VOLUME 78 □ NUMBER 8 □ AUGUST 1992

FEDERAL RESERVE BULLETIN

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, WASHINGTON, D.C.

The *Federal Reserve Bulletin* is issued monthly under the direction of the staff publications committee. This committee is responsible for opinions expressed except in official statements and signed articles. It is assisted by the Economic Editing Section headed by S. Ellen Dykes, the Graphics Center under the direction of Peter G. Thomas, and Publications Services supervised by Linda C. Kyles.

Table of Contents

Deregulation and Competition in Japanese Banking

Allen B. Frankel and Paul B. Morgan, of the Board's Division of International Finance, prepared this article. An earlier version was presented at the Conference on Bank Structure and Competition sponsored by the Federal Reserve Bank of Chicago, May 6–8, 1992.

In the past fifteen years, the Japanese financial system has been the focus of a series of liberalization measures aimed at modernizing the intermediation process and improving the efficiency of Japanese corporate finance. These policy developments have stemmed largely from pressures external to the domestic banking sector itself, such as the substantial increase in government debt as a result of changes in the flow of funds in Japan after the OPEC oil shocks; increased competition in international financial markets; and a new emphasis on bank capital management. These influences are engendering fundamental changes in the system of finance in Japan, the objectives on which Japanese bankers place importance, and the competitive position of the banking system vis-à-vis the international sector and the domestic nonbank financial sector. This article provides an overview of the forces that have induced changes in the Japanese banking system and attempts to discuss these changes in the context of the ongoing financial reform effort in Japan. (For an overview of the process of change in the Japanese banking system, see chart 1.)

EVOLUTION OF JAPAN'S FINANCIAL SYSTEM

For more than three decades after World War II, the Japanese financial system was highly regulated and remained largely isolated from the rest of the world. First, Japanese monetary authorities administratively determined all interest rates, including those on bank deposits and loans as well as coupon rates on government bonds and bank debentures. Second, various types of banking firms and other financial service firms were legally and administratively confined to a specified range of activities (see table 1 for an overview of the current limitations). Third, capital markets were repressed by guidelines, such as strict collateral requirements for the issuance of corporate bonds. Consequently, few alternatives to bank financing existed for even the largest firms.

Internationally, exchange controls and limits on foreign activities restricted the access of Japanese financial firms to foreign financial markets. Until the 1970s, only a limited number of financial firms, including foreign banks granted special concessions, were licensed to engage in foreign exchange transactions. This system of foreign exchange controls and licenses effectively separated Japanese domestic markets from financial markets abroad.

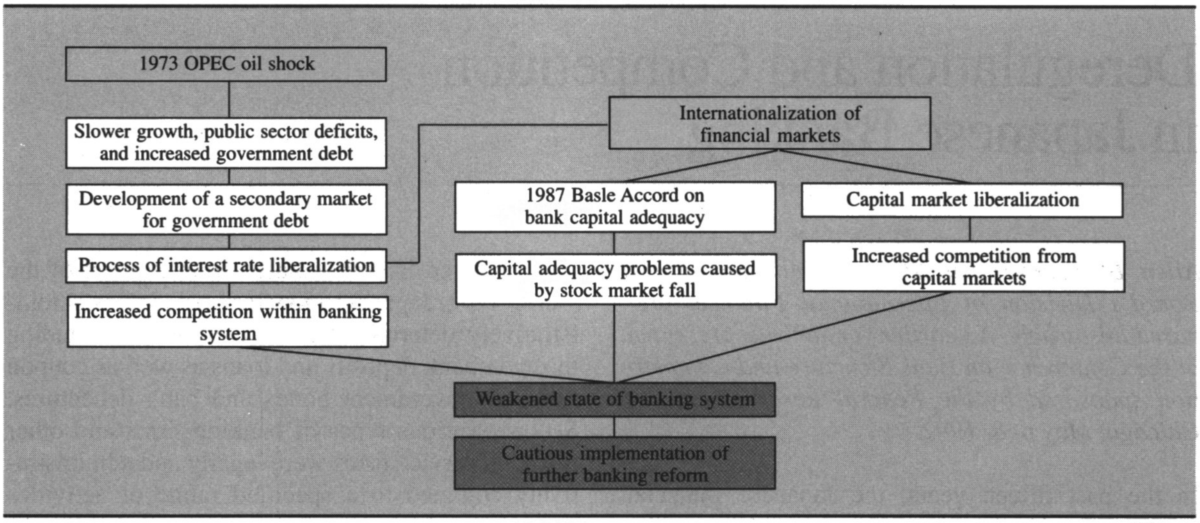
Domestic

The OPEC oil shock in 1973 signaled a turning point in the operation of the domestic Japanese financial system. The contractionary effect of the oil price increases ushered in a period of sizable government deficits, which resulted in a buildup in the outstanding stock of Japanese government bonds. Outstanding government debt rose as a percentage of GNP from 5 percent in the early 1970s to 40 percent in the early 1980s.[1]

NOTE. The authors especially wish to thank Hiroshi Nakaso, Alicia Ogawa, and Larry Promisel for their comments and assistance.

1. The increase in government debt was reversed later in the 1980s, as government budget surpluses facilitated the retirement of outstanding government bonds.

1. Overview of the changes in the Japanese banking system, 1973–present



The buildup of Japanese government debt forced changes in the relationship between the Bank of Japan and members of the underwriting syndicate for government bonds. Traditionally, syndicate members purchased newly issued government bonds with the understanding that the debt could later be sold to the Bank of Japan at a price that would ensure the avoidance of losses on the original bond purchase. This arrangement involved ex post compensation of losses by the Bank of Japan as fiscal agent for the Japanese government.[2]

With the surge in government bond flotation, Japanese authorities concluded that the Bank of Japan could no longer guarantee the repurchase of the growing volume of government debt without jeopardizing its ability to exercise monetary control.[3] The elimination of the agreement between the Bank of Japan and the underwriting syndicate is evocative of the 1951 accord between the Federal Reserve and U.S. Treasury from which the Federal Reserve received discretionary authority for monetary policy.[4] Facing financial strains in the absence of the Bank of Japan's backstop facility, the syndicate successfully lobbied in 1977 for permission to develop a secondary market. Syndicate members viewed the secondary market as a mechanism for off-loading their holdings of seasoned bonds when they were called upon to purchase new debt. The Japanese authorities allowed the secondary market to develop gradually, but the syndicate process did not function smoothly during the period of large net issuance of government debt. As Suzuki notes, over two periods in 1981 and 1982, in fact, syndicate participants publicly refused to carry out their underwriting responsibilities.

The introduction of secondary market trading marked the end of the postwar era of absolute administrative control of Japanese interest rates. Japanese banks and securities companies were given formal authorization for a market-rate funding mechanism for their bond purchases through the use of short-term repurchase agreements; and as a result, the gensaki market came into being.

2. Yoshio Suzuki concludes that underwriting of government debt during the period of low administered rates before 1975 was not a source of adverse pressure from the viewpoint of either liquidity or profitability for syndicate members. See Yoshio Suzuki, *Money, Finance, and Macroeconomic Performance in Japan* (Yale University Press, 1986).

3. Kumiharu Shigehara describes the Bank of Japan's policy before 1975 as one in which the outright purchase of Japanese government bonds was generally kept in line with the trend increase in the monetary base. Also, Japanese law prohibits the Bank of Japan's direct subscription to new government bond issues. See Kumiharu Shigehara, "Japan's Experience with Use of Monetary Policy and the Process of Liberalization" (paper presented to the Pacific Region Central Banks' Conference on Domestic Monetary Policy sponsored by the Reserve Bank of Australia, October 12–13, 1990).

4. Paul M. Horvitz notes that, soon after the accord, long-term U.S. government bond prices dropped below par for the first time since 1937. Paul M. Horvitz, *Monetary Policy and the Financial System*, 3d. ed. (Prentice-Hall, 1983).

1. Segmentation in the Japanese financial system

Type of firm	Regulatory guidelines
Domestically owned	
Ordinary banks (includes city banks)[1]	Prohibited from engaging in trust-related businesses (for example, pension fund management) Prohibited from issuing long-term bank debt, except convertible bonds (since 1987) and regulated amounts of subordinated debt for the purpose of improving capital adequacy levels (since June 1990) Prohibited from accepting deposits with maturities of more than three years
Long-term credit banks	Authorized to issue long-term bank debt (with a maturity up to five years) May accept deposits only from its borrowers and from governments May open only a limited number of branches
Trust banks	Authorized to engage in trust-related businesses (for example, pension fund management and investment trust management) Authorized to raise funds for long-term financing through loan trusts and money trusts (that is, term deposits consolidated for the purpose of extending long-term credits)
Financial institutions for small businesses	Restricted to clients of a certain size, as measured by number of employees and capitalization levels (for example, shinkin banks' business clients are limited in size to 300 employees and ¥400 million in capital) Limited mainly to clients that are members of cooperatives or credit unions
Securities firms	Prohibited from engaging in banking activities
Foreign owned	
Banks	Authorized to engage in securities activities through partially owned securities affiliates (unlike domestic banks, which are prohibited from securities activities) Authorized to engage in trust-related activities through the establishment of trust bank affiliates
Securities firms	Authorized to engage in banking activities through subsidiaries (since 1990)

1. Two city banks differ in their range of activities from other ordinary banks: One is authorized to issue long-term debt but is restricted by its number of branches, and the other is authorized to engage in trust-related activities despite the prohibition against this activity for other ordinary banks.

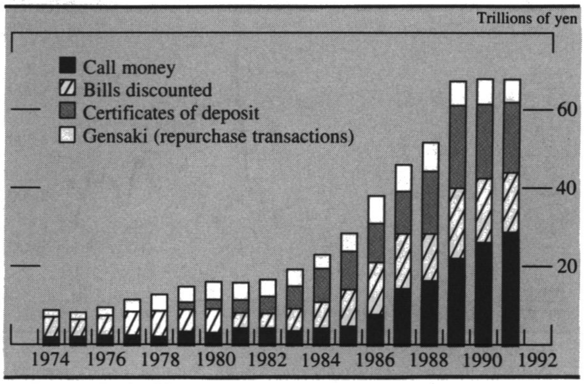
SOURCES. Federation of Bankers Associations of Japan, *Eurocurrency* (various issues); and the Bank of Japan.

The primary investors in the gensaki market were Japanese nonfinancial companies, which often used the market to exploit arbitrage opportunities to borrow at administratively determined rates and invest at higher, market-based rates. Japanese securities companies used the gensaki market to finance their inventories of bonds and, in the process, greatly expanded their overall share of the underwriting of Japanese government bonds. Overall, in terms of adapting their financial structures to accommodate large government debt issues, the Japanese made choices similar to those made in other countries: that is, to tolerate limited disintermediation in the interest of buttressing the arrangements used in government debt underwriting.

In the 1970s, however, the Japanese authorities were reluctant reformers of their highly segmented financial system. For example, until 1979, Japanese banks were not permitted to issue yen-denominated certificates of deposit (CDs) as a source of market-based funding. The post-1984 surge in the growth of the Japanese domestic money markets paralleled changes in the regulation of the access of Japanese banks and nonfinancial corporations to international markets (chart 2). These changes liberalized the regulation of Japanese banks' access to international markets and thus had an important influence on domestic market reform.

Through most of the postwar period, the Bank of Japan relied heavily on the administration of its credit facilities for bank borrowers as a mechanism enabling it to fulfill its monetary policy responsibilities. The Bank provided a continuing source of credit to Japanese commercial banks for funding

2. Amounts outstanding of selected instruments in Japanese money markets, 1974–91



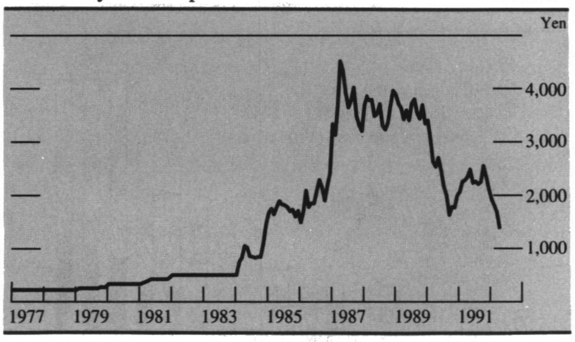
SOURCE. Bank of Japan, *Economic Statistics Annual* (various years).

bank asset expansion—a so-called overborrowed position. In return, the Bank conditioned the availability of such funds on an adherence by the banks to guidelines concerning their individual lending behaviors. This practice of "window guidance" of domestic credit activities persisted until 1991, but it is believed to have become more consultative than directive in the later years.

Besides giving administrative guidance regarding credit policies, the regulatory authorities restricted the city banks' own efforts to raise capital.[5] In 1983, the Japanese authorities first began to encourage city banks to take advantage of market-determined share prices. The behavior of share prices of Sumitomo Bank since 1977 provides an example of the effects of this policy change (chart 3). Before 1983, all city bank shares traded in the same narrow range shown for Sumitomo Bank. After 1983, the share price of Sumitomo Bank rose, as did that of other city banks. The city banks responded to the surge in their share prices by making large primary stock offerings at the higher market prices. The proceeds of these share offerings were earmarked to finance investments in computer facilities and overseas branch networks. Gradually, however, share prices of city banks have stopped moving in lockstep.

5. There are two types of ordinary commercial banks, city and regional. The distinction is not a legal one but has become embedded in practice. In contrast to the regional banks, each of the eleven city banks is headquartered in a major city and has a national branch network.

3. Price of a share of Sumitomo Bank, January 1977–April 1992[1]



1. Monthly data.

SOURCE. Tokyo Stock Exchange, *Monthly Statistics Report* (various issues).

International

The Foreign Exchange Law of 1980 marked a watershed in Japanese financial policy: It reversed the presumption that all international financial transactions by Japanese residents were subject to government control unless explicitly authorized. In particular, it ushered in a period in which Japanese commercial banks ceased operating overseas solely to finance the growing share of world trade accounted for by Japan's exports of finished goods and imports of raw materials. That is, Japanese authorities accepted the need for flexibility in the overseas activities of Japanese banks by enabling the banks to respond to the increasingly sophisticated financing requirements of their internationally active corporate customers.

Two measures contained in the Foreign Exchange Law of 1980 proved to be of particular importance in integrating Japanese domestic money markets with international markets. These were the authorizations (1) for Japanese banks to borrow and lend foreign currencies freely (both at home and abroad), subject only to prudential guidelines, and (2) for Japanese companies to finance themselves abroad through borrowing denominated in foreign currency.

Throughout the early 1980s, the Japanese authorities further reformed their regulation of Japanese residents' participation in international markets. The cumulative effect of these liberalization measures was the opening up of important channels of intermediation through which Japanese interest rate conventions could be circumvented by transactions routed through offshore financial markets. As a result of the arbitrage opportunities generated by these liberalizations, yen interest rates in domestic and international markets became much more tightly linked: The standard deviation of the differential between three-month Euroyen and domestic gensaki interest rates fell 88 percent between the 1975–80 period and the 1981–85 period (from 190 basis points to 23 basis points). Further, reforms such as the 1984 abolition of "swap limits" for spot transactions had the effect of repatriating yen money markets from foreign locations, as evidenced by the post-1984 surge in the volume of domestic money market transactions, which was discussed earlier.

Throughout the late 1980s, the Euroyen market expanded sharply in response to a strong surge in cross-border lending of yen to the Japanese nonbank sector by the offshore offices of Japanese banks. This form of bank lending had the advantage of not being covered by Bank of Japan window guidance, although activities in the Euroyen market were monitored. Japanese commentary suggests that the accommodation of such borrowing was a component of a strategy for financial liberalization in which offshore experience was used to inform the implementation of domestic financial reform.[6]

ELEMENTS OF FINANCIAL LIBERALIZATION

Two of the most important developments in the process of financial liberalization were the gradual deregulation of interest rates beginning in May 1979 and the change in the corporate client base of Japanese banks as a result of interest rate deregulation.

Interest Rate Reform

The growth of the gensaki market, along with the introduction in 1980 of the chukoku (government bond mutual fund) market, caused a disintermediation of funds from the banking sector as corporations rapidly sought to capture the higher yields available in markets offering unregulated interest rates. The consequent funding pressure on the Japanese banks caused by disintermediation led to the introduction of negotiable CDs offered by commercial banks at liberalized interest rates. At the outset, the restrictions set for CD issuance narrowly limited the maturity, minimum denomination, and total funding ceiling for each bank. These restrictions have been eased over time but not eliminated; for example, Japanese banks still cannot issue floating-rate deposits—a potential source of funding that would more closely mirror standard loan-pricing terms in Japan. A chronology of the liberalization of interest rates on Japanese deposits is shown in table 2.

The succession of regulatory reforms that followed the authorization of CDs in 1979 has caused the interest costs of banks to become increasingly sensitive to movements in market interest rates. One change that was especially important in this process was the introduction of money market certificates (MMCs) in 1985, with interest rates linked by formula to open market rates on designated instruments. A steady increase has occurred in the percentage of Japanese bank deposits that have liberalized, market-based interest rates (chart 4). The increases reflect the relaxation of restrictions regarding the minimum denomination and maturity of deposits as well as the attraction of liberalized deposit rates during the period of rising yen interest rates between 1988 and 1990. In 1991, the share of liberalized deposits for the city banks fell in response to a decline in the attractiveness of such deposits compared with that of assets with administratively determined interest rates, such as postal savings accounts.

As a result of their increased reliance on market-rate funding during the period of sharply rising short-term interest rates, the banks' pretax profits declined sharply (chart 4). In response, the banks adjusted their methods of determining their prime rates for short- and long-term loans (in 1989 and 1991 respectively), so that the rates would more closely track actual funding costs. Formerly, rates on bank loans had been based on the official discount rate of the Bank of Japan (for short-term loans) or the rate paid on debentures issued by long-term credit banks (for long-term loans). Not unexpectedly, the banks encountered resistance to their revised loan-pricing formulas from large corporate customers. In fact, some of the deterioration in corporate liquidity since the adoption of the new lending rates could be associated with corporate customers' choosing to retire bank loans rather than to roll over credits priced under the revised formulas (see chart 5).

By regulation, there are restrictions on the maturities of deposits that Japanese banks can issue. City banks and other ordinary commercial banks had been limited to two-year time deposits until November 1991, when the limit was raised to three years. As noted previously, the city banks cannot

6. This interpretation is bolstered by Kazuhito Osugi's commentary on the role of cross-border lending in reducing the importance of window guidance by the Bank of Japan in restraining competition among Japanese banks. See Kazuhito Osugi, "Japan's Experience of Financial Deregulation since 1984 in an International Perspective," Economic Papers 26 (Bank for International Settlements, Basle, January 1990).

2. Deregulation of deposit interest rates, 1979–94
Millions of yen except as noted

Date change effective	Deposits with unregulated rates: Negotiable certificates of deposit, Minimum amount	Deposits with unregulated rates: Negotiable certificates of deposit, Term	Deposits with unregulated rates: Large time deposits, Minimum amount	Deposits with unregulated rates: Large time deposits, Term	Deposits with deregulated rates[1]: Money market certificates, Minimum amount	Deposits with deregulated rates[1]: Money market certificates, Term	Deposits with deregulated rates[1]: Small-denomination money market certificates, Minimum amount	Deposits with deregulated rates[1]: Small-denomination money market certificates, Term
May 1979	500	3–6 mo	...	...	...	...	...	...
January 1984	300		...	...	...	...	...	...
April 1985	100	1–6 mo	...	...	50	1–6 mo	...	...
October 1985			1,000	3 mo to 2 yr			...	...
April 1986		1 mo to 1 yr	500			1 mo to 1 yr	...	...
September 1986			300		30		...	...
April 1987					20	1 mo to 2 yr	...	...
October 1987					10		...	...
April 1988	50	2 wk to 2 yr	50				...	...
November 1988			30				...	...
April 1989			20				...	...
June 1989							3	6 mo to 1 yr
October 1989			10		(2)	(2)		3 mo to 3 yr
April 1990					...	...	1	
April 1991					...	...	.5	
November 1991			3		...	...		
June 1992					...	...	no minimum	
Timetable for further deregulation								
1993	All time deposits to be fully deregulated							
1994	All non-time deposits to be fully deregulated							

1. Deregulated rates are based on open market interest rates.
2. Money market certificates were combined with large time deposits after October 1989.

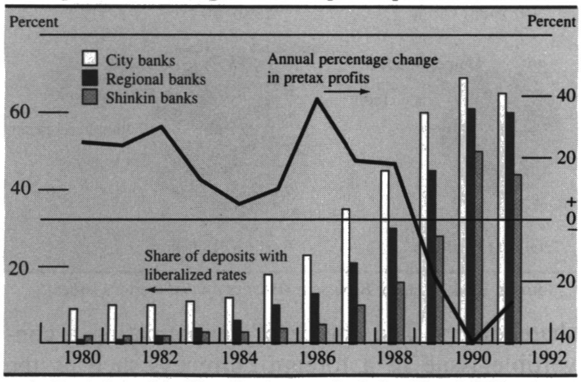
SOURCE. Federation of Bankers Associations of Japan, *Japanese Banks '91* (1991), and press reports.

issue floating-rate deposits. However, despite the short-term nature of their liabilities, the city banks steadily extended the maturity of their loan portfolios: The percentage of loans with terms longer than one year grew from 33 percent in 1980 to 57 percent in 1991. Such loans are made overwhelmingly on a floating-rate basis, with the rate reset periodically based on banks' posted long-term interest rates.

The interest rate risk associated with this maturity mismatch became especially harmful to the banks between 1989 and 1991, when increases in short-term interest rates resulted in an inverted yield curve in the yen market. Over this period, Japanese banks made limited use of interest rate derivative products to manage their individual interest rate exposures. Recently, however, the banks have begun to increase their use of instruments such as interest rate swaps and futures; for example, the reported volume of yen-interest-rate swap transactions exhibited particularly strong growth in 1991.

Historically, Japanese banks have been able to raise effective loan yields above posted lending rates through the maintenance of compensating deposit balances by loan customers (chart 6). Under compensating-balance arrangements, corporate borrowers hold interest free (or low interest) deposits, either as a condition of the formal loan contract or to maintain a "healthy, stable relationship" with their banks. According to data from an annual survey by the Japan Fair Trade Commission, the reliance on these compensating balances for loans to small businesses declined steadily throughout

4. Deposits with liberalized rates as a percentage of total deposits and change in banks' pretax profits, 1981–91[1]



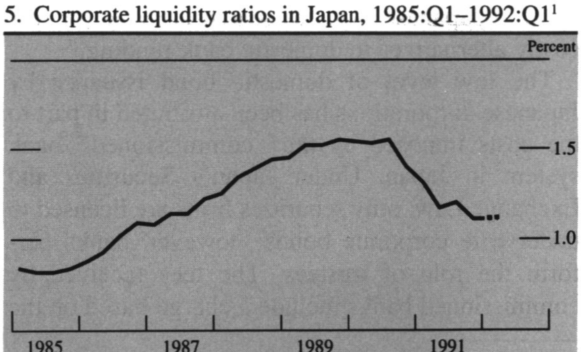
1. Deposits with liberalized rates include CDs, MMCs, large-denomination time deposits, nonresident yen deposits, and foreign currency deposits.

SOURCES. Bank of Japan, *Economic Statistics Annual* (1991), and *Flow of Funds in Japan* (August 1991).

the 1980s, from 45 percent of surveyed loan contracts in 1980 to 26 percent in 1990. The survey covers only companies with less than ¥100 million in capital, which now account for approximately 70 percent of total city bank lending. In view of the rising share of small business lending as a portion of the city banks' total loans, the overall reduction in loans with compensating balances as a percentage of banks' corporate loans could be considerably smaller. For those loans with compensating-balance requirements, the average rate maintained in 1990 was approximately 20 percent.

Despite the financial benefits provided by compensating balances, these arrangements have become less attractive for large Japanese banks.

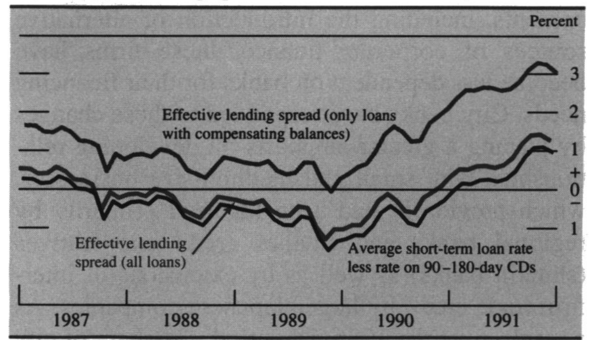
5. Corporate liquidity ratios in Japan, 1985:Q1–1992:Q1[1]



1. The liquidity ratio is the following: (cash + deposits) / average monthly sales. The sample is composed of all companies listed on the Japanese stock market with capital of ¥1 billion or more. The liquidity figure for 1992:Q1 is an estimate by the Bank of Japan.

SOURCES. Bank of Japan, *Economic Statistics Annual* (1991), and *Economic Statistics Monthly* (February 1992).

6. Effective lending spreads over cost of funds, 1987–91[1]



1. Data are monthly. Effective lending rates incorporate adjustments for the cost to borrowers of maintaining compensating balances.

SOURCES. Bank of Japan, *Economic Statistics Annual* (1990), and Japan Fair Trade Commission, *Survey on Compensating Balances* (1991).

The deposit balances held under these agreements artificially inflate asset levels by increasing the book value of loan portfolios to a level above that of the funds actually extended. During the mid-1980s, a period of capital abundance, the consequent asset inflation was not problematic. However, since the late 1980s, banks have begun to view capital as an increasingly scarce commodity and have tended to turn away from practices that increase the leveraging of their capital positions.

The process of interest rate deregulation in Japan has caused a rationalization of the banking business in terms of raising funds and extending credit. As the importance of the administratively determined interest rate structure fades, banks will face an increasingly competitive environment. The fallout from the increase in bank competition has been staggered throughout the period of gradual elimination of interest rate restrictions. As discussed earlier, the Japanese city banks have remained ahead of the smaller regional and cooperative banks in their share of deposits paying liberalized interest rates (chart 4). Yet, as the minimum denomination of money-market-related deposit instruments continues to decline while deregulation proceeds, the effect on the smaller institutions, whose small business clients and retail customers will then be able to gain access to the instruments, will become stronger (see table 2).

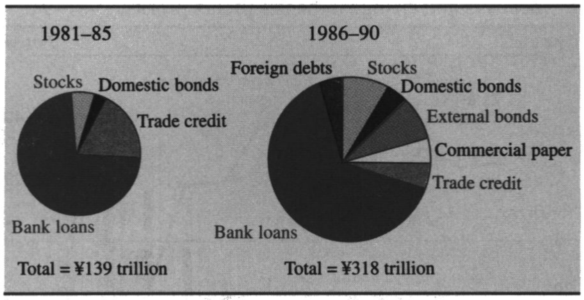
Corporate Financing Developments

Historically, Japanese city banks maintained close relationships with the largest Japanese corporations. As a byproduct of numerous financial developments, including the introduction of alternative sources of corporate finance, these firms have become less dependent on banks for their financing needs. City banks have responded to these changes by placing a greater emphasis on developing relationships with small and medium-size businesses, which previously had been financed primarily by regional banks and smaller credit cooperatives (shinkin banks) as well as by extensions of interfirm trade credit by larger Japanese companies. As a result, over the 1986–90 period, the share of city bank loans made to large Japanese corporations—those with more than ¥100 million in capital—declined nearly 20 percentage points, to only 30 percent.

A comparison of the overall sources of finance for Japanese corporations over the two periods 1981–85 and 1986–90 shows that trade credit accounted for a larger share of corporate finance in the earlier period (18 percent compared with only 5 percent in the later period) (see chart 7). The shift in bank relationships toward smaller firms accounts for much of the reduction in trade credit extended, while the increased reliance on direct corporate financing by large corporations explains the reduction in the overall share of bank credit as a source of financing.

The increased importance of domestic and international securities markets as sources of funds for large Japanese companies is reflected in the nearly 30 percent share of corporate funds raised between 1986 and 1990 through the issuance of domestic securities (including commercial paper) and borrowings in international markets. Borrowings in international markets included large amounts of equity-linked bonds issued by Japanese banks and nonfinancial companies in two forms: convertible bonds and straight bonds with detachable warrants. Japanese corporations (inclusive of banks) issued more than $30 billion of convertible bonds denominated in Swiss francs between 1987 and 1990. According to market observers, few issuers hedged the currency exposure of these issues given their view that the securities would inevitably be converted into stock. Japanese corporations believed that convertible issues offered lower costs of equity issuance than direct issuance of equity, perhaps reflecting the Japanese practice of offering new issues at a discount from market price to existing

7. Sources of Japanese corporate financing



SOURCE. Bank of Japan, *Economic Statistics Annual* (various issues).

shareholders. The choice of denominating a convertible issue in a foreign currency, such as the Swiss franc, was strongly influenced by the fact that the lower nominal cost of such an issue would result in higher reported current earnings than if the issue were denominated in yen. There is little evidence that the "speculative" nature of such financing choices by various Japanese firms, before the sharp 1990 decline in the Japanese stock market, was factored into market assessments.

Between 1985 and 1991, Japanese private nonbanks increased their outstanding debt issued in international markets nearly six-fold, to a level of $350 billion. For the most part, this choice of financing alternatives was in response to large differentials in the cost of financing that favored international over domestic Japanese markets. In turn, the cost differentials can be traced to particular characteristics of Japanese financial regulations and domestic financing practices. For example, the gap between the rates charged for prime loans by the city banks and those available in the Euromarket have provided an incentive for internationally recognized Japanese firms to search actively for less costly alternatives to domestic bank funding.[7]

The low level of domestic bond issuance by Japanese corporations has been attributed in part to the costs imposed by the "commissioned" bank system in Japan. Under Japan's Securities and Exchange Law, only securities firms are licensed to underwrite corporate bonds; however, banks perform the role of trustees. The fees received by commissioned banks include a charge based on the

7. "Overseas Markets Beckon," *International Financing Review* (April 27, 1991), p. 6, and "IADB Readies First Floating-Rate Note," *International Financing Review* (May 11, 1991), p. 4. The two articles identify the relationship between corporate lending rates and the Japanese long-term prime rate and describe how this led to the first floating-rate bond issued in Japan.

presumed responsibility of the trustee bank for repurchasing the secured bonds of a defaulting corporation. As Brian Semkow notes, the Bond Underwriters Association of Japan has estimated that for a ¥10 billion bond, the commission fees in the domestic bond market are ¥53 million, whereas, in the Euromarket, they are only ¥3.5 million.

Japan's "main bank" system for bank finance parallels the character of the commission bank system for corporate debt underwriting. One responsibility of a main bank involves ensuring that a client in financial distress makes debt service payments to other bank creditors. It has been argued that the costs of main bank financing to creditworthy Japanese corporations often exceed the benefits and therefore increase the relative attractiveness of alternative forms of financing. Among these costs are those related to financial monitoring as well as those associated with the financial support of the distressed member firms of a main bank's keiretsu, a grouping of financial and nonfinancial companies.

Implications of the Basle Capital Accord

In the early 1980s, central banks and regulatory authorities became increasingly sensitive to the absence of mutually agreed-upon rules for conduct in the international banking business. The international debt crisis raised additional concerns regarding the fragility of the international banking system, in view of the potential consequences of debtor country actions on the financial situations of a large number of internationally active banks. This concern led national authorities in the United States and other industrial countries to press banks to bolster their capital positions relative to the risk exposures they assumed.

In the second half of the 1980s, the international assets of Japanese banks surged dramatically. From 1984 to 1988, the Japanese bank share of international bank assets rose more than 10 percentage points to 38 percent.[8] This increase raised further questions as to whether national banking regulators could successfully induce banks to improve their capital ratios in the absence of barriers against further market penetration by Japanese banks. In turn, the possibility of such protectionist responses was one factor motivating efforts to move to a level playing field for internationally active banks through the adoption of international capital standards.

The task of setting out a framework for the capital standard was assigned to the Basle Committee on Banking Supervision, a group of central banks and bank regulators from the G-10 countries, whose secretariat is furnished by the BIS. By the end of 1987, the committee had agreed on a framework calling for a common capital definition and a risk–asset weighting scheme rather than a simple leverage ratio. The simplicity of the negotiated framework facilitates comparisons among banking systems. In particular, unlike pre-existing national capital definitions with multiple tiers of capital, the new framework has only two (tier 1 and tier 2 capital). Tier 1 capital consists of only the core constituents of the capital base, namely, equity and disclosed reserves. Tier 2 capital includes supplementary elements, such as subordinated debt and revaluation reserves. While the specific composition of tier 2 was left to national discretion, the committee specified several binding limitations on the inclusion of instruments in tier 2, including a 55 percent discount on unrealized gains on securities holdings and a limit on includable subordinated debt at a level of 50 percent of tier 1 capital.

The Basle Committee also agreed on a timetable for establishing transitional capital adequacy guidelines during the implementation period. Under the Basle framework, internationally active banks must meet an 8 percent minimum standard by the end of fiscal year 1992, of which at least half must constitute tier 1 capital. The Basle framework is a negotiated document, which mirrors the situations of individual banking systems. For example, the inclusion of subordinated debt in tier 2 capital had no operational significance for Japanese city banks during the late-1980s negotiations because Japanese banks were then prohibited from issuing subordinated debt. In contrast, U.S. money center banks had relatively large amounts of such debt outstanding as a result of previous efforts to improve their U.S. regulatory capital ratios. As another example, Japanese city banks possessed

8. The reported share is based on data on international banking assets reported to the Bank for International Settlements (BIS) by the G-10 and other reporting countries. The data include bank claims on nonlocal customers in foreign and domestic currencies and claims on local residents in foreign currencies.

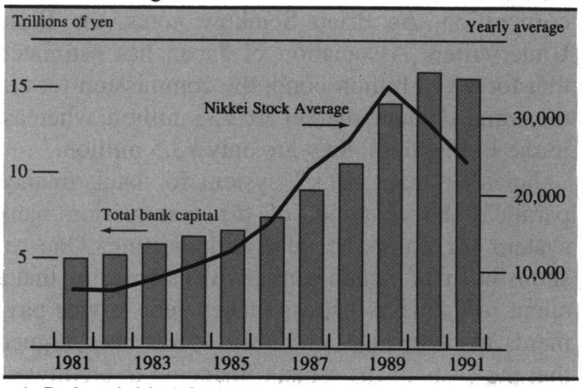
substantial revaluation reserves, reflecting unrealized gains on their cross-shareholdings in other Japanese companies. In contrast, U.S. banks did not.

The requirements in the capital agreement could have been expected, among their other effects, to induce Japanese banks to slow the growth of their balance sheets. From this perspective, one view of the agreement suggests that Japanese banking authorities considered their situation equivalent to that of Japanese trade negotiators who were pressured to accept orderly marketing agreements as a cost of maintaining continued access for Japanese goods to specific foreign markets. A separate line of reasoning is that Japanese authorities actually sought the agreement as a means of leveraging their own efforts to encourage the financial reform process in Japan. While the two explanations are not mutually exclusive, the latter appears more supportable from a historical perspective because important structural reforms in Japan have historically been portrayed publicly as the undertaking of a sacrifice that was necessary to placate hostile foreigners.[9] However, the expectations of the framers of the Basle agreement were not immediately fulfilled in the sense that the asset growth of Japanese banks was unrestrained. Rather, the severe fluctuations in the Japanese stock market in the late 1980s had important consequences for the capital situations of Japanese banks.

Capital-Raising Activities of Japanese Banks

The capital-raising activities of Japanese banks after the adoption of the new capital framework were phenomenal: From 1986 to 1990, the tier 1 capital of the Japanese city banks increased at an average annual rate of 21 percent. There was a strong positive correlation of the capital growth of the city banks with the upward movement of Japanese stock prices in the late 1980s (chart 8). The correlation is largely accounted for by Japanese banks' capitalizing on the opportunities presented by the favorable terms available for the issuance of new equity and convertible bonds as well as from the realization, through sales, of latent gains on

8. Total capital of Japanese city banks and the Nikkei Stock Average, 1981–91[1]



1. Bank capital is defined here as equity, reserves, and capital surplus, and is roughly equivalent to BIS tier 1 capital. The data are on a calendar-year basis.

SOURCE. Bank of Japan, *Economic Statistics Annual* (1991).

their stock holdings.[10] Since the end of 1989, however, the Japanese stock market has fallen sharply. This decline has not only made it more difficult for Japanese banks to raise additional equity but has also lessened the attractiveness of boosting tier 1 capital through the realization of gains on stock holdings.

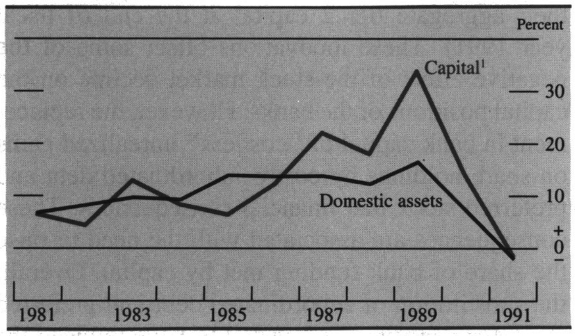
Before the negotiation of the Basle Accord, no clear relation existed between the growth rate of Japanese city banks' capital and their domestic assets (chart 9). However, the data suggest a linkage between the two growth rates since the announcement of the accord. The strong upward movement in the ratio of city banks' capital to their domestic assets in the late 1980s and the leveling off of this ratio in the past few years lend support to the view that the relationship reflects a new emphasis by the management of Japanese banks on the role of capital (see chart 10).[11]

9. For example, students of the Japanese system continue to debate the role of Admiral Perry's "black ships" in prompting the structural reforms undertaken by the Meiji state.

10. In the late 1980s, Japanese authorities effectively discouraged Japanese banks from reducing their exposures to heavily indebted middle income countries through secondary market sales at a discount. However, the banks were permitted to reduce their exposures in connection with their participation in restructuring agreements for Argentina, Brazil, and Mexico, and, subsequently, in connection with their involvement in the Brady debt reduction agreement for Mexico. The resulting tax losses from such transactions were offset by the capital gains from stock sales that were routinely reversed so as to permit the bank to meet its obligations as a reliable shareholder of client firms.

11. Japanese accounting practices require banks to value securities at the lower of cost or market. This accounting convention means that the stock market decline had little direct effect on banks' reported tier 1 positions because most stocks continued to be reported on a cost-of-acquisition basis.

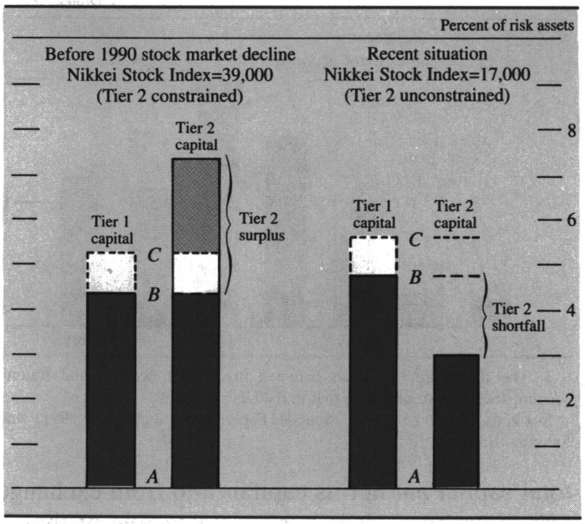
9. Annual growth rates of capital and domestic assets of Japanese city banks, 1981–91



1. Defined as the aggregate of equity, reserves, and capital surplus for the city banks.

SOURCE. Bank of Japan, *Economic Statistics Annual* (1991).

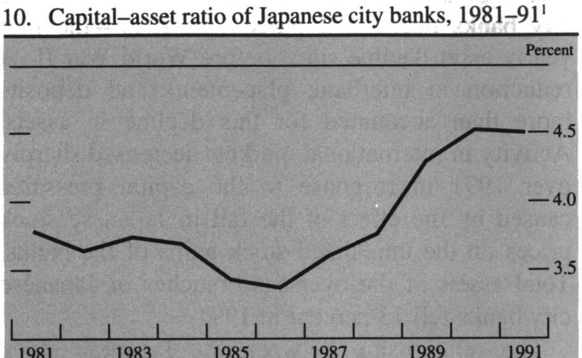
11. Effect of stock market decline on capital ratios of Japanese city banks[1]



1. Ratios shown are only approximate. The chart reflects the specific situation facing the Japanese city banks; however, the capital of all Japanese commercial banks is affected by movements in Japanese stock prices through the same mechanism.

The fall in Japanese stock prices sharply curtailed the banks' ability to support further asset growth at their historical rates, as documented by the capital positions of the city banks before and after the 1990 stock market decline (chart 11). Before 1990, the banks were constrained by the Basle Accord limits on the amount of allowable tier 2 capital (represented by the distance *AB*). Under the final Basle Accord guidelines, tier 2 capital could only be included in total bank capital up to the level of existing tier 1 capital (that is, tier 2 must constitute 50 percent or less of the total). While banks were operating under this constraint, any additions to tier 1 capital through retained earnings or equity issues also raised the ceiling on tier 2 capital by an equal amount (segment *BC*); therefore, every additional unit of retained earnings (including realization of gains on sales of equity) pulled in another unit of surplus unrealized gains (for a total of two new units of capital) to fund asset expansion.

10. Capital–asset ratio of Japanese city banks, 1981–91[1]



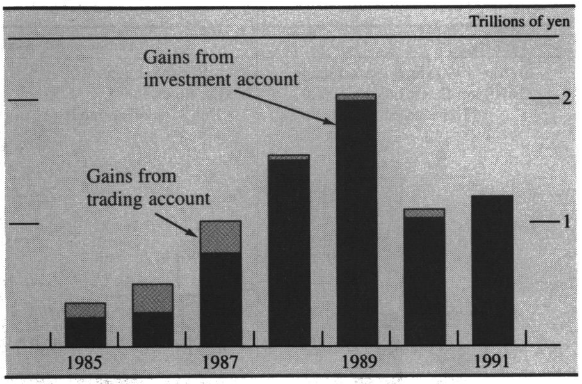
1. The capital–asset ratio is defined here as simply total capital (that is, equity, reserves, and capital surplus) divided by total domestic assets. The ratio is not equivalent to any Basle capital ratio.

SOURCE. Bank of Japan, *Economic Statistics Annual* (1991).

As a result of the stock market decline over 1990–92, however, the drop in unrealized capital gains has caused tier 2 capital to fall below the Basle Accord ceiling of 100 percent of tier 1 capital (chart 11). After the decline in stock prices, increases in capital through retained earnings or equity financing (from *AB* to *AC*) now fund only half as much asset expansion because there is no longer any surplus tier 2 capital. Additions to banks' risk-based asset totals now face much higher effective capital charges compared with those that prevailed before the drop in the stock market. The capital gains that the banks realized from the sale of equity securities and the level of equity financing over 1985–90 were sharply affected by the weakness in the Japanese stock market after 1989 (see charts 12 and 13). For example, the city banks in 1989 issued approximately ¥1.8 trillion ($12.5 billion) in common stock but have since refrained entirely from new issuance of common stock.

The capital ratios of the city banks are also sensitive to exchange rate movements. Japanese supervisory rules operate to immunize a bank's

12. Capital gains on the sale of securities by Japanese city banks, 1985–91[1]

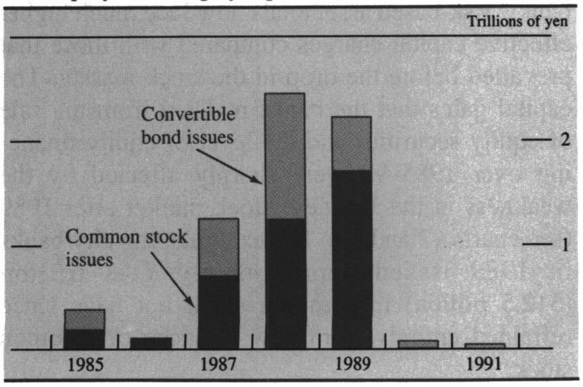


1. The distinction in Japan between investment account and trading account securities is similar to that in the United States.
SOURCES. Bank of Japan, Special Paper 206 (September 1991) and Salomon Brothers.

total capital but not its capital ratio from exchange rate movements. It is our estimated rule of thumb that an increase (decrease) in the yen–dollar exchange rate of ¥10 results in a decrease (increase) of 18 basis points in the aggregate Basle risk-weighted ratio of the Japanese city banks. Nevertheless, the limited movements of the yen–dollar exchange rate in recent years have meant that exchange rate changes have not been an important influence on bank capital ratios.

In response to the erosion of the banks' capital bases caused by the stock market decline, Japanese authorities supported the banks by authorizing the issuance of subordinated debt (counted as tier 2 capital) and perpetual preferred stock (counted as tier 1 capital). As of March 1992, the city banks had issued nearly ¥6 trillion of subordinated debt (approximately $45 billion), or about 50 percent of their aggregate tier 2 capital at the end of fiscal year 1991). These innovations offset some of the negative effect of the stock market decline on the capital positions of the banks. However, the replacement in bank capital of "costless" unrealized gains on share holdings by costly subordinated debt and preferred stock had financial consequences. These consequences are associated with the need to raise the share of bank funding met by capital. Overall, the substitution of subordinated debt and preferred stock for deposits is estimated to have reduced the aggregate pretax return on equity for the city banks by 81 basis points, to 9.16 percent in fiscal year 1991.

13. Equity financing by Japanese city banks, 1985–91[1]



1. Equity is raised through convertible bond issues upon conversion of the bond into common stock.
SOURCES. Bank of Japan, Special Paper 206 (September 1991), and *Economic Statistics Monthly* (May 1992).

City bank profits were also negatively affected by the mounting expenses associated with the ongoing support of affiliated nonbank financial institutions that are among the major creditors of so-called bubble companies—firms that have been heavily involved in speculative investments, mainly in real estate. The ongoing financial difficulties of these firms have not been reflected in the increased provisions for loan losses by city banks, partly as a result of Japanese accounting rules that do not provide for the disclosure of probable loan losses. Thus, over the next few years, the earnings of the city banks will continue to be adversely affected by losses on loans to bubble firms in financial distress.

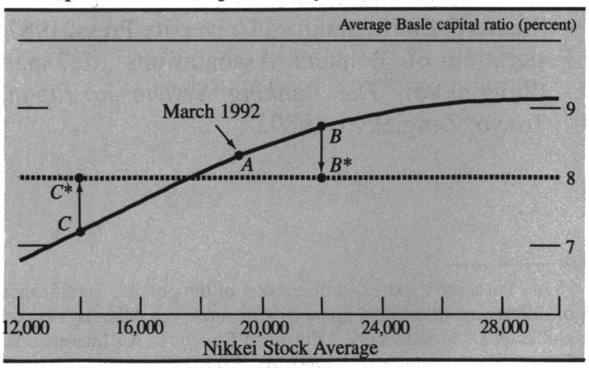
Capital Adequacy and Bank Asset Growth

The aggregate worldwide assets of the Japanese city banks declined 5 percent in 1991—the first yearly asset decline since before World War II. A reduction in interbank placements and deposits more than accounted for this decline in assets. Activity in international markets decreased sharply over 1991 in response to the capital pressures caused by the effect of the fall in Japanese stock prices on the unrealized stock gains of the banks. Total assets of the overseas branches of Japanese city banks fell 13 percent in 1991.

The relationship between the Japanese stock market and the average Basle capital ratio of the Japanese city banks indicates the strength of the financial pressures on the banks caused by changes in Japanese stock prices. This relationship can be shown by using the estimated level of risk-weighted assets as of March 1992 (see chart 14). As the Nikkei Stock Average rises above 20,000 approximately, a declining share of the addition to unrealized gains caused by the stock price appreciations may be included in tier 2 capital (that is, the slope of the line decreases). Point *B* in the chart reflects a Nikkei level of 22,000. At this point, without any change in asset levels, the average capital ratio of the banks will increase to 8.8 percent. Alternatively, this appreciation will create a capital cushion sufficient for the city banks to increase their aggregate risk-weighted assets 13 percent and still meet the 8 percent capital standard (represented by the shift from *B* to *B**). Similarly, point *C* reflects the effects of a fall of the Nikkei to 14,000. To compensate for this decline and maintain an 8 percent capital ratio, the banks have to reduce their aggregate risk-weighted assets 14 percent (movement from *C* to *C**). Alternative means of adjustment available to the banks include increases (or decreases) in various instruments recognized as tier 1 or tier 2 capital, such as subordinated debt or perpetual preferred stock.

Overall, available data and anecdotal evidence suggest that the response of the Japanese city banks to binding capital requirements has been the following. First, the banks cut back on the allocation of capital to support money market activities. Second, pricing objectives for domestic and international credits were increased to improve returns on equity and assets. Third, the banks began to reduce their lending to, and sell off their stock holdings of, Japanese firms with which they did not expect to have sufficiently profitable long-term banking relationships. Each of these responses emphasizes the heightened awareness of the banks to the importance of maintaining a sufficient risk-adjusted return on capital.

14. Relationship between Japanese stock prices and Basle capital ratios of Japanese city banks[1]



1. Values other than *A* are authors' estimates.

The Outlook for Financial Reform

The segmentation currently present in the Japanese financial system is much greater than that in the United States. The Japanese system of specialized banking and credit intermediaries has remained largely unchanged since its reconfiguration after World War II. Traditional Japanese decisionmaking has operated to create a reform process in which the effect of various liberalization measures must be deftly balanced among all constituencies, thereby demanding that every attempt be made to minimize the costs inflicted on any one sector of the financial system. Such loss-sharing arrangements have operated to preserve a segmented system by necessitating a gradual approach to deregulation in which adequate time must be given to assess accurately the effect of each liberalization measure before the undertaking of further reform. An example of this approach is the fifteen-year process of interest rate deregulation shown in table 2.

Within this framework, regulatory barriers to entry have been claimed as the right of protected firms.[12] The negotiation of compensation for the removal of various restrictions on intersectoral competition has added significantly to the difficulties of reforming the Japanese financial structure.[13]

12. Ronald Dore has observed that a general feature of Japanese industry policy has been that it is not ruthless. He cites as an example the prolonged and fruitless efforts to end a loom registration system implemented in the 1950s to control capacity in the Japanese weaving industry. See Ronald Dore, *Taking Japan Seriously: A Confucian Perspective on Leading Economic Issues* (Stanford University Press, 1987), p. 202.

13. James Horne has examined how Japanese financial regulatory policy is formulated and implemented. Through case studies, he illustrates a set of relevant idiosyncrasies, which stem from the Japanese institutional and political framework. Nevertheless, he admonishes the reader to be prepared to recognize "that there is much in the process of regulatory policy-making in Japan's financial markets which policy-makers and participants in other countries will recognize." See James Horne, *Japan's Financial Markets: Conflict and Consensus in Policy-making* (George Allen & Unwin, Sydney, 1985).

For example, the financial reform package adopted by the Japanese government in 1992 does not call for the provision of stock brokerage services by Japanese banks, in contrast to the current U.S. regulatory regime, under which U.S. banks are permitted to control firms that provide stock brokerage services. This omission in the Japanese reform package was strongly influenced by concerns about the adverse consequences of bank entry on the competitive positions of the smaller securities firms, which have been undergoing a period of financial weakness. Several of the measures that are contained in the Japanese government's financial reform package are listed in table 3. In most cases, Japanese financial companies currently operating in various sectors would be allowed to enter into new financial activities only through separate de novo special-purpose subsidiaries. However, the package contains an exception that would permit a bank to acquire a failing securities firm and continue its full-brokerage operations.

In the past, Japanese banks have been encouraged to compete for regulatory privileges. In the 1980s, such competition among Japanese financial institutions appears to have been channeled to international markets by regulatory actions designed to accommodate and encourage the internationalization of Japanese finance. In the late 1980s, the character of such competition was influenced by the substantial increase in financial wealth controlled by the banks in the form of unrealized capital gains on stock holdings. In our view, important spillover effects from such competition among Japanese banks have been observed in various financial markets. For example, the low returns available on traditional bank lending associated with the expansion of Japanese banks provided incentives for U.S. banks to specialize in the processes of credit origination and financial engineering.

In summary, the changeover to capital-based regulation of Japanese banks should, in itself, encourage important changes in the structure of domestic and international banking markets. Under this regime, unless the Japanese stock market were to rise significantly over the next few years, the capacity of the Japanese banks to continue to implement change in a deliberate and considered fashion will be reduced. In particular, in such circumstances it is likely that Japanese banks will place more emphasis on reviewing their roles as financial monitors of Japanese nonfinancial firms.[14]

3. Japanese financial reform measures[1]

Type of institution	Proposed reform
City banks	Authorization to establish securities and trust bank subsidiaries Prohibition against subsidiaries' engaging in equity brokerage services Prohibition against trust bank subsidiaries' engaging in pension fund management, loan trust, and fund trust business during a transition period
Long-term credit banks	Authorization to establish securities subsidiaries, which will also be prohibited from engaging in equity brokering Authorization to convert to, or merge with, commercial banks, while maintaining exclusive rights to issue debentures during a transition period
Trust banks	Authorization to establish securities subsidiaries, which will be prohibited from engaging in equity brokering
Securities companies	Authorization to establish commercial banking subsidiaries

1. Includes legislative and administrative measures.

SELECTED REFERENCES

Bank for International Settlements. *Changes in the Organisation and Regulation of Capital Markets.* Basle: Monetary and Economics Department of the Bank for International Settlements, 1987.

Dore, Ronald. *Taking Japan Seriously: A Confucian Perspective on Leading Economic Issues.* Stanford, Calif.: Stanford University Press, 1987.

Federation of Bankers Associations of Japan (Zenginkyo). *The Banking System in Japan.* Tokyo: Zenginkyo, 1989.

14. For a more extended discussion of the possible significance of differences in national financial structures, see Allen B. Frankel and John D. Montgomery, "Financial Structure: An International Perspective," *Brookings Papers on Economic Activity, 1:1991*, pp. 257–97.

Frankel, Allen B., and John D. Montgomery, "Financial Structure: An International Perspective," *Brookings Papers on Economic Activity 1:1991*, pp. 257–97.

Horne, James. *Japan's Financial Markets: Conflict and Consensus in Policy-making*. Sydney: George Allen & Unwin, 1985.

Horvitz, Paul M. *Monetary Policy and the Financial System.* 3d ed. Englewood Cliffs, N.J.: Prentice-Hall, 1983.

"IADB Readies First Floating-Rate Note," *International Financing Review*, issue 877 (May 11, 1991), p. 4.

Morimoto, Tetsuya, and William J. Seiter. "Japan's Financial System Reform: Stalled on the Tracks," *International Financial Law Review*, September 1991, pp. 30–33.

Osugi, Kazuhito. "Japan's Experience of Financial Deregulation since 1984 in an International Perspective." Economic Papers 26. Basle: Bank for International Settlements, January 1990.

"Overseas Markets Beckon," *International Financing Review*, issue 875 (April 27, 1991), p. 6.

Semkow, Brian Wallace. "Japan's 1992 'Big Bang' and Other Financial Reform," *Journal of International Banking Law*, March 1992, pp. 89–96.

Shigehara, Kumiharu. "Japan's Experience with Use of Monetary Policy and the Process of Liberalization." Paper presented to the Pacific Region Central Banks' Conference on Domestic Monetary Policy sponsored by the Reserve Bank of Australia, October 12–13, 1990.

Suzuki, Yoshio. *Money, Finance, and Macroeconomic Performance in Japan.* New Haven, Conn.: Yale University Press, 1986.

Viner, Aron. *Inside Japanese Financial Markets.* Homewood, Ill.: Dow Jones-Irwin, 1988.

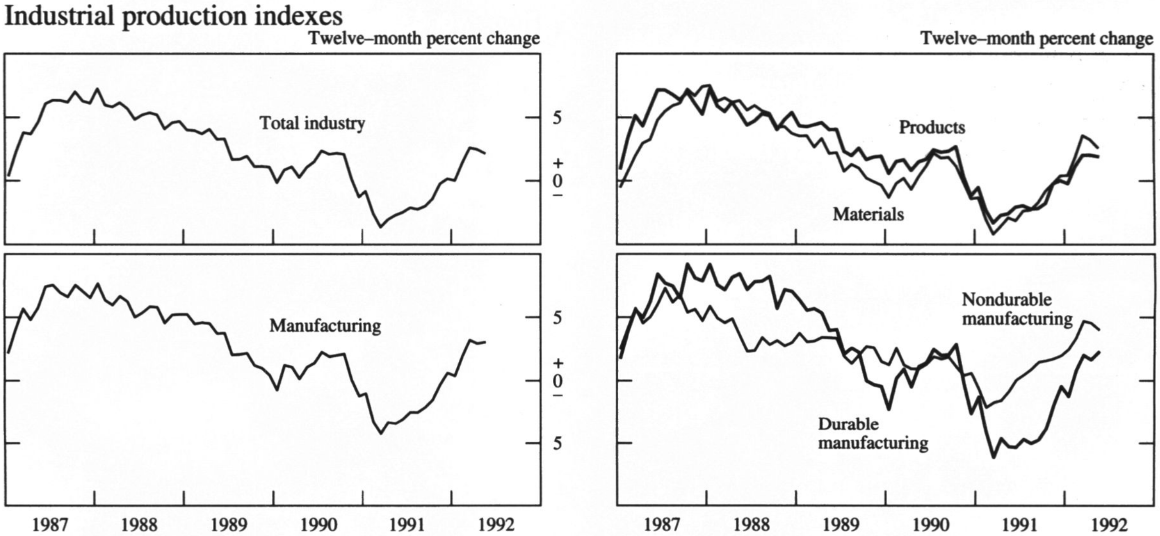
Industrial Production and Capacity Utilization

Released for publication June 16

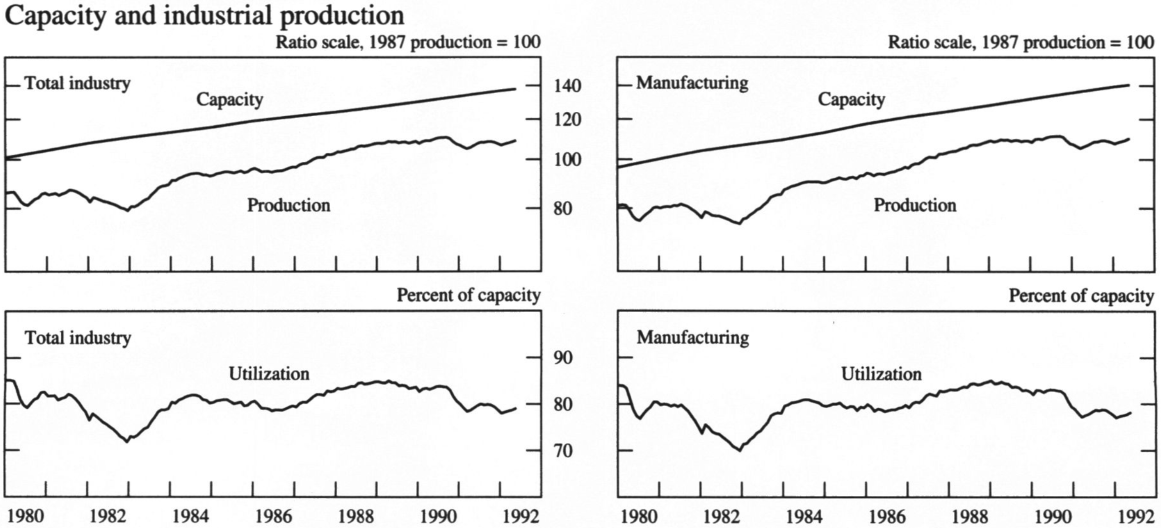
The index of industrial production increased 0.6 percent in May, a rate slightly faster than in the preceding three months. Gains in motor vehicles, their parts, and related materials contributed to the May increase. In addition, the output of construction and mining machinery, a component of industrial equipment, rose noticeably last month, as a strike ended at a major producer. At 108.8 percent of its 1987 annual average, total industrial production in May was 2.2 percent above its year-ago level. Total industrial capacity utilization rose 0.3 percentage point in May, to 79.0 percent.

When analyzed by market group, the data show that the output of durable consumer goods in-

Industrial production indexes



Capacity and industrial production



All series are seasonally adjusted. Latest series, May. Capacity is an index of potential industrial production.

Industrial production and capacity utilization

Category	Industrial production, index, 1987 = 100[1]								
	1992				Percentage change				
					1992[2]				May 1991 to May 1992
	Feb.r	Mar.r	Apr.r	May p	Feb.r	Mar.r	Apr.r	May p	
Total	**107.2**	**107.7**	**108.1**	**108.8**	**.5**	**.5**	**.4**	**.6**	**2.2**
Previous estimate	107.2	107.6	108.2	...	.5	.4	.5	...	...
Major market groups									
Products, total	108.1	108.6	109.0	109.7	.5	.5	.4	.7	1.9
Consumer goods	108.8	109.5	109.8	110.4	.6	.6	.3	.6	3.6
Business equipment	121.0	121.7	122.9	124.5	.9	.5	1.1	1.2	2.3
Construction supplies	96.0	96.6	96.9	97.3	.6	.6	.3	.4	1.6
Materials	105.8	106.3	106.8	107.3	.5	.5	.5	.5	2.6
Major industry groups									
Manufacturing	108.1	108.6	109.0	109.8	.6	.4	.4	.7	3.0
Durable	107.0	107.1	107.7	109.1	1.1	.2	.5	1.2	2.2
Nondurable	109.6	110.3	110.7	110.8	.1	.7	.3	.1	4.1
Mining	98.4	97.9	99.1	98.8	.5	–.5	1.2	–.3	–1.4
Utilities	106.4	108.1	107.7	107.3	–.4	1.6	–.4	–.4	–3.7
	Capacity utilization, percent								MEMO Capacity, percentage change, May 1991 to May 1992
	Average, 1967–91	Low, 1982	High, 1988–89	1991	1992				
				May	Feb.r	Mar.r	Apr.r	May p	
Total	**82.1**	**71.8**	**85.0**	**79.1**	**78.3**	**78.5**	**78.7**	**79.0**	**2.4**
Manufacturing	81.4	70.0	85.1	77.8	77.4	77.5	77.7	78.1	2.7
Advanced processing	81.0	71.4	83.6	77.3	76.1	76.2	76.3	76.8	3.1
Primary processing	82.3	66.8	89.0	79.0	80.4	80.9	81.1	81.4	1.7
Mining	87.4	80.6	87.2	87.6	85.7	85.3	86.4	86.1	.4
Utilities	86.7	76.2	92.3	86.7	82.2	83.4	83.1	82.7	1.1

1. Seasonally adjusted.
2. Change from preceding month to month indicated.

r Revised.
p Preliminary.

creased substantially in May, the fourth successive month of increase; although these gains have resulted, in large part, from the higher output of autos and light trucks, the May increase also reflected a jump in the production of other durables, such as appliances and furniture. By contrast, the output of nondurable consumer goods, which edged lower in May, has been little changed, on balance, in recent months. The production of business equipment excluding motor vehicles advanced 1 percent last month; besides the rise in construction and mining machinery, the output of most other components of industrial equipment as well as the output of computers rose. The output of construction supplies expanded for the fifth consecutive month but is only about 1½ percent above its depressed level of a year ago. The production of materials continued to increase in May at its recent pace of ½ percent per month; after having been curtailed around the turn of the year, it has nearly regained its level of last fall. Most major groups of durable materials posted strong gains last month. Among nondurables, the production of textiles and chemicals also rose, but a decline in the production of paper materials offset these gains. The output of energy materials edged down last month.

When analyzed by industry group, the data show that manufacturing output increased 0.7 percent in May and that factory utilization increased 0.4 percentage point, to 78.1 percent. The level of utilization has risen more than 1 percentage point since January but was still about ¾ percentage point below its recent high last September. Utilization at primary-processing industries has advanced steadily in recent months and in May recovered to its recent high. Utilization at advanced-processing industries rose 0.5 percentage point in May after having edged up in each of the two preceding months; the greater part of these monthly gains reflected increases in motor vehicles and parts, nonelectrical machinery, and furniture. Despite these gains, the operating rate for advanced-processing industries in May remained about 1 percentage point below its September level.

The production at mines decreased 0.3 percent in May despite a strong gain in coal extraction, and the output at utilities fell 0.4 percent.

Statements to the Congress

Statement by John P. LaWare, Member, Board of Governors of the Federal Reserve System, before the Committee on Banking, Housing and Urban Affairs, U.S. Senate, June 10, 1992

Mr. Chairman and members of the committee, I am here today to discuss the condition of U.S. commercial banks, the Federal Reserve's recent efforts to implement new banking legislation, and, more generally, the Federal Reserve's efforts to promote a sound banking system. As the committee knows, the industry has experienced exceptional stress in recent years, and many institutions continue to face rough times ahead. Recent performance, however, offers genuine encouragement that conditions in the banking system are beginning to improve.

These recent years have also been challenging for the bank regulatory agencies, as we have assessed the industry's condition, developed corrective actions, and implemented legislative initiatives. The period has also been a time in which we have placed great importance on interagency coordination, as I will point out in my comments today.

