net ³	11,947	25,359	17,856	5,757	6,111	2,382	1,422	3,774
34 Allocation of SDRs	0	0	0	0	0	0	0	0
35 Discrepancy	11,130	27,338	23,006	6,851	-1,344	5,128	10,316	5,976
36 Owing to seasonal adjustments				-1,175	-3,688	3,774	1,216	-1,464
37 Statistical discrepancy in recorded data before seasonal adjustment	11,130	27,338	23,006	8,026	2,344	1,354	9,100	7,440
MEMO								
38 Changes in official assets								
39 U.S. official reserve assets (increase, -)	-1,196	-3,130	-3,858	-356	-121	-3,148	-115	16
40 Foreign official assets in the United States (increase, +)	5,243	2,601	-1,807	7,880	2,519	-1,585	2,181	13,103
41 Change in Organization of Petroleum Exporting Countries official assets in the United States (part of line 22 above)	-8,283	-4,304	-6,599	-1,843	-1,831	-1,002	1,421	-2,609
42 Transfers under military grant programs (excluded from lines 4, 6, and 10 above)	194	190	64	12	15	28	22	61

1. Seasonal factors are not calculated for lines 6, 10, 12-16, 18-20, 22-34, and 38-41.

2. Data are on an international accounts (IA) basis. Differs from the Census basis data, shown in table 3.11, for reasons of coverage and timing; military exports are excluded from merchandise data and are included in line 6.

3. Includes reinvested earnings.

4. Primarily associated with military sales contracts and other transactions arranged with or through foreign official agencies.

5. Consists of investments in U.S. corporate stocks and in debt securities of private corporations and state and local governments.

NOTE: Data are from Bureau of Economic Analysis, *Survey of Current Business* (Department of Commerce).

3.11 U.S. FOREIGN TRADE

Millions of dollars; monthly data are not seasonally adjusted.

Item	1983	1984	1985	1986						
				Feb.	Mar.	Apr.	May	June	July	Aug.
1 EXPORTS of domestic and foreign merchandise excluding grant-aid shipments	200,486	217,865	213,146	17,735	18,913	17,965	17,431	19,070	17,707	17,604
2 GENERAL IMPORTS including merchandise for immediate consumption plus entries into bonded warehouses	258,048	325,726	345,276	28,895	31,972	28,762	30,272	31,764	34,121	29,476
3 Trade balance	-57,562	107,861	-132,129	-11,160	-13,059	-10,797	-12,842	-12,694	-16,414	-11,871

NOTE. The data through 1981 in this table are reported by the Bureau of Census data of a free-alongside-ship (f.a.s.) value basis—that is, value at the port of export. Beginning in 1981, foreign trade of the U.S. Virgin Islands is included in the Census basis trade data; this adjustment has been made for all data shown in the table. Beginning with 1982 data, the value of imports are on a customs valuation basis.

The Census basis data differ from merchandise trade data shown in table 3.10, U.S. International Transactions Summary, for reasons of coverage and timing. On

the export side, the largest adjustments are: (1) the addition of exports to Canada not covered in Census statistics, and (2) the exclusion of military sales (which are combined with other military transactions and reported separately in the "service account" in table 3.10, line 6). On the import side, additions are made for gold, ship purchases, imports of electricity from Canada, and other transactions; military payments are excluded and shown separately as indicated above.

SOURCE. FT900 "Summary of U.S. Export and Import Merchandise Trade" (Department of Commerce, Bureau of the Census).

3.12 U.S. RESERVE ASSETS

Millions of dollars, end of period

Type	1983	1984	1985	1986						
				Mar.	Apr.	May	June	July	Aug.	Sept.
1 Total	33,747	34,934	43,191	44,919	46,491	45,260	46,635	47,430	48,161	48,086
2 Gold stock, including Exchange Stabilization Fund ¹	11,121	11,096	11,090	11,090	11,089	11,085	11,084	11,084	11,084	11,084
3 Special drawing rights ^{2,3}	5,025	5,641	7,293	7,839	8,098	8,066	8,213	8,085	8,250	8,295
4 Reserve position in International Monetary Fund ²	11,312	11,541	11,952	12,025	12,242	11,789	12,109	12,114	12,017	11,922
5 Foreign currencies ⁴	6,289	6,656	12,856	13,965	15,062	14,320	15,229	16,147	16,810	16,785

1. Gold held under earmark at Federal Reserve Banks for foreign and international accounts is not included in the gold stock of the United States; see table 3.13. Gold stock is valued at \$42.22 per fine troy ounce.

2. Beginning July 1974, the IMF adopted a technique for valuing the SDR based on a weighted average of exchange rates for the currencies of member countries. From July 1974 through December 1980, 16 currencies were used; from January 1981, 5 currencies have been used. The U.S. SDR holdings and reserve position in the IMF also are valued on this basis beginning July 1974.

3. Includes allocations by the International Monetary Fund of SDRs as follows: \$867 million on Jan. 1, 1970; \$717 million on Jan. 1, 1971; \$710 million on Jan. 1, 1972; \$1,139 million on Jan. 1, 1979; \$1,152 million on Jan. 1, 1980; and \$1,093 million on Jan. 1, 1981; plus transactions in SDRs.

4. Valued at current market exchange rates.

3.13 FOREIGN OFFICIAL ASSETS HELD AT FEDERAL RESERVE BANKS

Millions of dollars, end of period

Assets	1983	1984	1985	1986						
				Mar.	Apr.	May	June	July	Aug.	Sept.
1 Deposits	190	267	480	273	325	253	354	233	227	342
Assets held in custody										
2 U.S. Treasury securities ¹	117,670	118,000	121,004	127,611	132,017	136,762	137,820	144,527	148,263	152,275
3 Earmarked gold ²	14,414	14,242	14,245	14,167	14,160	14,145	14,128	14,131	14,120	14,115

1. Marketable U.S. Treasury bills, notes, and bonds; and nonmarketable U.S. Treasury securities payable in dollars and in foreign currencies.

2. Earmarked gold is valued at \$42.22 per fine troy ounce.

NOTE. Excludes deposits and U.S. Treasury securities held for international and regional organizations. Earmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

3.14 FOREIGN BRANCHES OF U.S. BANKS Balance Sheet Data¹

Millions of dollars, end of period

Asset account	1983	1984	1985	1986						
				Feb.	Mar.	Apr.	May	June	July	Aug. ^a
All foreign countries										
1 Total, all currencies	477,090	453,656	458,012	449,561	459,885	475,158	459,587	467,565	454,756	461,152
2 Claims on United States	115,542	113,393	119,713	113,840	118,524	122,487	117,627	117,680	113,383	117,661
3 Parent bank	82,026	78,109	87,201	81,038	85,164	88,975	83,404	82,514	79,387	83,779
4 Other banks in United States ²	33,516	13,664	13,057 ^r	11,729 ^r	12,960 ^r	12,792 ^r	13,185 ^r	13,991 ^r	13,484	13,043
5 Nonbanks ²	33,516	21,620	19,455 ^r	21,073 ^r	20,400 ^r	20,720 ^r	21,038 ^r	21,175 ^r	20,512	20,839
6 Claims on foreigners	342,689	320,162	315,702	311,419	316,493	326,013	316,151	324,128	314,153	315,536
7 Other branches of parent bank	96,004	95,184	91,399	88,457	91,586	95,238	90,447	98,457	92,641	93,436
8 Banks	117,668	100,397	102,960	100,362	101,743	107,141	103,851	105,570	103,002	102,726
9 Public borrowers	24,517	23,343	23,478	23,776	23,770	23,645	23,823	23,273	23,561	23,938
10 Nonbank foreigners	107,785	101,238	97,865	98,824	99,394	99,989	98,030	96,828	94,949	95,436
11 Other assets	18,859	20,101	22,597	24,302	24,868	26,658	25,809	25,757	27,220	27,955
12 Total payable in U.S. dollars	371,508	350,636	336,288	316,473 ^r	324,129 ^r	331,511 ^r	322,837 ^r	327,639 ^r	313,703	318,355
13 Claims on United States	113,436	111,426	116,645	110,477	114,965	118,629	113,767	113,387	109,172	113,636
14 Parent bank	80,909	77,229	85,971	79,703	83,841	87,597	82,110	81,022	78,025	82,261
15 Other banks in United States ²	32,527	13,500	12,454 ^r	11,066 ^r	12,261 ^r	11,891 ^r	12,272 ^r	12,859 ^r	12,330	12,151
16 Nonbanks ²	32,527	20,697	18,220 ^r	19,708 ^r	18,863 ^r	19,141 ^r	19,385 ^r	19,506 ^r	18,817	19,224
17 Claims on foreigners	247,406	228,600	209,927	195,816	199,279	202,498	198,172	203,846	193,901	194,598
18 Other branches of parent bank	78,431	78,746	72,689	67,630	70,910	73,109	69,684	73,934	69,135	68,604
19 Banks	93,332	76,940	71,748	63,987	63,849	66,006	65,053	66,673	64,940	64,841
20 Public borrowers	17,890	17,626	17,252	17,226	17,219	16,752	17,180	16,492	16,667	16,977
21 Nonbank foreigners	60,977	55,288	48,238	46,973	47,301	46,631	46,255	44,747	43,159	44,176
22 Other assets	10,666	10,610	9,716	10,180 ^r	9,885 ^r	10,384 ^r	10,898 ^r	10,406 ^r	10,630	10,121
United Kingdom										
23 Total, all currencies	158,732	144,385	148,599	148,788	150,975	155,867	152,075	151,593	145,448	145,455
24 Claims on United States	34,433	27,675	33,157	33,482	33,990	34,234	34,231	31,364	30,223	29,839
25 Parent bank	29,111	21,862	26,970	27,350	27,881	28,058	28,001	25,106	24,252	23,466
26 Other banks in United States ²	5,322	1,429	1,106	1,064	1,129	1,386	1,312	1,366	1,367	1,446
27 Nonbanks ²	5,322	4,384	5,081	5,068	4,980	4,790	4,918	4,892	4,604	4,927
28 Claims on foreigners	119,280	111,828	110,217	109,802	111,468	115,485	111,823	113,739	108,156	108,977
29 Other branches of parent bank	36,565	37,953	31,576	30,218	31,250	32,516	31,984	34,670	31,613	31,829
30 Banks	43,352	37,443	39,250	39,777	38,929	41,593	39,222	39,430	38,393	37,925
31 Public borrowers	5,898	5,334	5,644	6,113	5,833	5,642	5,427	5,236	5,229	5,554
32 Nonbank foreigners	33,465	31,098	33,747	33,694	35,456	35,734	35,190	34,403	32,921	33,669
33 Other assets	5,019	4,882	5,225	5,504	5,517	6,148	6,021	6,490	7,069	6,639
34 Total payable in U.S. dollars	126,012	112,809	108,626	105,214 ^r	105,118	107,364 ^r	106,716	104,013 ^r	97,641	97,769
35 Claims on United States	33,756	26,868	32,092	32,384	32,746	32,959	32,872	29,944	28,848	28,446
36 Parent bank	28,756	21,495	26,568	26,943	27,393	27,629	27,584	24,693	23,888	22,972
37 Other banks in United States ²	5,000	1,363	1,005	978	1,027	1,225	1,152	1,103	1,129	1,192
38 Nonbanks ²	5,000	4,010	4,519	4,463	4,326	4,105	4,136	4,148	3,831	4,282
39 Claims on foreigners	88,917	82,945	73,475	69,597	69,433	71,058	70,406	70,697	65,472	66,420
40 Other branches of parent bank	31,838	33,607	26,011	24,474	25,250	26,224	26,265	27,559	24,258	24,657
41 Banks	32,188	26,805	26,139	23,725	22,106	23,310	23,134	22,825	21,938	21,537
42 Public borrowers	4,194	4,030	3,999	4,370	4,223	4,012	3,937	3,777	3,793	4,027
43 Nonbank foreigners	20,697	18,503	17,326	17,028	17,854	17,512	17,070 ^r	16,536	15,483	16,199
44 Other assets	3,339	2,996	3,059	3,233 ^r	2,939 ^r	3,347 ^r	3,438 ^r	3,372 ^r	3,321	2,903
Bahamas and Caymans										
45 Total, all currencies	152,083	146,811	142,055	130,154	136,529	137,272	132,122	138,944	134,238	137,526
46 Claims on United States	75,309	77,296	74,864	68,412	71,735	72,755	68,710	70,751	69,721	73,047
47 Parent bank	48,720	49,449	50,553	43,891	46,813	47,613	42,868	44,132	43,867	47,694
48 Other banks in United States ²	26,589	11,544	11,204 ^r	9,886 ^r	10,827 ^r	10,445 ^r	10,895 ^r	11,681 ^r	11,160	10,786
49 Nonbanks ²	26,589	16,303	13,107 ^r	14,635 ^r	14,095 ^r	14,697 ^r	14,947 ^r	14,938 ^r	14,694	14,567
50 Claims on foreigners	72,868	65,598	63,904 ^r	57,724	60,564	60,301	59,106	63,955	60,162	60,167
51 Other branches of parent bank	20,626	17,661	19,042	15,872	19,131	18,286	15,703	20,636	16,682	16,539
52 Banks	36,842	30,246	28,192	25,438	25,129	25,809	26,290	27,000	27,067	27,065
53 Public borrowers	6,093	6,089	6,458	6,286	6,292	6,326	6,694	6,399	6,534	6,675
54 Nonbank foreigners	12,592	11,602	10,212	10,128	10,012	9,880	10,419	9,920	9,879	9,888
55 Other assets	3,906	3,917	3,287	4,018	4,230	4,216	4,306	4,238	4,355	4,312
56 Total payable in U.S. dollars	145,641	141,562	136,794	124,216	130,438	130,530	125,681	132,353	127,910	130,723

1. Beginning with June 1984 data, reported claims held by foreign branches have been reduced by an increase in the reporting threshold for "shell" branches from \$50 million to \$150 million equivalent in total assets, the threshold now applicable to all reporting branches.

2. Data for assets vis-à-vis other banks in the United States and vis-à-vis nonbanks are combined for dates before June 1984.

3.14 Continued

Liability account	1983	1984	1985	1986						
				Feb.	Mar.	Apr.	May	June	July	Aug. ^P
All foreign countries										
57 Total, all currencies	477,090	453,656	458,012	449,561	459,885	475,158	459,587	467,565	454,756	461,152
58 Negotiable CDs ³	n.a.	37,725	34,607	33,458	36,066	33,229	35,006	34,683	32,656	31,475
59 To United States	188,070	147,583	155,538	138,228	140,401 ^r	150,390	144,241	149,847 ^r	141,611	145,450
60 Parent bank	81,261	78,739	83,914	73,465	74,952	81,594	77,484	85,125 ^r	81,299	80,219
61 Other banks in United States	29,453	18,409	16,894	13,984	15,744 ^r	14,270	14,347	16,118	14,203	14,473
62 Nonbanks	77,356	50,435	54,730	50,779	49,705	54,526	52,410	48,604	46,109	50,758
63 To foreigners	269,685	247,907	245,942	255,533	261,763 ^r	269,814	258,700	262,330 ^r	259,121	262,928
64 Other branches of parent bank	90,615	93,909	89,529	86,358	90,921	93,768	90,228	97,717 ^r	91,144	91,314
65 Banks	92,889	78,203	76,814	83,843	84,800 ^r	89,608	83,251	81,008	82,842	85,270
66 Official institutions	18,896	20,281	19,523	21,889	20,688	20,744	20,792	20,480	20,608	20,549
67 Nonbank foreigners	68,845	55,514	60,076	63,443	65,354	65,694	64,429	63,125	64,527	65,795
68 Other liabilities	19,335	20,441	21,925	22,342	21,655	21,725	21,640	20,705 ^r	21,368	21,299
69 Total payable in U.S. dollars	388,291	367,145	353,470	332,029	341,550	347,587 ^r	340,176 ^r	346,428 ^r	330,053	333,438
70 Negotiable CDs ³	n.a.	35,227	31,063	30,202	32,418	29,912	31,513	31,076	28,970	28,091
71 To United States	184,305	143,571	150,161	132,215	134,204 ^r	143,601	137,694	142,730 ^r	133,920	137,767
72 Parent bank	79,035	76,254	80,888	70,208	71,616	78,061	73,950	81,066 ^r	77,048	76,046
73 Other banks in United States	28,936	17,935	16,264	13,288	14,953 ^r	13,477	13,575	15,323	13,519	13,686
74 Nonbanks	76,334	49,382	53,009	48,719	47,635	52,063	50,169	46,341	43,353	48,035
75 To foreigners	194,139	178,260	163,361	160,810	166,329 ^r	166,229	162,528	163,943 ^r	158,302	158,968
76 Other branches of parent bank	73,522	77,770	70,943	65,947	70,465	71,841	69,978	75,805 ^r	68,065	66,884
77 Banks	57,022	45,123	37,323	36,699	37,470 ^r	37,240	36,335	33,745	34,815	36,491
78 Official institutions	13,855	15,773	14,354	15,853	14,719	14,746	14,049	13,772	14,091	14,125
79 Nonbank foreigners	51,260	39,594	40,741	42,311	43,675	42,402	42,166	40,621	41,331	41,468
80 Other liabilities	9,847	10,087	8,885	8,805 ^r	8,599	7,845 ^r	8,441 ^r	8,679 ^r	8,861	8,612
United Kingdom										
81 Total, all currencies	158,732	144,385	148,599	148,788	150,975	155,867	152,075	151,593	145,448	145,455
82 Negotiable CDs ³	n.a.	34,413	31,260	29,419	32,217	29,898	31,734	31,396	29,295	28,279
83 To United States	55,799	25,250	29,422	26,705	22,945	28,450	27,505	26,270 ^r	22,671	22,831
84 Parent bank	14,021	14,651	19,330	16,798	13,724	17,231	16,624	15,892 ^r	13,300	14,188
85 Other banks in United States	11,328	3,125	2,974	1,950	2,793	1,966	2,175	1,997	1,999	2,163
86 Nonbanks	30,450	7,474	7,118	7,957	6,428	9,253	8,706	8,381 ^r	7,372	6,480
87 To foreigners	95,847	77,424	78,525	82,666	86,053	87,773	83,067	84,362 ^r	83,707	84,880
88 Other branches of parent bank	19,038	21,631	23,389	21,954	24,733	25,379	23,838	27,029 ^r	25,106	24,969
89 Banks	41,624	30,436	28,581	32,088	33,301	34,294	31,584	30,505	31,678	32,243
90 Official institutions	10,151	10,154	9,676	10,956	9,750	9,757	9,548	9,543	9,074	9,330
91 Nonbank foreigners	25,034	15,203	16,879	17,668	18,269	18,343	18,097	17,285	17,849	18,338
92 Other liabilities	7,086	7,298	9,392	9,998	9,760	9,746	9,769	9,565 ^r	9,775	9,465
93 Total payable in U.S. dollars	131,167	117,497	112,697	108,335 ^r	108,420	110,378 ^r	109,337 ^r	108,375 ^r	101,095	101,240
94 Negotiable CDs ³	n.a.	33,070	29,337	27,655	30,042	27,978	29,542	29,135	27,015	26,114
95 To United States	54,691	24,105	27,756	24,967	21,070	26,411	25,490	24,214 ^r	20,065	20,403
96 Parent bank	13,839	14,339	18,956	16,528	13,405	16,867	16,233	15,331 ^r	12,648	13,707
97 Other banks in United States	11,044	2,980	2,826	1,820	2,596	1,774	1,944	1,817	1,738	1,894
98 Nonbanks	29,808	6,786	5,974	6,619	5,069	7,770	7,313	7,066	5,679	4,802
99 To foreigners	73,279	56,923	51,980	51,686	53,219	52,262	50,441	51,056 ^r	49,932	50,855
100 Other branches of parent bank	15,403	18,294	18,493	16,829	19,068	19,297	18,043	20,455 ^r	17,868	17,796
101 Banks	29,320	18,356	14,344	14,457	14,731	14,125	14,114	13,073	14,251	15,050
102 Official institutions	8,279	8,871	7,661	8,747	7,839	7,449	6,953	6,914	6,658	6,724
103 Nonbank foreigners	20,277	11,402	11,482	11,653	11,581	11,391	11,331	10,614	11,155	11,285
104 Other liabilities	3,197	3,399	3,624	4,027 ^r	4,089	3,727 ^r	3,864 ^r	3,970 ^r	4,083	3,868
Bahamas and Caymans										
105 Total, all currencies	152,083	146,811	142,055	130,154	136,529	137,272	132,122	138,944	134,238	137,526
106 Negotiable CDs ³	n.a.	615	610	1,237	1,132	629	634	567	565	470
107 To United States	111,299	102,955	103,813	91,773	97,686 ^r	98,621	94,128	98,897	96,648	99,567
108 Parent bank	50,980	47,162	44,811	39,381	43,834	43,662	40,757	47,014	47,862	45,072
109 Other banks in United States	16,057	13,938	12,778	10,854	11,624 ^r	11,014	10,738	12,868	11,143	11,279
110 Nonbanks	44,262	41,855	46,224	41,538	42,228	43,945	42,633	39,015	37,643	43,216
111 To foreigners	38,445	40,320	35,053	34,993	35,646 ^r	35,901	35,139	37,340	34,815	35,234
112 Other branches of parent bank	14,936	16,782	14,075	13,081	13,198	14,077	13,731	15,882	13,561	13,368
113 Banks	11,876	12,405	10,669	10,851	10,340 ^r	10,788	10,318	9,991	9,624	10,234
114 Official institutions	1,919	2,054	1,776	1,741	1,759	2,176	2,144	2,427	2,468	2,386
115 Nonbank foreigners	11,274	9,079	8,533	9,320	10,349	8,860	8,946	9,040	9,162	9,246
116 Other liabilities	2,339	2,921	2,579	2,151	2,065	2,121	2,221	2,140	2,210	2,255
117 Total payable in U.S. dollars	148,278	143,582	138,322	125,861	132,308	132,966	127,918	134,606	130,075	133,255

3. Before June 1984, liabilities on negotiable CDs were included in liabilities to the United States or liabilities to foreigners, according to the address of the initial purchaser.