I will begin by discussing the recent performance and outlook of the banking system; I will then address recent supervisory actions of the Federal Reserve, including actions taken to implement the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA). I will then comment on the focus of banking legislation that the Board believes is still needed.

CONDITION OF U.S. BANKING SYSTEM

During recent years, conditions in U.S. commercial real estate markets and throughout the general economy have placed great strains on much of the domestic banking system. From 1985 to 1991, for example, nearly 1,200 commercial banks failed, reaching a peak of 220 bank failures in 1988. Since then, the number of failures has declined to 127 banks last year and to 55 banks during the first five months of this year. But the aggregate assets of failed banks have remained high, at $66 billion in 1991 and $13 billion thus far in 1992.

Trends for troubled institutions (those rated CAMEL 4 or 5) are also disturbing. Their number remains stubbornly high, and their assets continue to grow. More than 1,000 problem banks remained at the end of 1991. That level is roughly five times the level of a decade ago, although it is down substantially from its 1987 peak. Problem bank assets, at approximately $600 billion, are also unacceptably large and represent about 16 percent of total banking assets.

One result of these troubled times has been the depletion of the FDIC's Bank Insurance Fund (BIF), after reserving for anticipated losses. These threats and the industry's current condition make it likely that the fund will remain under great pressure for some time to come. That projection is behind the FDIC's recent determination that higher insurance premiums are needed to meet the public policy mandate that the industry repay Treasury borrowings and rebuild the fund balance.

The problems of banks in the past few years can be traced to conditions that prevailed a decade or more ago. Many of the industry's largest institutions entered the early 1980s holding high levels of weak developing-country loans and facing growing competition from thrift institutions and foreign banks, as well as from securities firms that were helping prime borrowers sidestep their banks. In addition, banks in the Southwest were holding deteriorating energy-sector credits and searching desperately for an important new source of earnings. These banks, along with many others, sought to find better profits through increased lending in the commercial real estate sector.

By the middle of the decade, however, Southwest real estate values had plunged, related loans were uncollectible, and banks throughout the region were beginning to fail. Weak commodity and land prices were contributing to the collapse of hundreds of small banks in agricultural communities throughout the Midwest and compounding pressures on the federal deposit insurance fund. But in most other parts of the United States, commercial real estate markets and related bank lending remained strong, despite rising levels of office vacancy rates. That condition reversed beginning in 1989, when economic problems surfaced in New England. These problems worsened when the rest of the nation slipped into recession in the summer of 1990, signaling the latest round in what has been the most turbulent period for U.S. banks since the Great Depression.

The industry's average return on assets, roughly 0.50 percent during each of the past three years, is about 10 to 20 basis points below levels generally seen during the past two decades and reflects the depth of these problems. Recent profits were even worse for many of the largest institutions and those in the Northeast and other areas in which recent commercial real estate problems took their greatest toll.

Overbuilding through much of the 1980s, combined with weak demand recently, produced the greatest contraction of real estate values in the United States since the 1930s. After the earlier problems in the Southwest, severe loan quality problems emerged in New England and spread quickly along the East Coast, adversely affecting the Mid-Atlantic and Southeast regions. Weaknesses subsequently emerged in the Far West, especially in the southern part of California. Even the midsection of the United States, whose experience with earlier problems helped to avoid the worst excesses, has been affected by declining commercial real estate values. Much of the Southwest seems to continue a slow recovery from its own mid-decade debacle, but the full effect of problems in southern California is still ahead.

Beyond the real estate sector, the earlier buildup in corporate leveraging together with the sluggish economy also contributed to the general deterioration in the quality of the industry's loan portfolio. As a result, the volume of nonperforming assets at the twenty-five largest banks increased $13 billion, or 40 percent, during the two-year period 1990–91, even after sharply higher levels of net charge-offs.

Smaller banks have generally been less affected by commercial real estate conditions but have not escaped without some problems of their own. Those banks with assets of less than $1 billion incurred a smaller, but still sharp, increase of 17 percent in total nonperformings during the same period, with most of that increase attributed to general weakness in the economy rather than to specific major events.

Over all, the industry's loan-loss provisions climbed to nearly 1 percent of assets during each of the past three years (three to four times the loss-provision rate of the 1970s and early 1980s) and reached $33 billion last year. That provisioning, however, enabled the industry to maintain loss reserves at more than 80 percent of nonaccruing loans during the past two years and at a relatively high 1.6 percent of assets.

OUTLOOK

Recently, there have been encouraging indications that conditions in the industry are beginning to improve, even though commercial real estate markets in many areas remain depressed. Most encouraging, perhaps, are indications that the volume of problem loans has started to trend down, as suggested by recent quarterly results. Whether that pattern will continue into the immediate future is unclear.

The improvement, in large part, reflects the process of working problem loans through the balance sheet as banks restructure, charge off, or write down their weak assets. With real economic growth having resumed and the burden of developing-country loans all but gone for virtually all U.S. banks, the industry should be able to focus even greater attention on the resolution of its other problems, commercial real estate credits in particular.

Lower interest rates have helped to improve the condition of most banks, as funding costs declined faster than revenues. As a share of total assets, net interest income on a fully tax-equivalent basis increased from 3.55 percent in 1990 to an average of 3.71 percent in 1991 and marked its fourth highest level in more than twenty years. This gain translates into nearly $5.5 billion of additional pretax net interest income for the banking industry. Lower rates also contributed to nearly $3 billion of gains last year from the industry's nontrading account securities and to a substantially larger volume of unrealized gains in the value of its investment portfolio. Since then, although securities gains remained strong in the first quarter of 1992, much of the unrealized portion has been lost.

A good part of the industry has also been restructured to generate additional revenues and reduce operating costs. Intramarket mergers, such as those recently seen in New York and California, were undertaken in large part to gain increased operating efficiencies that managements believed could be generated. So far, the stock market seems to agree. Other institutions, not involved in mergers, have implemented cost-reducing measures as well and have also received generally favorable market reviews.

Average capital ratios for commercial banks are higher now than they have been in many years, despite the industry's problems. Bank equity at the end of 1991 was nearly 6.8 percent of industry assets, its highest level in more than twenty years and virtually a full percentage point higher than it was at the end of 1980. On a risk-weighted basis, the industry's average total capital ratio of 11.1 percent at year-end 1991 was more than 3 percentage points above the minimum ratio required for the end of 1992. Importantly, tier 1 capital (equity) was 9.7 percent of risk-weighted assets—more than double the minimum standard. More than 96 percent of all BIF-insured U.S. commercial and savings banks now meet the minimum standard, and those banks meeting the standard hold more than 90 percent of the industry's assets. Although we may take some comfort from these figures, we should also emphasize that many institutions need to have capital ratios in excess of minimums, given the overall level of risk associated with their operations and loan portfolios.

The last important development I shall mention that bodes well for the industry is the increased attention that bank managements are directing to strengthening their underwriting standards and pricing policies. That development, combined with an increased emphasis by bank supervisory agencies on more frequent on-site examinations, should have positive future results on the quality of banking assets.

The stock market's assessment of these factors has been very positive in the past year. During 1991, common stock prices of the forty-seven publicly traded companies among the top fifty rose on average more than 60 percent. Although many bank stock prices started from exceptionally low levels, their average gain dwarfed the impressive 30 percent increase recorded last year by the S&P 500. So far this year, bank share prices have continued to outperform the general market.

By another measure, the average ratio (both equity weighted and not equity weighted) of market-to-book values of the common share prices of these forty-seven largest publicly traded companies stood at more than 150 percent at the end of last month. That ratio was nearly twice the ratio at the end of 1990. Taking advantage of these improvements, the top fifty companies alone last year issued a record $7 billion of equity and another $375 million of convertible debt.

Although banks are by no means "out of the woods," signs are appearing that the worst may be behind them. Some banks, of course, continue to have big problems and are likely to keep the number of bank failures and their costs to the FDIC at a high level. On balance, however, the broader outlook for the U.S. banking system seems brighter than it has been in several years.

During the past three years, for example, the commercial banking industry has charged off nearly $85 billion in losses, an exceptionally high rate, while at the same time increasing its equity more than $35 billion and boosting its loan-loss reserves. That performance says much about the industry's overall strength and resiliency and its ability to attract investor funds.

We should also not overlook the fact that, even in the especially troublesome past few years, many banks—including many large ones—have consistently performed well. During each of the past four years, close to one-half of the industry, holding 35 to 50 percent of banking assets, earned a highly respectable return of 1 percent or more on assets, and another 30 percent of the industry earned a return of at least 0.50 percent. In fact, sixteen of the fifty largest U.S. bank holding companies earned a return of 1 percent or more last year, and that group expanded to twenty-four during the first quarter of this year. The progress many institutions have made to strengthen their credit standards and reduce costs should lead to further improvements in years to come.

Recent Supervisory Initiatives

Your letter of invitation asked that I describe some of the recent actions taken by the Federal Reserve to ensure the health of the banking system and to implement elements of FDICIA. I would like to begin by saying that strengthening the capital position of the banking system has been an important and long-term objective of bank supervision at the Federal Reserve, and, as previously mentioned, significant progress has been made in that area.

As part of its administration of the Bank Holding Company Act, the Board has made clear its general policy that institutions seeking approval for expansionary applications must be soundly capitalized and that mergers and acquisitions should result in even stronger and better capitalized institutions. That policy has prompted many banks and bank holding companies to raise additional capital, either for the direct purpose of completing proposed transactions or, more generally, to improve their condition before presenting their applications. In that sense, I believe the Board's policy played an important role in the record volume of new equity issued by major banking companies last year.

In other activities, the Federal Reserve continues to emphasize the importance of frequent, on-site, full-scope examinations. We have long believed that only through this process can supervisors adequately evaluate credit quality and standards, operating procedures, and other aspects of banking that are essential to the sound operation of a bank but that are difficult, if not impossible, to assess through offsite reports.

As part of this process, the Federal Reserve and the other agencies have been urging banks to strengthen their credit standards—a process that, in some cases, may have gone too far. Whether caused by overly critical supervision or by bank managements that were too conservative, the tightening may have had counterproductive results, contributing to a so-called credit crunch and perhaps prolonging the recession in some regions of the United States.

I would like to cite several more specific supervisory and regulatory efforts. The first effort involves an interagency statement issued in February of this year on the proper use by banks of so-called "high risk" derivative instruments—investments such as interest- or principal-only mortgage derivative securities. The position taken by the agencies was that such investments are generally to be considered unacceptable for depository institutions unless the institution can clearly demonstrate that the effect of the instrument is to reduce the institution's overall interest rate risk.

The Board has also participated actively with other U.S. bank regulatory agencies and with agencies abroad under the auspices of the Bank for International Settlements (BIS) to administer and enhance the international risk-based capital standard. This ongoing effort, which began in 1989 after the adoption of the risk-based standard, has required significant coordination regarding interpretations of existing standards for credit risk. It has also involved considerable effort to develop measures dealing with interest rate risk, foreign exchange trading, and netting arrangements.

During much of the past year, the international effort regarding interest rate risk has been directed toward "converging" the capital standards of securities firms with new standards that would cover the trading activities of commercial banks. Currently, the participating banking and securities regulators expect to submit a joint proposal for public comment on that effort this year.

Domestically, the staffs of the Federal Reserve and the other U.S. banking agencies have been developing their own approach to measuring interest rate risk that could apply to all U.S. banks—not only to the "internationally active" banks that would be directly covered by the efforts under way at the BIS. In its still-preliminary form, this "domestic" approach, although less complex and data intensive, is generally consistent with measures being developed abroad. We expect that an interagency proposal for measuring the interest rate risk of U.S. banks will be issued for public comment in July. Subject to those comments, we plan to rely heavily on that approach in meeting the interest rate risk requirements of FDICIA's section 305.

Staff members are also working diligently on more than twenty other efforts to implement the many provisions of FDICIA. On one important matter, the agencies are near agreement on the key elements required to implement prompt corrective action. A detailed proposal on the subject is being completed and should be considered by the Board and issued for public comment later in June.

In April, the Board also amended its Regulations O and Y to implement requirements of section 306 of FDICIA dealing with loans to insiders. Effective in May, these changes expand certain definitions of insiders, impose limits on a bank's aggregate lending to insiders (including their related interests), and prescribe standards for such extensions of credit. The rules generally limit total lending to insiders to 100 percent of the bank's unimpaired capital and surplus, with an exception limit of 200 percent for banks with less than $100 million of deposits.

In May, the Board also approved for public comment an advanced notice of proposed rulemaking regarding the safety and soundness standards included in section 132 of FDICIA. Approval from the other agencies should be forthcoming shortly, and a joint statement will be issued at that time. We are also working jointly on ways to incorporate into capital adequacy assessments a bank's concentration risk and involvement in so-called "nontraditional" activities, as mandated by section 305.

In May, the Board approved for public comment a proposal to amend its Regulations H and Y to prescribe standards for real estate lending. The proposal, responding to requirements of section 304, builds on earlier loan-to-value requirements that were liberalized by legislation in 1974 and removed with legislation in 1982. The principals of the other agencies have not yet formally considered the proposal, but it is expected to be issued for comment this summer.

Currently, the Board is also preparing for public comment a new Regulation F, Interbank Liabilities, in connection with requirements of section 308. This proposal would require that banks and savings associations insured by the FDIC develop and implement internal procedures to evaluate and control exposures to other depository institutions, including those arising from both credit and settlement exposures. As drafted, it would establish outer limits of exposure, expressed as a percent of an institution's capital, that would generally be considered prudent. The Board expects to issue this regulation for comment later in June.

Regarding the Foreign Bank Supervision Enhancement Act, the Federal Reserve is in the process of hiring additional examiners so that it can coordinate and conduct more frequent examinations of U.S. offices of foreign banks, as directed by the legislation. The Board has also proposed revisions to its Regulation K to implement other provisions of the act requiring applications by foreign banks to open U.S. offices and ensuring that they have adequate levels of supervision.

The restrictions on Federal Reserve lending to insured depository institutions that are undercapitalized or critically undercapitalized do not go into effect until December 19, 1993. This delay is essential because the restrictions constitute a significant change in lending policy; banking regulators need time to put in place the enhanced supervisory powers contained in the act and use them to strengthen the banking system and reduce the need for banks to resort to sources of emergency liquidity. Nevertheless, the Federal Reserve has moved as quickly as is prudently possible to bring its administration of the discount window into line with the broad public policy direction of the act. To this end, we are working closely with the FDIC to resolve any failing institutions that may borrow from the window in a manner that protects the federal deposit insurance funds and, at the same time, avoids disorderly resolutions that could undermine public confidence in the banking system.

Preferred Legislative Focus

FDICIA contains many provisions designed to promote a safer and more prudent banking system. By serving to offset moral hazard incentives created by federal deposit insurance, prompt corrective action is one provision that we feel should have beneficial results. The Board's expanded authority to supervise and regulate foreign banks operating in the United States is another positive aspect that should help to deter problems like those we have recently seen.

Another clearly constructive provision is the requirement that the banking agencies review the laws they administer in light of the regulatory burden those laws impose on the industry. This requirement is consistent with the President's regulatory reform initiatives, an outgrowth of which is a commitment by the federal banking agencies to coordinate their policies, practices, and training even more closely than in the past.

In this connection, I would assure the committee that the Federal Reserve takes this provision of FDICIA seriously and that it will conduct a vigorous review and make recommendations for changes, as appropriate. We will, of course, continue to work to implement rules and regulations that are required by statute or that are necessary to ensure the safety and soundness of banking institutions. The Board has long been concerned about the costs and burdens associated with the accumulated effect of regulations. Without legislative relief, however, reducing regulatory burden significantly will be a much more difficult task.

Although these provisions should prove helpful, the Federal Reserve believes the legislation is flawed in other ways. Most important, it failed to provide relief from outdated structural restrictions that prevent the U.S. banking industry from operating more efficiently. I will say more on this later. It also piled increasing regulatory burdens on virtually all banking institutions, taking a shotgun approach to past problem areas.

The banking agencies have long had examination procedures and guidelines covering most topics mentioned in the legislation, and those materials are available to the industry. The agencies also typically review a bank's policies and procedures regarding credit underwriting, loan documentation, and other activities when they examine banks on-site.

Efforts to implement or enforce any standards of safety and soundness are obviously important, but there are remedies other than statutory change. In particular, I would urge the Congress to consider the resources, risks, and operating records of the thousands of small banking institutions in this country when drafting new legislation. In many cases their resources are already stretched thin, and continued legislative and regulatory burdens, themselves, may threaten the viability of many community banks.

Numerous elements of the legislation also carry the risk of thrusting the regulators increasingly into the micromanagement of the banks they supervise. These provisions include tighter limits on interbank credits; expanded recordkeeping and reporting requirements in areas such as branch closings, auditing, small business loans, and truth in savings; and requirements that regulators impose operational standards for employee compensation, internal controls, interest rate exposure, asset growth, minimum earnings, and market-to-book ratios.

Although, no doubt, there have been abuses in some of these areas that should be stopped, the Board believes that the approach taken in section 132 is not the best solution. Indeed, some provisions, such as setting standards for minimum earnings and for market-to-book ratios, seem to be meaningless and to raise questions about how such standards could be logically enforced. At best, much of the legislation will, in my view, simply increase costs to many banks.

The legislation also contains numerous incentives for banks to behave more cautiously and to maintain higher capital ratios: the FDIC's mandate to pursue least-cost resolutions, the tighter discount window lending rules, limits on the use of brokered deposits, and prompt corrective action. The provisions have positive features, but they also carry increased risks of worsening the availability of bank credit as banks respond by shrinking in size and avoiding risks that are basic to banking. In some respects, they could also increase the risk of liquidity problems for banks, as uninsured depositors seek safer havens at the first sign of trouble.

Constraint on risk-taking may be needed, given recent experience, but the need for a vital banking system must also be recognized. While requiring banks to increase their capital positions, the legislation provides them with few opportunities for new revenue sources or for reorganizing or expanding in more cost-efficient ways.

In this connection, the Federal Reserve Board strongly urges the Congress to revisit fundamental reforms involving the elimination of the Glass–Steagall Act and the McFadden Act. The structure and activities of the financial industry are changing; new markets are developing and expanding; and our banks must be allowed to keep pace. Permitting the banks more freedom to operate more efficiently and to compete more effectively under prudent supervisory rules is the best way to maintain a safe and sound banking system.

CONCLUSION

In closing, I would say again that the condition of the U.S. banking system appears to be improving, although many problem situations of greater or lesser severity remain to be resolved. In particular, the FDIC's projection of the number and size of banks that it expects to fail this year remains high, as do the figures for problem institutions. An increased supervisory role, such as that embodied in the annual full-scope examination requirements of FDICIA, should help deter future problems, but as noted, supervisory oversight and regulatory burden can be taken too far. At this point, the most positive step the Congress can take to improve the industry's long-term outlook is to adopt more *fundamental* banking reforms that enable banks to compete more effectively both domestically and abroad.□

Statement by Alan Greenspan, Chairman, Board of Governors of the Federal Reserve System, before the Commerce, Consumer, and Monetary Affairs Subcommittee of the Committee on Government Operations, U.S. House of Representatives, June 16, 1992

I welcome this opportunity to discuss the potential issuance of indexed bonds by the Treasury. This assignment touches on a wide array of challenging analytical and policy issues, such as the appropriate tax treatment of these bond obligations, the technicalities of these bond contracts, the assessment of investors' likely interest in these novel instruments, and the consequences for the conduct of monetary policy. Although I may not do justice to the range of demanding questions confronting the Treasury in its deliberations on whether to issue indexed debt, I do intend to convey the Board of Governors' current assessment of these considerations.

A PROPOSAL ON INDEXED DEBT

Enthusiasm for indexation—whether of wages, entitlements, government debt, or the tax schedule—quite often may be expected to echo a government's failure to control increasing rates of inflation. Indeed, some have voiced concern that by making it easier for investors to live with inflation rather than treating it as a fundamental problem, issuing indexed debt, on occasion, could appear to mark official acceptance of continuing high inflation. This is not the situation today. The U.S. economy has made considerable progress toward price stability over the past decade, trimming the core rate of inflation to below 4 percent, and it appears poised to make further advances. Instead, we are here today to evaluate a proposal contending that continued progress in economic stabilization could be made somewhat easier. That proposal is to use management of the Treasury debt to extract market readings on inflation expectations and real interest rates and then to use those readings to aid the conduct of monetary policy.

Essentially, the Treasury is being advised to split a segment of its debt issuance into two parts. One part would be indexed to consumer prices, and one part would not. The yields on bonds that protect purchasing power could be considered measures of "real" interest rates. Importantly, the gap between the yields on two issues of comparable maturity but differing protection against inflation could be viewed as a market-based assessment of inflation expectations and the risk premium associated with inflation instability.

I commend the subcommittee's efforts to broaden the range of indicators examined in analyzing economic events and setting policy. For my own part, I am attracted by the prospect of opening a window on the market's view of the path for inflation that potentially could provide readings of price pressures being built into wages and of real interest rates influencing spending decisions. The market provides many signals about the future in its current pricing of assets, and an increased menu of indicators, in principle, may offer a wider panorama of what is to come. In a similar vein, it is helpful at times, for analytic purposes, to disentangle the movements of the Treasury yield curve into the path expected by market participants for future one-year interest rates.

However, those forward-rate measures are imperfect because risk premiums built into financial returns confound attempts to take literal readings on the expected future. Some of the same problems may confront analyses using indexed debt to gauge inflation expectations. Moreover, changing the composition of federal debt issuance is not a matter to be taken lightly. With the vast scale of Treasury indebtedness, interest expense now absorbs almost as large a share of our limited tax resources as does discretionary domestic spending. Any proposal that has an impact on Treasury financing costs must clearly demonstrate that benefits exceed costs by a comfortable margin.

The Signals from Indexed Debt

A series of hurdles must be overcome before issuance of indexed debt moves from a promising alternative to a useful policy instrument. First and foremost, rigorous study is required to understand exactly what to read into the simple difference in yields between nominal and real debt. The yield on a nominal Treasury debt instrument comprises three elements: a real interest rate, an inflation premium that attempts to adjust for expected changes in purchasing power over time, and a risk premium. This last component incorporates premiums for a variety of risks assumed by the investor. For a U.S. Treasury security denominated in dollars, default risk is negligible. However, because inflation is unpredictable, a chance exists that indexed and unindexed debt will provide different payments over time to investors. As a result, the market will value them differently, even in real terms. The uncertainty regarding the real return provided by the unindexed debt drives a wedge between the yields on indexed and unindexed bonds in the form of different risk premiums, which may vary unpredictably over time. Thus, the differential in yields likely will not serve as a pure measure of inflation expectations. Still, because risk premiums with rare exceptions are positive, the differential is almost always at least as large as inflation expectations. That is, the market would tend to delineate an upper bound on its prospects for inflation.

Second, to implement some measure of protection from inflation to investors, the Treasury must select a single price index as the basis for that compensation and be confident that no significant revisions will be made to the referenced price index. Most likely, measurement issues are not much more difficult in this regard than in the construction of cost-of-living adjustments for wages and benefits, and the not seasonally adjusted consumer price index will probably fit the bill. However, all price indexes are imperfect because of distortions and limits to their coverage. To the extent that the index used by the Treasury did not adequately capture potential investors' cost of living, the estimate of the real interest rate would be comparably affected.

Third, the experts have to give careful consideration to tax treatment. Before-tax nominal returns on coupon-bearing indexed and unindexed instruments may well have to differ to pay the same after-tax compensation to investors. Because indexed debt provides protection of principal, the Internal Revenue Service would likely require investors to impute any increase in the nominal value of the principal as part of current income, as is the precedent with zero-coupon securities. Thus, an investor in indexed debt may be called upon to report income not yet paid in cash. In this regard, some have suggested that the Treasury issue zero-coupon securities, both nominal and real, to prevent indexed debt from being disadvantaged and to make comparisons of yield differentials transparent.

Even if cash flow considerations favor unindexed debt, rough estimates of the tax effects on the difference between real and nominal yields are calculable for the average investor, and hence approximate adjustments can be made. However, of greater importance, those adverse cash flow implications of zero-coupon securities now or indexed debt in the future likely render these instruments less attractive to some classes of investors. If holders of indexed debt are drawn from a narrow segment of the investing populace, then the real rates and implied inflation expectations derived from those instruments may not reveal economywide sentiments.

Under those circumstances, the Treasury may have to offer an elevated real return to place its indexed debt issue relative to that expected from its nominal debt, which is purchased by more investors. A sufficiently elevated real rate may offset any gain to the Treasury by not having to pay investors some compensation, likely in the form of a positive risk premium for inflation expectations on nominal debt. Thus, at a basic level, expected financing costs to the Treasury and the value of the signal on real interest rates to the Federal Reserve depend importantly on investors' attraction to an untested instrument.

Before the fact, it is reasonable to assume that a family establishing a child's college fund or a couple planning for retirement may well pay handsomely for inflation protection. After all, movements in the general price index will certainly influence their anticipated future payments, and indexed debt represents an asset that at least keeps pace with the price index. However, by the historical record, many of these long-planned expenses, such as tuition, do not move in lockstep with general price indexes. These anticipated relative price shifts make bonds that are tied to a general price index less useful for hedging purposes. Also, the imputation of taxes to the nominal increment to the value of the principal may make some investors wary of indexed debt. Still, tax-favored investors probably would shift some of their investments toward indexed debt. Many pension fund managers, for instance, accumulate assets to meet long-term payments that are tied to wages or prices. Indexed Treasury securities could permit those managers to match more accurately their deferred liabilities of predictable real but uncertain nominal value. Of course, not all investors need, or would be willing to pay for, purchasing power protection. For some hedging purposes, nominal liabilities must be matched with nominal assets. Moreover, the Treasury now offers investment possibilities that provide a rough measure of compensation for inflation. The simple and expedient technique of rolling over six-month Treasury bills every six months provides a stream of returns that has moved fairly closely with inflation.

Putting aside policy considerations, the private sector may receive direct benefits from the public example of indexed issuance. The yields on Treasury securities serve as benchmarks for private rates around the world. With direct quotes on indexed debt available in the broad and liquid market for government securities, private issuers may join in by issuing their own index-linked debt tailored to their specific needs and in broadening the choice of assets available to investors. However, the private sector has seldom waited for the government to lead the way in financial innovation. The lack of private sector precedent for indexed debt as well as the short-lived experiment in trading consumer price index futures on an organized exchange suggest that the prospects for the success of an indexed issue must be weighed carefully. The thinness in that segment of the private market may simply indicate the need for the public sector to lead by example, but it instead may raise questions about investor demand and potential cost savings.

If, after weighing these costs and benefits, the Treasury adopts an index-linked debt program, it will have to steer a difficult course in determining the scale of operations. Splitting federal issuance in equal parts, in my view, trusts too much to the uncertain demand for these instruments. The large stakes involved, given the government's need for funds, surely dictate that an experiment with indexed debt must be modest in size. At the same time, issuance must be large enough to attract the trading interest that would ensure an active secondary market for indexed debt. Any novel instrument initially would be less liquid and ultimately may lead to some fragmentation of trading in government securities, perhaps raising overall funding costs. The prices of indexed debt trading in a thin market would not necessarily convey a significant amount of useful information about the economy as a whole.

Foreign Experience

The foreign experience divides between those developing countries that were driven by necessity to issue indexed debt as a means of attracting investors who were made wary by high inflation and a small number of developed countries that sought to save on the financing costs of the government. It is difficult to find obvious lessons from the latter and more relevant group. In the postwar period, the governments of several developed countries have issued debt securities offering claims that were in some way linked to a price index. Two industrial countries, the United Kingdom and Canada, issue bonds for which the principal and coupon amounts are tied to a consumer price index, although the Canadian program is less than one year old with only one issue on the books. In 1988 Australia suspended an ambitious indexed-debt program begun in 1985.

British index-linked gilts (the equivalent of our Treasury debt obligations) were first issued in March 1981 with a maturity of fifteen years. Although the ownership of index-linked gilts was initially limited to pension funds, now all investors can hold those securities. Index-linked debt has grown more rapidly than total issuance, pushing its relative share to about one-fifth of government debt, and now trades in a relatively deep and liquid market. Such trading provides timely quotes on real interest rates, although tax treatment and an eight-month lag in inflation compensation complicate their interpretation.

The Australian government indexed some of its bonds to the consumer price index between 1985 and 1988 with the stated aim that diversification might reduce interest costs. Those efforts, however, were set back by weak demand that resulted in elevated real yields. Trading volume in the secondary market was thin, and after several successive budget surpluses reduced the need to tap the market, the government suspended its issue of index-linked debt.

Implications for Monetary Policy

Without doubt, the substantial uncertainty facing monetary policymaking would be reduced somewhat if the market were to provide a reliable measure of current inflation expectations. Indeed, the paired issuance of indexed and unindexed debt at various maturities might make it possible to offer some information on the market's expectations for the path of inflation well into the future. A timely and accurate reading on inflation expectations could considerably aid in economic forecasting by casting some light on incipient wage and cost pressures and by helping divide changes in nominal asset values into their expected real and price components.

Also, by routinely monitoring the markets for the two debt instruments, the Federal Reserve could extract the market's evaluation of the consequences of policy operations. On occasion, the market's response to a policy action is difficult to interpret. A reading on real rates may make it easier to parse out the reaction of long-term nominal yields, for example, into the effects on real rates, inflation expectations, and risk.

But our concerns are not narrowly focused on price developments and short-term operations. Indexed debt would offer other, potentially useful, information about the economy. Nearly all descriptions of the economy assign important roles to real interest rates in influencing spending and investing decisions made by households and businesses. As a result, economists, including policymakers at the Federal Reserve, must assess the level of real interest rates when attempting to explain or to project economywide developments. A market for indexed debt would facilitate this process by continually updating our knowledge of investors' assessment of real interest rates and by perhaps signaling future changes in income and economic activity. Although those readings on real interest rates would help, monetary policy would remain a difficult job because they would not reveal the appropriate level of real rates consistent with sustainable economic growth.

I share the view of most economists that no better mechanism exists for refining opinion and focusing attention on economic fundamentals than a competitive market. Thus, I am sympathetic to the notion that policymakers should heed the messages from markets. But we must remember that there are problems associated with the issuance of indexed debt. The simple difference in unindexed and indexed returns may well convey more than a reading on inflation sentiment. At the least, economic theory suggests that a time-varying risk premium enters the picture. Technical considerations may bulk large as well. However, even an imperfect reading on expectations could help us understand some aspects of the behavior of the private sector, though it in no way could supplant our other efforts to forecast inflation. At times, market participants are wrong, perhaps by stubbornly holding to outmoded lessons of the past or by swinging too wildly with the latest scrap of news. Even if indexed bonds were issued, the Federal Reserve by necessity would continue to rely on a broad array of indicators and a considerable element of judgment in determining the stance of policy.

Nonetheless, I am confident that we would use new market-based indicators of inflation and real interest rates that would be made available by the issuance of indexed bonds. Such measures may not mark the way as unambiguously as promised by their most vocal adherents, but they would help.

CONCLUSION

For our part, the Federal Reserve retains responsibility for long-run price stability and fully intends to guard against reigniting inflation. That commitment might be easier for us to effect or the public to monitor should the Treasury issue indexed debt. Still, the benefits to monetary policy are not so obviously large as to outweigh any additional costs to the taxpayers in financing Treasury debt. Thus, the decision to issue debt that provides a measure of inflation protection should remain in the domain of fiscal policy and be based primarily on the consequences for total borrowing cost. □

Statement by John P. LaWare, Member, Board of Governors of the Federal Reserve System, before the Subcommmittee on Financial Institutions Supervision, Regulation and Insurance of the Committee on Banking, Finance and Urban Affairs, U.S. House of Representatives, June 23, 1992

I am pleased to be here to address issues of regulatory burden: how it might be eased for well-run depository institutions and what long-term regulatory and legislative efforts are needed to keep excessive requirements in check. These hearings are extremely important because, over time, the regulatory burden on U.S. depository institutions has grown progressively to the point where it may well threaten the viability of the banking industry itself. Both the Congress and the regulatory agencies must act now to stem the tide of ever-increasing regulatory burden and to explore ways of reducing existing burdens.

NATURE OF BANKS' REGULATORY BURDEN

The U.S. banking system operates under a wide array of statutory and regulatory constraints imposed on it for a variety of reasons. Some restrictions, such as those related to antitrust matters, reflect broad public policies to promote free markets and to prevent abusive business practices that we have seen in the past. With only a few exceptions, these laws apply to businesses of all kinds. Other statutes and regulations, however, apply only to banks and other insured depositories because of the special and critical functions they perform: (1) their role in the payments mechanism, which facilitates payments by businesses, governments, and consumers domestically and throughout the world; (2) their role as a chartered recipient of federally insured deposits providing a source of savings and investment to the general public that is free of the risk of default, up to $100,000; (3) their role as important credit intermediaries for all segments of society; and not least (4) their importance as the principal vehicle through which the nation's monetary policy is implemented.

Society's reliance on the banking system for these and other functions, combined since the 1930s with the government's direct exposure arising from its deposit insurance guarantee, led to the belief that banks should be treated differently from most businesses and that they should be held to somewhat higher standards. As a result, banking is, and has long been, one of the most regulated industries. Without doubt, some regulation is needed to minimize excessive risk-taking by banks, to protect financial markets and the payments system, to minimize the government's exposure because it is the ultimate guarantor of bank deposits, and—through such burdens as reserve requirements—to implement monetary policy.

However, during the past quarter-century or so, the Congress has enacted additional financial services laws designed to achieve a variety of other objectives. These laws are most frequently directed at protecting consumers, ensuring that services are made available to all members of society, and enforcing tax and criminal laws. They typically impose specific and detailed requirements on depository institutions that, in most cases, are not placed on mutual funds, insurance companies, and other nondepository financial institutions. Obviously, this places depositories at a competitive disadvantage.

Although these statutes and regulations—both those related to safety and soundness and those related to other public policy goals—may address legitimate public policy concerns, they also impose significant costs, both direct and indirect, on the banking system. The direct costs of regulation include additional personnel and equipment to ensure compliance, the diversion of management from other business activities, deposit insurance premiums, and lost revenues from non-interest-bearing reserves maintained at the Federal Reserve. The public at large also bears a substantial direct cost in the expanding size of regulatory agencies to administer the growing volume of laws and regulations. For some depository institutions, these latter costs fall at least partly on them through examination fees.

Indirect costs may be even larger than direct costs. Indirect costs include the reduced flexibility of U.S. banks to react to changing conditions, their inability to engage in certain activities, and, importantly, the impairment of the industry's competitive position relative to nonbank lenders and foreign banks. For example, by devoting substantial attention to new and frequently changing statutes and regulations, bankers have less time and fewer resources to develop new markets and services or to improve their current activities.

For years, informed members of the Congress, executive branch officials, the regulatory agencies, scholars, and, certainly, bankers have been concerned that the cumulative costs of regulations are placing the U.S. banking system at a growing competitive disadvantage. In an environment in which rapid technological change and market innovations have caused thoughtful observers to question whether banks in their present form can even survive, these regulatory burdens are of much more than an academic or passing interest.

In the short run, the effect of an additional regulation is sometimes difficult to see; it is implemented, and business goes on. In the long run, though, many regulatory and other costs are passed on to bank customers in the form of lower interest rates on deposits and higher borrowing costs, which have their own undesired effects on the macroeconomy and the ability of the banking system to compete. We should recognize that in our society banks, like other businesses, must generate an adequate profit to survive and attract the capital needed to support sound growth.

Indeed, costs not borne by their competitors must be absorbed by banks either by operating more efficiently than their competitors or by providing their shareholders with lower rates of return. At some point, the markets will refuse to accept lower rates of return, and the industry will wither for lack of investor funds.

It may be possible to calculate some of these regulatory costs with precision—such as the threefold increase in deposit insurance premiums since 1989, the opportunity cost of non-interest-bearing reserve requirements (which varies with the level of interest rates), and the additional personnel required to implement regulations. It is impossible, however, to calculate the costs of the industry's reduced flexibility and competitiveness, which are significant burdens, nonetheless.

When considering costs, we should recognize that the overwhelming majority of bank managements are committed to operating in a safe and sound manner, regardless of any government role. Accordingly, they would voluntarily adopt many policies and practices to that end without specific statutes and regulations, although perhaps not exactly in the manner we might prescribe. It is in a bank's competitive interest, for example, to operate prudently, to provide financing so its community can prosper, and to be honest and forthright with its customers.

But the fact is, the burden of bank regulation has clearly grown, and the cost of that burden has, we believe, fallen disproportionately on smaller institutions, which do not have the resources to acquire the specialized personnel to ensure compliance with the growing number of statutes and regulations.

The time has long passed when the Congress, the banking agencies, and the intended beneficiaries of regulation can think of the planned benefits of existing or future regulations as free. The costs and burdens may have already reached a dangerous level. Each cut, as it were, may only wound, but a thousand cuts may kill.

Efforts to Minimize the Burden

The Board has had a formal program since 1978 to minimize regulatory burden on the financial institutions that it regulates. This effort includes a review of both new and existing regulations to help ensure that they do not impose unnecessary requirements and that they fulfill current policy objectives. This program, in turn, expanded upon earlier efforts begun in 1975 that focused on reducing the industry's regulatory reporting costs and that continue in force today. Within the Federal Reserve System, new reporting requirements are reviewed and costs and burdens evaluated at several levels, including senior staff, System staff committees, bank technical advisors, Reserve Bank presidents, and members of the Board.

In other efforts, the federal bank regulatory agencies work to coordinate common policies, procedures, and reporting requirements through the Federal Financial Institutions Examination Council (FFIEC), partly to minimize confusion and inconsistencies that might otherwise arise. The council, which I currently chair, was established by the Congress in 1978 for that purpose. It is supported by a small staff, which has worked diligently to accomplish its stated goals.

Earlier this year, the Board undertook a review of all its regulations and reporting requirements to determine which requirements are specifically required by statute and which ones are not. Those requirements not required by the letter of the law were then reviewed more thoroughly to assess whether their costs are outweighed by public benefits, such as contributing importantly to the safety and soundness of the banking system or carrying out various congressional mandates.

This review disclosed a number of areas in which the burden could be reduced further, and the Board is in the process of addressing those situations. Examples include eliminating unnecessary applications and approvals for bank holding companies and member banks and streamlining other application procedures.

The Federal Reserve is also participating with the other federal banking and thrift regulatory agencies in a "Regulatory Uniformity Project" that has the goal of promoting consistency and reducing regulatory burden to the minimum consistent with congressional and regulatory intent. To that end, the agencies will seek to apply uniform policies and regulations in their implementation of similar federal statutes. They will also attempt to combine, simplify, or eliminate any duplicate or outmoded policies, procedures, and regulations and seek to coordinate their efforts more closely with those of state bank and thrift institution supervisors.

In addition, under section 221 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA), the FFIEC is required to review the policies and procedures and the recordkeeping and documentation requirements of its member agencies that are needed to monitor and enforce compliance with laws under their jurisdiction. The purpose of this review is to identify burdens that could be removed without diminishing compliance with or enforcement of consumer laws or endangering the safety and soundness of insured depository institutions. This review is well under way. Only last week the FFIEC held public hearings on regulatory burden in Kansas City and San Francisco, and another hearing is scheduled here in Washington later this week. A final report to the Congress on this effort should be completed by the December 19 deadline specified in the act.

Reducing the Burden for Well-Run Banks

I was asked to address how burdens could be reduced for well-run banks. The short answer is that, given the objectives of each statute and regulation, a better case to be made is that regulations with excessive net costs should be eliminated or reduced for all. We cannot make the case, for example, that Call Reports, examinations, basic prudential standards, reserve requirements, antitrust, truth in lending, truth in savings, and the like should not apply only to some banks if they apply to any.

However, some burdens could be lessened for well-run institutions. Risk-based deposit insurance premiums will distribute the cost of deposit insurance more fairly among healthy and riskier banks, but there are practical limits to both the level and the range of premiums to ensure that the burden on troubled institutions does not, in fact, hasten their demise. The application process for acquisitions by bank holding companies offers another area in which requirements could differ on the basis of an institution's overall strength and condition. For example, a notice requirement could be substituted for formal applications to conduct activities permitted by law and regulation, provided that engaging in such activities leaves the bank or other appropriate entity well capitalized.

More generally, in its reform proposals last year, the Treasury advocated that restrictions on additional activities be relaxed for bank holding companies with well-capitalized bank subsidiaries. These included nationwide interstate branching, insurance sales and underwriting, and full investment banking powers for such banking organizations. As you know, the Board strongly supports this approach. Well-capitalized banks rely far less on the safety net and thus should be permitted a broader range of activity. Changing technology and the public benefits of wider competition are important factors that led to the Board's support. In addition, the reward of expanded powers for well-capitalized, well-managed banks would provide a powerful incentive for banks to build and maintain their capital and to be managed prudently.

Potential to Reduce the Burden

Without prejudging the results of regulatory reviews currently under way, it seems clear that if regulatory burden is to be reduced significantly, legislative changes are needed. In the final analysis, the Congress must revisit its general approach to developing banking laws by establishing a more direct process for balancing the benefits of proposals with the burdens they impose.

In the Board's view, as I have noted, the net burden on all banks has increased significantly in recent years. As I have also noted, small banks find paperwork costs particularly burdensome because of staff limitations. Although excessive burden should be lifted wherever it exists, perhaps special consideration could be given to reducing the volume of paperwork required of them.

To reduce ongoing regulatory burden more generally, the Congress ought to take steps to avoid legislation that requires the imposition of regulations at the microlevel. The growing practice of stating specific standards in statutes or requiring, by law, that banks adopt detailed operating procedures developed by the regulatory agencies eliminates flexibility, which is important in a dynamic industry that is competing on an international basis. Sound supervisory standards can be developed and enforced without minutely detailed regulations in all areas.

Let me use FDICIA as an example of congressionally imposed burdens of this kind. Virtually every observer finds difficulty with the "tripwires" in section 132 that require banking agencies to establish standards specifying operating procedures for information systems, loan documentation, minimum ratios of market-to-book values, and the compensation of bank employees. The Board understands the frustration of the Congress at providing federal borrowing to replenish the FDIC fund, but such a response creates more cost than benefit. Each of these issues can be addressed in the supervisory process without the need for detailed implementing regulations.

Similarly, reimposing deposit rate ceilings for less-than-well-capitalized banks runs the risk of distorting bank decisionmaking and creating exactly the inefficiencies that the Congress sought to remove through the Depository Institutions Deregulation Committee. The same objectives intended by the reimposition of deposit rate ceilings in FDICIA could be obtained, at much less cost and with greater flexibility, by a simple congressional instruction that supervisors use their cease-and-desist powers whenever banks offer deposit rates that are inconsistent with safe and sound banking practices.

Still another example is the FDICIA's requirement that the Federal Reserve develop specific regulations imposing limits on interbank liabilities. Far less costly, and achieving the same results, would be a general instruction that supervisors evaluate carefully such interbank exposures. Indeed, in drafting our regulation to implement this provision of FDICIA, the Board has attempted, within the limits of the law, to focus on a bank's own evaluation of its interbank risk.

Although not a micromanagement issue, I would also note the unusually high reporting burden imposed by FDICIA in the requirement that banks report detailed data on their loans to small businesses and farms. The Board and other government agencies would find the information helpful for policymaking, but bank accounting systems simply do not lend themselves to providing this information easily. Yet the law requires that we collect these data from every bank on the Call Report. Some balancing of burden and benefit is clearly called for in this provision.

I might also add that regardless of their societal benefits, one cannot help but be impressed with the frequency and intensity of complaints by banks of all sizes about the heavy burden of paperwork costs for the Community Reinvestment Act—and those that will be involved in impending requirements of the Truth in Savings Act. I have just returned from hearings in several cities around the country and was particularly impressed with the intensity of bankers' concerns about the burden of these requirements—requirements that they note are not imposed on their nondepository rivals.

Bankers also cite the frequency with which statutes and regulatory changes are made. Experience with the Truth in Lending Act provides an excellent example of this point. The Congress completely revamped the act in 1980 as part of other legislation, and the Board rewrote its Regulation Z in 1981 to implement those changes. In 1984, the Congress changed the way credit card surcharges were to be treated under the law; in 1987 it added a requirement that variable interest rates be capped; and in 1988 it added two extensive sets of new requirements, one dealing with solicitations of credit card customers and the other dealing with home-secured lines of credit. Furthermore, at least three bills are currently under consideration that would amend the Truth in Lending Act again this year. The sheer volume of banking laws and regulations suggests that occasional amendments will be needed. But efforts to avoid what appears to bankers to be *constant* changes would help a great deal.

Balancing the objectives that the Congress had in mind in enacting these provisions—and many others—against their burden is not an easy task. One potentially promising approach for resolving such trade-offs may be to establish a nonpolitical commission to address a broad range of banking issues and to offer guidance for legislative and regulatory change. Such a commission could have as a specific goal assessing both the domestic and international competitive position of U.S. banks and the *reduction* of regulatory burden.

Conclusion

In closing, although the Federal Reserve strongly supports efforts to reduce regulatory burden, the prospects for meaningful reductions seem small without legislative relief. The most immediate step the Congress could take would be to repeal certain segments of the FDICIA before they take effect, provisions such as section 132, the effective reimposition of Regulation Q, limits on interbank liabilities, and the burdensome reporting of information not easily available to banks. In that way, not only would the Congress be reducing the burden, but it would also be limiting the imposition of additional burden and sparing the industry the initial compliance costs.

In the longer term, we welcome the congressional awareness of this issue that this hearing confirms. We also look forward to assisting this committee in the future to identify ways to reduce regulatory burden and to avoid future additions. □

Statement by Griffith L. Garwood, Director, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, before the Subcommittee on Consumer Affairs and Coinage of the Committee on Banking, Finance and Urban Affairs of the U.S. House of Representatives, June 24, 1992

I am pleased to appear before this subcommittee on behalf of the Board of Governors of the Federal Reserve System to comment on the "Lease-Purchase Agreement Act," H.R.4497, which would amend the Consumer Credit Protection Act. I am the director of the Board's Division of Consumer and Community Affairs. As you know, the Board is responsible for writing regulations for several consumer protection statutes, including the Truth in Lending Act and the Consumer Leasing Act.

If H.R.4497 is enacted, it would, for the first time on the federal level, impose disclosure and substantive requirements on transactions known alternately as "lease-purchase," "rental-purchase," or " rent-to-own" arrangements. Lease-purchase transactions typically involve short-term renewable rentals of property, for example, week-to-week or month-to-month rentals of televisions or major household appliances. After a certain number of payments have been made, the consumer becomes the owner of the leased property.

The Congress enacted the Consumer Leasing Act in 1976 as an amendment to the Truth in Lending Act, based on findings that a trend toward long-term leasing existed as an alternative to purchasing certain consumer items on credit and that consumers were not receiving adequate leasing cost disclosures. Like the credit provisions of the Truth in Lending Act, the Consumer Leasing Act requires that lessors provide uniform cost disclosures about consumer leases, including several in advertising. The Consumer Leasing Act generally applies to leases of personal property that involve $25,000 or less with a term of *more* than four months. A long-term automobile lease is the most common type of lease covered by the act. Because lease-purchase agreements are for *less* than four months initially—though they are often renewed for a much longer period—they are not covered by the Consumer Leasing Act. They are not covered by the Truth in Lending Act either, because they do not obligate (although they do permit) the consumer to make payments equal to the total value of the property and services involved to acquire ownership.

In 1980, the Truth in Lending Simplification Act amended the credit provisions of the Truth in Lending Act. No substantive statutory changes were made to the leasing provisions. After implementing the Truth in Lending Simplification Act, however, the Board took the initiative in investigating the need for simplification and reform of the Consumer Leasing Act. Meetings were held with various industry and consumer representatives to learn about industry developments and to solicit comment on whether problems existed with the present law and on what improvements might be made. Representatives of the automobile leasing industry at that time strongly supported simplification of the disclosure scheme under the Consumer Leasing Act.

Both industry and consumers had considerable interest in expanding the act to cover lease-purchase transactions of the type subject to H.R.4497. Members of the Board's Consumer Advisory Council and other consumer group representatives were concerned that consumers, particularly those with lower incomes, were entering into these transactions without the benefit of adequate cost disclosures and perhaps without appreciating how much they would have to pay over time to acquire ownership of the leased goods. Representatives from the lease–purchase industry for home appliances also supported expansion of the law to cover rent-to-own transactions and preferred a single federal scheme to the prospect of different treatment at the state level. Thus, in the early 1980s, a commonality of interest existed in support of amending the act to simplify existing disclosure requirements and to expand its coverage to include rent-to-own transactions.

As a result, in 1983 the Board sent to the Congress proposed amendments to the Consumer Leasing Act that were intended as a starting point for congressional consideration of these issues. In seeking to simplify the existing consumer leasing provisions, the proposal deemphasized the disclosure of terms that were considered less useful in comparison shopping between leases and more likely to be included in the lease contract. In addition, the Board's 1983 proposal added coverage of lease–purchase transactions under the Consumer Leasing Act.

The Board's proposal on lease–purchase transactions addressed the primary concerns associated with those transactions at the time. It provided for the disclosure of six basic terms, including the number and total amount of payments a consumer needed to make to acquire ownership of the leased property; a statement that the consumer acquires no equity in the property until the required payments have been made; whether the leased property is new or used; and a brief mention of certain charges such as reinstatement and late payment and default charges. The proposal also contained a provision that regulated the advertisement of lease–purchase transactions. Senate hearings were held in July 1983 to discuss a bill that incorporated the Board's proposal; however, amendments to the Consumer Leasing Act were never enacted.

Over the sixteen years that the Consumer Leasing Act has been in effect, the Board has received few formal consumer complaints regarding leases covered by the act. For example, since the beginning of 1991 only 15 of more than 3,500 complaints dealt with consumer leasing issues, and none of these complaints related to lease–purchase transactions. Information from the other federal regulatory agencies similarly indicates a small number of consumer complaints. Federal Reserve examiners have found few violations of the act and regulation in examining the limited number of state member banks that are involved in consumer leasing. Little interest has been expressed to the Board over the years by the banking industry, consumer groups, other federal agencies, or the leasing industry in general concerning any continued need to pursue simplification of the Consumer Leasing Act—one of the essential elements behind the Board's initiative in 1983. Thus, little indication exists that the Consumer Leasing Act, which has been in effect without change since 1976, is not working fairly efficiently.

With regard to lease–purchase legislation, most activity in this area over the past few years has been at the state level. More than thirty states now have lease–purchase laws that contain various required disclosure terms and, in some cases, substantive law provisions. Many of those requirements are similar to the provisions in the current bill. Notwithstanding state law, certain representatives of the lease–purchase industry continue to support federal legislation to cover lease–purchase transactions. But, unlike the situation in the early 1980s, it is unclear whether consumer group representatives continue to support federal coverage.

We have no doubt that disclosures to consumers of the most important features of lease–purchase transactions are beneficial—as recognized by the numerous state laws on the subject. These state laws may be sufficient. On the other hand, a uniform federal disclosure scheme for lease–purchase agreements that provides key information to consumers without causing a substantial compliance burden to lessors might prove beneficial, provided the various parties affected by such legislation can identify a genuine need for it. We think that the subcommittee should carefully consider these questions at the outset.

If it appears that federal legislation should be pursued, we would note that H.R.4497 goes beyond the Board's original lease–purchase disclosure scheme in several respects. For example, it adds additional disclosures about maintenance duties and warranties. These disclosures could have the effect of detracting attention from the essential cost information and would need to be explored. They also add a disclosure of the "cash price" yet seem to allow the lessor to set that price at any level—which raises questions about the utility of the additional disclosure. At least ten state statutes have this requirement, and we suggest that the subcommittee investigate how well this procedure has worked. In addition, the Board has generally not favored federal provisions concerning *substantive* contract matters—a significant number of which are contained in H.R.4497—given the historical role of the states in regulating such matters.

Despite the Board's 1983 proposal addressing lease–purchase agreements, it is important to recognize that the Federal Reserve has no first-hand experience with the subject. We simply offered our ideas as a complement to our initiative to simplify the consumer leasing provisions and as a starting place for congressional review. The Board has no supervisory relationship with any entities that engage in lease–purchase transactions. Consequently we suggest that, should the Congress choose to go forward on this matter, it give strong consideration to whether the Board would be the most appropriate agency to implement rules for lease–purchase transactions. We believe that the Federal Trade Commission, which would have enforcement authority over all of the affected entities, would be the more logical choice.

On a technical level, the Board questions why section 3 (making certain "conforming amendments" to the Truth in Lending Act) strikes various references to "consumer leases," "lessors," and "lessees" that are found in the Truth in Lending Act, as consumer leases are—and would remain under H.R.4497—subject to the consumer leasing provisions found in chapter 5 of that act. Moreover, we wonder whether it is the intention of this bill to amend the Truth in Lending Act by eliminating statutory damages for violations of the consumer leasing provisions, as is the seeming result of section 3(e)(1)(C).

We commend the chairman of this subcommittee for calling this hearing on H.R.4497. We hope that it will bring some focus to any concerns in this area from both the industry and the consumer interests and to the question of whether federal legislation is needed to regulate lease–purchase transactions. □

Announcements

RUSSIAN–AMERICAN BANKERS FORUM

A major initiative to assist Russia in the development of its banking and financial system infrastructure was announced on June 19, 1992, by Yuli Vorontsov, Adviser on Foreign Affairs to President Boris N. Yeltsin and Permanent Representative of the Russian Federation to the United Nations, and E. Gerald Corrigan, President of the Federal Reserve Bank of New York.

In response to a request by Russian President Boris Yeltsin, the Federal Reserve System, in cooperation with the Financial Services Volunteer Corps (FSVC), has agreed to a joint public sector–private sector effort that will provide broad-based technical assistance aimed at reform of the Russian banking and financial system. The FSVC is a private-sector organization that provides technical expertise in financial matters in emerging market economies.

As part of this initiative, a group known as the Russian–American Bankers Forum has been created to spearhead the effort. The first meeting of the Forum will take place in Moscow on June 25–26, 1992.

Besides Mr. Corrigan, who will be the American co-chairman, the other American members of the Forum are the following:

- Richard A. Debs, Chairman of R.A. Debs & Co. and former President of Morgan Stanley International Incorporated.
- John R. Opel, Chairman of the Executive Committee and former Chairman of the Board of International Business Machines Corporation.
- David Rockefeller, Chairman of the Rockefeller Group, Inc., and Chairman of the International Advisory Committee and former Chairman of The Chase Manhattan Bank.
- Cyrus R. Vance, Presiding Partner of the law firm of Simpson Thacher & Bartlett, former Secretary of State, former Secretary of the Army, and former Deputy Secretary of Defense.
- John Whitehead, Chairman of AEA Investors Inc., former Co-Chairman and General Partner of Goldman, Sachs & Co., and former Deputy Secretary of State.

The Russian co-chairman will be Mr. Vorontsov. The other Russian members of the Forum will be named in the near future. The Forum will have a small secretariat in Moscow, which is in the process of being established. There will also be a U.S. secretariat of the Forum, headed by Michele Godfrey, Corporate Secretary at the Federal Reserve Bank of New York.

The Forum will provide ongoing policy-level direction and support for working groups of U.S. experts, which, in collaboration with Russian experts, will provide direct "hands-on" technical assistance and advice to Russia aimed at the creation of the basic elements of a market-oriented banking and financial system.

The first such group was formed in early May and has been working in Moscow since May 26. Their efforts are aimed at assisting the Russians in (1) the development of retail banking and payment services; (2) the development of an interbank market and a system for large-value third-party payments; and (3) the creation of a market for government securities.

The working group currently in Moscow consists of seventeen individuals drawn from the Federal Reserve System, commercial banks, law firms, and other organizations. The effort is being coordinated by Frederick C. Schadrack, former Executive Vice President of the Federal Reserve Bank of New York. Bruce J. Summers, Deputy Director, Division of Reserve Bank Operations and Payment Systems, Federal Reserve Board, has responsibility for the subgroup handling the development of an interbank market and third-party money transfers. Robert W. Eisenmenger, former First Vice President of the Federal Reserve Bank of Boston, is heading the subgroup on retail banking and payments, and Donald B. Reifler, former Managing

Director of the Morgan Guaranty Trust Company, is heading the subgroup on the creation of a government securities market.

The first phase of the efforts of the working group is scheduled to be completed in time for the June 25–26 meeting of the Forum. The working group is expected to present recommendations to the Forum and suggest approaches for the next phase. Also, the Forum members may consider other matters of mutual interest, including technical advice and support in areas such as privatization and direct investment. The meetings of the Forum will be informal and no communiqués concerning the Forum's discussions are expected to be issued. □

Legal Developments

FINAL RULE—AMENDMENT TO REGULATION Y

The Board of Governors is amending 12 C.F.R. Part 225, its Regulation Y (Bank Holding Companies and Changes in Bank Control) by streamlining certain procedural requirements in that rule to reduce unnecessary regulatory burden.

The revisions include: the publication of criteria to determine whether an application under the Bank Holding Company Act ("BHC Act") may be waived for transactions involving certain bank mergers; an increase in the size of nonbank companies that can be acquired by a bank holding company under the Board's 15-day expedited notice procedures; and an increase in the relative size of nonbank assets that can be acquired by a bank holding company in the ordinary course of business without prior Federal Reserve System ("System") approval.

Effective June 29, 1992, the Board is amending 12 C.F.R. Part 225 to read as follows:

Part 225—Bank Holding Companies and Change in Bank Control

1. The authority citation for part 225 continues to read as follows:

Authority: 12 U.S.C. 1817(j)(13), 1818, 1831(i), 1843(c)(8), 1844(b), 3106, 3108, 3907, 3909, 3310, and 3331-3351, and sec. 306 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (Pub. L. No. 102–242, 105 Stat. 2236 (1991)).

2. Section 225.12 is amended by redesignating paragraphs (d) heading and introductory text, (d)(1), and (d)(2) as paragraphs (d)(1) heading and introductory text, (d)(1)(i), and (d)(1)(ii), respectively, and by adding a new paragraph (d)(2) to read as follows:

Section 225.12—Transactions not requiring Board approval.

* * * * *

(d)(1) * * *

(2) *Certain acquisitions subject to the Bank Merger Act.* The acquisition by a bank holding company of shares of a bank or company controlling a bank as part of the merger or consolidation of the bank with a subsidiary bank (other than a nonoperating subsidiary bank) of the acquiring bank holding company, or the purchase of substantially all of the assets of the bank by a subsidiary bank (other than a nonoperating subsidiary bank) of the acquiring bank holding company, if—

(i) the bank merger, consolidation, or asset purchase occurs simultaneously with the acquisition of the shares of the bank or bank holding company, and the bank is not operated by the acquiring bank holding company as a separate entity other than as the survivor of the merger, consolidation or asset purchase;

(ii) the transaction requires the prior approval of a Federal supervisory agency under the Bank Merger Act (12 U.S.C. 1828(c));

(iii) the transaction does not involve the acquisition of any nonbank company that would require prior approval under section 4 of the Bank Holding Company Act (12 U.S.C. 1843);

(iv) both before and after the transaction, the acquiring bank holding company meets the Board's Capital Adequacy Guidelines (appendices A and B); and

(v) the acquiring bank holding company has provided written notice of the transaction to the Reserve Bank at least 30 days prior to the transaction, and during that period, the Reserve Bank has not informed the bank holding company that an application under section 225.11 is required.

* * * * *

3. Section 225.23 is amended by revising paragraph (f)(2)(i), and by republishing paragraph (f)(2) introductory text, to read as follows:

Section 225.23—Procedures for applications, notices, and hearings.

* * * * *

(f) *Expedited procedure for small acquisitions* — * * *

* * * * *

(2) *Criteria for use of expedited procedure.* The procedure in this paragraph is available only if:

(i) Neither the book value of the assets to be acquired nor the gross consideration to be paid for the securities or assets exceeds the greater of:

(A) $15 million; or

(B) 5 percent of the consolidated assets of the acquiring company up to a maximum of $100 million;

* * * * *

4. Section 225.132 is amended by revising the second sentence in paragraph (c)(2) to read as follows:

Section 225.132—Acquisition of assets.

* * * * *

(c) * * *

(2) * * * For purposes of this interpretation, an acquisition would generally be presumed to be significant if the book value of the nonbank assets being acquired exceeds 50 percent of the book value of the nonbank assets of the holding company or nonbank subsidiary comprising the same line of activity.

* * * * *

Orders Issued Under Bank Holding Company Act

Orders Issued Under Section 3 of the Bank Holding Company Act

Golden Financial Corporation Elizabethtown, Kentucky

Order Approving Formation of a Bank Holding Company

Golden Financial Corporation, Elizabethtown, Kentucky ("Golden"), has applied under section 3(a)(1) of the Bank Holding Company Act ("BHC Act") (12 U.S.C. § 1842(a)(1)) to become a bank holding company by acquiring all of the voting shares of Fort Knox National Bank, Radcliff, Kentucky ("Bank").

Notice of the application, affording interested persons an opportunity to submit comments, has been published (57 *Federal Register* 916 (1992)). 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.

Golden is a non-operating corporation formed for the purpose of acquiring Bank. Bank is the 226th largest banking organization in Kentucky, and controls deposits of $11.5 million, representing less than 1 percent of total deposits in commercial banking organizations in the state.[1] Bank operates in the Elizabethtown, Kentucky, banking market,[2] and controls 1.75 percent of the total deposits in commercial banks in the market. Golden and its principals are not affiliated with any other depository institution in the market. Based on all the facts of record, the Board concludes that consummation of the proposed transaction would not result in any significantly adverse effects on competition or the concentration of banking resources in any relevant banking market. Accordingly, the Board concludes that competitive considerations are consistent with approval of the application. The Board also concludes that the financial and managerial resources and the future prospects of Golden and Bank as well as other factors the Board must consider under section 3 of the BHC Act are consistent with approval.[3]

Section 3 of the BHC Act also requires the Board to consider the effects of the proposal on the convenience and needs of the communities to be served, including a review of performance under the Community Reinvestment Act (12 U.S.C. § 2901 *et seq.*) ("CRA"). The CRA requires the federal financial supervisory agencies to encourage financial institutions to help meet the credit needs of the local communities in which they operate, consistent with the safe and sound operation of such institutions.

The Board has reviewed the CRA performance record of Bank in light of general comments received from two individuals that Bank is unresponsive and unfair in meeting the credit needs of its community.[4] These commenters do not allege weaknesses in any areas of Bank's CRA performance record, and do not provide evidence to support their allegations. The Board notes that Bank received a "satisfactory" rat-

1. Data are as of September 30, 1991.

2. The Elizabethtown, Kentucky banking market is approximated by Hardin and Larue Counties, Kentucky, plus the area around Muldraugh in Meade County, Kentucky.

3. Two commenters have noted that numerous civil actions are pending against Bank and have alleged that Bank management has violated state and federal securities laws. The Board has considered these comments in light of all the facts of record, including information received from securities and law enforcement agencies at the federal and state levels and examination reports from Bank's primary regulator, the Office of the Comptroller of the Currency ("OCC"). The Board notes that OCC has endorsed this application, citing specifically the abilities of the proposed management and management's business plan for Bank. Bank's pending civil litigation consists almost entirely of actions to foreclose on collateral securing debts owed to Bank and, in some cases, borrowers have filed counterclaims alleging misconduct by Bank's management in their loan transactions. These proceedings will provide borrowers with an adequate remedy if Bank's alleged misconduct can be established in the individual loan transactions. On the basis of all the facts of record, the Board concludes that protestants' comments on managerial considerations are not supported by the record of this application.

4. Both commenters are currently involved with Bank in unrelated foreclosure actions.

ing in its most recent examination for CRA performance by Bank's primary regulator, the OCC. The Statement of the Federal Financial Supervisory Agencies Regarding the Community Reinvestment Act provides that a CRA examination is an important and often controlling factor in the consideration of an institution's CRA record in the absence of significant and supported allegations from a commenter. In light of all the facts of record in this case, which include the comments filed and the results of Bank's CRA performance examinations, the Board concludes that the convenience and needs considerations, including the CRA performance record of Bank, are consistent with approval of this application.

Based on all the facts of record, the Board has determined that the application should be, and hereby is, approved.[5] The Board's approval is specifically conditioned upon compliance with the commitments made by Golden in connection with this application. All of the commitments and conditions relied on by the Board in reaching its decision in this case are conditions imposed in writing by the Board in connection with its findings and decision and may be enforced in proceedings under applicable laws.

The transaction approved in this Order 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 St. Louis, pursuant to delegated authority.

By order of the Board of Governors, effective June 15, 1992.

Voting for this action: Chairman Greenspan and Governors Mullins, Kelley, LaWare, Lindsey, and Phillips. Absent and not voting: Governor Angell.

JENNIFER J. JOHNSON
Associate Secretary of the Board

5. Two protestants have requested that the Board hold a public hearing or meeting on these applications. Section 3(b) of the BHC Act does not require the Board to hold a hearing on an application unless the appropriate banking authority for the bank to be acquired makes a timely written recommendation of denial of the application. In this case, the OCC supports the proposal.