3.15 SELECTED U.S. LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS

Millions of dollars, end of period

Item	1984	1985	1986						
			Feb.	Mar.	Apr.	May	June ^r	July	Aug. ^p
1 Total ¹	180,552	178,337	179,856	180,525	188,908	190,634	195,053	199,210	204,049
<i>By type</i>									
2 Liabilities reported by banks in the United States ²	26,089	26,734	26,506	25,479	27,029	24,911	26,142	25,039	25,582
3 U.S. Treasury bills and certificates ³	59,976	53,252	54,420	55,933	59,547	63,614	65,790	70,721	74,766
4 U.S. Treasury bonds and notes	69,019	77,108	78,089	78,483	82,345	82,501	84,113	85,601	85,717
5 Marketable ⁴	5,800	3,550	3,150	2,750	2,300	1,800	1,800	1,300	1,300
6 U.S. securities other than U.S. Treasury securities ⁵	19,668	17,693	17,691	17,880	17,687	17,808	17,208	16,549	16,684
<i>By area</i>									
7 Western Europe ¹	69,776	74,418	72,891	72,435	76,353	76,405	79,641	81,421	83,930
8 Canada	1,528	1,314	1,762	1,445	1,711	1,502	1,529	1,627	1,535
9 Latin America and Caribbean	8,561	11,141	10,234	10,425	10,785	10,595	11,046	11,282	10,842
10 Asia	93,954	86,441	89,719	90,869	94,646	96,963	97,850	100,560	102,850
11 Africa	1,264	1,824	1,786	1,846	1,833	1,718	1,717	1,525	1,958
12 Other countries ⁶	5,469	3,199	3,464	3,505	3,580	3,451	3,270	2,795	2,934

1. Includes the Bank for International Settlements.

2. Principally demand deposits, time deposits, bankers acceptances, commercial paper, negotiable time certificates of deposit, and borrowings under repurchase agreements.

3. Includes nonmarketable certificates of indebtedness (including those payable in foreign currencies through 1974) and Treasury bills issued to official institutions of foreign countries.

4. Excludes notes issued to foreign official nonreserve agencies. Includes bonds and notes payable in foreign currencies.

5. Debt securities of U.S. government corporations and federally sponsored agencies, and U.S. corporate stocks and bonds.

6. Includes countries in Oceania and Eastern Europe.

NOTE: Based on Treasury Department data and on data reported to the Treasury Department by banks (including Federal Reserve Banks) and securities dealers in the United States.

3.16 LIABILITIES TO AND CLAIMS ON FOREIGNERS Reported by Banks in the United States
Payable in Foreign Currencies

Millions of dollars, end of period

Item	1982	1983	1984	1985		1986	
				Sept.	Dec.	Mar. ^r	June
1 Banks' own liabilities	4,844	5,219	8,586	12,982	15,368	21,364	24,137
2 Banks' own claims	7,707	7,231	11,984	15,233	16,161	19,736	21,584
3 Deposits	4,251	2,731	4,998	8,540	8,304	11,318	11,912
4 Other claims	3,456	4,501	6,986	6,693	7,857	8,418	9,672
5 Claims of banks' domestic customers ¹	676	1,059	569	328	580	1,426	1,385

1. Assets owned by customers of the reporting bank located in the United States that represent claims on foreigners held by reporting banks for the accounts of their domestic customers.

NOTE: Data on claims exclude foreign currencies held by U.S. monetary authorities.

3.17 LIABILITIES TO FOREIGNERS Reported by Banks in the United States

Payable in U.S. dollars

Millions of dollars, end of period

Holder and type of liability	1983	1984	1985	1986						
				Feb.	Mar.	Apr.	May	June ^r	July	Aug. ^p
1 All foreigners	369,607	407,306	435,368	436,528	440,518	443,456	444,528	457,350	469,616	486,747
2 Banks' own liabilities	279,087	306,898	341,070	340,076	344,422	346,469	342,074	345,663	342,163	355,237
3 Demand deposits	17,470	19,571	21,107	19,659	20,195	19,751	19,651	21,332	19,607	20,278
4 Time deposits ¹	90,632	110,413	117,278	116,964	116,418	114,209	114,143	115,246	117,010	122,166
5 Other ²	25,874	26,268	29,305	31,144	32,125	33,220	31,598	31,712	30,546	33,183
6 Own foreign offices ³	145,111	150,646	173,381	172,309	175,685	179,289	176,683	177,373	174,999	179,610
7 Banks' custody liabilities ⁴	90,520	100,408	94,298	96,452	96,096	96,987	102,454	111,687	127,453	131,510
8 U.S. Treasury bills and certificates ⁵	68,669	76,368	68,785	72,631	72,714	74,631	80,192	82,701	86,789	89,586
9 Other negotiable and readily transferable instruments ⁶	17,467	18,747	17,964	15,597	15,329	13,776	13,917	14,729	16,132	16,288
10 Other	4,385	5,293	7,549	8,223	8,053	8,580	8,346	14,257	24,532	25,637
11 Nonmonetary international and regional organizations⁷	5,957	4,454	5,821	9,867	5,223	3,495	4,519	3,441	3,974	5,153
12 Banks' own liabilities	4,632	2,014	2,621	4,326	1,404	1,749	2,388	891	1,857	3,990
13 Demand deposits	297	254	85	184	102	138	99	79	156	165
14 Time deposits ¹	3,584	1,267	2,067	3,892	391	681	1,109	551	1,209	3,233
15 Other ²	750	493	469	250	911	931	1,179	262	492	591
16 Banks' custody liabilities ⁴	1,325	2,440	3,200	5,540	3,820	1,746	2,131	2,550	2,118	1,163
17 U.S. Treasury bills and certificates	463	916	1,736	4,219	2,311	768	1,282	1,619	991	129
18 Other negotiable and readily transferable instruments ⁶	862	1,524	1,464	1,322	1,508	970	849	918	1,126	1,033
19 Other	0	0	0	0	0	7	0	13	0	1
20 Official institutions⁸	79,876	86,065	79,985	80,926	81,405	86,576	88,526	91,932	95,760	100,347
21 Banks' own liabilities	19,427	19,039	20,835	22,056	21,719	23,927	22,018	22,928	21,940	22,810
22 Demand deposits	1,837	1,823	2,077	1,602	1,917	1,832	1,810	2,131	1,609	1,582
23 Time deposits ¹	7,318	9,374	10,949	10,334	10,299	9,368	9,850	10,347	10,116	9,739
24 Other ²	10,272	7,842	7,809	10,121	9,503	12,728	10,358	10,450	10,216	11,489
25 Banks' custody liabilities ⁴	60,448	67,026	59,150	58,870	59,686	62,648	66,508	69,004	73,820	77,538
26 U.S. Treasury bills and certificates ⁵	54,341	59,976	53,252	54,420	55,933	59,547	63,614	65,790	70,721	74,766
27 Other negotiable and readily transferable instruments ⁶	6,082	6,966	5,824	4,102	3,585	2,916	2,754	2,996	2,892	2,624
28 Other	25	84	75	348	168	185	139	218	207	148
29 Banks⁹	226,887	248,893	275,311	269,832	278,967	277,856	275,217	284,637	290,396	299,999
30 Banks' own liabilities	205,347	225,368	252,723	247,132	255,921	254,617	251,214	255,673	251,779	261,181
31 Unaffiliated foreign banks	60,236	74,722	79,341	74,823	80,236	75,328	74,532	78,300	76,779	81,571
32 Demand deposits	8,759	10,556	10,271	9,659	9,692	8,689	9,036	10,277	9,180	9,307
33 Time deposits ¹	37,439	47,095	49,510	45,942	50,194	48,484	46,868	48,480	49,418	52,806
34 Other ²	14,038	17,071	19,561	19,222	20,350	18,155	18,627	19,544	18,181	19,459
35 Own foreign offices ³	145,111	150,646	173,381	172,309	175,685	179,289	176,682	177,373	174,999	179,610
36 Banks' custody liabilities ⁴	21,540	23,525	22,588	22,700	23,046	23,239	24,003	28,964	38,618	38,818
37 U.S. Treasury bills and certificates	10,178	11,448	9,554	9,501	9,869	9,914	10,841	10,688	10,934	10,543
38 Other negotiable and readily transferable instruments ⁶	7,485	7,236	6,040	5,876	5,752	5,423	5,451	5,448	5,585	5,526
39 Other	3,877	4,841	6,994	7,323	7,426	7,901	7,711	12,828	22,099	22,749
40 Other foreigners	56,887	67,894	74,251	75,902	74,923	75,530	76,266	77,339	79,485	81,248
41 Banks' own liabilities	49,680	60,477	64,892	66,561	65,379	66,176	66,454	66,170	66,587	67,256
42 Demand deposits	6,577	6,938	8,673	8,214	8,484	9,093	8,705	8,845	8,663	9,224
43 Time deposits	42,290	52,678	54,752	56,796	55,534	55,677	56,316	55,869	56,267	56,388
44 Other ²	813	861	1,467	1,550	1,361	1,406	1,433	1,456	1,657	1,644
45 Banks' custody liabilities ⁴	7,207	7,417	9,359	9,341	9,544	9,354	9,811	11,169	12,898	13,992
46 U.S. Treasury bills and certificates	3,686	4,029	4,243	4,491	4,601	4,401	4,454	4,604	4,143	4,149
47 Other negotiable and readily transferable instruments ⁶	3,038	3,021	4,636	4,297	4,483	4,465	4,862	5,367	6,529	7,105
48 Other	483	367	480	553	459	487	495	1,198	2,226	2,738
49 MEMO: Negotiable time certificates of deposit in custody for foreigners	10,346	10,476	9,845	7,386	6,603	6,286	6,269	6,419	6,492	6,569

1. Excludes negotiable time certificates of deposit, which are included in "Other negotiable and readily transferable instruments."

2. Includes borrowing under repurchase agreements.

3. U.S. banks: includes amounts due to own foreign branches and foreign subsidiaries consolidated in "Consolidated Report of Condition" filed with bank regulatory agencies. Agencies, branches, and majority-owned subsidiaries of foreign banks: principally amounts due to head office or parent foreign bank, and foreign branches, agencies or wholly owned subsidiaries of head office or parent foreign bank.

4. Financial claims on residents of the United States, other than long-term securities, held by or through reporting banks.

5. Includes nonmarketable certificates of indebtedness and Treasury bills issued to official institutions of foreign countries.

6. Principally bankers acceptances, commercial paper, and negotiable time certificates of deposit.

7. Principally the International Bank for Reconstruction and Development, and the Inter-American and Asian Development Banks.

8. Foreign central banks and foreign central governments, and the Bank for International Settlements.

9. Excludes central banks, which are included in "Official institutions."

3.17 Continued

Area and country	1983	1984	1985	1986						
				Feb.	Mar.	Apr.	May	June ^a	July	Aug. ^b
1 Total	369,607	407,306	435,368	436,528	440,518	443,456	444,528	457,350	469,616	486,747
2 Foreign countries	363,649	402,852	429,547	426,661	435,295	439,961	440,009	453,909	465,641	481,594
3 Europe	138,072	153,145	163,829	157,270	157,033	165,193	165,800	166,382	162,912	166,140
4 Austria	585	615	693	769	1,665	931	897	1,013	988	1,035
5 Belgium-Luxembourg	2,709	4,114	5,240	4,732	4,268	5,737	5,425	5,224	5,343	5,109
6 Denmark	466	438	513	533	536	752	523	539	557	643
7 Finland	531	418	496	506	354	619	514	484	449	360
8 France	9,441	12,701	15,540	15,148	15,906	19,322	19,423	19,862	20,129	21,470
9 Germany	3,599	3,358	4,835	5,309	5,691	6,718	4,964	4,639	5,646	5,285
10 Greece	520	699	664	551	535	559	552	657	604	570
11 Italy	8,462	10,762	9,667	7,235	7,215	6,553	7,875	8,918	8,828	9,269
12 Netherlands	4,290	4,731	4,212	4,027	4,334	4,320	4,183	4,224	4,682	4,495
13 Norway	1,673	1,548	948	552	469	731	850	710	497	542
14 Portugal	373	597	652	685	705	674	801	795	711	791
15 Spain	1,603	2,082	2,113	1,794	1,772	1,919	1,879	2,069	1,894	1,979
16 Sweden	1,799	1,676	1,422	1,693	1,547	1,313	1,299	1,118	1,167	945
17 Switzerland	32,246	31,740	28,742	25,606	26,602	27,247	26,848	27,812	28,455	29,072
18 Turkey	467	584	429	404	383	363	434	586	310	285
19 United Kingdom	60,683	68,671	76,728	80,144	78,585	81,983	83,885	82,314	78,193	79,947
20 Yugoslavia	562	602	673	600	535	547	556	661	542	482
21 Other Western Europe ¹	7,403	7,192	9,635	6,491	5,286	4,233	4,165	3,997	3,366	3,277
22 U.S.S.R.	65	79	105	64	61	38	34	89	48	32
23 Other Eastern Europe ²	596	537	523	427	586	634	693	690	506	553
24 Canada	16,026	16,059	17,426	21,466	22,497	20,450	21,257	22,926	22,359	23,933
25 Latin America and Caribbean	140,088	153,381	167,792	161,056	164,875	164,801	161,400	169,650	181,736	188,017
26 Argentina	4,038	4,394	6,029	5,551	5,155	5,627	6,075	6,229	6,336	6,096
27 Bahamas	55,818	56,897	57,657	54,647	55,791	57,865	53,680	60,081	60,764	67,096
28 Bermuda	2,266	2,370	2,765	2,147	2,324	2,270	2,016	2,513	2,201	2,195
29 Brazil	3,168	5,275	5,369	5,759	6,096	5,788	5,542	5,185	5,134	5,179
30 British West Indies	34,545	36,773	42,670	41,127	44,041	41,354	42,111	43,278	55,552	55,851
31 Chile	1,842	2,001	2,042	1,997	2,084	2,147	2,223	2,270	2,227	2,139
32 Colombia	1,689	2,514	3,102	3,140	3,076	3,101	3,053	3,419	3,334	3,314
33 Cuba	8	10	11	6	6	7	7	8	7	8
34 Ecuador	1,047	1,092	1,238	1,172	1,209	1,199	1,166	1,262	1,196	1,232
35 Guatemala	788	896	1,071	1,132	1,126	1,128	1,097	1,108	1,123	1,140
36 Jamaica	109	183	122	126	144	173	201	185	184	177
37 Mexico	10,392	12,303	14,045	13,433	12,990	13,153	13,633	12,985	12,985	13,610
38 Netherlands Antilles	3,879	4,220	4,875	4,560	4,561	4,798	4,358	4,382	4,382	4,383
39 Panama	5,924	6,951	7,492	7,161	7,286	6,960	7,042	6,686	6,639	6,391
40 Peru	1,166	1,266	1,166	1,100	1,106	1,116	1,132	1,254	1,158	1,149
41 Uruguay	1,244	1,394	1,549	1,727	1,567	1,646	1,703	1,664	1,687	1,636
42 Venezuela	8,632	10,545	11,919	11,741	11,670	11,727	11,712	11,734	12,058	11,668
43 Other Latin America and Caribbean	3,535	4,297	4,668	4,529	4,641	4,708	4,689	4,783	4,770	4,754
44 Asia	58,570	71,187	72,271	78,772	82,644	81,682	83,817	86,977	91,669	96,022
45 China	249	1,153	1,607	1,624	1,347	1,550	973	1,469	1,795	1,185
46 Taiwan	4,051	4,990	7,786	9,661	10,837	11,027	12,687	13,683	14,331	15,608
47 Hong Kong	6,657	6,581	8,067	8,194	8,706	8,757	8,745	8,656	8,934	9,026
48 India	464	507	711	630	926	574	577	695	562	685
49 Indonesia	997	1,033	1,466	1,738	2,107	1,787	1,758	1,416	1,526	1,474
50 Israel	1,722	1,268	1,595	1,363	1,450	1,490	1,671	1,725	1,731	1,686
51 Japan	18,079	21,640	23,077	26,397	28,274	28,279	29,689	31,325	36,286	38,186
52 Korea	1,648	1,730	1,665	1,602	1,551	1,337	1,336	1,414	1,392	1,286
53 Philippines	1,234	1,383	1,140	1,086	978	1,051	1,331	1,306	1,363	1,457
54 Thailand	747	1,257	1,358	1,141	1,103	993	1,155	1,068	1,104	1,080
55 Middle-East oil-exporting countries ³	12,976	16,804	14,523	16,308	15,384	14,418	14,045	14,581	12,785	13,227
56 Other Asia	9,748	12,841	9,276	9,028	9,980	10,419	9,848	9,638	9,861	11,121
57 Africa	2,827	3,396	4,883	4,359	4,260	4,173	4,227	4,291	4,041	4,227
58 Egypt	671	647	1,363	987	870	960	910	1,079	820	1,088
59 Morocco	84	118	163	92	91	85	92	87	93	82
60 South Africa	449	328	388	421	465	386	414	414	609	438
61 Zaire	87	153	163	92	95	90	105	92	65	60
62 Oil-exporting countries ⁴	620	1,189	1,494	1,614	1,601	1,442	1,490	1,463	1,368	1,371
63 Other Africa	917	961	1,312	1,152	1,137	1,210	1,216	1,156	1,086	1,189
64 Other countries	8,067	5,684	3,347	3,739	3,987	3,662	3,507	3,682	2,924	3,255
65 Australia	7,857	5,300	2,779	3,024	3,237	3,058	2,744	2,943	2,173	2,459
66 All other	210	384	568	714	750	604	763	739	751	796
67 Nonmonetary international and regional organizations	5,957	4,454	5,821	9,867	5,223	3,495	4,519	3,441	3,974	5,153
68 International	5,273	3,747	4,806	8,671	4,139	2,512	3,669	2,471	2,714	4,047
69 Latin American regional	419	587	894	863	916	823	748	845	922	916
70 Other regional ⁵	265	120	121	333	168	160	102	126	338	190

1. Includes the Bank for International Settlements. Beginning April 1978, also includes Eastern European countries not listed in line 23.

2. Beginning April 1978 comprises Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania.

3. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

4. Comprises Algeria, Gabon, Libya, and Nigeria.

5. Asian, African, Middle Eastern, and European regional organizations, except the Bank for International Settlements, which is included in "Other Western Europe."

3.18 BANKS' OWN CLAIMS ON FOREIGNERS Reported by Banks in the United States
Payable in U.S. Dollars
Millions of dollars, end of period

Area and country	1983	1984	1985	1986						
				Feb.	Mar.	Apr.	May	June ^r	July	Aug. ^p
1 Total	391,312	400,162	401,585	389,501	394,769	401,109	394,666	403,843	403,495	403,871
2 Foreign countries	391,148	399,363	400,554	388,692	394,286	400,607	394,258	403,387	403,002	403,452
3 Europe	91,927	99,014	106,407	100,173	100,458	101,250	100,925	104,441	100,321	100,318
4 Austria	401	433	598	542	494	429	501	609	619	694
5 Belgium-Luxembourg	5,639	4,794	5,772	5,276	5,429	5,502	5,696	7,243	6,113	6,990
6 Denmark	1,275	648	706	940	845	794	882	750	856	783
7 Finland	1,044	898	823	741	1,194	795	866	983	1,041	954
8 France	8,766	9,157	9,124	7,943	8,636	8,902	8,861	9,455	9,583	9,483
9 Germany	1,284	1,306	1,267	1,309	1,374	1,341	1,176	1,095	1,426	1,181
10 Greece	476	817	991	884	798	764	723	629	622	660
11 Italy	9,018	9,119	8,848	6,913	7,297	6,709	6,806	7,474	7,266	5,981
12 Netherlands	1,267	1,356	1,258	1,249	1,394	1,380	1,384	1,407	1,427	1,254
13 Norway	690	675	706	652	613	786	746	905	614	698
14 Portugal	1,114	1,243	1,058	936	893	874	850	776	789	757
15 Spain	3,573	2,884	1,908	1,885	1,866	1,701	1,986	2,001	1,863	1,749
16 Sweden	3,358	2,230	2,219	2,278	2,422	1,924	2,239	2,478	2,906	2,404
17 Switzerland	1,863	2,123	3,171	2,361	2,940	2,978	3,134	3,553	2,617	3,306
18 Turkey	812	1,130	1,200	1,519	1,587	1,584	1,649	1,856	1,709	1,649
19 United Kingdom	47,364	56,185	62,560	60,621	57,983	60,602	59,354	58,224	56,249	57,848
20 Yugoslavia	1,718	1,886	1,964	1,953	1,978	1,950	1,928	2,005	1,902	1,852
21 Other Western Europe ¹	477	596	998	734	1,166	649	491	1,253	1,102	521
22 U.S.S.R.	192	142	130	287	424	477	489	568	504	528
23 Other Eastern Europe ²	1,598	1,389	1,107	1,151	1,126	1,111	1,164	1,176	1,112	1,026
24 Canada	16,341	16,109	16,476	18,280	17,945	18,814	17,910	18,270	18,303	19,401
25 Latin America and Caribbean	205,491	207,862	202,663	190,623	196,723	199,032	193,625	200,733	202,204	198,021
26 Argentina	11,749	11,050	11,462	11,574	11,456	11,803	11,921	12,079	12,282	12,009
27 Bahamas	59,633	58,009	58,258	49,659	55,691	55,260	52,537	57,075	56,020	55,435
28 Bermuda	566	592	499	380	460	275	238	274	663	373
29 Brazil	24,667	26,315	25,283	25,129	25,379	25,363	25,271	24,855	24,915	24,787
30 British West Indies	35,527	38,205	38,881	36,534	36,880	38,932	37,072	40,043	41,923	39,868
31 Chile	6,072	6,839	6,603	6,478	6,557	6,540	6,537	6,507	6,514	6,449
32 Colombia	3,745	3,499	3,249	3,044	2,903	2,861	2,820	2,789	2,776	2,642
33 Cuba	0	0	0	0	1	0	0	0	0	0
34 Ecuador	2,307	2,420	2,390	2,369	2,399	2,388	2,382	2,397	2,366	2,375
35 Guatemala ³	129	158	194	167	167	124	112	136	113	127
36 Jamaica ³	215	252	224	213	213	216	218	244	209	209
37 Mexico	34,802	34,885	31,788	32,100	31,608	32,367	31,493	31,399	31,074	30,859
38 Netherlands Antilles	1,154	1,350	1,340	1,043	927	839	1,086	1,090	1,090	1,060
39 Panama	7,848	7,707	6,645	5,881	6,179	6,133	5,919	5,860	6,280	5,862
40 Peru	2,536	2,384	1,947	1,852	1,806	1,767	1,757	1,738	1,703	1,677
41 Uruguay	977	1,088	960	956	961	953	951	931	927	936
42 Venezuela	11,287	11,017	10,871	11,269	11,204	11,295	11,326	11,304	11,364	11,289
43 Other Latin America and Caribbean	2,277	2,091	2,067	1,976	1,931	1,917	1,997	2,015	1,985	2,065
44 Asia	67,837	66,316	66,212	71,058	70,729	73,421	73,942	72,033	74,253	77,786
45 China	292	710	639	820	902	593	703	567	779	526
46 Mainland	1,908	1,849	1,535	1,243	1,403	1,151	1,446	1,238	1,089	1,637
47 Hong Kong	8,489	7,293	6,796	7,602	8,208	8,134	8,315	7,526	8,445	8,632
48 India	330	425	450	284	479	398	420	440	372	375
49 Indonesia	805	724	698	793	712	717	736	675	720	729
50 Israel	1,832	2,088	1,991	1,697	1,617	1,611	1,742	1,772	1,567	1,536
51 Japan	30,354	29,066	31,249	36,471	36,711	38,781	38,629	38,524	40,902	43,327
52 Korea	9,943	9,285	9,226	9,242	9,286	9,176	8,977	8,900	8,900	8,476
53 Philippines	2,107	2,555	2,224	2,224	2,336	2,325	2,263	2,393	2,168	2,128
54 Thailand	1,219	1,125	845	765	810	775	716	706	711	736
55 Middle East oil-exporting countries ⁴	4,954	5,044	4,298	3,869	3,577	3,838	3,948	3,680	2,919	2,764
56 Other Asia	5,603	6,152	6,260	6,218	4,732	5,812	5,845	5,535	5,680	6,921
57 Africa	6,654	6,615	5,407	5,360	5,128	5,007	4,890	4,971	4,817	4,693
58 Egypt	747	728	721	690	653	639	619	740	701	633
59 Morocco	440	583	575	612	646	662	640	642	615	617
60 South Africa	2,634	2,795	1,942	1,856	1,799	1,716	1,743	1,705	1,661	1,683
61 Zaire	33	18	20	18	17	17	17	17	17	21
62 Oil-exporting countries ⁵	1,073	842	630	562	488	465	417	415	413	445
63 Other	1,727	1,649	1,520	1,621	1,525	1,508	1,455	1,452	1,410	1,294
64 Other countries	2,898	3,447	3,390	3,199	3,305	3,082	2,966	2,939	3,103	3,232
65 Australia	2,256	2,769	2,413	2,367	2,473	2,237	2,050	2,023	2,159	2,293
66 All other	642	678	978	832	832	845	916	916	945	940
67 Nonmonetary international and regional organizations ⁶	164	800	1,030	809	483	502	408	456	493	420

1. Includes the Bank for International Settlements. Beginning April 1978, also includes Eastern European countries not listed in line 23.

2. Beginning April 1978 comprises Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania.

3. Included in "Other Latin America and Caribbean" through March 1978.

4. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

5. Comprises Algeria, Gabon, Libya, and Nigeria.

6. Excludes the Bank for International Settlements, which is included in "Other Western Europe."

3.19 BANKS' OWN AND DOMESTIC CUSTOMERS' CLAIMS ON FOREIGNERS Reported by Banks in the United States
Payable in U.S. Dollars
Millions of dollars, end of period

Type of claim	1983	1984	1985	1986						
				Feb.	Mar.	Apr.	May	June ^r	July	Aug. ^p
1 Total	426,215	433,078	430,466	.....	419,813 ^r	.....	.....	432,326	.....	.....
2 Banks' own claims on foreigners	391,312	400,162	401,585	389,501	394,769	401,109	394,666	403,843	403,495	403,871
3 Foreign public borrowers	57,569	62,237	60,496	60,582	60,427	60,157	59,965	60,622	60,667	59,737
4 Own foreign offices ¹	146,393	156,216	174,261	169,084	173,698	179,662	173,094	181,867	181,591	182,260
5 Unaffiliated foreign banks	123,837	124,932	116,643	110,219	110,643	111,832	112,529	112,996	114,101	115,972
6 Deposits	47,126	49,226	48,361	44,159	44,985	46,393	47,493	47,041	49,331	52,410
7 Other	76,711	75,706	68,282	66,060	65,658	65,439	65,036	65,955	64,770	63,563
8 All other foreigners	63,514	56,777	50,185	49,616	50,002	49,458	49,078	48,358	47,137	45,903
9 Claims of banks' domestic customers ² ..	34,903	32,916	28,881	.....	25,044 ^r	.....	.....	28,483	.....	.....
10 Deposits	2,969	3,380	3,335	.....	2,494	.....	.....	3,475	.....	.....
11 Negotiable and readily transferable instruments ³	26,064	23,805	19,332	.....	17,859	.....	.....	20,294	.....	.....
12 Outstanding collections and other claims	5,870	5,732	6,214	.....	4,692 ^r	.....	.....	4,715	.....	.....
13 MEMO: Customer liability on acceptances	37,715	37,103	28,487 ^r	.....	28,541 ^r	.....	.....	28,323	.....	.....
Dollar deposits in banks abroad, reported by nonbanking business enterprises in the United States ⁴	46,337	40,714	37,399 ^r	42,207 ^r	41,442 ^r	42,771 ^r	47,351 ^r	46,136	45,848	n.a.

1. U.S. banks: includes amounts due from own foreign branches and foreign subsidiaries consolidated in "Consolidated Report of Condition" filed with bank regulatory agencies. *Agencies, branches, and majority-owned subsidiaries of foreign banks:* principally amounts due from head office or parent foreign bank, and foreign branches, agencies, or wholly owned subsidiaries of head office or parent foreign bank.

2. Assets owned by customers of the reporting bank located in the United States that represent claims on foreigners held by reporting banks for the account of their domestic customers.

3. Principally negotiable time certificates of deposit and bankers acceptances.

4. Includes demand and time deposits and negotiable and nonnegotiable certificates of deposit denominated in U.S. dollars issued by banks abroad. For description of changes in data reported by nonbanks, see July 1979 BULLETIN, p. 550.

NOTE: Beginning April 1978, data for banks' own claims are given on a monthly basis, but the data for claims of banks' own domestic customers are available on a quarterly basis only.

3.20 BANKS' OWN CLAIMS ON UNAFFILIATED FOREIGNERS Reported by Banks in the United States
Payable in U.S. Dollars
Millions of dollars, end of period

Maturity; by borrower and area	1982	1983	1984	1985		1986	
				Sept. ^r	Dec.	Mar. ^r	June ^r
1 Total	228,150	243,715	243,952	232,803	227,903^r	221,177	222,256
<i>By borrower</i>							
2 Maturity of 1 year or less ¹	173,917	176,158	167,858	161,642	160,824 ^r	152,696	152,249
3 Foreign public borrowers	21,256	24,039	23,912	25,537	26,302	23,845	23,183
4 All other foreigners	152,661	152,120	143,947	136,105	134,522 ^r	128,851	129,066
5 Maturity of over 1 year ¹	54,233	67,557	76,094	71,161	67,078 ^r	68,481	70,008
6 Foreign public borrowers	23,137	32,521	38,695	36,820	34,512 ^r	36,681	37,177
7 All other foreigners	31,095	35,036	37,399	34,340	32,567	31,800	32,830
<i>By area</i>							
8 Maturity of 1 year or less ¹							
9 Europe	50,500	56,117	58,498	58,520	56,585 ^r	53,462	57,929
10 Canada	7,642	6,211	6,028	6,117	6,401 ^r	5,899	6,043
11 Latin America and Caribbean	73,291	73,660	62,791	62,148	63,328	59,538	57,134
12 Asia	37,578	34,403	33,504	29,120	27,966	28,034	25,772
13 Africa	3,680	4,199	4,442	3,954	3,753	3,331	3,297
14 All other ²	1,226	1,569	2,593	1,782	2,791	2,433	2,073
15 Maturity of over 1 year ¹							
16 Europe	11,636	13,576	9,605	8,078	7,634	7,783	7,934
17 Canada	1,931	1,857	1,882	1,940	1,805	1,925	2,256
18 Latin America and Caribbean	35,247	43,888	56,144	53,090	50,674 ^r	52,165	53,572
19 Asia	3,185	4,850	5,323	5,230	4,502	4,251	4,034
20 Africa	1,494	2,286	2,033	1,665	1,538	1,634	1,497
21 All other ²	740	1,101	1,107	1,157	926	722	714

1. Remaining time to maturity.

2. Includes nonmonetary international and regional organizations.

3.21 CLAIMS ON FOREIGN COUNTRIES Held by U.S. Offices and Foreign Branches of U.S.-Chartered Banks¹

Billions of dollars, end of period

Area or country	1982	1983	1984			1985				1986	
			June ²	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June ²
1 Total	436.1	433.9	427.6	406.4	405.7	405.5	396.8	394.9	391.9	394.4	391.1
2 G-10 countries and Switzerland	179.6	167.8	157.4	147.5	148.1	153.0	146.7	152.0	148.5	156.6	159.7
3 Belgium-Luxembourg	13.1	12.4	10.9	9.8	8.7	9.3	8.9	9.5	9.3	8.3	9.0
4 France	17.1	16.2	14.2	14.3	14.1	14.5	13.5	14.8	12.3	13.8	14.7
5 Germany	12.7	11.3	10.9	10.0	9.0	8.9	9.6	9.8	10.5	11.2	11.5
6 Italy	10.3	11.4	11.5	9.7	10.1	10.0	8.6	8.4	9.8	8.5	9.3
7 Netherlands	3.6	3.5	3.0	3.4	3.9	3.8	3.7	3.4	3.7	3.5	3.4
8 Sweden	5.0	5.1	4.3	3.5	3.2	3.1	2.9	3.1	2.8	2.9	2.9
9 Switzerland	5.0	4.3	4.2	3.9	3.9	4.2	4.0	4.1	4.4	5.4	5.6
10 United Kingdom	72.1	65.3	60.3	57.1	60.3	65.4	65.7	67.1	64.6	68.8	68.9
11 Canada	10.4	8.3	8.9	8.1	7.9	9.1	8.1	7.6	7.0	6.1	7.0
12 Japan	30.2	29.9	29.3	27.7	27.1	24.7	21.7	24.3	24.2	28.1	27.4
13 Other developed countries	33.5	36.0	37.0	36.2	33.6	32.8	32.3	32.0	30.4	31.5	30.6
14 Austria	1.9	1.9	1.9	1.8	1.6	1.6	1.6	1.7	1.6	1.6	1.7
15 Denmark	2.4	3.4	3.1	2.9	2.2	2.1	1.9	2.1	2.4	2.5	2.4
16 Finland	2.2	2.4	2.3	1.9	1.9	1.8	1.8	1.8	1.6	1.9	1.6
17 Greece	3.0	2.8	3.3	3.2	2.9	2.9	2.9	2.8	2.6	2.5	2.6
18 Norway	3.3	3.3	3.2	3.2	3.0	2.9	2.9	3.4	2.9	2.7	3.0
19 Portugal	1.5	1.5	1.7	1.6	1.4	1.4	1.3	1.4	1.3	1.1	1.0
20 Spain	7.5	7.1	7.3	6.9	6.5	6.4	5.9	6.1	5.8	6.4	6.4
21 Turkey	1.4	1.7	2.0	2.0	1.9	1.9	2.0	2.1	1.9	2.3	2.5
22 Other Western Europe	2.3	1.8	1.9	1.7	1.7	1.7	1.8	1.7	2.0	2.4	2.1
23 South Africa	3.7	4.7	4.7	5.0	4.5	4.2	3.9	3.3	3.2	3.2	3.1
24 Australia	4.3	5.4	5.6	6.1	6.0	6.1	6.2	5.6	5.0	4.9	4.2
25 OPEC countries ³	26.9	28.4	26.0	24.4	24.9	24.5	22.8	22.7	21.6	20.6	20.6
26 Ecuador	2.2	2.2	2.1	2.1	2.2	2.2	2.2	2.2	2.1	2.2	2.1
27 Venezuela	10.5	9.9	9.5	9.2	9.3	9.3	9.0	8.9	8.7	8.8	8.8
28 Indonesia	2.9	3.4	3.5	3.2	3.3	3.3	3.1	3.1	3.0	3.3	3.0
29 Middle East countries	8.5	9.8	8.2	7.3	7.9	7.4	6.1	6.2	5.5	4.8	5.0
30 African countries	2.8	3.0	2.7	2.5	2.3	2.3	2.2	2.3	2.0	1.8	1.7
31 Non-OPEC developing countries	106.5	110.8	112.3	111.6	111.8	110.8	110.0	107.8	105.0	103.4	101.6
32 Latin America											
33 Argentina	8.9	9.5	9.2	9.1	8.7	8.6	8.6	8.9	8.9	8.9	9.2
34 Brazil	22.9	23.1	25.4	26.3	26.3	26.4	26.6	25.5	25.6	25.7	25.3
35 Chile	6.3	6.4	6.7	7.1	7.0	7.0	6.9	6.6	7.0	7.0	7.1
36 Colombia	3.1	3.2	3.0	2.9	2.9	2.8	2.7	2.6	2.7	2.3	2.2
37 Mexico	24.2	25.8	25.9	26.0	25.7	25.5	25.3	24.4	24.1	23.9	23.9
38 Peru	2.6	2.4	2.3	2.2	2.2	2.2	2.1	1.9	1.8	1.7	1.6
39 Other Latin America	4.0	4.2	4.1	3.9	3.9	3.8	3.7	3.5	3.4	3.3	3.3
40 Asia											
41 China											
42 Mainland	2	3	6	5	7	7	3	1.1	5	6	6
43 Taiwan	5.3	5.2	5.2	5.1	5.1	5.3	5.5	5.1	4.5	4.3	3.6
44 India	5	9	9	10	9	9	9	1.1	1.2	1.2	1.3
45 Israel	2.3	1.9	1.9	1.7	1.8	1.7	2.3	1.5	1.6	1.3	1.6
46 Korea (South)	10.7	11.2	11.0	10.3	10.6	10.4	10.0	10.4	9.4	9.5	8.7
47 Malaysia	2.1	2.8	2.7	2.9	2.7	2.7	2.8	2.7	2.4	2.2	2.0
48 Philippines	6.3	6.1	6.2	5.9	6.0	6.1	6.0	6.0	5.7	5.6	5.7
49 Thailand	1.6	2.2	1.9	1.8	1.8	1.7	1.6	1.6	1.4	1.3	1.1
50 Other Asia	1.1	1.0	1.1	9	1.1	1.1	9	9	1.0	9	8
51 Africa											
52 Egypt	1.2	1.5	1.4	1.2	1.2	1.1	1.0	1.0	1.0	9	9
53 Morocco	7	8	8	8	8	8	8	9	9	9	9
54 Zaire	1	1	1	1	1	1	1	1	1	1	1
55 Other Africa ⁴	2.4	2.3	1.9	1.9	2.1	2.2	2.0	2.0	1.9	1.9	1.7
56 Eastern Europe	6.2	5.3	4.9	4.5	4.4	4.3	4.3	4.6	4.2	4.0	4.0
57 U.S.S.R.	3	2	2	2	1	2	3	2	1	3	3
58 Yugoslavia	2.2	2.4	2.3	2.3	2.3	2.2	2.2	2.4	2.2	2.0	2.0
59 Other	3.7	2.8	2.4	2.1	2.0	1.9	1.8	1.9	1.8	1.7	1.7
60 Offshore banking centers	66.0	68.9	72.8	65.1	65.6	63.2	63.9	58.8	65.4	61.5	57.2
61 Bahamas	19.0	21.7	27.4	23.3	21.5	20.1	21.1	16.6	21.4	21.5	17.3
62 Bermuda	9	9	7	10	9	7	9	8	7	7	4
63 Cayman Islands and other British West Indies	12.8	12.2	12.2	11.1	11.8	12.3	12.1	12.3	13.4	11.3	12.8
64 Netherlands Antilles	3.3	4.2	3.3	3.1	3.4	3.3	3.2	2.3	2.3	2.3	2.3
65 Panama ⁵	7.5	5.8	6.5	5.6	6.7	5.5	5.4	6.1	6.0	5.9	5.5
66 Lebanon	1	1	1	1	1	1	1	0	1	1	1
67 Hong Kong	13.3	13.8	12.4	11.6	11.4	11.4	11.4	11.4	11.5	11.4	9.4
68 Singapore	9.1	10.3	10.2	9.4	9.8	9.9	9.7	9.4	9.9	8.4	9.4
69 Others ⁶	0	0	0	0	0	0	0	0	0	0	0
70 Miscellaneous and unallocated ⁷	17.5	16.8	17.3	17.1	17.3	16.9	16.9	17.3	16.9	16.8	17.4