Generally, under the Board's rules, the Board may, in its discretion, hold a public hearing or meeting on an application to clarify factual issues related to the application and to provide an opportunity for testimony, if appropriate. 12 U.S.C. §§ 262.3(e) and 262.25(d). The Board has carefully considered this request. In the Board's view, protestants have had ample opportunity to present written submissions, and protestants have submitted written comments that have been considered by the Board. Further, protestants have not identified facts that are material to the Board's decision and that are in dispute. Therefore, the Board has determined that a public meeting or hearing is not necessary to clarify the factual record in this application, or otherwise warranted in this case, and the request for a public meeting or hearing on this application is denied.

Orders Issued Under Section 4 of the Bank Holding Company Act

The Shorebank Corporation
Chicago, Illinois

Order Approving Provision of Community Development Activities

The Shorebank Corporation, Chicago, Illinois ("Shorebank"), a bank holding company under the Bank Holding Company Act ("BHC Act"), has applied under section 4(c)(8) of the BHC Act (12 U.S.C. § 1843(c)(8)) and section 225.23 of the Board's Regulation Y (12 C.F.R. 225.23), to engage in community development activities through North Coast BIDCO, Inc. ("North Coast"), and the Northern Economic Initiatives Corporation ("NEIC"), both *de novo* subsidiaries located in Marquette, Michigan. These activities will be conducted pursuant to section 225.25(b)(6) of the Board's Regulation Y (12 C.F.R. 225.25(b)(6)).

Notice of the applications, affording an opportunity for interested persons to submit comments, has been published (57 *Federal Register* 9422 (1992)). 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 4(c)(8) of the BHC Act.

Shorebank, with approximately $211.5 million in banking assets, is the 98th largest banking organization in Illinois.[1]

North Coast is a newly chartered business and industrial development corporation ("BIDCO") licensed under Michigan law. Michigan BIDCOs are state-regulated private corporations established to promote economic development through the provision of moderate-risk growth capital and management assistance to small businesses.

North Coast's activities will be conducted in conjunction with the Michigan Strategic Fund ("MSF") under Michigan's Rural BIDCO Program.[2] This program encourages the creation of BIDCOs in rural areas, and North Coast will conduct its activities in the Upper Peninsula region of Michigan, which consists of 15 economically depressed counties. North Coast will make equity, subordinated debt, and long-term seed investments in new and expanding small businesses for profit. These investments will generally provide "gap" financing for the non-bankable portion of fi-

1. Asset data are as of December 31, 1991.
2. The Michigan Strategic Fund will provide a loan to North Coast that converts into a grant under a formula based on the number of new jobs and increased sales resulting from North Coast's activities in designated rural communities.

nancing packages offered by conventional lenders in the Upper Peninsula region.

Shorebank also proposes to provide technical assistance and advice to small businesses on measures to increase employment opportunities in low- and moderate-income areas through the Northern Economic Initiatives Corporation ("NEIC"). NEIC will be organized as a non-profit community development corporation, and will be the successor to the Northern Economic Initiatives Center, a department of Northern Michigan University that has engaged in these activities for the last seven years.[3]

The Board has recognized the benefit of allowing bank holding companies to participate in community development activities based on their unique role in the community and has adopted a regulation permitting bank holding companies to make debt and equity investments in community development corporations or projects.[4] To provide bank holding companies flexibility in approaching community problems, the Board has not limited the scope of investments that may be made through community development corporations.

The Board's regulations permit investments in projects that are designed primarily to promote community welfare, including investments in projects designed explicitly to create improved job opportunities for low- and moderate-income groups,[5] and Shorebank has committed to limit the activities of North Coast to these types of projects in the Upper Peninsula region.[6] Accordingly, the proposed activities appear consistent with the Board's regulations and precedent and are permissible for bank holding companies. The Board also has previously approved the provision of advisory and related services to programs designed to promote community development, and the activities of NEIC do not differ materially from the activities previously approved by the Board.[7] Accordingly, the Board concludes that the proposed activities are community development activities permissible under section 4(c)(8) of the BHC Act and section 225.25(b)(6) of Regulation Y.

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

Consummation of this proposal can reasonably be expected to result in public benefits that outweigh adverse effects. The Board expects that Shorebank's *de novo* entry into the market for community development services will provide benefits to the community, particularly to low- and moderate-income individuals. There is no evidence in the record to indicate that consummation of this proposal is likely to result in any significantly adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices. Accordingly, the Board has determined that the balance of public interest factors it must consider under section 4(c)(8) of the BHC Act is favorable and consistent with approval.

Based on the foregoing and all the facts of record, including the commitments made by Shorebank in connection with these applications, the Board has determined that the applications should be, and hereby are, approved. This determination is also subject to all the conditions set forth in the Board's Regulation Y, including those in 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 bank 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. The Board's approval of this proposal is specifically conditioned on compliance by Shorebank and its subsidiaries with these conditions and commitments which are conditions imposed in writing by the Board in connection with its findings and decision and may be enforced in proceedings under applicable law.

This transaction shall not be consummated 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 June 1, 1992.

Voting for this action: Chairman Greenspan and Governors Mullins, Kelley, LaWare, Lindsey, and Phillips. Absent and not voting: Governor Angell.

JENNIFER J. JOHNSON
Associate Secretary of the Board

---

3. NEIC will also succeed to an existing micro-enterprise loan fund for new and established small businesses. Currently this fund has $100,000 in loans outstanding.

4. 12 C.F.R. 225.25(b)(6). *See also* 12 C.F.R. 225.127 ("Bank holding companies possess a unique combination of financial and managerial resources making them particularly suited for a meaningful and substantial role in remedying our social ills.").

5. 12 C.F.R. 225.127(d)(3).

6. Shorebank also has committed that funds lent from NEIC's micro-enterprise fund will be for the same purpose.

7. *First American Corporation, 75 Federal Reserve Bulletin* 576 (1989); *Shorebank Corporation, 74 Federal Reserve Bulletin* 140 (1988).

Orders Issued Under Bank Merger Act

Manufacturers and Traders Trust Company Buffalo, New York

Order Approving the Merger of Banks

Manufacturers and Traders Trust Company, Buffalo, New York ("M&T Bank"), a state member bank, has applied under section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. § 1828(c)) (the "Bank Merger Act") to merge with Central Trust Company, Rochester, New York ("Central"), and Endicott Trust Company, Endicott, New York ("Endicott"), with M&T Bank as the surviving entity.[1] M&T Bank also has applied under section 9 of the Federal Reserve Act (12 U.S.C. § 321) to establish branches at the sites of the branches of Central and Endicott.

Notice of the applications, affording interested persons an opportunity to submit comments, has been given in accordance with the Bank Merger Act and the Board's Rules of Procedure (12 C.F.R. 262.3(b)). As required by the Bank Merger Act, reports on the competitive effects of the merger were requested from the United States Attorney General, the Office of the Comptroller of the Currency ("OCC"), and the Federal Deposit Insurance Corporation ("FDIC"). 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 the Bank Merger Act and in section 9 of the Federal Reserve Act.

First Empire, M&T's parent bank holding company, is the 12th largest commercial banking organization in New York, controlling deposits of $5.7 billion, representing approximately 2.2 percent of total deposits in commercial banking organizations in the state. Central controls deposits of $1 billion, representing less than 1 percent of the total deposits in commercial banks in the state. Endicott controls deposits of $276 million, representing less than 1 percent of the total deposits in commercial banks in the state. Upon consummation of the proposal, First Empire would become the 11th largest commercial banking organization in New York, controlling $7 billion in deposits, representing approximately 2.7 percent of the total deposits in commercial banking organizations in the state.

M&T Bank and Central compete directly in the Buffalo, Rochester, and Olean banking markets in New York. In the Buffalo, New York banking market,[2] M&T Bank is the largest of 18 depository institutions. M&T Bank controls deposits of $4.9 billion, representing 32.4 percent of the total deposits in depository institutions in the market ("market deposits").[3] Central is the 17th largest depository institution in the market, controlling $17.7 million in deposits, representing less than 1 percent of market deposits. Upon consummation of this proposal, M&T Bank would control 32.5 percent of market deposits. The Herfindahl–Hirschman Index ("HHI") for the market is 2063 and would increase by 7 points to 2070 upon consummation of the proposal.[4] The Attorney General has indicated that the proposal would not have a significantly adverse effect on competition in any relevant banking market. Neither the OCC nor the FDIC has provided any objection to consummation of this proposal or indicated that the proposal would have any significant adverse competitive effects.

After considering the competition offered by other depository institutions in the market, the number of competitors remaining in the market, the level of and the increase in market concentration, and the other facts of record, the Board concludes that consummation of this proposal would not have a significantly adverse effect on competition or the concentration of banking resources in the Buffalo banking market or in any other relevant banking market.[5]

The financial and managerial resources and future prospects of M&T Bank and Central and Endicott are consistent with approval. Considerations relating to

1. M&T Bank is a wholly owned subsidiary of First Empire State Corporation, Buffalo, New York ("First Empire"). Central and Endicott are wholly owned subsidiaries of Midlantic Corporation, Edison, New Jersey.

2. The Buffalo, New York market is approximated by Erie and Niagara Counties in New York.

3. In this context, depository institutions include commercial banks, savings banks, and savings associations. Market share data are based on calculations in which the deposits of thrift institutions are included at 50 percent. The Board previously has indicated that thrift institutions have become, or have the potential to become, significant competitors of commercial banks. *See Midwest Financial Group*, 75 *Federal Reserve Bulletin* 386 (1989); *National City Corporation*, 70 *Federal Reserve Bulletin* 743 (1984).

4. Under the revised Department of Justice Merger Guidelines, 49 *Federal Register* 26,823 (June 29, 1984), a market in which the post-merger HHI is above 1800 is considered highly concentrated. In such markets, the Justice Department is likely to challenge a merger that increases the HHI by more than 50 points. The Justice Department has informed the Board that a bank merger or acquisition generally will not be challenged (in the absence of other factors indicating anti-competitive effects) unless the post-merger HHI is at least 1800 and the merger increases the HHI by 200 points. The Justice Department has stated that the higher than normal HHI thresholds for screening bank mergers for anti-competitive effects implicitly recognize the competitive effect of limited-purpose lenders and other non-depository financial entities.

5. In the Rochester banking market, M&T Bank would control 10.4 percent of market deposits upon consummation of this proposal. The HHI would increase by 54 points to 1130 and 28 depository institutions would continue to operate in the market.

In the Olean banking market, M&T Bank would control 3.8 percent of market deposits upon consummation of this proposal. The HHI would increase by 6 points to 1609 and 13 depository institutions would continue to operate in the market.

the convenience and needs of the community to be served also are consistent with approval.

M&T Bank also has applied under section 9 of the Federal Reserve Act to establish branches at the existing branch locations of Central and Endicott. The Board has considered the factors it is required to consider when reviewing applications for establishing branches pursuant to section 9 of the Federal Reserve Act and, for the reasons stated in the Order, finds those factors to be consistent with approval.

Based on the foregoing and all the facts of record, including the commitments made by M&T Bank in connection with these applications, the Board has determined that the applications should be, and hereby are, approved. The Board's approval of this proposal is specifically conditioned on compliance with these commitments and conditions which are conditions imposed in writing by the Board in connection with its findings and decision and may be enforced in proceedings under applicable law.

The merger of the banks 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 New York, acting pursuant to delegated authority.

By order of the Board of Governors, effective June 1, 1992.

Voting for this action: Chairman Greenspan and Governors Mullins, Kelley, LaWare, Lindsey, and Phillips. Absent and not voting: Governor Angell.

JENNIFER J. JOHNSON
Associate Secretary of the Board

ACTIONS TAKEN UNDER THE FEDERAL DEPOSIT INSURANCE CORPORATION IMPROVEMENT ACT

By the Board

June 8, 1992

Ms. Kim Kunz
Alex Sheshunoff & Company, Inc.
505 Barton Springs Road, Suite 1300
Austin, Texas 78704

Dear Ms. Kunz:

BancFirst Corp., Zanesville, Ohio ("BancFirst"), has proposed to acquire certain assets and assume certain liabilities of the Dresden, Ohio, branch of Home Savings of America, F.S.B., Irwindale, California ("Home Savings"), through its bank subsidiary, The First National Bank of Zanesville, Zanesville, Ohio ("Bank"). BancFirst has requested Board approval of this transaction pursuant to section 5(d)(3) of the Federal Deposit Insurance Act (12 U.S.C. § 1815(d)(3) ("FDI Act")), as amended by the Federal Deposit Insurance Corporation Improvement Act of 1991 (Pub. L. No. 102–242, § 501, 105 Stat. 2236, 2388-2392 (1991)). Section 5(d)(3) of the FDI Act requires the Board to follow the procedures and consider the factors set forth in the Bank Merger Act (12 U.S.C. § 1828(c)). 12 U.S.C. § 1815(d)(3)(E).[1]

BancFirst, with $258 million in deposits, is the 31st largest commercial banking organization in Ohio.[2] Bank and Home Savings compete in the Zanesville, Ohio, banking market.[3] Bank is the largest of seven commercial banking or thrift institutions in this market (together, "depository institutions"), controlling deposits of $210 million, representing approximately 29.7 percent of total deposits in depository institutions in the market ("market deposits"). Home Savings controls $32.8 million in deposits in the market. With thrift deposits in the market weighted at 50 percent,[4] Home Savings is the smallest depository institution in the market, representing approximately 2.3 percent of market deposits. Upon consummation of this proposal, Bank would control $242.8 million in deposits, representing approximately 33.5 percent of market deposits.[5] The Herfindahl–Hirschman Index ("HHI") for this market would increase by 188 points to 2221.[6]

1. These factors include considerations relating to competition, financial and managerial resources, and future prospects of the existing and proposed institutions, and the convenience and needs of the communities to be served. 12 U.S.C. § 1828(c).

2. Deposit data are as of June 30, 1991; market data are as of June 30, 1990.

3. The Zanesville banking market is approximated by all of Muskingum County, Ohio, except the Village of New Concord, plus Harrison Township in adjacent Perry County.

4. *See, e.g., First Hawaiian, Inc.*, 77 *Federal Reserve Bulletin* 52, 55 (1991); *First Union Corporation*, 76 *Federal Reserve Bulletin* 83, 85 (1990).

5. Because the deposits of Home Savings would be transferred to a commercial bank pursuant to BancFirst's proposal, those deposits are included at 100 percent following Bank's proposed assumption of these deposits. *See First Banks, Inc.*, 76 *Federal Reserve Bulletin* 669, 670 n.9 (1990); *Norwest Corporation*, 78 *Federal Reserve Bulletin* 452 (1992).

6. Under the revised Department of Justice Merger Guidelines, 49 *Federal Register* 26,823 (June 29, 1984), a market in which the post-merger HHI is above 1800 is deemed to be highly concentrated. In such markets, the Justice Department is likely to challenge a merger that increases the HHI by more than 50 points. However, the Justice Department has informed the Board that a bank merger or acquisition generally will not be challenged (in the absence of other factors indicating anticompetitive effects) unless the post-merger HHI is at least 1800 and the merger increases the HHI by more than 200 points. The Justice Department has stated that the higher-than-normal HHI thresholds for screening bank mergers for anticompetitive effects

In light of the small increase in market concentration, the number of competitors remaining in the market, certain attractive features of the market, and other facts of record in this case, the Board concludes that consummation of this proposal would not have a significantly adverse effect on competition or the concentration of banking resources in the Zanesville banking market or in any other relevant banking market.

The Board also concludes that the financial and managerial resources and future prospects of Bank and BancFirst are consistent with approval of this application. Moreover, the record in this case shows that:

(1) The transaction will not result in the transfer of any federally insured depository institution's federal deposit insurance from one federal deposit insurance fund to the other;

(2) BancFirst and Bank currently meet, and upon consummation of the proposed transaction will continue to meet, all applicable capital standards; and

(3) Since Bank is located in Ohio and is acquiring certain assets and assuming certain liabilities of an Ohio branch office of a federal savings bank, the proposed transaction would comply with the Douglas Amendment if Home Savings were a state bank that BancFirst was applying to acquire directly. *See* 12 U.S.C. § 1815(d)(3).

Based on the foregoing and all of the facts of record, the Board has determined that this application should be, and hereby is, approved.[7] This approval is subject to Bank obtaining the required approval of the appropriate Federal banking agency for the proposed merger under the Bank Merger Act. The Board's approval of this application also is conditioned upon BancFirst's compliance with the commitments made in connection with this application. The commitments and conditions referred to above are conditions imposed in writing by the Board in connection with its findings and decision, and may be enforced under applicable provisions of law. This approval is limited to the proposal presented to the Board by BancFirst, and may not be construed as approving any other transaction.

This transaction may 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 by the Board or the Federal Reserve Bank of Cleveland, acting pursuant to delegated authority. In connection with this provision, advice of the fact of consummation should be given in writing to the Reserve Bank.

Very truly yours,

JENNIFER J. JOHNSON
Associate Secretary of the Board

cc: James H. Nicholson, BancFirst Corp.
Federal Reserve Bank of Cleveland
Tom Hesselbrock, Federal Deposit Insurance Corporation
Office of the Comptroller of the Currency
Department of Justice

June 24, 1992

Juliet B. Krassenstein, Esq.
Buchanan Ingersoll, P.C.
58th Floor
600 Grant Street
Pittsburgh, Pennsylvania 15219

Dear Ms. Krassenstein:

Integra Financial Corporation, Pittsburgh, Pennsylvania ("Integra"), has proposed to acquire Landmark Savings Association, also of Pittsburgh ("Landmark"), and its subsidiaries, pursuant to section 4(c)(8) of the Bank Holding Company Act ("BHC Act") and section 225.25(b)(9) of the Board's Regulation Y (12 C.F.R. 225.25(b)(9)). Integra also has applied, pursuant to section 5(d)(3) of the Federal Deposit Insurance Act (12 U.S.C. § 1815(d)(3)) (the "FDI Act"), as amended by the Federal Deposit Insurance Corporation Improvement Act of 1991 (Pub. L. No. 102–242, § 501, 105 Stat. 2236, 2388-2392 (1991)) to merge Landmark into its subsidiary bank, Integra National Bank/Pittsburgh, Pittsburgh, Pennsylvania ("Bank"). Section 5(d)(3) of the FDI Act requires the Board to follow the procedures and consider the factors set forth in the Bank Merger Act (12 U.S.C. § 1828(c)). 12 U.S.C. § 1815(d)(3)(E).[1]

The Board has previously determined that the operation of a savings association is closely related to banking and permissible for bank holding companies (12 C.F.R. 225.25(b)(9)). In making this determination, the Board required that savings associations

implicitly recognize the competitive effect of limited-purpose lenders and other non-depository financial institutions.

7. Voting for this action: Chairman Greenspan and Governors Mullins, Angell, Kelley, LaWare, Lindsey, and Phillips.

1. These factors include considerations relating to competition, financial and managerial resources, and future prospects of the existing and proposed institutions, and the convenience and needs of the communities to be served. 12 U.S.C. § 1828(c).

acquired by bank holding companies conform their direct and indirect activities to those permissible for bank holding companies under section 4 of the BHC Act. Integra has committed to conform all activities of Landmark to the requirements of section 4 and Regulation Y.[2]

Integra operates four subsidiary banks in Pennsylvania and is the sixth largest commercial banking organization in the state, controlling $7.2 billion in deposits, representing 5.4 percent of total deposits in commercial banking organizations in the state.[3] Landmark is the third largest thrift institution in the state, controlling deposits of $1.1 billion. Upon consummation of these transactions, Integra would remain the sixth largest commercial banking organization in the state, controlling $8.3 billion in deposits.

Integra and Landmark directly compete in the Pittsburgh,[4] Greensburg-Latrobe,[5] and Butler[6] banking markets, all located in Pennsylvania. Integra is the second largest of 11 depository institutions in the Butler banking market, controlling deposits of $203.3 million, representing 22.1 percent of total deposits in depository institutions in the market.[7] Landmark is the sixth largest depository institution in the Butler banking market, controlling $124.6 million in deposits, representing 6.8 percent of total deposits in depository institutions in the market. Upon consummation of this proposal, Integra would become the largest depository institution in the market, controlling $327.9 million in deposits, representing 33.4 percent of total deposits in depository institutions in the market. The Herfindahl–Hirschman Index ("HHI") would increase by 432 points to 2163.[8]

In order to mitigate the adverse competitive effects that would otherwise result from consummation of this proposal, Integra has committed to divest, within 180 days, two of Landmark's offices in the Butler banking market with combined deposits of $62.7 million.[9] Following this divestiture, Integra would remain the largest depository institution in the market, controlling deposits of $265.1 million, representing 27 percent of total deposits in depository institutions in the market. After consummation of this proposal and completion of the divestiture, ten competitors would remain in the market and the HHI would increase by 180 points to 1911. Based on all the facts of record in this case,[10] and subject to the divestiture commitments made by Integra, the Board concludes that consummation of this proposal would not result in any significantly adverse effect on competition in Butler or any relevant banking market.[11]

2. Landmark has five non-bank subsidiaries. Two of these subsidiaries are engaged in activities that are not authorized under the Board's Regulation Y. L/M Development, Inc. is a joint venture investing in real estate, and Landmark Tri-Rivers Insurance Agency, Inc. ("Tri-Rivers") is an insurance company engaging in the sale, as agent, of permissible credit-related accident and health insurance and impermissible property and casualty insurance. L/M Development is currently inactive and performs no real estate development activities; it will be liquidated within two years of consummation of this proposal. Integra has committed that the property and casualty insurance activities of Tri-Rivers will cease prior to or contemporaneously with the consummation of the proposed transactions, and that the portfolio of insurance policies held by Tri-Rivers at the time of consummation will be divested within two years of consummation.

3. State deposits are as of December 31, 1991. Market data are as of June 30, 1990.

4. The Pittsburgh banking market consists of Allegheny County; the southern two tiers of townships in Butler County; the southern one-third of Armstrong County; the southern tier of townships in Beaver County; the northern two tiers of townships in Washington County; and the western one-third of Westmoreland County, Pennsylvania.

5. The Greensburg-Latrobe banking market consists of the eastern two-thirds of Westmoreland County, Pennsylvania.

6. The Butler banking market consists of Butler County, excluding the southern two tiers of townships, and five townships in the northeastern corner of Armstrong County.

7. In this context, depository institutions include commercial banks, savings banks and savings associations. Market share data before consummation are based on calculations in which the deposits of thrift institutions are included at 50 percent. The Board previously has indicated that thrift institutions have become, or have the potential to become, major competitors of commercial banks. *See Midwest Financial Group*, 75 *Federal Reserve Bulletin* 386 (1989); *National City Corporation*, 70 *Federal Reserve Bulletin* 743 (1984). Because the deposits of Landmark would be transferred to a commercial bank under this proposal, those deposits are included at 100 percent in the calculation of pro-forma market share. *See First Banks, Inc.*, 76 *Federal Reserve Bulletin* 669, 670 n. 9 (1990); *Norwest Corporation*, 78 *Federal Reserve Bulletin* 452 (1992).

8. Under the revised Department of Justice Merger Guidelines, 49 *Federal Register* 26,823 (1984), a market in which the post-merger HHI is above 1800 is considered to be highly concentrated. In such markets, the Justice Department is likely to challenge a merger that increases the HHI by more than 50 points. The Justice Department has informed the Board that a bank merger or acquisition generally will not be challenged (in the absence of other factors indicating anti-competitive effects) unless the post-merger HHI is at least 1800 and the merger increases the HHI by more than 200 points. The Justice Department has stated that the higher than normal HHI thresholds for screening bank mergers for anti-competitive effects implicitly recognizes the competitive effect of limited-purpose lenders and other non-depository financial entities.

9. Integra has executed an agreement for the sale of the two Landmark offices to a competitor in the market. If the divestiture is not effected prior to consummation of this proposal, Integra has committed that an independent trustee will administer this agreement for the sale of the Landmark offices. If the trustee is unsuccessful in consummating the divestiture of the two offices within 180 days of consummation of the proposal to acquire Landmark, the trustee will then be required to sell the offices promptly. *See, e.g., Society Corporation*, 78 *Federal Reserve Bulletin* 302, 303 n.10 (1992); *First Hawaiian, Inc.*, 77 *Federal Reserve Bulletin* 52 (1991); *First Union Corporation*, 76 *Federal Reserve Bulletin* 83 (1990).

10. By letter dated May 22, 1992, the Department of Justice concluded that the proposed transaction would not have a significantly adverse effect on competition.

11. In the Pittsburgh banking market, Integra would control 12.7 percent of the total deposits in depository institutions in the market upon consummation of this proposal. The HHI for the market would not increase, and the market would remain concentrated.

In the Greensburg-Latrobe banking market, Integra would control 22.3 percent of total deposits in depository institutions in the market upon consummation of this proposal. The HHI would increase by 58 points to a level of 1458 and the market would remain moderately concentrated.

The Board also concludes that the financial and managerial resources and future prospects of Integra, Landmark, and their respective subsidiaries are consistent with approval of this proposal, in light of Integra's commitment to provide new capital to Bank upon completion of the merger. Considerations relating to the convenience and needs of the communities to be served and the other factors the Board must consider under the Bank Merger Act also are consistent with approval. Moreover, the record in this case shows that:

(1) The transaction will not result in the transfer of any federally insured depository institution's federal deposit insurance from one federal deposit insurance fund to the other;

(2) Integra and Bank currently meet and upon consummation of the proposed transactions will continue to meet, all applicable capital standards; and

(3) Since Bank is located in Pennsylvania and is merging with a Pennsylvania savings association, the proposed transaction would comply with the Douglas Amendment if Landmark were a state bank that Integra was applying to acquire directly. *See* 12 U.S.C. § 1815(d)(3).

Based on the foregoing and other factors of record, including the commitments made by Integra in connection with these applications, the Board has determined that the applications should be, and hereby are, approved.[12] The Board's approval of this proposal is specifically conditioned on compliance with these commitments and conditions, which are conditions imposed in writing by the Board in connection with its findings and decision and may be enforced in proceedings under applicable law. The determination as to the nonbanking subsidiary to be acquired also is subject to all of the conditions contained in the Board's Regulation Y, including those in 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 holding company or any of its subsidiaries as the Board finds necessary to assure compliance with, or prevent evasions of, the provisions and purposes of the BHC Act and the Board's regulations and orders issued thereunder.

The merger of Integra and Landmark shall not be consummated before the thirtieth calendar day following the effective date of this Order, and the merger shall not be consummated later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Cleveland, acting pursuant to delegated authority.

In connection with these provisions, advice of the fact of consummation of the transaction should be given in writing to the Reserve Bank.

Very truly yours,

JENNIFER J. JOHNSON
Associate Secretary of the Board

cc: Federal Reserve Bank of Cleveland
Office of the Comptroller of the Currency
Pennsylvania Secretary of Banking
Tom Hesselbrock, Federal Deposit Insurance Corporation

12. Voting for this action: Chairman Greenspan and Governors Mullins, Angell, Kelley, LaWare, Lindsey, and Phillips.

Actions Taken Under the Federal Deposit Insurance Corporation Improvement Act of 1991

By the Director of the Division of Banking Supervision and Regulation and the General Counsel of the Board

Copies are available upon request to the Freedom of Information Office, Office of the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Bank Holding Company	Acquired Thrift	Surviving Bank(s)	Approval Date
Firstar Corporation, Milwaukee, Wisconsin	Federated Bank, S.S.B., Wauwatosa, Wisconsin	First Wisconsin National Bank of Milwaukee, Milwaukee, Wisconsin	May 27, 1992
NBD Bank, National Association, Detroit, Michigan	NBD Bancorp, Inc., Detroit, Michigan	Great Lakes Bancorp, FSB, Ann Arbor, Michigan (Roosevelt Park, Michigan, branch)	June 15, 1992

Applications 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 the Freedom of Information Office, Office of the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Section 3

Applicant(s)	Bank(s)	Effective Date
Southern National Corporation, Lumberton, North Carolina	Southern Savings Bank of Elkin, Inc., S.S.B., Elkin, North Carolina Southern Savings Bank of Valdese, Inc., S.S.B., Valdese, North Carolina	May 29, 1992

Section 4

Applicant(s)	Bank(s)	Effective Date
First Security Financial Corporation, Salisbury, North Carolina	Omni Capital Group, Inc., Salisbury, North Carolina	June 26, 1992

APPLICATIONS APPROVED UNDER BANK MERGER 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 the Freedom of Information Office, Office of the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Applicant(s)	Bank(s)	Effective Date
First of America Bank-Ann Arbor, Ann Arbor, Michigan	First of America Bank-Plymouth N.A., Plymouth, Michigan	May 29, 1992

APPLICATIONS APPROVED UNDER BANK HOLDING COMPANY ACT

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(s)	Bank(s)	Reserve Bank	Effective Date
Allied Bank Capital, Inc., Sanford, North Carolina	Summit Savings Bank, Inc., SSB, Sanford, North Carolina	Richmond	June 4, 1992
A.N.B. Holding Company, Ltd., Terrell, Texas	The American National Bank of Terrell, Terrell, Texas	Dallas	May 27, 1992
Arlington State Banc Holding Company, Arlington, Nebraska	Arlington State Bank, Arlington, Nebraska	Kansas City	June 3, 1992
Banner Bancorp., Ltd., Birnamwood, Wisconsin	Eitzen Independents, Inc., Eitzen, Minnesota	Chicago	June 9, 1992

Section 3—Continued

Applicant(s)	Bank(s)	Reserve Bank	Effective Date
Baylor Bancshares, Inc., Seymour, Texas	The First National Bank in Whitney, Whitney, Texas	Dallas	June 4, 1992
Capitol Bancorp Ltd., Lansing, Michigan	Oakland Commerce Bank, Farmington Hills, Michigan	Chicago	May 22, 1992
CBA Bankshares, Inc., Americus, Georgia	Citizens Bank of Americus, Americus, Georgia	Atlanta	June 19, 1992
CB&T Financial Corp., Fairmont, West Virginia	The Westover Bank, Westover, West Virginia	Richmond	June 11, 1992
Citizens Holding Company, Inc., Talladega, Alabama	Citizens Bank of Talladega, Talladega, Alabama	Atlanta	June 8, 1992
City Holding Company, Charleston, West Virginia	Blue Ridge Bank, Inc., Martinsburg, West Virginia	Richmond	June 5, 1992
Country Bankers, Inc., Blooming Prairie, Minnesota	Farmers and Merchants State Bank of Blooming Prairie, Blooming Prairie, Minnesota Citizens State Bank of Hayfield, Hayfield, Minnesota	Minneapolis	June 19, 1992
Edwards Brothers Holding Company, Inc., Denton, Montana	Farmers State Bank of Denton, Denton, Montana	Minneapolis	May 29, 1992
Financial Institutions, Inc., Verona, Illinois	Verona Exchange Bank, Verona, Illinois	Chicago	June 9, 1992
First Bancshares Corporation, Gladstone, Michigan	First Bank, Upper Michigan, N.A., Gladstone, Michigan	Minneapolis	May 26, 1992
First Community Bancshares, Corp., Anamosa, Iowa	Lesernal Corporation, Anamosa, Iowa First Community Bancshares, Inc., Milton, Wisconsin	Chicago	June 17, 1992
First Integrity Bancshares, Inc., Staples, Minnesota	Frazee Bancorporation, Inc., Frazee, Minnesota	Minneapolis	May 29, 1992
First Metro Bancorp, Muscle Shoals, Alabama	First Metro Bank, Muscle Shoals, Alabama	Atlanta	May 29, 1992
The First Southeast Missouri Bancorporation, Scott City, Missouri	Exlanco, Inc., Marble Hill, Missouri	St. Louis	May 28, 1992

Section 3—Continued

Applicant(s)	Bank(s)	Reserve Bank	Effective Date
First State Bancshares, Inc., New London, Wisconsin	First State Bank, New London, Wisconsin	Chicago	May 26, 1992
Fortress Bancshares, Inc., Hartland, Wisconsin	W-CV Bancorp., Inc., Westby, Wisconsin	Chicago	June 11, 1992
Hill Bancshares, Inc., Weimar, Texas	Hill Bancshares of Delaware, Inc., Wilmington, Delaware Hill Bank & Trust Co., Weimar, Texas	Dallas	June 22, 1992
J & L Holdings Limited Partnership, San Marcos, Texas	Plainview Holding Company, Pilger, Nebraska	Kansas City	May 27, 1992
KSAD, Inc., Council Bluffs, Iowa	Rainwood Corporation, Omaha, Nebraska Williamsburg Holding Company, Omaha, Nebraska Nevada National Company, Omaha, Nebraska	Chicago	June 9, 1992
Lost Pines Bancshares-Delaware, Inc., Wilmington, Delaware	Lost Pines National Bank, Smithville, Texas	Dallas	June 12, 1992
Meigs County Bancshares, Inc., Decatur, Tennessee	Meigs County Bank, Decatur, Tennessee	Atlanta	May 29, 1992
MidAmerican Corporation, Shawnee Mission, Kansas	Jayhawk Bancshares, Inc., Kansas City, Missouri	Kansas City	June 1, 1992
Middle Georgia Corporation, Ellaville, Georgia	CBA Bankshares, Inc., Americus, Georgia	Atlanta	June 19, 1992
North American Bancorp, Inc., Pittsburgh, Pennsylvania	North Side Deposit Bank, Pittsburgh, Pennsylvania	Cleveland	May 29, 1992
Northwest Bancshares Corporation, Benton, Louisiana	First National Bank of Benton, Benton, Louisiana	Dallas	May 29, 1992
Park Bankshares, Inc., Lake Park, Florida	First National Bank of Lake Park, Lake Park, Florida	Atlanta	June 24, 1992
Pioneer Bancshares, Inc., Chattanooga, Tennessee	Pioneer Bank, Chattanooga, Tennessee	Atlanta	May 29, 1992
Prairie Bancorp, Inc., Manlius, Illinois	First Hanover Bancorp, Inc., Hanover, Illinois	Chicago	May 29, 1992
Premier Financial Bancorp, Inc., Vanceburg, Kentucky	Bank of Germantown, Germantown, Kentucky	Cleveland	June 17, 1992

Section 3—Continued

Applicant(s)	Bank(s)	Reserve Bank	Effective Date
Premier Financial Bancorp, Inc., Vanceburg, Kentucky	Citizens Deposit Bank & Trust, Vanceburg, Kentucky	Cleveland	May 29, 1992
Sarasota BanCorporation, Inc., Sarasota, Florida	Sarasota Bank, Sarasota, Florida	Atlanta	May 29, 1992
South Central Bancshares, Inc., Russellville, Kentucky	First Midwest Bancshares, Inc., Princeton, Kentucky	St. Louis	June 2, 1992
Swainsboro Bankshares, Inc., Swainsboro, Georgia	The Citizens Bank of Swainsboro, Swainsboro, Georgia	Atlanta	June 9, 1992
Vidalia Bankshares, Inc., Vidalia, Georgia	Brice Banking Company, Inc., Vidalia, Georgia	Atlanta	June 2, 1992
Whitaker Bank Corporation of Kentucky, Lexington, Kentucky Whitaker Bancshares, Inc., Lexington, Kentucky	Cornat, Inc., Shepherdsville, Kentucky	Cleveland	June 9, 1992

Section 4

Applicant(s)	Nonbanking Activity/Company	Reserve Bank	Effective Date
Barnett Banks, Inc., Jacksonville, Florida	Southeast Switch, Inc., Maitland, Florida	Atlanta	June 22, 1992
Blythedale Bancshares, Inc., Blythedale, Missouri	Citizens Bank of Blythedale, Blythedale, Missouri	Kansas City	June 24, 1992
Brooke Holdings, Inc., Jewell, Kansas	Ross Olson and Associates, Inc., Concordia, Kansas	Kansas City	June 3, 1992
Columbia Bancorp, Columbia, Maryland	Fairview Federal Savings and Loan Association, Ellicott City, Maryland	Richmond	May 29, 1992
Comerica Incorporated, Detroit, Michigan	Waterfront Corporation, Detroit, Michigan	Chicago	May 19, 1992
Community First Bankshares, Inc., Fargo, North Dakota	Community Insurance, Inc., Fargo, North Dakota	Minneapolis	June 12, 1992
Firstar Corporation, Milwaukee, Wisconsin	Federated Insurance Services Corporation, Menomonee Falls,	Chicago	May 27, 1992

Section 4—Continued

Applicant(s)	Nonbanking Activity/Company	Reserve Bank	Effective Date
First Mid-Illinois Bancshares Inc., Mattoon, Illinois	Heartland Federal Savings and Loan Association, Mattoon, Illinois	Chicago	June 23, 1992
National City Corporation, Cleveland, Ohio	Check Security Services of America Incorporated, Houston, Texas	Cleveland	June 19, 1992
Valley Bancorporation, Appleton, Wisconsin	United Savings and Loan Association, Sheboygan, Wisconsin	Chicago	June 19, 1992

Applications Approved Under Bank Merger Act

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.

Applicant(s)	Bank(s)	Reserve Bank	Effective Date
Commercial Trust and Savings Bank, Mitchell, South Dakota	Sanborn County Bank, Woonsocket, South Dakota	Minneapolis	May 27, 1992

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.

Zemel v. Board of Governors, No. 92–1057 (D. District of Columbia, filed May 4, 1992). Age Discrimination in Employment Act case.

Fields v. Board of Governors, No. 3:92CV7118 (N.D. Ohio, filed March 3, 1992). Federal Tort Claims Act complaint alleging misrepresentation during application process. Motion to dismiss filed May 4, 1992.

State of Idaho, Department of Finance v. Board of Governors, No. 92-70107 (9th Cir., filed February 24, 1992). Petition for review of Board order returning without action a bank holding company application to relocate its subsidiary bank from Washington to Idaho. The Board's brief was filed on June 29, 1992.

Davis v. Board of Governors, No. 91–6972 (Supreme Court, filed December 4, 1991). Petition for *certiorari* seeking review of *Burke v. Board of Governors,* 940 F.2d 1360 (10th Cir. 1991), in which the court of appeals upheld Board orders assessing civil money penalties and issuing orders of prohibition. The Supreme Court denied the petition for *certiorari* on May 18, 1992

In re Subpoena Served on the Board of Governors, Nos. 91–5427, 91–5428 (D.C. Cir., filed December 27, 1991). Appeal of order of district court, dated

December 3, 1991, requiring the Board and the Office of the Comptroller of the Currency to produce confidential examination material to a private litigant. On June 26, 1992, the court of appeals affirmed the district court order in part, but held that the bank examination privilege was not waived by the agencies' provision of examination materials to the examined institution, and remanded for further consideration of the privilege issue.

Greenberg v. Board of Governors, No. 91-4200 (2d Cir., filed December 4, 1991). Petition for review of orders of prohibition issued by the Board on October 28, 1991. The Board's orders were affirmed on June 19, 1992.

First Interstate BancSystem of Montana, Inc. v. Board of Governors, No. 91-1525 (D.C. Cir., filed November 1, 1991). Petition for review of Board's order denying on Community Reinvestment Act grounds the petitioner's application under section 3 of the Bank Holding Company Act to merge with Commerce BancShares of Wyoming, Inc. Petitioners' brief is due August 21, 1992.

Board of Governors v. Kemal Shoaib, No. CV 91-5152 (C.D. California, filed September 24, 1991). Action to freeze assets of individual pending administrative adjudication of civil money penalty assessment by the Board. On October 15, 1991, the court issued a preliminary injunction restraining the transfer or disposition of the individual's assets.

Board of Governors v. Ghaith R. Pharaon, No. 91-CIV-6250 (S.D. New York, filed September 17, 1991). Action to freeze assets of individual pending administrative adjudication of civil money penalty assessment by the Board. On September 17, 1991, the court issued an order temporarily restraining the transfer or disposition of the individual's assets.

In re Smouha, No. 91-B-13569 (Bkr. S.D. New York, filed August 2, 1991). Ancillary proceeding under the U.S. Bankruptcy Code brought by provisional liquidators of BCCI Holdings (Luxembourg) S.A. and affiliated companies. On August 15, 1991, the bankruptcy court issued a temporary restraining order staying certain judicial and administrative actions, which has been continued by consent.

Fields v. Board of Governors, No. 3:91CV069 (N.D. Ohio, filed February 5, 1991). Appeal of denial of request for information under the Freedom of Information Act. The Board's motion for summary judgment was granted in part and its motion to dismiss was denied on June 23, 1992.

MCorp v. Board of Governors, No. CA3-88-2693 (N.D. Texas, filed October 10, 1988). Application for injunction to set aside temporary cease and desist orders. The case is pending.

Written Agreements Approved by Federal Reserve Banks

Bank of Forest
Forest, Mississippi

The Federal Reserve Board announced on June 25, 1992, the execution of a Written Agreement among the Federal Reserve Bank of Atlanta, the Department of Banking and Consumer Finance of the State of Mississippi, and the Bank of Forest, Forest, Mississippi.

First Indo-American Bank
San Francisco, California

The Federal Reserve Board announced on June 19, 1992, the execution of a Written Agreement between the Federal Reserve Bank of San Francisco and the First Indo-American Bank, San Francisco, California.

Guaranty Bancshares Corporation
Shamokin, Pennsylvania

The Federal Reserve Board announced on June 23, 1992, the execution of a Written Agreement between the Federal Reserve Bank of Philadelphia and Guaranty Bancshares Corporation, Shamokin, Pennsylvania.

Lincoln Financial Corporation
Fort Wayne, Indiana

The Federal Reserve Board announced on June 25, 1992, the execution of a Written Agreement between the Federal Reserve Bank of Chicago and Lincoln Financial Corporation, Fort Wayne, Indiana.

Union Texas Bancorporation, Inc.
Laredo, Texas

The Federal Reserve Board announced on June 19, 1992, the execution of a Written Agreement between the Federal Reserve Bank of Dallas and Union Texas Bancorporation, Inc., Laredo, Texas.

Financial and Business Statistics

CONTENTS

Domestic Financial Statistics—Continued

REAL ESTATE

CONSUMER INSTALLMENT CREDIT

FLOW OF FUNDS

Domestic Nonfinancial Statistics

SELECTED MEASURES

International Statistics

SUMMARY STATISTICS

REPORTED BY BANKS IN THE UNITED STATES

REPORTED BY NONBANKING BUSINESS ENTERPRISES IN THE UNITED STATES

SECURITIES HOLDINGS AND TRANSACTIONS

INTEREST AND EXCHANGE RATES

SPECIAL TABLES

Guide to Tabular Presentation

SYMBOLS AND ABBREVIATIONS

c	Corrected
e	Estimated
p	Preliminary
r	Revised (Notation appears on column heading when about half of the figures in that column are changed.)
*	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)
0	Calculated to be zero
. . .	Cell not applicable
ATS	Automatic transfer service
CD	Certificate of deposit
CMO	Collateralized mortgage obligation
FFB	Federal Financing Bank
FHA	Federal Housing Administration
FHLBB	Federal Home Loan Bank Board
FHLMC	Federal Home Loan Mortgage Corporation
FmHA	Farmers Home Administration
FNMA	Federal National Mortgage Association
FSLIC	Federal Savings and Loan Insurance Corporation
G-7	Group of Seven
G-10	Group of Ten
GNMA	Government National Mortgage Association
GDP	Gross domestic product
HUD	Department of Housing and Urban Development
IMF	International Monetary Fund
IO	Interest only
IPCs	Individuals, partnerships, and corporations
IRA	Individual retirement account
MMDA	Money market deposit account
n.a.	Not available
n.e.c.	Not elsewhere classified
NOW	Negotiable order of withdrawal
OCD	Other checkable deposit
OPEC	Organization of Petroleum Exporting Countries
OTS	Office of Thrift Supervision
PO	Principal only
REIT	Real estate investment trust
REMIC	Real estate mortgage investment conduit
RP	Repurchase agreement
RTC	Resolution Trust Corporation
SAIF	Savings Association Insurance Fund
SCO	Securitized credit obligation
SDR	Special drawing right
SMSA	Standard metropolitan statistical area
VA	Veterans Administration

GENERAL INFORMATION

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

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.

1.10 RESERVES, MONEY STOCK, LIQUID ASSETS, AND DEBT MEASURES

Percent annual rate of change, seasonally adjusted[1]

Monetary and credit aggregate	1991			1992	1992[r]				
	Q2	Q3	Q4	Q1[r]	Jan.	Feb.	Mar.	Apr.	May
Reserves of depository institutions[2]									
1 Total	2.2[r]	8.3[r]	15.2[r]	23.4	15.4	40.5	18.4	13.0	12.1
2 Required	9.2[r]	9.0[r]	15.4[r]	23.5	15.1	39.8	19.7	10.5	15.8
3 Nonborrowed	2.7[r]	4.7[r]	20.0[r]	24.0	14.4	44.8	18.0	13.0	10.5
4 Monetary base[3]	4.2	6.6	8.2[r]	9.2	9.2	13.9	4.1	7.4	7.7
Concepts of money, liquid assets, and debt[4]									
5 M1	7.4	7.5	11.1	16.5	16.4	27.2	10.3	5.0	14.6
6 M2	4.4	.6	2.3	4.3	3.2	9.6	−.5	−2.1	.6
7 M3	1.8	−1.3	1.0	2.3	1.2	7.4	−2.7	−3.9	−.4
8 L	−1.9	.7	.1	1.9	−1.1	8.0	2.9	−1.4	n.a.
9 Debt	4.2	4.5[r]	4.2[r]	3.8	3.0	4.6	5.3	5.1	n.a.
Nontransaction components									
10 In M2[5]	3.4	−1.6	−.7	.0	−1.5	3.3	−4.5	−4.7	−4.8
11 In M3 only[6]	−9.7	−9.9	−5.2	−7.2	−8.4	−3.0	−12.7	−13.0	−5.1
Time and savings deposits									
Commercial banks									
12 Savings, including MMDAs	13.1	13.2	16.0	19.2	20.0	22.9	11.1	13.8	7.8
13 Small time[7]	1.1	1.5	−8.4	−18.9	−21.7	−23.5	−14.6	−7.0	−17.2
14 Large time[8,9]	−3.3	−8.0	−14.4	−18.2	−25.8	−16.3	−17.2	−17.5	−7.2
Thrift institutions									
15 Savings, including MMDAs	16.8	9.8	10.2	22.4	23.8	30.5	23.4	15.8	19.4
16 Small time[7]	−14.2	−24.2	−22.5	−24.2	−24.0	−30.3	−27.0	−39.3	−24.3
17 Large time[8,9]	−35.0	−40.3	−36.5	−29.7	−24.5	−33.9	−45.5	−36.3	−42.3
Money market mutual funds									
18 General purpose and broker-dealer	7.6	−4.7	−4.0	1.0	−1.3	12.7	−19.5	−13.1	3.0
19 Institution-only	28.8	11.4	37.2	26.9	22.1	38.2	−18.5	25.3	35.5
Debt components[4]									
20 Federal	6.8	13.9	12.3[r]	8.2	6.0	7.0	15.0	13.1	n.a.
21 Nonfederal	3.4	1.6[r]	1.6[r]	2.3	2.1	3.8	2.2	2.4	n.a.

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

2. Figures incorporate adjustments for discontinuities, or "breaks", associated with regulatory changes in reserve requirements. (See also table 1.20.)

3. Seasonally adjusted, break-adjusted monetary base consists of (1) seasonally adjusted, break-adjusted total reserves (line 1), plus (2) the seasonally adjusted currency component of the money stock, plus (3) (for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits, and Vault Cash" and for all weekly reporters whose vault cash exceeds their required reserves) the seasonally adjusted, break-adjusted difference between current vault cash and the amount applied to satisfy current reserve requirements.

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 depository institutions; (2) travelers checks of nonbank issuers; (3) demand deposits at all commercial banks other than those due to depository institutions, 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 (OCDs), 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. Seasonally adjusted M1 is computed by summing currency, travelers checks, demand deposits, and OCDs, each seasonally adjusted separately.

M2: M1 plus (1) overnight (and continuing-contract) repurchase agreements (RPs) issued by all depository institutions and overnight Eurodollars issued to U.S. residents by foreign branches of U.S. banks worldwide, (2) savings (including MMDAs) and small time deposits (time deposits—including retail repurchase agreements (RPs)—in amounts of less than $100,000), and (3) balances in both taxable and tax-exempt general-purpose and broker-dealer money market funds. Excludes individual retirement accounts (IRAs) 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. Seasonally adjusted M2 is computed by adjusting its non-M1 component as a whole and then adding this result to seasonally adjusted M1.

M3: M2 plus (1) large time deposits and term RP liabilities (in amounts of $100,000 or more) issued by all depository institutions, (2) 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 (3) balances in both taxable and tax-exempt, institution-only money market funds. Excludes amounts held by depository institutions, the U.S. government, money market funds, and foreign banks and official institutions. Also excluded is the estimated amount of overnight RPs and Eurodollars held by institution-only money market funds. Seasonally adjusted M3 is computed by adjusting its non-M2 component as a whole and then adding this result to seasonally adjusted M2.

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 fund holdings of these assets. Seasonally adjusted L is computed by summing U.S. savings bonds, short-term Treasury securities, commercial paper, and bankers acceptances, each seasonally adjusted separately, and then adding this result to M3.

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. Data are derived from the Federal Reserve Board's flow of funds accounts. Data on debt of domestic nonfinancial sectors are monthly averages, derived by averaging adjacent month-end levels. Growth rates for debt reflect adjustments for discontinuities over time in the levels of debt presented in other tables.

5. Sum of (1) overnight RPs and Eurodollars, (2) money market fund balances (general purpose and broker–dealer), (3) MMDAs, and (4) savings and small time deposits.

6. Sum of (1) large time deposits, (2) term RPs, (3) term Eurodollars of U.S. residents, and (4) money market fund balances (institution-only), less (5) a consolidation adjustment that represents the estimated amount of overnight RPs and Eurodollars held by institution-only money market funds. This sum is seasonally adjusted as a whole.

7. Small time deposits—including retail RPs—are those issued in amounts of less than $100,000. All IRA and Keogh account balances at commercial banks and thrift institutions are subtracted from small time deposits.

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

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

1.11 RESERVES OF DEPOSITORY INSTITUTIONS AND RESERVE BANK CREDIT[1]

Millions of dollars

Factor	Monthly averages of daily figures			Weekly averages of daily figures for week ending						
	1992			1992						
	Mar.	Apr.	May	Apr. 15	Apr. 22	Apr. 29	May 6	May 13	May 20	May 27
SUPPLYING RESERVE FUNDS										
1 Reserve Bank credit outstanding	308,062	305,176	306,356	305,488	305,322	304,600	304,893	307,317	304,889	307,952
U.S. government securities[2]										
2 Bought outright—system account	265,433	266,478	267,310	266,011	266,372	265,764	266,709	266,690	266,344	267,758
3 Held under repurchase agreements	3,466	938	2,380	2,338	0	1,152	0	2,548	2,433	4,886
Federal agency obligations										
4 Bought outright	5,960	5,910	5,879	5,910	5,910	5,910	5,910	5,910	5,910	5,865
5 Held under repurchase agreements	93	12	102	20	0	24	0	79	0	372
6 Acceptances	0	0	0	0	0	0	0	0	0	0
Loans to depository institutions										
7 Adjustment credit	38	59	57	24	55	61	40	116	36	52
8 Seasonal credit	32	47	99	39	46	67	70	79	103	122
9 Extended credit	2	2	0	1	3	4	0	0	0	0
10 Float	576	823	355	364	2,068	384	944	283	250	40
11 Other Federal Reserve assets	32,462	30,907	30,174	30,782	30,867	31,235	31,220	31,611	29,812	28,858
12 Gold stock	11,058	11,057	11,057	11,057	11,057	11,057	11,057	11,057	11,057	11,057
13 Special drawing rights certificate account	10,018	10,018	10,018	10,018	10,018	10,018	10,018	10,018	10,018	10,018
14 Treasury currency outstanding	21,120	21,157[r]	21,191	21,153[r]	21,160[r]	21,168[r]	21,175	21,184	21,192	21,201
ABSORBING RESERVE FUNDS										
15 Currency in circulation	302,799	305,492[r]	308,110	305,988[r]	306,193[r]	305,516[r]	306,595	307,764	307,802	309,054
16 Treasury cash holdings	711	707	692	706	710	709	704	697	691	684
Deposits, other than reserve balances, with Federal Reserve Banks										
17 Treasury	5,614	4,868	5,108	4,435	5,178	4,781	4,774	5,012	5,070	5,438
18 Foreign	218	202	212	212	173	221	200	222	213	212
19 Service-related balances and adjustments	4,665	4,846	5,249	4,817	4,794	4,799	5,717	4,939	5,214	5,191
20 Other	278	268	261	299	245	239	268	264	266	263
21 Other Federal Reserve liabilities and capital	7,886	8,155	8,227	8,225	8,282	8,272	7,956	8,101	8,187	8,382
22 Reserve balances with Federal Reserve Banks[3]	28,087[r]	22,869	20,763	23,035	21,981	22,304	20,929	22,577	19,713	21,003

Factor	End-of-month figures			Wednesday figures						
	1992			1992						
	Mar.	Apr.	May	Apr. 15	Apr. 22	Apr. 29	May 6	May 13	May 20	May 27
SUPPLYING RESERVE FUNDS										
1 Reserve Bank credit outstanding	306,524	306,002[r]	306,370	312,694	302,772	304,818	304,260	308,746	301,070	313,298
U.S. government securities[2]										
2 Bought outright—system account	265,796	267,945	270,808	266,234	265,598	266,321	266,490	266,414	266,010	266,776
3 Held under repurchase agreements	1,805	0	244	9,477	0	713	0	3,716	0	10,436
Federal agency obligations										
4 Bought outright	5,960	5,910	5,750	5,910	5,910	5,910	5,910	5,910	5,910	5,750
5 Held under repurchase agreements	0	0	0	120	0	55	0	0	0	660
6 Acceptances	0	0	0	0	0	0	0	0	0	0
Loans to depository institutions										
7 Adjustment credit	23	49	22	45	39	79	23	673	56	80
8 Seasonal credit	29	66	128	42	56	71	73	92	114	123
9 Extended credit	0	0	0	0	5	0	0	0	0	0
10 Float	512	928[r]	371	−69	141	288	380	180	−573	369
11 Other Federal Reserve assets	32,400	31,103	29,048	30,935	31,022	31,381	31,383	31,761	29,554	29,104
12 Gold stock	11,057	11,057	11,057	11,057	11,057	11,057	11,057	11,057	11,057	11,057
13 Special drawing rights certificate account	10,018	10,018	10,018	10,018	10,018	10,018	10,018	10,018	10,018	10,018
14 Treasury currency outstanding	21,138	21,175[r]	21,210	21,153[r]	21,160[r]	21,168[r]	21,175	21,184	21,192	21,201
ABSORBING RESERVE FUNDS										
15 Currency in circulation	303,212	306,373[r]	309,719	306,366[r]	306,122[r]	305,789[r]	307,407	307,979	308,251	309,769
16 Treasury cash holdings	711	705	682	710	710	705	698	692	684	682
Deposits, other than reserve balances, with Federal Reserve Banks										
17 Treasury	6,846	4,692	5,583	4,129	4,836	5,806	5,269	4,816	4,703	5,195
18 Foreign	262	206	217	184	160	254	233	193	209	191
19 Service-related balances and adjustments	4,610	5,717	5,251	4,817	4,794	4,799	5,717	4,939	5,214	5,191
20 Other	364	260	224	266	192	245	259	249	272	270
21 Other Federal Reserve liabilities and capital	8,098	7,906	8,716	7,961	8,158	7,918	7,774	8,061	8,008	8,301
22 Reserve balances with Federal Reserve Banks[3]	24,637	22,392[r]	18,263	30,488	20,036	21,545	19,154	24,078	15,996	25,974

1. For amounts of cash held as reserves, see table 1.12. Components may not sum to totals because of rounding.
2. 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.
3. Excludes required clearing balances and adjustments to compensate for float.

1.12 RESERVES AND BORROWINGS Depository Institutions[1]

Millions of dollars

Reserve classification	Prorated monthly averages of biweekly averages									
	1989	1990	1991	1991		1992				
	Dec.	Dec.	Dec.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
1 Reserve balances with Reserve Banks[2]	35,436	30,237	26,659	25,004	26,659	25,416	24,918	28,057	22,655	21,071
2 Total vault cash[3]	29,828	31,786	32,513	31,714	32,513	34,135	34,218	31,647	31,071	31,197
3 Applied vault cash[4]	27,374	28,884	28,872	28,053	28,872	30,396	30,320	28,225	27,800	27,754
4 Surplus vault cash[5]	2,454	2,903	3,641	3,661	3,641	3,739	3,897	3,422	3,271	3,442
5 Total reserves[6]	62,810	59,120	55,532	53,057	55,532	55,812	55,238	56,282	50,455r	48,825
6 Required reserves	61,887	57,456	54,553	52,165	54,553	54,809	54,174	55,254	49,318r	47,825
7 Excess reserve balances at Reserve Banks[7]	923	1,664	979	892	979	1,003	1,065	1,028	1,137r	1,001
8 Total borrowings at Reserve Banks[8]	265	326	192	108	192	233	77	91	90	155
9 Seasonal borrowings	84	76	38	86	38	17	22	32	47	98
10 Extended credit[9]	20	23	1	1	1	1	2	2	2	0
	Biweekly averages of daily figures for weeks ending									
	1992									
	Feb. 5	Feb. 19	Mar. 4	Mar. 18	Apr. 1	Apr. 15	Apr. 29	May 13r	May 27	June 10
1 Reserve balances with Reserve Banks[2]	22,374	25,108	25,922	29,111	27,578	22,885	22,137r	21,746	20,356	21,379
2 Total vault cash[3]	36,384	34,354	32,944	30,564	32,414	30,456	31,643	30,346	32,069	30,909
3 Applied vault cash[4]	32,137	30,494	29,169	27,398	28,826	27,353	28,225	27,091	28,418	27,591
4 Surplus vault cash[5]	4,248	3,860	3,775	3,166	3,588	3,103	3,418	3,256	3,651	3,318
5 Total reserves[6]	54,511	55,602	55,091	56,509	56,403	50,238	50,362r	48,836	48,774	48,970
6 Required reserves	53,488	54,435	54,151	56,001	54,788	49,174	49,150r	48,209	47,277	48,492
7 Excess reserve balances at Reserve Banks[7]	1,023	1,168	941	508	1,616	1,065	1,212r	628	1,497	478
8 Total borrowings at Reserve Banks[8]	130	69	63	75	117	56	118	153	157	152
9 Seasonal borrowings	20	22	24	29	38	37	57	75	113	125
10 Extended credit[9]	2	2	3	2	1	1	4	0	0	0

1. Data in this table also appear in the Board's H.3 (502) weekly statistical release. For ordering address, see inside front cover. Components may not sum to totals because of rounding.
2. Excludes required clearing balances and adjustments to compensate for float and includes other off-balance-sheet "as-of" adjustments.
3. Total "lagged" vault cash held by depository institutions subject to reserve requirements. Dates refer to the maintenance periods during which the vault cash can be used to satisfy reserve requirements. Under contemporaneous reserve requirements, maintenance periods end thirty days after the lagged computation periods during which the balances are held.
4. All vault cash held during the lagged computation period by "bound" institutions (that is, those whose required reserves exceed their vault cash) plus the amount of vault cash applied during the maintenance period by "nonbound" institutions (that is, those whose vault cash exceeds their required reserves) to satisfy current reserve requirements.
5. Total vault cash (line 2) less applied vault cash (line 3).
6. Reserve balances with Federal Reserve Banks (line 1) plus applied vault cash (line 3).
7. Total reserves (line 5) less required reserves (line 6).
8. Also includes adjustment credit.
9. 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.

1.13 SELECTED BORROWINGS IN IMMEDIATELY AVAILABLE FUNDS Large Banks[1]

Millions of dollars, averages of daily figures

Source and maturity	1992, week ending Monday								
	Mar. 2	Mar. 9	Mar. 16	Mar. 23	Mar. 30	Apr. 6	Apr. 13	Apr. 20	Apr. 27
Federal funds purchased, repurchase agreements, and other selected borrowings									
From commercial banks in the United States									
1 For one day or under continuing contract	79,013	81,871	77,493[r]	72,856	73,215	78,301	79,263	85,767	74,098
2 For all other maturities	16,533	16,364	16,666	16,554[r]	15,967	14,822	16,018	16,704	16,431
From other depository institutions, foreign banks and official institutions, and U.S. government agencies									
3 For one day or under continuing contract	22,497	19,725	19,359[r]	19,026	18,107	17,157	16,276	15,407	18,013
4 For all other maturities	19,935	21,308	21,284	21,497	20,489	19,898	19,454	21,761	22,239
Repurchase agreements on U.S. government and federal agency securities									
Brokers and nonbank dealers in securities									
5 For one day or under continuing contract	13,733	13,735	12,281	12,199	12,219	11,942	10,160	10,060	9,487
6 For all other maturities	15,230	15,525	17,124	17,656	17,192	15,195	15,240	15,029	15,667
All other customers									
7 For one day or under continuing contract	26,888	25,523[r]	25,290[r]	25,761[r]	26,121[r]	25,001	24,979	24,005	24,382
8 For all other maturities	11,784	11,577[r]	12,182[r]	12,297[r]	12,788[r]	13,181	12,683	13,334	12,968
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	56,720	54,496	51,403	49,600	47,483[r]	52,484	49,818	50,401	47,103
10 To all other specified customers[2]	20,638	21,459[r]	23,411	22,527	20,703	19,607	21,322	24,606	21,913

1. Banks with assets of $4 billion or more as of Dec. 31, 1988.
Data in this table also appear in the Board's H.5 (507) weekly statistical release. For ordering address, see inside front cover.

2. Brokers and nonbank dealers in securities, other depository institutions, foreign banks and official institutions, and U.S. government agencies.

1.14 FEDERAL RESERVE BANK INTEREST RATES

Percent per year

Current and previous levels

Federal Reserve Bank	Adjustment credit[1]			Seasonal credit[2]			Extended credit[3]		
	On 6/30/92	Effective date	Previous rate	On 6/30/92	Effective date	Previous rate	On 6/30/92	Effective date	Previous rate
Boston	3.5	12/20/91	4.5	3.80	6/25/92	3.85	4.30	6/25/92	4.35
New York		12/20/91			6/25/92			6/25/92	
Philadelphia		12/20/91			6/25/92			6/25/92	
Cleveland		12/20/91			6/25/92			6/25/92	
Richmond		12/20/91			6/25/92			6/25/92	
Atlanta		12/20/91			6/25/92			6/25/92	
Chicago		12/20/91			6/25/92			6/25/92	
St. Louis		12/24/91			6/25/92			6/25/92	
Minneapolis		12/23/91			6/25/92			6/25/92	
Kansas City		12/20/91			6/25/92			6/25/92	
Dallas		12/20/91			6/25/92			6/25/92	
San Francisco	3.5	12/20/91	4.5	3.80	6/25/92	3.85	4.30	6/25/92	4.35

Range of rates for adjustment credit in recent years[4]

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1977	6	6
1978—Jan. 9	6–6.5	6.5
20	6.5	6.5
May 11	6.5–7	7
12	7	7
July 3	7–7.25	7.25
10	7.25	7.25
Aug. 21	7.75	7.75
Sept. 22	8	8
Oct. 16	8–8.5	8.5
20	8.5	8.5
Nov. 1	8.5–9.5	9.5
3	9.5	9.5
1979—July 20	10	10
Aug. 17	10–10.5	10.5
20	10.5	10.5
Sept. 19	10.5–11	11
21	11	11
Oct. 8	11–12	12
10	12	12
1980—Feb. 15	12–13	13
19	13	13
May 29	12–13	13
30	12	12
June 13	11–12	11
16	11	11
29	10	10
July 28	10–11	10
Sept. 26	11	11
Nov. 17	12	12
Dec. 5	12–13	13

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
1981—May 5	13–14	14
8	14	14
Nov. 2	13–14	13
6	13	13
Dec. 4	12	12
1982—July 20	11.5–12	11.5
23	11.5	11.5
Aug. 2	11–11.5	11
3	11	11
16	10.5	10.5
27	10–10.5	10
30	10	10
Oct. 12	9.5–10	9.5
13	9.5	9.5
Nov. 22	9–9.5	9
26	9	9
Dec. 14	8.5–9	9
15	8.5–9	8.5
17	8.5	8.5
1984—Apr. 9	8.5–9	9
13	9	9
Nov. 21	8.5–9	8.5
26	8.5	8.5
Dec. 24	8	8
1985—May 20	7.5–8	7.5
24	7.5	7.5

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
1986—Mar. 7	7–7.5	7
10	7	7
Apr. 21	6.5–7	6.5
July 11	6	6
Aug. 21	5.5–6	5.5
22	5.5	5.5
1987—Sept. 4	5.5–6	6
11	6	6
1988—Aug. 9	6–6.5	6.5
11	6.5	6.5
1989—Feb. 24	6.5–7	7
27	7	7
1990—Dec. 19	6.5	6.5
1991—Feb. 1	6–6.5	6
4	6	6
Apr. 30	5.5–6	5.5
May 2	5.5	5.5
Sept. 13	5–5.5	5
Sept. 17	5	5
Nov. 6	4.5–5	4.5
7	4.5	4.5
Dec. 20	3.5–4.5	3.5
24	3.5	3.5
In effect June 30, 1992	3.5	3.5

1. Available on a short-term basis to help depository institutions meet temporary needs for funds that cannot be met through reasonable alternative sources. The highest rate established for loans to depository institutions may be charged on adjustment-credit loans of unusual size that result from a major operating problem at the borrower's facility.

2. Available to help relatively small depository institutions meet regular seasonal needs for funds that arise from a clear pattern of intra-yearly movements in their deposits and loans and that cannot be met through special industry lenders. The discount rate on seasonal credit takes into account rates on market sources of funds and ordinarily is reestablished on the first business day of each two-week reserve maintenance period; however, it is never less than the discount rate applicable to adjustment credit.

3. May be made available to depository institutions when similar assistance is not reasonably available from other sources, including special industry lenders. Such credit may be provided when exceptional circumstances (including sustained deposit drains, impaired access to money market funds, or sudden deterioration in loan repayment performance) or practices involve only a particular institution, or to meet the needs of institutions experiencing difficulties adjusting to changing market conditions over a longer period (particularly at times of deposit disintermediation). The discount rate applicable to adjustment credit ordinarily is charged on extended-credit loans outstanding less than thirty days; however, at the discretion of the Federal Reserve Bank, this time period may be shortened. Beyond this initial period, a flexible rate somewhat above rates on market sources of funds is charged. The rate ordinarily is reestablished on the first business day of each two-week reserve maintenance period, but it is never less than the discount rate applicable to adjustment credit plus 50 basis points.

4. For earlier data, see the following publications of the Board of Governors: *Banking and Monetary Statistics, 1914–1941*, and *1941–1970*; and the *Annual Statistical Digest, 1970–1979*.

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 four weeks in a calendar quarter. A 3 percent surcharge was in effect from Mar. 17, 1980, through May 7, 1980. A surcharge of 2 percent was reimposed on Nov. 17, 1980; 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, 1981. As of Oct. 1, 1981, the formula for applying the surcharge was changed from a calendar quarter to a moving thirteen-week period. The surcharge was eliminated on Nov. 17, 1981.

1.15 RESERVE REQUIREMENTS OF DEPOSITORY INSTITUTIONS[1]

Type of deposit[2]	Requirements	
	Percent of deposits	Effective date
Net transaction accounts[3]		
1 $0 million–$42.2 million	3	12/17/91
2 More than $42.2 million[4]	10	4/2/92
3 Nonpersonal time deposits[5]	0	12/27/90
4 Eurocurrency liabilities[6]	0	12/27/90

1. Required reserves must be held in the form of deposits with Federal Reserve Banks or vault cash. Nonmember institutions may maintain reserve balances with a Federal Reserve Bank indirectly on a pass-through basis with certain approved institutions. For previous reserve requirements, see earlier editions of the *Annual Report* or the *Federal Reserve Bulletin.* 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 corporations.

2. The Garn–St Germain Depository Institutions Act of 1982 (Public Law 97–320) requires that $2 million of reservable 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 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. On Dec. 17, 1991, the exemption was raised from $3.4 million to $3.6 million. The exemption applies in the following order: (1) net negotiable order of withdrawal (NOW) accounts (NOW accounts less allowable deductions); and (2) net other transaction accounts. The exemption applies only to accounts that would be subject to a 3 percent reserve requirement.

3. Include all deposits against 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, money market deposit accounts (MMDAs) and similar accounts subject to the rules that permit no more than six preauthorized, automatic, or other transfers per month, of which no more than three may be checks, are not transaction accounts (such accounts are savings deposits).

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 change in transaction accounts held by all depository institutions, determined as of June 30 each year. Effective Dec. 17, 1991, for institutions reporting quarterly, and Dec. 24, 1991, for institutions reporting weekly, the amount was increased from $41.1 million to $42.2 million.

4. The reserve requirement was reduced from 12 percent to 10 percent on Apr. 2, 1992, for institutions that report weekly, and on Apr. 16, 1992, for institutions that report quarterly.

5. For institutions that report weekly, the reserve requirement on nonpersonal time deposits with an original maturity of less than 1½ years was reduced from 3 percent to 1½ percent for the maintenance period that began Dec. 13, 1990, and to zero for the maintenance period that began Dec. 27, 1990. The reserve requirement on nonpersonal time deposits with an original maturity of 1½ years or more has been zero since Oct. 6, 1983.

For institutions that report quarterly, the reserve requirement on nonpersonal time deposits with an original maturity of less than 1½ years was reduced from 3 percent to zero on Jan. 17, 1991.

6. The reserve requirement on Eurocurrency liabilities was reduced from 3 percent to zero in the same manner and on the same dates as were the reserve requirement on nonpersonal time deposits with an original maturity of less than 1½ years (see note 4).

1.17 FEDERAL RESERVE OPEN MARKET TRANSACTIONS[1]

Millions of dollars

Type of transaction	1989	1990	1991	1991			1992			
				Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
U.S. TREASURY SECURITIES										
Outright transactions (excluding matched transactions)										
Treasury bills										
1 Gross purchases	14,284	24,739	20,158	2,198	2,823	837	0	123	505	0
2 Gross sales	12,818	7,291	120	0	0	0	1,628	0	0	0
3 Exchanges	231,211	241,086	277,314	25,409	24,141	21,967	26,750	24,435	21,674	27,526
4 Redemptions	12,730	4,400	1,000	0	0	0	1,600	0	0	0
Others within one year										
5 Gross purchases	327	425	3,043	0	178	0	0	0	0	0
6 Gross sales	0	0	0	0	0	0	0	0	0	0
7 Maturity shifts	28,848	25,638	24,454	2,002	1,655	1,570	1,298	6,020	2,552	1,100
8 Exchanges	−25,783	−27,424	−28,090	−2,034	−2,585	−3,562	−989	−2,742	−2,512	−1,863
9 Redemptions	500	0	1,000	0	0	0	0	0	0	0
One to five years										
10 Gross purchases	1,436	250	6,583	0	2,133	300	0	1,027	1,425	0
11 Gross sales	490	200	0	0	0	0	0	0	0	0
12 Maturity shifts	−25,534	−21,770	−21,211	−1,877	−1,492	−1,570	−1,174	−6,020	−2,552	−877
13 Exchanges	23,250	25,410	24,594	1,686	2,135	3,562	539	2,292	2,512	1,484
Five to ten years										
14 Gross purchases	287	0	1,280	0	880	0	0	0	0	0
15 Gross sales	29	100	0	0	0	0	0	0	0	0
16 Maturity shifts	−2,231	−2,186	−2,037	−126	−163	0	−124	0	0	−223
17 Exchanges	1,934	789	2,894	347	300	0	451	300	0	379
More than ten years										
18 Gross purchases	284	0	375	0	375	0	0	0	0	0
19 Gross sales	0	0	0	0	0	0	0	0	0	0
20 Maturity shifts	−1,086	−1,681	−1,209	0	0	0	0	0	0	0
21 Exchanges	600	1,226	600	0	150	0	0	150	0	0
All maturities										
22 Gross purchases	16,617	25,414	31,439	2,198	6,390	1,137	0	1,150	1,930	0
23 Gross sales	13,337	7,591	120	0	0	0	1,628	0	0	0
24 Redemptions	13,230	4,400	1,000	0	0	0	1,600	0	0	0
Matched transactions										
25 Gross sales	1,323,480	1,369,052	1,570,456	137,073	98,063	118,127	136,922	123,000	128,230	125,999
26 Gross purchases	1,326,542	1,363,434	1,571,534	135,281	97,925	118,263	136,282	124,654	126,673	128,149
Repurchase agreements[2]										
27 Gross purchases	129,518	219,632	310,084	12,432	14,165	51,345	21,412	9,824	48,758	18,432
28 Gross sales	132,688	202,551	311,752	3,718	22,879	36,000	33,228	13,353	46,953	20,237
29 Net change in U.S. government securities	−10,055	24,886	29,729	9,121	−2,462	16,619	−15,684	−725	2,178	345
FEDERAL AGENCY OBLIGATIONS										
Outright transactions										
30 Gross purchases	0	0	0	0	0	0	0	0	0	0
31 Gross sales	0	0	5	0	0	0	0	0	0	0
32 Redemptions	442	183	292	14	51	45	85	0	0	49
Repurchase agreements[2]										
33 Gross purchases	38,835	41,836	22,807	714	275	1,744	390	571	1,640	224
34 Gross sales	40,411	40,461	23,595	695	294	1,191	808	706	1,640	224
35 Net change in federal agency obligations	−2,018	1,192	−1,085	5	−70	508	−503	−135	0	−49
36 Total net change in System Open Market Account	**−12,073**	**26,078**	**28,644**	**9,126**	**−2,532**	**17,127**	**−16,186**	**−860**	**2,178**	**295**

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

2. In July 1984 the Open Market Trading Desk discontinued accepting bankers acceptances in repurchase agreements.

1.18 FEDERAL RESERVE BANKS Condition and Federal Reserve Note Statements[1]

Millions of dollars

Account	Wednesday					End of Month		
	1992					1992		
	Apr. 29	May 6	May 13	May 20	May 27	Mar. 31	Apr. 30	May 29
	Consolidated condition statement							
Assets								
1 Gold certificate account	11,057	11,057	11,057	11,057	11,057	11,057	11,057	11,057
2 Special drawing rights certificate account	10,018	10,018	10,018	10,018	10,018	10,018	10,018	10,018
3 Coin	561	551	547	530	495	599	554	492
Loans								
4 To depository institutions	150	96	765	170	203	52	115	150
5 Other	0	0	0	0	0	0	0	0
6 Acceptances held under repurchase agreements	0	0	0	0	0	0	0	0
Federal agency obligations								
7 Bought outright	5,910	5,910	5,910	5,910	5,750	5,960	5,910	5750
8 Held under repurchase agreements	55	0	0	0	0	0	0	0
9 **Total U.S. Treasury securities**	**267,034**	**266,490**	**270,130**	**266,010**	**277,212**	**267,601**	**267,945**	**271,052**
10 Bought outright[2]	266,321	266,490	266,414	266,010	266,776	265,796	267,945	270,808
11 Bills	130,017	130,187	130,110	129,706	130,272	129,492	131,642	134,304
12 Notes	104,260	140,160	104,260	103,960	104,160	104,260	104,260	104,160
13 Bonds	32,043	32,043	32,043	32,343	32,343	32,043	32,043	32,343
14 Held under repurchase agreements	713	0	3,716	0	10,436	1,805	0	244
15 **Total loans and securities**	**273,149**	**272,497**	**276,806**	**272,090**	**283,825**	**273,613**	**273,971**	**276,952**
16 Items in process of collection	5,441	6,185	5,244	5,358	7,413	8,172	5,236	4,754
17 Bank premises	1,014	1,016	1,021	1,021	1,021	1,007	1,014	1,021
Other assets								
18 Denominated in foreign currencies[3]	24,034	23,989	23,991	24,059	22,856	26,060	23,964	23,099
19 All other[4]	6,404	6,331	6,779	4,539	5,342	5,444	6,197	4,901
20 **Total assets**	**331,678**	**331,645**	**335,463**	**328,671**	**342,026**	**335,971**	**332,011**	**332,293**
Liabilities								
21 Federal Reserve notes	285,887	287,480	288,034	288,273	289,745	283,383	286,457	289,684
22 **Total deposits**	**32,980**	**30,622**	**34,365**	**27,440**	**37,140**	**36,952**	**32,960**	**29,527**
23 Depository institutions	26,675	24,861	29,108	22,256	31,484	29,480	27,801	23,503
24 U.S. Treasury—General account	5,806	5,269	4,816	4,703	5,195	6,846	4,692	5,583
25 Foreign—Official accounts	254	223	193	209	191	262	206	217
26 Other	245	259	249	272	270	364	260	224
27 Deferred credit items	4,894	5,769	5,388	4,951	6,840	7,538	4,688	4,366
28 Other liabilities and accrued dividends[5]	2,002	1,965	2,105	2,035	2,088	2,226	2,052	2,089
29 **Total liabilities**	**325,763**	**325,836**	**329,507**	**322,698**	**335,813**	**330,099**	**326,157**	**325,667**
Capital Accounts								
30 Capital paid in	2,788	2,801	2,806	2,811	2,811	2,745	2,790	2,813
31 Surplus	2,652	2,652	2,652	2,652	2,652	2,598	2,652	2,652
32 Other capital accounts	476	356	498	510	750	529	413	1,162
33 **Total liabilities and capital accounts**	**331,678**	**331,645**	**335,463**	**328,671**	**342,026**	**335,971**	**332,011**	**332,293**
34 Memo: Marketable U.S. Treasury securities held in custody for foreign and international accounts	268,888	270,314	273,754	276,729	275,242	271,183	274,023	276,920
	Federal Reserve note statement							
35 Federal Reserve notes outstanding (issued to Bank)	358,729	359,114	359,652	360,337	360,671	362,146	358,760	360,961
36 Less: Held by Federal Reserve Bank	72,843	71,633	71,619	72,064	70,927	78,762	72,303	71,277
37 Federal Reserve notes, net	285,887	287,480	288,034	288,273	289,745	283,383	286,457	289,684
Collateral held against notes, net:								
38 Gold certificate account	11,057	11,057	11,057	11,057	11,057	11,057	11,057	11,057
39 Special drawing rights certificate account	10,018	10,018	10,018	10,018	10,018	10,018	10,018	10,018
40 Other eligible assets	0	0	0	0	0	0	0	0
41 U.S. Treasury and agency securities	264,812	266,405	266,958	267,198	268,670	262,308	265,382	268,609
42 **Total collateral**	**285,887**	**287,480**	**288,034**	**288,273**	**289,745**	**283,383**	**286,457**	**289,684**

1. Some of the data in this table also appear in the Board's H.4.1 (503) weekly statistical release. For ordering address, see inside front cover. Components may not sum to totals because of rounding.
2. Includes securities loaned—fully guaranteed by U.S. Treasury securities pledged with Federal Reserve Banks—and excludes securities sold and scheduled to be bought back under matched sale-purchase transactions.
3. Valued monthly at market exchange rates.
4. Includes special investment account at the Federal Reserve Bank of Chicago in Treasury bills maturing within ninety days.
5. Includes exchange-translation account reflecting the monthly revaluation at market exchange rates of foreign-exchange commitments.

1.19 FEDERAL RESERVE BANKS Maturity Distribution of Loan and Security Holding[1]

Millions of dollars

Type and maturity grouping	Wednesday					End of month		
	1992					1992		
	Apr. 29	May 6	May 13	May 20	May 27	Mar. 31	Apr. 30	May 29
1 **Total loans**	**150**	**96**	**766**	**170**	**203**	**52**	**115**	**105**
2 Within fifteen days	145	51	707	157	189	46	92	104
3 Sixteen days to ninety days	6	45	59	13	14	6	24	47
4 Ninety-one days to one year	0	0	0	0	0	0	0	0
5 **Total acceptances**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
6 Within fifteen days	0	0	0	0	0	0	0	0
7 Sixteen days to ninety days	0	0	0	0	0	0	0	0
8 Ninety-one days to one year	0	0	0	0	0	0	0	0
9 **Total U.S. Treasury securities**	**267,034**	**266,490**	**270,130**	**266,010**	**266,786**	**265,796**	**267,945**	**270,808**
10 Within fifteen days[2]	14,707	17,310	17,951	13,164	12,428	6,571	13,540	7,584
11 Sixteen days to ninety days	61,967	61,679	61,428	61,116	62,345	67,222	57,553	72,122
12 Ninety-one days to one year	88,023	84,257	87,507	86,531	86,614	89,745	93,608	85,703
13 One year to five years	62,396	63,302	63,302	64,689	64,889	62,473	63,302	64,889
14 Five years to ten years	15,347	15,347	15,347	15,615	15,615	15,192	15,347	15,615
15 More than ten years	24,594	24,594	24,594	24,894	24,894	24,594	24,594	24,894
16 **Total federal agency obligations**	**5,965**	**5,910**	**5,910**	**5,910**	**5,751**	**5,960**	**5,910**	**5,750**
17 Within fifteen days[2]	160	0	45	326	322	220	105	321
18 Sixteen days to ninety days	677	775	730	449	496	524	677	496
19 Ninety-one days to one year	1,499	1,506	1,506	1,506	1,460	1,515	1,499	1,460
20 One year to five years	2,733	2,733	2,733	2,733	2,577	2,750	2,733	2,577
21 Five years to ten years	742	742	742	742	742	797	742	742
22 More than ten years	154	154	154	154	154	154	154	154

1. Components may not sum to totals because of rounding.
2. Holdings under repurchase agreements are classified as maturing within fifteen days in accordance with the maximum possible maturity of the agreements.

1.20 AGGREGATE RESERVES OF DEPOSITORY INSTITUTIONS AND MONETARY BASE[1]

Billions of dollars, averages of daily figures

Item	1988 Dec.[r]	1989 Dec.[r]	1990 Dec.[r]	1991 Dec.[r]	1991[r] Oct.	1991[r] Nov.	1991[r] Dec.	1992[r] Jan.	1992[r] Feb.	1992[r] Mar.	1992[r] Apr.	1992[r] May
ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS[2]					Seasonally adjusted							
1 Total reserves[3]	40.47	40.56	41.83	45.60	44.14	44.79	45.60	46.19	47.75	48.48	49.00	49.49
2 Nonborrowed reserves[4]	38.75	40.29	41.51	45.41	43.88	44.68	45.41	45.95	47.67	48.38	48.91	49.34
3 Nonborrowed reserves plus extended credit[5]	40.00	40.31	41.53	45.41	43.89	44.68	45.41	45.95	47.67	48.39	48.91	49.34
4 Required reserves	39.42	39.64	40.17	44.62	43.06	43.89	44.62	45.18	46.68	47.45	47.86	48.49
5 Monetary base[6]	256.97	267.77	293.29	317.25	313.28	315.33	317.25	319.70	323.41	324.51	326.50	328.59
					Not seasonally adjusted							
6 Total reserves[7]	41.65	41.77	43.07	46.97	43.67	44.86	46.97	47.35	46.85	47.69	50.01	48.62
7 Nonborrowed reserves	39.93	41.51	42.74	46.78	43.41	44.75	46.78	47.11	46.77	47.59	49.92	48.47
8 Nonborrowed reserves plus extended credit[5]	41.17	41.53	42.77	46.78	43.42	44.75	46.78	47.11	46.77	47.60	49.93	48.47
9 Required reserves[8]	40.60	40.85	41.40	46.00	42.58	43.97	46.00	46.34	45.78	46.66	48.88	47.62
10 Monetary base[9]	260.41	271.18	296.68	321.06	311.49	315.15	321.06	320.43	320.38	322.69	327.45	328.37
NOT ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS[10]												
11 Total reserves[11]	63.75	62.81	59.12	55.53	51.58	53.06	55.53	55.81	55.24	56.28	50.45	48.83
12 Nonborrowed reserves	62.03	62.54	58.79	55.34	51.32	52.95	55.34	55.58	55.16	56.19	50.36	48.67
13 Nonborrowed reserves plus extended credit[5]	63.27	62.56	58.82	55.34	51.33	52.95	55.34	55.58	55.16	56.19	50.37	48.67
14 Required reserves	62.70	61.89	57.46	54.55	50.50	52.16	54.55	54.81	54.17	55.25	49.32	47.82
15 Monetary base[12]	283.00	292.55	313.70	333.61	322.71	326.88	333.61	333.09	333.19	335.82	332.69	333.79
16 Excess reserves[13]	1.05	.92	1.66	.98	1.08	.89	.98	1.00	1.06	1.03	1.14	1.00
17 Borrowings from the Federal Reserve	1.72	.27	.33	.19	.26	.11	.19	.23	.08	.09	.09	.15

1. Latest monthly and biweekly figures are available from the Board's H.3 (502) weekly statistical release. Historical data and estimates of the impact on required reserves of changes in reserve requirements are available from the Monetary and Reserves Projections Section, Division of Monetary Affairs, Board of Governors of the Federal Reserve System, Washington, DC 20551.

2. Figures reflect adjustments for discontinuities, or "breaks," associated with regulatory changes in reserve requirements. (See also table 1.10)

3. Seasonally adjusted, break-adjusted total reserves equal seasonally adjusted, break-adjusted required reserves (line 4) plus excess reserves (line 16).

4. Seasonally adjusted, break-adjusted nonborrowed reserves equal seasonally adjusted, break-adjusted total reserves (line 1) less total borrowings of depository institutions from the Federal Reserve (line 17).

5. 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.

6. The seasonally adjusted, break-adjusted monetary base consists of (1) seasonally adjusted, break-adjusted total reserves (line 1), plus (2) the seasonally adjusted currency component of the money stock, plus (3) (for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all those weekly reporters whose vault cash exceeds their required reserves) the seasonally adjusted, break-adjusted difference between current vault cash and the amount applied to satisfy current reserve requirements.

7. Break-adjusted total reserves equal break-adjusted required reserves (line 9) plus excess reserves (line 16).

8. To adjust required reserves for discontinuities that are due to regulatory changes in reserve requirements, a multiplicative procedure is used to estimate what required reserves would have been in past periods had current reserve requirements been in effect. Break-adjusted required reserves include required reserves against transactions deposits and nonpersonal time and savings deposits (but not reservable nondeposit liabilities).

9. The break-adjusted monetary base equals (1) break-adjusted total reserves (line 6), plus (2) the (unadjusted) currency component of the money stock, plus (3) (for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all weekly reporters whose vault cash exceeds their required reserves) the break-adjusted difference between current vault cash and the amount applied to satisfy current reserve requirements.

10. Reflects actual reserve requirements, including those on nondeposit liabilities, with no adjustments to eliminate the effects of discontinuities associated with changes in reserve requirements.

11. Reserve balances with Federal Reserve Banks plus vault cash used to satisfy reserve requirements.

12. The monetary base, not break-adjusted and not seasonally adjusted, consists of (1) total reserves (line 11), plus (2) required clearing balances and adjustments to compensate for float at Federal Reserve Banks, plus (3) the currency component of the money stock, plus (4) (for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all those weekly reporters whose vault cash exceeds their required reserves) the difference between current vault cash and the amount applied to satisfy current reserve requirements. Since the introduction of changes in reserve requirements (CRR), currency and vault cash figures have been measured over the computation periods ending on Mondays.

13. Unadjusted total reserves (line 11) less unadjusted required reserves (line 14).

1.21 MONEY STOCK, LIQUID ASSETS, AND DEBT MEASURES[1]

Billions of dollars, averages of daily figures

Item	1988 Dec.	1989 Dec.	1990 Dec.	1991 Dec.	1992 Feb.[r]	1992 Mar.	1992 Apr.[r]	1992 May
	Seasonally adjusted							
Measures[2]								
1 M1	786.9	794.1	826.1	898.1[r]	910.4	931.0	939.0	943.1
2 M2	3,071.1	3,227.3	3,339.0	3,439.3[r]	3,448.1	3,475.2	3,473.5	3,468.0
3 M3	3,923.1	4,059.8	4,114.6	4,171.4	4,175.1	4,200.1	4,189.9	4,178.3
4 L	4,677.9	4,891.7	4,966.6	4,988.2[r]	4,983.3	5,017.1	5,031.9	n.a.
5 Debt	9,312.6	10,059.6	10,749.9	11,216.2	11,240.1	11,279.3	11,335.1	n.a.
M1 components								
6 Currency[3]	212.3	222.6	246.8	267.3	269.4	271.6	271.8	273.6
7 Travelers checks[4]	7.5	7.4	8.3	8.2	8.2	8.1	8.0	8.0
8 Demand deposits[5]	286.5	279.0	277.1	289.5	293.8	305.1	309.7	311.3
9 Other checkable deposits[6]	280.6	285.1	293.9	333.2	339.0	346.2	349.4	350.2
Nontransaction components								
10 In M2[7]	2,284.2	2,433.2	2,512.9	2,541.2	2,537.7	2,544.2	2,534.5	2,524.9
11 In M3[8]	852.0	832.5	775.6	732.0[r]	727.0	724.9	716.4	710.3
Commercial banks								
12 Savings deposits, including MMDAs	542.7	541.4	581.9	664.9	676.0	688.9	695.3	703.4
13 Small time deposits[9]	447.0	531.0	606.4	598.5	587.7	576.2	569.2	566.0
14 Large time deposits[10, 11]	366.9	398.2	374.0	354.0	346.4	341.7	336.8	332.4
Thrift institutions								
15 Savings deposits, including MMDAs	383.5	349.7	338.8	377.7[r]	385.2	395.0	402.7	408.1
16 Small time deposits[9]	585.9	617.5	562.3	464.5	455.0	443.0	432.6	418.3
17 Large time deposits[10]	174.3	161.1	120.9	83.1	81.4	79.1	76.1	73.8
Money market mutual funds								
18 General purpose and broker–dealer	241.9	316.3	348.9	360.5	360.0	363.7	358.0	354.2
19 Institution-only	91.0	107.2	133.7	179.1	182.4	188.2	185.3	189.2
Debt components								
20 Federal debt	2,101.5	2,249.8	2,493.6	2,766.0	2,780.1	2,794.2	2,830.0	n.a.
21 Nonfederal debt	7,211.1	7,809.7	8,256.3	8,450.3	8,460.0	8,485.1	8,505.1	n.a.
	Not seasonally adjusted							
Measures[2]								
22 M1	804.1	811.9	844.1	917.3	918.2	916.8	930.8	955.0
23 M2	3,083.8	3,240.0	3,351.9	3,453.2	3,456.1	3,462.4	3,474.1	3,486.0
24 M3	3,934.7	4,070.3	4,124.7	4,182.1	4,180.2	4,189.6	4,194.9	4,195.1
25 L	4,694.9	4,911.0	4,986.4	5,008.4[r]	5,001.4	5,010.4	5,038.9	n.a.
26 Debt	9,298.0	10,045.1	10,737.2	11,203.6	11,228.1	11,249.9	11,300.4	n.a.
M1 components								
27 Currency[3]	214.8	225.3	249.5	270.0	267.8	269.5	271.0	273.4
28 Travelers checks[4]	6.9	6.9	7.8	7.7	7.8	7.8	7.7	7.6
29 Demand deposits[5]	298.9	291.5	289.9	303.0	300.0	296.4	302.1	313.0
30 Other checkable deposits[6]	283.5	288.1	296.9	336.5	342.5	343.2	349.9	361.0
Nontransaction components								
31 In M2[7]	2,279.7	2,428.1	2,507.8	2,535.9	2,537.9	2,545.6	2,543.3	2,531.0
32 In M3[8]	850.8	830.3	772.8	728.9	724.2	727.1	720.9	709.0
Commercial banks								
33 Savings deposits, including MMDAs	543.8	543.0	580.0	662.4	672.3	685.2	696.8	706.2
34 Small time deposits[9]	446.0	529.5	606.3	598.7	589.5	577.6	569.5	565.5
35 Large time deposits[10, 11]	365.9	397.1	373.0	352.8	344.0	340.6	337.3	331.3
Thrift institutions								
36 Savings deposits, including MMDAs	381.1	347.6	337.7	376.3	383.1	392.9	403.7	409.8
37 Small time deposits[9]	584.9	616.0	562.2	464.6	456.4	444.1	432.8	417.9
38 Large time deposits[10]	175.2	162.0	120.6	82.8	80.9	78.8	76.3	73.6
Money market mutual funds								
39 General purpose and broker–dealer	240.8	314.6	346.8	358.1	359.5	368.8	366.9	360.5
40 Institution-only	91.4	107.8	134.4	180.3	188.1	196.9	191.4	190.9
Repurchase agreements and eurodollars								
41 Overnight	83.2	77.5	74.7	75.7	77.1	77.0	73.6	71.2
42 Term	227.4	178.5	158.3	128.6	126.6	128.1	131.4	128.4
Debt components								
43 Federal debt	2,098.9	2,247.5	2,491.3	2,764.9	2,782.4	2,799.1	2,834.6	n.a.
44 Nonfederal debt	7,199.0	7,797.7	8,245.8	8,438.7	8,445.7	8,450.9	8,465.8	n.a.

For notes see following page.

NOTES TO TABLE 1.21

1. Latest monthly and weekly figures are available from the Board's H.6 (508) weekly statistical release. Historical data are available from the Money and Reserves Projection Section, Division of Monetary Affairs, Board of Governors of the Federal Reserve System, Washington, DC 20551.

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

M1: (1) currency outside the Treasury, Federal Reserve Banks, and the vaults of depository institutions; (2) travelers checks of nonbank issuers; (3) demand deposits at all commercial banks other than those due to depository institutions, 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 (OCDs), 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. Seasonally adjusted M1 is computed by summing currency, travelers checks, demand deposits, and OCDs, each seasonally adjusted separately.

M2: M1 plus (1) overnight (and continuing-contract) repurchase agreements (RPs) issued by all depository institutions and overnight Eurodollars issued to U.S. residents by foreign branches of U.S. banks worldwide, (2) savings (including MMDAs) and small time deposits (time deposits—including retail RPs—in amounts of less than $100,000), and (3) balances in both taxable and tax-exempt general purpose and broker–dealer money market funds. Excludes individual retirement accounts (IRAs) 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. Seasonally adjusted M2 is computed by adjusting its non-M1 component as a whole and then adding this result to seasonally adjusted M1.

M3: M2 plus (1) large time deposits and term RP liabilities (in amounts of $100,000 or more) issued by all depository institutions, (2) 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 (3) balances in both taxable and tax-exempt, institution-only money market funds. Excludes amounts held by depository institutions, the U.S. government, money market funds, and foreign banks and official institutions. Also excluded is the estimated amount of overnight RPs and Eurodollars held by institution-only money market funds. Seasonally adjusted M3 is computed by adjusting its non-M2 component as a whole and then adding this result to seasonally adjusted M2.

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 fund holdings of these assets. Seasonally adjusted L is computed by summing U.S. savings bonds, short-term Treasury securities, commercial paper, and bankers acceptances, each seasonally adjusted separately, and then adding this result to M3.

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. Data are derived from the Federal Reserve Board's flow of funds accounts. Debt data are based on monthly averages. This sum is seasonally adjusted as a whole.

3. Currency outside the U.S. Treasury, Federal Reserve Banks, and vaults of depository institutions.

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

5. Demand deposits at commercial banks and foreign-related institutions other than those due to depository institutions, the U.S. government, and foreign banks and official institutions, less cash items in the process of collection and Federal Reserve float.

6. Consists of NOW and ATS account balances at all depository institutions, credit union share draft account balances, and demand deposits at thrift institutions.

7. Sum of (1) overnight RPs and overnight Eurodollars, (2) money market fund balances (general purpose and broker–dealer), (3) MMDAs, and (4) savings and small time deposits.

8. Sum of (1) large time deposits, (2) term RPs, (3) term Eurodollars of U.S. residents, and (4) 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.

9. Small time deposits—including retail RPs—are those issued in amounts of less than $100,000. All IRAs and Keogh accounts at commercial banks and thrift institutions are subtracted from small time deposits.

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

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

1.22 BANK DEBITS AND DEPOSIT TURNOVER[1]

Debits are in billions of dollars; turnover is ratio of debits to deposits; monthly data are at annual rates

Bank group, or type of customer	1989[2]	1990[2]	1991[2]	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.
DEBITS TO	Seasonally adjusted								
Demand deposits[3]									
1 All insured banks	256,150.4	277,916.3	281,050.1	287,974.5	278,234.2	293,941.3	306,523.0	298,098.7	305,837.0
2 Major New York City banks	129,319.9	131,784.0	140,905.5	144,228.7	140,769.6	149,502.5	161,915.3	154,751.0	164,171.5
3 Other banks	126,830.5	146,132.3	140,144.6	143,745.8	137,464.6	144,438.8	144,607.7	143,347.7	141,665.5
4 ATS–NOW accounts[4]	2,910.5	3,349.6	3,624.6	3,759.9	3,553.7	3,786.5	3,719.4	3,787.2	3,670.2
5 Savings deposits[5]	547.5	558.8	1,377.4	2,733.0	3,233.1	3,296.1	3,089.7	3,142.5	3,361.0
DEPOSIT TURNOVER									
Demand deposits[3]									
6 All insured banks	735.1	800.6	817.6	837.1	787.3	841.8	870.1	817.6	832.5
7 Major New York City banks	3,421.5	3,804.1	4,391.9	4,607.9	4,214.7	4,657.4	4,997.4	4,633.3	4,974.4
8 Other banks	408.3	467.7	449.6	459.6	429.6	453.9	452.1	432.8	423.7
9 ATS–NOW accounts[4]	15.2	16.5	16.1	15.9	14.8	15.7	15.1	15.1	14.5
10 Savings deposits[5]	3.0	2.9	3.3	4.4	5.0	5.0	4.7	4.7	4.9
DEBITS TO	Not seasonally adjusted								
Demand deposits[3]									
11 All insured banks	256,133.2	277,400.0	280,922.8	296,037.8	267,995.2	301,642.6	306,706.9	276,158.6	313,513.5
12 Major New York City banks	129,400.1	131,784.7	140,563.0	149,704.6	136,592.8	153,462.8	158,932.3	143,476.0	168,122.2
13 Other banks	126,733.0	145,615.3	140,359.7	146,333.2	131,402.4	148,179.8	147,774.6	132,682.6	145,391.3
14 ATS–NOW accounts[4]	2,910.7	3,342.2	3,622.4	3,770.6	3,314.0	3,841.0	4,130.2	3,450.5	3,747.2
15 MMDAs[6]	2,677.1	2,923.8	n.a	n.a	n.a	n.a	n.a	n.a	n.a
16 Savings deposits[5]	546.9	557.9	1,408.3	3,132.6	2,939.5	3,331.1	3,364.7	2,872.0	3,363.7
DEPOSIT TURNOVER									
Demand deposits[3]									
17 All insured banks	735.4	799.6	817.5	858.6	751.7	823.7	851.5	778.4	878.2
18 Major New York City banks	3,426.2	3,810.0	4,370.1	4,775.5	4,059.4	4,461.1	4,633.6	4,387.6	5,308.9
19 Other banks	408.0	466.3	450.6	466.8	406.9	445.1	453.6	412.0	446.9
20 ATS–NOW accounts[4]	15.2	16.4	16.1	16.2	13.9	15.7	16.4	13.7	14.7
21 MMDAs[6]	7.9	8.0	n.a	n.a	n.a	n.a	n.a	n.a	n.a
22 Savings deposits[5]	2.9	2.9	3.4	4.9	4.5	5.1	5.1	4.2	4.9

1. Historical tables containing revised data for earlier periods can be obtained from the Banking and Money Market Statistics Section, Division of Monetary Affairs, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.
Data in this table also appear on the Board's G.6 (406) monthly statistical release. For ordering address, see inside front cover.
2. Annual averages of monthly figures.
3. Represents accounts of individuals, partnerships, and corporations and of states and political subdivisions.
4. Accounts authorized for negotiable orders of withdrawal (NOWs) and accounts authorized for automatic transfer to demand deposits (ATSs).
5. Excludes ATS and NOW accounts.
6. Money market deposit accounts.

1.23 LOANS AND SECURITIES All Commercial Banks[1]

Billions of dollars, averages of Wednesday figures

Item	1991							1992				
	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.[r]	Feb.[r]	Mar.	Apr.[r]	May
	Seasonally adjusted											
1 Total loans and securities[2]	**2,773.1**	**2,773.7**	**2,776.7**	**2,789.0**	**2,805.4**	**2,822.6**	**2,837.8[r]**	**2,846.5**	**2,847.0**	**2,853.3[r]**	**2,865.5**	**2,863.4**
2 U.S. government securities	493.5	502.4	512.6	523.0	538.7	550.8	562.5	565.7	570.4	578.4[r]	590.2	598.9
3 Other securities	176.3	175.8	174.4	176.3	177.9	178.8	179.3[r]	178.5	178.6	175.9[r]	176.4	174.5
4 Total loans and leases[2]	2,103.4	2,095.4	2,089.8	2,089.6	2,088.7	2,093.0	2,096.0[r]	2,102.4	2,098.1	2,099.1[r]	2,098.8	2,090.1
5 Commercial and industrial	625.8	623.8	619.5	622.0	623.0	622.1	617.8	616.0	611.5	609.1[r]	606.0	602.1
6 Bankers acceptances held[3]	7.6	7.4	7.7	7.2	6.6	7.1	7.3	7.2	7.4	7.3[r]	7.0	7.2
7 Other commercial and industrial	618.3	616.3	611.8	614.8	616.4	614.9	610.5	608.8	604.1	601.8	598.9	594.9
8 U.S. addressees[4]	612.5	610.6	605.9	608.7	609.7	608.3	603.2[r]	602.5	597.9	595.4	592.5	588.2
9 Non-U.S. addressees[4]	5.7	5.7	5.9	6.1	6.7	6.7	7.4	6.3	6.3	6.4	6.5	6.6
10 Real estate	868.5	867.3	866.7	868.0	869.5	871.6	872.9	873.1	876.9	877.9[r]	879.3	881.1
11 Individual	373.1	370.9	370.3	367.2	364.1	363.0	363.6	363.1	363.6	362.2	361.3	359.7
12 Security	49.0	47.4	48.4	50.0	51.1	53.4	54.5	59.5	57.1	60.5[r]	65.0	61.8
13 Nonbank financial institutions	38.6	37.7	36.9	37.1	37.2	37.8	40.4[r]	39.1	40.1	40.6[r]	40.0	40.3
14 Agricultural	33.9	34.0	34.3	34.4	34.1	33.7	33.9	33.6	33.5	34.1	34.1	33.8
15 State and political subdivisions	31.3	30.9	30.5	30.1	29.5	29.1	28.9	28.0	28.1	28.1	27.8	27.6
16 Foreign banks	6.3	6.4	6.5	6.8	6.6	6.9	7.4[r]	7.3	6.8	6.5	6.6	7.3
17 Foreign official institutions	2.5	2.3	2.2	2.3	2.4	2.5	2.4	2.3	2.2	2.2	2.1	2.1
18 Lease-financing receivables	33.2	32.4	31.7	31.7	31.5	31.4	31.6	31.5	31.6	31.5	31.5	31.4
19 All other loans	41.3	42.4	42.8	39.9	39.8	41.5	42.7[r]	48.9	46.9	46.3	45.2	42.8
	Not seasonally adjusted											
20 Total loans and securities[2]	**2,774.2**	**2,766.9**	**2,773.8**	**2,789.1**	**2,808.1**	**2,827.9**	**2,844.3[r]**	**2,843.3**	**2,849.6**	**2,854.1[r]**	**2,864.6**	**2,859.0**
21 U.S. government securities	492.7	500.3	511.1	521.6	537.6	551.7	558.5	565.2	574.3	583.7[r]	592.5	599.0
22 Other securities	176.3	174.9	174.5	176.3	178.3	179.0	179.6[r]	179.0	178.6	176.0[r]	176.0	174.2
23 Total loans and leases[2]	2,105.3	2,091.7	2,088.2	2,091.2	2,092.3	2,097.2	2,106.2[r]	2,099.0	2,096.7	2,094.4[r]	2,096.1	2,085.9
24 Commercial and industrial	627.9	623.6	617.7	619.1	621.4	620.8	619.1	612.8	610.7	611.8[r]	608.8	604.5
25 Bankers acceptances held[3]	7.6	7.1	7.5	7.2	6.6	7.3	7.6	7.2	7.5	7.2	6.8	7.2
26 Other commercial and industrial	620.3	616.5	610.2	611.9	614.9	613.4	611.6[r]	605.6	603.2	604.5	602.0	597.3
27 U.S. addressees[4]	614.2	610.8	604.3	605.9	608.7	607.2	604.6[r]	598.8	596.5	598.0[r]	595.3	590.6
28 Non-U.S. addressees[4]	6.0	5.8	5.8	6.0	6.2	6.2	7.0	6.8	6.7	6.6	6.7	6.7
29 Real estate	868.8	868.4	868.6	869.0	870.9	872.9	873.1[r]	872.5	873.9	874.5[r]	878.1	881.7
30 Individual	371.0	368.2	369.3	368.7	365.0	364.4	368.3	367.4	363.6	359.7	358.7	358.1
31 Security	49.1	46.2	47.3	48.6	50.8	53.5	55.1	59.0	61.7	62.3[r]	66.5	58.4
32 Nonbank financial institutions	38.9	37.9	37.0	36.7	36.9	38.1	41.7[r]	39.5	39.7	40.0	39.5	39.7
33 Agricultural	34.1	34.7	35.2	35.5	34.9	34.1	33.9	33.2	32.6	32.8	33.1	33.4
34 State and political subdivisions	31.3	30.7	30.4	30.1	29.6	29.1	28.7	28.4	28.2	28.1	27.8	27.6
35 Foreign banks	6.1	6.3	6.4	6.9	6.9	7.3	7.9[r]	7.1	6.7	6.4	6.5	7.2
36 Foreign official institutions	2.5	2.3	2.2	2.3	2.4	2.5	2.4	2.3	2.2	2.2	2.1	2.1
37 Lease-financing receivables	32.9	32.1	31.6	31.5	31.6	31.5	31.6	31.8	31.7	31.7	31.5	31.4
38 All other loans	42.7	41.3	42.7	42.9	41.9	42.9	44.4[r]	45.1	45.7	45.0	43.6	41.8

1. Data have been revised to reflect new seasonal adjustment factors and benchmarking to Call reports. Historical data may be obtained from the Banking and Money Market Statistics Section, Division of Monetary Affairs, Board of Governors of the Federal Reserve System, Washington, DC 20551.

Components may not sum to totals because of rounding.
2. Adjusted to exclude loans to commercial banks in the United States.
3. Includes nonfinancial commercial paper held.
4. United States includes the fifty states and the District of Columbia.

1.24 MAJOR NONDEPOSIT FUNDS OF COMMERCIAL BANKS[1]

Billions of dollars, monthly averages

Source of funds	1991							1992				
	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.[r]	Mar.	Apr.[r]	May
Seasonally adjusted												
1 Total nondeposit funds[2]	250.4	248.5	246.9	249.3	264.2[r]	267.1[r]	280.4	284.9[r]	289.3	289.6	292.0	292.3
2 Net balances due to related foreign offices[3]	17.0	18.1	18.2	20.3	31.0	33.1	39.2	43.8[r]	42.7	45.4[r]	49.9	55.2
3 Borrowings from other than commercial banks in United States[4]	233.4	230.4	228.7	229.0	233.3[r]	234.0[r]	241.2	241.1[r]	246.6	244.2	242.0	237.1
4 Domestically chartered banks	164.4	160.7	156.5	155.2	154.2[r]	150.8[r]	153.3	155.9	158.9	154.8	151.6	148.0
5 Foreign-related banks	69.0	69.7	72.1	73.8	79.1	83.2	87.9	85.3[r]	87.6	89.4	90.4	89.1
Not seasonally adjusted												
6 Total nondeposit funds[2]	251.4	244.7	243.6	246.7	265.5[r]	271.4[r]	278.6	280.8[r]	289.9	293.5[r]	289.2	298.1
7 Net balances due to related foreign offices[3]	16.5	14.8	16.4	19.5	30.6	34.0	42.7	44.4	42.9	45.8[r]	48.5	57.6
8 Domestically chartered banks	−3.7	−7.3	−7.2	−8.8	−7.2	−4.4	−3.8	−4.9	−1.0	−1.2	−5.4	−4.2
9 Foreign-related banks	20.2	22.1	23.6	28.3	37.7	38.5	46.5	49.3	43.9	47.0	53.9	61.8
10 Borrowings from other than commercial banks in United States[4]	234.9	229.8	227.2	227.2	234.9[r]	237.4[r]	235.9	236.4[r]	247.0	247.7	240.7	240.5
11 Domestically chartered banks	164.6	158.9	154.8	154.1	155.0[r]	155.1[r]	152.0	151.6	159.4	157.9	149.7	150.7
12 Federal funds and security RP borrowings[5]	161.7	155.7	151.1	150.6	151.8[r]	151.9[r]	148.8	148.1	155.9	154.6	146.3	146.8
13 Other[6]	2.8	3.2	3.7	3.5	3.2	3.2	3.1	3.4	3.5	3.3	3.4	3.9
14 Foreign-related banks[6]	70.4	70.9	72.4	73.1	79.9	82.3	83.9	84.8[r]	87.6	89.8	91.0	89.8
MEMO												
Gross large time deposits[7]												
15 Seasonally adjusted	441.5	437.5	438.2	436.0	429.5	426.1	423.9	416.0	413.7	406.9	399.8	396.6
16 Not seasonally adjusted	442.8	437.1	440.0	437.5	429.7	425.8	422.6	413.6	412.6	407.3	398.8	397.9
U.S. Treasury demand balances at commercial banks[8]												
17 Seasonally adjusted	24.1	22.8	25.3	23.8	29.2	34.2	26.4	27.8	19.5	21.8	19.9	17.0
18 Not seasonally adjusted	23.6	20.7	17.2	26.9	28.7	28.5	25.4	33.1	25.2	20.1	17.7	21.0

1. Commercial banks are nationally and state-chartered banks in the fifty states and the District of Columbia, 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 in this table also appear in the Board's G.10 (411) release. For ordering address, see inside front cover.

Data have been revised to reflect new seasonal adjustment factors and benchmarking to Call reports. Historical data may be obtained from the Banking and Money Market Statistics Section, Division of Monetary Affairs, Board of Governors of the Federal Reserve System, Washington, DC 20551.

2. Includes federal funds, repurchase agreements (RPs), and other borrowing from nonbanks and net balances due to related foreign offices.

3. Reflects net positions of U.S. chartered banks, Edge act corporations, and U.S. branches and agencies of foreign banks with related foreign offices plus net positions with own International Banking Facilities (IBFs).

4. Borrowings through 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, loan RPs, and sales of participations in pooled loans.

5. Figures are based on averages of daily data reported weekly by approximately 120 large banks and quarterly or annual data reported by other banks.

6. Figures are partly averages of daily data and partly averages of Wednesday data.

7. Time deposits in denominations of $100,000 or more. Estimated averages of daily data.

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

1.25 ASSETS AND LIABILITIES OF COMMERCIAL BANKS Last-Wednesday-of-Month Series[1]

Billions of dollars

Account	1991						1992[r]				
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
ALL COMMERCIAL BANKING INSTITUTIONS[2]											
1 **Total assets**	**3,439.8**	**3,402.5**	**3,431.6**	**3,473.1**	**3,514.4**	**3,545.4**	**3,502.2**	**3,501.6**	**3,499.0**	**3,513.9**	**3,519.4**
2 Loans and securities	2,944.5	2,933.3	2,952.0	2,982.5	3,005.1	3,026.7	3,016.5	3,016.9	3,020.4	3,023.0	3,016.9
3 Investment securities	649.7	654.2	663.4	687.3	696.7	705.5	706.1	712.1	720.7	724.7	731.9
4 U.S. government securities	487.4	491.9	500.0	522.6	530.7	538.0	541.1	548.6	558.6	563.7	572.2
5 Other	162.3	162.3	163.4	164.7	166.0	167.4	164.9	163.4	162.1	161.0	159.7
6 Trading account assets	33.4	31.3	32.3	35.3	36.4	33.8	38.0	37.7	39.2	38.6	37.2
7 Total loans	2,261.5	2,247.7	2,256.2	2,259.9	2,271.9	2,287.5	2,272.5	2,267.1	2,260.5	2,259.8	2,247.8
8 Interbank loans	168.9	161.1	163.3	169.5	173.6	175.1	177.6	175.5	170.1	166.5	168.6
9 Loans excluding interbank	2,092.6	2,086.7	2,093.0	2,090.4	2,098.3	2,112.4	2,094.8	2,091.6	2,090.5	2,093.2	2,079.2
10 Commercial and industrial	622.2	616.7	619.0	619.1	621.6	621.1	611.2	610.5	610.7	606.1	602.3
11 Real estate	867.2	868.4	867.9	872.3	872.5	872.8	872.9	872.1	873.2	880.4	879.5
12 Individual	369.4	369.4	368.8	365.3	363.5	369.9	366.8	362.4	359.6	359.6	358.4
13 All other	233.8	232.1	237.3	233.7	240.7	248.5	244.0	246.6	247.0	247.1	239.0
14 Total cash assets	212.7	197.3	203.7	206.0	224.2	229.2	201.5	204.8	203.7	208.3	222.5
15 Reserves with Federal Reserve Banks	24.3	22.6	26.1	25.9	24.7	29.2	23.7	27.4	28.5	23.7	28.6
16 Cash in vault	29.7	31.0	30.2	30.7	29.6	30.8	31.1	30.7	29.8	30.8	32.2
17 Cash items in process of collection	88.0	71.9	75.5	75.5	90.6	87.7	72.9	73.5	71.4	78.4	84.1
18 Demand balances at U.S. depository institutions	27.3	27.6	27.2	29.2	32.7	33.3	28.4	28.9	28.3	28.7	31.8
19 Other cash assets	43.4	44.2	44.7	44.7	46.5	48.3	45.4	44.2	45.6	46.7	45.9
20 Other assets	282.5	271.9	275.9	284.5	285.1	289.5	284.1	279.9	274.8	282.7	280.0
21 **Total liabilities**	**3,103.7**	**3,056.6**	**3,083.2**	**3,131.4**	**3,172.8**	**3,199.8**	**3,147.4**	**3,147.1**	**3,143.9**	**3,164.2**	n.a.
22 Total deposits	2,349.9	2,326.7	2,325.2	2,345.5	2,388.6	2,392.6	2,339.8	2,347.6	2,354.9	2,359.8	2,371.1
23 Transaction accounts	639.8	612.5	614.4	629.7	672.2	685.4	646.2	654.8	665.9	676.2	687.1
24 Savings deposits (excluding checkable)	623.1	627.5	631.4	643.7	651.8	657.7	669.4	681.9	692.6	694.2	702.5
25 Time deposits	1,087.0	1,086.7	1,079.4	1,072.1	1,064.6	1,049.5	1,024.2	1,010.9	996.4	989.4	981.6
26 Borrowings	489.4	467.5	484.8	504.5	491.1	504.8	508.4	505.5	495.9	501.0	492.6
27 Other liabilities	264.4	262.4	273.2	281.4	293.1	302.4	299.5	294.3	293.4	303.1	303.2
28 Residual (assets less liabilities)[3]	336.0	345.9	348.4	341.7	341.6	345.7	354.6	354.3	354.8	350.0	352.4
DOMESTICALLY CHARTERED COMMERCIAL BANKS[4]											
29 **Total assets**	**3,020.2**	**2,987.3**	**3,002.4**	**3,027.7**	**3,055.2**	**3,072.0**	**3,032.2**	**3,031.5**	**3,034.7**	**3,048.6**	**3,051.6**
30 Loans and securities	2,663.8	2,651.9	2,660.4	2,677.0	2,691.6	2,698.6	2,692.7	2,692.8	2,702.4	2,699.9	2,695.1
31 Investment securities	610.8	613.7	621.6	640.0	646.5	652.2	654.6	662.0	670.2	674.7	678.7
32 U.S. government securities	466.7	470.3	477.3	494.7	500.7	506.4	511.0	519.9	529.5	534.5	540.0
33 Other	144.1	143.4	144.3	145.3	145.8	145.8	143.6	142.2	140.7	140.2	138.7
34 Trading account assets	33.4	31.3	32.3	35.3	36.4	33.8	38.0	37.7	39.2	38.6	37.2
35 Total loans	2,019.6	2,006.8	2,006.5	2,001.8	2,008.7	2,012.6	2,000.1	1,993.0	1,993.0	1,986.7	1,979.2
36 Interbank loans	146.2	141.3	142.3	144.1	150.1	149.4	154.1	151.0	149.0	138.1	142.9
37 Loans excluding interbank	1,873.5	1,865.5	1,864.2	1,857.6	1,858.6	1,863.2	1,845.9	1,842.0	1,844.0	1,848.5	1,836.3
38 Commercial and industrial	482.4	475.8	473.0	471.5	469.1	464.5	455.9	455.6	455.9	454.2	450.3
39 Real estate	814.8	815.6	814.9	818.6	818.8	819.0	818.6	817.7	818.8	826.4	825.4
40 Revolving home equity	66.6	67.3	68.1	69.2	69.4	70.0	70.3	69.9	69.8	70.5	70.9
41 Other real estate	748.2	748.3	746.8	749.4	749.4	749.0	748.3	747.8	749.0	755.9	754.5
42 Individual	369.4	369.4	368.8	365.3	363.5	369.9	366.8	362.4	359.6	359.6	358.4
43 All other	206.9	204.7	207.6	202.2	207.1	209.8	204.6	206.3	209.8	208.3	202.3
44 Total cash assets	187.7	171.5	176.4	179.0	197.5	201.7	175.9	179.7	177.7	182.1	194.3
45 Reserves with Federal Reserve Banks	23.9	22.1	24.9	25.1	24.0	28.5	23.3	26.8	28.0	23.0	26.9
46 Cash in vault	29.7	31.0	30.1	30.7	29.6	30.7	31.1	30.7	29.8	30.8	32.2
47 Cash items in process of collection	86.3	70.3	74.0	73.7	88.4	85.6	71.1	71.8	69.0	75.9	81.8
48 Demand balances at U.S. depository institutions	25.5	25.7	25.1	27.3	30.7	31.1	26.5	27.1	26.9	27.2	30.2
49 Other cash assets	22.4	22.4	22.3	22.3	24.8	25.8	24.0	23.3	24.1	25.2	23.3
50 Other assets	168.7	163.9	165.6	171.6	166.2	171.7	163.6	159.0	154.6	166.6	162.2
51 **Total liabilities**	**2,792.5**	**2,755.0**	**2,769.4**	**2,795.4**	**2,821.8**	**2,836.5**	**2,793.9**	**2,792.3**	**2,794.8**	**2,807.6**	n.a.
52 Deposits	2,313.5	2,289.5	2,287.1	2,301.9	2,342.0	2,344.0	2,293.0	2,302.7	2,309.1	2,314.4	2,322.7
53 Transaction accounts	630.4	603.2	605.4	620.3	662.0	674.9	636.1	645.3	655.8	666.5	677.4
54 Savings deposits (excluding checkable)	619.4	623.8	627.6	639.9	647.9	653.7	665.3	677.9	688.5	690.1	698.3
55 Time deposits	1,063.7	1,062.6	1,054.1	1,041.7	1,032.0	1,015.4	991.6	979.6	964.8	957.7	947.0
56 Borrowings	353.2	340.1	356.1	362.3	346.5	356.4	365.2	359.2	354.3	367.2	360.2
57 Other liabilities	125.8	125.4	126.2	131.2	133.3	136.1	135.5	130.3	131.3	125.7	125.0
58 Residual (assets less liabilities)[3]	227.7	232.4	233.0	232.3	233.4	235.5	238.5	239.2	240.0	241.3	243.7

1. Data have been revised to reflect benchmarking to quarterly Call reports. Back data are available from the Banking and Monetary Statistics Section, Board of Governors of the Federal Reserve System, Washington, DC 20551. Data in this table also appear in the Board's H.8 (510) weekly statistical release.

Data are partly estimated. They include all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries. Components may not sum to totals because of rounding.

2. Includes insured domestically chartered commercial banks, agencies and branches of foreign banks, Edge Act and Agreement corporations, and New York State foreign investment corporations. Data are estimates for the last Wednesday of the month based on a sample of weekly-reporting foreign-related institutions and quarter-end condition reports.

3. This balancing item is not intended as a measure of equity capital for use in capital adequacy analysis.

4. Includes all member banks and insured nonmember banks. Loans and securities data are estimates for the last Wednesday of the month based on a sample of weekly reporting banks and quarter-end condition reports.

1.26 ASSETS AND LIABILITIES OF LARGE WEEKLY REPORTING COMMERCIAL BANKS[1]

Millions of dollars, Wednesday figures

Account	1992								
	Apr. 1[r]	Apr. 8[r]	Apr. 15[r]	Apr. 22[r]	Apr. 29[r]	May 6	May 13	May 20	May 27
ASSETS									
1 Cash and balances due from depository institutions	135,126	99,064	131,205	100,620	108,050	101,925	102,449	99,506	115,389
2 U.S. Treasury and government securities	241,237	241,934	242,951	239,561	237,301	243,606	244,423	241,152	239,476
3 Trading account	20,792	22,556	23,912	21,861	22,700	23,919	22,961	22,420	21,312
4 Investment account	220,445	219,379	219,039	217,701	214,601	219,687	221,462	218,731	218,163
5 Mortgage-backed securities[2]	81,745	82,279	81,516	81,392	80,881	81,491	81,086	80,006	80,719
All others, by maturity									
6 One year or less	26,987	27,473	28,464	26,893	25,773	25,494	25,750	24,529	24,462
7 One year through five years	63,326	61,712	61,547	62,529	61,987	63,352	65,397	65,333	64,876
8 More than five years	48,387	47,914	47,513	46,887	45,960	49,351	49,229	48,864	48,106
9 Other securities	54,582	54,796	55,007	55,004	54,507	54,390	54,147	53,870	53,349
10 Trading account	1,434	1,104	1,153	1,513	1,670	1,703	1,590	1,560	1,367
11 Investment account	53,148	53,692	53,854	53,491	52,837	52,687	52,557	52,309	51,982
12 State and political subdivisions, by maturity	21,897	21,898	21,867	21,822	21,855	21,707	21,685	21,701	21,713
13 One year or less	3,298	3,315	3,331	3,284	3,308	3,252	3,252	3,256	3,247
14 More than one year	18,599	18,583	18,536	18,539	18,547	18,455	18,433	18,445	18,465
15 Other bonds, corporate stocks, and securities	31,251	31,794	31,987	31,669	30,982	30,980	30,872	30,608	30,269
16 Other trading account assets	11,643	12,908	12,989	12,759	11,679	12,476	12,232	12,367	11,478
17 Federal funds sold[3]	96,426	96,068	117,449	98,444	92,796	88,400	84,231	86,147	87,633
18 To commercial banks in the United States	65,371	65,612	75,698	58,977	58,423	57,411	56,066	56,874	60,379
19 To nonbank brokers and dealers	25,684	25,873	35,961	35,087	29,144	26,817	24,217	25,688	23,386
20 To others[4]	5,370	4,583	5,790	4,381	5,228	4,172	3,948	3,586	3,869
21 Other loans and leases, gross	1,008,265	998,075	1,003,512	996,207	999,109	997,536	997,074	992,490	990,964
22 Commercial and industrial	290,797	288,365	289,283	287,500	287,411	288,422	286,756	285,186	284,044
23 Bankers acceptances and commercial paper	1,376	1,399	1,487	1,405	1,438	1,776	1,699	1,625	1,635
24 All other	289,421	286,965	287,796	286,095	285,973	286,645	285,058	283,561	282,409
25 U.S. addressees	288,135	285,689	286,474	284,723	284,552	285,142	283,798	282,209	281,045
26 Non-U.S. addressees	1,286	1,276	1,322	1,372	1,420	1,503	1,260	1,352	1,364
27 Real estate loans	402,061	402,426	402,114	400,817	402,694	403,835	404,680	402,603	400,669
28 Revolving, home equity	40,875	40,851	41,005	41,112	41,270	41,475	41,526	41,504	41,545
29 All other	361,186	361,575	361,108	359,705	361,424	362,360	363,154	361,099	359,124
30 To individuals for personal expenditures	181,121	180,325	180,299	180,874	181,269	178,510	178,493	178,290	178,389
31 To financial institutions	45,150	43,627	42,912	42,388	43,225	43,140	42,085	41,700	42,400
32 Commercial banks in the United States	19,439	18,921	18,666	18,896	18,902	18,482	18,295	18,061	19,046
33 Banks in foreign countries	2,065	1,925	1,841	1,770	2,167	1,951	1,720	2,036	1,999
34 Nonbank financial institutions	23,646	22,781	22,405	21,722	22,156	22,707	22,070	21,602	21,355
35 For purchasing and carrying securities	15,888	13,114	17,393	14,021	14,143	14,111	14,642	14,473	14,035
36 To finance agricultural production	5,797	5,811	5,831	5,856	5,878	5,833	5,874	5,866	5,907
37 To states and political subdivisions	17,040	16,961	16,906	16,811	16,822	16,718	16,676	16,638	16,971
38 To foreign governments and official institutions	912	928	886	857	873	882	1,131	855	967
39 All other loans[5]	23,890	20,949	22,369	21,588	21,371	20,725	21,351	21,454	22,084
40 Lease-financing receivables	25,610	25,570	25,518	25,495	25,423	25,359	25,387	25,425	25,497
41 LESS: Unearned income	2,971	2,960	2,967	2,956	2,961	2,838	2,840	2,830	2,819
42 Loan and lease reserve[6]	37,498	37,589	37,827	37,614	37,654	38,382	38,425	38,418	38,384
43 Other loans and leases, net	967,795	957,526	962,718	955,637	958,494	956,317	955,809	951,242	949,761
44 Other assets	156,257	156,516	157,036	153,089	155,669	158,623	160,338	155,095	152,615
45 **Total assets**	**1,663,066**	**1,618,811**	**1,679,356**	**1,615,115**	**1,618,496**	**1,615,737**	**1,613,628**	**1,599,378**	**1,609,701**

Footnotes appear on the following page.

1.26 ASSETS AND LIABILITIES OF LARGE WEEKLY REPORTING COMMERCIAL BANKS—Continued

Millions of dollars, Wednesday figures

Account	1992								
	Apr. 1[r]	Apr. 8[r]	Apr. 15[r]	Apr. 22[r]	Apr. 29[r]	May 6	May 13	May 20	May 27
LIABILITIES									
46 Deposits	1,164,432	1,134,856	1,180,465	1,116,109	1,116,837	1,122,110	1,117,274	1,109,643	1,117,137
47 Demand deposits	276,054	240,819	286,441	237,430	244,259	241,047	239,049	238,063	247,897
48 Individuals, partnerships, and corporations	216,902	195,780	216,705	189,193	194,141	195,536	194,933	191,461	194,837
49 Other holders	59,152	45,040	69,736	48,237	50,118	45,512	44,116	46,602	53,061
50 States and political subdivisions	8,602	7,480	8,305	8,656	8,149	8,440	7,453	7,983	8,098
51 U.S. government	3,857	1,846	14,514	3,624	3,429	1,467	1,201	1,743	1,410
52 Depository institutions in the United States	28,538	20,682	29,049	20,448	21,618	21,162	20,211	21,571	25,315
53 Banks in foreign countries	5,486	4,850	5,553	4,885	5,114	4,904	4,851	4,944	5,817
54 Foreign governments and official institutions	747	574	703	629	600	484	890	568	571
55 Certified and officers' checks	11,921	9,607	11,612	9,996	11,208	9,055	9,511	9,793	11,851
56 Transaction balances other than demand deposits[5]	106,996	107,817	111,621	105,859	101,435	104,916	102,365	102,006	101,774
57 Nontransaction balances	781,382	786,220	782,403	772,820	771,142	776,146	775,859	769,573	767,466
58 Individuals, partnerships, and corporations	751,218	755,522	751,184	741,588	739,968	744,233	743,795	737,562	735,978
59 Other holders	30,164	30,698	31,219	31,233	31,174	31,914	32,064	32,011	31,489
60 States and political subdivisions	25,027	25,265	25,048	25,103	25,157	25,857	25,971	25,993	25,506
61 U.S. government	1,985	2,144	2,171	2,191	2,131	2,201	2,214	2,220	2,218
62 Depository institutions in the United States	2,873	3,015	3,728	3,663	3,614	3,584	3,614	3,528	3,491
63 Foreign governments, official institutions, and banks	279	275	273	276	272	271	265	271	274
64 Liabilities for borrowed money[6]	274,975	259,655	275,923	277,399	281,586	268,750	269,472	264,801	272,415
65 Borrowings from Federal Reserve Banks	551	0	0	0	0	0	650	0	0
66 Treasury tax and loan notes	4,543	2,895	4,105	24,417	28,067	11,175	13,032	11,013	11,932
67 Other liabilities for borrowed money[7]	269,881	256,759	271,817	252,982	253,519	257,575	255,790	253,787	260,482
68 Other liabilities (including subordinated notes and debentures)	102,122	102,236	101,179	98,707	97,888	102,175	103,509	101,906	97,191
69 **Total liabilities**	**1,541,530**	**1,496,747**	**1,557,566**	**1,492,216**	**1,496,311**	**1,493,035**	**1,490,255**	**1,476,350**	**1,486,743**
70 Residual (total assets less total liabilities)[8]	121,537	122,065	121,790	122,899	122,185	122,702	123,373	123,029	122,958
MEMO									
71 Total loans and leases, gross, adjusted, plus securities[9]	1,327,343	1,319,248	1,337,545	1,324,102	1,318,067	1,320,515	1,317,746	1,311,090	1,303,475
72 Time deposits in amounts of $100,000 or more	151,112	153,583	152,274	150,519	150,454	151,809	150,608	149,507	148,827
73 Loans sold outright to affiliates[10]	1,205	1,197	1,204	1,191	1,209	1,195	1,184	1,183	1,180
74 Commercial and industrial	676	683	683	684	691	682	673	675	675
75 Other	529	514	522	508	519	514	512	509	505
76 Foreign branch credit extended to U.S. residents[11]	22,911	22,645	22,875	22,872	22,912	22,883	22,905	23,026	23,319
77 Net due to related institutions abroad	−3,365	−6,622	−7,087	−4,938	−6,720	−6,807	−4,947	−2,554	−4,767

1. Components may not sum to totals because of rounding.
2. Includes certificates of participation, issued or guaranteed by agencies of the U.S. government, in pools of residential mortgages.
3. Includes securities purchased under agreements to resell.
4. Includes allocated transfer risk reserve.
5. Includes negotiable order of withdrawal accounts (NOWs), automatic transfer service (ATS), and telephone and preauthorized transfers of savings deposits.
6. Includes borrowings only from other than directly related institutions.
7. Includes federal funds purchased and securities sold under agreements to repurchase.
8. This balancing item is not intended as a measure of equity capital for use in capital-adequacy analysis.
9. Excludes loans to and federal funds transactions with commercial banks in the United States.
10. Affiliates include 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.
11. Credit extended by foreign branches of domestically chartered weekly reporting banks to nonbank U.S. residents. Consists mainly of commercial and industrial loans, but includes an unknown amount of credit extended to other than nonfinancial businesses.