1. The banking offices covered by these data are the U.S. offices and foreign branches of U.S.-owned banks and of U.S. subsidiaries of foreign-owned banks. Offices not covered include (1) U.S. agencies and branches of foreign banks, and (2) foreign subsidiaries of U.S. banks. To minimize duplication, the data are adjusted to exclude the claims on foreign branches held by a U.S. office or another foreign branch of the same banking institution. The data in this table combine foreign branch claims in table 3.14 (the sum of lines 7 through 10) with the claims of U.S. offices in table 3.18 (excluding those held by agencies and branches of foreign banks and those constituting claims on own foreign branches).

2. Beginning with June 1984 data, reported claims held by foreign branches have been reduced by an increase in the reporting threshold for "shell" branches

from \$50 million to \$150 million equivalent in total assets, the threshold now applicable to all reporting branches.

3. Besides the Organization of Petroleum Exporting Countries shown individually, this group includes other members of OPEC (Algeria, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, and United Arab Emirates) as well as Bahrain and Oman (not formally members of OPEC).

4. Excludes Liberia.

5. Includes Canal Zone beginning December 1979.

6. Foreign branch claims only.

7. Includes New Zealand, Liberia, and international and regional organizations.

3.22 LIABILITIES TO UNAFFILIATED FOREIGNERS Reported by Nonbanking Business Enterprises in the United States¹

Millions of dollars, end of period

Type, and area or country	1982	1983	1984	1985			1986	
				June	Sept.	Dec.	Mar.	June ²
1 Total	27,512	25,346	29,357	24,574 ^r	25,256 ^r	27,230 ^r	25,635	23,941
2 Payable in dollars	24,280	22,233	26,389	21,899 ^r	22,408 ^r	23,994 ^r	22,022	20,612
3 Payable in foreign currencies	3,232	3,113	2,968	2,675 ^r	2,848 ^r	3,236 ^r	3,613	3,330
<i>By type</i>								
4 Financial liabilities	11,066	10,572	14,509	11,528 ^r	11,815 ^r	13,005 ^r	12,328	10,854
5 Payable in dollars	8,858	8,700	12,553	9,543 ^r	9,824 ^r	10,955 ^r	10,205	9,114
6 Payable in foreign currencies	2,208	1,872	1,955	1,985 ^r	1,991 ^r	2,050 ^r	2,123	1,740
7 Commercial liabilities	16,446	14,774	14,849	13,046	13,441	14,225 ^r	13,307	13,087
8 Trade payables	9,438	7,765	7,005	5,797	5,694	6,685	5,598	5,494
9 Advance receipts and other liabilities	7,008	7,009	7,843	7,249	7,747	7,540 ^r	7,710	7,593
10 Payable in dollars	15,423	13,533	13,836	12,356	12,584	13,039 ^r	11,817	11,497
11 Payable in foreign currencies	1,023	1,241	1,013	690	857	1,186	1,490	1,590
<i>By area or country</i>								
<i>Financial liabilities</i>								
12 Europe	6,501	5,742	6,728	5,944 ^r	6,568 ^r	7,270 ^r	6,971	6,557
13 Belgium-Luxembourg	505	302	471	351	367	329	338	288
14 France	783	843	995	865	849	857	851	701
15 Germany	467	502	489	474	493	419	371	262
16 Netherlands	711	621	590	604	624	745	630	651
17 Switzerland	792	486	569	566	593	676	702	561
18 United Kingdom	3,102	2,839	3,297	2,835 ^r	3,351 ^r	3,924 ^r	3,736	3,812
19 Canada	746	764	863	850	826	760	753	287
20 Latin America and Caribbean	2,751	2,596	5,086	3,106	2,619	3,152	2,788	2,335
21 Bahamas	904	751	1,926	1,107	1,145	1,120	954	859
22 Bermuda	14	13	13	10	4	4	13	14
23 Brazil	28	32	35	27	23	29	26	27
24 British West Indies	1,027	1,041	2,103	1,734	1,234	1,814	1,610	1,295
25 Mexico	121	213	367	32	28	15	20	30
26 Venezuela	114	124	137	3	3	3	4	3
27 Asia	1,039	1,424	1,777	1,584 ^r	1,767 ^r	1,790 ^r	1,799	1,660
28 Japan	715	991	1,209	994 ^r	1,136 ^r	1,173 ^r	1,192	1,189
29 Middle East oil-exporting countries ²	169	170	155	147	82	82	78	43
30 Africa	17	19	14	14	14	12	12	12
31 Oil-exporting countries ³	0	0	0	0	0	0	0	0
32 All other ⁴	12	27	41	30	22	21	4	4
<i>Commercial liabilities</i>								
33 Europe	3,831	3,245	4,001	3,461	3,897	4,074 ^r	3,915	3,757
34 Belgium-Luxembourg	52	62	48	53	56	62	66	58
35 France	598	437	438	423	431	453	382	357
36 Germany	468	427	622	428	601	607	546	512
37 Netherlands	346	268	245	284	386	364	545	585
38 Switzerland	367	241	257	349	289	379	251	283
39 United Kingdom	1,027	732	1,095	730	858	976	957	861
40 Canada	1,495	1,841	1,975	1,494	1,383	1,449	1,442	1,351
41 Latin America and Caribbean	1,570	1,473	1,871	1,225	1,262	1,088	1,097	1,302
42 Bahamas	16	1	7	12	2	12	26	10
43 Bermuda	117	67	114	77	105	77	210	294
44 Brazil	60	44	124	90	120	58	64	107
45 British West Indies	32	6	32	1	15	44	7	35
46 Mexico	436	585	586	492	415	430	256	233
47 Venezuela	642	432	636	309	311	212	364	488
48 Asia	8,144	6,741	5,285	5,246	5,353	6,046	5,384	5,059
49 Japan	1,226	1,247	1,256	1,219	1,567	1,799	2,039	2,093
50 Middle East oil-exporting countries ^{2,5}	5,503	4,178	2,372	2,396	2,109	2,829	2,171	1,731
51 Africa	753	553	588	631	572	587	486	565
52 Oil-exporting countries ³	277	167	233	265	235	238	148	215
53 All other ⁴	651	921	1,128	988	975	982	983	1,053

1. For a description of the changes in the International Statistics tables, see July 1979 BULLETIN, p. 550.

2. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

3. Comprises Algeria, Gabon, Libya, and Nigeria.

4. Includes nonmonetary international and regional organizations.

5. Revisions include a reclassification of transactions, which also affects the totals for Asia and the grand totals.

3.23 CLAIMS ON UNAFFILIATED FOREIGNERS Reported by Nonbanking Business Enterprises in the United States¹

Millions of dollars, end of period

Type, and area or country	1982	1983	1984	1985			1986	
				June	Sept.	Dec.	Mar.	June ²
1 Total	28,725	34,911	29,901	26,750	28,610 ^r	28,085 ^r	30,949	32,172
2 Payable in dollars	26,085	31,815	27,304	24,121	25,743 ^r	25,783 ^r	28,762	29,976
3 Payable in foreign currencies	2,640	3,096	2,597	2,629	2,866	2,302	2,187	2,196
<i>By type</i>								
4 Financial claims	17,684	23,780	19,254	16,695	19,203	18,099 ^r	21,540	22,971
5 Deposits	13,058	18,496	14,621	12,839	15,315	14,852 ^r	18,146	19,866
6 Payable in dollars	12,628	17,993	14,202	12,283	14,611	14,237 ^r	17,689	19,294
7 Payable in foreign currencies	430	503	420	556	704	615	457	573
8 Other financial claims	4,626	5,284	4,633	3,856	3,889	3,248 ^r	3,394	3,105
9 Payable in dollars	2,979	3,328	3,190	2,375	2,351	2,213 ^r	2,301	2,088
10 Payable in foreign currencies	1,647	1,956	1,442	1,480	1,538	1,035	1,093	1,016
11 Commercial claims	11,041	11,131	10,646	10,055	9,406 ^r	9,986 ^r	9,410	9,201
12 Trade receivables	9,994	9,721	9,177	8,688	7,932 ^r	8,696 ^r	8,109	7,864
13 Advance payments and other claims	1,047	1,410	1,470	1,367	1,475	1,290	1,301	1,337
14 Payable in dollars	10,478	10,494	9,912	9,463	8,782 ^r	9,333 ^r	8,773	8,594
15 Payable in foreign currencies	563	637	735	592	624	652	637	607
<i>By area or country</i>								
<i>Financial claims</i>								
16 Europe	4,873	6,488	5,762	5,477	6,463	6,327 ^r	6,859	8,723
17 Belgium-Luxembourg	15	37	15	15	12	10	10	11
18 France	134	150	126	51	132	184	217	257
19 Germany	178	163	224	175	158	223	172	143
20 Netherlands	97	71	66	46	127	61	61	17
21 Switzerland	107	38	66	16	53	74	166	177
22 United Kingdom	4,064	5,817	4,864	4,900	5,736	5,522 ^r	5,986	7,902
23 Canada	4,377	5,989	3,988	3,756	4,037	3,256	4,024	4,464
24 Latin America and Caribbean	7,546	10,234	8,216	6,616	7,603	7,697 ^r	9,934	8,951
25 Bahamas	3,279	4,771	3,306	2,204	2,315	2,685 ^r	3,500	3,101
26 Bermuda	32	102	6	6	5	6	2	17
27 Brazil	62	53	100	96	92	78	77	75
28 British West Indies	3,255	4,206	4,043	3,747	4,632	4,440	5,904	5,310
29 Mexico	274	293	215	206	201	180	178	176
30 Venezuela	139	134	125	100	73	48	43	42
31 Asia	698	764	961	640	969	696	621	723
32 Japan	153	297	353	281	725	475	350	499
33 Middle East oil-exporting countries ²	15	4	13	6	6	4	2	2
34 Africa	158	147	210	111	104	103	87	89
35 Oil-exporting countries ³	48	55	85	25	31	29	27	25
36 All other ⁴	31	159	117	95	26	21	14	20
<i>Commercial claims</i>								
37 Europe	3,826	3,670	3,801	3,680	3,235	3,533	3,391	3,321
38 Belgium-Luxembourg	151	135	165	212	158	175	148	127
39 France	474	459	440	408	360	426	385	390
40 Germany	357	349	374	375	336	346	396	410
41 Netherlands	350	334	335	301	286	284	222	236
42 Switzerland	360	317	271	376	208	284	248	221
43 United Kingdom	811	809	1,063	950	779	898	793	663
44 Canada	633	829	1,021	1,065	1,100	1,023	1,060	967
45 Latin America and Caribbean	2,526	2,695	2,052	1,803	1,660 ^r	1,753 ^r	1,604	1,583
46 Bahamas	21	8	8	11	18	13	27	24
47 Bermuda	261	190	115	65	62	93	82	148
48 Brazil	258	493	214	193	211	206	232	192
49 British West Indies	12	7	7	29	7	6	7	24
50 Mexico	775	884	583	468	416	510	389	317
51 Venezuela	351	272	206	181	149	157	172	180
52 Asia	3,050	3,063	3,073	2,707	2,712	2,982	2,620	2,649
53 Japan	1,047	1,114	1,191	954	884	1,016	803	837
54 Middle East oil-exporting countries ²	751	737	668	593	541	638	632	691
55 Africa	588	588	470	464	434	437	491	446
56 Oil-exporting countries ³	140	139	134	137	131	130	167	171
57 All other ⁴	417	286	229	336	264	257	244	236

1. For a description of the changes in the International Statistics tables, see July 1979 BULLETIN, p. 550.

2. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

3. Comprises Algeria, Gabon, Libya, and Nigeria.

4. Includes nonmonetary international and regional organizations.

3.24 FOREIGN TRANSACTIONS IN SECURITIES

Millions of dollars

Transactions, and area or country	1984	1985	1986	1986						
			Jan.-Aug.	Feb.	Mar.	Apr.	May	June ^a	July	Aug. ^a
	U.S. corporate securities									
STOCKS										
1 Foreign purchases.....	59,834	81,994	98,304	10,593	13,503	15,306	13,107	11,176	13,268	12,040
2 Foreign sales.....	62,814	77,054	81,471	8,835	10,640	11,420	10,310	10,832	11,258	10,611
3 Net purchases, or sales (-).....	-2,980	4,940	16,833	1,758	2,863	3,886	2,796	344	2,010	1,429
4 Foreign countries.....	-3,109	4,856	16,899	1,738	2,816	3,823	2,754	464	2,075	1,469
5 Europe.....	-3,077	2,057	9,968	1,395	2,205	2,049	1,577	192	576	823
6 France.....	-405	-438	480	-68	-26	36	102	219	182	105
7 Germany.....	-50	730	398	234	229	47	99	-174	-130	-42
8 Netherlands.....	-357	-123	956	121	166	123	236	97	52	50
9 Switzerland.....	-1,542	-75	2,081	420	698	566	375	-134	-198	44
10 United Kingdom.....	-677	1,665	4,559	635	1,021	719	568	38	481	520
11 Canada.....	1,691	356	670	-59	77	50	43	131	214	97
12 Latin America and Caribbean.....	495	1,718	2,108	213	198	863	482	60	269	108
13 Middle East ¹	-1,992	238	795	-19	127	338	117	-236	181	78
14 Other Asia.....	-378	295	2,882	154	122	376	421	288	830	376
15 Africa.....	-22	24	232	30	59	48	43	-3	30	-1
16 Other countries.....	175	168	245	24	28	98	70	32	-23	-13
17 Nonmonetary international and regional organizations.....	129	84	-66	20	47	63	42	-121	-65	-40
BONDS ²										
18 Foreign purchases.....	39,296	87,182	81,726	9,285	12,564	13,603	12,125	8,964	8,796	9,380
19 Foreign sales.....	26,399	43,046	47,167	4,936	7,420	8,967	5,350	5,686	5,679	5,348
20 Net purchases, or sales (-).....	12,897	44,137	34,559	4,350	5,144	4,636	6,776	3,278	3,117	4,032
21 Foreign countries.....	12,600	44,231	33,389	4,201	4,843	4,446	6,679	2,798	3,056	4,037
22 Europe.....	11,697	40,047	27,147	3,123	3,690	3,641	6,221	2,763	2,302	2,484
23 France.....	207	210	57	-33	-17	-22	83	-6	6	20
24 Germany.....	1,724	2,001	-232	45	-224	-73	205	-3	-91	-81
25 Netherlands.....	100	222	226	3	25	2	89	-37	-39	98
26 Switzerland.....	643	3,987	4,147	511	459	1,231	456	490	180	564
27 United Kingdom.....	8,429	32,762	22,994	2,617	3,374	2,578	5,631	2,214	2,119	1,917
28 Canada.....	-62	189	152	-31	-198	75	53	55	85	110
29 Latin America and Caribbean.....	376	498	1,105	27	200	263	142	63	220	160
30 Middle East ¹	-1,230	-2,643	-2,128	0	15	-389	-202	-632	-706	-40
31 Other Asia.....	1,817	6,091	6,986	1,064	1,144	840	464	480	1,147	1,289
32 Africa.....	1	11	8	1	0	3	-2	3	-3	5
33 Other countries.....	0	38	120	17	-10	13	3	66	11	29
34 Nonmonetary international and regional organizations.....	297	-95	1,170	149	301	190	96	480	61	-4
	Foreign securities									
35 Stocks, net purchases, or sales (-).....	-1,101	-3,888	-3,887	-771	-1,440	-1,675	-219	-238	412	-70
36 Foreign purchases.....	14,816	20,856	29,578	2,937	3,618	4,384	3,457	3,775	4,289	4,596
37 Foreign sales.....	15,917	24,743	33,464	3,708	5,058	6,059	3,676	4,013	3,877	4,666
38 Bonds, net purchases, or sales (-).....	-3,930	-4,042	-1,776	-966	-3,003	-1,035	83	1,540	427	1,232
39 Foreign purchases.....	56,017	81,160	104,413	10,418	12,438	15,194	13,275	15,632	13,559	14,086
40 Foreign sales.....	59,948	85,202	106,189	11,385	15,441	16,229	13,192	14,091	13,132	12,854
41 Net purchases, or sales (-), of stocks and bonds.....	-5,031	-7,930	-5,663	-1,737	-4,443	-2,711	-136	1,302	839	1,162
42 Foreign countries.....	-4,642	-8,993	-6,073	-1,877	-4,119	-2,581	-208	1,122	515	1,104
43 Europe.....	-8,655	-9,927	-11,147	-1,916	-3,840	-2,435	123	-1,332	-641	-719
44 Canada.....	542	-1,686	-713	-319	-491	-286	80	16	243	261
45 Latin America and Caribbean.....	2,460	1,845	2,319	297	121	175	346	742	278	127
46 Asia.....	1,356	659	3,902	562	127	-130	-745	1,639	696	1,359
47 Africa.....	-108	75	43	10	4	6	3	3	9	1
48 Other countries.....	-238	41	-476	-512	-40	89	-16	55	-70	75
49 Nonmonetary international and regional organizations.....	-389	1,063	410	140	-324	-130	73	180	324	59

1. Comprises oil-exporting countries as follows: Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

2. Includes state and local government securities, and securities of U.S. government agencies and corporations. Also includes issues of new debt securi-

ties sold abroad by U.S. corporations organized to finance direct investments abroad.