NOTE. Data that formerly appeared in table 1.28, Assets and Liabilities of Large Weekly Reporting Commercial Banks in New York City, can be obtained from the Board's H.4.2 (504) weekly statistical release. For ordering address, see inside front cover.

1.30 LARGE WEEKLY REPORTING U.S. BRANCHES AND AGENCIES OF FOREIGN BANKS Assets and Liabilities[1]

Millions of dollars, Wednesday figures

Account	1992								
	Apr. 1[r]	Apr. 8[r]	Apr. 15[r]	Apr. 22[r]	Apr. 29	May 6	May 13	May 20	May 27
1 Cash and balances due from depository institutions	17,220	16,557	18,322	16,167	16,998	16,537	16,451	17,012	18,376
2 U.S. Treasury and government agency securities	20,236	20,753	20,672	19,981	20,027[r]	21,544	21,639	21,118	22,097
3 Other securities	8,609	8,652	8,576	8,619	8,381[r]	8,330	8,506	8,530	8,466
4 Federal funds sold[1]	12,271	11,616	13,137	16,622	14,124	12,726	12,277	12,375	12,302
5 To commercial banks in the United States	5,500	4,288	4,705	6,026	5,959	5,610	5,101	4,847	5,125
6 To others[2]	6,770	7,329	8,432	10,596	8,165	7,115	7,176	7,528	7,177
7 Other loans and leases, gross	162,997	161,577	162,659	161,700	162,355[r]	162,887	162,181	161,840	161,366
8 Commercial and industrial	97,868	97,811	97,386	96,788	95,594[r]	95,657	95,546	95,797	95,642
9 Bankers acceptances and commercial paper	2,592	2,516	2,531	2,401	2,335	2,549	2,511	2,403	2,371
10 All other	95,276	95,295	94,855	94,388	93,259[r]	93,108	93,035	93,395	93,271
11 U.S. addressees	92,371	92,367	91,934	91,431	90,386[r]	90,268	90,185	90,572	90,356
12 Non-U.S. addressees	2,905	2,928	2,922	2,957	2,873	2,840	2,850	2,823	2,916
13 Loans secured by real estate	36,235	36,101	36,117	36,264	36,613[r]	36,716	36,672	36,731	36,703
14 To financial institutions	21,140	20,695	21,132	21,071	21,918	22,054	22,128	22,004	21,813
15 Commercial banks in the United States	7,449	7,667	8,300	7,936	8,329	8,419	8,248	7,985	7,774
16 Banks in foreign countries	1,717	1,634	1,666	1,514	1,689	1,855	1,806	2,176	1,985
17 Nonbank financial institutions	11,974	11,393	11,166	11,621	11,900	11,780	12,075	11,844	12,054
18 For purchasing and carrying securities	5,385	4,361	5,369	5,165	5,726	5,938	5,429	4,891	4,793
19 To foreign governments and official institutions	359	376	347	326	324	359	328	304	297
20 All other	2,011	2,234	2,309	2,086	2,179	2,164	2,077	2,112	2,118
21 Other assets (claims on nonrelated parties)	27,317	27,593	27,824	27,812	28,113[r]	28,538	28,711	27,786	28,085
22 **Total assets[3]**	**294,427**	**289,172**	**295,192**	**290,926**	**288,904[r]**	**290,822**	**291,170**	**290,566**	**290,434**
23 Deposits or credit balances due to other than directly related institutions	100,737	97,578	96,445	96,459	95,633	94,564	95,630	96,797	96,770
24 Demand deposits[4]	3,736	3,651	4,118	3,247	3,333	3,354	3,214	3,327	3,537
25 Individuals, partnerships, and corporations	2,935	2,766	2,963	2,533	2,618	2,638	2,588	2,607	2,678
26 Other	801	885	1,155	713	715	716	626	719	858
27 Nontransaction accounts	97,001	93,927	92,327	93,212	92,300	91,211	92,415	93,470	93,234
28 Individuals, partnerships, and corporations	69,510	67,108	66,033	67,249	66,200[r]	65,711	65,985	66,410	66,129
29 Other	27,491	26,819	26,294	25,963	26,100[r]	25,499	26,430	27,060	27,105
30 Borrowings from other than directly related institutions	105,146	104,521	110,449	106,380	94,295[r]	101,254	95,944	96,132	93,307
31 Federal funds purchased[5]	51,167	51,652	57,181	45,753	43,892	46,494	42,883	46,937	47,611
32 From commercial banks in the United States	21,499	19,802	24,727	14,650	15,542	14,693	13,139	13,363	15,485
33 From others	29,668	31,850	32,454	31,103	28,350	31,800	29,743	33,573	32,125
34 Other liabilities for borrowed money	53,979	52,868	53,268	60,627	50,404[r]	54,761	53,061	49,196	45,696
35 To commercial banks in the United States	13,269	13,613	13,099	13,135	12,163[r]	11,495	10,835	10,847	10,889
36 To others	40,710	39,256	40,169	47,492	38,241[r]	43,266	42,226	38,348	34,807
37 Other liabilities to nonrelated parties	23,510	24,331	24,568	24,787	26,249[r]	26,754	27,055	26,960	26,360
38 **Total liabilities[6]**	**294,427**	**289,172**	**295,192**	**290,926**	**288,904[r]**	**290,822**	**291,170**	**290,566**	**290,434**
MEMO									
39 Total loans (gross) and securities, adjusted[7]	191,164	190,644	192,040	192,961	190,599[r]	191,457	191,253	191,031	191,331
40 Net due to related institutions abroad	19,257	20,319	19,729	23,276	33,822[r]	27,988	31,136	28,772	34,255

1. Includes securities purchased under agreements to resell.
2. Includes transactions with nonbank brokers and dealers in securities.
3. Includes net due from related institutions abroad for U.S. branches and agencies of foreign banks having a net "due from" position.
4. Includes other transaction deposits.
5. Includes securities sold under agreements to repurchase.
6. Includes net to related institutions abroad for U.S. branches and agencies of foreign banks having a net "due to" position.
7. Excludes loans to and federal funds transactions with commercial banks in the United States.

1.32 COMMERCIAL PAPER AND BANKERS DOLLAR ACCEPTANCES OUTSTANDING[1]

Millions of dollars, end of period

Item	1987 Dec.	1988 Dec.	1989 Dec.	1990 Dec.	1991 Dec.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.	1992 Apr.
	Commercial paper (seasonally adjusted unless noted otherwise)										
1 **All issuers**	**358,997**	**458,464**	**525,831**	**561,142**	**530,300**	**534,969**	**530,300**	**533,342**	**527,941**	**539,749**	**537,020**
Financial companies[2]											
Dealer-placed paper[3]											
2 Total	102,742	159,777	183,622	215,123	214,445	218,149	214,445	220,208	210,686	219,287	225,989
3 Bank-related (not seasonally adjusted)[4]	1,428	1,248	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Directly placed paper[5]											
4 Total	174,332	194,931	210,930	199,835	183,195	181,582	183,195	180,224	178,995	181,485	172,136
5 Bank-related (not seasonally adjusted)[3]	43,173	43,155	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
6 Nonfinancial companies[6]	81,923	103,756	131,279	146,184	132,660	135,238	132,660	132,910	138,260	138,977	138,895
	Bankers dollar acceptances (not seasonally adjusted)[7]										
7 **Total**	**70,565**	**66,631**	**62,972**	**54,771**	**43,770**	**43,947**	**43,770**	**43,112**	**41,375**	**39,309**	**39,335**
Holder											
8 Accepting banks	10,943	9,086	9,433	9,017	11,017	10,750	11,017	11,291	10,578	9,640	9,821
9 Own bills	9,464	8,022	8,510	7,930	9,347	8,754	9,347	9,273	8,831	8,296[r]	8,380
10 Bills bought	1,479	1,064	924	1,087	1,670	1,996	1,670	2,018	1,747	1,344[r]	1,441
Federal Reserve Banks											
11 Own account	0	0	0	0	0	0	0	0	0	0	0
12 Foreign correspondents	965	1,493	1,066	918	1,739	1,705	1,739	1,574	1,364	1,492	1,598
13 Others	58,658	56,052	52,473	44,836	31,014	31,491	31,014	30,247	29,423	28,177	27,915
Basis											
14 Imports into United States	16,483	14,984	15,651	13,096	12,843	13,472	12,843	12,995	12,853	11,569	12,045
15 Exports from United States	15,227	14,410	13,683	12,703	10,351	10,486	10,351	9,740	9,252	9,403	9,168
16 All other	38,855	37,237	33,638	28,973	20,577	19,982	20,577	20,377	19,269	18,337	18,121

1. Components may not sum to totals because of rounding.
2. Institutions engaged primarily in commercial, savings, and mortgage banking; sales, personal, and mortgage financing; factoring, finance leasing, and other business lending; insurance underwriting; and other investment activities.
3. Includes all financial-company paper sold by dealers in the open market.
4. Bank-related series were discontinued in January 1989.
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. Data on bankers acceptances are gathered from institutions whose acceptances total $100 million or more annually. The reporting group is revised every January. In January 1988, the group was reduced from 155 to 111 institutions. The current group, totaling approximately 100 institutions, accounts for more than 90 percent of total acceptances activity.

1.33 PRIME RATE CHARGED BY BANKS on Short-Term Business Loans[1]

Percent per year

Date of change	Rate	Period	Average rate	Period	Average rate	Period	Average rate
1989—Jan. 1	10.50	1989	10.87	1990—Apr.	10.00	1991—July	8.50
Feb. 10	11.00	1990	10.01	May	10.00	Aug.	8.50
24	11.50	1991	8.46	June	10.00	Sept.	8.20
June 5	11.00			July	10.00	Oct.	8.00
July 31	10.50	1989—Jan.	10.50	Aug.	10.00	Nov.	7.58
		Feb.	10.93	Sept.	10.00	Dec.	7.21
1990—Jan. 8	10.00	Mar.	11.50	Oct.	10.00		
		Apr.	11.50	Nov.	10.00	1992—Jan.	6.50
1991—Jan. 2	9.50	May	11.50	Dec.	10.00	Feb.	6.50
Feb. 4	9.00	June	11.07			Mar.	6.50
May 1	8.50	July	10.98	1991—Jan.	9.52	Apr.	6.50
Sept. 13	8.00	Aug.	10.50	Feb.	9.05	May	6.50
Nov. 6	7.50	Sept.	10.50	Mar.	9.00	June	6.50
Dec. 23	6.50	Oct.	10.50	Apr.	9.00		
		Nov.	10.50	May	8.50		
		Dec.	10.50	June	8.50		
		1990—Jan.	10.11				
		Feb.	10.00				
		Mar.	10.00				

1. Data in this table also appear in the Board's H.15 (519) weekly and G.13 (415) monthly statistical releases. For ordering address, see inside front cover.

1.35 INTEREST RATES Money and Capital Markets

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

Item	1989	1990	1991	1992				1992, week ending				
				Feb.	Mar.	Apr.	May	May 1	May 8	May 15	May 22	May 29
MONEY MARKET INSTRUMENTS												
1 Federal funds[1,2,3]	9.21	8.10	5.69	4.06	3.98	3.73	3.82	3.65	3.77	3.84	3.89	3.80
2 Discount window borrowing[2,4]	6.93	6.98	5.45	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Commercial paper[3,5,6]												
3 1-month	9.11	8.15	5.89	4.11	4.28	4.02	3.87	3.92	3.88	3.85	3.83	3.92
4 3-month	8.99	8.06	5.87	4.11	4.30	4.04	3.88	3.95	3.89	3.85	3.84	3.93
5 6-month	8.80	7.95	5.85	4.13	4.38	4.13	3.97	4.04	3.99	3.94	3.92	4.03
Finance paper, directly placed[3,5,7]												
6 1-month	8.99	8.00	5.73	4.01	4.18	3.89	3.76	3.81	3.77	3.72	3.73	3.82
7 3-month	8.72	7.87	5.71	4.02	4.20	3.91	3.77	3.85	3.79	3.72	3.73	3.83
8 6-month	8.16	7.53	5.60	3.96	4.15	3.89	3.77	3.81	3.79	3.76	3.73	3.80
Bankers acceptances[3,5,8]												
9 3-month	8.87	7.93	5.70	4.00	4.19	3.92	3.76	3.82	3.77	3.71	3.74	3.84
10 6-month	8.67	7.80	5.67	4.02	4.29	3.99	3.85	3.92	3.87	3.78	3.81	3.93
Certificates of deposit, secondary market[3,9]												
11 1-month	9.11	8.15	5.82	4.05	4.23	3.97	3.79	3.87	3.80	3.72	3.76	3.86
12 3-month	9.09	8.15	5.83	4.07	4.25	4.00	3.82	3.92	3.85	3.77	3.78	3.89
13 6-month	9.08	8.17	5.91	4.13	4.42	4.13	3.96	4.07	4.00	3.90	3.90	4.03
14 Eurodollar deposits, 3-month[3,10]	9.16	8.16	5.86	4.05	4.26	4.05	3.84	3.95	3.85	3.78	3.81	3.91
U.S. Treasury bills[5]												
Secondary market[3,5]												
15 3-month	8.11	7.50	5.38	3.84	4.04	3.75	3.63	3.69	3.63	3.60	3.61	3.71
16 6-month	8.03	7.46	5.44	3.93	4.18	3.87	3.75	3.83	3.77	3.70	3.71	3.84
17 1-year	7.92	7.35	5.52	4.08	4.40	4.09	3.99	4.12	4.06	3.93	3.92	4.06
Auction average[3,5,11]												
18 3-month	8.12	7.51	5.42	3.84	4.05	3.81	3.66	3.71	3.65	3.64	3.61	3.75
19 6-month	8.04	7.47	5.49	3.94	4.19	3.93	3.78	3.85	3.78	3.74	3.71	3.90
20 1-year	7.91	7.36	5.54	4.01	4.37	4.34	4.20	n.a.	4.20	n.a.	n.a.	n.a.
U.S. TREASURY NOTES AND BONDS												
Constant maturities[12]												
21 1-year	8.53	7.89	5.86	4.29	4.63	4.30	4.19	4.34	4.25	4.12	4.12	4.27
22 2-year	8.57	8.16	6.49	5.21	5.69	5.34	5.23	5.40	5.30	5.16	5.17	5.26
23 3-year	8.55	8.26	6.82	5.72	6.18	5.93	5.81	6.02	5.92	5.75	5.73	5.83
24 5-year	8.50	8.37	7.37	6.58	6.95	6.78	6.69	6.88	6.78	6.65	6.61	6.70
25 7-year	8.52	8.52	7.68	6.96	7.26	7.15	7.06	7.24	7.16	7.01	6.98	7.07
26 10-year	8.49	8.55	7.86	7.34	7.54	7.48	7.39	7.59	7.50	7.34	7.29	7.40
27 30-year	8.45	8.61	8.14	7.85	7.97	7.96	7.89	8.06	7.98	7.86	7.81	7.89
Composite[13]												
28 Over 10 years (long-term)	8.58	8.74	8.16	7.78	7.93	7.88	7.80	7.97	7.90	7.76	7.72	7.81
STATE AND LOCAL NOTES AND BONDS												
Moody's series[14]												
29 Aaa	7.00	6.96	6.56	n.a.	n.a.	6.36	6.25	6.37	6.31	6.27	6.22	6.21
30 Baa	7.40	7.29	6.99	n.a.	n.a.	6.85	6.67	6.85	6.78	6.69	6.62	6.59
31 *Bond Buyer* series[15]	7.23	7.27	6.92	6.74	6.76	6.67	6.57	6.69	6.64	6.54	6.51	6.58
CORPORATE BONDS												
32 Seasoned issues, all industries[16]	9.66	9.77	9.23	8.75	8.81	8.77	8.71	8.82	8.78	8.70	8.66	8.69
Rating group												
33 Aaa	9.26	9.32	8.77	8.29	8.35	8.33	8.28	8.37	8.35	8.27	8.23	8.24
34 Aa	9.46	9.56	9.05	8.67	8.73	8.69	8.63	8.74	8.70	8.61	8.57	8.61
35 A	9.74	9.82	9.30	8.83	8.89	8.87	8.81	8.92	8.88	8.80	8.76	8.80
36 Baa	10.18	10.36	9.80	9.23	9.25	9.21	9.13	9.23	9.20	9.12	9.07	9.11
37 A-rated, recently offered utility bonds[17]	9.79	10.01	9.32	8.79	8.91	8.82	8.70	8.86	8.73	8.64	8.68	8.65
MEMO: Dividend–price ratio[18]												
38 Preferred stocks	9.05	8.96	8.17	7.54	7.64	7.75	7.61	7.68	7.64	7.59	7.57	7.62
39 Common stocks	3.45	3.61	3.25	2.94	3.01	3.02	2.99	3.00	2.98	2.98	2.99	3.01

1. The daily effective federal funds rate is a weighted average of rates on trades through New York brokers.
2. Weekly figures are averages of seven calendar days ending on Wednesday of the current week; monthly figures include each calendar day in the month.
3. Annualized using a 360-day year or bank interest.
4. Rate for the Federal Reserve Bank of New York.
5. Quoted on a discount basis.
6. An average of offering rates on commercial paper placed by several leading dealers for firms whose bond rating is AA or the equivalent.
7. An average of offering rates on paper directly placed by finance companies.
8. Representative closing yields for acceptances of the highest rated money center banks.
9. An average of dealer offering rates on nationally traded certificates of deposit.
10. Bid rates for Eurodollar deposits at 11 a.m. London time. Data are for indication purposes only.
11. Auction date for daily data; weekly and monthly averages computed on an issue-date basis.
12. Yields on actively traded issues adjusted to constant maturities. Source: U.S. Treasury.
13. Unweighted average of rates on all outstanding bonds neither due nor callable in less than ten years, including one low-yielding "flower" bond.
14. General obligations based on Thursday figures; Moody's Investors Service.
15. General obligations only, with twenty years to maturity, issued by twenty 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 thirty-year maturity and five 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 ordering address, see inside front cover.

1.36 STOCK MARKET Selected Statistics

Indicator	1989	1990	1991	1991 Sept.	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.	1992 Apr.	1992 May
	Prices and trading volume (averages of daily figures)											
Common stock prices (indexes)												
1 New York Stock Exchange (Dec. 31, 1965 = 50)	180.13	183.66	206.35	212.55	213.10	213.25	214.26	229.34	228.12	225.21	224.55	228.55
2 Industrial	228.04	226.06	258.16	266.21	265.68	264.89	266.01	286.62	286.09	282.36	281.60	285.17
3 Transportation	174.90	158.80	173.97	177.99	187.45	188.52	185.47	201.55	205.53	204.09	201.28	207.88
4 Utility	94.33	90.72	92.64	93.72	95.25	96.78	98.08	99.31	96.19	94.16	94.92	98.24
5 Finance	162.01	133.21	150.84	157.69	158.94	159.78	159.96	174.50	174.05	173.49	171.05	175.89
6 Standard & Poor's Corporation (1941–43 = 10)[1]	323.05	335.01	376.20	387.20	386.88	385.87	388.51	416.08	412.56	407.36	407.41	414.81
7 American Stock Exchange (Aug. 31, 1973 = 50)[2]	356.67	338.32	360.32	369.55	376.82	382.38	373.08	409.08	413.74	404.09	388.06	392.63
Volume of trading (thousands of shares)												
8 New York Stock Exchange	165,568	156,359	179,411	163,242	177,502	187,191	197,914	239,903	226,476	185,581	206,251	182,027
9 American Stock Exchange	13,124	13,155	12,486	13,378	13,764	14,487	17,475	20,444	18,126	15,654	14,096	13,455
	Customer financing (millions of dollars, end-of-period balances)											
10 **Margin credit at broker–dealers[3]**	**34,320**	**28,210**	**36,660**	**33,170**	**33,360**	**34,840**	**36,660**	**36,350**	**38,200**	**39,090**	**38,750**	**39,890**
Free credit balances at brokers[4]												
11 Margin accounts[5]	7,040	8,050	8,290	6,950	6,965	7,040	8,290	7,865	7,620	7,350	8,780	7,700
12 Cash accounts	18,505	19,285	19,255	17,595	17,100	17,780	19,255	19,990	20,370	19,305	16,400	18,695

Margin requirements (percent of market value and effective date)[6]

	Mar. 11, 1968	June 8, 1968	May 6, 1970	Dec. 6, 1971	Nov. 24, 1972	Jan. 3, 1974
13 Margin stocks	70	80	65	55	65	50
14 Convertible bonds	50	60	50	50	50	50
15 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. On July 5, 1983, the American Stock Exchange rebased its index, effectively cutting previous readings in half.
3. Since July 1983, under the revised Regulation T, margin credit at broker–dealers has included 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.
4. Free credit balances are amounts in accounts with no unfulfilled commitments to brokers and are subject to withdrawal by customers on demand.
5. New series since June 1984.
6. These requirements, stated in regulations adopted by the Board of Governors pursuant to the Securities Exchange Act of 1934, limit the amount of credit that can be used to purchase and carry "margin securities" (as defined in the regulations) when such credit is collateralized by securities. Margin requirements on securities other than options are the difference between the market value (100 percent) and the maximum loan value of collateral as prescribed by the Board. Regulation T was adopted effective Oct. 15, 1934; Regulation U, effective May 1, 1936; Regulation G, effective Mar. 11, 1968; and Regulation X, effective Nov. 1, 1971.

On Jan. 1, 1977, the Board of Governors for the first time established in Regulation T the initial margin required for writing options on securities, setting it at 30 percent of the current market value of the stock underlying the option. On Sept. 30, 1985, the Board changed the required initial margin, allowing it to be the same as the option maintenance margin required by the appropriate exchange or self-regulatory organization; such maintenance margin rules must be approved by the Securities and Exchange Commission. Effective Jan. 31, 1986, the SEC approved new maintenance margin rules, permitting margins to be the price of the option plus 15 percent of the market value of the stock underlying the option.

Effective June 8, 1988, margins were set to be the price option plus 20 percent of the market value of the stock underlying the option (or 15 percent in the case of stock-index options).

1.37 SELECTED FINANCIAL INSTITUTIONS Selected Assets and Liabilities

Millions of dollars, end of period

Account	1989	1990	1991 June	1991 July	1991 Aug.	1991 Sept.	1991 Oct.[r]	1991 Nov.[r]	1991 Dec.[r]	1992 Jan.[r]	1992 Feb.[r]	1992 Mar.
	SAIF-insured institutions											
1 Assets	**1,249,055**	**1,084,821**	**1,001,582**	**984,964**	**972,521**	**949,006[r]**	**937,790**	**934,542**	**920,009**	**909,138**	**906,264**	**882,138**
2 Mortgages	733,729	633,385	596,022	586,302	578,294	566,419	560,766	557,148	550,947	545,658	541,657	528,544
3 Mortgage-backed securities	170,532	155,228	139,536	137,098	135,751	135,246	134,898	133,344	129,500	127,385	127,789	125,464
4 Contra-assets to mortgage assets[1]	25,457	16,897	14,625	14,245	14,037	13,128	12,439	12,298	12,311	11,889	11,600	10,904
5 Commercial loans	32,150	24,125	20,645	20,301	20,390	18,166	18,148	17,509	17,532	16,840	16,064	15,337
6 Consumer loans	58,685	48,753	45,174	44,352	43,258	42,422	43,061	42,761	41,773	40,940	39,991	38,662
7 Contra-assets to nonmortgage loans[2]	3,592	1,939	1,745	1,676	1,545	1,398	1,770	1,153	1,254	1,124	1,128	1,003
8 Cash and investment securities	166,053	146,644	130,443	130,262	132,009	125,911	120,826	123,382	120,061	118,602	121,962	118,814
9 Other[3]	116,955	95,522	86,133	82,570	78,403	75,368[r]	73,905	73,849	73,760	72,726	71,529	67,224
10 Liabilities and net worth	**1,249,055**	**1,084,821**	**1,001,582**	**984,964**	**972,521**	**949,006[r]**	**937,790**	**934,542**	**920,009**	**909,138**	**906,264**	**882,138**
11 Savings capital	945,656	835,496	792,923	775,434	763,751	749,376	741,360	737,555	731,937	721,099	717,026	702,726
12 Borrowed money	252,230	197,353	151,474	146,901	142,908	132,727	127,356	125,147	121,923	119,960	118,554	109,831
13 FHLBB	124,577	100,391	78,966	76,104	74,424	68,816	66,609	66,005	65,842	62,637	63,133	62,475
14 Other	127,653	96,962	72,508	70,797	68,484	63,911	60,747	59,142	56,081	57,323	55,421	47,356
15 Other	27,556	21,332	20,480	21,654	22,648[r]	19,080	20,381	21,690	17,553	18,973	21,363	18,289
16 Net worth	23,612	30,640	36,705	40,975	43,214	47,824	48,692	50,151	48,595	49,107	49,322	51,293

1. Contra-assets are credit-balance accounts that must be subtracted from the corresponding gross asset categories to yield net asset levels. Contra-assets to mortgage loans, contracts, and pass-through securities include loans in process, unearned discounts and deferred loan fees, valuation allowances for mortgages "held for sale," and specific reserves and other valuation allowances.

2. Contra-assets are credit-balance accounts that must be subtracted from the corresponding gross asset categories to yield net asset levels. Contra-assets to nonmortgage loans include loans in process, unearned discounts and deferred loan fees, and specific reserves and valuation allowances.

3. Includes holding of stock in Federal Home Loan Bank and finance leases plus interest.

NOTE. Components do not sum to totals because of rounding. Data for credit unions and life insurance companies have been deleted from this table. Starting in the December 1991 issue, data for life insurance companies are shown in a special table of quarterly data.

SOURCE. *Savings Association Insurance Fund (SAIF)-insured institutions:* Estimates by the Office of Thrift Supervision (OTS) for all institutions insured by the SAIF and based on the OTS thrift institution Financial Report.

1.38 FEDERAL FISCAL AND FINANCING OPERATIONS[1]

Millions of dollars

Type of account or operation	Fiscal year 1989	Fiscal year 1990	Fiscal year 1991	Calendar year 1991 Dec.	Calendar year 1992 Jan.	1992 Feb.	1992 Mar.	1992 Apr.	1992 May
U.S. budget[2]									
1 Receipts, total	990,701	1,031,308	1,054,265[r]	103,662	104,091	62,056	72,917	138,430	62,244
2 On-budget	727,035	749,652	760,382[r]	80,172	79,937	38,290	46,353	103,405	36,867
3 Off-budget	263,666	281,656	293,883	23,490	24,154	23,766	26,564	35,025	25,377
4 Outlays, total	1,144,020	1,251,766	1,323,757[r]	106,199	119,742	111,230	123,629	123,821	109,179
5 On-budget	933,107	1,026,711	1,082,072[r]	95,500	97,188	88,006	100,700	102,795	86,489
6 Off-budget	210,911	225,065	241,685	10,698	22,553	23,224	22,929	21,026	22,690
7 Surplus or deficit (−), total	−153,319	−220,469	−269,492	−2,537	−15,650	−49,174	−50,712	14,609	−46,935
8 On-budget	−206,072	−277,059	−321,690	−15,328	−17,251	−49,716	−54,347	610	−49,622
9 Off-budget	52,753	56,590	52,198	12,792	1,601	542	3,635	13,999	2,687
Source of financing (total)									
10 Borrowing from the public	141,806	220,101	276,802	22,825	11,449	20,938	50,138	6,292	33,840
11 Operating cash (decrease, or increase (−))	3,425	818	−1,329	−24,258	925	30,975	−2,961	−21,262	20,977
12 Other[3]	8,088	−451	−5,981	3,970	3,276	−2,739	3,535	361	−7,882
MEMO									
13 Treasury operating balance (level, end of period)	40,973	40,155	41,484	48,782	47,857	16,882	19,843	41,105	20,128
14 Federal Reserve Banks	13,452	7,638	7,928	17,697	10,828	5,477	6,846	4,692	5,583
15 Tax and loan accounts	27,521	32,517	33,556	31,085	37,028	11,405	12,997	36,413	14,545

1. Components may not sum to totals because of rounding.

2. In accordance with the Balanced Budget and Emergency Deficit Control Act of 1985, all former off-budget entries are now presented on-budget. Federal Financing Bank (FFB) activities are now shown as separate accounts under the agencies that use the FFB to finance their programs. The act also moved two social security trust funds (federal old-age survivors insurance and federal disability insurance trust fund) off-budget. The Postal Service is included as an off-budget item in the *Monthly Treasury Statement* beginning in 1990.

3. Includes special drawing rights (SDRs); reserve position on the U.S. quota in the International Monetary Fund (IMF); loans to the IMF; other cash and monetary assets; accrued interest payable to the public; allocations of SDRs; deposit funds; miscellaneous liability (including checks outstanding) and asset accounts; seigniorage; increment on gold; net gain or loss for U.S. currency valuation adjustment; net gain or loss for IMF loan-valuation adjustment; and profit on sale of gold.

SOURCES. *Monthly Treasury Statement of Receipts and Outlays of the U.S. Government* (MTS) and the *Budget of the U.S. Government*.

1.39 U.S. BUDGET RECEIPTS AND OUTLAYS[1]

Millions of dollars

Source or type	Fiscal year 1990	Fiscal year 1991	Calendar year 1990 H1	1990 H2	1991 H1	1991 H2	1992 Mar.	1992 Apr.	1992 May
RECEIPTS									
1 **All sources**	**1,031,308**	**1,054,265**[r]	**548,861**	**503,123**	**540,504**	**519,293**[r]	**72,917**	**138,430**	**62,244**
2 Individual income taxes, net	466,884	467,827	243,087	230,745	232,389	233,983	19,503	67,993	12,012
3 Withheld	388,384	404,152	190,219	207,469	193,440	210,552	35,728	30,112	29,470
4 Presidential Election Campaign Fund	32	32	30	3	31	1	7	−6	17
5 Nonwithheld	151,285	142,693	117,675	31,728	109,405	33,296	3,925	56,862	2,447
6 Refunds	72,817	79,050	64,838	8,455	70,487	9,867	20,157	18,975	19,922
Corporation income taxes									
7 Gross receipts	110,017	113,599	58,830	54,044	58,903	54,016	13,547	16,693	3,606
8 Refunds	16,510	15,513	8,326	7,603	7,904	7,956	1,805	2,495	915
9 Social insurance taxes and contributions, net	380,047	396,011	210,476	178,468	214,303	186,839	34,237	47,461	40,362
10 Employment taxes and contributions[2]	353,891	370,526	195,269	167,224	199,727	175,802	33,557	44,432	32,005
11 Self-employment taxes and contributions[3]	21,795	25,457	19,017	2,638	22,150	3,306	1,853	12,588	1,472
12 Unemployment insurance	21,635	20,922	12,929	8,996	12,296	8,721	265	2,608	7,991
13 Other net receipts[4]	4,522	4,563	2,278	2,249	2,279	2,317	415	422	366
14 Excise taxes	35,345	42,430	18,153	17,535	20,703	24,690	4,077	3,871	3,440
15 Customs deposits	16,707	15,921	8,096	8,568	7,488	8,694	1,412	1,374	1,224
16 Estate and gift taxes	11,500	11,138	6,442	5,333	5,631	5,521	879	1,477	853
17 Miscellaneous receipts[5]	27,316	22,852[r]	12,106	16,032	8,991	13,508[r]	1,066	2,057	1,662
OUTLAYS									
18 **All types**	**1,251,776**	**1,323,750**	**640,867**	**647,461**	**632,153**	**694,468**	**123,629**	**123,821**	**109,179**
19 National defense	299,331	272,514	152,733	149,497	122,089	147,531	22,947	23,901	24,324
20 International affairs	13,762	16,167	6,770	8,943	7,592	7,651	1,675	2,595	369
21 General science, space, and technology	14,444	15,946	6,974	8,081	7,496	8,473	1,592	1,388	1,401
22 Energy	2,372	1,750	1,216	979	816	1,436	411	348	312
23 Natural resources and environment	17,067	18,708	7,343	9,933	8,324	11,221	1,397	1,666	1,460
24 Agriculture	11,958	14,864	7,450	6,878	7,684	7,335	1,527	1,747	1,778
25 Commerce and housing credit	67,160	75,639	38,672	37,491	17,992	36,579	9,083	5,147	−3,251
26 Transportation	29,485	31,531	13,754	16,218	14,748	17,094	2,462	2,463	2,747
27 Community and regional development	8,498	7,432	3,987	3,939	3,552	3,784	743	762	619
28 Education, training, employment, and social services	38,497	41,479	19,537	18,988	21,234	21,104	3,642	4,321	3,198
29 Health	57,716	71,183	29,488	31,424	35,608	41,458	7,423	7,460	6,684
30 Social security and medicare	346,383	373,495	175,997	176,353	190,247	193,156	33,485	34,270	33,808
31 Income security	147,314	171,618	78,475	75,948	88,778	87,923	19,754	18,830	17,158
32 Veterans benefits and services	29,112	31,344	15,217	15,479	14,326	17,425	1,833	2,926	2,704
33 Administration of justice	10,004	12,295	4,868	5,265	6,187	6,586	1,130	1,517	1,188
34 General government	10,724	11,358	4,916	6,976	5,212	6,821	881	675	387
35 Net interest[6]	184,221	195,012	91,155	94,650	98,556	99,405	16,884	16,838	17,080
36 Undistributed offsetting receipts[7]	−36,615	−39,356	−17,688	−19,829	−18,702	−20,435	−3,238	−3,034	−2,787

1. Functional details do not sum to total outlays for calendar year data because revisions to monthly totals have not been distributed among functions. Fiscal year total for outlays does not correspond to calendar year data because revisions from the *Budget* have not been fully distributed across months.
2. Old-age, disability, and hospital insurance, and railroad retirement accounts.
3. Old-age, disability, and hospital insurance.
4. Federal employee retirement contributions and civil service retirement and disability fund.
5. Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.
6. Includes interest received by trust funds.
7. Consists of rents and royalties for the outer continental shelf and U.S. government contributions for employee retirement.

SOURCES. U.S. Department of the Treasury, *Monthly Treasury Statement of Receipts and Outlays of the U.S. Government*, and the U.S. Office of Management and Budget, *Budget of the U.S. Government, Fiscal Year 1990*.

1.40 FEDERAL DEBT SUBJECT TO STATUTORY LIMITATION[1]

Billions of dollars, end of month

Item	1990				1991				1992
	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31
1 **Federal debt outstanding**	**3,081.90**	**3,175.50**	**3,266.10**	**3,397.30**	**3,491.70**	**3,562.90**	**3,683.10**	**3,820.40**	n.a.
2 Public debt securities	3,052.00	3,143.80	3,233.30	3,364.80	3,465.20	3,538.00	3,665.30	3,801.70	3,881.30
3 Held by public	2,329.30	2,368.80	2,437.60	2,536.60	2,598.40	2,642.90	2,745.70	2,833.00	
4 Held by agencies	722.70	775.00	795.80	828.30	866.80	895.10	919.60	968.70	
5 Agency securities	29.90	31.70	32.80	32.50	26.50	25.00	17.80	18.70	n.a.
6 Held by public	29.80	31.60	32.60	32.40	26.40	24.80	17.60	18.60	
7 Held by agencies	.20	.20	.20	.10	.10	.10	.10	.10	
8 **Debt subject to statutory limit**	**2,988.90**	**3,077.00**	**3,161.20**	**3,281.70**	**3,377.10**	**3,450.30**	**3,569.30**	**3,706.80**	**3,783.60**
9 Public debt securities	2,988.60	3,076.60	3,160.90	3,281.30	3,376.70	3,449.80	3,569.00	3,706.40	3,783.20
10 Other debt[2]	.30	.40	.40	.40	.40	.40	.30	.40	.40
11 Memo: Statutory debt limit	3,122.70	3,122.70	3,195.00	4,145.00	4,145.00	4,145.00	4,145.00	4,145.00	4,145.00

1. Components may not sum to totals because of rounding.
2. Consists of guaranteed debt of Treasury and other federal agencies, specified participation certificates, notes to international lending organizations, and District of Columbia stadium bonds.

Sources. *Treasury Bulletin* and *Monthly Statement of the Public Debt of the United States.*

1.41 GROSS PUBLIC DEBT OF U.S. TREASURY Types and Ownership[1]

Billions of dollars, end of period

Type and holder	1988	1989	1990	1991	1991			1992
					Q2	Q3	Q4	Q1
1 **Total gross public debt**	**2,684.4**	**2,953.0**	**3,364.8**	**3,801.7**	**3,538.0**	**3,665.3**	**3,801.7**	**3,881.3**
By type								
2 Interest-bearing	2,663.1	2,931.8	3,362.0	3,798.9	3,516.1	3,662.8	3,798.9	3,878.5
3 Marketable	1,821.3	1,945.4	2,195.8	2,471.6	2,268.1	2,390.7	2,471.6	2,552.3
4 Bills	414.0	430.6	527.4	590.4	521.5	564.6	590.4	615.8
5 Notes	1,083.6	1,151.5	1,265.2	1,430.8	1,320.3	1,387.7	1,430.8	1,477.7
6 Bonds	308.9	348.2	388.2	435.5	411.2	423.4	435.5	443.8
7 Nonmarketable[2]	841.8	986.4	1,166.2	1,327.2	1,248.0	1,272.1	1,327.2	1,326.2
8 State and local government series	151.5	163.3	160.8	159.7	161.0	158.1	159.7	157.8
9 Foreign issues[3]	6.6	6.8	43.5	41.9	42.1	41.6	41.9	42.0
10 Government	6.6	6.8	43.5	41.9	42.1	41.6	41.9	42.0
11 Public	.0	.0	.0	.0	.0	.0	.0	.0
12 Savings bonds and notes	107.6	115.7	124.1	135.9	131.3	133.5	135.9	139.9
13 Government account series[4]	575.6	695.6	813.8	959.2	883.2	908.4	959.2	956.1
14 Non-interest-bearing	21.3	21.2	2.8	2.8	21.9	2.5	2.8	2.8
By holder[5]								
15 U.S. Treasury and other federal agencies and trust funds	589.2	707.8	828.3	968.7	895.1	919.6	968.7	
16 Federal Reserve Banks	238.4	228.4	259.8	288.4	255.1	264.7	288.4	
17 Private investors	1,858.5	2,015.8	2,288.3	2,563.2	2,397.9	2,489.4	2,563.2	
18 Commercial banks	184.9	164.9	171.5	222.0	195.6	216.9	222.0	
19 Money market funds	11.8	14.9	45.4	80.0	55.2	64.5	80.0	
20 Insurance companies	118.6	125.1	142.0	168.0	152.5	162.9	168.0	
21 Other companies	87.1	93.4	108.9	150.8	130.8	142.0	150.8	n.a.
22 State and local treasuries	471.6	487.5	490.4	490.0	489.3	491.4	490.0	
Individuals								
23 Savings bonds	109.6	117.7	126.2	138.1	133.2	135.4	138.1	
24 Other securities	79.2	98.7	107.6	125.8	110.3	122.1	125.8	
25 Foreign and international[6]	362.2	392.9	421.7	457.7	439.8	443.4	457.7	
26 Other miscellaneous investors[7]	433.0	520.7	674.4	730.8	691.1	710.8	730.8	

1. Components may not sum to totals because of rounding.
2. Includes (not shown separately) securities issued to the Rural Electrification Administration, depository bonds, retirement plan bonds, and individual retirement bonds.
3. Nonmarketable series denominated in dollars, and series denominated in foreign currency held by foreigners.
4. Held almost entirely by U.S. Treasury and other federal agencies and trust funds.
5. Data for Federal Reserve Banks and U.S. government agencies and trust funds are actual holdings; data for other groups are Treasury estimates.
6. Consists of investments of foreign balances and international accounts in the United States.
7. Includes savings and loan associations, nonprofit institutions, credit unions, mutual savings banks, corporate pension trust funds, dealers and brokers, certain U.S. Treasury deposit accounts, and federally 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, the *Treasury Bulletin.*

1.42 U.S. GOVERNMENT SECURITIES DEALERS Transactions[1]

Millions of dollars, daily averages, par value

Item	1992			1992, week ending								
	Feb.	Mar.	Apr.	Apr. 1	Apr. 8	Apr. 15	Apr. 22	Apr. 29	May 6	May 13	May 20	May 27
IMMEDIATE TRANSACTIONS[2]												
By type of security												
U.S. Treasury securities												
1 Bills	36,927	36,555	40,313	38,144	46,265	43,263	33,788	38,531	39,496	47,244	41,575	36,564
Coupon securities, by maturity												
2 Less than 3.5 years	50,004	42,685	45,264	38,399	41,172	49,269	44,808	46,448	48,922	57,920	53,667	44,298
3 3.5 to 7.5 years	32,906	31,442	32,994	30,807	34,638	38,199	28,083	32,738	26,767	36,169	37,369	37,178
4 7.5 to 15 years	17,537	13,835	13,123	11,920	12,516	12,545	11,177	15,425	18,174	21,297	19,127	14,821
5 15 years or more	14,718	13,122	11,899	12,100	10,870	12,866	10,358	13,096	13,723	17,424	14,827	14,431
Federal agency securities												
Debt, maturing in												
6 Less than 3.5 years	5,702	4,585	4,518	4,833	3,918	4,275	4,965	4,921	4,165	3,603	4,100	3,996
7 3.5 to 7.5 years	615	618	712	567	833	762	753	572	498	730	497	374
8 7.5 years or more	596	667	600	458	605	890	604	367	416	668	596	306
Mortgage-backed securities												
9 Pass-throughs	12,359	12,503	11,948[r]	10,290	15,268	13,138	10,189	10,071	9,241	14,183	16,281	10,907
10 All others[3]	2,646	2,499	2,954	3,310	3,234	2,642	2,366	3,345	3,749	4,162	3,862	2,646
By type of counterparty												
Primary dealers and brokers												
11 U.S. Treasury securities	95,816	87,201	89,144	81,072	90,527	95,526	80,795	90,524	93,228	111,426	102,876	92,974
Federal agency securities												
12 Debt	1,463	1,239	1,199	1,322	1,202	1,261	1,192	1,174	912	1,122	1,245	748
13 Mortgage-backed	6,590	7,054	6,681[r]	5,815	7,735	7,572	6,052	5,778	5,477	8,095	8,208	6,662
Customers												
14 U.S. Treasury securities	56,276	50,438	54,448	50,297	54,935	60,615	47,418	55,714	54,134	68,629	63,689	54,318
Federal agency securities												
15 Debt	5,451	4,630	4,630	4,536	4,154	4,665	5,129	4,685	4,167	3,879	3,948	3,928
16 Mortgage-backed	8,416	7,949	8,222[r]	7,785	10,768	8,207	6,503	7,638	7,513	10,250	11,935	6,891
FUTURES AND FORWARD TRANSACTIONS[4]												
By type of deliverable security												
U.S. Treasury securities												
17 Bills	4,242	4,728	3,509	3,781	3,673	3,663	2,684	4,081	2,910	3,477	2,518	5,326
Coupon securities, by maturity												
18 Less than 3.5 years	2,014	1,826	1,710	1,575	1,664	1,395	1,936	1,801	2,071	2,260	1,966	3,200
19 3.5 to 7.5 years	1,311	1,323	876	968	737	963	810	961	938	1,286	1,346	1,639
20 7.5 to 15 years	1,928	1,332	900	1,112	955	701	821	1,080	901	1,442	1,172	1,373
21 15 years or more	10,178	8,875	6,333[r]	7,615	6,552	5,445	5,433	7,444	7,330	11,709	7,593	7,993
Federal agency securities												
Debt, maturing in												
22 Less than 3.5 years	38	54	68	21	27	15	138	108	37	18	27	27
23 3.5 to 7.5 years	44	36	68[r]	41	8	39	122	95	125	14	11	32
24 7.5 years or more	51	37	12	15	9	21	5	11	n.a.	5	12	4
Mortgage-backed												
25 Pass-throughs[3]	14,856	14,143	12,638[r]	12,003	13,558	14,670	12,521	10,341	10,585	15,587	14,528	12,164
26 Others	2,299	2,114	2,311	2,690	1,872	2,386	3,045	1,810	2,588	2,326	2,163	3,020
OPTIONS TRANSACTIONS[5]												
By type of underlying security												
U.S. Treasury, coupon securities, by maturity												
27 Less than 3.5 years	1,809	1,222	1,369	1,169	1,422	1,470	1,262	1,439	994	998	1,397	1,515
28 3.5 to 7.5 years	314	402	269	148	231	417	312	171	118	376	263	223
29 7.5 to 15 years	718	396	482	684	404	577	500	412	445	461	1,043	343
30 15 years or more	2,655	1,989	2,148[r]	1,756	2,012	1,991	2,118	2,653	1,623	2,947	4,755	2,097
Federal agency, mortgage-backed securities												
31 Pass-throughs	722	356	253	294	406	258	184	144	311	603	404	242

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. Immediate, forward, and future transactions are reported at principal value, which does not include accrued interest; options transactions are reported at the face value of the underlying securities.

Dealers report cumulative transactions for each week ending Wednesday.

2. Transactions for immediate delivery include purchases or sales of securities (other than mortgage-backed agency securities) for which delivery is scheduled in five business days or less and "when-issued" securities that settle on the issue date of offering. Transactions for immediate delivery of mortgage-backed securities include purchases and sales for which delivery is scheduled in thirty days or less. Stripped securities are reported at market value by maturity of coupon or corpus.

3. Includes such securities as collateralized mortgage obligations (CMOs), real estate mortgage investment conduits (REMICs), interest only securities (IOs), and principal only securities (POs).

4. Futures transactions are standardized agreements arranged on an exchange. Forward transactions are agreements made in the over-the-counter market that specify delayed delivery. All futures transactions are included regardless of time to delivery. Forward contracts for U.S. Treasury securities and federal agency debt securities are included when the time to delivery is more than five days. Forward contracts for mortgage-backed securities are included when the time to delivery is more than thirty days.

5. Options transactions are purchases or sales of put-and-call options, whether arranged on an organized exchange or in the over-the-counter market, and include options on futures contracts on U.S. Treasury and federal agency securities.

NOTE. In tables 1.42 and 1.43, the term "n.a." refers to data that are not published because of insufficient activity.

Data formerly shown under options transactions for U.S. Treasury securities, bills; Federal agency securities, debt; and mortgage-backed securities, other than pass-throughs are no longer available because of insufficient activity.

1.43 U.S. GOVERNMENT SECURITIES DEALERS Positions and Financing[1]

Millions of dollars

Item	1992			1992, week ending							
	Feb.	Mar.	Apr.	Apr. 1	Apr. 8	Apr. 15	Apr. 22	Apr. 29	May 6	May 13	May 20
	Positions[2]										
NET IMMEDIATE TRANSACTIONS[3]											
By type of security											
U.S. Treasury securities											
1 Bills	11,229	16,979	10,753	21,613	18,237	12,197	6,910	4,566	7,612	13,472	7,829
Coupon securities, by maturity											
2 Less than 3.5 years	3,136	−1,536	−2,263	−3,258	−2,996	−4,357	1,091	−2,493	−3,358	−4,320	−686
3 3.5 to 7.5 years	−12,822	−7,280	−4,372	−7,075	−2,561	−4,808	−5,637	−3,889	−5,828	−5,823	−7,019
4 7.5 to 15 years	−3,002	−5,987	−7,111	−7,262	−7,798	−7,130	−7,508	−6,674	−2,299	−3,791	−3,448
5 15 years or more	−1,755	−2,340	−2,205	−1,670	−2,246	−1,536	−1,983	−3,042	−2,844	−1,406	741
Federal agency securities											
Debt, maturing in											
6 Less than 3.5 years	5,788	4,638	3,564	4,464	3,132	4,234	3,577	3,270	2,966	4,611	5,372
7 3.5 to 7.5 years	4,208	3,572	2,216	3,002	2,609	2,287	2,012	1,909	1,772	1,763	1,942
8 7.5 years or more	3,705	3,599	3,609	3,425	3,499	3,987	3,687	3,322	3,385	3,221	3,270
Mortgage-backed securities											
9 Pass-throughs	25,445	25,550	32,097[r]	14,244	28,814	36,111	37,858	29,311	24,004	32,333	32,319
10 All others[4]	16,417	14,209	15,680	15,542	14,737	15,844	15,837	16,271	16,043	18,265	18,902
Other money market instruments											
11 Certificates of deposit	2,717	2,593	2,882	2,523	2,463	3,187	2,880	3,032	3,014	2,986	3,082
12 Commercial paper	6,266	5,032	6,942	5,085	4,550	9,554	6,565	7,482	6,124	6,578	6,446
13 Bankers acceptances	1,456	894	960	850	1,163	1,027	937	714	1,053	1,165	1,379
FUTURE AND FORWARD TRANSACTIONS[5]											
By type of deliverable security											
U.S. Treasury securities											
14 Bills	−7,362	−1,303	−763	−4,986	−5,157	−308	1,771	689	3,131	36	−1,518
Coupon securities, by maturity											
15 Less than 3.5 years	1,810	1,216	996	491	737	752	1,016	1,200	3,468	2,766	2,563
16 3.5 to 7.5 years	2,817	3,177	3,852	3,768	3,969	4,092	4,350	3,156	2,816	4,659	5,203
17 7.5 to 15 years	228	1,233	831[r]	1,180	1,245	741	458	741	1,462	1,295	56
18 15 years or more	−5,093	−6,388	−7,323[r]	−7,776	−7,529	−8,607	−7,385	−5,668	−7,601	−5,246	−7,897
Federal agency securities											
Debt, maturing in											
19 Less than 3.5 years	−24	−29	−24	−66	−55	−23	−40	20	33	45	236
20 3.5 to 7.5 years	−37	5	104[r]	−98	−55	28	−2	491	−11	−39	−50
21 7.5 years or more	59	30	17	−2	−26	33	51	15	−1	16	21
Mortgage-backed securities											
22 Pass-throughs	−8,152	−6,280	−14,895[r]	2,878	−7,466	−18,934	−22,980	−13,732	−7,947	−18,461	−22,479
23 All others[4]	3,851	3,027	1,659	2,339	1,610	1,671	2,100	1,371	171	1,786	145
24 Certificates of deposit	−112,128	−129,643	−138,412	−134,698	−141,629	−134,205	−135,019	−139,661	−164,071	−180,645	−196,200
	Financing[6]										
Reverse repurchase agreements											
25 Overnight and continuing	211,815	211,356	201,359	199,757	199,495	206,913	194,542	203,326	211,084	216,107	203,594
26 Term	278,414	262,127	289,867	253,598	287,001	292,852	293,314	290,727	295,164	312,695	286,833
Repurchase agreements											
27 Overnight and continuing	322,505	320,589	328,181	302,500	304,994	338,665	329,285	342,323	336,056	336,954	343,177
28 Term	264,340	241,871	257,388	225,438	257,316	260,810	262,215	254,963	249,081	277,796	259,066
Securities borrowed											
29 Overnight and continuing	71,618	75,832	78,173	78,315	77,141	75,264	79,757	80,113	80,942	80,181	80,785
30 Term	31,200	31,014	30,570	28,739	28,435	30,012	30,959	32,971	31,727	31,585	30,089
Securities loaned											
31 Overnight and continuing	7,703	7,613	7,424	6,770	6,692	7,074	7,158	8,833	7,655	7,316	7,821
32 Term	1,436	1,864	3,042	2,572	2,392	3,335	3,165	3,637	975	1,015	873
Collateralized loans											
33 Overnight and continuing	16,951	16,817	17,398[r]	19,231	19,419	18,154	17,184	14,712	16,433	16,357	17,253
MEMO: Matched book[7]											
Reverse repurchases											
34 Overnight and continuing	150,143	153,365	149,760	150,788	150,841	153,516	145,449	149,027	150,174	151,105	145,240
35 Term	234,039	221,746	245,889	216,015	245,537	248,992	247,623	244,605	253,355	265,844	242,087
Repurchases											
36 Overnight and continuing	176,327	177,773	178,680	171,789	171,600	177,700	175,011	188,776	196,990	189,866	184,138
37 Term	197,647	180,439	197,396	173,561	200,373	199,427	200,294	193,419	193,727	217,181	190,921

1. Data for positions and 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. Weekly figures are close-of-business Wednesday data; monthly figures are averages of weekly data.
2. Securities positions are reported at market value.
3. Net immediate positions include securities purchased or sold (other than mortgage-backed agency securities) that have been delivered or are scheduled to be delivered in five business days or less and "when-issued" securities that settle on the issue date of offering. Net immediate positions of mortgage-backed securities include securities purchased or sold that have been delivered or are scheduled to be delivered in thirty days or less.
4. Includes securities such as collateralized mortgage obligations (CMOs), real estate mortgage investment conduits (REMICs), interest only (IOs), and principal only (POs).
5. Future positions are standardized contracts arranged on an exchange. Forward positions reflect agreements made in the over-the-counter market that specify delayed delivery. All futures positions are included regardless of time to delivery. Forward contracts for U.S. Treasury securities and for federal agency debt securities are included when the time to delivery is more than five business days. Forward contracts for mortgage-backed securities are included when the time to delivery is more than thirty days.
6. Overnight financing refers to agreements made on one business day that mature on the next business day; continuing contracts are agreements that remain in effect for more than one business day but have no specific maturity and can be terminated without advance notice by either party; term agreements have a fixed maturity of more than one business day.
7. Matched-book data reflect financial intermediation activity in which the borrowing and lending transactions are matched. Matched-book data are included in the financing breakdowns given above. The reverse repurchase and repurchase numbers are not always equal because of the "matching" of securities of different values or types of collateralization.

NOTE. Data for future and forward commercial paper and bankers acceptances and for term financing of collateralized loans are no longer available because of insufficient activity.

1.44 FEDERAL AND FEDERALLY SPONSORED CREDIT AGENCIES Debt Outstanding

Millions of dollars, end of period

Agency	1988	1989	1990	1991	1991		1992		
					Nov.	Dec.	Jan.	Feb.	Mar.
1 **Federal and federally sponsored agencies**	**341,386**	**381,498**	**411,805**	**434,668**	**439,670**	**442,772**	**440,317**	**0**	**0**
2 Federal agencies	37,981	35,668	35,664	42,159	42,951	41,035	42,872	40,791	41,322
3 Defense Department[1]	13	8	7	7	7	7	7	7	7
4 Export-Import Bank[2,3]	11,978	11,033	10,985	11,376	11,267	9,809	9,809	9,809	8,644
5 Federal Housing Administration[4]	183	150	328	393	365	397	335	372	421
6 Government National Mortgage Association participation certificates[5]	1,615	0	0	0	0	0	0	0	0
7 Postal Service[6]	6,103	6,142	6,445	6,948	8,421	8,421	8,421	8,421	9,771
8 Tennessee Valley Authority	18,089	18,335	17,899	23,435	22,891	22,401	24,300	22,182	22,479
9 United States Railway Association[6]	0	0	0	0	0	0	0	0	0
10 Federally sponsored agencies[7]	303,405	345,830	375,407	392,509	396,719	401,737	397,445	0	0
11 Federal Home Loan Banks	115,727	135,836	136,108	117,895	107,344	107,543	104,607	106,341	106,511
12 Federal Home Loan Mortgage Corporation	17,645	22,797	26,148	30,941	31,099	30,262	29,332	26,824	25,154
13 Federal National Mortgage Association	97,057	105,459	116,064	123,403	130,197	133,937	133,988	141,315	141,315
14 Farm Credit Banks[8]	55,275	53,127	54,864	53,590	52,105	52,199	51,673	51,867	52,651
15 Student Loan Marketing Association[9]	16,503	22,073	28,705	34,194	36,497	38,319	38,419	39,280	39,216
16 Financing Corporation[10]	1,200	5,850	8,170	8,170	8,170	8,170	8,170	0	0
17 Farm Credit Financial Assistance Corporation[11]	0	690	847	1,261	1,261	1,261	1,261	0	0
18 Resolution Funding Corporation[12]	0	0	4,522	23,055	29,996	29,996	29,996	0	0
MEMO									
19 **Federal Financing Bank debt[13]**	**152,417**	**142,850**	**134,873**	**179,083**	**194,837**	**185,576**	**183,098**	**182,737**	**185,849**
Lending to federal and federally sponsored agencies									
20 Export-Import Bank[3]	11,972	11,027	10,979	11,370	11,261	9,803	9,803	9,803	8,638
21 Postal Service[6]	5,853	5,892	6,195	6,698	8,201	8,201	8,201	8,201	9,551
22 Student Loan Marketing Association	4,940	4,910	4,880	4,850	4,820	4,820	4,820	4,820	4,820
23 Tennessee Valley Authority	16,709	16,955	16,519	14,055	11,375	10,725	10,725	10,025	10,025
24 United States Railway Association[6]	0	0	0	0	0	0	0	0	0
Other Lending[14]									
25 Farmers Home Administration	59,674	58,496	53,311	52,324	48,534	48,534	48,534	48,534	48,534
26 Rural Electrification Administration	21,191	19,246	19,265	18,890	18,628	18,562	18,534	18,494	18,424
27 Other	32,078	26,324	23,724	70,896	92,018	84,931	82,481	82,860	85,857

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. On-budget since Sept. 30, 1976.
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. Excludes borrowing by the Farm Credit Financial Assistance Corporation, shown in line 17.
9. Before late 1982, the Association obtained financing through the Federal Financing Bank (FFB). Borrowing excludes that obtained from the FFB, which is shown on line 22.
10. The Financing Corporation, established in August 1987 to recapitalize the Federal Savings and Loan Insurance Corporation, undertook its first borrowing in October 1987.
11. The Farm Credit Financial Assistance Corporation, established in January 1988 to provide assistance to the Farm Credit System, undertook its first borrowing in July 1988.
12. The Resolution Funding Corporation, established by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, undertook its first borrowing in October 1989.
13. 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.
14. 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.

1.45 NEW SECURITY ISSUES Tax-Exempt State and Local Governments

Millions of dollars

Type of issue or issuer, or use	1989	1990	1991	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.[r]	1992 Mar.	1992 Apr.	1992 May
1 **All issues, new and refunding**[1]	**113,646**	**120,339**	**154,402**	**11,357**	**17,734**	**15,796**	**12,612**	**14,032**	**15,956**	**15,141**	**14,155**
By type of issue											
2 General obligation	35,774	39,610	55,100	3,088	6,510	5,871	3,954	6,102	6,212	4,455	5,429
3 Revenue	77,873	81,295	99,302	8,269	11,224	9,925	8,658	7,930	9,744	10,686	8,726
By type of issuer											
4 State	11,819	15,149	24,939	7,195	1,171	1,671	1,036	4,404	3,174	575	1,165
5 Special district or statutory authority[2]	71,022	72,661	80,614	605	10,817	9,435	8,243	6,605	7,511	9,802	8,251
6 Municipality, county, or township	30,805	32,510	48,849	3,557	5,746	4,690	3,333	4,404	5,271	4,764	4,739
7 **Issues for new capital, total**	**84,062**	**103,235**	**116,953**	**8,967**	**13,495**	**12,020**	**7,127**	**9,467**	**10,637**	**9,020**	**9,259**
By use of proceeds											
8 Education	15,133	17,042	21,664	1,511	1,297	1,924	2,385	2,604	1,075	2,208	1,651
9 Transportation	6,870	11,650	13,395	1,744	2,682	488	1,194	1,996	1,412	921	1,669
10 Utilities and conservation	11,427	11,739	21,447	1,825	1,915	1,931	1,953	800	2,104	1,380	771
11 Social welfare	16,703	23,099	26,121	1,276	2,621	3,070	868	1,925	1,811	2,582	2,045
12 Industrial aid	5,036	6,117	8,542	973	349	1,083	218	123	528	558	133
13 Other purposes	28,894	34,607	n.a.	1,638	4,631	3,524	n.a.	2,019	3,707	1,371	2,990

1. Par amounts of long-term issues based on date of sale.
2. Since 1986, has included school districts.

SOURCES. *Investment Dealer's Digest* beginning April 1990. Securities Data/Bond Buyer Municipal Data Base beginning 1986. Public Securities Association for earlier data.

1.46 NEW SECURITY ISSUES U.S. Corporations

Millions of dollars

Type of issue, offering, or issuer	1989	1990	1991	1991 Sept.	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.	1992 Apr.
1 **All issues**[1]	**377,836**	**339,052**	**455,291**	**32,180**	**34,893**	**34,286**	**32,391**	**44,886**[r]	**37,316**	**37,539**[r]	**25,116**
2 **Bonds**[2]	**319,965**	**298,814**	**389,933**	**26,759**	**26,029**	**25,233**	**24,871**	**38,202**	**27,780**	**31,182**[r]	**19,778**
By type of offering											
3 Public, domestic	179,694	188,778	287,041	23,856	23,469	23,164	23,326	34,530	26,153[r]	28,652[r]	18,678
4 Private placement, domestic[3]	117,420	86,982	74,930	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
5 Sold abroad	22,851	23,054	27,962	2,902	2,560	2,070	1,544	3,671	1,626	2,529[r]	1,100
By industry group											
6 Manufacturing	76,175	52,635	85,535	7,119[r]	4,732	4,761	4,980	7,322	3,844	8,713	3,678
7 Commercial and miscellaneous	49,465	40,018	37,809	842[r]	1,209	1,819	1,953	2,698[r]	1,664	3,768[r]	1,980
8 Transportation	10,032	12,711	13,628	231	744	180	150	455	1,004	623	140
9 Public utility	18,656	17,621	23,994	1,315	1,430	3,073	2,238	3,761	3,569	1,896	3,223
10 Communication	8,461	6,597	9,331	408	958	226	1,085	2,467	416	300	985
11 Real estate and financial	157,176	169,231	219,637	16,844	16,957	15,175	14,464	21,499[r]	17,283	15,883[r]	9,772
12 **Stocks**[2]	**57,870**	**40,165**	**75,467**	**5,421**	**8,864**	**9,053**	**7,520**	**6,684**[r]	**9,536**	**6,357**	**5,338**
By type of offering											
13 Public preferred	6,194	3,998	17,408	666	3,527	3,240	2,771	739	4,306	625	334
14 Common	26,030	19,443	47,860	4,755	5,337	5,813	4,749	5,945[r]	5,230	5,732	5,004
15 Private placement[3]	25,647	16,736	10,109	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
By industry group											
16 Manufacturing	9,308	5,649	24,154	1,842	3,623	4,054	2,684	2,098[r]	2,541	2,637	1,523
17 Commercial and miscellaneous	7,446	10,171	19,418	858	2,095	2,158	2,535	993[r]	3,194	1,595	1,162
18 Transportation	1,929	369	2,439	0	16	0	0	426	78	193	n.a.
19 Public utility	3,090	416	3,474	55	320	174	233	268[r]	489	704	577
20 Communication	1,904	3,822	475	0	25	84	17	163	n.a.	53	333
21 Real estate and financial	34,028	19,738	25,507	2,666	2,622	2,583	2,014	2,736[r]	3,234	1,175	1,691

1. Figures represent gross proceeds of issues maturing in more than one year; they are the principal amount or number of units calculated by multiplying by the offering price. Figures exclude secondary offerings, employee stock plans, investment companies other than closed-end, intracorporate transactions, equities sold abroad, and Yankee bonds. Stock data include ownership securities issued by limited partnerships.
2. Monthly data cover only public offerings.
3. Monthly data are not available.

SOURCES. IDD Information Services, Inc., the Board of Governors of the Federal Reserve System, and, before 1989, the U.S. Securities and Exchange Commission.