3.25 MARKETABLE U.S. TREASURY BONDS AND NOTES Foreign Transactions

Millions of dollars

Country or area	1984	1985	1986	1986						
			Jan.-Aug.	Feb.	Mar.	Apr.	May	June	July	Aug. ^P
			Transactions, net purchases or sales (-) during period ¹							
1 Estimated total ²	21,501	29,007	16,647	206	9,572	8,363	-2,215	3,112 ²	-238	781
2 Foreign countries ²	16,496	28,551	18,603	3,737	2,361	8,103	-335	2,230 ²	2,721	2,244
3 Europe ²	11,014	4,145	14,272	1,672	1,813	1,625	1,434	2,562 ²	2,543	2,474
4 Belgium-Luxembourg	287	476	78	-2	-196	29	39	82	-46	180
5 Germany ²	2,929	1,917	3,722	459	322	139	468	357	818	1,029
6 Netherlands	449	269	1,504	-261	61	81	-31	-64	1,756	-64
7 Sweden	40	976	359	191	-14	113	236	16	42	-25
8 Switzerland ²	656	760	893	115	22	163	365	349	-278	105
9 United Kingdom	5,188	-1,954	5,753	1,240	1,474	-206	696	698 ²	609	1,207
10 Other Western Europe	1,466	1,701	1,963	-72	144	1,307	-339	1,125	-358	43
11 Eastern Europe	0	0	0	0	0	0	0	0	0	0
12 Canada	1,586	-188	987	-131	762	55	908	-302	67	105
13 Latin America and Caribbean	1,418	4,312	729	584	227	1,234	-954	-460	28	-37
14 Venezuela	14	238	-294	-63	127	196	36	-170	-72	-294
15 Other Latin America and Caribbean	536	2,343	1,311	448	171	173	372	-290	96	255
16 Netherlands Antilles	869	1,731	-287	200	-70	865	-1,363	0	5	2
17 Asia	2,431	19,859	2,045	1,311	-446	4,797	-1,698	515	-120	-136
18 Japan	6,289	17,880	1,189	1,601	140	1,973	-1,229	223	273	683
19 Africa	-67	112	-41	-12	-18	-1	-2	-5	6	-1
20 All other	114	311	612	314	22	394	-22	-80	198	-160
21 Nonmonetary international and regional organizations	5,009	458	-1,959	-3,533	7,211	260	-1,881	882	-2,960	-1,463
22 International	4,612	-420	-2,109	-3,766	6,957	198	-1,889	899	-2,804	-1,511
23 Latin American regional	0	18	123	51	23	30	0	5	0	0
MEMO										
24 Foreign countries ²	16,496	28,551	18,603	3,737	2,361	8,103	-335	2,230 ²	2,721	2,244
25 Official institutions	505	8,088	8,609	619	394	3,862	157	1,612	1,488	116
26 Other foreign ²	15,992	20,462	9,998	3,119	1,967	4,242	-491	619 ²	1,234	2,128
Oil-exporting countries										
27 Middle East ³	-6,270	-1,581	141	-301	-607	1,334	-14	-290	41	-242
28 Africa ⁴	-101	7	2	0	-2	1	1	0	2	-1

1. Estimated official and private transactions in marketable U.S. Treasury securities with an original maturity of more than 1 year. Data are based on monthly transactions reports. Excludes nonmarketable U.S. Treasury bonds and notes held by official institutions of foreign countries.

2. Includes U.S. Treasury notes publicly issued to private foreign residents denominated in foreign currencies.

3. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

4. Comprises Algeria, Gabon, Libya, and Nigeria.

3.26 DISCOUNT RATES OF FOREIGN CENTRAL BANKS

Percent per annum

Country	Rate on Sept. 30, 1986		Country	Rate on Sept. 30, 1986		Country	Rate on Sept. 30, 1986	
	Per- cent	Month effective		Per- cent	Month effective		Per- cent	Month effective
Austria.....	4.0	Aug. 1985	France ¹	7.0	June 1986	Norway.....	8.0	June 1983
Belgium.....	8.0	May 1986	Germany, Fed. Rep. of...	3.5	Mar. 1986	Switzerland.....	4.0	Mar. 1983
Brazil.....	49.0	Mar. 1981	Italy.....	12.0	May 1986	United Kingdom ²		
Canada.....	8.63	Sept. 1986	Japan.....	3.5	Apr. 1986	Venezuela.....	8.0	Oct. 1985
Denmark.....	7.0	Oct. 1983	Netherlands.....	4.5	Mar. 1986			

1. As of the end of February 1981, the rate is that at which the Bank of France discounts Treasury bills for 7 to 10 days.

2. Minimum lending rate suspended as of Aug. 20, 1981.

NOTE. Rates shown are mainly those at which the central bank either discounts

or makes advances against eligible commercial paper and/or government 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.

3.27 FOREIGN SHORT-TERM INTEREST RATES

Percent per annum, averages of daily figures

Country, or type	1983	1984	1985	1986						
				Mar.	Apr.	May	June	July	Aug.	Sept.
1 Eurodollars.....	9.57	10.75	8.27	7.42	6.80	6.86	6.95	6.54	6.06	5.88
2 United Kingdom.....	10.06	9.91	12.16	11.70	10.43	10.16	9.70	9.91	9.79	10.05
3 Canada.....	9.48	11.29	9.64	10.94	9.57	8.60	8.72	8.45	8.50	8.38
4 Germany.....	5.73	5.96	5.40	4.49	4.48	4.58	4.59	4.61	4.56	4.48
5 Switzerland.....	4.11	4.35	4.92	3.84	4.04	4.32	4.96	4.80	4.30	4.13
6 Netherlands.....	5.58	6.08	6.29	5.44	5.23	5.76	5.90	5.69	5.28	5.17
7 France.....	12.44	11.66	9.91	8.28	7.66	7.21	7.23	7.13	7.09	7.07
8 Italy.....	18.95	17.08	14.86	16.05	13.62	12.35	11.78	11.70	11.18	10.84
9 Belgium.....	10.51	11.41	9.60	9.75	8.51	7.90	7.27	7.25	7.25	7.25
10 Japan.....	6.49	6.32	6.47	5.47	4.85	4.58	4.64	4.62	4.68	4.71

NOTE. Rates are for 3-month interbank loans except for Canada, finance company paper; Belgium, 3-month Treasury bills; and Japan, Gensaki rate.

3.28 FOREIGN EXCHANGE RATES

Currency units per dollar

Country/currency	1983	1984	1985	1986					
				Apr.	May	June	July	Aug.	Sept.
1 Australia/dollar ¹	90.14	87.937	70.026	72.28	72.72	68.89	62.91	61.23	62.21
2 Austria/schilling	17.968	20.005	20.676	15.965	15.667	15.699	15.117	14.502	14.349
3 Belgium/franc	51.121	57.749	59.336	46.394	45.497	45.633	44.304	42.701	42.315
4 Brazil/cruzeiro	573.27	1841.50	6205.10	13.84	13.84	13.84	13.84	13.84	13.84
5 Canada/dollar	1.2325	1.2953	1.3658	1.3879	1.3757	1.3899	1.3808	1.3885	1.3872
6 China, P.R./yuan	1.9809	2.3308	2.9434	3.2143	3.2014	3.2115	3.6435	3.7129	3.7150
7 Denmark/krone	9.1483	10.354	10.598	8.3928	8.2479	8.2822	8.0635	7.7657	7.7278
8 Finland/markka	5.5636	6.0007	6.1971	5.1235	5.0967	5.1954	5.0744	4.9377	4.9190
9 France/franc	7.6203	8.7355	8.9799	7.2060	7.0967	7.1208	6.9323	6.7215	6.6835
10 Germany/deutsche mark	2.5539	2.8454	2.9419	2.2732	2.2277	2.2337	2.1517	2.0621	2.0415
11 Greece/drachma	87.895	112.73	138.40	142.50	139.64	140.98	138.40	134.68	135.07
12 Hong Kong/dollar	7.2569	7.8188	7.7911	7.7957	7.8080	7.8107	7.8123	7.8003	7.8026
13 India/rupee	10.1040	11.348	12.332	12.393	12.466	12.599	12.508	12.567	12.676
14 Ireland/pound ¹	124.81	108.64	106.62	133.71	136.62	135.68	139.00	134.67	134.53
15 Italy/lira	1519.30	1756.10	1908.90	1559.45	1528.50	1533.10	1478.31	1420.33	1410.23
16 Japan/yen	237.55	237.45	238.47	175.09	167.03	167.54	158.61	154.18	154.73
17 Malaysia/ringgit	2.3204	2.3448	2.4806	2.5981	2.5978	2.6231	2.6455	2.6121	2.6174
18 Netherlands/guilder	2.8543	3.2083	3.3184	2.5629	2.5082	2.5154	2.4236	2.3242	2.3050
19 New Zealand/dollar ¹	66.790	57.837	49.752	56.127	56.666	54.585	53.176	50.068	47.950
20 Norway/krone	7.3012	8.1596	8.5933	7.1603	7.4106	7.6117	7.4800	7.3534	7.3429
21 Portugal/escudo	111.610	147.70	172.07	150.79	149.12	151.09	148.67	146.17	146.83
22 Singapore/dollar	2.1136	2.1325	2.2008	2.1880	2.2157	2.2232	2.1861	2.1601	2.1680
23 South Africa/rand ¹	89.85	69.534	45.57	48.77	45.67	39.49	39.04	38.39	43.36
24 South Korea/won	776.04	807.91	861.89	887.95	889.09	890.74	888.59	886.45	883.06
25 Spain/peseta	143.500	160.78	169.98	144.11	141.62	142.91	137.58	134.11	134.10
26 Sri Lanka/rupee	23.510	25.428	27.187	27.791	27.932	27.955	28.065	28.187	28.297
27 Sweden/krona	7.6717	8.2706	8.6031	7.2433	7.1458	7.2124	7.0715	6.9365	6.9191
28 Switzerland/franc	2.1006	2.3500	2.4551	1.9016	1.8538	1.8406	1.7445	1.6616	1.6537
29 Taiwan/dollar	n.a.	39.633	39.889	38.689	38.460	38.163	38.119	37.422	36.885
30 Thailand/baht	22.991	23.582	27.193	26.429	26.327	26.400	26.204	26.093	26.120
31 United Kingdom/pound ¹	151.59	133.66	129.74	149.85	152.11	150.85	150.71	148.61	146.98
MEMO									
32 United States/dollar ²	125.34	138.19	143.01	115.67	113.27	113.77	110.38	107.50	107.15

1. Value in U.S. cents.

2. Index of weighted-average exchange value of U.S. dollar against currencies of other G-10 countries plus Switzerland. March 1973 = 100. Weights are 1972-76 global trade of each of the 10 countries. Series revised as of August 1978. For description and back data, see "Index of the Weighted-Average Exchange Value of the U.S. Dollar: Revision" on p. 700 of the August 1978 BULLETIN.

3. Currency reform.

NOTE. Averages of certified noon buying rates in New York for cable transfers. Data in this table also appear in the Board's G.5 (405) release. For address, see inside front cover.

Guide to Tabular Presentation, Statistical Releases, and Special Tables

GUIDE TO TABULAR PRESENTATION

Symbols and Abbreviations

c	Corrected	0	Calculated to be zero
e	Estimated	n.a.	Not available
p	Preliminary	n.e.c.	Not elsewhere classified
r	Revised (Notation appears on column heading when about half of the figures in that column are changed.)	IPCs	Individuals, partnerships, and corporations
*	Amounts insignificant in terms of the last decimal place shown in the table (for example, less than 500,000 when the smallest unit given is millions)	REITs	Real estate investment trusts
		RP	Repurchase agreements
		SMSAs	Standard metropolitan statistical areas
		...	Cell not applicable

General Information

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

"U.S. government securities" may include guaranteed issues of U.S. government agencies (the flow of funds figures also include not fully guaranteed issues) as well as direct

obligations of the Treasury. "State and local government" also includes municipalities, special districts, and other political subdivisions.

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

STATISTICAL RELEASES

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4.23 TERMS OF LENDING AT COMMERCIAL BANKS Survey of Loans Made, August 4-8, 1986¹A. Commercial and Industrial Loans²

Characteristics	Amount of loans (thousands of dollars)	Average size (thousands of dollars)	Weighted average maturity ³	Loan rate (percent)			Loans made under commitment (percent)	Participation loans (percent)	Most common base pricing rate ⁷
				Days	Weighted average effective ⁴	Standard error ⁵				Inter-quartile range^{6}
ALL BANKS									
1 Overnight ⁸	18,440,593	8,119	*	7.07	.05	6.79-7.18	85.6	2.1	Fed funds
2 One month and under	6,496,558	477	17	7.58	.13	6.92-7.82	74.0	7.5	Domestic
3 Fixed rate	5,183,735	763	16	7.35	.08	6.84-7.52	72.4	8.2	Domestic
4 Floating rate	1,312,824	192	20	8.47	.18	7.30-9.38	80.5	4.7	Prime
5 Over one month and under a year ...	9,270,883	99	138	8.61	.20	7.38-9.42	71.1	6.9	Prime
6 Fixed rate	4,282,589	96	90	8.22	.35	7.05-9.15	64.9	6.9	Domestic
7 Floating rate	4,988,294	101	179	8.94	.13	8.24-9.65	76.5	6.9	Prime
8 Demand ⁹	5,537,638	156	*	8.65	.14	7.98-9.38	80.1	7.4	Prime
9 Fixed rate	619,374	226	*	7.62	.27	7.12-7.76	58.3	10.3	Fed funds
10 Floating rate	4,918,264	150	*	8.78	.11	8.30-9.38	82.9	7.0	Prime
11 Total short term	39,745,673	273	41	7.73	.13	6.86-8.30	79.6	4.8	Fed funds
12 Fixed rate (thousands of dollars)	27,611,152	492	18	7.32	.12	6.83-7.41	79.0	4.2	Fed funds
13 1-24	320,283	8	112	11.73	.20	10.38-13.08	19.0	.0	Prime
14 25-49	158,047	32	119	10.66	.24	8.81-12.36	22.9	.2	Prime
15 50-99	182,710	67	109	10.43	.21	9.31-12.28	30.3	.5	Prime
16 100-499	433,111	189	80	9.11	.12	8.25-10.20	44.9	4.3	Prime
17 500-999	327,159	706	63	9.00	.32	7.50-11.46	51.0	3.0	Other
18 1000 and over	26,189,842	8,150	15	7.18	.06	6.82-7.36	81.3	4.4	Fed funds
19 Floating rate (thousands of dollars)	12,134,521	136	127	8.67	.11	7.58-9.38	80.9	6.2	Prime
20 1-24	440,797	9	155	10.07	.11	9.37-10.49	68.1	1.8	Prime
21 25-49	458,853	34	153	9.90	.10	9.18-10.47	65.4	2.1	Prime
22 50-99	777,538	66	148	9.74	.10	8.94-10.38	71.5	3.9	Prime
23 100-499	2,574,700	185	143	9.30	.06	8.57-9.92	74.9	4.3	Prime
24 500-999	1,202,075	647	144	9.02	.07	8.30-9.39	76.6	6.4	Prime
25 1000 and over	6,680,558	3,935	114	8.07	.09	7.03-8.84	87.0	7.7	Prime
			Months						
26 Total long term	4,635,631	203	55	8.73	.21	7.52-9.42	77.8	10.7	Prime
27 Fixed rate (thousands of dollars)	872,502	85	49	9.03	.44	6.84-11.02	58.8	2.2	Other
28 1-99	165,507	18	32	11.84	.28	11.00-12.68	15.9	.1	Other
29 100-499	139,686	196	47	10.72	.28	9.79-11.63	22.9	1.5	Prime
30 500-999	44,941	677	42	8.92	.53	7.50-9.92	57.4	8.5	Prime
31 1000 and over	522,368	4,919	55	7.69	.41	6.78-7.97	82.1	2.4	Other
32 Floating rate (thousands of dollars)	3,763,129	300	57	8.66	.15	7.78-9.38	82.2	12.7	Prime
33 1-99	215,909	23	47	9.99	.10	9.11-10.75	46.5	2.3	Prime
34 100-499	500,447	218	68	9.52	.19	8.77-9.92	50.9	4.5	Prime
35 500-999	236,153	659	39	9.05	.16	8.30-9.92	77.5	11.4	Prime
36 1000 and over	2,810,620	5,171	57	8.37	.20	7.39-9.25	90.9	15.1	Prime
			Days	Loan rate (percent)		Prime rate ¹¹			
				Effective ⁴	Nominal ¹⁰				
LOANS MADE BELOW PRIME ¹²									
37 Overnight ⁸	17,862,669	10,431	*	7.01	6.78	8.00	85.8	2.2	
38 One month and under	5,439,776	2,817	16	7.23	6.99	8.01	75.3	8.2	
39 Over one month and under a year ...	3,757,206	650	120	7.17	6.95	8.10	80.3	8.1	
40 Demand ⁹	1,477,065	1,451	*	7.13	6.91	8.02	80.4	6.8	
41 Total short term	28,536,716	2,733	21	7.08	6.85	8.02	82.8	4.3	
42 Fixed rate	24,855,428	3,850	14	7.06	6.83	8.01	81.4	4.4	
43 Floating rate	3,681,288	923	85	7.20	6.97	8.08	91.6	3.6	
			Months						
44 Total long term	1,592,528	979	62	7.33	7.12	8.25	82.8	6.9	
45 Fixed rate	486,433	747	52	7.30	7.11	8.24	79.4	3.1	
46 Floating rate	1,106,095	1,133	67	7.34	7.13	8.26	84.3	8.6	

For notes see end of table.

4.23 Continued
A. Continued

Characteristics	Amount of loans (thousands of dollars)	Average size (thousands of dollars)	Weighted average maturity ³	Loan rate (percent)			Loans made under commitment (percent)	Participation loans (percent)	Most common base pricing rate ⁷
				Days	Weighted average effective ⁴	Standard error ⁵				Inter-quartile range^{6}
LARGE BANKS									
1 Overnight ⁸	13,415,754	11,069	*	7.10	.06	6.82-7.25	88.7	2.7	Fed funds
2 One month and under.....	4,394,851	2,416	17	7.36	.09	6.86-7.62	73.2	3.9	Domestic
3 Fixed rate.....	3,810,435	3,858	16	7.29	.09	6.84-7.52	70.5	4.4	Domestic
4 Floating rate.....	584,417	703	20	7.84	.22	7.23-8.30	90.8	.7	Domestic
5 Over one month and under a year....	4,605,986	533	119	8.07	.08	7.20-9.11	81.1	5.3	Prime
6 Fixed rate.....	2,536,882	1,720	67	7.72	.17	7.09-8.52	78.6	5.6	Foreign
7 Floating rate.....	2,069,103	289	183	8.50	.13	7.46-9.38	84.3	5.0	Prime
8 Demand ⁹	2,330,083	274	*	8.53	.20	7.76-9.38	82.7	2.6	None
9 Fixed rate.....	181,316	434	*	7.37	.47	6.98-8.33	75.4	.8	Prime
10 Floating rate.....	2,148,767	266	*	8.62	.14	8.16-9.38	83.4	2.7	
11 Total short term.....	24,746,674	1,226	29	7.46	.09	6.84-7.65	84.0	3.4	Fed funds
12 Fixed rate (thousands of dollars)....	19,899,538	4,903	13	7.22	.07	6.83-7.38	83.8	3.4	Prime
13 1-24.....	7,310	9	80	10.66	.05	9.38-11.46	34.0	.0	Prime
14 25-49.....	7,550	33	95	9.61	.08	8.85-10.20	41.5	.0	Prime
15 50-99.....	17,595	66	72	9.57	.13	8.96-10.20	44.8	.0	Prime
16 100-499.....	112,880	216	66	8.74	.08	7.99-9.42	68.0	.5	Prime
17 500-999.....	129,563	672	36	8.15	.21	7.41-8.84	74.0	1.1	Fed funds
18 1000 and over.....	19,624,641	9,640	12	7.20	.07	6.83-7.38	84.0	3.4	Prime
19 Floating rate (thousands of dollars)....	4,847,136	301	145	8.47	.12	7.46-9.38	84.8	3.4	Prime
20 1-24.....	64,796	11	141	9.86	.19	9.11-10.49	79.9	.2	Prime
21 25-49.....	80,582	34	136	9.63	.12	9.00-10.38	78.0	.7	Prime
22 50-99.....	169,768	68	144	9.47	.10	8.84-9.93	78.0	.8	Prime
23 100-499.....	737,431	198	148	9.14	.08	8.30-9.65	79.4	2.4	Prime
24 500-999.....	433,845	653	142	9.00	.12	8.30-9.38	77.9	7.4	Prime
25 1000 and over.....	3,360,712	4,290	145	8.15	.14	7.19-9.11	87.5	3.4	Prime
			Months						
26 Total long term.....	2,794,393	1,076	56	8.23	.09	7.23-9.04	92.8	11.0	Prime
27 Fixed rate (thousands of dollars)....	403,793	841	57	7.67	.41	6.84-7.97	81.8	.2	Other
28 1-99.....	6,858	23	47	11.39	.53	9.96-11.85	40.8	3.1	Prime
29 100-499.....	17,585	219	54	9.88	.13	8.84-10.75	61.6	2.4	Prime
30 500-999.....	27,817	682	47	9.22	.49	8.57-9.92	52.2	.0	Domestic
31 1000 and over.....	351,532	5,343	58	7.36	.41	6.76-7.52	86.0	.0	Prime
32 Floating rate (thousands of dollars)....	2,390,600	1,129	56	8.32	.12	7.30-9.04	94.7	12.8	Prime
33 1-99.....	31,277	30	37	9.53	.10	8.84-10.20	67.1	4.9	Prime
34 100-499.....	126,207	226	50	9.08	.08	8.30-9.84	77.5	8.1	Prime
35 500-999.....	109,029	668	41	8.72	.10	8.24-9.31	85.9	18.0	Prime
36 1000 and over.....	2,124,087	6,147	58	8.24	.13	7.23-8.99	96.5	13.0	Prime
			Days	Loan rate (percent)		Prime rate ¹¹			
				Effective ⁴	Nominal ¹⁰				
LOANS MADE BELOW PRIME ¹²									
37 Overnight ⁸	12,926,802	12,645	*	7.04	6.80	8.00	89.1	2.8	
38 One month and under.....	3,995,231	5,628	16	7.21	6.97	8.00	72.7	4.3	
39 Over one month and under a year....	2,565,654	5,120	108	7.18	6.97	8.00	81.2	3.7	
40 Demand ⁹	688,953	2,109	*	7.06	6.84	8.00	87.9	.0	
41 Total short term.....	20,176,640	7,882	18	7.09	6.86	8.00	84.8	3.1	
42 Fixed rate.....	18,439,669	8,856	11	7.08	6.84	8.00	84.0	3.4	
43 Floating rate.....	1,736,971	3,635	139	7.22	6.99	8.00	93.4	.2	
			Months						
44 Total long term.....	1,191,463	5,792	58	7.19	6.98	8.00	96.4	2.7	
45 Fixed rate.....	328,564	5,504	58	7.13	6.96	8.00	87.8	.0	
46 Floating rate.....	862,899	5,910	58	7.21	6.99	8.00	99.7	3.7	

For notes see end of table.

4.23 TERMS OF LENDING AT COMMERCIAL BANKS SURVEY of Loans Made, August 4-8, 1986¹—Continued

A. Commercial and Industrial Loans—Continued²

Characteristics	Amount of loans (thousands of dollars)	Average size (thousands of dollars)	Weighted average maturity ³	Loan rate (percent)			Loans made under commitment (percent)	Participation loans (percent)	Most common base pricing rate ⁷
				Days	Weighted average effective ⁴	Standard error ⁵				Inter-quartile range^{6}
OTHER BANKS									
1 Overnight ⁸	5,024,840	4,743	*	7.00	.05	6.77-7.05	77.2	.6	Fed funds
2 One month and under.....	2,101,707	178	17	8.03	.13	7.04-8.84	75.7	15.0	Prime
3 Fixed rate.....	1,373,300	236	16	7.52	.14	6.94-7.63	77.6	18.8	Domestic
4 Floating rate.....	728,407	121	20	8.98	.18	8.17-9.94	72.3	7.9	Prime
5 Over one month and under a year.....	4,664,897	55	156	9.14	.21	8.24-9.93	61.3	8.4	Prime
6 Fixed rate.....	1,745,707	41	123	8.95	.54	6.99-10.88	45.0	8.8	Prime
7 Floating rate.....	2,919,190	69	176	9.25	.06	8.30-9.92	71.0	8.2	Prime
8 Demand ⁹	3,207,555	119	*	8.74	.19	8.24-9.38	78.2	10.9	Prime
9 Fixed rate.....	438,057	189	*	7.72	.33	7.23-7.61	51.2	14.2	Fed funds
10 Floating rate.....	2,769,497	112	*	8.90	.17	8.30-9.65	82.5	10.4	Prime
11 Total short term.....	14,998,999	120	65	8.18	.14	6.92-9.31	72.3	7.3	Prime
12 Fixed rate (thousands of dollars).....	7,711,614	148	33	7.59	.20	6.82-7.54	66.6	6.5	Fed funds
13 1-24.....	312,973	8	113	11.76	.29	10.38-13.08	18.6	.0	Prime
14 25-49.....	150,497	32	121	10.71	.37	8.81-12.49	22.0	.2	Prime
15 50-99.....	165,115	67	112	10.52	.21	9.31-12.28	28.8	.5	Prime
16 100-499.....	320,232	182	85	9.24	.18	8.30-10.44	36.7	5.7	Prime
17 500-999.....	197,596	731	78	9.56	.63	7.50-11.46	35.9	4.2	Other
18 1000 and over.....	6,565,201	5,575	22	7.11	.10	6.81-7.32	73.2	7.2	Fed funds
19 Floating rate (thousands of dollars).....	7,287,386	99	117	8.81	.14	8.17-9.65	78.3	8.0	Prime
20 1-24.....	376,001	9	156	10.10	.11	9.38-10.48	66.1	2.1	Prime
21 25-49.....	378,270	34	155	9.96	.13	9.31-10.47	62.7	2.4	Prime
22 50-99.....	607,770	65	149	9.82	.15	9.11-10.38	69.7	4.8	Prime
23 100-499.....	1,837,269	180	141	9.36	.05	8.57-9.92	73.1	5.1	Prime
24 500-999.....	768,229	643	144	9.04	.09	8.30-9.39	76.0	5.8	Prime
25 1000 and over.....	3,319,846	3,631	84	7.98	.13	6.85-8.84	86.5	12.0	Prime
			Months						
26 Total long term.....	1,841,238	91	53	9.48	.21	8.30-10.47	55.0	10.3	Prime
27 Fixed rate (thousands of dollars).....	468,709	48	42	10.20	.43	6.84-11.63	39.0	3.9	Prime
28 1-99.....	158,648	17	31	11.86	.20	11.02-12.68	14.9	.0	Other
29 100-499.....	122,101	193	46	10.84	.55	10.47-11.63	17.4	1.4	Prime
30 500-999.....	17,124	669	34	8.44	1.33	6.84-9.44	66.0	22.2	Other
31 1000 and over.....	170,837	4,229	49	8.38	.71	6.78-10.11	74.1	7.4	Other
32 Floating rate (thousands of dollars).....	1,372,529	131	57	9.23	.15	8.30-9.92	60.5	12.5	Prime
33 1-99.....	184,631	22	48	10.07	.05	9.20-11.02	43.0	1.9	Prime
34 100-499.....	374,241	216	74	9.66	.35	8.84-9.92	41.9	3.3	Prime
35 500-999.....	127,123	652	37	9.33	.26	8.30-10.47	70.2	5.8	Prime
36 1000 and over.....	686,534	3,467	54	8.75	.39	8.24-9.38	73.6	21.7	Prime
			Days	Loan rate (percent)		Prime rate ¹¹			
				Effective ⁴	Nominal ¹⁰				
LOANS MADE BELOW PRIME ¹²									
37 Overnight ⁸	4,935,867	7,151	*	6.95	6.72	8.00	76.9	.6	
38 One month and under.....	1,444,545	1,183	16	7.29	7.04	8.05	82.7	18.8	
39 Over one month and under a year.....	1,191,552	226	145	7.13	6.91	8.30	78.3	17.8	
40 Demand ⁹	788,111	1,140	*	7.19	6.98	8.03	73.8	12.7	
41 Total short term.....	8,360,076	1,061	27	7.06	6.83	8.05	77.8	7.3	
42 Fixed rate.....	6,415,759	1,467	22	7.03	6.79	8.03	74.1	7.5	
43 Floating rate.....	1,944,317	554	44	7.17	6.95	8.15	90.1	6.6	
			Months						
44 Total long term.....	401,066	282	75	7.76	7.53	9.01	42.3	19.5	
45 Fixed rate.....	157,869	267	40	7.65	7.41	8.75	61.9	9.6	
46 Floating rate.....	243,197	293	97	7.82	7.62	9.17	29.6	26.0	

For notes see end of table.

4.23 Continued

B. Construction and Land Development Loans

Characteristics	Amount of loans (thousands of dollars)	Average size (thousands of dollars)	Weighted average maturity (months) ³	Loan rate (percent) ¹³			Loans made under commitment (percent)	Participation loans (percent)
				Weighted average effective ⁴	Standard error ⁵	Inter-quartile range ⁶		
ALL BANKS								
1 Total	1,710,104	95	12	9.73	.23	8.84-10.47	75.8	14.8
2 Fixed rate (thousands of dollars)	521,039	69	9	10.29	.65	8.36-11.57	86.0	.8
3 1-24	57,710	11	6	12.72	.42	11.41-12.68	74.6	1.5
4 25-49	51,281	34	7	12.33	1.01	10.28-13.21	78.2	.4
5 50-99	26,612	64	13	12.26	.40	11.57-14.93	39.4	.0
6 100-499	128,198	245	18	11.38	.37	11.55-11.57	91.6	2.2
7 500 and over	257,238	2,688	5	8.58	.35	8.21-8.84	92.1	.0
8 Floating rate (thousands of dollars) ..	1,189,065	114	13	9.49	.15	8.84-9.96	71.4	20.9
9 1-24	55,095	10	8	10.19	.14	9.70-10.47	72.1	.4
10 25-49	63,198	37	13	9.94	.07	9.38-10.47	72.4	11.0
11 50-99	78,256	70	15	9.92	.12	9.38-10.47	66.9	5.6
12 100-499	346,041	205	12	9.87	.10	9.38-10.47	70.4	19.7
13 500 and over	646,475	2,268	14	9.13	.17	8.57-9.38	72.3	26.1
By type of construction								
14 Single family	543,903	50	10	9.97	.47	8.84-10.48	84.1	4.5
15 Multifamily	77,972	89	17	9.53	.21	9.11-9.92	80.2	10.5
16 Nonresidential	1,088,229	176	12	9.62	.22	8.84-10.47	71.4	20.2
LARGE BANKS ¹⁴								
1 Total	665,689	571	9	8.85	.11	8.30-9.12	92.2	20.8
2 Fixed rate (thousands of dollars)	240,118	974	4	8.47	.53	8.21-8.65	92.7	.1
3 1-24	1,349	9	6	11.07	.12	10.75-11.57	49.1	21.1
4 25-49	*	*	*	*	*	*	*	*
5 50-99	*	*	*	*	*	*	*	*
6 100-499	*	*	*	*	*	*	*	*
7 500 and over	233,326	4,276	4	8.42	.11	8.00-8.65	93.5	.0
8 Floating rate (thousands of dollars) ..	425,571	463	12	9.07	.24	8.30-9.38	91.9	32.5
9 1-24	3,824	11	8	9.84	.22	9.38-10.20	92.0	1.9
10 25-49	4,390	35	8	9.81	.06	9.38-9.92	85.5	.0
11 50-99	7,928	74	10	9.74	.19	9.38-9.96	73.4	5.1
12 100-499	53,900	231	10	9.47	.14	9.11-9.92	86.3	3.3
13 500 and over	355,529	3,576	13	8.97	.28	8.30-9.38	93.3	38.2
By type of construction								
14 Single family	193,927	289	9	8.79	.50	8.30-9.38	90.4	.8
15 Multifamily	30,825	252	12	9.41	.22	9.11-9.92	88.5	12.3
16 Nonresidential	440,938	1,185	9	8.84	.14	8.36-9.04	93.3	30.2
OTHER BANKS ¹⁴								
1 Total	1,044,415	62	14	10.29	.15	9.31-10.98	65.4	10.9
2 Fixed rate (thousands of dollars)	280,921	38	13	11.84	.64	11.02-12.13	80.3	1.3
3 1-24	56,361	11	6	12.76	.60	11.41-12.75	75.2	1.1
4 25-49	50,594	34	7	12.34	1.63	10.28-13.31	78.5	.4
5 50-99	25,698	63	13	12.32	.51	11.57-14.93	39.8	.0
6 100-499	124,356	247	18	11.44	.23	10.62-11.57	92.1	2.3
7 500 and over	*	*	*	*	*	*	*	*
8 Floating rate (thousands of dollars) ..	763,494	80	14	9.72	.11	8.84-10.47	59.9	14.5
9 1-24	51,271	10	8	10.21	.15	9.84-10.47	70.6	.2
10 25-49	58,809	37	13	9.95	.13	9.42-10.47	71.4	11.9
11 50-99	70,328	69	15	9.94	.13	9.38-10.47	66.1	5.6
12 100-499	292,141	200	13	9.94	.10	9.38-10.47	67.5	22.8
13 500 and over	290,945	1,567	15	9.31	.22	8.84-9.93	46.6	11.4
By type of construction								
14 Single family	349,976	34	11	10.63	.71	9.73-11.07	80.6	6.6
15 Multifamily	47,148	62	20	9.60	.34	9.11-9.92	74.8	9.3
16 Nonresidential	647,292	112	14	10.16	.25	8.84-10.93	56.5	13.4

For notes see end of table.

4.23 TERMS OF LENDING AT COMMERCIAL BANKS SURVEY of Loans Made, August 4-8, 1986¹—Continued
C. Loans to Farmers¹⁴

Characteristics	Size class of loans (thousands)						
	All sizes	\$1-9	\$10-24	\$25-49	\$50-99	\$100-249	\$250 and over
ALL BANKS							
1 Amount of loans (thousands of dollars).....	771,912	127,325	129,626	107,083	158,053	149,631	100,194
2 Number of loans	53,604	38,258	8,660	3,198	2,311	1,037	140
3 Weighted average maturity (months) ³	8.8	6.1	8.0	9.9	11.2	10.8	5.3
4 Weighted average interest rate (percent) ⁴	11.39	12.16	11.88	11.73	11.81	11.22	8.97
5 Standard error ⁵	.24	.25	.25	.47	.46	.72	.20
6 Interquartile range ⁶	9.94-12.68	11.30-13.11	11.00-12.97	10.52-12.75	10.52-13.10	10.11-12.37	8.30-9.38
<i>By purpose of loan</i>							
7 Feeder livestock	10.96	11.93	12.06	11.48	11.95	11.26	8.73
8 Other livestock	11.54	12.95	12.57	*	*	*	*
9 Other current operating expenses	11.60	12.17	11.85	11.79	12.00	11.20	8.84
10 Farm machinery and equipment	11.53	11.97	11.62	11.91	*	*	*
11 Farm real estate	11.68	13.28	11.77	*	*	*	*
12 Other	10.95	11.59	11.49	11.39	9.82	11.19	*
<i>Percentage of amount of loans</i>							
13 With floating rates	53.0	48.8	45.9	48.9	51.9	51.9	75.0
14 Made under commitment	41.6	41.2	35.6	39.6	44.4	34.1	59.0
<i>By purpose of loan</i>							
15 Feeder livestock	22.1	6.3	9.4	23.2	35.4	17.3	43.4
16 Other livestock	6.5	4.2	9.7	*	*	*	*
17 Other current operating expenses	46.1	72.5	57.7	46.4	36.9	34.0	29.9
18 Farm machinery and equipment	7.9	9.2	9.4	6.0	*	*	*
19 Farm real estate	6.6	2.0	4.6	*	*	*	*
20 Other	10.7	5.8	9.3	14.9	4.2	17.2	*
LARGE BANKS¹⁴							
1 Amount of loans (thousands of dollars).....	183,716	7,983	12,098	15,501	20,298	35,431	92,405
2 Number of loans	3,952	2,021	792	471	294	250	124
3 Weighted average maturity (months) ³	6.0	5.6	6.9	6.9	5.8	7.1	5.3
4 Weighted average interest rate (percent) ⁴	9.34	10.57	9.99	9.87	9.68	9.46	8.94
5 Standard error ⁵	.15	.17	.13	.35	.35	.59	.20
6 Interquartile range ⁶	8.56-9.93	9.51-11.07	9.32-10.47	9.31-10.38	9.11-10.11	8.77-10.11	8.24-9.32
<i>By purpose of loan</i>							
7 Feeder livestock	8.99	9.99	9.44	9.60	9.49	9.39	8.73
8 Other livestock	9.18	10.86	*	*	*	*	*
9 Other current operating expenses	9.47	10.50	10.22	9.96	9.84	9.70	8.65
10 Farm machinery and equipment	10.67	12.98	10.92	*	*	*	*
11 Farm real estate	10.41	12.13	*	*	*	*	*
12 Other	9.65	10.50	9.57	9.63	9.75	9.21	*
<i>Percentage of amount of loans</i>							
13 With floating rates	82.8	82.0	87.9	91.8	95.1	96.1	72.9
14 Made under commitment	72.8	71.5	82.0	80.6	81.1	85.0	64.0
<i>By purpose of loan</i>							
15 Feeder livestock	37.3	9.2	17.4	17.4	26.7	39.5	47.1
16 Other livestock	8.3	3.6	*	*	*	*	*
17 Other current operating expenses	31.1	63.1	52.5	45.1	35.2	26.9	24.0
18 Farm machinery and equipment	1.9	2.9	3.8	*	*	*	*
19 Farm real estate	1.2	1.9	*	*	*	*	*
20 Other	20.2	19.2	20.1	25.0	27.8	24.5	*
OTHER BANKS¹⁴							
1 Amount of loans (thousands of dollars).....	588,195	119,342	117,528	91,582	137,755	114,200	*
2 Number of loans	49,652	36,238	7,868	2,727	2,017	787	*
3 Weighted average maturity (months) ³	9.5	6.1	8.1	10.2	11.7	11.6	*
4 Weighted average interest rate (percent) ⁴	12.02	12.27	12.08	12.04	12.12	11.72	*
5 Standard error ⁵	.18	.17	.20	.30	.29	.42	*
6 Interquartile range ⁶	11.11-13.00	11.46-13.16	11.18-13.10	11.35-13.11	11.57-13.16	11.02-12.37	*
<i>By purpose of loan</i>							
7 Feeder livestock	12.28	12.12	12.61	11.71	12.22	*	*
8 Other livestock	12.55	13.07	12.65	*	*	*	*
9 Other current operating expenses	12.01	12.27	12.00	12.09	12.30	*	*
10 Farm machinery and equipment	11.58	11.95	11.65	*	*	*	*
11 Farm real estate	11.74	*	*	*	*	*	*
12 Other	12.00	11.88	11.98	*	*	*	*

For notes see end of table.