1.47 OPEN-END INVESTMENT COMPANIES Net Sales and Assets

Millions of dollars

Item[1]	1990	1991	1991				1992			
			Sept.	Oct.	Nov.	Dec.	Jan	Feb.	Mar.[r]	Apr.
1 Sales of own shares[2]	**344,420**	**464,488**	**37,316**	**45,218**	**41,365**	**51,018**	**66,048**	**48,015**	**50,462**	**52,305**
2 Redemptions of own shares	288,441	342,088	26,319	27,957	28,454	39,050	41,917	30,869	35,464	39,297
3 Net sales[3]	55,979	122,400	10,997	17,261	12,911	11,968	24,131	17,146	14,998	13,008
4 Assets[4]	**568,517**	**807,001**	**730,426**	**753,344**	**752,798**	**807,077**	**823,767**	**846,868**	**848,842**	**870,150**
5 Cash[5]	48,638	60,937	53,884	59,902	59,689	60,292	62,289	64,022	64,216	67,602
6 Other	519,875	746,064	676,543	695,492	693,109	746,785	761,478	782,846	781,626	802,548

1. Data on sales and redemptions exclude money market mutual funds but include limited-maturity municipal bond funds. Data on asset positions exclude both money market mutual funds and limited-maturity municipal bond funds.
2. Includes reinvestment of dividends. Excludes reinvestment of capital gains distributions.
3. Does not includes sales or redemptions resulting from transfers of shares into or out of money market mutual funds within the same fund family.
4. Market value at end of period, less current liabilities.
5. Includes all U.S. Treasury securities and other short-term debt securities.

SOURCE. Investment Company Institute. Data based on reports of membership, which comprises substantially all open-end investment companies registered with the Securities and Exchange Commission. Data reflect underwritings of new companies.

1.48 CORPORATE PROFITS AND THEIR DISTRIBUTION

Billions of dollars; quarterly data at seasonally adjusted annual rates

Account	1989	1990	1991	1990			1991				1992
				Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1[r]
1 Profits with inventory valuation and capital consumption adjustment	351.7	319.0	306.8	339.8	299.8	296.1	302.1	303.5	306.1	315.6	355.4
2 Profits before taxes	344.5	332.3	312.4	331.6	335.1	326.1	309.1	306.2	318.2	316.1	348.8
3 Profits tax liability	138.0	135.3	124.5	137.9	138.8	127.1	119.4	123.5	128.6	126.4	137.6
4 Profits after taxes	206.6	197.0	187.9	193.7	196.3	199.0	189.7	182.7	189.6	189.7	211.2
5 Dividends	127.9	133.7	137.8	132.5	133.8	136.2	137.8	136.7	138.1	138.5	138.6
6 Undistributed profits	78.7	63.3	50.2	61.2	62.5	62.8	51.9	46.1	51.5	51.2	72.6
7 Inventory valuation	−17.5	−14.2	3.1	3.8	−32.6	−21.2	6.7	9.9	−4.8	.7	−4.0
8 Capital consumption adjustment	24.7	.8	−8.7	4.4	−2.7	−8.8	−13.6	−12.6	−7.3	−1.3	10.6

SOURCE. *Survey of Current Business* (U.S. Department of Commerce).

1.50 TOTAL NONFARM BUSINESS EXPENDITURES on New Plant and Equipment

Billions of dollars; quarterly data at seasonally adjusted annual rates

Industry	1990	1991	1992[1]	1990	1991				1992[1]		
				Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1 Total nonfarm business	**532.61**	**529.20**	**553.86**	**530.13**	**535.50**	**524.57**	**527.86**	**528.88**	**536.49**	**558.50**	**557.55**
Manufacturing											
2 Durable goods industries	82.58	77.95	75.18	79.03	81.24	79.69	74.51	76.36	74.49	76.64	74.39
3 Nondurable goods industries	110.04	105.66	104.03	110.69	109.90	107.66	102.54	102.54	99.72	108.59	105.24
Nonmanufacturing											
4 Mining	9.88	10.02	8.98	10.12	9.89	10.09	10.09	10.00	8.83	9.53	9.08
Transportation											
5 Railroad	6.40	5.92	7.41	6.81	5.59	6.27	6.50	5.32	6.06	7.41	8.73
6 Air	8.87	10.22	10.00	7.54	11.18	10.10	9.81	9.79	9.12	10.68	10.13
7 Other	6.20	6.55	7.14	6.82	6.48	6.68	6.52	6.54	6.44	7.35	6.82
Public utilities											
8 Electric	44.10	43.67	49.41	45.88	43.36	42.87	43.09	45.36	45.73	50.30	50.13
9 Gas and other	23.11	22.84	23.40	24.36	23.68	21.71	23.38	22.60	23.08	22.69	28.31
10 Commercial and other[2]	241.43	246.37	268.31	238.87	244.19	239.50	251.42	250.37	263.02	265.31	269.21

1. Figures are amounts 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* (U.S. Department of Commerce).

1.51 DOMESTIC FINANCE COMPANIES Assets and Liabilities

Billions of dollars, end of period; not seasonally adjusted

Account	1988	1989	1990	1990			1991			
				Q2	Q3	Q4	Q1	Q2	Q3	Q4
ASSETS										
1 Accounts receivable, gross[1]	426.2	445.7	486.7	468.8	474.0	486.7	478.9	487.9	487.8	491.6
2 Consumer	146.2	140.8	136.0	138.6	140.9	136.0	131.6	133.9	132.5	129.6
3 Business	236.5	256.0	290.8	274.8	275.4	290.8	290.0	295.5	296.6	303.8
4 Real estate	43.5	48.9	59.9	55.4	57.7	59.9	57.3	58.5	58.7	58.1
5 LESS: Reserves for unearned income	50.0	52.0	56.6	54.3	55.1	56.6	57.0	58.7	59.6	58.5
6 Reserves for losses	7.3	7.7	9.2	8.2	8.6	9.2	10.3	10.8	12.9	13.2
7 Accounts receivable, net	368.9	386.1	420.9	406.3	410.3	420.9	411.6	418.4	415.2	419.9
8 All other	72.4	91.6	99.6	95.5	102.8	99.6	103.4	106.1	111.9	116.5
9 **Total assets**	**441.3**	**477.6**	**520.6**	**501.9**	**513.1**	**520.6**	**515.0**	**524.5**	**527.1**	**536.4**
LIABILITIES AND CAPITAL										
10 Bank loans	15.4	14.5	19.4	15.8	15.6	19.4	22.0	22.7	24.0	24.3
11 Commercial paper	142.0	149.5	152.7	152.4	148.6	152.7	141.2	140.6	138.1	141.3
Debt										
12 Other short-term	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
13 Long-term	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
14 Due to parent	50.6	63.8	82.7	72.8	82.0	82.7	77.8	81.7	87.4	83.0
15 Not elsewhere classified	137.9	147.8	157.0	153.0	156.6	157.0	162.4	164.2	163.4	170.6
16 All other liabilities	59.8	62.6	66.0	66.1	68.7	66.0	68.0	72.2	72.1	73.7
17 Capital, surplus, and undivided profits	35.6	39.4	42.8	41.8	41.6	42.8	43.7	43.0	42.1	43.5
18 **Total liabilities and capital**	**441.3**	**477.6**	**520.6**	**501.9**	**513.1**	**520.6**	**515.0**	**524.5**	**527.1**	**536.4**

1. Excludes pools of securitized assets.

1.52 DOMESTIC FINANCE COMPANIES Business Credit Outstanding and Net Change[1]

Millions of dollars, end of period; seasonally adjusted, except as noted

Type of credit	1989	1990	1991	1991			1992		
				Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
1 **Total**	**258,957**	**292,638**	**309,709**	**310,876**	**311,632**	**309,709**	**306,905**	**308,162**	**306,698**
Retail financing of installment sales									
2 Automotive	39,479	38,110	33,204	34,167	33,664	33,204	31,764	31,886	30,230
3 Equipment	29,627	31,784	35,404	33,989	33,375	35,404	33,841	34,433	34,965
4 Pools of securitized assets[2]	698	951	819	769	746	819	879	878	843
Wholesale									
5 Automotive	33,814	32,283	32,487	31,831	32,292	32,487	31,788	32,877	32,123
6 Equipment	6,928	11,569	9,790	11,075	10,414	9,790	9,274	9,302	8,807
7 All other	9,985	9,126	8,459	8,407	8,418	8,459	8,072	8,271	8,554
8 Pools of securitized assets[2]	0	2,950	4,905	4,458	4,639	4,905	4,661	4,690	4,717
Leasing									
9 Automotive	26,804	39,129	44,445	45,837	45,299	44,445	44,277	43,009	42,919
10 Equipment	68,240	75,626	87,821	87,701	90,079	87,821	88,849	88,958	90,481
11 Pools of securitized assets[2]	1,247	1,849	1,820	1,803	1,885	1,820	1,837	1,753	1,755
12 Loans on commercial accounts receivable and factored commercial accounts receivable	18,511	22,475	23,859	23,295	23,338	23,859	24,600	24,575	25,822
13 All other business credit	23,623	26,784	26,697	27,544	27,483	26,697	27,062	27,531	25,481
	Net change (during period)								
1 **Total**	**24,066**	**33,681**	**17,071**	**3,277**	**756**	**−1,923**	**−2,804**	**1,257**	**−1,463**
Retail financing of installment sales									
2 Automotive	2,269	−1,369	−4,906	48	−503	−460	−1,440	122	−1,656
3 Equipment	1,442	2,157	3,619	−833	−614	2,029	−1,562	591	533
4 Pools of securitized assets[2]	−26	253	−132	−28	−23	73	60	−1	−35
Wholesale									
5 Automotive	861	−1,532	204	1,759	461	195	−699	1,089	−755
6 Equipment	957	4,641	−1,779	481	−662	−624	−516	28	−495
7 All other	628	−859	−668	−289	11	41	−387	199	283
8 Pools of securitized assets[2]	0	2,950	1,955	405	181	266	−244	29	27
Leasing									
9 Automotive	2,111	12,325	5,316	450	−538	−854	−168	−1,268	−89
10 Equipment	10,581	7,386	12,195	969	2,378	−2,258	1,028	109	1,524
11 Pools of securitized assets[2]	526	602	−29	−41	82	−65	17	−84	2
12 Loans on commercial accounts receivable and factored commercial accounts receivable	825	3,964	1,383	91	43	520	741	−25	1,247
13 All other business credit	2,446	3,161	−87	264	−60	−786	366	469	−2,050

1. Data in this table also appear in the Board's G.20 (422) monthly statistical release. For ordering address, see inside front cover.

2. Data on pools of securitized assets are not seasonally adjusted.

1.53 MORTGAGE MARKETS Conventional Mortgages on New Homes

Millions of dollars, except as noted

Item	1989	1990	1991	1991		1992				
				Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
	Terms and yields in primary and secondary markets									
PRIMARY MARKETS										
Terms[1]										
1 Purchase price (thousands of dollars)	159.6	153.2	155.0	162.6	159.1	153.9	154.7	167.0	162.5	158.7
2 Amount of loan (thousands of dollars)	117.0	112.4	114.0	116.0	113.8	114.9	110.2	123.2	122.7	119.7
3 Loan-price ratio (percent)	74.5	74.8	75.0	73.5	73.1	75.2	72.9	76.1	76.9	77.3
4 Maturity (years)	28.1	27.3	26.8	26.4	26.4	26.2	24.5	25.2	26.6	26.4
5 Fees and charges (percent of loan amount)[2]	2.06	1.93	1.71	1.53	1.50	1.85	1.84	1.75	1.88	1.69
6 Contract rate (percent per year)	9.76	9.68	9.02	8.38	8.28	8.17	8.29	8.21	8.26	8.30
Yield (percent per year)										
7 OTS series[3]	10.11	10.01	9.30	8.64	8.53	8.49	8.65	8.51	8.58	8.59
8 HUD series[4]	10.21	10.08	9.20	8.67	8.30	8.69	8.74	8.91	8.78	8.66
SECONDARY MARKETS										
Yield (percent per year)										
9 FHA mortgages (HUD series)[5]	10.24	10.17	9.25	8.69	8.10	8.72	8.74	8.85	8.79	8.66
10 GNMA securities[6]	9.71	9.51	8.59	8.09	7.81	7.81	8.01	8.20	8.10	8.00
	Activity in secondary markets									
FEDERAL NATIONAL MORTGAGE ASSOCIATION										
Mortgage holdings (end of period)										
11 Total	104,974	113,329	122,837	126,624	128,983	131,058	133,399	136,506	139,808	140,899
12 FHA/VA-insured	19,640	21,028	21,702	21,547	21,796	21,981	21,980	21,902	21,914	21,924
13 Conventional	85,335	92,302	101,135	105,077	107,187	109,077	111,419	114,604	117,894	118,975
Mortgage transactions (during period)										
14 Purchases	22,518	23,959	37,202	3,299	5,114	4,809	5,358	7,282	7,258	5,576
Mortgage commitments (during period)[7]										
15 Issued[8]	n.a.	23,689	40,010	3,806	5,285	7,129[r]	6,589[r]	6,738[r]	5,400[r]	4,392
16 To sell[9]	n.a.	5,270	7,608	569	78	249	343	1,143	2,219	1,695
FEDERAL HOME LOAN MORTGAGE CORPORATION										
Mortgage holdings (end of period)[9]										
17 Total	20,105	20,419	24,131	25,239	26,809	27,384	27,030	28,821	n.a.	n.a.
18 FHA/VA-insured	590	547	484	468	460	456	450	446	n.a.	n.a.
19 Conventional	19,516	19,871	23,283	24,772	26,349	26,928	26,580	28,376	n.a.	n.a.
Mortgage transactions (during period)										
20 Purchases	78,588	75,517	97,727	10,170	11,475	11,475	12,190	16,001	n.a.	n.a.
21 Sales	73,446	73,817	92,478	9,545	9,537	10,521	11,998	13,639	15,876	17,985
Mortgage commitments (during period)[10]										
22 Contracted	88,519	102,401	114,031	11,594	16,961	15,683	23,278	19,098	n.a.	n.a.

1. Weighted averages based on sample surveys of mortgages originated by major institutional lender groups; compiled by the Federal Housing Finance 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 ten years; from Office of Thrift Supervision (OTS).
4. Average contract rates on new commitments for conventional first mortgages; from U.S. Department of Housing and Urban Development (HUD).
5. Average gross yields on thirty-year, minimum-downpayment, first mortgages insured by the Federal Housing Administration (FHA) 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 fully modified pass-through securities backed by mortgages and guaranteed by the Government National Mortgage Association (GNMA), assuming prepayment in twelve years on pools of thirty-year mortgages insured by the Federal Housing Administration or guaranteed by the Department of Veterans Affairs 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 one- to four-family loan commitments accepted in the Federal National Mortgage Association's (FNMA's) free market auction system, and through the FNMA-GNMA tandem plans.
8. Does not include standby commitments issued, but includes standby commitments converted.
9. Includes participation as well as whole loans.
10. Includes conventional and government-underwritten loans. The Federal Home Loan Mortgage Corporation'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[1]

Millions of dollars, end of period

Type of holder and property	1988	1989	1990	1990	1991			
				Q4	Q1	Q2	Q3	Q4p
1 **All holders**	**3,270,118**	**3,676,616**	**3,912,217**	**3,912,217**	**3,947,700**	**3,999,621**	**4,016,644**	**4,048,767**
By type of property								
2 One- to four-family residences	2,201,231	2,549,935	2,765,111	2,765,111	2,790,684	2,837,989	2,870,100	2,904,287
3 Multifamily residences	291,405	303,416	307,069	307,069	310,746	311,817	308,357	310,276
4 Commercial	692,236	739,240	756,075	756,075	762,328	766,043	755,041	750,473
5 Farm	85,247	84,025	83,962	83,962	83,942	83,771	83,145	83,730
By type of holder								
6 Major financial institutions	1,831,472	1,931,537	1,913,945	1,913,945	1,902,050	1,898,114	1,860,161	1,845,625
7 Commercial banks[2]	674,003	767,069	844,456	844,456	856,499	871,222	870,726	875,914
8 One- to four-family	334,367	389,632	455,698	455,698	461,916	476,188	478,678	484,596
9 Multifamily	33,912	38,876	37,008	37,008	38,379	37,562	36,394	37,523
10 Commercial	290,254	321,906	334,520	334,520	338,697	339,433	337,331	335,357
11 Farm	15,470	16,656	17,231	17,231	17,507	18,039	18,323	18,438
12 Savings institutions[3]	924,606	910,254	801,628	801,628	776,551	755,219	719,341	698,754
13 One- to four-family	671,722	669,220	600,154	600,154	583,694	570,044	547,455	533,850
14 Multifamily	110,775	106,014	91,806	91,806	88,743	86,448	81,880	79,344
15 Commercial	141,433	134,370	109,168	109,168	103,647	98,280	89,603	85,183
16 Farm	676	650	500	500	468	447	402	377
17 Life insurance companies	232,863	254,214	267,861	267,861	269,000	271,674	270,094	270,958
18 One- to four-family	11,164	12,231	13,005	13,005	11,737	11,743	11,720	11,763
19 Multifamily	24,560	26,907	28,979	28,979	29,493	30,006	29,962	30,115
20 Commercial	187,549	205,472	215,121	215,121	216,768	219,204	218,179	218,111
21 Farm	9,590	9,604	10,756	10,756	11,001	10,721	10,233	10,968
22 Finance companies[4]	37,846	45,476	48,777	48,777	48,187	48,972	50,658	51,567
23 Federal and related agencies	200,570	209,498	250,761	250,761	264,189	276,798	283,455	282,731
24 Government National Mortgage Association	26	23	20	20	22	22	22	23
25 One- to four-family	26	23	20	20	22	22	22	23
26 Multifamily	0	0	0	0	0	0	0	0
27 Farmers Home Administration[5]	42,018	41,176	41,439	41,439	41,307	41,430	41,566	41,713
28 One- to four-family	18,347	18,422	18,527	18,527	18,522	18,521	18,598	18,496
29 Multifamily	8,513	9,054	9,640	9,640	9,720	9,898	9,990	10,141
30 Commercial	5,343	4,443	4,690	4,690	4,715	4,750	4,829	4,905
31 Farm	9,815	9,257	8,582	8,582	8,350	8,261	8,149	8,171
32 Federal Housing and Veterans' Administrations	5,973	6,087	8,801	8,801	9,492	10,210	11,395	12,744
33 One- to four-family	2,672	2,875	3,593	3,593	3,600	3,729	3,948	4,384
34 Multifamily	3,301	3,212	5,208	5,208	5,891	6,480	7,446	8,360
35 Federal National Mortgage Association	103,013	110,721	116,628	116,628	119,196	122,806	125,451	128,578
36 One- to four-family	95,833	102,295	106,081	106,081	108,348	111,560	113,696	116,336
37 Multifamily	7,180	8,426	10,547	10,547	10,848	11,246	11,755	12,242
38 Federal Land Banks	32,115	29,640	29,416	29,416	29,253	29,152	29,053	28,970
39 One- to four-family	1,890	1,210	1,838	1,838	1,884	2,041	2,124	2,225
40 Farm	30,225	28,430	27,577	27,577	27,368	27,111	26,929	26,745
41 Federal Home Loan Mortgage Corporation	17,425	21,851	21,857	21,857	23,221	23,649	23,906	24,881
42 One- to four-family	15,077	18,248	19,185	19,185	20,570	21,120	21,489	22,529
43 Multifamily	2,348	3,603	2,672	2,672	2,651	2,529	2,417	2,352
44 Mortgage pools or trusts[6]	811,847	946,766	1,110,555	1,110,555	1,144,876	1,186,251	1,228,788	1,272,155
45 Government National Mortgage Association	340,527	368,367	403,613	403,613	409,929	413,707	422,501	429,772
46 One- to four-family	331,257	358,142	391,505	391,505	397,631	401,304	409,826	416,425
47 Multifamily	9,270	10,225	12,108	12,108	12,298	12,403	12,675	13,347
48 Federal Home Loan Mortgage Corporation	226,406	272,870	316,359	316,359	328,215	341,132	348,843	361,785
49 One- to four-family	219,988	266,060	308,369	308,369	319,978	332,624	341,183	354,214
50 Multifamily	6,418	6,810	7,990	7,990	8,237	8,509	7,660	7,571
51 Federal National Mortgage Association	178,250	228,232	299,833	299,833	312,101	331,089	351,917	372,107
52 One- to four-family	172,331	219,577	291,194	291,194	303,554	322,444	343,430	363,615
53 Multifamily	5,919	8,655	8,639	8,639	8,547	8,645	8,487	8,492
54 Farmers Home Administration[5]	104	80	66	66	62	55	52	47
55 One- to four-family	26	21	17	17	14	13	12	11
56 Multifamily	0	0	0	0	0	0	0	0
57 Commercial	38	26	24	24	23	21	20	19
58 Farm	40	33	26	26	24	21	20	17
59 Individuals and others[7]	426,229	588,815	636,955	636,955	636,585	638,457	644,241	648,256
60 One- to four-family	259,971	414,763	449,440	449,440	447,344	447,339	451,988	454,841
61 Multifamily	79,209	81,634	84,408	84,408	84,227	83,452	83,740	83,772
62 Commercial	67,618	73,023	83,816	83,816	85,790	88,495	89,424	90,628
63 Farm	19,431	19,395	19,291	19,291	19,224	19,171	19,089	19,014

1. Based on data from various institutional and governmental sources, with figures for some quarters estimated in part by the Federal Reserve. Multifamily debt refers to loans on structures of five or more units.
2. Includes loans held by nondeposit trust companies but not loans held by bank trust departments.
3. Includes savings banks and savings and loan associations. Beginning 1987:1, data reported by institutions insured by the Federal Savings and Loan Insurance Corporation include loans in process and other contra-assets (credit balance accounts that must be subtracted from the corresponding gross asset categories to yield net asset levels).
4. Assumed to be entirely loans on one- to four-family residences.
5. Securities guaranteed by the Farmers Home Administration (FmHA) sold to the Federal Financing Bank were reallocated from FmHA mortgage pools to FmHA mortgage holdings in 1986:4 because of accounting changes by the FmHA.
6. Outstanding principal balances of mortgage-backed securities insured or guaranteed by the agency indicated. Includes private pools, which are not shown as a separate line item.
7. 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.

1.55 CONSUMER INSTALLMENT CREDIT Total Outstanding and Net Change[1]

Millions of dollars, amounts outstanding, end of period

Holder and type of credit	1988	1989	1990	1991		1992			
				Nov.	Dec.	Jan	Feb.	Mar.	Apr.
	Seasonally adjusted								
1 **Total**	**662,553[r]**	**716,825[r]**	**735,338[r]**	**727,960[r]**	**727,799[r]**	**728,618[r]**	**728,395[r]**	**727,404[r]**	**723,583**
2 Automobile	285,364[r]	292,002[r]	284,993[r]	262,383[r]	263,003[r]	263,134[r]	261,659[r]	262,125[r]	260,169
3 Revolving	174,269[r]	199,308[r]	222,950[r]	242,573[r]	242,785[r]	244,288[r]	245,974[r]	245,259[r]	245,876
4 Mobile home	25,348	22,471	20,919	19,059	19,116	18,649	18,259	18,312	n.a.
5 Other	202,921[r]	225,515[r]	227,395[r]	223,004[r]	222,012[r]	221,196[r]	220,762[r]	220,020[r]	217,538
	Not seasonally adjusted								
6 **Total**	**673,320[r]**	**728,877[r]**	**748,524[r]**	**729,758[r]**	**742,058[r]**	**733,294[r]**	**725,882[r]**	**721,091[r]**	**718,440**
By major holder									
7 Commercial banks	324,792	342,770	347,087[r]	333,272[r]	339,565[r]	335,320[r]	330,464[r]	327,697[r]	326,272
8 Finance companies	146,212	140,832	137,450	130,679	129,566	126,677	127,281	125,658	118,364
9 Credit unions	88,340	93,114	93,057[r]	91,849[r]	92,254[r]	91,894[r]	91,469[r]	91,164[r]	91,166
10 Retailers	48,438	44,154	44,822[r]	39,460[r]	44,030[r]	41,567[r]	40,015[r]	39,454[r]	39,553
11 Savings institutions	63,399	57,253	46,969[r]	41,337[r]	40,315[r]	39,448[r]	38,479[r]	37,142[r]	36,364
12 Gasoline companies	3,674	3,935	4,822	4,388	4,362	4,377	4,151	3,988	4,094
13 Pools of securitized assets[2]	n.a.	48,843	76,483	94,274	96,767	98,564	97,936	99,379	102,627
By major type of credit[3]									
14 Automobile	285,421[r]	292,060[r]	285,050[r]	263,249[r]	263,108[r]	261,871[r]	259,723[r]	259,530[r]	258,244
15 Commercial banks	123,392	126,288	124,913[r]	112,968[r]	111,912[r]	110,707[r]	110,077[r]	110,047[r]	108,979
16 Finance companies	97,245	82,721	74,396	67,907	66,549	65,151	65,412	64,464	61,717
17 Pools of securitized assets[2]	0	18,235	24,537	26,237	27,997	29,431	28,482	29,848	28,679
18 Revolving	184,045	210,310	235,056[r]	243,349[r]	255,895[r]	249,320[r]	245,088[r]	242,267[r]	242,680
19 Commercial banks	123,020	130,811	132,433	125,734	132,625	126,736	123,913	121,748	128,520
20 Retailers	43,833	39,583	40,003[r]	34,928[r]	39,352[r]	36,953[r]	35,438[r]	34,892[r]	34,989
21 Gasoline companies	3,674	3,935	4,822	4,388	4,362	4,377	4,151	3,988	4,094
22 Pools of securitized assets[2]	n.a.	23,477	44,335	59,459	60,139	60,087	60,633	60,953	61,190
23 Mobile home	25,143	22,240	20,666	19,021	18,877	18,808	18,427	18,228	n.a.
24 Commercial banks	9,025	9,112	9,763	9,656	9,552	9,638	9,409	9,298	n.a.
25 Finance companies	7,191	4,716	5,252	5,401	5,520	5,509	5,509	5,524	n.a.
26 Other	181,339	207,646	210,451	208,633	208,868	208,541	206,927	205,003	217,516
27 Commercial banks	69,355	76,559	79,011	81,012	81,259	82,859	81,848	81,357	88,773
28 Finance companies	41,776	53,395	57,801	57,371	57,497	56,017	56,360	55,670	56,647
29 Retailers	4,605	4,571	4,523	4,332	4,478	4,411	4,381	4,367	4,564
30 Pools of securitized assets[2]	n.a.	7,131	7,611	8,578	8,631	9,046	8,821	8,579	12,758

1. The Board's series on amounts of credit covers 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.

Data in this table also appear in the Board's G.19 (421) monthly statistical release. For ordering address, see inside front cover.

2. Outstanding balances of pools upon which securities have been issued; these balances are no longer carried on the balance sheets of the loan originator.

3. Totals include estimates for certain holders for which only consumer credit totals are available.

1.56 TERMS OF CONSUMER INSTALLMENT CREDIT[1]

Percent per year, except as noted

Item	1989	1990	1991	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.	1992 Apr.
INTEREST RATES										
Commercial banks[2]										
1 48-month new car[3]	12.07	11.78	11.14	n.a.	10.61	n.a.	n.a.	9.89	n.a.	n.a.
2 24-month personal	15.44	15.46	15.18	n.a.	14.88	n.a.	n.a.	14.39	n.a.	n.a.
3 120-month mobile home[3]	14.11	14.02	13.70	n.a.	13.37	n.a.	n.a.	12.93	n.a.	n.a.
4 Credit card	18.02	18.17	18.23	n.a.	18.19	n.a.	n.a.	18.09	n.a.	n.a.
Auto finance companies										
5 New car	12.62	12.54	12.41	12.23	10.79	10.41	10.04	10.19	10.92	11.07
6 Used car	16.18	15.99	15.60	15.46	15.06	14.90	14.34	14.00	14.19	14.11
OTHER TERMS[4]										
Maturity (months)										
7 New car	54.2	54.6	55.1	55.4	54.1	53.7	53.5	53.8	54.3	54.8
8 Used car	46.6	46.1	47.2	47.0	47.0	46.9	48.4	48.0	48.0	48.9
Loan-to-value ratio										
9 New car	91	87	88	88	88	88	89	89	89	89
10 Used car	97	95	96	97	96	93	97	97	97	97
Amount financed (dollars)										
11 New car	12,001	12,071	12,494	12,684	13,245	13,476	13,135	13,340	13,137	13,208
12 Used car	7,954	8,289	8,884	9,077	9,029	9,105	9,007	8,912	8,908[r]	8,889

1. Data in this table also appear in the Board's G.19 (421) monthly statistical release. For ordering address, see inside front cover.
2. Data are available for only the second month of each quarter.
3. Before 1983 the maturity for new car loans was 36 months, and for mobile home loans was 84 months.
4. At auto finance companies.

1.57 FUNDS RAISED IN U.S. CREDIT MARKETS

Billions of dollars; quarterly data at seasonally adjusted annual rates

Transaction category or sector	1987	1988	1989	1990	1991[r]	1990			1991			
						Q2	Q3	Q4	Q1	Q2[r]	Q3[r]	Q4[r]
	Nonfinancial sectors											
1 **Total net borrowing by domestic nonfinancial sectors**	**722.8**	**767.2**	**714.7**	**643.9[r]**	**445.7**	**668.3[r]**	**592.7[r]**	**479.4[r]**	**438.0[r]**	**512.4**	**463.4**	**368.7**
By lending sector and instrument												
2 U.S. government	143.9	155.1	146.4	246.9	278.2	239.6	242.3	271.5	199.2	269.1	365.5	279.0
3 Treasury securities	142.4	137.7	144.7	238.7	292.0	234.2	243.6	272.5	223.2	275.3	394.3	275.2
4 Agency issues and mortgages	1.5	17.4	1.6	8.2	−13.8	5.4	−1.3	−1.0	−24.0	−6.2	−28.8	3.8
5 Private	578.9	612.1	568.4	397.1[r]	167.4	428.7[r]	350.5[r]	208.0[r]	238.8[r]	243.3	97.9	89.7
By instrument												
6 Debt capital instruments	487.1	463.5	414.9	328.3[r]	246.3	334.2[r]	276.9[r]	251.1[r]	282.1[r]	310.0	168.8	224.3
7 Tax-exempt obligations	83.5	53.7	65.0	45.5	31.8	56.2	36.5	18.3	25.3	35.6	37.7	28.5
8 Corporate bonds	79.1	103.4	74.3	47.1[r]	78.6	65.8[r]	29.8[r]	65.2[r]	76.7[r]	96.5	81.3	60.1
9 Mortgages	324.5	306.5	275.7	235.7[r]	135.9	212.2	210.6	167.6[r]	180.2[r]	177.8	49.9	135.6
10 Home mortgages	234.9	231.0	218.0	215.4[r]	140.1	218.4	187.6	159.2[r]	140.4[r]	161.3	114.1	144.4
11 Multifamily residential	24.4	16.7	16.4	3.6	2.0	−7.5	17.0	3.7[r]	14.7	4.3	−17.1	6.2
12 Commercial	71.6	60.8	42.7	16.8[r]	−6.0	2.5	4.8	4.5[r]	24.9[r]	14.5	−44.5	−18.8
13 Farm	−6.4	−2.1	−1.5	−.1	−.2	−1.2	1.3	.2	.2	−2.3	−2.6	3.8
14 Other debt instruments	91.8	148.6	153.5	68.8[r]	−78.9	94.5	73.6	−43.2[r]	−43.4[r]	−66.7	−70.9	−134.6
15 Consumer credit	33.5	50.4	43.1	14.3	−12.1	14.2	13.4	−4.2	−10.6[r]	−16.0	−19.6	−2.3
16 Bank loans n.e.c.	9.9	40.5	39.9	1.1[r]	−32.6	26.7	−6.9	−22.1[r]	.2[r]	−37.2	−25.4	−68.1
17 Open market paper	1.6	11.9	21.4	9.7	−18.4	−.7	19.3	−34.4	−6.9	−16.1	−42.4	−8.1
18 Other	46.8	45.8	49.1	43.7	−15.8	54.4	47.7	17.6	−26.0[r]	2.6	16.5	−56.0
By borrowing sector												
19 State and local government	83.0	48.9	63.2	42.6	24.5	48.9	34.6	12.4	25.5	28.0	20.2	24.3
20 Household	302.2	315.8	287.3	257.6[r]	157.1	274.5	223.8	165.0[r]	177.2[r]	176.4	115.6	159.4
21 Nonfinancial business	193.7	247.4	217.9	96.9[r]	−14.2	105.3[r]	92.0[r]	30.6[r]	36.1[r]	38.9	−37.9	−94.0
22 Farm	−10.6	−7.5	1.6	2.5	1.7	−5.5	8.7	1.1	4.2[r]	.1	.3	2.1
23 Nonfarm noncorporate	65.9	62.4	50.0	15.3	−23.4	14.1	11.2	4.8	11.4[r]	2.5	−52.7	−54.6
24 Corporate	138.5	192.5	166.3	79.0[r]	7.5	96.8[r]	72.1[r]	24.6	20.5[r]	36.3	14.6	−41.5
25 Foreign net borrowing in United States	6.2	6.4	10.6	23.5	15.1	36.3	26.2	19.0	62.8	−59.6	18.7	38.7
26 Bonds	7.4	6.9	5.3	21.6	16.0	20.7	1.9	28.6	11.5	14.7	15.8	22.1
27 Bank loans n.e.c.	−3.6	−1.8	−.1	−2.9	3.1	1.3	2.0	−5.2	8.1	−3.5	1.4	6.5
28 Open market paper	3.8	8.7	13.1	12.3	6.4	23.1	25.6	15.6	46.7	−51.9	16.0	14.9
29 U.S. government loans	−1.4	−7.5	−7.7	−7.5	−10.4	−8.8	−3.3	−20.0	−3.5	−18.8	−14.5	−4.7
30 **Total domestic plus foreign**	**729.0**	**773.6**	**725.3**	**667.4[r]**	**460.8**	**704.6[r]**	**618.9[r]**	**498.4[r]**	**500.8[r]**	**452.8**	**482.1**	**407.5**
	Financial sectors											
31 **Total net borrowing by financial sectors**	**264.1**	**213.4**	**191.0**	**169.7[r]**	**143.7**	**193.6[r]**	**93.7[r]**	**222.4[r]**	**126.7[r]**	**87.7**	**172.7**	**187.4**
By instrument												
32 U.S. government-related	171.8	119.8	151.0	167.4	147.8	172.8	146.2	185.6	149.6	118.1	172.9	150.7
33 Sponsored-credit-agency securities	30.2	44.9	25.2	17.1	9.2	11.6	13.7	37.1	13.1	−29.7	20.6	32.6
34 Mortgage pool securities	142.3	74.9	125.8	150.3	138.6	161.2	132.5	148.9	136.5	147.8	152.3	117.9
35 Loans from U.S. government	−.8	.0	.0	−.1	.0	.0	.0	−.5	.0	.0	.0	.2
36 Private	92.4	93.7	40.0	2.3[r]	−4.2	20.9[r]	−52.5[r]	36.8[r]	−22.8[r]	−30.4	−.2	36.7
37 Corporate bonds	44.2	18.2	17.7	17.0[r]	62.1	84.1[r]	−62.4[r]	26.5[r]	63.5[r]	67.4	41.7	75.6
38 Mortgages	.4	.3	.0	.3	.6	.2	.1	.6	.1	−.1	.9	1.5
39 Bank loans n.e.c.	−3.6	.6	1.9	1.2	3.2	2.1	2.0	1.1	1.3	−2.9	9.6	4.8
40 Open market paper	26.9	54.8	31.3	8.6	−32.0	−38.6	35.1	24.2	−52.0	−46.3	−16.0	−13.7
41 Loans from Federal Home Loan Banks	24.4	19.7	−11.0	−24.7	−38.0	−26.9	−27.3	−15.7	−35.8	−48.5	−36.4	−31.5
By borrowing sector												
42 Sponsored credit agencies	29.5	44.9	25.2	17.0	9.2	11.6	13.7	36.7	13.1	−29.7	20.6	32.8
43 Mortgage pools	142.3	74.9	125.8	150.3	138.6	161.2	132.5	148.9	136.5	147.8	152.3	117.9
44 Private	92.4	93.7	40.0	2.3[r]	−4.2	20.9[r]	−52.5[r]	36.8[r]	−22.8[r]	−30.4	−.2	36.7
45 Commercial banks	6.2	−3.0	−1.4	−1.1	−13.3	−9.9	−5.8	14.2	−17.9	−11.9	−8.5	−15.0
46 Bank affiliates	14.3	5.2	6.2	−27.7	−2.8	−29.5	−42.0	−30.8	−8.0	−3.3	−7.8	8.0
47 Savings and loan associations	19.6	19.9	−14.1	−29.7[r]	−38.6	−43.6[r]	−29.2[r]	−18.9[r]	−42.0[r]	−49.4	−39.6	−23.5
48 Mutual savings banks	8.1	1.9	−1.4	−.5	−3.5	4.1	−2.7	1.3	1.9	−.9	−6.2	−8.7
49 Finance companies	4.7	33.5	31.1	23.2	23.4	47.4	1.1	25.1	10.8[r]	7.3	22.0	53.6
50 Real estate investment trusts (REITs)	.4	3.6	−1.9	−1.9	−1.5	−2.7	−1.4	.3	−.6	−.1	.0	−5.2
51 Securitized credit obligation (SCO) issuers	39.1	32.5	21.4	40.1	32.1	55.1	27.5	45.6	32.9[r]	28.0	40.0	27.6

1.57—Continued

Transaction category or sector	1987	1988	1989	1990	1991r	1990 Q2	1990 Q3	1990 Q4	1991 Q1	1991 Q2r	1991 Q3r	1991 Q4r
	All sectors											
52 **Total net borrowing, all sectors**	**993.1**	**987.0**	**916.3**	**837.1r**	**604.4**	**898.2r**	**712.7r**	**720.8r**	**627.5r**	**540.5**	**654.8**	**594.9**
53 U.S. government securities	316.4	274.9	297.3	414.4	426.0	412.4	388.5	457.5	348.8	387.3	538.4	429.5
54 State and local obligations	83.5	53.7	65.0	45.5	31.8	56.2	36.5	18.3	25.3	35.6	37.7	28.5
55 Corporate and foreign bonds	130.7	128.5	97.3	85.7r	156.7	170.6r	−30.7r	120.4r	151.7r	178.7	138.8	157.9
56 Mortgages	324.9	306.7	275.7	236.0r	136.5	212.3	210.7	168.2r	180.3r	177.7	50.8	137.1
57 Consumer credit	33.5	50.4	43.1	14.3	−12.1	14.2	13.4	−4.2	−10.6r	−16.0	−19.6	−2.3
58 Bank loans n.e.c.	2.7	39.3	41.6	−.6r	−26.3	30.1	−2.8	−26.2r	9.6r	−43.6	−14.4	−56.9
59 Open market paper	32.3	75.4	65.9	30.7	−44.0	−16.3	79.9	5.4	−12.2	−114.3	−42.5	−6.9
60 Other loans	69.1	58.1	30.4	11.4	−64.1	18.6	17.1	−18.6	−65.3r	−64.8	−34.4	−92.1
61 MEMO: U.S. government, cash balance	−7.9	10.4	−5.9	8.3	14.5	−17.6	18.4	24.2	34.6	−35.8	−14.6	73.6
Totals net of changes in U.S. government cash balances												
62 Net borrowing by domestic nonfinancial sectors	730.7	756.8	720.6	635.6r	431.2	685.9r	574.3r	455.2r	403.4r	548.2	478.1	295.1
63 Net borrowing by U.S. government	151.8	144.7	152.3	238.6	263.8	257.2	223.8	247.3	164.6	304.9	380.2	205.4
	External corporate equity funds raised in United States											
64 **Total net share issues**	**7.1**	**−119.3**	**−65.4**	**15.8**	**199.7**	**56.4**	**−19.5**	**27.0**	**101.2r**	**179.7**	**235.0**	**282.9**
65 Mutual funds	70.2	6.1	38.5	65.7	150.6	77.1	45.9	83.7	97.6	125.2	178.1	201.3
66 All other	−63.1	−125.4	−103.9	−50.0	49.1	−20.7	−65.4	−56.7	3.7r	54.5	56.9	81.5
67 Nonfinancial corporations	−75.5	−129.5	−124.2	−63.0	17.5	−48.0	−74.0	−61.0	−12.0	11.0	17.0	54.0
68 Financial corporations	14.5	3.2	3.0	6.1	1.4	3.3	6.5	2.8	−10.6r	6.8	5.6	3.9
69 Foreign shares purchased in United States	−2.1	.9	17.3	6.9	30.2	23.9	2.2	1.6	26.2	36.6	34.3	23.6

1.58 DIRECT AND INDIRECT SOURCES OF FUNDS TO CREDIT MARKETS

Billions of dollars, except as noted; quarterly data at seasonally adjusted annual rates

Transaction category or sector	1987	1988	1989	1990	1991^{r}	1990			1991^{r}			
						Q2	Q3	Q4	Q1	Q2	Q3	Q4
1 **Total funds advanced in credit markets to domestic nonfinancial sectors**	**722.8**	**767.2**	**714.7**	**643.9^{r}**	**445.7**	**668.3^{r}**	**592.7^{r}**	**479.4^{r}**	**438.0**	**512.4**	**463.4**	**368.7**
2 **Total net advances by federal agencies and foreign sectors**	**248.0**	**208.1**	**188.1**	**261.7**	**244.4**	**290.1**	**347.4**	**190.8**	**289.8**	**212.2**	**285.4**	**190.3**
By instrument												
3 U.S. government securities	70.1	85.2	30.2	74.4	98.9	100.9	142.0	45.6	140.1	50.9	122.7	82.1
4 Residential mortgages	139.1	86.3	137.9	184.1	164.7	185.2	176.3	180.5	176.0	186.8	176.8	119.3
5 Federal Home Loan Bank advances to thrifts	24.4	19.7	−11.0	−24.7	−38.0	−26.9	−27.3	−15.7	−35.8	−48.5	−36.4	−31.5
6 Other loans and securities	14.3	16.8	31.0	27.8	18.8	31.0	56.4	−19.6	9.4	23.1	22.2	20.5
By lender												
7 U.S. government	−7.9	−9.4	−2.6	33.6	10.7	36.1	63.6	−3.7	35.0	27.3	.4	−20.0
8 Sponsored credit agencies and mortgage pools	169.3	112.0	125.3	166.7	152.9	163.6	182.4	141.9	164.0	124.1	185.0	138.5
9 Monetary authority	24.7	10.5	−7.3	8.1	31.1	30.8	26.2	−24.2	60.2	1.8	57.4	5.0
10 Foreign	61.8	95.0	72.7	53.2	49.8	59.6	75.1	76.8	30.6	59.1	42.5	66.8
Agency and foreign borrowing not included in line 1												
11 Sponsored credit agencies and mortgage pools	171.8	119.8	151.0	167.4	147.8	172.8	146.2	185.6	149.6	118.1	172.9	150.7
12 Foreign	6.2	6.4	10.6	23.5	15.1	36.3	26.2	19.0	62.8	−59.6	18.7	38.7
13 **Total private domestic funds advanced**	**652.8**	**685.3**	**688.2**	**573.1^{r}**	**364.2**	**587.2^{r}**	**417.8^{r}**	**493.2^{r}**	**360.5**	**358.7**	**369.6**	**367.9**
14 U.S. government securities	246.3	189.7	267.2	340.0	327.1	311.5	246.6	411.9	208.7	336.4	415.8	347.5
15 State and local obligations	83.5	53.7	65.0	45.5	31.8	56.2	36.5	18.3	25.3	35.6	37.7	28.5
16 Corporate and foreign bonds	67.5	94.4	65.5	62.8^{r}	75.6	74.7^{r}	26.6^{r}	95.1^{r}	66.5	89.3	77.2	69.5
17 Residential mortgages	120.2	161.3	96.5	34.8^{r}	−22.7	25.7	28.2	−17.7^{r}	−20.9	−21.2	−79.8	31.3
18 Other mortgages and loans	159.8	205.9	183.1	65.4^{r}	−85.7	92.1	52.6	−30.1^{r}	45.2	−130.0	−117.6	−140.4
19 LESS: Federal Home Loan Bank advances	24.4	19.7	−11.0	−24.7	−38.0	−26.9	−27.3	−15.7	−35.8	−48.5	−36.4	−31.5
20 **Total credit market funds advanced by private financial institutions**	**498.1^{r}**	**539.2^{r}**	**535.5^{r}**	**391.3^{r}**	**337.0**	**275.8^{r}**	**294.5^{r}**	**516.3^{r}**	**311.8**	**169.4**	**452.8**	**414.0**
By lending institution												
21 Commercial banks	135.3	157.0	177.0	121.2	83.4	140.9	107.6	61.8	123.3	30.1	77.5	102.8
22 Savings institutions	137.6^{r}	118.7^{r}	−90.2^{r}	−150.8^{r}	−144.9	−218.5^{r}	−165.7^{r}	−174.0^{r}	−184.1	−167.9	−178.6	−49.0
23 Insurance and pension funds	149.1	176.4	197.9	183.7	202.6	241.6	135.6	188.3	228.7	208.3	247.4	126.1
24 Other financial institutions	76.2	87.1	250.8^{r}	237.2	195.9	111.7	216.9	440.2	144.0	98.9	306.4	234.1
By source of funds												
25 Private domestic deposits and repurchase agreements	173.8	229.6	209.5	53.4^{r}	−10.6	−5.7	45.6^{r}	−22.7^{r}	240.9	−126.9	−49.0	−107.4
26 Credit market borrowing	92.4	93.7	40.0	2.3^{r}	−4.2	20.9^{r}	−52.5^{r}	36.8^{r}	−22.8	−30.4	−.2	36.7
27 Other sources	231.9^{r}	216.0^{r}	286.0^{r}	335.6^{r}	351.8	260.6^{r}	301.5^{r}	502.2^{r}	93.8	326.7	502.0	484.7
28 Foreign funds	43.7	9.3	−9.9	24.0	−17.7	23.5	87.5	−28.5	9.4	−65.6	11.3	−25.8
29 Treasury balances	−5.8	7.3	−3.4	5.3	5.5	−1.0	13.7	3.4	20.6	−22.3	5.7	17.9
30 Insurance and pension reserves	94.9	174.1	192.0	164.1	219.6	209.1	128.3	222.1	287.9	171.3	277.4	141.6
31 Other, net	99.2^{r}	25.2^{r}	107.3^{r}	142.2^{r}	144.4	28.9^{r}	72.0^{r}	305.2^{r}	−224.2	243.3	207.7	350.9
Private domestic nonfinancial investors												
32 Direct lending in credit markets	247.1^{r}	239.8^{r}	192.7^{r}	184.1^{r}	23.0	332.3^{r}	70.8^{r}	13.7^{r}	25.8	158.9	−83.4	−9.4
33 U.S. government securities	99.4^{r}	134.5	125.5	126.4^{r}	26.8	175.1^{r}	133.9^{r}	−6.9^{r}	8.3	163.5	−21.9	−42.7
34 State and local obligations	96.1	57.3	62.7	24.9	7.8	40.0	7.6	−13.5	14.9	20.0	16.0	−19.6
35 Corporate and foreign bonds	6.7^{r}	−32.9^{r}	−27.1^{r}	−11.8^{r}	2.6	32.6^{r}	−109.4^{r}	−2.2^{r}	42.0	49.3	−106.8	26.0
36 Open market paper	13.3	41.9	2.9	17.1^{r}	−33.5	49.0^{r}	8.8^{r}	−4.6^{r}	−52.6	−96.6	14.0	1.4
37 Other loans and mortgages	31.5	39.0	28.7^{r}	27.6^{r}	19.2	35.7	29.8	41.0	13.2	22.7	15.3	25.5
38 Deposits and currency	190.3	233.1	225.7	83.0	18.4	24.7	74.2	20.4	257.4	−103.4	−14.9	−65.3
39 Currency	19.0	14.7	11.7	22.6	19.8	22.6	30.9	16.9	38.7	6.0	8.0	26.6
40 Checkable deposits	−.3	12.5	.6	.4	47.8	4.3^{r}	−3.6^{r}	−23.1^{r}	49.4	12.3	109.0	20.6
41 Small time and savings accounts	76.0	122.4	98.2	59.7^{r}	11.2	23.9^{r}	40.7^{r}	60.1^{r}	103.4	.1	−43.3	−15.3
42 Money market fund shares	28.9	21.2	86.7	56.0	25.8	−32.7	106.0	42.1	184.3	−71.8	−2.7	−6.6
43 Large time deposits	47.6	40.6	9.1	−42.2^{r}	−81.7	−19.5^{r}	−71.0^{r}	−65.2^{r}	−48.3	−61.1	−100.0	−117.5
44 Security repurchase agreements	21.6	32.9	14.9	−20.5	−13.7	18.2	−26.5	−36.6	−47.9	−6.4	−12.1	11.5
45 Deposits in foreign countries	−2.5	−11.2	4.4	7.1	9.2	7.8	−2.2	26.3	−22.2	17.5	26.1	15.5
46 **Total of credit market instruments, deposits, and currency**	**437.4^{r}**	**472.9^{r}**	**418.4^{r}**	**267.2^{r}**	**41.4**	**357.1^{r}**	**145.0^{r}**	**34.2^{r}**	**283.2**	**55.5**	**−98.3**	**−74.7**
MEMO												
47 Public holdings as percent of total	34.0	26.9	25.9	39.2	53.0	41.2^{r}	56.1	38.3^{r}	57.9	46.9	59.2	46.7
48 Private financial intermediation (percent)	76.3^{r}	78.7^{r}	77.8^{r}	68.3^{r}	92.5	47.0^{r}	70.5^{r}	104.7^{r}	86.5	47.2	122.5	112.5
49 Total foreign funds	105.5	104.3	62.8	77.2	32.1	83.1	162.6	48.3	40.0	−6.5	53.8	41.0
Corporate equities not included above												
50 **Total net issues**	**7.1**	**−119.3**	**−65.4**	**15.8**	**199.7**	**56.4**	**−19.5**	**27.0**	**101.2**	**179.7**	**235.0**	**282.9**
51 Mutual fund shares	70.2	6.1	38.5	65.7	150.6	77.1	45.9	83.7	97.6	125.2	178.1	201.3
52 Other equities	−63.1	−125.4	−103.9	−50.0	49.1	−20.7	−65.4	−56.7	3.7	54.5	56.9	81.5
53 Acquisitions by financial institutions	22.2	4.1	18.9	27.5	85.9	64.6	−44.4	53.2	81.7	74.3	106.4	81.0
54 Other net purchases	−15.1	−123.3	−84.3	−11.7	113.8	−8.3	24.9	−26.2	19.6	105.3	128.6	201.8

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 lines 11 and 12. Also line 20 less line 26 plus line 32. Also sum of lines 28 and 47 less lines 40 and 46.
18. Includes farm and commercial mortgages.
25. Line 38 less lines 39 and 45.
26. Excludes equity issues and investment company shares. Includes line 19.
28. Foreign deposits at commercial banks, plus bank borrowings from foreign branches, plus liabilities of foreign banking agencies to foreign affiliates, less claims on foreign affiliates and deposits by banking institutions in foreign banks.
29. Demand deposits and note balances at commercial banks.
30. Excludes investment of these reserves in corporate equities.
31. Mainly retained earnings and net miscellaneous liabilities.
32. Line 13 less line 20 plus line 26.
33–37. Lines 14–18 less amounts acquired by private finance plus amounts borrowed by private finance. Line 37 includes mortgages.
39. Mainly an offset to line 9.
46. Sum of lines 32 and 38, or line 13 less line 27 plus lines 39 and 45.
47. Line 2 divided by line 1.
48. Line 20 divided by line 13.
49. Sum of lines 10 and 28.
50 and 52. Includes issues by financial institutions.

NOTE. Full statements for sectors and transaction types in flows and in amounts outstanding appear in the Board's Z.1 (780) quarterly statistical release. For ordering address, see inside front cover.

1.59 SUMMARY OF CREDIT MARKET DEBT OUTSTANDING

Billions of dollars, end of period

Transaction category or sector	1988	1989	1990	1991[r]	1990			1991[r]			
					Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Nonfinancial sectors										
1 **Total credit market debt owed by domestic nonfinancial sectors**	**9,242.3**	**9,987.1**	**10,759.9[r]**	**11,196.4**	**10,444.6[r]**	**10,597.3[r]**	**10,759.9[r]**	**10,821.8**	**10,940.1**	**11,062.9**	**11,196.4**
By lending sector and instrument											
2 U.S. government	2,104.9	2,251.2	2,498.1	2,776.4	2,347.4	2,410.4	2,498.1	2,548.8	2,591.9	2,687.2	2,776.4
3 Treasury securities	2,082.3	2,227.0	2,465.8	2,757.8	2,314.4	2,377.8	2,465.8	2,522.4	2,567.1	2,669.6	2,757.8
4 Agency issues and mortgages	22.6	24.2	32.4	18.6	32.9	32.6	32.4	26.4	24.8	17.6	18.6
5 Private	7,137.4	7,735.9	8,261.8[r]	8,420.0	8,097.2[r]	8,186.9[r]	8,261.8[r]	8,273.0	8,348.2	8,375.7	8,420.0
By instrument											
6 Debt capital instruments	5,035.8	5,467.9	5,932.1[r]	6,178.4	5,792.8[r]	5,868.0[r]	5,932.1[r]	5,989.7	6,073.0	6,121.4	6,178.4
7 Tax-exempt obligations	939.4	1,004.4	1,049.8	1,081.6	1,031.4	1,043.0	1,049.8	1,052.8	1,060.1	1,072.3	1,081.6
8 Corporate bonds	852.6	926.9	974.0[r]	1,052.6	950.2[r]	957.7[r]	974.0[r]	993.1	1,017.2	1,037.6	1,052.6
9 Mortgages	3,243.8	3,536.6	3,908.4[r]	4,044.3	3,811.2	3,867.3	3,908.4[r]	3,943.8	3,995.6	4,011.5	4,044.3
10 Home mortgages	2,173.9	2,404.3	2,765.3[r]	2,905.4	2,675.7	2,726.0	2,765.3[r]	2,790.9	2,838.2	2,870.1	2,905.4
11 Multifamily residential	286.7	304.4	305.7	307.7	300.5	304.8	305.7	309.4	310.4	306.1	307.7
12 Commercial	696.4	742.6	753.4[r]	747.4	751.1	752.3	753.4[r]	759.6	763.2	752.1	747.4
13 Farm	86.8	85.3	84.0	83.7	84.0	84.3	84.0	83.9	83.8	83.1	83.7
14 Other debt instruments	2,101.6	2,268.0	2,329.6[r]	2,241.6	2,304.4	2,318.9	2,329.6[r]	2,283.3	2,275.2	2,254.3	2,241.6
15 Consumer credit	743.6	794.7	808.9	797.1	789.4	798.7	808.9	785.3	784.9	786.1	797.1
16 Bank loans n.e.c.	710.0	759.8	753.8[r]	724.2	753.3	750.5	753.8[r]	747.8	739.9	733.2	724.2
17 Open market paper	85.7	107.1	116.9	98.5	128.7	131.8	116.9	120.8	119.4	107.0	98.5
18 Other	562.3	606.4	650.1	621.8	633.1	637.9	650.1	629.5	631.0	628.0	621.8
By borrowing sector											
19 State and local government	752.5	815.7	858.3	882.8	841.8	852.9	858.3	861.3	866.7	874.6	882.8
20 Household	3,188.9	3,501.5	3,897.6[r]	4,058.1	3,777.2	3,841.9	3,897.6[r]	3,917.3	3,966.0	4,004.3	4,058.1
21 Nonfinancial business	3,196.0	3,418.7	3,505.9[r]	3,479.2	3,478.3[r]	3,492.0[r]	3,505.9[r]	3,494.4	3,515.4	3,496.8	3,479.2
22 Farm	137.6	139.2	140.5	139.6	138.7	141.6	140.5	136.8	139.6	140.4	139.6
23 Nonfarm noncorporate	1,130.5	1,180.5	1,194.3	1,163.5	1,195.4	1,195.1	1,194.3	1,191.8	1,192.7	1,175.9	1,163.5
24 Corporate	1,927.9	2,098.9	2,171.1[r]	2,176.1	2,144.2[r]	2,155.4[r]	2,171.1[r]	2,165.8	2,183.1	2,180.6	2,176.1
25 **Foreign credit market debt held in United States**	**255.7**	**265.4**	**288.9**	**304.0**	**277.0**	**283.4**	**288.9**	**301.4**	**288.8**	**293.5**	**304.0**
26 Bonds	94.0	98.5	120.1	136.1	112.4	112.9	120.1	122.9	126.6	130.6	136.1
27 Bank loans n.e.c.	21.5	21.4	18.5	21.6	19.3	19.8	18.5	20.5	19.7	20.0	21.6
28 Open market paper	49.9	63.0	75.3	81.8	65.1	71.5	75.3	87.0	74.0	78.0	81.8
29 U.S. government loans	90.2	82.5	75.0	64.6	80.2	79.3	75.0	70.9	68.4	64.9	64.6
30 **Total credit market debt owed by nonfinancial sectors, domestic and foreign**	**9,498.0**	**10,252.5**	**11,048.8[r]**	**11,500.4**	**10,721.6[r]**	**10,880.7[r]**	**11,048.8[r]**	**11,123.2**	**11,228.8**	**11,356.4**	**11,500.4**
	Financial sectors										
31 **Total credit market debt owed by financial sectors**	**1,999.8**	**2,219.4**	**2,511.1[r]**	**2,660.5**	**2,423.5[r]**	**2,446.4[r]**	**2,511.1[r]**	**2,541.0**	**2,562.2**	**2,604.6**	**2,660.5**
By instrument											
32 U.S. government-related	1,098.4	1,249.3	1,418.4	1,566.2	1,330.1	1,367.9	1,418.4	1,452.1	1,480.4	1,524.4	1,566.2
33 Sponsored credit-agency securities	348.1	373.3	393.7	402.9	381.0	384.4	393.7	397.0	389.6	394.7	402.9
34 Mortgage pool securities	745.3	871.0	1,019.9	1,158.5	944.2	978.5	1,019.9	1,050.3	1,086.0	1,124.8	1,158.5
35 Loans from U.S. government	5.0	5.0	4.9	4.9	5.0	5.0	4.9	4.9	4.9	4.9	4.9
36 Private	901.4	970.0	1,092.6[r]	1,094.3	1,093.4[r]	1,078.5[r]	1,092.6[r]	1,088.8	1,081.9	1,080.3	1,094.3
37 Corporate bonds	331.9	378.2	515.0[r]	582.9	526.3[r]	510.2[r]	515.0[r]	540.1	555.8	565.9	582.9
38 Mortgages	3.4	3.4	4.2	4.8	4.0	4.1	4.2	4.2	4.2	4.4	4.8
39 Bank loans n.e.c.	35.6	37.5	38.6	41.8	36.5	36.7	38.6	36.5	37.0	39.0	41.8
40 Open market paper	377.7	409.1	417.7	385.7	400.3	409.6	417.7	400.9	390.1	387.0	385.7
41 Loans from Federal Home Loan Banks	152.8	141.8	117.1	79.1	126.3	117.9	117.1	107.0	94.7	83.9	79.1
By borrowing sector											
42 Sponsored credit agencies	353.1	378.3	398.5	407.7	385.9	389.4	398.5	401.8	394.4	399.5	407.7
43 Mortgage pools	745.3	871.0	1,019.9	1,158.5	944.2	978.5	1,019.9	1,050.3	1,086.0	1,124.8	1,158.5
44 Private financial sectors	901.4	970.0	1,092.6[r]	1,094.3	1,093.4[r]	1,078.5[r]	1,092.6[r]	1,088.8	1,081.9	1,080.3	1,094.3
45 Commercial banks	78.8	77.4	76.3	63.0	71.6	70.7	76.3	68.1	65.9	64.6	63.0
46 Bank affiliates	136.2	142.5	114.8	112.0	134.3	122.9	114.8	114.4	113.3	110.6	112.0
47 Savings and loan associations	159.3	145.2	113.1[r]	74.5	123.9[r]	114.9[r]	113.1[r]	102.2	89.3	77.6	74.5
48 Mutual savings banks	18.6	17.2	16.7	13.2	16.7	16.2	16.7	16.4	16.6	15.2	13.2
49 Finance companies	361.4	392.5	536.0	563.0	529.5	529.8	536.0	542.3	544.1	549.6	563.0
50 Real estate investment trusts (REITs)	11.4	10.1	10.6	9.9	10.4	10.3	10.6	10.6	10.8	11.0	9.9
51 Securitized credit obligation (SCO) issuers	135.7	185.1	225.2	258.7	206.9	213.8	225.2	234.8	241.8	251.8	258.7
	All sectors										
52 **Total credit market debt, domestic and foreign**	**11,497.8**	**12,471.9**	**13,559.8[r]**	**14,160.9**	**13,145.1[r]**	**13,327.1[r]**	**13,559.8[r]**	**13,664.2**	**13,791.1**	**13,961.0**	**14,160.9**
53 U.S. government securities	3,198.3	3,495.6	3,911.7	4,337.7	3,672.5	3,773.4	3,911.7	3,996.1	4,067.5	4,206.7	4,337.7
54 State and local obligations	939.4	1,004.4	1,049.8	1,081.6	1,031.4	1,043.0	1,049.8	1,052.8	1,060.1	1,072.3	1,081.6
55 Corporate and foreign bonds	1,278.5	1,403.6	1,609.0[r]	1,771.6	1,588.9[r]	1,580.8[r]	1,609.0[r]	1,656.2	1,699.6	1,734.1	1,771.6
56 Mortgages	3,247.2	3,540.1	3,912.6[r]	4,049.1	3,815.3	3,871.4	3,912.6[r]	3,948.0	3,999.8	4,015.9	4,049.1
57 Consumer credit	743.6	794.7	808.9	797.1	789.4	798.7	808.9	785.3	784.9	786.1	797.1
58 Bank loans n.e.c.	767.2	818.6	810.9[r]	787.7	809.1	807.0	810.9[r]	804.8	796.5	792.2	787.7
59 Open market paper	513.4	579.2	609.9	565.9	594.0	612.9	609.9	608.8	583.6	572.0	565.9
60 Other loans	810.2	835.7	847.0	770.3	844.6	840.0	847.0	812.2	799.0	781.7	770.3

1.60 SUMMARY OF CREDIT MARKET CLAIMS, BY HOLDER

Billions of dollars, except as noted, end of period

Transaction category or sector	1988	1989	1990	1991[r]	1990			1991[r]			
					Q2	Q3	Q4	Q1	Q2	Q3	Q4
1 **Total funds advanced in credit markets to domestic nonfinancial sectors**	**9,242.3**	**9,987.1**	**10,759.9[r]**	**11,196.4**	**10,444.6[r]**	**10,597.3[r]**	**10,759.9[r]**	**10,821.8**	**10,940.1**	**11,062.9**	**11,196.4**
2 **Total held by federal agencies and foreign sector**	**2,223.2**	**2,413.1**	**2,673.3**	**2,915.2**	**2,529.9**	**2,611.3**	**2,673.3**	**2,728.1**	**2,788.1**	**2,853.5**	**2,915.2**
By instrument											
3 U.S. government securities	651.5	688.9	763.3	862.2	714.1	745.6	763.3	789.5	808.7	835.7	862.2
4 Residential mortgages	900.4	1,038.4	1,221.0	1,385.8	1,126.5	1,171.8	1,221.0	1,261.4	1,306.8	1,351.7	1,385.8
5 Federal Home Loan Bank advances to thrifts	152.8	141.8	117.1	79.1	126.3	117.9	117.1	107.0	94.7	83.9	79.1
6 Other loans and securities	518.5	544.1	571.9	588.2	563.1	576.0	571.9	570.3	577.9	582.1	588.2
By type of lender											
7 U.S. government	214.6	207.0	240.6	248.7	227.4	242.7	240.6	247.3	255.4	254.8	248.7
8 Sponsored credit agencies and mortgage pools	1,113.0	1,238.2	1,403.4	1,556.3	1,315.0	1,360.5	1,403.4	1,438.8	1,468.7	1,514.2	1,556.3
9 Monetary authority	240.6	233.3	241.4	272.5	237.8	240.8	241.4	247.3	253.7	264.7	272.5
10 Foreign	655.0	734.6	787.9	837.6	749.8	767.5	787.9	794.7	810.3	819.7	837.6
Agency and foreign debt not in line 1											
11 Sponsored credit agencies and mortgage pools	1,098.4	1,249.3	1,418.4	1,566.2	1,330.1	1,367.9	1,418.4	1,452.1	1,480.4	1,524.4	1,566.2
12 Foreign	255.7	265.4	288.9	304.0	277.0	283.4	288.9	301.4	288.8	293.5	304.0
13 **Total private domestic holdings**	**8,373.2**	**9,088.7**	**9,793.9[r]**	**10,151.4**	**9,521.8[r]**	**9,637.3[r]**	**9,793.9[r]**	**9,847.2**	**9,921.2**	**10,027.3**	**10,151.4**
14 U.S. government securities	2,546.8	2,806.7	3,148.4	3,475.5	2,958.5	3,027.7	3,148.4	3,206.5	3,258.8	3,371.1	3,475.5
15 State and local obligations	939.4	1,004.4	1,049.8	1,081.6	1,031.4	1,043.0	1,049.8	1,052.8	1,060.1	1,072.3	1,081.6
16 Corporate and foreign bonds	744.8	809.8	872.6[r]	948.3	842.3[r]	850.0[r]	872.6[r]	890.0	911.6	932.1	948.3
17 Residential mortgages	1,560.2	1,670.4	1,850.0[r]	1,827.4	1,849.7	1,859.0	1,850.0[r]	1,838.9	1,841.8	1,824.5	1,827.4
18 Other mortgages and loans	2,734.7	2,939.2	2,990.1[r]	2,897.8	2,966.2	2,975.4	2,990.1[r]	2,965.9	2,943.6	2,911.2	2,897.8
19 LESS: Federal Home Loan Bank advances	152.8	141.8	117.1	79.1	126.3	117.9	117.1	107.0	94.7	83.9	79.1
20 **Total credit market claims held by private financial institutions**	**7,056.8[r]**	**7,605.0[r]**	**8,119.5[r]**	**8,552.5**	**7,925.9[r]**	**7,982.4[r]**	**8,119.5[r]**	**8,280.0**	**8,333.3**	**8,441.7**	**8,552.5**
By holding institution											
21 Commercial banks	2,476.2	2,643.9	2,765.1	2,851.2	2,709.5	2,739.0	2,765.1	2,778.6	2,793.1	2,815.3	2,851.2
22 Savings institutions	1,566.7[r]	1,480.4[r]	1,332.1[r]	1,187.3	1,418.5[r]	1,378.3[r]	1,332.1[r]	1,285.5	1,245.6	1,202.1	1,187.3
23 Insurance and pension funds	1,836.1	2,034.0	2,218.1	2,522.7	2,153.3	2,173.8	2,218.1	2,381.8	2,434.0	2,494.2	2,522.7
24 Other finance	1,177.9	1,446.7	1,804.2	1,991.3	1,644.5	1,691.3	1,804.2	1,834.2	1,860.6	1,930.1	1,991.3
By source of funds											
25 Private domestic deposits and repurchase agreements	3,581.3	3,790.4	3,843.8	3,811.3	3,806.5	3,812.2[r]	3,843.8	3,858.2	3,818.7	3,800.7	3,811.3
26 Credit market debt	901.4	970.0	1,092.6[r]	1,094.3	1,093.4[r]	1,078.5[r]	1,092.6[r]	1,088.8	1,081.9	1,080.3	1,094.3
27 Other sources	2,574.1[r]	2,844.6[r]	3,183.1[r]	3,646.9	3,026.1[r]	3,091.7[r]	3,183.1[r]	3,333.0	3,432.8	3,560.7	3,646.9
28 Foreign funds	71.6	62.1	86.1	68.5	63.5	86.6	86.1	84.8	63.7	68.5	68.5
29 U.S. Treasury balances	29.0	25.6	30.9	36.4	32.1	36.6	30.9	26.3	36.0	38.5	36.4
30 Insurance and pension reserves	1,723.2	1,908.2	2,067.7	2,429.1	1,983.0	2,018.6	2,067.7	2,278.2	2,324.1	2,387.2	2,429.1
31 Other, net	750.4[r]	848.8[r]	998.3[r]	1,112.8	947.4[r]	949.9[r]	998.3[r]	943.7	1,008.9	1,066.5	1,112.8
Private domestic nonfinancial investors											
32 Credit market claims	2,217.8[r]	2,453.7[r]	2,767.0[r]	2,693.2	2,689.3[r]	2,733.4[r]	2,767.0[r]	2,656.0	2,669.7	2,665.9	2,693.2
33 U.S. government securities	1,050.7	1,169.0	1,297.1[r]	1,279.9	1,234.0[r]	1,276.2[r]	1,297.1[r]	1,250.7	1,263.7	1,268.0	1,279.9
34 State and local obligations	486.7	549.4	574.2	581.9	568.9	573.8	574.2	568.0	576.0	583.1	581.9
35 Corporate and foreign bonds	50.9[r]	62.5[r]	185.0[r]	144.8	199.8[r]	186.8[r]	185.0[r]	155.7	163.8	139.7	144.8
36 Open market paper	243.0	245.9	266.9[r]	225.7	266.5[r]	267.4[r]	266.9[r]	243.1	222.3	224.6	225.7
37 Other loans and mortgages	386.5	427.0	443.8	461.0	420.0	429.2	443.8	438.6	443.9	450.4	461.0
38 Deposits and currency	3,814.5	4,039.7	4,122.8[r]	4,119.4	4,066.6	4,076.1	4,122.8[r]	4,134.4	4,107.0	4,094.2	4,119.4
39 Currency	220.1	231.8	254.4	274.2	242.7	247.2	254.4	262.0	265.9	264.8	274.2
40 Checkable deposits	532.9	532.9	533.2[r]	579.6	513.9[r]	503.4[r]	533.2[r]	512.3	520.6	538.2	579.6
41 Small time and savings accounts	2,156.2	2,254.7	2,314.0[r]	2,325.2	2,287.8[r]	2,297.0[r]	2,314.0[r]	2,343.0	2,339.0	2,327.4	2,325.2
42 Money market fund shares	318.9	405.6	461.6	487.4	425.9	452.1	461.6	512.9	490.9	490.1	487.4
43 Large time deposits	390.3	399.3	357.5[r]	255.5	386.2[r]	373.1[r]	357.5[r]	325.0	304.7	284.3	255.5
44 Security repurchase agreements	182.9	197.9	177.4	163.6	192.7	186.6	177.4	165.1	163.5	160.7	163.6
45 Deposits in foreign countries	13.1	17.6	24.6	33.9	17.5	16.8	24.6	14.3	22.5	28.7	33.9
46 **Total of credit market instruments, deposits, and currency**	**6,032.3[r]**	**6,493.5[r]**	**6,889.8[r]**	**6,812.6**	**6,755.9[r]**	**6,809.5[r]**	**6,889.8[r]**	**6,790.4**	**6,776.7**	**6,760.0**	**6,812.6**
MEMO											
47 Public holdings as percent of total	23.4	23.5	24.2	25.3	23.6	24.0	24.2	24.5	24.8	25.1	25.3
48 Private financial intermediation (percent)	97.2	94.2	87.8	82.0	91.6	90.5	87.8	86.7	85.7	83.5	82.0
49 Total foreign funds	726.6	796.7	873.9	906.1	813.3	854.1	873.9	879.5	874.0	888.2	906.1
Corporate equities not included above											
50 Total market value	3,619.8	4,374.8	4,084.6	5,210.3	4,400.7	3,824.0	4,084.6	4,631.4	4,665.6	4,932.5	5,210.3
51 Mutual fund shares	478.3	555.1	578.5	852.4	587.9	547.3	578.5	643.0	681.3	764.0	852.4
52 Other equities	3,141.6	3,819.7	3,506.2	4,358.0	3,812.8	3,276.8	3,506.2	3,988.4	3,984.3	4,168.4	4,358.0
53 Holdings by financial institutions	1,113.6	1,416.9	1,342.1	1,939.0	1,459.6	1,232.6	1,342.1	1,634.2	1,644.7	1,789.5	1,939.0
54 Other holdings	2,506.2	2,958.0	2,742.6	3,271.4	2,941.1	2,591.4	2,742.6	2,997.2	3,020.9	3,143.0	3,271.4

NOTES BY LINE NUMBER.
1. Line 1 of table 1.59.
2. Sum of lines 3–6 or 7–10.
6. Includes farm and commercial mortgages.
11. Credit market debt of federally sponsored agencies, and net issues of federally related mortgage pool securities.
13. Line 1 less line 2 plus lines 11 and 12. Also line 20 less line 26 plus line 32. Also sum of lines 27 and 46 less lines 39 and 45.
18. Includes farm and commercial mortgages.
25. Line 38 less lines 39 and 45.
26. Excludes equity issues and investment company shares. Includes line 19.
28. Foreign deposits at commercial banks, plus bank borrowings from foreign affiliates, less claims on foreign affiliates and deposits by banking in foreign banks.
29. Demand deposits and note balances at commercial banks.
30. Excludes net investment of these reserves in corporate equities.
31. Mainly retained earnings and net miscellaneous liabilities.
32. Line 13 less line 20 plus line 26.
33–37. Lines 14–18 less amounts acquired by private finance plus amounts borrowed by private finance. Line 37 includes mortgages.
39. Mainly an offset to line 9.
46. Sum of lines 32 and 38, or line 13 less line 27 plus lines 39 and 45.
47. Line 2 divided by lines 1 plus 12.
48. Line 20 divided by line 13.
49. Sum of lines 10 and 28.
50–52. Includes issues by financial institutions.
NOTE. Full statements for sectors and transaction types in flows and in amounts outstanding appear in the Board's z.1 (780) quarterly statistical release. For ordering address, see inside front cover.