4.23 Continued

C. Loans to Farmers¹⁴—Continued

Characteristics	Size class of loans (thousands)						
	All sizes	\$1-9	\$10-24	\$25-49	\$50-99	\$100-249	\$250 and over
<i>Percentage of amount of loans</i>							
13 With floating rates	43.6	46.5	41.6	41.6	45.6	*	*
14 Made under commitment	31.9	39.2	30.8	32.7	39.0	*	*
<i>By purpose of loan</i>							
15 Feeder livestock	17.4	6.1	8.6	24.2	36.7	*	*
16 Other livestock	6.0	4.2	10.3	*	*	*	*
17 Other current operating expenses	50.8	73.1	58.2	46.6	37.2	*	*
18 Farm machinery and equipment	9.8	9.6	10.0	*	*	*	*
19 Farm real estate	8.3	*	*	*	*	*	*
20 Other	7.8	4.9	8.2	*	*	*	*

*Fewer than 10 sample loans.

1. The survey of terms of bank lending to business collects data on gross loan extensions made during the first full business week in the mid-month of each quarter by a sample of 340 commercial banks of all sizes. A subsample of 250 banks also report loans to farmers. The sample data are blown up to estimate the lending terms at all insured commercial banks during that week. The estimated terms of bank lending are not intended for use in collecting the terms of loans extended over the entire quarter or residing in the portfolios of those banks. Construction and land development loans include both unsecured loans and loans secured by real estate. Thus, some of the construction and land development loans would be reported on the statement of condition as real estate loans and the remainder as business loans. Mortgage loans, purchased loans, foreign loans, and loans of less than \$1,000 are excluded from the survey.

As of Dec. 31, 1985, assets of most of the large banks were at least \$5.5 billion. For all insured banks total assets averaged \$165 million.

2. Beginning with the August 1986 survey respondent banks provide information on the type of base rate used to price each commercial and industrial loan made during the survey week. This reporting change is reflected in the new column on the most common base pricing rate in table A and footnote 13 from table B.

3. Average maturities are weighted by loan size and exclude demand loans.

4. Effective (compounded) annual interest rates are calculated from the stated rate and other terms of the loan and weighted by loan size.

5. The chances are about two out of three that the average rate shown would differ by less than this amount from the average rate that would be found by a complete survey of lending at all banks.

6. The interquartile range shows the interest rate range that encompasses the middle 50 percent of the total dollar amount of loans made.

7. The most common base rate is that rate used to price the largest dollar volume of loans. Base pricing rates include the prime rate (sometimes referred to as a bank's "basic" or "reference" rate); the federal funds rate; domestic money market rates other than the federal funds rate; foreign money market rates; and other base rates not included in the foregoing classifications.

8. Overnight loans are loans that mature on the following business day.

9. Demand loans have no stated date of maturity.

10. Nominal (not compounded) annual interest rates are calculated from survey data on the stated rate and other terms of the loan and weighted by loan size.

11. The prime rate reported by each bank is weighted by the volume of loans extended and then averaged.

12. The proportion of loans made at rates below prime may vary substantially from the proportion of such loans outstanding in banks' portfolios.

13. 73.4 percent of construction and land development loans were priced relative to the prime rate.

14. Among banks reporting loans to farmers (Table 5), most "large banks" (survey strata 1 to 3) had over \$600 million in total assets, and most "other banks" (survey strata 4 to 6) had total assets below \$600 million.

The survey of terms of bank lending to farmers now includes loans secured by farm real estate. In addition, the categories describing the purpose of farm loans have now been expanded to include "purchase or improve farm real estate." In previous surveys, the purpose of such loans was reported as "other".

4.30 ASSETS AND LIABILITIES of U.S. Branches and Agencies of Foreign Banks, June 30, 1986¹

Millions of dollars

Item	All states ²		New York		California		Illinois	
	Total including IBFs	IBFs only ³	Total including IBFs	IBFs only ³	Total including IBFs	IBFs only ³	Total including IBFs	IBFs only ³
1 Total assets⁴	328,188	163,325	246,105	128,754	49,343	22,544	17,106	6,897
2 Claims on nonrelated parties	302,365	141,875	228,326	111,794	44,061	20,146	17,054	6,581
3 Cash and balances due from depository institutions	76,966	60,825	65,126	51,048	6,775	6,237	4,097	3,169
4 Cash items in process of collection and unposted debits	488	0	464	0	6	0	11	0
5 Currency and coin (U.S. and foreign)	23	n.a.	16	n.a.	2	n.a.	2	n.a.
6 Balances with depository institutions in United States	42,794	29,953	35,146	24,088	4,491	4,027	2,478	1,639
7 U.S. branches and agencies of other foreign banks (including IBFs)	36,367	28,558	29,516	22,861	4,208	3,920	2,164	1,593
8 Other depository institutions in United States (including IBFs)	6,426	1,395	5,630	1,227	283	107	314	46
9 Balances with banks in foreign countries and with foreign central banks	31,627	30,872	27,610	26,960	2,237	2,211	1,545	1,530
10 Foreign branches of U.S. banks	2,503	2,442	2,206	2,157	121	119	152	152
11 Other banks in foreign countries and foreign central banks	29,124	28,429	25,404	24,803	2,116	2,092	1,393	1,378
12 Balances with Federal Reserve Banks	2,034	n.a.	1,889	n.a.	39	n.a.	61	n.a.
13 Total securities and loans	185,300	77,748	131,503	58,109	30,713	13,492	11,905	3,212
14 Total securities, book value	22,317	7,686	18,640	5,898	2,757	1,587	557	141
15 U.S. Treasury	5,067	n.a.	4,829	n.a.	108	n.a.	79	n.a.
16 Obligations of U.S. government agencies and corporations	1,980	n.a.	1,961	n.a.	17	n.a.	0	n.a.
17 Other bonds, notes, debentures and corporate stock (including state and local securities)	15,270	7,686	11,850	5,898	2,631	1,587	478	141
18 Federal funds sold and securities purchased under agreements to resell	12,503	1,218	11,441	1,108	356	67	457	44
19 U.S. branches and agencies of other foreign banks	7,523	552	6,822	506	178	17	405	29
20 Commercial banks in United States	3,181	110	2,976	110	38	0	37	0
21 Other	1,798	557	1,643	492	140	50	15	15
22 Total loans, gross	163,118	70,073	112,950	52,218	27,997	11,907	11,353	3,071
23 Less: Unearned income on loans	136	11	87	7	41	3	5	1
24 Equals: Loans, net	162,982	70,062	112,863	52,211	27,956	11,904	11,349	3,070
<i>Total loans, gross, by category</i>								
25 Real estate loans	6,592	68	3,259	42	1,446	25	446	0
26 Loans to depository institutions	52,648	35,942	37,809	24,311	10,164	7,958	3,009	2,361
27 Commercial banks in United States (including IBFs)	28,677	13,821	19,481	7,551	6,778	4,646	1,955	1,378
28 U.S. branches and agencies of other foreign banks	24,972	12,276	16,475	6,432	6,225	4,277	1,875	1,331
29 Other commercial banks in United States	3,704	1,545	3,006	1,119	553	369	80	47
30 Other depository institutions in United States (including IBFs)	76	0	72	0	0	0	0	0
31 Banks in foreign countries	23,896	22,121	18,256	16,760	3,386	3,312	1,054	984
32 Foreign branches of U.S. banks	951	939	767	762	122	115	32	32
33 Other banks in foreign countries	22,945	21,182	17,488	15,997	3,264	3,197	1,022	952
34 Other financial institutions	4,025	426	2,806	367	369	31	795	17
35 Commercial and industrial loans	77,208	19,638	50,638	16,603	13,497	1,954	6,602	353
36 U.S. addressees (domicile)	52,757	78	30,572	70	11,001	8	6,126	0
37 Non-U.S. addressees (domicile)	24,451	19,560	20,066	16,533	2,496	1,947	476	353
38 Acceptances of other banks	1,044	20	820	13	179	0	27	7
39 U.S. banks	697	0	523	0	160	0	0	0
40 Foreign banks	346	20	297	13	19	0	27	7
41 Loans to foreign governments and official institutions (including foreign central banks)	15,612	13,756	12,211	10,730	1,935	1,885	404	333
42 Loans for purchasing or carrying securities (secured and unsecured)	4,085	47	3,804	47	280	0	0	0
43 All other loans	1,905	176	1,603	105	128	53	71	0
44 All other assets	27,597	2,083	20,256	1,530	6,218	350	595	156
45 Customers' liability on acceptances outstanding	20,424	n.a.	14,783	n.a.	5,206	n.a.	205	n.a.
46 U.S. addressees (domicile)	13,363	n.a.	8,665	n.a.	4,432	n.a.	192	n.a.
47 Non-U.S. addressees (domicile)	7,061	n.a.	6,118	n.a.	775	n.a.	13	n.a.
48 Other assets including other claims on nonrelated parties	7,173	2,083	5,473	1,530	1,012	350	389	156
49 Net due from related depository institutions ⁵	25,823	21,450	17,779	16,959	5,282	2,398	52	316
50 Net due from head office and other related depository institutions ⁵	25,823	n.a.	17,779	n.a.	5,282	n.a.	52	n.a.
51 Net due from establishing entity, head offices, and other related depository institutions ⁵	n.a.	21,450	n.a.	16,959	n.a.	2,398	n.a.	316
52 Total liabilities⁴	328,188	163,325	246,105	128,754	49,343	22,544	17,106	6,897
53 Liabilities to nonrelated parties	282,117	133,029	218,690	104,436	43,616	19,788	10,173	4,577

4.30 Continued

Millions of dollars

Item	All states ²		New York		California		Illinois	
	Total excluding IBFs	IBFs only ³	Total excluding IBFs	IBFs only ³	Total excluding IBFs	IBFs only ³	Total excluding IBFs	IBFs only ³
54 Total deposits and credit balances	45,219	105,362	38,037	92,908	1,659	6,802	2,174	1,832
55 Individuals, partnerships, and corporations	34,603	13,942	28,186	10,913	1,481	353	1,733	112
56 U.S. addressees (domicile)	27,028	492	23,125	491	464	0	1,629	0
57 Non-U.S. addressees (domicile)	7,576	13,451	5,061	10,422	1,017	353	104	112
58 Commercial banks in United States (including IBFs)	7,147	37,719	6,609	32,657	71	3,487	422	1,032
59 U.S. branches and agencies of other foreign banks	3,883	30,712	3,462	26,210	34	3,206	371	830
60 Other commercial banks in United States	3,263	7,006	3,148	6,447	37	281	52	202
61 Banks in foreign countries	1,704	48,911	1,642	44,711	16	2,919	4	674
62 Foreign branches of U.S. banks	158	6,509	158	5,290	0	881	0	158
63 Other banks in foreign countries	1,546	42,402	1,484	39,420	16	2,039	4	516
64 Foreign governments and official institutions (including foreign central banks)	942	4,770	869	4,616	62	43	2	15
65 All other deposits and credit balances	252	20	221	12	7	0	1	0
66 Certified and official checks	571	n.a.	510	n.a.	21	n.a.	11	n.a.
67 Transaction accounts and credit balances (excluding IBFs)	5,873	n.a.	5,121	n.a.	150	n.a.	197	n.a.
68 Individuals, partnerships, and corporations	3,531	n.a.	2,925	n.a.	119	n.a.	180	n.a.
69 U.S. addressees (domicile)	2,410	n.a.	2,057	n.a.	73	n.a.	177	n.a.
70 Non-U.S. addressees (domicile)	1,121	n.a.	868	n.a.	46	n.a.	3	n.a.
71 Commercial banks in United States (including IBFs)	315	n.a.	296	n.a.	2	n.a.	1	n.a.
72 U.S. branches and agencies of other foreign banks	107	n.a.	106	n.a.	0	n.a.	0	n.a.
73 Other commercial banks in United States	207	n.a.	189	n.a.	2	n.a.	0	n.a.
74 Banks in foreign countries	1,042	n.a.	999	n.a.	5	n.a.	2	n.a.
75 Foreign branches of U.S. banks	36	n.a.	36	n.a.	0	n.a.	0	n.a.
76 Other banks in foreign countries	1,006	n.a.	963	n.a.	5	n.a.	2	n.a.
77 Foreign governments and official institutions (including foreign central banks)	363	n.a.	352	n.a.	1	n.a.	2	n.a.
78 All other deposits and credit balances	51	n.a.	40	n.a.	2	n.a.	1	n.a.
79 Certified and official checks	571	n.a.	510	n.a.	21	n.a.	11	n.a.
80 Demand deposits (included in transaction accounts and credit balances)	4,336	n.a.	3,720	n.a.	81	n.a.	188	n.a.
81 Individuals, partnerships, and corporations	2,615	n.a.	2,129	n.a.	53	n.a.	171	n.a.
82 U.S. addressees (domicile)	1,656	n.a.	1,383	n.a.	26	n.a.	168	n.a.
83 Non-U.S. addressees (domicile)	960	n.a.	747	n.a.	27	n.a.	3	n.a.
84 Commercial banks in United States (including IBFs)	91	n.a.	72	n.a.	1	n.a.	1	n.a.
85 U.S. branches and agencies of other foreign banks	15	n.a.	14	n.a.	0	n.a.	0	n.a.
86 Other commercial banks in United States	76	n.a.	58	n.a.	1	n.a.	0	n.a.
87 Banks in foreign countries	773	n.a.	737	n.a.	4	n.a.	2	n.a.
88 Foreign branches of U.S. banks	9	n.a.	9	n.a.	0	n.a.	0	n.a.
89 Other banks in foreign countries	764	n.a.	728	n.a.	4	n.a.	2	n.a.
90 Foreign governments and official institutions (including foreign central banks)	266	n.a.	254	n.a.	1	n.a.	2	n.a.
91 All other deposits and credit balances	20	n.a.	18	n.a.	0	n.a.	1	n.a.
92 Certified and official checks	571	n.a.	510	n.a.	21	n.a.	11	n.a.
93 Non-transaction accounts (including MMDAs, excluding IBFs)	39,346	n.a.	32,915	n.a.	1,509	n.a.	1,977	n.a.
94 Individuals, partnerships, and corporations	31,073	n.a.	25,261	n.a.	1,362	n.a.	1,553	n.a.
95 U.S. addressees (domicile)	24,618	n.a.	21,068	n.a.	391	n.a.	1,453	n.a.
96 Non-U.S. addressees (domicile)	6,455	n.a.	4,193	n.a.	971	n.a.	100	n.a.
97 Commercial banks in United States (including IBFs)	6,832	n.a.	6,314	n.a.	69	n.a.	422	n.a.
98 U.S. branches and agencies of other foreign banks	3,776	n.a.	3,355	n.a.	34	n.a.	371	n.a.
99 Other commercial banks in United States	3,056	n.a.	2,959	n.a.	35	n.a.	51	n.a.
100 Banks in foreign countries	662	n.a.	642	n.a.	11	n.a.	2	n.a.
101 Foreign branches of U.S. banks	121	n.a.	121	n.a.	0	n.a.	0	n.a.
102 Other banks in foreign countries	541	n.a.	521	n.a.	11	n.a.	2	n.a.
103 Foreign governments and official institutions (including foreign central banks)	579	n.a.	517	n.a.	61	n.a.	0	n.a.
104 All other deposits and credit balances	200	n.a.	181	n.a.	5	n.a.	0	n.a.
105 IBF deposit liabilities	n.a.	105,362	n.a.	92,908	n.a.	6,802	n.a.	1,832
106 Individuals, partnerships, and corporations	n.a.	13,942	n.a.	10,913	n.a.	353	n.a.	112
107 U.S. addressees (domicile)	n.a.	492	n.a.	491	n.a.	0	n.a.	0
108 Non-U.S. addressees (domicile)	n.a.	13,451	n.a.	10,422	n.a.	353	n.a.	112
109 Commercial banks in United States (including IBFs)	n.a.	37,719	n.a.	32,657	n.a.	3,487	n.a.	1,032
110 U.S. branches and agencies of other foreign banks	n.a.	30,712	n.a.	26,210	n.a.	3,206	n.a.	830
111 Other commercial banks in United States	n.a.	7,006	n.a.	6,447	n.a.	281	n.a.	202
112 Banks in foreign countries	n.a.	48,911	n.a.	44,711	n.a.	2,919	n.a.	674
113 Foreign branches of U.S. banks	n.a.	6,509	n.a.	5,290	n.a.	881	n.a.	158
114 Other banks in foreign countries	n.a.	42,402	n.a.	39,420	n.a.	2,039	n.a.	516
115 Foreign governments and official institutions (including foreign central banks)	n.a.	4,770	n.a.	4,616	n.a.	43	n.a.	15
116 All other deposits and credit balances	n.a.	20	n.a.	12	n.a.	0	n.a.	0

For notes see end of table.

4.30 ASSETS AND LIABILITIES of U.S. Branches and Agencies of Foreign Banks, June 30, 1986¹—Continued

Millions of dollars

Item	All states ²		New York		California		Illinois	
	Total including IBFs	IBFs only ³	Total including IBFs	IBFs only ³	Total including IBFs	IBFs only ³	Total including IBFs	IBFs only ³
117 Federal funds purchased and securities sold under agreements to repurchase.....	38,928	1,595	30,439	809	6,318	628	1,649	115
118 U.S. branches and agencies of other foreign banks	10,337	678	7,125	129	2,549	448	459	70
119 Other commercial banks in United States	15,583	275	11,324	253	2,975	15	1,060	5
120 Other	13,008	641	11,990	426	795	165	131	40
121 Other borrowed money	63,887	24,138	35,811	9,231	22,548	12,092	4,015	2,490
122 Owed to nonrelated commercial banks in United States (including IBFs).....	45,609	10,637	25,905	2,885	16,534	7,040	1,845	533
123 Owed to U.S. offices of nonrelated U.S. banks	21,925	1,670	14,153	724	6,145	797	822	66
124 Owed to U.S. branches and agencies of nonrelated foreign banks	23,685	8,967	11,752	2,160	10,389	6,244	1,022	467
125 Owed to nonrelated banks in foreign countries	12,674	12,249	5,550	5,212	4,959	4,941	1,984	1,949
126 Owed to foreign branches of nonrelated U.S. banks ..	2,109	2,050	569	527	1,285	1,285	206	190
127 Owed to foreign offices of nonrelated foreign banks ..	10,566	10,199	4,981	4,685	3,674	3,655	1,778	1,759
128 Owed to others	5,603	1,252	4,357	1,133	1,054	111	186	8
129 All other liabilities.....	28,721	1,934	21,495	1,488	6,289	267	502	139
130 Branch or agency liability on acceptances executed and outstanding	23,268	n.a.	17,249	n.a.	5,544	n.a.	222	n.a.
131 Other liabilities to nonrelated parties.....	5,453	1,934	4,246	1,488	745	267	280	139
132 Net due to related depository institutions ⁵	46,071	30,296	27,415	24,318	5,728	2,756	6,934	2,320
133 Net due to head office and other related depository institutions ⁵	46,071	n.a.	27,415	n.a.	5,728	n.a.	6,934	n.a.
134 Net due to establishing entity, head office, and other related depository institutions ⁵	n.a.	30,296	n.a.	24,318	n.a.	2,756	n.a.	2,320
MEMO								
135 Non-interest bearing balances with commercial banks in United States.....	2,405	137	2,174	137	101	0	65	0
136 Holding of commercial paper included in total loans	652	n.a.	331	n.a.	282	n.a.	39	n.a.
137 Holding of own acceptances included in commercial and industrial loans	3,952	n.a.	2,734	n.a.	971	n.a.	127	n.a.
138 Commercial and industrial loans with remaining maturity of one year or less.....	47,672	n.a.	28,860	n.a.	9,092	n.a.	5,146	n.a.
139 Predetermined interest rates	31,531	n.a.	17,971	n.a.	6,993	n.a.	3,898	n.a.
140 Floating interest rates	16,141	n.a.	10,890	n.a.	2,099	n.a.	1,248	n.a.
141 Commercial and industrial loans with remaining maturity of more than one year	29,535	n.a.	21,778	n.a.	4,405	n.a.	1,456	n.a.
142 Predetermined interest rates	9,422	n.a.	6,025	n.a.	2,026	n.a.	710	n.a.
143 Floating interest rates	20,114	n.a.	15,752	n.a.	2,379	n.a.	746	n.a.