2.10 NONFINANCIAL BUSINESS ACTIVITY Selected Measures

Monthly data seasonally adjusted, 1987=100, except as noted

Measure	1989	1990	1991	1991				1992				
				Sept.	Oct.	Nov.	Dec.	Jan.	Feb.[r]	Mar.[r]	Apr.[r]	May
1 **Industrial production**[1]	**108.1**	**109.2**	**107.1**	**108.4**	**108.4**	**108.1**	**107.4**	**106.6**	**107.2**	**107.7**	**108.1**	**108.8**
Market groupings												
2 Products, total	108.6	110.1	108.1	108.9	109.0	109.0	108.4	107.5	108.1	108.6	109.0	109.7
3 Final, total	109.1	110.9	109.6	110.4	110.6	110.6	109.9	108.7	109.4	109.9	110.5	111.3
4 Consumer goods	106.7	107.3	107.5	109.4	109.7	110.0	109.1	108.1	108.8	109.5	109.8	110.4
5 Equipment	112.3	115.5	112.2	111.8	111.9	111.4	110.9	109.4	110.2	110.5	111.4	112.5
6 Intermediate	106.8	107.7	103.4	104.3	104.1	103.9	103.8	103.9	104.0	104.4	104.3	104.7
7 Materials	107.4	107.8	105.5	107.5	107.4	106.6	105.8	105.2	105.8	106.3	106.8	107.3
Industry groupings												
8 Manufacturing	108.9	109.9	107.4	108.9	109.0	108.6	108.1	107.4	108.1	108.6	109.0	109.8
9 Capacity utilization, manufacturing (percent)[2]	83.9	82.3	78.2	78.8	78.7	78.2	77.7	77.0	77.4	77.5	77.7	78.1
10 Construction contracts[3]	105.2[r]	95.3[r]	89.3[r]	90.0[r]	96.0[r]	82.0[r]	97.0[r]	95.0	100.0	96.0	93.0	86.0
11 Nonagricultural employment, total[4]	106.0	107.6	106.6	106.0[r]	106.0[r]	105.8[r]	105.8[r]	105.8[r]	105.8	105.9	106.1	106.1
12 Goods-producing, total	102.5	101.0	96.4	96.1[r]	95.9[r]	95.6[r]	95.5[r]	95.2[r]	95.2	95.2	95.2	95.2
13 Manufacturing, total	102.2	100.5	96.9	96.8	96.7[r]	96.5[r]	96.3[r]	96.1[r]	96.1	96.1	96.1	96.1
14 Manufacturing, production worker	102.3	100.0	96.0	96.0	95.9	95.8[r]	95.6[r]	95.5[r]	95.6	95.7	95.7	95.7
15 Service-producing	107.1	109.7	109.9	109.1[r]	109.2[r]	109.1[r]	109.1[r]	109.1[r]	109.2	109.3	109.5	109.6
16 Personal income, total	115.2	123.1	127.2	128.2	128.4	128.3	129.6	129.3	130.6	131.2	131.3	n.a.
17 Wages and salary disbursements	114.4	121.1	124.2	125.4	125.2	125.4	126.2	125.5[r]	126.9	127.4	127.3	n.a.
18 Manufacturing	110.6	113.4	113.5	114.6	115.6	114.5	115.4	113.4	114.4	114.6	115.5	n.a.
19 Disposable personal income[5]	115.2	123.4	128.2	129.3	129.7	129.5	130.9	130.7[r]	132.1	133.4	133.4	n.a.
20 Retail sales[6]	113.5[r]	118.6[r]	119.8[r]	120.3[r]	120.5[r]	120.1[r]	120.3[r]	123.0[r]	124.5	123.1	123.6	123.8
Prices[7]												
21 Consumer (1982–84=100)	124.0	130.7	136.2	137.2	137.4	137.8	137.9	138.1	138.6	139.3	139.5	139.7
22 Producer finished goods (1982=100)	113.6	119.2	121.7	121.4	122.2	122.3	121.9	121.8[r]	121.9	122.0	122.2	123.1

1. A major revision of the industrial production index and the capacity utilization rates was released in April 1990. See "Industrial Production: 1989 Developments and Historical Revision," *Federal Reserve Bulletin*, vol. 76 (April 1990), pp. 187–204.
2. Ratio of index of production to index of capacity. Based on data from the Federal Reserve, DRI McGraw-Hill, U.S. 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 Co., 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 U.S. Bureau of the Census data published in *Survey of Current Business*.
7. Based on data not seasonally adjusted, as published in *Monthly Labor Review*. Seasonally adjusted data for changes in the price indexes can be obtained from the Bureau of Labor Statistics, U.S. Department of Labor.

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

Figures for industrial production for the latest month are preliminary, and many figures for the three months preceding the latest month have been revised. See "Recent Developments in Industrial Capacity and Utilization," *Federal Reserve Bulletin*, vol. 76 (June 1990), pp. 411–35.

2.11 LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

Thousands of persons; monthly data seasonally adjusted except as noted

Category	1989	1990	1991	1991[r]			1992				
				Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May
HOUSEHOLD SURVEY DATA											
1 **Noninstitutional population[1]**	**188,601**	**190,216**	**191,883**	**192,386**	**192,522**	**192,661**	**192,796**	**192,906**	**193,036**	**193,168**	**193,295**
2 Labor force (including Armed Forces)[1]	126,077	126,954	127,421	127,605	127,444	127,675	128,083	128,309	128,604	128,830	129,148
3 Civilian labor force	123,869	124,787	125,303	125,508	125,374	125,619	126,046	126,287	126,590	126,830	127,160
Employment											
4 Nonagricultural industries[2]	114,142	114,728	114,644	113,663	113,500	113,545	113,951	113,811	114,155	114,465	114,478
5 Agriculture	3,199	3,186	3,233	3,204	3,272	3,183	3,166	3,232	3,194	3,209	3,178
Unemployment											
6 Number	6,528	6,874	8,426	8,641	8,602	8,891	8,929	9,244	9,242	9,155	9,504
7 Rate (percent of civilian labor force)	5.3	5.5	6.7	6.9	6.9	7.1	7.1	7.3	7.3	7.2	7.5
8 Not in labor force	62,524	63,262	64,462	64,781	65,078	64,986	64,713	64,597	64,432	64,338	64,147
ESTABLISHMENT SURVEY DATA											
9 **Nonagricultural payroll employment[3]**	**108,329**	**109,971**	**108,975**	**108,285**	**108,139**	**108,154**	**108,100**	**108,142**	**108,200**	**108,382**	**108,450**
10 Manufacturing	19,442	19,111	18,427	18,388	18,361	18,329	18,283	18,290	18,278	18,283	18,273
11 Mining	693	711	697	674	667	663	657	653	651	646	641
12 Contract construction	5,187	5,136	4,696	4,642	4,585	4,592	4,587	4,582	4,603	4,602	4,609
13 Transportation and public utilities	5,644	5,826	5,823	5,766	5,761	5,758	5,746	5,753	5,754	5,749	5,748
14 Trade	25,770	25,843	25,412	25,215	25,161	25,133	25,128	25,146	25,089	25,168	25,120
15 Finance	6,695	6,739	6,707	6,665	6,666	6,670	6,665	6,673	6,675	6,683	6,689
16 Service	27,120	28,240	28,778	28,525	28,514	28,559	28,577	28,584	28,643	28,702	28,811
17 Government	17,779	18,322	18,434	18,410	18,424	18,450	18,457	18,461	18,507	18,549	18,559

1. Persons sixteen years of age and older. Monthly figures are based on sample data collected during the calendar week that contains the twelfth day; annual data are averages of monthly figures. By definition, seasonality does not exist in population figures.
2. Includes self-employed, unpaid family, and domestic service workers.
3. Includes all full- and part-time employees who worked during, or received pay for, the pay period that includes the twelfth day of the month; excludes proprietors, self-employed persons, household and 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.

SOURCE. Based on data from *Employment and Earnings* (U.S. Department of Labor).

2.12 OUTPUT, CAPACITY, AND CAPACITY UTILIZATION[1]

Seasonally adjusted

Series	1991 Q2	1991 Q3	1991 Q4	1992 Q1[r]	1991 Q2	1991 Q3	1991 Q4	1992 Q1	1991 Q2	1991 Q3	1991 Q4	1992 Q1[r]
	Output (1987=100)				Capacity (percent of 1987 output)				Capacity utilization rate (percent)			
1 **Total industry**	**106.4**	**108.1**	**107.9**	**107.2**	**134.5**	**135.3**	**136.2**	**137.0**	**79.1**	**79.9**	**79.3**	**78.2**
2 Manufacturing	106.7	108.5	108.6	108.0	136.9	137.9	138.9	139.7	77.9	78.7	78.2	77.3
3 Primary processing	100.8	104.1	104.1	104.1	127.5	128.1	128.8	129.3	79.1	81.2	80.8	80.5
4 Advanced processing	109.4	110.6	110.7	109.9	141.3	142.4	143.5	144.6	77.4	77.7	77.1	76.0
5 Durable goods	106.7	108.1	107.7	106.6	140.9	141.8	142.8	143.7	75.7	76.2	75.4	74.2
6 Lumber and products	94.0	95.1	95.1	98.4	125.2	125.4	125.7	125.9	75.1	75.8	75.7	78.2
7 Primary metals	95.9	102.0	102.5	102.8	128.6	129.0	129.3	129.1	74.6	79.1	79.2	79.6
8 Iron and steel	92.8	100.3	103.2	104.7	133.5	134.0	134.5	134.1	69.5	74.8	76.7	78.1
9 Nonferrous	100.3	104.5	101.4	100.1	121.5	121.7	121.9	122.1	82.6	85.8	83.2	82.0
10 Nonelectrical machinery	123.5	123.5	122.7	122.1	159.5	161.2	162.8	164.3	77.4	76.6	75.4	74.3
11 Electrical machinery	110.6	111.2	110.4	110.4	144.0	145.3	146.6	147.9	76.8	76.5	75.3	74.7
12 Motor vehicles and parts	89.5	95.9	97.0	91.7	134.2	134.9	135.6	136.2	66.7	71.1	71.5	67.3
13 Aerospace and miscellaneous transportation equipment	106.4	105.2	102.8	99.3	137.9	138.7	139.6	140.4	77.2	75.9	73.7	70.8
14 Nondurable goods	106.7	109.1	109.7	109.8	131.9	132.9	133.8	134.8	80.9	82.1	82.0	81.5
15 Textile mill products	99.4	104.1	104.1	104.3	117.7	118.0	118.3	118.8	84.5	88.2	88.0	87.8
16 Paper and products	102.7	107.6	107.4	105.8	117.1	117.9	118.7	119.3	87.7	91.2	90.5	88.6
17 Chemicals and products	109.3	112.1	113.0	113.6	139.7	141.0	142.3	143.4	78.2	79.5	79.4	79.2
18 Plastics materials	115.6	125.4	126.2	124.4	139.2	142.6	146.1	148.7	83.0	87.9	86.4	83.7
19 Petroleum products	107.6	108.1	107.1	107.5	121.4	121.4	121.4	121.4	88.6	89.0	88.2	88.5
20 Mining	101.1	101.8	99.7	98.0	114.3	114.6	114.7	114.7	88.4	88.9	87.0	85.4
21 Utilities	109.6	110.4	109.4	107.1	128.4	128.8	129.2	129.5	85.3	85.7	84.7	82.7
22 Electric	114.4	115.2	111.6	109.7	124.3	124.7	125.2	125.6	92.1	92.4	89.1	87.3

Series	Previous cycle[2] High	Previous cycle[2] Low	Latest cycle[3] High	Latest cycle[3] Low	1991 May	1991 Oct.	1991 Nov.	1991 Dec.	1992[r] Jan.	1992[r] Feb.[r]	1992[r] Mar.[r]	1992[r] Apr.[r]	1992[r] May[p]
	Capacity utilization rate (percent)												
1 **Total industry**	**89.2**	**72.6**	**87.3**	**71.8**	**79.1**	**79.8**	**79.3**	**78.7**	**78.0**	**78.3**	**78.5**	**78.7**	**79.0**
2 Manufacturing	88.9	70.8	87.3	70.0	77.8	78.7	78.2	77.7	77.0	77.4	77.5	77.7	78.1
3 Primary processing	92.2	68.9	89.7	66.8	79.0	81.4	80.8	80.2	80.2	80.4	80.9	81.1	81.4
4 Advanced processing	87.5	72.0	86.3	71.4	77.3	77.6	77.1	76.6	75.7	76.1	76.2	76.3	76.8
5 Durable goods	88.8	68.5	86.9	65.0	75.7	75.9	75.5	74.8	73.8	74.5	74.4	74.7	75.5
6 Lumber and products	90.1	62.2	87.6	60.9	73.9	74.6	76.7	75.7	77.4	78.5	78.7	78.6	78.5
7 Primary metals	100.6	66.2	102.4	46.8	75.3	79.4	80.0	78.3	79.2	79.5	80.1	79.4	79.7
8 Iron and steel	105.8	66.6	110.4	38.3	70.4	76.2	78.5	75.5	78.1	77.4	78.9	77.8	77.5
9 Nonferrous	92.9	61.3	90.5	62.2	83.1	84.5	82.5	82.6	81.0	82.9	82.0	82.0	82.9
10 Nonelectrical machinery	96.4	74.5	92.1	64.9	77.4	76.1	75.4	74.7	74.1	74.2	74.7	75.0	76.3
11 Electrical machinery	87.8	63.8	89.4	71.1	76.8	75.1	75.5	75.2	74.6	74.8	74.6	74.7	75.3
12 Motor vehicles and parts	93.4	51.1	93.0	44.5	66.9	74.2	70.7	69.6	64.0	68.9	69.1	72.3	74.9
13 Aerospace and miscellaneous transportation equipment	77.0	66.6	81.1	66.9	76.7	74.8	73.9	72.3	71.2	70.9	70.1	69.1	69.0
14 Nondurable goods	87.9	71.8	87.0	76.9	80.7	82.4	81.9	81.6	81.4	81.3	81.7	81.8	81.7
15 Textile mill products	92.0	60.4	91.7	73.8	84.3	89.2	88.2	86.5	86.9	88.2	88.5	88.5	88.9
16 Paper and products	96.9	69.0	94.2	82.0	86.5	92.1	89.4	90.0	89.9	87.6	88.3	89.1	88.1
17 Chemicals and products	87.9	69.9	85.1	70.1	78.2	80.0	79.4	78.9	78.7	79.1	79.8	80.0	80.2
18 Plastics materials	102.0	50.6	90.9	63.4	84.5	89.5	87.2	82.5	83.1	83.0	85.0	......	......
19 Petroleum products	96.7	81.1	89.5	68.2	88.6	87.3	87.9	89.5	87.8	88.1	89.7	90.4	91.0
20 Mining	94.4	88.4	96.6	80.6	87.6	87.9	86.8	86.2	85.3	85.7	85.3	86.4	86.1
21 Utilities	95.6	82.5	88.3	76.2	86.7	84.8	85.9	83.4	82.6	82.2	83.4	83.1	82.7
22 Electric	99.0	82.7	88.3	78.7	93.7	89.7	90.0	87.7	87.1	86.8	88.0	87.6	87.1

1. Data in this table also appear in the Board's G.17 (419) monthly statistical release. For ordering address, see inside front cover. For a detailed description of the series, see "Recent Developments in Industrial Capacity and Utilization," *Federal Reserve Bulletin*, vol. 76 (June 1990), pp. 411–35.

2. Monthly high, 1973; monthly low, 1975.

3. Monthly highs, 1978 through 1980; monthly lows, 1982.

2.13 INDUSTRIAL PRODUCTION Indexes and Gross Value[1]

Monthly data seasonally adjusted

Group	1987 proportion	1991 avg.	1991 May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1992 Jan.	Feb.r	Mar.r	Apr.r	May p
			Index (1987 = 100)												
Major Markets															
1 **Total index**	**100.0**	**107.1**	**106.4**	**107.3**	**108.1**	**108.0**	**108.4**	**108.4**	**108.1**	**107.4**	**106.6**	**107.2**	**107.7**	**108.1**	**108.8**
2 Products	60.8	108.1	107.7	108.6	108.7	108.5	108.9	109.0	109.0	108.4	107.5	108.1	108.6	109.0	109.7
3 Final products	46.0	109.6	109.3	110.1	110.2	109.8	110.4	110.6	110.6	109.9	108.7	109.4	109.9	110.5	111.3
4 Consumer goods, total	26.0	107.5	106.6	108.0	108.3	108.4	109.4	109.7	110.0	109.1	108.1	108.8	109.5	109.8	110.4
5 Durable consumer goods	5.6	102.3	101.1	104.2	105.5	104.0	107.7	107.5	106.0	104.6	101.3	105.3	106.2	107.6	110.8
6 Automotive products	2.5	97.8	97.4	100.4	102.3	98.6	106.5	106.7	103.6	101.3	94.2	101.6	103.3	106.4	109.8
7 Autos and trucks	1.5	90.2	89.2	92.5	98.1	90.2	103.0	105.1	99.0	96.7	84.3	94.3	95.7	102.5	107.8
8 Autos, consumer	.9	84.6	81.9	83.8	92.8	83.0	94.6	92.6	89.8	88.2	79.1	84.8	81.9	93.2	98.7
9 Trucks, consumer	.6	99.6	101.6	107.1	106.9	102.2	117.1	126.1	114.5	111.0	93.0	110.2	118.8	118.3	123.3
10 Auto parts and allied goods	1.0	109.3	109.5	112.2	108.6	111.3	111.8	109.1	110.5	108.2	109.1	112.6	114.8	112.1	112.8
11 Other	3.1	105.8	104.1	107.3	108.1	108.3	108.7	108.1	108.0	107.2	106.9	108.3	108.5	108.7	111.5
12 Appliances, A/C, and TV	.8	99.5	96.8	104.8	100.6	99.6	104.1	102.1	102.3	98.9	99.6	102.9	103.5	101.2	107.8
13 Carpeting and furniture	.9	99.4	96.9	99.2	103.1	103.9	101.8	101.8	101.6	101.5	101.1	102.4	102.5	104.3	106.1
14 Miscellaneous home goods	1.4	113.4	112.8	113.8	115.5	115.9	115.6	115.6	115.2	115.5	114.7	115.0	115.2	115.7	117.1
15 Nondurable consumer goods	20.4	109.0	108.1	109.0	109.0	109.6	109.8	110.3	111.1	110.3	110.0	109.8	110.4	110.4	110.3
16 Foods and tobacco	9.1	106.7	106.2	106.9	106.9	107.1	107.8	107.8	108.1	107.0	107.3	107.4	108.0	107.5	107.4
17 Clothing	2.6	93.5	92.0	93.9	94.3	94.8	95.2	96.3	96.5	96.2	95.0	95.2	95.2	95.1	95.5
18 Chemical products	3.5	115.8	113.9	114.3	115.4	117.4	117.3	117.0	117.9	118.0	118.1	118.3	119.4	120.5	120.7
19 Paper products	2.5	123.6	121.8	123.3	122.1	122.6	124.8	125.6	126.4	126.8	126.8	124.7	124.6	125.1	125.2
20 Energy	2.7	108.5	109.0	110.0	109.4	109.5	106.7	108.5	112.0	109.3	106.8	106.4	107.7	107.6	106.6
21 Fuels	.7	103.5	103.6	104.9	105.2	104.0	104.4	103.5	103.6	104.3	103.8	103.5	103.7	104.7	103.6
22 Residential utilities	2.0	110.4	111.0	111.9	110.9	111.5	107.6	110.3	115.1	111.2	108.0	107.5	109.2	108.7	107.7
23 Equipment	20.0	112.2	112.7	112.8	112.8	111.6	111.8	111.9	111.4	110.9	109.4	110.2	110.5	111.4	112.5
24 Business equipment	13.9	121.5	121.7	121.9	122.5	121.3	122.2	122.3	121.8	121.4	119.9	121.0	121.7	122.9	124.5
25 Information processing and related	5.6	131.5	131.8	130.9	131.1	130.3	130.3	131.7	133.4	134.0	134.1	134.6	136.0	137.5	137.8
26 Office and computing	1.9	155.5	155.6	154.0	156.0	153.1	152.2	156.0	157.8	159.1	160.6	162.4	164.9	167.1	168.9
27 Industrial	4.0	108.0	109.3	109.1	109.0	108.6	108.2	106.8	104.2	102.3	100.7	101.3	101.3	101.6	104.8
28 Transit	2.5	126.8	125.9	128.0	131.2	126.7	132.7	133.1	130.5	129.5	124.2	129.2	128.9	131.8	134.1
29 Autos and trucks	1.2	88.6	87.9	90.8	96.6	86.2	99.3	101.1	96.5	96.1	84.9	94.7	95.0	101.3	105.6
30 Other	1.9	113.6	113.0	114.8	114.0	114.8	114.2	113.6	113.8	114.1	113.1	112.2	113.2	113.9	114.5
31 Defense and space equipment	5.4	91.1	91.5	91.0	90.0	89.8	89.1	89.1	88.8	88.1	86.7	86.2	85.6	85.1	85.3
32 Oil and gas well drilling	.6	93.3	101.3	103.0	97.8	86.7	80.1	79.0	78.1	75.8	71.8	73.9	76.2	79.2	79.3
33 Manufactured homes	.2	85.5	86.6	90.8	86.5	90.3	86.2	86.3	87.0	87.9	98.4	99.7	98.7	99.8	100.5
34 Intermediate products, total	14.7	103.4	102.7	104.0	104.0	104.4	104.3	104.1	103.9	103.8	103.9	104.0	104.4	104.3	104.7
35 Construction supplies	6.0	96.0	95.8	97.4	96.9	96.7	96.5	95.4	95.9	95.0	95.5	96.0	96.6	96.9	97.3
36 Business supplies	8.7	108.4	107.5	108.5	109.0	109.7	109.7	110.1	109.4	110.0	109.9	109.6	109.9	109.5	109.8
37 Materials	39.2	105.5	104.5	105.4	107.0	107.2	107.5	107.4	106.6	105.8	105.2	105.8	106.3	106.8	107.3
38 Durable goods materials	19.4	107.1	106.2	106.7	108.2	109.1	109.3	108.8	108.6	108.1	107.0	108.1	108.3	108.7	109.9
39 Durable consumer parts	4.2	96.4	95.5	97.3	100.2	100.1	101.3	101.6	100.5	97.0	95.3	97.1	97.8	99.4	101.6
40 Equipment parts	7.3	114.4	114.8	113.6	113.5	114.3	113.9	113.6	113.7	114.2	114.1	115.2	115.1	115.2	116.4
41 Other	7.9	106.0	103.8	105.3	107.5	109.0	109.3	108.2	108.3	108.4	106.7	107.5	107.7	107.8	108.3
42 Basic metal materials	2.8	106.0	103.0	105.9	108.8	110.2	109.5	107.7	108.1	108.1	105.1	107.3	107.0	106.3	105.8
43 Nondurable goods materials	9.0	105.9	103.7	104.9	108.1	107.8	108.3	109.6	107.7	107.1	107.3	107.1	108.8	109.0	109.1
44 Textile materials	1.2	97.0	96.8	98.1	101.4	101.5	99.5	101.8	99.9	98.5	98.9	101.5	101.7	101.8	102.5
45 Pulp and paper materials	1.9	106.9	101.5	106.9	110.3	108.2	110.4	112.0	108.6	109.6	107.4	106.8	107.7	109.0	106.5
46 Chemical materials	3.8	106.1	103.9	103.9	107.7	107.9	108.2	109.9	108.3	107.0	107.6	106.6	109.3	109.2	110.0
47 Other	2.1	109.7	109.2	108.6	110.5	110.9	111.3	111.2	110.1	109.7	111.2	111.2	112.7	112.6	113.2
48 Energy materials	10.9	102.3	102.4	103.4	104.1	103.3	103.6	103.1	102.2	100.4	100.4	100.5	100.5	101.4	101.2
49 Primary energy	7.2	102.4	101.2	104.7	106.2	104.5	103.8	102.8	100.9	100.4	100.5	100.6	98.6	100.1	99.8
50 Converted fuel materials	3.7	102.0	104.7	101.0	100.1	101.0	103.4	103.8	104.5	100.5	100.2	100.4	104.3	103.8	103.8
Special Aggregates															
51 Total excluding autos and trucks	97.3	107.6	106.9	107.8	108.4	108.5	108.6	108.5	108.3	107.7	107.3	107.6	108.0	108.3	108.8
52 Total excluding motor vehicles and parts	95.3	107.9	107.3	108.1	108.6	108.8	108.8	108.8	108.7	108.0	107.6	107.8	108.3	108.6	109.1
53 Total excluding office and computing machines	97.5	105.8	105.2	106.2	106.9	106.8	107.3	107.2	106.8	106.1	105.3	105.8	106.2	106.6	107.2
54 Consumer goods excluding autos and trucks	24.5	108.6	107.6	108.9	108.9	109.5	109.8	109.9	110.7	109.8	109.6	109.7	110.3	110.3	110.6
55 Consumer goods excluding energy	23.3	107.4	106.3	107.7	108.1	108.3	109.7	109.8	109.8	109.1	108.3	109.1	109.7	110.1	110.9
56 Business equipment excluding autos and trucks	12.7	124.8	125.0	125.0	125.0	124.7	124.4	124.4	124.3	123.8r	123.3r	123.6	124.3	125.1	126.3
57 Business equipment excluding office and computing equipment	12.0	116.0	116.3	116.7	117.0	116.2	117.3	116.9	116.0	115.3	113.3	114.3	114.7	115.8	117.3
58 Materials excluding energy	28.4	106.7	105.4	106.1	108.2	108.7	109.0	109.1	108.3	107.8	107.1	107.8	108.5	108.8	109.6

2.13—Continued

Group	SIC code	1987 proportion	1991 avg.	1991 May	1991 June	1991 July	1991 Aug.	1991 Sept.	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.[r]	1992 Mar.[r]	1992 Apr.[r]	1992 May[p]
				Index (1987 = 100)												
MAJOR INDUSTRIES																
1 **Total index**	...	**100.0**	**107.1**	**106.4**	**107.3**	**108.1**	**108.0**	**108.4**	**108.4**	**108.1**	**107.4**	**106.6**	**107.2**	**107.7**	**108.1**	**108.8**
2 Manufacturing	...	84.4	107.4	106.6	107.5	108.3	108.4	108.9	109.0	108.6	108.1	107.4	108.1	108.6	109.0	109.8
3 Primary processing	...	26.7	102.4	100.7	102.1	103.7	104.1	104.4	104.7	104.1	103.5	103.6	103.9	104.7	105.1	105.6
4 Advanced processing	...	57.7	109.8	109.3	109.9	110.5	110.3	111.0	111.0	110.7	110.3	109.2	110.0	110.4	110.9	111.8
5 Durable goods	...	47.3	107.1	106.7	107.3	108.1	107.8	108.4	108.2	107.8	107.1	105.8	107.0	107.1	107.7	109.1
6 Lumber and products	24	2.0	94.2	92.5	96.7	94.8	95.3	95.2	93.8	96.4	95.2	97.4	98.8	99.1	99.1	99.0
7 Furniture and fixtures	25	1.4	99.1	98.5	99.4	100.5	101.3	101.2	100.5	99.9	100.6	98.7	98.1	99.0	101.0	102.4
8 Clay, glass, and stone products	32	2.5	94.9	95.1	95.0	95.8	95.5	94.4	94.4	92.8	93.0	92.8	94.6	94.9	95.3	96.6
9 Primary metals	33	3.3	99.5	96.9	96.4	101.2	102.6	102.3	102.6	103.5	101.3	102.5	102.7	103.2	102.1	102.2
10 Iron and steel	331,2	1.9	98.0	94.0	92.9	99.5	100.6	100.8	102.4	105.6	101.7	105.0	103.7	105.4	103.5	102.9
11 Raw steel	...	.1	97.3	88.9	94.0	102.6	102.4	100.9	101.3	99.1	97.6	103.3	102.7	98.8	99.9	98.7
12 Nonferrous	333–6,9	1.4	101.5	101.0	101.5	103.5	105.5	104.4	102.9	100.5	100.8	98.9	101.2	100.1	100.2	101.3
13 Fabricated metal products	34	5.4	100.4	99.1	99.8	100.9	101.4	101.9	101.9	101.8	101.2	99.7	100.5	99.9	100.4	101.8
14 Nonelectrical machinery	35	8.6	123.5	123.6	123.4	123.9	123.3	123.1	123.5	122.8	121.9	121.4	121.9	123.1	124.0	126.6
15 Office and computing machines	357	2.5	155.5	155.6	154.0	156.0	153.0	152.2	155.9	157.8	159.1	160.5	162.4	164.9	167.1	169.0
16 Electrical machinery	36	8.6	110.1	110.6	111.5	111.0	111.5	111.0	109.8	110.7	110.6	110.0	110.7	110.7	111.0	112.3
17 Transportation equipment	37	9.8	98.6	98.2	99.7	101.3	99.0	102.2	102.4	99.7	98.0	93.8	96.8	96.5	97.9	99.7
18 Motor vehicles and parts	371	4.7	90.4	89.8	92.5	96.7	91.6	99.5	100.4	95.9	94.6	87.1	93.8	94.2	98.7	102.4
19 Autos and light trucks	...	2.3	89.4	88.2	91.2	97.3	89.1	101.8	103.2	97.6	95.5	83.5	92.9	93.7	101.1	106.5
20 Aerospace and miscellaneous transportation equipment	372–6,9	5.1	106.0	105.8	106.1	105.4	105.6	104.6	104.3	103.1	101.2	99.8	99.6	98.6	97.2	97.2
21 Instruments	38	3.3	118.2	118.2	117.3	116.5	116.9	118.1	118.2	118.7	119.0	118.3	118.6	118.6	119.0	118.9
22 Miscellaneous	39	1.2	119.3	118.7	119.8	121.6	123.2	121.5	120.6	120.7	121.0	121.2	120.0	120.3	119.5	119.9
23 Nondurable goods	...	37.2	107.9	106.5	107.6	108.6	109.0	109.6	110.1	109.6	109.5	109.5	109.6	110.3	110.7	110.8
24 Foods	20	8.8	108.6	107.8	108.6	108.3	108.7	109.5	109.4	110.1	109.6	109.2	109.6	110.2	109.9	109.8
25 Tobacco products	21	1.0	99.7	98.7	99.4	102.6	103.1	102.7	102.2	97.7	94.7	98.8	99.4	101.6	99.2	98.4
26 Textile mill products	22	1.8	100.5	99.2	101.7	104.2	104.7	103.2	105.5	104.4	102.5	103.1	104.7	105.2	105.4	106.0
27 Apparel products	23	2.4	96.2	95.2	96.2	97.8	98.3	98.1	98.7	98.8	99.0	97.5	97.7	97.9	97.9	98.4
28 Paper and products	26	3.6	105.1	101.3	105.3	108.1	106.5	108.0	109.0	106.1	107.0	107.1	104.6	105.6	106.7	105.7
29 Printing and publishing	27	6.4	112.3	110.6	111.2	111.9	112.3	113.3	114.4	114.2	114.5	114.8	114.4	114.1	114.4	114.5
30 Chemicals and products	28	8.6	110.9	109.2	109.6	111.5	112.3	112.6	113.5	113.0	112.6	112.7	113.4	114.6	115.2	115.7
31 Petroleum products	29	1.3	107.5	107.5	109.6	108.3	107.3	108.6	106.0	106.7	108.6	106.6	106.9	109.0	109.8	110.6
32 Rubber and plastic products	30	3.0	110.0	109.2	110.5	110.1	112.6	113.8	113.2	112.6	113.0	113.2	114.0	115.5	117.1	117.5
33 Leather and products	31	.3	88.1	89.5	90.9	91.0	87.1	85.8	83.9	84.3	83.2	83.0	81.4	82.4	83.1	82.5
34 Mining	...	7.9	101.1	100.2	102.1	102.7	101.3	101.4	100.7	99.6	98.8	97.8	98.4	97.9	99.1	98.8
35 Metal	10	.3	150.2	148.0	157.0	153.0	155.5	153.1	146.5	151.5	154.0	144.2	152.9	152.3	152.4	149.8
36 Coal	11,12	1.2	109.2	103.4	110.2	116.0	110.8	110.1	107.9	108.4	107.6	107.3	107.9	103.0	104.0	107.0
37 Oil and gas extraction	13	5.7	95.8	96.0	96.9	96.4	95.7	96.0	96.0	94.1	93.0	92.4	92.7	92.7	94.3	93.4
38 Stone and earth minerals	14	.7	108.1	107.5	106.4	107.8	107.0	107.3	105.9	105.8	106.4	104.8	103.5	107.4	106.1	105.7
39 Utilities	...	7.6	109.2	111.4	111.5	110.9	110.7	109.7	109.4	111.0	107.9	106.8	106.4	108.1	107.7	107.3
40 Electric	491,3PT	6.0	112.8	116.4	117.1	116.6	115.6	113.4	112.2	112.7	109.9	109.3	109.0	110.7	110.3	109.8
41 Gas	492,3PT	1.6	96.0	92.8	90.7	89.7	92.4	95.8	98.9	104.7	100.5	97.5	96.9	98.6	98.2	98.2
SPECIAL AGGREGATES																
42 Manufacturing excluding motor vehicles and parts	...	79.8	108.4	107.6	108.3	109.0	109.3	109.5	109.5	109.3	108.9	108.6	108.9	109.4	109.6	110.2
43 Manufacturing excluding office and computing machines	...	82.0	106.0	105.1	106.1	106.9	107.0	107.6	107.6	107.1	106.6	105.8	106.5	106.9	107.3	108.0
		Gross value (billions of 1982 dollars, annual rates)														
MAJOR MARKETS																
44 **Products, total**	...	**1,734.8**	**1,880.0**	**1,875.7**	**1,890.5**	**1,895.3**	**1,885.5**	**1,901.8**	**1,911.4**	**1,904.9**	**1,888.9**	**1,869.5**	**1,889.7**	**1,904.1**	**1,912.6**	**1,928.4**
45 Final	...	1,350.9	1,481.8	1,478.1	1,490.5	1,496.1	1,484.5	1,501.5	1,510.0	1,504.1	1,488.0	1,468.7	1,490.8	1,502.7	1,512.2	1,526.6
46 Consumer goods	...	833.4	879.8	874.4	884.2	888.3	882.7	898.3	902.4	902.2	894.5	877.6	890.2	896.9	901.3	907.6
47 Equipment	...	517.5	602.0	603.7	606.2	607.8	601.8	603.3	607.6	601.8	593.5	591.1	600.6	605.7	610.9	619.0
48 Intermediate	...	384.0	398.2	397.6	400.1	399.2	401.0	400.3	401.4	400.8	401.0	400.7	398.9	401.5	400.4	401.8

1. Data in this table also appear in the Board's G.17 (419) weekly statistical release. For ordering address, see inside front cover.

A major revision of the industrial production index and the capacity utilization rates was released in April 1990. See "Industrial Production: 1989 Developments and Historical Revision," *Federal Reserve Bulletin*, vol. 76 (April 1990), pp. 187–204.

2. Standard industrial classification.

2.14 HOUSING AND CONSTRUCTION

Monthly figures at seasonally adjusted annual rates, except as noted

Item	1989	1990	1991	1991 July	1991 Aug.	1991 Sept.	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.r	1992 Mar.r	1992 Apr.
	Private residential real estate activity (thousands of units, except as noted)												
NEW UNITS													
1 Permits authorized	1,339	1,111	949	971	940	974	994	979	1,073	1,106	1,146	1,094	1,058
2 One-family	932	794	754	782	764	782	788	792	873	913	946	907	873
3 Two-or-more-family	407	317	195	189	176	192	206	187	200	193	200	187	185
4 Started	1,376	1,193	1,014	1,053	1,053	1,020	1,085	1,085	1,118	1,180	1,257	1,340	1,108
5 One-family	1,003	895	840	881	881	864	887	907	972	989	1,109	1,068	952
6 Two-or-more-family	373	298	174	172	172	156	198	178	146	191	148	272	156
7 Under construction at end of period[1]	850	711	606	652	648	632	631	633	633	640	629	662	667
8 One-family	535	449	434	452	455	452	451	454	458	466	464	487	493
9 Two-or-more-family	315	262	173	200	193	180	180	179	175	174	165	175	174
10 Completed	1,423	1,308	1,091	1,065	1,051	1,193	1,073	1,021	1,021	1,043	1,097	1,121	1,026
11 One-family	1,026	966	838	809	821	870	879	824	851	838	908	969	863
12 Two-or-more-family	396	342	253	256	230	323	194	197	170	205	189	152	163
13 Mobile homes shipped	198	188	171	175	175	172	171	171	176	192	197	197	199
Merchant builder activity in one-family units													
14 Number sold	650	535	507	505	522	499	526	578	578	667r	622	523	530
15 Number for sale at end of period[1]	365	321	283	295	292	292	289	286	283	281	269	277	274
Price of units sold (thousands of dollars)[2]													
16 Median	120.4	122.3	120.0	120.0	120.8	120.0	122.6	118.5	122.0	120.0r	117.0	119.9	119.9
17 Average	148.3	149.0	147.0	148.2	141.8	147.3	147.4	141.7	143.0	144.2r	144.6	146.9	146.8
EXISTING UNITS (one-family)													
18 Number sold	3,346	3,211	3,219	3,260	3,190	3,120	3,150	3,230	3,310	3,220	3,490	3,510	3,490
Price of units sold (thousands of dollars)[2]													
19 Median	92.9	95.2	99.7	103.4	102.0	100.3	99.1	97.9	100.3	102.4	102.8	104.0	103.3
20 Average	118.0	118.3	127.4	132.2	130.9	127.8	126.4	124.9	127.3	130.5	128.8	130.2	130.6
	Value of new construction (millions of dollars)[3]												
CONSTRUCTION													
21 **Total put in place**	**443,720**	**446,433**	**403,955**	**398,409**	**403,151**	**406,983**	**408,779**	**405,482**	**400,825**	**409,731**	**412,449**	**419,976**	**418,828**
22 Private	345,416	337,776	295,187	290,299	293,402	296,621	296,306	293,693	291,202	296,186	297,674	302,592	304,448
23 Residential	196,551	182,856	160,561	158,039	162,800	166,578	166,919	166,474	165,378	170,072	170,254	173,800	176,871
24 Nonresidential, total	148,865	154,920	134,626	132,260	130,602	130,043	129,387	127,219	125,824	126,114	127,420	128,792	127,577
25 Industrial buildings	20,412	23,849	21,732	20,885	20,418	20,321	21,573	21,665	22,472	22,424	22,231	23,130	22,621
26 Commercial buildings	65,496	62,866	47,997	47,144	46,341	45,589	44,580	42,155	40,763	39,731	40,983	41,052	39,916
27 Other buildings	19,683	21,591	20,707	20,674	19,973	20,615	20,657	20,368	20,770	20,711	20,861	21,592	21,390
28 Public utilities and other	43,274	46,614	44,190	43,557	43,870	43,518	42,577	43,031	41,819	43,248	43,345	43,018	43,650
29 Public	98,303	108,655	108,769	108,110	109,749	110,361	112,472	111,790	109,624	113,545	114,775	117,384	114,379
30 Military	3,520	2,734	1,880	1,759	1,783	2,261	1,181	1,829	2,671	2,039	2,206	2,548	2,338
31 Highway	28,171	30,595	29,012	28,854	30,047	28,610	29,038	28,737	28,991	29,151	31,728	29,436	29,880
32 Conservation and development	4,989	4,718	5,331	4,688	4,901	4,226	6,095	6,812	5,412	5,346	5,783	6,399	5,363
33 Other	61,623	70,608	72,546	72,809	73,018	75,264	76,158	74,412	72,550	77,009	75,058	79,001	76,798

1. Not at annual rates.
2. Not seasonally adjusted.
3. Recent data on value of new construction may not be strictly comparable with data for previous 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.

SOURCE. Bureau of the Census estimates for all series except (1) mobile homes, which are private, domestic shipments as reported by the Manufactured Housing Institute and seasonally adjusted by the Census Bureau, and (2) sales and prices of existing units, which are published by the National Association of Realtors. All back and current figures are available from the originating agency. Permit authorizations are those reported to the Census Bureau from 17,000 jurisdictions beginning in 1984.

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 (annual rate)				Change from 1 month earlier					Index level, May 1992[1]
	1991 May	1992 May	1991 June	1991 Sept.	1991 Dec.	1992 Mar.	1992 Jan.[r]	1992 Feb.[r]	1992 Mar.	1992 Apr.	1992 May	
CONSUMER PRICES[2] (1982–84=100)												
1 **All items**	**5.0**	**3.0**	**3.0**	**3.0**	**3.2**	**3.5**	**.1**	**.3**	**.5**	**.2**	**.1**	**139.7**
2 Food	4.2	.4	4.8	−2.3	2.7	1.5	−.4	.3	.5	−.1	−.4	137.4
3 Energy items	5.6	.3	−.8	1.2	3.6	−6.9	−1.5	−.9	.6	.4	.6	102.4
4 All items less food and energy	5.1	3.8	3.2	4.6	3.1	4.8	.3	.4	.5	.3	.2	146.7
5 Commodities	4.1	3.0	2.2	4.4	.6	5.3	.2	.6	.5	.2	.4	132.6
6 Services	5.5	4.2	3.3	4.6	4.3	4.8	.4	.3	.5	.3	.1	154.8
PRODUCER PRICES (1982=100)												
7 Finished goods	3.5	1.1	.7	1.3	1.0	.7	−.2	.1	.2	.2	.4	123.1
8 Consumer foods	1.0	−2.3	−.6	−4.4	−1.0	.7	−.4	1.1	−.5	−.3	−.4	122.9
9 Consumer energy	13.9	−.5	−1.5	3.7	−.5	−7.0	−2.8	−.1	1.2	.5	.9	77.6
10 Other consumer goods	3.7	3.3	1.8	3.6	2.4	3.0	.6	−.1	.2	.4	.7	137.3
11 Capital equipment	3.5	2.0	1.6	1.3	1.9	1.9	.5	−.2	.2	.2	.5	129.0
Intermediate materials												
12 Excluding foods and feeds	1.2	.4	−1.0	.4	−1.7	.0	−.6	.6	.0	.1	.4	114.6
13 Excluding energy	.6	.4	−.7	−1.3	.0	1.7	−.1	.3	.2	.0	.1	121.9
Crude materials												
14 Foods	−7.1	−.5	−8.6	−6.6	−4.9	12.6	1.8	2.4	−1.2	−1.4	.9	108.2
15 Energy	6.3	−2.3	.5	−.5	5.3	−21.2	−4.6	2.3	−3.4	2.7	2.5	77.4
16 Other	−5.3	−1.7	−14.1	−4.9	−5.9	13.6	−.2	1.1	2.2	.2	.9	129.2

1. Not seasonally adjusted.
2. Figures for consumer prices are for all urban consumers and reflect a rental-equivalence measure of homeownership.

SOURCE. Bureau of Labor Statistics.

2.16 GROSS DOMESTIC PRODUCT AND INCOME

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

Account	1989	1990	1991	1991				1992
				Q1	Q2	Q3	Q4	Q1[r]
GROSS DOMESTIC PRODUCT								
1 **Total**	**5,244.0**	**5,513.8**	**5,672.6**	**5,589.0**	**5,652.6**	**5,709.2**	**5,739.7**	**5,817.5**
By source								
2 Personal consumption expenditures	3,517.9	3,742.6	3,889.1	3,827.7	3,868.5	3,916.4	3,943.7	4,022.6
3 Durable goods	459.8	465.9	445.2	440.7	440.0	452.9	447.3	468.2
4 Nondurable goods	1,146.9	1,217.7	1,251.9	1,246.3	1,252.9	1,257.4	1,251.1	1,273.3
5 Services	1,911.2	2,059.0	2,191.9	2,140.7	2,175.6	2,206.1	2,245.2	2,281.0
6 Gross private domestic investment	837.6	802.6	726.7	709.3	708.8	740.9	747.9	726.0
7 Fixed investment	801.6	802.7	745.2	748.4	745.8	744.5	742.0	749.4
8 Nonresidential	570.7	587.0	550.1	560.0	554.6	546.8	539.0	540.5
9 Structures	193.1	198.7	174.6	184.0	180.0	169.0	165.2	164.3
10 Producers' durable equipment	377.6	388.3	375.5	375.9	374.7	377.8	373.8	376.2
11 Residential structures	230.9	215.7	195.1	188.4	191.2	197.7	203.0	208.9
12 Change in business inventories	36.0	.0	−18.5	−39.2	−37.1	−3.6	6.0	−23.3
13 Nonfarm	35.5	−2.0	−15.0	−35.0	−34.0	−3.2	12.1	−20.4
14 Net exports of goods and services	−82.9	−74.4	−30.7	−36.8	−17.2	−37.3	−31.4	−27.5
15 Exports	504.9	550.4	591.3	565.9	589.8	597.0	612.5	612.3
16 Imports	587.8	624.8	622.0	602.7	607.0	634.3	643.8	639.8
17 Government purchases of goods and services	971.4	1,042.9	1,087.5	1,088.8	1,092.5	1,089.1	1,079.5	1,096.5
18 Federal	401.4	424.9	445.1	451.5	452.1	444.9	432.0	441.2
19 State and local	570.0	618.0	642.4	637.3	640.4	644.2	647.5	655.3
By major type of product								
20 Final sales, total	5,208.1	5,513.8	5,691.1	5,628.2	5,689.6	5,712.8	5,733.8	5,840.9
21 Goods	2,062.1	2,167.6	2,211.7	2,208.6	2,223.2	2,214.1	2,200.8	2,247.5
22 Durable	892.9	934.7	926.5	916.4	939.5	929.4	920.5	940.6
23 Nondurable	1,169.2	1,233.0	1,285.2	1,292.1	1,283.7	1,284.7	1,280.3	1,306.9
24 Services	2,634.7	2,834.0	3,012.9	2,951.7	2,999.0	3,035.1	3,065.7	3,116.7
25 Structures	511.3	512.2	466.5	467.9	467.4	463.5	467.3	476.7
26 Change in business inventories	36.0	.0	−18.5	−39.2	−37.1	−3.6	6.0	−23.3
27 Durable goods	26.9	−7.0	−25.2	−43.5	−33.5	−9.2	−14.5	−31.1
28 Nondurable goods	9.1	7.0	6.7	4.3	−3.6	5.6	20.4	7.7
MEMO								
29 **Total GDP in 1987 dollars**	**4,836.9**	**4,884.9**	**4,848.8**	**4,824.0**	**4,840.7**	**4,862.7**	**4,868.0**	**4,896.9**
NATIONAL INCOME								
30 **Total**	**4,244.7**	**4,459.6**	**4,542.2**	**4,489.8**	**4,530.8**	**4,559.8**	**4,588.3**	**4,652.0**
31 Compensation of employees	3,101.3	3,290.3	3,388.2	3,342.9	3,377.4	3,405.3	3,427.4	3,459.2
32 Wages and salaries	2,585.8	2,738.9	2,808.2	2,771.1	2,800.2	2,822.4	2,839.3	2,862.5
33 Government and government enterprises	478.6	514.0	540.5	536.0	540.1	541.8	544.2	552.4
34 Other	2,107.2	2,224.9	2,267.7	2,235.1	2,260.1	2,280.6	2,295.1	2,310.1
35 Supplement to wages and salaries	515.5	551.4	580.0	571.8	577.2	582.9	588.1	596.8
36 Employer contributions for social insurance	261.7	277.3	289.4	287.5	288.7	290.2	291.1	295.7
37 Other labor income	253.7	274.0	290.6	284.2	288.5	292.8	297.0	301.1
38 Proprietors' income[1]	347.0	373.2	379.7	364.2	380.0	382.5	392.0	402.5
39 Business and professional[1]	305.5	330.7	344.5	331.4	340.4	350.5	355.9	366.2
40 Farm[1]	41.4	42.5	35.1	32.8	39.6	32.0	36.1	36.2
41 Rental income of persons[2]	−7.9	−12.9	−12.7	−11.9	−11.7	−14.2	−13.1	−10.9
42 Corporate profits[1]	351.7	319.0	306.8	302.1	303.5	306.1	315.6	347.0
43 Profits before tax[3]	344.5	332.3	312.4	309.1	306.2	318.2	316.1	339.8
44 Inventory valuation adjustment	−17.5	−14.2	3.1	6.7	9.9	−4.8	.7	−2.9
45 Capital consumption adjustment	24.7	.8	−8.7	−13.6	−12.6	−7.3	−1.3	10.2
46 Net interest	452.6	490.1	480.2	492.6	481.6	480.1	466.5	454.2

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* (U.S. Department of Commerce).

2.17 PERSONAL INCOME AND SAVING

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

Account	1989	1990	1991	1991				1992
				Q1	Q2	Q3	Q4	Q1[r]
PERSONAL INCOME AND SAVING								
1 **Total personal income**	**4,380.2**	**4,679.8**	**4,834.4**	**4,768.0**	**4,821.1**	**4,853.3**	**4,895.3**	**4,956.2**
2 Wage and salary disbursements	2,585.8	2,738.9	2,808.3	2,770.9	2,800.6	2,822.4	2,839.3	2,862.5
3 Commodity-producing industries	723.8	745.4	738.7	733.4	735.2	742.3	744.1	738.2
4 Manufacturing	542.1	555.8	556.5	549.3	552.3	559.9	564.3	559.4
5 Distributive industries	607.5	634.6	641.2	635.1	642.0	644.0	643.9	648.2
6 Service industries	775.9	845.0	887.8	866.5	883.0	894.4	907.2	923.8
7 Government and government enterprises	478.6	514.0	540.6	535.8	540.5	541.8	544.2	552.4
8 Other labor income	253.7	274.0	290.6	284.2	288.5	292.8	297.0	301.1
9 Proprietors' income[1]	347.0	373.2	379.7	364.2	380.0	382.5	392.0	402.5
10 Business and professional[1]	305.5	330.7	344.5	331.4	340.4	350.5	355.9	366.2
11 Farm[1]	41.4	42.5	35.1	32.8	39.6	32.0	36.1	36.2
12 Rental income of persons[2]	−7.9	−12.9	−12.7	−11.9	−11.7	−14.2	−13.1	−10.9
13 Dividends	119.8	124.8	128.5	128.7	127.4	128.7	129.4	129.4
14 Personal interest income	669.0	721.3	718.6	730.1	721.8	716.7	705.7	689.1
15 Transfer payments	624.4	684.9	759.5	737.2	751.5	763.7	785.4	827.7
16 Old-age survivors, disability, and health insurance benefits	325.1	352.0	380.0	373.1	377.2	381.7	388.1	403.5
17 LESS: Personal contributions for social insurance	211.7	224.3	238.0	235.4	237.0	239.3	240.4	245.0
18 EQUALS: Personal income	4,380.2	4,679.8	4,834.4	4,768.0	4,821.1	4,853.3	4,895.3	4,956.2
19 LESS: Personal tax and nontax payments	591.7	621.0	616.1	617.1	613.6	615.1	618.4	611.1
20 EQUALS: Disposable personal income	3,788.6	4,058.8	4,218.4	4,151.0	4,207.5	4,238.2	4,276.8	4,345.1
21 LESS: Personal outlays	3,622.4	3,853.1	3,999.1	3,938.4	3,978.7	4,025.7	4,053.5	4,132.5
22 EQUALS: Personal saving	166.1	205.8	219.3	212.6	228.8	212.5	223.4	212.6
MEMO								
Per capita (1987 dollars)								
23 Gross domestic product	19,550.5	19,540.2	19,189.8	19,166.5	19,187.7	19,220.9	19,184.8	19,250.1
24 Personal consumption expenditures	13,027.6	13,050.8	12,897.9	12,877.4	12,892.0	12,930.2	12,891.4	13,028.4
25 Disposable personal income	14,030.0	14,154.0	13,990.0	13,965.0	14,022.0	13,992.0	13,981.0	14,073.0
26 Saving rate (percent)	4.4	5.1	5.2	5.1	5.4	5.0	5.2	4.9
GROSS SAVING								
27 **Gross saving**	**743.4**	**710.9**	**715.2**	**746.9**	**713.1**	**697.2**	**703.8**	**667.2**
28 Gross private saving	826.5	850.4	886.8	873.0	892.1	875.5	906.6	913.2
29 Personal saving	166.1	205.8	219.3	212.6	228.8	212.5	223.4	212.6
30 Undistributed corporate profits[1]	85.8	49.9	44.6	45.0	43.4	39.4	50.6	73.5
31 Corporate inventory valuation adjustment	−17.5	−14.2	3.1	6.7	9.9	−4.8	.7	−2.9
Capital consumption allowances								
32 Corporate	350.5	365.5	383.6	380.1	383.2	384.6	386.6	384.9
33 Noncorporate	224.0	229.3	239.3	235.3	236.8	239.1	246.1	242.2
34 Government surplus, or deficit (−), national income and product accounts	−83.0	−139.5	−171.6	−126.1	−179.1	−178.4	−202.9	−246.0
35 Federal	−124.2	−165.3	−201.6	−146.4	−206.7	−210.2	−243.1	−284.5
36 State and local	41.1	25.7	30.0	20.4	27.6	31.8	40.3	38.5
37 **Gross investment**	**740.7**	**719.0**	**734.3**	**764.9**	**729.6**	**719.1**	**723.4**	**705.8**
38 Gross private domestic	837.6	802.6	726.7	709.3	708.8	740.9	747.9	726.0
39 Net foreign	−96.8	−83.6	7.6	55.7	20.8	−21.8	−24.5	−20.3
40 **Statistical discrepancy**	**−2.7**	**8.1**	**19.0**	**18.0**	**16.5**	**22.0**	**19.6**	**38.5**

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

SOURCE. *Survey of Current Business* (U.S. Department of Commerce).

3.10 U.S. INTERNATIONAL TRANSACTIONS Summary

Millions of dollars; quarterly data seasonally adjusted, except as noted[1]

Item	1989	1990	1991	1990	1991			
				Q4	Q1	Q2	Q3	Q4
1 Balance on current account	-106,304	-92,123	-8,615	-23,402	10,374	2,897	-11,617	-10,266
2 Not seasonally adjusted	....	....	....	-25,136	15,507	4,593	-16,502	-12,213
3 Merchandise trade balance[2]	-115,917	-108,115	-73,586	-27,728	-18,538	-15,537	-20,849	-18,662
4 Merchandise exports	361,451	389,550	416,517	100,580	100,549	103,889	104,018	108,061
5 Merchandise imports	-477,368	-497,665	-490,103	-128,308	-119,087	-119,426	-124,867	-126,723
6 Military transactions, net	-6,203	-7,219	-5,280	-2,243	-2,329	-1,484	-882	-584
7 Investment income, net	2,689	11,945	9,364	6,133	4,902	2,365	1,863	234
8 Other service transactions, net	28,618	33,595	41,158	9,716	9,420	10,445	11,131	10,163
9 Remittances, pensions, and other transfers	-4,420	-4,843	-5,383	-1,201	-1,336	-1,336	-1,293	-1,417
10 U.S. government grants (excluding military)	-11,071	-17,486	25,111	-8,079	18,255	8,444	-1,587	0
11 Change in U.S. government assets other than official reserve assets, net (increase, −)	1,320	2,976	3,572	4,759	1,422	-493	3,197	-553
12 Change in U.S. official reserve assets (increase, −)	-25,293	-2,158	5,763	-1,092	-353	1,014	3,878	1,226
13 Gold	0	0	0	0	0	0	0	0
14 Special drawing rights (SDRs)	-535	-192	-177	-93	31	-190	6	-23
15 Reserve position in International Monetary Fund	471	731	-367	-4	-341	72	-114	17
16 Foreign currencies	-25,229	-2,697	6,307	-995	-43	1,132	3,986	1,232
17 Change in U.S. private assets abroad (increase, −)	-104,637	-58,524	-77,083	-38,370	-2,192	-15,702	-18,281	-40,908
18 Bank-reported claims[3]	-51,255	5,333	3,428	-24,513	20,598	1,215	2,325	-20,710
19 Nonbank-reported claims	2,581	-1,944	-4,798	-2,509	-1,308	-2,076	-1,414	....
20 U.S. purchases of foreign securities, net	-22,575	-28,476	-46,215	-7,546	-9,430	-12,833	-12,533	-11,419
21 U.S. direct investments abroad, net	-33,388	-33,437	-29,498	-3,802	-12,052	-2,008	-6,659	-8,779
22 Change in foreign official assets in United States (increase, +)	8,624	32,425	20,585	20,301	6,631	-3,105	3,854	13,205
23 U.S. Treasury securities	149	28,643	18,623	20,119	2,381	-2,287	5,799	12,730
24 Other U.S. government obligations	1,383	667	926	708	-29	-219	407	767
25 Other U.S. government liabilities[4]	281	1,703	1,603	1,102	1,012	370	453	-232
26 Other U.S. liabilities reported by U.S. banks[3]	4,976	2,998	-1,856	-707	2,501	-1,084	-2,830	-443
27 Other foreign official assets[5]	1,835	-1,586	1,289	-921	766	115	25	383
28 Change in foreign private assets in United States (increase, +)	207,925	53,879	58,919	18,732	-7,360	6,608	23,125	36,546
29 U.S. bank-reported liabilities[3]	63,382	9,975	-15,046	17,261	-18,795	-28,687	6,474	25,962
30 U.S. nonbank-reported liabilities	5,454	3,779	-511	-1,840	-1,616	-760	1,865	....
31 Foreign private purchases of U.S. Treasury securities, net	29,618	1,131	16,861	-2,029	3,409	13,434	-1,468	1,486
32 Foreign purchases of other U.S. securities, net	38,920	1,781	35,417	802	5,306	15,073	10,154	4,884
33 Foreign direct investments in United States, net	70,551	37,213	22,198	4,538	4,336	7,548	6,100	4,214
34 Allocation of special drawing rights	0	0	0	0	0	0	0	0
35 Discrepancy	18,366	63,526	-3,139	19,072	-8,522	8,781	-4,156	750
36 Due to seasonal adjustment	....	....	....	2,007	4,322	496	-6,232	1,407
37 Statistical discrepancy in recorded data before seasonal adjustment	18,366	63,526	-3,139	17,066	-12,844	8,285	2,076	-657
MEMO								
Changes in official assets								
38 U.S. official reserve assets (increase, −)	-25,293	-2,158	5,763	-1,092	-353	1,014	3,878	1,226
39 Foreign official assets in United States excluding line 25 (increase, +)	8,343	30,722	18,982	19,199	5,619	-3,475	3,401	13,437
40 Change in Organization of Petroleum Exporting Countries official assets in United States (part of line 22)	10,738	2,163	-3,656	575	988	-3,162	-4,352	2,870

1. Seasonal factors not calculated for lines 6, 10, 12–16, 18–20, 22–34, and 38–40.
2. Data are on an international accounts basis. The data differ from the Census basis data, shown in table 3.11, for reasons of coverage and timing. Military exports are excluded from merchandise trade data and are included in line 6.
3. Reporting banks include all types of depository institution as well as some brokers and dealers.
4. Associated primarily 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.