4.30 Continued

Millions of dollars

Item	All states ²		New York		California		Illinois	
	Total excluding IBFs	IBFs only ³	Total excluding IBFs	IBFs only ³	Total excluding IBFs	IBFs only ³	Total excluding IBFs	IBFs only ³
144 Components of total nontransaction accounts, included in total deposits and credit balances of nontransactional accounts, including IBFs.....	49,919	n.a.	42,877	n.a.	1,506	n.a.	2,633	n.a.
145 Time CDs in denominations of \$100,000 or more	32,231	n.a.	27,291	n.a.	1,092	n.a.	1,645	n.a.
146 Other time deposits in denominations of \$100,000 or more	4,228	n.a.	3,856	n.a.	196	n.a.	132	n.a.
147 Time CDs in denominations of \$100,000 or more with remaining maturity of more than 12 months	13,460	n.a.	11,729	n.a.	218	n.a.	856	n.a.
	All states ²		New York		California		Illinois	
	Total including IBFs	IBFs only ³	Total including IBFs	IBFs only ³	Total including IBFs	IBFs only ³	Total including IBFs	IBFs only ³
148 Market value of securities held	21,367	7,741	17,933	5,980	2,549	1,560	553	142
150 Immediately available funds with a maturity greater than one day included in other borrowed money	39,359	n.a.	23,803	n.a.	13,456	n.a.	1,302	n.a.
150 Number of reports filed ⁶	475	.....	221	.....	118	.....	46	.....

1. Data are aggregates of categories reported on the quarterly form FFIEC 002, "Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks." Details may not add to totals because of rounding. This form was first used for reporting data as of June 30, 1980, and was revised as of December 31, 1985. From November 1972 through May 1980, U.S. branches and agencies of foreign banks had filed a monthly FR 886a report. Aggregate data from that report were available through the Federal Reserve statistical release G.11, last issued on July 10, 1980. Data in this table and in the G.11 tables are not strictly comparable because of differences in reporting panels and in definitions of balance sheet items.

2. Includes the District of Columbia.

3. Effective December 1981, the Federal Reserve Board amended Regulations D and Q to permit banking offices located in the United States to operate International Banking Facilities (IBFs). As of December 31, 1985, data for IBFs are reported in a separate column. These data are either included in or excluded from the total columns as indicated in the headings. The notation "n.a." indicates

that no IBF data are reported for that item, either because the item is not an eligible IBF asset or liability or because that level of detail is not reported for IBFs. From December 1981 through September 1985, IBF data were included in all applicable items reported.

4. Total assets and total liabilities include *net* balances, if any, due from or due to related banking institutions in the United States and in foreign countries (see footnote 5). On the former monthly branch and agency report, available through the G.11 statistical release, *gross* balances were included in total assets and total liabilities. Therefore, total asset and total liability figures in this table are not comparable to those in the G.11 tables.

5. "Related banking institutions" includes the foreign head office and other U.S. and foreign branches and agencies of the bank, the bank's parent holding company, and majority-owned banking subsidiaries of the bank and of its parent holding company (including subsidiaries owned both directly and indirectly).

6. In some cases two or more offices of a foreign bank within the same metropolitan area file a consolidated report.

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143. COMPLIANCE COSTS AND CONSUMER BENEFITS OF THE ELECTRONIC FUND TRANSFER ACT: RECENT SURVEY EVIDENCE, by Frederick J. Schroeder. April 1985. 23 pp. *Out of print.*
144. SCALE ECONOMIES IN COMPLIANCE COSTS FOR CONSUMER CREDIT REGULATIONS: THE TRUTH IN LENDING AND EQUAL CREDIT OPPORTUNITY LAWS, by Gregory E. Eliehausen and Robert D. Kurtz. May 1985. 10 pp.
145. SERVICE CHARGES AS A SOURCE OF BANK INCOME AND THEIR IMPACT ON CONSUMERS, by Glenn B. Canner and Robert D. Kurtz. August 1985. 31 pp. *Out of print.*
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ANTICIPATED SCHEDULE OF RELEASE DATES FOR PERIODIC RELEASES—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM¹ (Payment must accompany requests)

<i>Weekly Releases</i>	<i>Annual rate</i>	<i>Approximate release days</i>	<i>Date or period to which data refer</i>
☐ Aggregate Reserves of Depository Institutions and the Monetary Base. H.3 (502) [1.20]	\$12.00	Thursday	Week ended previous Wednesday
☐ Actions of the Board: Applications and Reports Received. H.2 (501)	\$21.00	Friday	Week ended previous Saturday
☐ Assets and Liabilities of Insured Domestically Chartered and Foreign Related Banking Institutions. H.8 (510) [1.25]	\$12.00	Monday	Wednesday, 3 weeks earlier
☐ Changes in State Member Banks. K.3 (615)	\$12.00	Tuesday	Week ended previous Saturday
☐ Factors Affecting Reserves of Depository Institutions and Condition Statement of Federal Reserve Banks. H.4.1 (503) [1.11]	\$12.00	Thursday	Week ended previous Wednesday
☐ Foreign Exchange Rates. H.10 (512) [3.28]	\$12.00	Monday	Week ended previous Friday
☐ Money Stock, Liquid Assets, and Debt Measures. H.6 (508) [1.21]	\$21.00	Thursday	Week ended Monday of previous week
☐ Selected Borrowings in Immediately Available Funds of Large Member Banks. H.5 (507) [1.13]	\$12.00	Wednesday	Week ended Thursday of previous week
☐ Selected Interest Rates. H.15 (519) [1.35]	\$12.00	Monday	Week ended previous Saturday
☐ Weekly Consolidated Condition Report of Large Commercial Banks, and Domestic Subsidiaries. H.4.2 (504) [1.26, 1.28, 1.29, 1.30]	\$12.00	Friday	Wednesday, 1 week earlier
<i>Monthly Releases</i>			
☐ Capacity Utilization: Manufacturing, Mining, Utilities and Industrial Materials. G.3 (402) [2.12]	\$ 3.00	Midmonth	Previous month
☐ Changes in Status of Banks and Branches. G.4.5 (404)	\$ 9.00	1st of month	Previous month
☐ Commercial and Industrial Loan Commitments at Selected Large Commercial Banks. G.21 (423)	\$ 3.00	2nd week of month	2nd month previous
☐ Consumer Installment Credit. G.19 (421) [1.55, 1.56]	\$ 3.00	Midmonth	2nd month previous
☐ Debits and Deposit Turnover at Commercial Banks. G.6 (406) [1.22]	\$ 3.00	12th of month	Previous month
☐ Finance Companies. G.20 (422) [1.51, 1.52]	\$ 3.00	5th working day of month	2nd month previous
☐ Foreign Exchange Rates. G.5 (405) [3.28]	\$ 3.00	1st of month	Previous month
☐ Industrial Production. G.12.3 (414) [2.13]	\$ 7.00	Midmonth	Previous month
☐ Loans and Securities at all Commercial Banks. G.7 (407) [1.23]	\$ 3.00	3rd week of month	Previous month
☐ Major Nondeposit Funds of Commercial Banks. G.10 (411) [1.24]	\$ 3.00	3rd week of month	Previous month

1. Release dates are those anticipated or usually met. However, please note 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.

The BULLETIN table that reports these data is designated in brackets.

<i>Monthly Releases—Continued</i>	<i>Annual rate</i>	<i>Approximate release days</i>	<i>Date or period to which data refer</i>
☐ Maturity Distribution of Outstanding Negotiable Time Certificates of Deposit at Large Commercial Banks. G.9 (410)	\$ 3.00	3rd week of month	Last Wednesday of previous month
☐ Monthly Report of Assets and Liabilities of International Banking Facilities. G.14 (416)	\$ 3.00	2nd week of month	Wednesday, 2 weeks earlier
☐ Research Library—Recent Acquisitions. G.15 (417)	Free of charge	1st of month	Previous month
☐ Selected Interest Rates. G.13 (415) [1.35]	\$ 3.00	3rd working day of month	Previous month
<i>Quarterly Releases</i>			
☐ Agricultural Finance Databook. E.15 (125)	\$ 4.00	End of March, June, September, and December	January, April, July, and October
☐ Country Exposure Lending Survey. E.16 (126)	\$ 4.00	January, April, July, and October	Previous 3 months
☐ Domestic Offices, Commercial Bank Assets and Liabilities Consolidated Report of Condition. E.3.4 (113) [1.26, 1.28]	\$ 3.00	March, June, September, and December	Previous 6 months
☐ Flow of Funds: Seasonally Adjusted and Unadjusted. Z.1 (780) [1.58, 1.59]	\$ 7.00	23rd of February, May, August, and November	Previous quarter
☐ Flow of Funds Summary Statistics Z.7. (788) [1.57, 1.58]	\$ 2.00	15th of February, May, August, and November	Previous quarter
☐ Geographical Distribution of Assets and Liabilities of Major Foreign Branches of U.S. Banks. E.11 (121)	\$ 2.00	15th of March, June, September, and December	Previous quarter
☐ Survey of Terms of Bank Lending. E.2 (111) [1.34]	\$ 2.00	Midmonth of March, June, September, and December	February, May, August, and November
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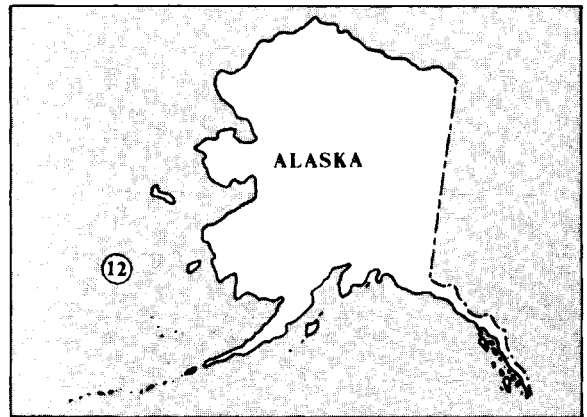
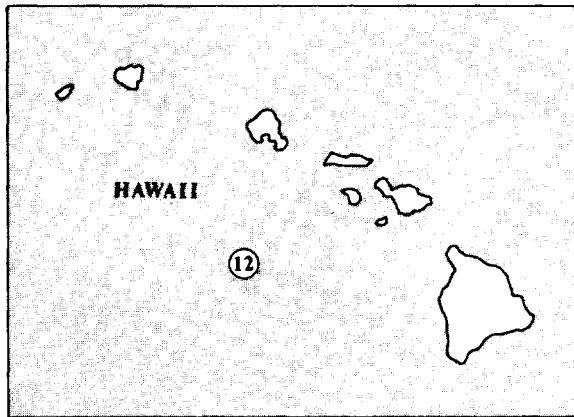
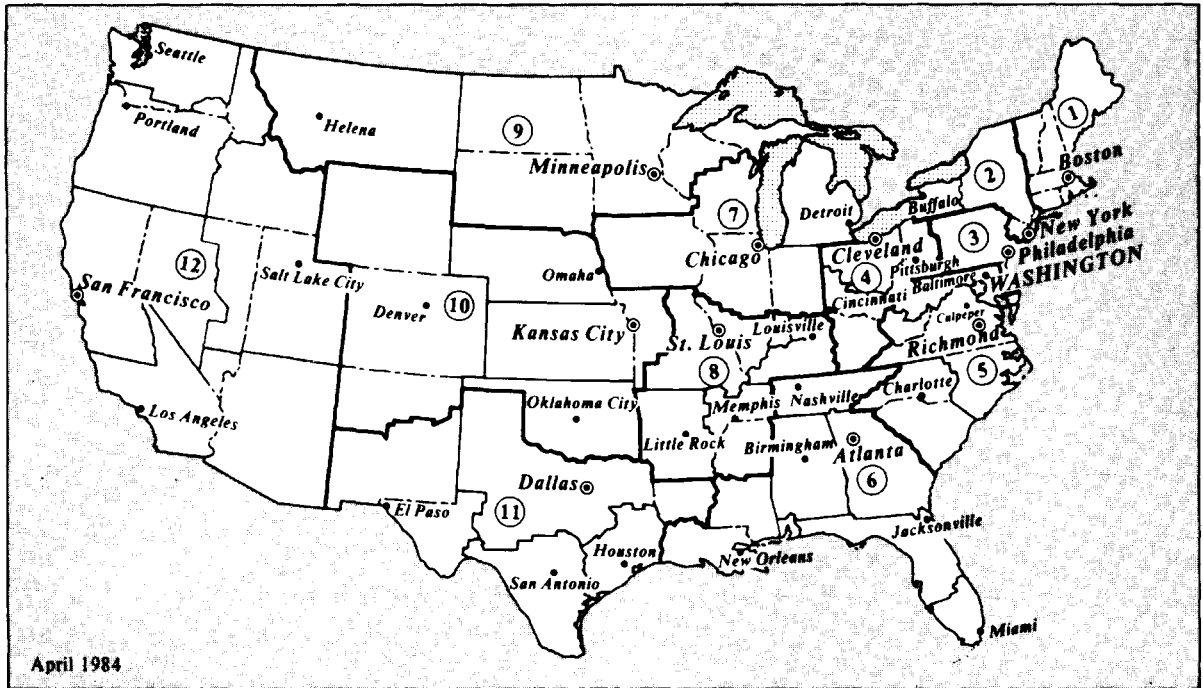
Federal Reserve Banks, Branches, and Offices

FEDERAL RESERVE BANK, branch, or facility	Zip	Chairman Deputy Chairman	President First Vice President	Vice President in charge of branch
BOSTON*	02106	Joseph A. Baute George N. Hatsopoulos	Frank E. Morris Robert W. Eisenmenger	
NEW YORK*	10045	John Brademas Clifton R. Wharton, Jr.	E. Gerald Corrigan Thomas M. Timlen	
Buffalo	14240	Mary Ann Lambertsen		John T. Keane
PHILADELPHIA	19105	Robert M. Landis Nevius M. Curtis	Edward G. Boehne Richard L. Smoot	
CLEVELAND*	44101	William H. Knoell E. Mandell de Windt	Karen N. Horn William H. Hendricks	
Cincinnati	45201	Owen B. Butler		Charles A. Cerino
Pittsburgh	15230	James E. Haas		Harold J. Swart
RICHMOND*	23219	Leroy T. Canoles, Jr. Robert A. Georgine	Robert P. Black Jimmie R. Monhollon	
Baltimore	21203	Robert L. Tate		Robert D. McTeer, Jr.
Charlotte	28230	Wallace J. Jorgenson		Albert D. Tinkelenberg
Culpeper Communications and Records Center	22701			John G. Stoides
ATLANTA	30303	John H. Weitnauer, Jr. Bradley Currey, Jr.	Robert P. Forrestal Jack Guynn	
Birmingham	35283	A. G. Trammell		Delmar Harrison
Jacksonville	32231	E. William Nash, Jr.		Fred R. Herr
Miami	33152	Sue McCourt Cobb		James D. Hawkins
Nashville	37203	Patsy R. Williams		Patrick K. Barron
New Orleans	70161	Sharon A. Perlis		Jeffrey J. Wells
				Henry H. Bourgaux
CHICAGO*	60690	Robert J. Day Marcus Alexis	Silas Keehn Daniel M. Doyle	
Detroit	48231	Robert E. Brewer		Roby L. Sloan
ST. LOUIS	63166	W.L. Hadley Griffin Mary P. Holt	Thomas C. Melzer Joseph P. Garbarini	
Little Rock	72203	Sheffield Nelson		John F. Breen
Louisville	40232	William C. Ballard, Jr.		James E. Conrad
Memphis	38101	G. Rives Neblett		Paul I. Black, Jr.
MINNEAPOLIS	55480	John B. Davis, Jr. Michael W. Wright	Gary H. Stern Thomas E. Gainor	
Helena	59601	Marcia S. Anderson		Robert F. McNellis
KANSAS CITY	64198	Irvine O. Hockaday, Jr. Robert G. Lueder	Roger Guffey Henry R. Czerwinski	
Denver	80217	James E. Nielson		Wayne W. Martin
Oklahoma City	73125	Patience S. Latting		William G. Evans
Omaha	68102	Kenneth L. Morrison		Robert D. Hamilton
DALLAS	75222	Robert D. Rogers Bobby R. Inman	Robert H. Boykin William H. Wallace	
El Paso	79999	Peyton Yates		James L. Stull
Houston	77252	Walter M. Mischer, Jr.		Joel L. Koonce, Jr.
San Antonio	78295	Ruben M. Garcia		J.Z. Rowe
				Thomas H. Robertson
SAN FRANCISCO	94120	Alan C. Furth Fred W. Andrew	Robert T. Parry Carl E. Powell	
Los Angeles	90051	Richard C. Seaver		Robert M. McGill
Portland	97208	Paul E. Bragdon		Angelo S. Carella
Salt Lake City	84125	Don M. Wheeler		E. Ronald Liggett
Seattle	98124	John W. Ellis		Gerald R. Kelly

*Additional offices of these Banks are located at Lewiston, Maine 04240; Windsor Locks, Connecticut 06096; Cranford, New Jersey 07016; Jericho, New York 11753; Utica at Oriskany, New York 13424; Columbus, Ohio 43216; Columbia, South Carolina 29210; Charleston, West Virginia 25311; Des Moines, Iowa 50306; Indianapolis, Indiana 46204; and Milwaukee, Wisconsin 53202.

The Federal Reserve System

Boundaries of Federal Reserve Districts and Their Branch Territories



LEGEND

- Boundaries of Federal Reserve Districts
- Boundaries of Federal Reserve Branch Territories
- ★ Board of Governors of the Federal Reserve System
- ⊙ Federal Reserve Bank Cities
- Federal Reserve Branch Cities
- Federal Reserve Bank Facility

Publications of Interest

FEDERAL RESERVE CONSUMER CREDIT PUBLICATIONS

The Federal Reserve Board publishes a series of pamphlets covering individual credit laws and topics, as pictured below. The series includes such subjects as how the Equal Credit Opportunity Act protects women against discrimination in their credit dealings, how to use a credit card, and how to use Truth in Lending information to compare credit costs.

The Board also publishes the *Consumer Handbook to Credit Protection Laws*, a complete guide to con-

sumer credit protections. This 44-page booklet explains how to use the credit laws to shop for credit, apply for it, keep up credit ratings, and complain about an unfair deal.

Protections offered by the Electronic Fund Transfer Act are explained in *Alice in Debitland*. This booklet offers tips for those using the new "paperless" systems for transferring money.

Copies of consumer publications are available free of charge from Publications Services, Mail Stop 138, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. Multiple copies for classroom use are also available free of charge.