SOURCE. *Survey of Current Business* (U.S. Department of Commerce).

3.11 U.S. FOREIGN TRADE[1]

Millions of dollars; monthly data seasonally adjusted

Item	1989	1990	1991	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.[r]	1992 Apr.[p]
1 Exports of domestic and foreign merchandise, (F.A.S. value), excluding grant-aid shipments	363,812	393,592	421,730	36,842	37,269	36,053	35,467	37,654	37,085	36,386
2 General imports (customs value), including merchandise for immediate consumption plus entries into bonded warehouses	473,211	495,311	487,129	42,712	41,382	41,675	41,266	40,948	42,669	43,355
3 Trade balance	**−109,399**	**−101,718**	**−65,399**	**−5,870**	**−4,113**	**−5,622**	**−5,799**	**−3,294**	**−5,584**	**−6,969**

1. The Census basis data differ from merchandise trade data shown in table 3.10, lines 3–5, U.S. International Transactions Summary, because of coverage and timing. On the *export* side, the largest difference is 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, this table includes imports of gold, ship purchases, imports of electricity from Canada, and other transactions; military payments are excluded and shown separately in table 3.10, line 6. Since Jan. 1, 1987, Census data have been released forty-five days after the end of the month; the previous month is revised to reflect late documents. Total exports and the trade balance reflect adjustments for undocumented exports to Canada. Components may not sum to totals because of rounding.

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

3.12 U.S. RESERVE ASSETS

Millions of dollars, end of period

Type	1988	1989	1990	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.	1992 Apr.	1992 May[p]
1 Total	**47,802**	**74,609**	**83,316**	**74,651**	**77,719**	**75,868**	**75,088**	**74,657**	**74,712**	**74,587**
2 Gold stock, including Exchange Stabilization Fund[1]	11,057	11,059	11,058	11,058	11,057	11,058	11,058	11,057	11,057	11,057
3 Special drawing rights[2,3]	9,637	9,951	10,989	10,942	11,240	10,980	11,020	10,947	10,930	11,315
4 Reserve position in International Monetary Fund[2]	9,745	9,048	9,076	8,943	9,488	9,113	8,996	8,994	8,968	9,175
5 Foreign currencies[4]	17,363	44,551	52,193	43,708	45,934	44,717	44,014	43,659	43,757	43,040

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, line 3. Gold stock is valued at $42.22 per fine troy ounce.
2. Special drawing rights (SDRs) are valued according to a technique adopted by the International Monetary Fund (IMF) in July 1974. Values are based on a weighted average of exchange rates for the currencies of member countries. From July 1974 through December 1980, 16 currencies were used; since January 1981, 5 currencies have been used. U.S. SDR holdings and reserve positions in the IMF also have been valued on this basis since July 1974.
3. Includes allocations of SDRs by the International Monetary Fund on Jan. 1 of the year indicated, as follows: 1970—$867 million; 1971—$717 million; 1972—$710 million; 1979—$1,139 million; 1980—$1,152 million; 1981—$1,093 million; plus net transactions in SDRs.
4. Valued at current market exchange rates.

3.13 FOREIGN OFFICIAL ASSETS HELD AT FEDERAL RESERVE BANKS[1]

Millions of dollars, end of period

Asset	1988	1989	1990	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.	1992 Apr.	1992 May[p]
1 Deposits	347	589	369	346	968	321	264	262	206	217
Held in custody										
2 U.S. Treasury securities[2]	232,547	224,911	278,499	285,905	281,107	293,958	297,834	300,277	303,413	307,562
3 Earmarked gold[3]	13,636	13,456	13,387	13,307	13,303	13,303	13,305	13,304	13,304	13,295

1. Excludes deposits and U.S. Treasury securities held for international and regional organizations.
2. Marketable U.S. Treasury bills, notes, and bonds and nonmarketable U.S. Treasury securities payable at face value in dollars or foreign currencies.
3. Held for foreign and international accounts and valued at $42.22 per fine troy ounce; not included in the gold stock of the United States.

3.14 FOREIGN BRANCHES OF U.S. BANKS Balance Sheet Data[1]

Millions of dollars, end of period

Assets	1988	1989	1990	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.	1992 Apr.
					All foreign countries					
1 **Total, all currencies**	**505,595**	**545,366**	**556,925**	**546,570**	**550,777**	**548,901**	**547,704[r]**	**550,358[r]**	**562,142[r]**	**549,477**
2 Claims on United States	169,111	198,835	188,496	176,959	177,828	176,301	180,052[r]	178,026	193,228	177,761
3 Parent bank	129,856	157,092	148,837	136,570	137,165	137,509	142,277	142,019	156,923	143,559
4 Other banks in United States	14,918	17,042	13,296	13,432	13,543	12,884	11,675[r]	10,837	11,612	9,993
5 Nonbanks	24,337	24,701	26,363	26,957	27,120	25,908	26,100	25,170	24,693	24,209
6 Claims on foreigners	299,728	300,575	312,449	299,915	304,212	303,934	297,400[r]	301,900	300,026	302,766
7 Other branches of parent bank	107,179	113,810	135,003	108,269	107,343	111,729	103,456	108,052	112,326	111,369
8 Banks	96,932	90,703	72,602	80,060	84,980	81,970	82,332[r]	83,904[r]	79,311	83,412
9 Public borrowers	17,163	16,456	17,555	18,685	18,940	18,652	18,223	18,421	18,328	18,743
10 Nonbank foreigners	78,454	79,606	87,289	92,901	92,949	91,583	93,389	91,523[r]	90,061	89,242
11 Other assets	36,756	45,956	55,980	69,696	68,737	68,666	70,252[r]	70,432[r]	68,888[r]	68,950
12 **Total payable in U.S. dollars**	**357,573**	**382,498**	**379,479**	**365,223**	**365,143**	**363,941**	**359,487[r]**	**365,000[r]**	**380,907[r]**	**364,367**
13 Claims on United States	163,456	191,184	180,174	170,615	171,701	169,662	173,827	172,377	187,538	173,106
14 Parent bank	126,929	152,294	142,962	132,929	133,984	133,476	138,686	138,754	153,653	141,033
15 Other banks in United States	14,167	16,386	12,513	12,904	12,668	12,025	10,924	10,006	10,956	9,255
16 Nonbanks	22,360	22,504	24,699	24,782	25,049	24,161	24,217	23,617	22,929	22,818
17 Claims on foreigners	177,685	169,690	174,451	164,543	165,653	167,010	157,338	163,623	163,877	162,817
18 Other branches of parent bank	80,736	82,949	95,298	75,649	75,986	78,114	70,637	75,087	78,067	75,342
19 Banks	54,884	48,396	36,440	41,132	42,808	41,635	39,964	42,488[r]	39,671	41,100
20 Public borrowers	12,131	10,961	12,298	13,889	13,671	13,685	13,202	13,136	13,217	12,994
21 Nonbank foreigners	29,934	27,384	30,415	33,873	33,188	33,576	33,535	32,912[r]	32,922	33,381
22 Other assets	16,432	21,624	24,854	30,065	27,789	27,269	28,322[r]	29,000[r]	29,492[r]	28,444
					United Kingdom					
23 **Total, all currencies**	**156,835**	**161,947**	**184,818**	**172,795**	**174,648**	**175,599**	**174,467**	**172,479**	**169,275**	**170,775**
24 Claims on United States	40,089	39,212	45,560	32,615	32,531	35,257	36,620[r]	34,655	37,015	35,451
25 Parent bank	34,243	35,847	42,413	29,021	28,901	31,931	32,765	31,302	34,048	32,379
26 Other banks in United States	1,123	1,058	792	1,502	1,259	1,267	1,392[r]	1,211	1,158	1,228
27 Nonbanks	4,723	2,307	2,355	2,092	2,371	2,059	2,463	2,142	1,809	1,844
28 Claims on foreigners	106,388	107,657	115,536	108,397	111,323	109,692	108,046[r]	107,645	101,627	104,467
29 Other branches of parent bank	35,625	37,728	46,367	36,757	36,637	35,735	33,357	33,924	33,599	34,061
30 Banks	36,765	36,159	31,604	33,375	36,709	36,394	36,537[r]	37,349[r]	33,499	36,126
31 Public borrowers	4,019	3,293	3,860	3,492	3,512	3,306	3,377	3,144	3,060	3,108
32 Nonbank foreigners	29,979	30,477	33,705	34,773	34,465	34,257	34,775	33,228[r]	31,469	31,172
33 Other assets	10,358	15,078	23,722	31,783	30,794	30,650	29,801	30,179	30,633	30,857
34 **Total payable in U.S. dollars**	**103,503**	**103,208**	**116,762**	**103,439**	**103,591**	**105,974**	**103,833**	**102,341**	**102,283**	**102,285**
35 Claims on United States	38,012	36,404	41,259	29,995	30,054	32,418	33,801	31,788	34,464	33,298
36 Parent bank	33,252	34,329	39,609	27,404	27,689	30,370	31,239	29,724	32,645	31,022
37 Other banks in United States	964	843	334	1,378	894	822	901	678	725	853
38 Nonbanks	3,796	1,232	1,316	1,213	1,471	1,226	1,661	1,386	1,094	1,423
39 Claims on foreigners	60,472	59,062	63,701	57,155	59,200	58,791	55,281	55,985	52,306	54,129
40 Other branches of parent bank	28,474	29,872	37,142	28,655	29,210	28,667	26,827	26,747	25,933	25,922
41 Banks	18,494	16,579	13,135	13,269	15,480	15,219	14,106	15,438[r]	13,154	14,829
42 Public borrowers	2,840	2,371	3,143	2,969	2,848	2,853	2,707	2,657	2,623	2,545
43 Nonbank foreigners	10,664	10,240	10,281	12,262	11,662	12,052	11,641	11,143[r]	10,596	10,833
44 Other assets	5,019	7,742	11,802	16,289	14,337	14,765	14,751	14,568	15,513	14,858
					Bahamas and Cayman Islands					
45 **Total, all currencies**	**170,639**	**176,006**	**162,316**	**170,529**	**170,846**	**168,326**	**167,648**	**168,972**	**175,687**	**162,490**
46 Claims on United States	105,320	124,205	112,989	117,782	118,164	115,244	116,488	115,400	122,556	111,849
47 Parent bank	73,409	87,882	77,873	83,286	83,348	81,520	84,506	84,499	91,343	82,592
48 Other banks in United States	13,145	15,071	11,869	11,028	11,457	10,907	9,626	8,969	9,809	8,115
49 Nonbanks	18,766	21,252	23,247	23,468	23,359	22,817	22,356	21,932	21,404	21,142
50 Claims on foreigners	58,393	44,168	41,356	43,662	44,177	45,229	42,866	44,033	44,285	41,779
51 Other branches of parent bank	17,954	11,309	13,416	9,086	10,268	11,098	10,549	11,528	11,278	10,156
52 Banks	28,268	22,611	16,310	20,300	19,865	20,174	18,998	19,311	19,645	18,256
53 Public borrowers	5,830	5,217	5,807	7,435	7,363	7,161	6,600	6,545	6,599	6,332
54 Nonbank foreigners	6,341	5,031	5,823	6,841	6,681	6,796	6,719	6,649	6,763	7,035
55 Other assets	6,926	7,633	7,971	9,085	8,505	7,853	8,294	9,539	8,846	8,862
56 **Total payable in U.S. dollars**	**163,518**	**170,780**	**158,390**	**166,598**	**166,582**	**163,771**	**163,078**	**164,548**	**171,114**	**157,815**

1. Since June 1984, 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.

3.14—Continued

Liabilities	1988	1989	1990	1991			1992			
				Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
						All foreign countries				
57 **Total, all currencies**	**505,595**	**545,366**	**556,925**	**546,570**	**550,777**	**548,901**	**547,704[r]**	**550,358[r]**	**562,142[r]**	**549,477**
58 Negotiable certificates of deposit (CDs)	28,511	23,500	18,060	18,928	18,334	16,284	16,156	15,988	14,637	12,847
59 To United States	185,577	197,239	189,412	186,246	188,686	198,121	189,083	190,885	210,012	196,114
60 Parent bank	114,720	138,412	138,748	130,092	131,383	136,431	127,532	123,775	142,551	138,081
61 Other banks in United States	14,737	11,704	7,463	10,356	12,892	13,260	13,683	12,674	14,137	15,075
62 Nonbanks	56,120	47,123	43,201	45,798	44,411	48,430	47,868	54,436	53,324	42,958
63 To foreigners	270,923	296,850	311,668	295,282	298,152	288,254	295,861	299,046	292,659	296,630
64 Other branches of parent bank	111,267	119,591	139,113	108,534	109,085	112,033	105,873	108,744	113,314	111,968
65 Banks	72,842	76,452	58,986	68,286	67,945	63,097	72,407	71,346	63,060	65,105
66 Official institutions	15,183	16,750	14,791	17,247	19,394	15,596	16,704	16,972	15,697	16,083
67 Nonbank foreigners	71,631	84,057	98,778	101,215	101,728	97,528	100,877	101,984	100,588	103,474
68 Other liabilities	20,584	27,777	37,785	46,114	45,605	46,242	46,604[r]	44,439[r]	44,834[r]	43,886
69 **Total payable in U.S. dollars**	**367,483**	**396,613**	**383,522**	**366,449**	**369,515**	**370,561**	**360,322[r]**	**363,582[r]**	**380,178[r]**	**365,539**
70 Negotiable CDs	24,045	19,619	14,094	14,157	13,813	11,909	11,442	11,515	10,278	8,462
71 To United States	173,190	187,286	175,654	174,274	176,254	185,286	176,635	179,178	198,143[r]	185,110
72 Parent bank	107,150	132,563	130,510	123,399	124,625	129,669	121,098	117,272	135,761	131,652
73 Other banks in United States	13,468	10,519	6,052	9,011	11,436	11,707	12,191	11,532	13,036	14,217
74 Nonbanks	52,572	44,204	39,092	41,864	40,193	43,910	43,346	50,374	49,346[r]	39,241
75 To foreigners	160,766	176,460	179,002	161,850	164,275	158,993	156,339	156,744	156,216	157,189
76 Other branches of parent bank	84,021	87,636	98,128	75,243	76,224	76,601	70,839	74,466	77,492	75,780
77 Banks	28,493	30,537	20,251	25,653	24,501	24,156	25,781	23,665	21,910	22,619
78 Official institutions	8,224	9,873	7,921	10,565	13,375	10,304	10,555	10,652	9,625	10,413
79 Nonbank foreigners	40,028	48,414	52,702	50,389	50,175	47,932	49,164	47,961	47,189	48,377
80 Other liabilities	9,482	13,248	14,772	16,168	15,173	14,373	15,906[r]	16,145[r]	15,541[r]	14,778
						United Kingdom				
81 **Total, all currencies**	**156,835**	**161,947**	**184,818**	**172,795**	**174,648**	**175,599**	**174,467**	**172,479**	**169,275**	**170,775**
82 Negotiable CDs	24,528	20,056	14,256	14,145	13,506	11,333	10,993	10,581	9,816	7,422
83 To United States	36,784	36,036	39,928	29,137	30,560	37,720	31,018	30,631	35,225	36,512
84 Parent bank	27,849	29,726	31,806	21,080	22,629	29,834	23,112	23,464	27,937	29,317
85 Other banks in United States	2,037	1,256	1,505	2,053	1,934	1,438	2,325	1,891	1,201	2,011
86 Nonbanks	6,898	5,054	6,617	6,004	5,997	6,448	5,581	5,276	6,087	5,184
87 To foreigners	86,026	92,307	108,531	100,267	102,299	98,167	104,868	104,432	96,702	99,804
88 Other branches of parent bank	26,812	27,397	36,709	26,879	26,977	30,054	27,561	27,864	27,937	28,239
89 Banks	30,609	29,780	25,126	28,254	27,959	25,541	31,929	30,686	26,017	27,046
90 Official institutions	7,873	8,551	8,361	10,045	12,628	9,670	10,432	10,685	9,277	9,539
91 Nonbank foreigners	20,732	26,579	38,335	35,089	34,735	32,902	34,946	35,197	33,471	34,980
92 Other liabilities	9,497	13,548	22,103	29,246	28,283	28,379	27,588	26,835	27,532	27,037
93 **Total payable in U.S. dollars**	**105,907**	**108,178**	**116,094**	**103,238**	**104,433**	**108,755**	**103,232**	**100,882**	**101,602[r]**	**100,799**
94 Negotiable CDs	22,063	18,143	12,710	12,397	12,042	10,076	9,236	9,061	8,562	6,136
95 To United States	32,588	33,056	34,697	24,394	25,517	33,003	26,419	26,261	30,993[r]	32,510
96 Parent bank	26,404	28,812	29,955	19,391	20,923	28,260	21,663	21,788	26,272	27,904
97 Other banks in United States	1,752	1,065	1,156	1,704	1,481	1,177	1,954	1,639	1,032	1,796
98 Nonbanks	4,432	3,179	3,586	3,299	3,113	3,566	2,802	2,834	3,689[r]	2,810
99 To foreigners	47,083	50,517	60,014	56,639	57,527	56,626	57,522	55,216	52,059	52,625
100 Other branches of parent bank	18,561	18,384	25,957	18,319	18,678	20,800	18,498	18,863	18,792	18,136
101 Banks	13,407	12,244	9,488	12,040	10,542	11,069	13,061	11,188	9,861	9,435
102 Official institutions	4,348	5,454	4,692	7,050	9,995	7,156	7,580	7,698	6,628	6,998
103 Nonbank foreigners	10,767	14,435	19,877	19,230	18,312	17,601	18,383	17,467	16,778	18,056
104 Other liabilities	4,173	6,462	8,673	9,808	9,347	9,050	10,055	10,344	9,988	9,528
						Bahamas and Cayman Islands				
105 **Total, all currencies**	**170,639**	**176,006**	**162,316**	**170,529**	**170,846**	**168,326**	**167,648**	**168,972**	**175,687**	**162,490**
106 Negotiable CDs	953	678	646	981	1,034	1,173	1,382	1,709	932	1,538
107 To United States	122,332	124,859	114,738	130,223	129,781	129,872	130,285	131,009	138,990	124,182
108 Parent bank	62,894	75,188	74,941	84,853	83,057	79,394	79,585	73,744	82,050	75,894
109 Other banks in United States	11,494	8,883	4,526	7,070	9,728	10,231	10,045	9,733	11,696	12,060
110 Nonbanks	47,944	40,788	35,271	38,300	36,996	40,247	40,655	47,532	45,244	36,228
111 To foreigners	45,161	47,382	44,444	36,861	37,857	35,200	34,106	34,425	34,002	34,949
112 Other branches of parent bank	23,686	23,414	24,715	19,675	19,555	17,388	16,590	17,050	17,100	16,933
113 Banks	8,336	8,823	5,588	5,218	5,984	5,662	5,497	5,054	5,139	6,059
114 Official institutions	1,074	1,097	622	666	646	572	450	490	536	736
115 Nonbank foreigners	12,065	14,048	13,519	11,302	11,672	11,578	11,569	11,831	11,227	11,221
116 Other liabilities	2,193	3,087	2,488	2,464	2,174	2,081	1,875	1,829	1,763	1,821
117 **Total payable in U.S. dollars**	**162,950**	**171,250**	**157,132**	**166,226**	**166,157**	**163,603**	**162,637**	**164,241**	**171,049**	**157,866**

3.15 SELECTED U.S. LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS

Millions of dollars, end of period

Item	1989	1990	1991			1992			
			Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.[p]
1 **Total**[1]	**312,477**	**344,529**	**357,956**	**366,235**	**364,505**	**376,278**	**379,259**	**385,564**	**389,307**
By type									
2 Liabilities reported by banks in the United States[2]	36,496	39,880	41,505	42,785	38,361	41,418	42,507	43,860	44,356
3 U.S. Treasury bills and certificates[3]	76,985	79,424	94,428	92,855	92,692	92,711	94,731	102,143	102,968
U.S. Treasury bonds and notes									
4 Marketable	179,269	202,487	197,972	205,166	207,687	216,374	216,181	213,045	214,711
5 Nonmarketable[4]	568	4,491	4,796	4,827	4,858	4,892	4,922	4,956	4,989
6 U.S. securities other than U.S. Treasury securities[5]	19,159	18,247	19,255	20,602	20,907	20,883	20,918	21,560	22,283
By area									
7 Western Europe[1]	132,849	167,191	170,407	173,975	169,747	174,544	174,560	179,434	180,458
8 Canada	9,482	8,671	9,121	9,428	7,460	7,642	8,251	7,016	7,855
9 Latin America and Caribbean	9,313	21,184	32,583	33,975	36,038	37,143	38,142	40,464	41,614
10 Asia	153,338	138,096	134,635	137,490	139,558	146,222	147,925	148,783	148,662
11 Africa	1,030	1,434	1,519	1,383	2,092	2,409	2,408	2,011	2,392
12 Other countries[6]	6,469	7,955	9,689	9,982	9,608	8,316	7,971	7,854	8,324

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; zero coupon bonds are included at current value.
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.

SOURCE. 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 and on the 1984 benchmark survey of foreign portfolio investment in the United States.

3.16 LIABILITIES TO, AND CLAIMS ON, FOREIGNERS Reported by Banks in the United States Payable in Foreign Currencies[1]

Millions of dollars, end of period

Item	1988	1989	1990	1991			1992
				June	Sept.	Dec.	Mar.
1 Banks' liabilities	74,980	67,835	70,477	59,306	63,063	74,986	67,602
2 Banks' claims	68,983	65,127	66,796	60,534	63,518	73,137	58,378
3 Deposits	25,100	20,491	29,672	27,795	29,632	26,307	23,995
4 Other claims	43,884	44,636	37,124	32,739	33,886	46,830	34,383
5 Claims of banks' domestic customers[2]	364	3,507	6,309	1,648	2,348	3,274	2,862

1. Data on claims exclude foreign currencies held by U.S. monetary authorities.
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 accounts of the domestic customers.

3.17 LIABILITIES TO FOREIGNERS Reported by Banks in the United States[1]
Payable in U.S. dollars

Millions of dollars, end of period

Holder and type of liability	1989	1990	1991	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.[r]	1992 Apr.[p]
1 **All foreigners**	**736,878**	**759,634**	**754,203**	**750,213**	**758,168**	**754,203**	**750,966**	**754,331[r]**	**771,909**	**767,213**
2 Banks' own liabilities	577,498	577,229	573,600	565,384	575,625	573,600	571,373	573,485[r]	580,922	576,378
3 Demand deposits	22,032	21,723	20,319	17,637	21,630	20,319	19,309	18,906	19,286	19,045
4 Time deposits[2]	168,780	168,017	159,844	154,693	154,314	159,844	148,183	145,861	147,909	153,352
5 Other[3]	67,823	65,822	65,614	72,934	75,679	65,614	73,006	75,861	75,321	75,738
6 Own foreign offices[4]	318,864	321,667	327,823	320,120	324,002	327,823	330,875	332,857[r]	338,406	328,243
7 Banks' custody liabilities[5]	159,380	182,405	180,603	184,829	182,543	180,603	179,593	180,846[r]	190,987	190,835
8 U.S. Treasury bills and certificates[6]	91,100	96,796	110,734	112,280	110,938	110,734	110,000	112,172	119,882	120,924
9 Other negotiable and readily transferable instruments[7]	19,526	17,578	18,664	17,047	17,206	18,664	17,745	16,894	18,429	17,797
10 Other	48,754	68,031	51,205	55,502	54,399	51,205	51,848	51,780[r]	52,676	52,114
11 **Nonmonetary international and regional organizations[8]**	**4,894**	**5,918**	**8,947**	**7,665**	**8,721**	**8,947**	**9,895**	**10,615**	**10,469**	**9,947**
12 Banks' own liabilities	3,279	4,540	6,793	5,964	6,828	6,793	8,112	8,879	8,567	8,064
13 Demand deposits	96	36	43	28	24	43	39	35	144	29
14 Time deposits[2]	927	1,050	2,764	2,490	2,392	2,764	2,049	2,058	1,442	1,642
15 Other[3]	2,255	3,455	3,986	3,446	4,412	3,986	6,024	6,786	6,981	6,393
16 Banks' custody liabilities[5]	1,616	1,378	2,154	1,701	1,893	2,154	1,783	1,736	1,902	1,883
17 U.S. Treasury bills and certificates[6]	197	364	1,730	1,246	1,530	1,730	1,328	1,317	1,225	1,442
18 Other negotiable and readily transferable instruments[7]	1,417	1,014	424	455	363	424	455	417	637	441
19 Other	2	0	0	0	0	0	0	2	40	0
20 **Official institutions[9]**	**113,481**	**119,303**	**131,053**	**135,933**	**135,640**	**131,053**	**134,129**	**137,238[r]**	**146,003**	**147,324**
21 Banks' own liabilities	31,108	34,910	34,376	37,559	38,960	34,376	37,908	38,623[r]	39,760	40,403
22 Demand deposits	2,196	1,924	2,642	1,307	1,621	2,642	1,480	1,297	1,342	1,360
23 Time deposits[2]	10,495	14,359	16,474	14,544	13,145	16,474	16,307	14,655	17,652	18,557
24 Other[3]	18,417	18,628	15,260	21,708	24,194	15,260	20,121	22,671[r]	20,766	20,486
25 Banks' custody liabilities[5]	82,373	84,393	96,677	98,374	96,680	96,677	96,221	98,615	106,243	106,921
26 U.S. Treasury bills and certificates[6]	76,985	79,424	92,692	94,428	92,855	92,692	92,711	94,731	102,143	102,968
27 Other negotiable and readily transferable instruments[7]	5,028	4,766	3,879	3,811	3,611	3,879	3,422	3,697	4,019	3,812
28 Other	361	203	106	135	214	106	88	187	81	141
29 **Banks[10]**	**515,275**	**540,805**	**520,106**	**515,954**	**521,517**	**520,106**	**515,494**	**516,749[r]**	**526,222**	**520,225**
30 Banks' own liabilities	454,273	458,470	457,534	447,730	455,881	457,534	451,527	453,002[r]	460,036	454,480
31 Unaffiliated foreign banks	135,409	136,802	129,711	127,610	131,879	129,711	120,652	120,145[r]	121,630	126,237
32 Demand deposits	10,279	10,053	8,630	8,164	11,396	8,630	8,807	8,369	8,543	8,753
33 Time deposits[2]	90,557	88,541	82,936	78,181	80,199	82,936	73,988	74,560	74,316	79,699
34 Other[3]	34,573	38,208	38,145	41,265	40,284	38,145	37,857	37,216[r]	38,771	37,785
35 Own foreign offices[4]	318,864	321,667	327,823	320,120	324,002	327,823	330,875	332,857[r]	338,406	328,243
36 Banks' custody liabilities[5]	61,002	82,335	62,572	68,224	65,636	62,572	63,967	63,747[r]	66,186	65,745
37 U.S. Treasury bills and certificates[6]	9,367	10,669	7,471	8,363	7,855	7,471	7,713	7,733	8,344	8,410
38 Other negotiable and readily transferable instruments[7]	5,124	5,341	5,694	6,041	5,852	5,694	5,853	5,999	6,733	7,117
39 Other	46,510	66,325	49,407	53,820	51,929	49,407	50,401	50,015[r]	51,109	50,218
40 **Other foreigners**	**103,228**	**93,608**	**94,097**	**90,661**	**92,290**	**94,097**	**91,448**	**89,729**	**89,215**	**89,717**
41 Banks' own liabilities	88,839	79,309	74,897	74,131	73,956	74,897	73,826	72,981	72,559	73,431
42 Demand deposits	9,460	9,711	9,004	8,138	8,589	9,004	8,983	9,205	9,257	8,903
43 Time deposits[2]	66,801	64,067	57,670	59,478	58,578	57,670	55,839	54,588	54,499	53,454
44 Other[3]	12,577	5,530	8,223	6,515	6,789	8,223	9,004	9,188	8,803	11,074
45 Banks' custody liabilities[5]	14,389	14,299	19,200	16,530	18,334	19,200	17,622	16,748	16,656	16,286
46 U.S. Treasury bills and certificates[6]	4,551	6,339	8,841	8,243	8,698	8,841	8,248	8,391	8,170	8,104
47 Other negotiable and readily transferable instruments[7]	7,958	6,457	8,667	6,740	7,380	8,667	8,015	6,781	7,040	6,427
48 Other	1,880	1,503	1,692	1,547	2,256	1,692	1,359	1,576	1,446	1,755
49 MEMO: Negotiable time certificates of deposit in custody for foreigners	7,203	7,073	7,456	7,596	7,137	7,456	7,855	8,049	8,110	7,624

1. Reporting banks include all kinds of depository institutions besides commercial banks, as well as some brokers and dealers.
2. Excludes negotiable time certificates of deposit, which are included in "Other negotiable and readily transferable instruments."
3. Includes borrowing under repurchase agreements.
4. For U.S. banks, includes amounts due to own foreign branches and foreign subsidiaries consolidated in "Consolidated Report of Condition" filed with bank regulatory agencies. For agencies, branches, and majority-owned subsidiaries of foreign banks, consists principally of amounts due to head office or parent foreign bank, and foreign branches, agencies, or wholly owned subsidiaries of head office or parent foreign bank.
5. Financial claims on residents of the United States, other than long-term securities, held by or through reporting banks.
6. Includes nonmarketable certificates of indebtedness and Treasury bills issued to official institutions of foreign countries.
7. Principally bankers acceptances, commercial paper, and negotiable time certificates of deposit.
8. Principally the International Bank for Reconstruction and Development and the Inter-American and Asian Development Banks. Data exclude "holdings of dollars" of the International Monetary Fund.
9. Foreign central banks, foreign central governments, and the Bank for International Settlements.
10. Excludes central banks, which are included in "Official institutions."

3.17—Continued

	Area and country	1989	1990	1991	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.[r]	1992 Apr.[p]
1	**Total**	**736,878**	**759,634**	**754,203**	**750,213**	**758,168**	**754,203**	**750,966**	**754,331[r]**	**771,909[r]**	**767,213**
2	**Foreign countries**	**731,984**	**753,716**	**745,256**	**742,548**	**749,447**	**745,256**	**741,071**	**743,716[r]**	**761,440[r]**	**757,266**
3	Europe	237,501	254,452	249,001	246,935	251,443	249,001	244,628	245,881	255,959[r]	262,014
4	Austria	1,233	1,229	1,193	1,232	1,313	1,193	1,041	1,030	1,230	1,244
5	Belgium–Luxembourg	10,648	12,382	13,337	13,659	14,600	13,337	13,348	15,156	16,253[r]	15,793
6	Denmark	1,415	1,399	937	912	1,143	937	991	997	892	961
7	Finland	570	602	1,341	938	1,080	1,341	893	623	1,014[r]	1,005
8	France	26,903	30,946	31,808	30,491	31,095	31,808	29,244	26,449	26,026[r]	27,662
9	Germany	7,578	7,485	8,620	7,891	8,032	8,620	7,853	9,235	9,556[r]	9,267
10	Greece	1,028	934	765	840	890	765	873	895	1,058	1,134
11	Italy	16,169	17,735	13,541	12,274	13,288	13,541	10,798	9,554	9,915[r]	10,035
12	Netherlands	6,613	5,350	7,161	6,546	6,124	7,161	7,965	7,322	9,250[r]	9,352
13	Norway	2,401	2,357	1,866	1,173	1,452	1,866	1,922	1,398	1,286	899
14	Portugal	2,418	2,958	2,184	2,431	2,223	2,184	1,114	2,540	2,071	2,217
15	Spain	4,364	7,544	11,391	12,279	11,148	11,391	9,371	10,653	13,504[r]	14,435
16	Sweden	1,491	1,837	2,222	1,217	1,105	2,222	1,887	2,544	2,106	2,888
17	Switzerland	34,496	36,690	37,236	36,733	36,711	37,236	35,667	34,709[r]	37,103[r]	33,603
18	Turkey	1,818	1,169	1,598	1,493	1,836	1,598	1,476	1,677	1,600[r]	1,362
19	United Kingdom	102,362	109,555	100,247	99,466	99,844	100,247	102,380	102,160	103,285[r]	108,002
20	Yugoslavia	1,474	928	622	807	544	622	493	529	504	569
21	Other Western Europe[11]	13,563	11,689	9,224	12,964	15,357	9,224	13,755	14,017[r]	15,448[r]	17,008
22	U.S.S.R.	350	119	241	178	236	241	161	238	168	287
23	Other Eastern Europe[12]	608	1,545	3,467	3,411	3,422	3,467	3,396	4,155	3,690	4,291
24	Canada	18,865	20,349	21,563	24,685	23,131	21,563	18,646	20,437	20,884	20,450
25	Latin America and Caribbean	311,028	332,997	343,817	340,473	345,107	343,817	348,715	348,078[r]	349,723[r]	340,215
26	Argentina	7,304	7,365	7,758	7,190	7,452	7,758	7,899	7,878	8,310	8,654
27	Bahamas	99,341	107,386	99,834	99,858	100,339	99,834	100,689	99,736[r]	102,083[r]	98,411
28	Bermuda	2,884	2,822	3,178	3,191	3,295	3,178	3,658	3,478	3,364[r]	3,368
29	Brazil	6,351	5,834	5,942	5,998	5,811	5,942	5,785	5,760	5,745[r]	5,752
30	British West Indies	138,309	147,321	162,427	160,488	163,419	162,427	165,048	166,648[r]	165,483[r]	159,365
31	Chile	3,212	3,145	3,284	3,348	3,388	3,284	3,322	3,408	3,623	3,508
32	Colombia	4,653	4,492	4,662	4,823	4,797	4,662	4,627	4,713	4,972[r]	4,914
33	Cuba	10	11	2	4	12	2	6	5	11	9
34	Ecuador	1,391	1,379	1,232	1,237	1,236	1,232	1,248	1,217	1,168	1,128
35	Guatemala	1,312	1,541	1,594	1,541	1,589	1,594	1,554	1,549	1,539	1,489
36	Jamaica	209	257	231	202	201	231	234	227	271	234
37	Mexico	15,423	16,650	19,957	19,958	20,499	19,957	20,372	20,319	21,540	21,361
38	Netherlands Antilles	6,310	7,357	5,592	5,499	5,924	5,592	6,272	6,231	5,205[r]	5,986
39	Panama	4,362	4,574	4,695	4,450	4,563	4,695	4,349	4,404	4,158[r]	4,216
40	Peru	1,984	1,294	1,249	1,234	1,240	1,249	1,233	1,221	1,187	1,094
41	Uruguay	2,284	2,520	2,111	2,442	2,373	2,111	2,313	2,158	2,054	2,171
42	Venezuela	9,482	12,271	13,181	12,237	12,171	13,181	13,520	12,424	12,190[r]	11,874
43	Other	6,206	6,779	6,888	6,773	6,798	6,888	6,586	6,702	6,820	6,681
44	Asia	156,201	136,844	120,486	120,434	120,019	120,486	119,199	120,148	125,765[r]	125,250
	China										
45	Mainland	1,773	2,421	2,625	2,494	2,783	2,625	2,739	2,607	2,677	2,751
46	Taiwan	19,588	11,246	11,495	12,443	11,675	11,495	10,951	10,588	10,596	10,473
47	Hong Kong	12,416	12,754	14,374	13,941	13,795	14,374	15,162	14,967[r]	14,716	16,249
48	India	780	1,233	2,418	2,504	2,613	2,418	2,297	2,256[r]	2,028	1,792
49	Indonesia	1,281	1,238	1,463	1,230	1,412	1,463	1,037	1,276	1,516	1,109
50	Israel	1,243	2,767	2,015	2,115	2,108	2,015	2,193	2,137	2,536	3,792
51	Japan	81,184	67,076	47,029	47,068	46,004	47,029	46,086	44,821	49,560[r]	47,316
52	Korea	3,215	2,287	2,538	2,169	2,555	2,538	2,442	2,754	2,827	2,975
53	Philippines	1,766	1,585	2,449	1,926	2,139	2,449	2,256	2,462	2,638	2,266
54	Thailand	2,093	1,443	2,252	3,113	3,581	2,252	2,933	3,224	3,330	3,147
55	Middle-East oil-exporting countries[13]	13,370	15,829	15,752	15,529	16,301	15,752	15,901	18,410	19,311[r]	18,614
56	Other	17,491	16,965	16,076	15,902	15,053	16,076	15,202	14,646	14,030[r]	14,766
57	Africa	3,824	4,630	4,822	4,558	4,465	4,822	5,042	4,919	4,886	4,864
58	Egypt	686	1,425	1,621	1,241	1,060	1,621	1,620	1,632	1,337	1,610
59	Morocco	78	104	79	78	93	79	86	82	90	88
60	South Africa	206	228	228	207	173	228	201	199	191	188
61	Zaire	86	53	31	42	32	31	28	30	35	27
62	Oil-exporting countries[14]	1,121	1,110	1,082	1,182	1,280	1,082	1,204	1,214	1,428	1,277
63	Other	1,648	1,710	1,781	1,808	1,827	1,781	1,903	1,762	1,805	1,674
64	Other countries	4,564	4,444	5,567	5,463	5,282	5,567	4,841	4,253	4,223	4,473
65	Australia	3,867	3,807	4,464	4,445	4,116	4,464	3,619	3,065	3,100	3,575
66	All other	697	637	1,103	1,018	1,166	1,103	1,222	1,188	1,123	898
67	Nonmonetary international and regional organizations	4,894	5,918	8,947	7,665	8,721	8,947	9,895	10,615	10,469[r]	9,947
68	International[15]	3,947	4,390	6,451	5,411	6,180	6,451	7,439	8,292	8,063[r]	7,199
69	Latin American regional	684	1,048	1,181	1,242	1,366	1,181	1,422	1,500	1,785[r]	1,788
70	Other regional[16]	263	479	1,315	1,012	1,175	1,315	1,034	823	621[r]	960

11. Includes the Bank for International Settlements and Eastern European countries not listed in line 23.
12. Comprises Bulgaria, Czechoslovakia, Hungary, Poland, and Romania.
13. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).
14. Comprises Algeria, Gabon, Libya, and Nigeria.
15. Excludes "holdings of dollars" of the International Monetary Fund.
16. 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[1] Payable in U.S. Dollars

Millions of dollars, end of period

Area and country	1989	1990	1991	1991			1992			
				Oct.	Nov.	Dec.	Jan.	Feb.	Mar.[r]	Apr.[p]
1 **Total**	**534,492**	**511,543**	**514,248**	**511,082**	**514,637**	**514,248**	**508,616**	**508,770[r]**	**512,803**	**506,394**
2 **Foreign countries**	**530,630**	**506,750**	**507,875**	**509,301**	**511,347**	**507,875**	**504,421**	**502,230[r]**	**506,340**	**501,515**
3 Europe	119,025	113,093	114,252	103,710	107,754	114,252	112,665	110,834[r]	112,932	123,592
4 Austria	415	362	327	374	325	327	211	447	375	444
5 Belgium–Luxembourg	6,478	5,473	6,158	7,677	6,962	6,158	6,726	7,451[r]	7,005	6,967
6 Denmark	582	497	686	624	671	686	792	709	737	871
7 Finland	1,027	1,047	1,912	1,195	1,378	1,912	1,854	1,586	1,321	1,475
8 France	16,146	14,468	15,112	13,085	14,813	15,112	15,204	13,742	14,053	13,706
9 Germany	2,865	3,343	3,339	2,077	2,839	3,339	3,295	3,405	3,788	3,117
10 Greece	788	727	553	487	555	553	550	562	537	567
11 Italy	6,662	6,052	8,242	6,370	6,362	8,242	8,000	7,346	8,584	9,835
12 Netherlands	1,904	1,761	2,539	2,169	2,220	2,539	2,664	2,454	2,259	2,680
13 Norway	609	782	669	682	776	669	801	665	687	569
14 Portugal	376	292	344	301	358	344	360	350	368	361
15 Spain	1,930	2,668	1,844	2,410	2,480	1,844	2,487	2,120	3,310	3,692
16 Sweden	1,773	2,094	2,315	1,842	2,347	2,315	2,751	2,923	2,631	3,057
17 Switzerland	6,141	4,202	4,540	4,195	4,469	4,540	4,497	3,921	3,375	4,095
18 Turkey	1,071	1,405	1,063	1,195	1,151	1,063	1,065	1,076[r]	943	927
19 United Kingdom	65,527	65,151	60,429	55,436	55,917	60,429	56,619	57,077[r]	58,124	66,291
20 Yugoslavia	1,329	1,142	824	803	848	824	822	810	807	780
21 Other Western Europe[2]	1,302	597	789	714	1,001	789	1,152	1,110	879	816
22 U.S.S.R.	1,179	530	1,970	1,358	1,689	1,970	2,331	2,491	2,659	2,824
23 Other Eastern Europe[3]	921	499	597	716	593	597	484	589	490	518
24 Canada	15,451	16,091	15,025	16,099	15,845	15,025	14,791	15,792	15,384	14,979
25 Latin America and Caribbean	230,438	231,506	246,028	255,126	252,834	246,028	249,880	245,552[r]	251,417	239,358
26 Argentina	9,270	6,967	5,869	5,735	5,778	5,869	5,823	5,834	5,787	5,949
27 Bahamas	77,921	76,525	87,173	85,959	87,160	87,173	89,258	84,173	88,810	82,088
28 Bermuda	1,315	4,056	2,185	4,305	4,102	2,185	3,535	4,444	3,649	6,372
29 Brazil	23,749	17,995	11,845	11,499	11,687	11,845	12,421	12,746[r]	12,365	12,496
30 British West Indies	68,749	88,565	107,864	116,429	111,999	107,864	107,268	106,753[r]	109,095	100,547
31 Chile	4,353	3,271	2,805	2,721	2,833	2,805	2,817	2,746	2,778	2,922
32 Colombia	2,784	2,587	2,425	2,542	2,574	2,425	2,374	2,330	2,339	2,322
33 Cuba	1	0	0	0	0	0	0	0	0	2
34 Ecuador	1,688	1,387	1,053	1,095	1,090	1,053	1,044	1,034	993	986
35 Guatemala	197	191	228	191	195	228	214	230	233	214
36 Jamaica	297	238	158	162	161	158	157	158	152	152
37 Mexico	23,376	14,851	16,606	16,874	17,401	16,606	17,058	17,361[r]	17,350	17,402
38 Netherlands Antilles	1,921	7,998	1,126	1,247	1,122	1,126	1,112	898	1,098	1,185
39 Panama	1,740	1,471	1,563	1,546	1,641	1,563	1,651	1,662	1,708	1,837
40 Peru	771	663	739	722	724	739	735	669	647	715
41 Uruguay	929	786	599	555	550	599	548	604	604	684
42 Venezuela	9,652	2,571	2,527	2,406	2,634	2,527	2,610	2,611	2,368	2,192
43 Other	1,726	1,384	1,263	1,138	1,183	1,263	1,255	1,299	1,441	1,293
44 Asia	157,474	138,722	125,336	126,978	127,191	125,336	119,729	122,596[r]	119,680	116,415
China										
45 Mainland	634	620	747	597	698	747	813	699	719	660
46 Taiwan	2,776	1,952	2,089	1,578	1,584	2,089	1,919	1,881	1,969	2,008
47 Hong Kong	11,128	10,648	9,723	10,204	10,172	9,723	9,859	9,721	10,582	8,520
48 India	621	655	441	482	450	441	445	418	518	504
49 Indonesia	651	933	952	841	872	952	1,012	1,043	1,079	1,034
50 Israel	813	774	855	994	907	855	873	943	901	836
51 Japan	111,300	90,699	84,797	84,767	85,504	84,797	80,519	80,247[r]	74,595	71,806
52 Korea	5,323	5,766	6,029	5,363	5,797	6,029	5,683	6,272	6,400	6,200
53 Philippines	1,344	1,247	1,910	1,916	1,971	1,910	1,849	1,789	1,831	1,690
54 Thailand	1,140	1,573	1,713	1,831	1,803	1,713	1,633	1,621	1,599	1,618
55 Middle East oil-exporting countries[4]	10,149	10,749	8,284	9,973	9,957	8,284	8,073	10,976	12,284	14,557
56 Other	11,594	13,106	7,796	8,432	7,476	7,796	7,051	6,986	7,203	6,982
57 Africa	5,890	5,445	4,928	5,273	5,242	4,928	4,874	4,741	4,758	4,818
58 Egypt	502	380	294	302	351	294	255	223	271	242
59 Morocco	559	513	575	589	583	575	591	550	547	547
60 South Africa	1,628	1,525	1,235	1,495	1,493	1,235	1,217	1,189	1,176	1,239
61 Zaire	16	16	4	9	7	4	4	4	4	4
62 Oil-exporting countries[5]	1,648	1,486	1,298	1,260	1,320	1,298	1,116	1,112	1,164	1,160
63 Other	1,537	1,525	1,522	1,618	1,488	1,522	1,691	1,663	1,596	1,626
64 Other countries	2,354	1,892	2,306	2,115	2,481	2,306	2,482	2,715	2,169	2,353
65 Australia	1,781	1,413	1,665	1,503	1,718	1,665	1,473	1,478	1,388	1,424
66 All other	573	479	641	612	763	641	1,009	1,237	781	929
67 Nonmonetary international and regional organizations[6]	3,862	4,793	6,373	1,781	3,290	6,373	4,195	6,540	6,463	4,879

1. Reporting banks include all kinds of depository institutions besides commercial banks, as well as some brokers and dealers.
2. Includes the Bank for International Settlements and Eastern European countries not listed in line 23.
3. Comprises Bulgaria, Czechoslovakia, Hungary, Poland, and Romania.
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[1] Payable in U.S. Dollars

Millions of dollars, end of period

Type of claim	1989	1990	1991	1991			1992			
				Oct.	Nov.	Dec.	Jan.	Feb.[r]	Mar.[r]	Apr.[p]
1 **Total**	**593,087**	**579,044**	**580,345**	**567,307**	....	....	**580,345**	....	....	....
2 Banks' own claims on foreigners	534,492	511,543	514,248	499,931	511,082	514,637	514,248	508,616	509,007	512,911
3 Foreign public borrowers	60,511	41,900	37,247	35,680	35,261	36,323	37,247	35,171	38,609	37,043
4 Own foreign offices[2]	296,011	304,315	318,952	304,518	313,021	313,783	318,952	307,625	306,286	318,432
5 Unaffiliated foreign banks	134,885	117,272	116,449	113,872	119,829	120,218	116,449	121,900	118,985	113,911
6 Deposits	78,185	65,253	69,125	68,482	72,534	71,610	69,125	71,884	70,784	66,921
7 Other	56,700	52,019	47,324	45,390	47,295	48,608	47,324	50,016	48,201	46,990
8 All other foreigners	43,085	48,056	41,600	45,861	42,971	44,313	41,600	43,920	45,127	43,525
9 Claims of banks' domestic customers[3]	58,594	67,501	66,097	67,376	....	....	66,097	....	....	....
10 Deposits	13,019	14,375	15,240	19,512	....	....	15,240	....	....	....
11 Negotiable and readily transferable instruments[4]	30,983	41,333	37,918	35,054	....	....	37,918	....	....	....
12 Outstanding collections and other claims	14,592	11,792	12,939	12,810	....	....	12,939	....	....	....
13 MEMO: Customer liability on acceptances	12,899	13,628	7,418	8,739	....	....	7,418	....	....	....
14 Dollar deposits in banks abroad, reported by nonbanking business enterprises in the United States[5]	45,767	44,574	39,036	38,213	39,822	40,589	39,036	37,575	38,971	n.a.

1. 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.
Reporting banks include all kinds of depository institutions besides commercial banks, as well as some brokers and dealers.
2. For U.S. banks, includes amounts due from own foreign branches and foreign subsidiaries consolidated in "Consolidated Report of Condition" filed with bank regulatory agencies. For agencies, branches, and majority-owned subsidiaries of foreign banks, consists principally of amounts due from head office or parent foreign bank, and foreign branches, agencies, or wholly owned subsidiaries of head office or parent foreign bank.
3. 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.
4. Principally negotiable time certificates of deposit and bankers acceptances.
5. 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.

3.20 BANKS' OWN CLAIMS ON UNAFFILIATED FOREIGNERS Reported by Banks in the United States[1] Payable in U.S. Dollars

Millions of dollars, end of period

Maturity, by borrower and area	1988	1989	1990	1991			1992
				June	Sept.	Dec.	Mar.[p]
1 **Total**	**233,184**	**238,123**	**206,903**	**199,216**	**199,517**	**195,164**	**195,079**
By borrower							
2 Maturity of one year or less[2]	172,634	178,346	165,985	158,660	160,346	159,829	160,694
3 Foreign public borrowers	26,562	23,916	19,305	21,794	19,286	17,461	20,841
4 All other foreigners	146,071	154,430	146,680	136,866	141,060	142,368	139,853
5 Maturity of more than one year[2]	60,550	59,776	40,918	40,555	39,171	35,335	34,385
6 Foreign public borrowers	35,291	36,014	22,269	22,417	20,820	17,925	16,189
7 All other foreigners	25,259	23,762	18,649	18,138	18,352	17,410	18,196
By area							
Maturity of one year or less[2]							
8 Europe	55,909	53,913	49,184	49,840	50,368	51,207	51,849
9 Canada	6,282	5,910	5,450	5,939	7,309	5,682	6,425
10 Latin America and Caribbean	57,991	53,003	49,782	42,670	41,127	47,280	42,973
11 Asia	46,224	57,755	53,258	53,993	53,150	49,462	49,961
12 Africa	3,337	3,225	3,040	3,008	2,937	2,815	2,535
13 All other[3]	2,891	4,541	5,272	3,212	5,455	3,383	6,951
Maturity of more than one year[2]							
14 Europe	4,666	4,121	3,859	4,128	3,832	3,717	3,876
15 Canada	1,922	2,353	3,290	3,390	3,823	3,676	3,546
16 Latin America and Caribbean	47,547	45,816	25,774	24,962	23,220	19,232	18,741
17 Asia	3,613	4,172	5,165	5,414	5,645	6,095	5,460
18 Africa	2,301	2,630	2,374	2,426	2,456	2,393	2,349
19 All other[3]	501	684	456	237	195	222	413

1. Reporting banks include all kinds of depository institutions besides commercial banks, as well as some brokers and dealers.
2. Remaining time to maturity.
3. Includes nonmonetary international and regional organizations.

3.21 CLAIMS ON FOREIGN COUNTRIES Held by U.S. Offices and Foreign Branches of U.S.-Chartered Banks[1]

Billions of dollars, end of period

Area or country	1988	1989	1990				1991				1992
			Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.[p]
1 **Total**	**346.3**	**338.8**	**333.9**	**321.7**	**331.5**	**317.8**	**325.6**	**321.0**	**335.7[r]**	**341.5[r]**	**348.0**
2 G-10 countries and Switzerland	152.7	152.9	146.6	139.3	143.6	132.1	129.9	130.2	134.0[r]	137.2[r]	131.0
3 Belgium-Luxembourg	9.0	6.3	6.7	6.2	6.5	5.9	6.2	6.1	5.8	6.0	5.3
4 France	10.5	11.7	10.4	10.2	11.1	10.4	9.7	10.5	11.1	11.0[r]	9.9
5 Germany	10.3	10.5	11.2	11.2	11.1	10.6	8.8	8.3	9.7	8.2	8.5
6 Italy	6.8	7.4	5.9	5.4	4.4	5.0	4.0	3.6	4.5	5.6	5.4
7 Netherlands	2.7	3.1	3.1	2.7	3.8	3.0	3.3	3.3	3.0	4.7	4.3
8 Sweden	1.8	2.0	2.1	2.3	2.3	2.2	2.0	2.5	2.1	1.9	2.0
9 Switzerland	5.4	7.1	6.2	6.3	5.6	4.4	3.7	3.3	3.9	3.4	3.2
10 United Kingdom	66.2	67.2	64.0	59.9	62.6	60.8	62.3	59.8	64.9[r]	68.5	65.3
11 Canada	5.0	5.4	4.8	5.1	5.0	5.9	6.8	8.2	5.9	5.8	6.5
12 Japan	34.9	32.2	32.2	30.1	31.3	23.9	23.2	24.6	23.2	22.2	20.7
13 Other developed countries	21.0	20.7	23.0	22.4	23.0	22.6	23.1	21.1	21.7	22.6	21.2
14 Austria	1.5	1.5	1.5	1.5	1.6	1.4	1.4	1.1	1.0	.6	.8
15 Denmark	1.1	1.1	1.2	1.1	1.1	1.1	.9	1.2	.9	.9	.8
16 Finland	1.1	1.0	1.1	.9	.8	.7	1.0	.8	.7	.7	.8
17 Greece	1.8	2.5	2.6	2.7	2.8	2.7	2.5	2.4	2.3	2.6	2.3
18 Norway	1.8	1.4	1.7	1.4	1.6	1.6	1.5	1.5	1.4	1.4	1.5
19 Portugal	.4	.4	.4	.8	.6	.6	.6	.6	.5	.6	.5
20 Spain	6.2	7.1	8.2	7.8	8.4	8.3	9.0	7.0	8.3	8.2	7.6
21 Turkey	1.5	1.2	1.3	1.4	1.6	1.7	1.7	1.9	1.6	1.4	1.2
22 Other Western Europe	1.3	.7	1.0	1.1	.7	.9	.8	.9	1.0	1.6	1.3
23 South Africa	2.4	2.0	2.0	1.9	1.9	1.8	1.8	1.8	1.6	1.9	1.8
24 Australia	1.8	1.6	2.1	1.8	2.0	1.8	1.9	2.0	2.4	2.7	2.3
25 OPEC countries[2]	16.6	17.1	15.5	15.3	14.2	12.8	17.1	14.0	15.6	14.6	16.0
26 Ecuador	1.7	1.3	1.2	1.1	1.1	1.0	.9	.9	.8	.7	.7
27 Venezuela	7.9	7.0	6.1	6.0	6.0	5.0	5.1	5.3	5.6	5.4	5.4
28 Indonesia	1.7	2.0	2.1	2.0	2.3	2.7	2.8	2.6	2.8	2.8	3.3
29 Middle East countries	3.4	5.0	4.3	4.4	3.1	2.5	6.6	3.7	5.0	4.2	5.3
30 African countries	1.9	1.7	1.8	1.8	1.7	1.7	1.6	1.5	1.5	1.5	1.4
31 Non-OPEC developing countries	85.3	77.5	68.8	66.7	67.1	65.4	66.4	65.0	65.0[r]	64.3	70.5
Latin America											
32 Argentina	9.0	6.3	5.6	5.2	5.0	5.0	4.7	4.6	4.5[r]	4.8	5.0
33 Brazil	22.4	19.0	17.5	16.7	15.4	14.4	13.9	11.6	10.5	9.5	10.8
34 Chile	5.6	4.6	4.3	3.7	3.6	3.5	3.6	3.6	3.7	3.6	3.9
35 Colombia	2.1	1.8	1.8	1.7	1.8	1.8	1.7	1.6	1.6	1.7	1.6
36 Mexico	18.8	17.7	12.8	12.6	12.8	13.0	13.7	14.3	16.2	15.5	18.2
37 Peru	.8	.6	.5	.5	.5	.5	.5	.5	.4	.4	.4
38 Other	2.6	2.8	2.8	2.3	2.4	2.3	2.2	2.0	1.9	2.1	2.2
Asia											
China											
39 Mainland	.3	.3	.3	.2	.2	.2	.4	.6	.4	.3	.3
40 Taiwan	3.7	4.5	3.8	3.6	4.0	3.5	3.6	4.1	4.1	4.1	4.7
41 India	2.1	3.1	3.5	3.6	3.6	3.3	3.5	3.0	2.8	3.0	3.6
42 Israel	1.2	.7	.6	.7	.6	.5	.5	.5	.5	.5	.4
43 Korea (South)	6.1	5.9	5.3	5.6	6.2	6.2	6.8	6.9	6.5	6.8	6.9
44 Malaysia	1.6	1.7	1.8	1.8	1.8	1.9	2.0	2.1	2.3	2.3	2.5
45 Philippines	4.5	4.1	3.7	3.9	3.9	3.8	3.7	3.7	3.6	3.7	3.6
46 Thailand	1.1	1.3	1.1	1.3	1.5	1.5	1.6	1.7	1.9	1.7	1.7
47 Other Asia[3]	.9	1.0	1.2	1.1	1.6	1.7	2.1	2.3	2.3	2.4	2.7
Africa											
48 Egypt	.4	.4	.4	.5	.4	.4	.4	.4	.4	.4	.3
49 Morocco	.9	.9	.9	.9	.9	.8	.8	.7	.7	.7	.7
50 Zaire	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
51 Other Africa[3]	1.1	1.0	.9	.8	.8	1.0	.8	.8	.8	.7	.7
52 Eastern Europe	3.6	3.5	3.3	2.9	2.7	2.3	2.1	2.1	1.8	2.4	2.9
53 U.S.S.R.	.7	.7	.8	.4	.4	.2	.3	.4	.4	.9	1.4
54 Yugoslavia	1.8	1.6	1.4	1.4	1.3	1.2	1.0	1.0	.8	.9	.8
55 Other	1.1	1.3	1.2	1.1	1.1	.9	.8	.7	.7	.7	.6
56 Offshore banking centers	44.2	36.6	43.1	40.3	42.6	42.5	50.2	48.5	52.6[r]	52.0	58.1
57 Bahamas	11.0	5.5	9.2	8.5	8.9	2.8	8.4	6.8	6.7[r]	12.0	14.0
58 Bermuda	.9	1.7	1.2	2.5	4.5	4.4	4.4	4.2	7.1	2.2	3.9
59 Cayman Islands and other British West Indies	12.9	9.0	10.9	8.5	9.3	11.5	14.2	15.1	14.1	15.9	17.1
60 Netherlands Antilles	1.0	2.3	2.6	2.3	2.2	7.9	1.1	1.4	3.5	1.2	1.0
61 Panama[4]	2.5	1.4	1.3	1.4	1.5	1.4	1.4	1.3	1.3	1.3	1.3
62 Lebanon	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1
63 Hong Kong	9.6	9.7	9.8	10.0	8.7	7.7	11.6	12.4	12.1	12.2	12.2
64 Singapore	6.1	7.0	8.0	7.0	7.5	6.6	8.9	7.2	7.7	7.1	8.5
65 Other[5]	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
66 Miscellaneous and unallocated[6]	22.6	30.3	33.3	34.5	38.1	39.8	36.5	40.0	44.7	48.3	48.1

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).

Since June 1984, 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. Organization of Petroleum Exporting Countries, shown individually; other members of OPEC (Algeria, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, and United Arab Emirates); and Bahrain and Oman (not formally members of OPEC).

3. Excludes Liberia.

4. Includes Canal Zone beginning December 1979.

5. Foreign branch claims only.

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

3.22 LIABILITIES TO UNAFFILIATED FOREIGNERS Reported by Nonbanking Business Enterprises in the United States[1]

Millions of dollars, end of period

	Type and area or country	1988	1989	1990	1990		1991			
					Sept.	Dec.	Mar.	June	Sept.	Dec.
1	**Total**	**32,952**	**38,764**	**43,417**	**45,614**	**43,417**	**40,982**	**39,794**	**40,653**	**40,823**
2	Payable in dollars	27,335	33,973	38,535	40,034	38,535	36,415	35,317	36,174	36,098
3	Payable in foreign currencies	5,617	4,791	4,882	5,580	4,882	4,566	4,477	4,479	4,725
	By type									
4	Financial liabilities	14,507	17,879	18,467	20,347	18,467	17,557	17,280	18,175	18,690
5	Payable in dollars	10,608	14,035	14,737	16,059	14,737	14,188	13,928	14,686	15,186
6	Payable in foreign currencies	3,900	3,844	3,730	4,288	3,730	3,369	3,352	3,489	3,504
7	Commercial liabilities	18,445	20,885	24,949	25,267	24,949	23,424	22,515	22,478	22,133
8	Trade payables	6,505	8,070	10,494	10,960	10,494	8,842	8,699	9,039	9,018
9	Advance receipts and other liabilities	11,940	12,815	14,456	14,306	14,456	14,583	13,815	13,439	13,115
10	Payable in dollars	16,727	19,938	23,798	23,974	23,798	22,227	21,390	21,488	20,912
11	Payable in foreign currencies	1,717	947	1,152	1,292	1,152	1,197	1,125	990	1,221
	By area or country									
	Financial liabilities									
12	Europe	9,962	11,660	9,866	11,299	9,866	9,219	9,318	9,835	9,900
13	Belgium-Luxembourg	289	340	344	350	344	285	297	347	162
14	France	359	258	700	463	700	632	556	416	1,247
15	Germany	699	464	622	606	622	561	659	654	658
16	Netherlands	880	941	990	942	990	945	917	943	932
17	Switzerland	1,033	541	576	628	576	577	535	510	316
18	United Kingdom	6,533	8,818	6,024	7,679	6,024	5,579	5,731	6,397	5,955
19	Canada	388	610	229	309	229	278	293	305	268
20	Latin America and Caribbean	839	1,357	3,400	3,560	3,400	3,636	3,308	3,472	3,854
21	Bahamas	184	157	371	395	371	392	375	314	512
22	Bermuda	0	17	0	0	0	0	12	0	0
23	Brazil	0	0	0	0	0	0	0	1	1
24	British West Indies	645	724	2,407	2,548	2,407	2,674	2,319	2,555	2,737
25	Mexico	1	6	5	4	5	6	6	6	8
26	Venezuela	0	0	4	0	4	4	4	4	4
27	Asia	3,312	4,151	4,562	4,697	4,562	4,420	4,350	4,559	4,610
28	Japan	2,563	3,299	3,360	3,562	3,360	3,347	3,297	3,530	3,533
29	Middle East oil-exporting countries[2]	3	2	5	4	5	1	4	19	13
30	Africa	2	2	2	2	2	2	9	3	6
31	Oil-exporting countries[3]	0	0	0	0	0	0	7	2	4
32	All other[4]	4	100	409	479	409	2	2	1	52
	Commercial liabilities									
33	Europe	7,319	9,071	10,310	10,039	10,310	9,826	8,835	8,976	8,726
34	Belgium-Luxembourg	158	175	275	245	275	263	254	229	247
35	France	455	877	1,218	1,270	1,218	1,214	1,246	999	880
36	Germany	1,699	1,392	1,270	1,051	1,270	1,389	1,044	914	943
37	Netherlands	587	710	844	699	844	730	745	750	704
38	Switzerland	417	693	775	746	775	661	586	490	471
39	United Kingdom	2,079	2,620	2,792	2,839	2,792	2,813	2,328	3,071	3,168
40	Canada	1,217	1,124	1,251	1,263	1,251	1,231	1,186	1,018	992
41	Latin America and Caribbean	1,090	1,224	1,671	1,690	1,671	1,621	1,646	1,512	1,351
42	Bahamas	49	41	12	18	12	14	6	14	3
43	Bermuda	286	308	538	371	538	495	505	450	310
44	Brazil	95	100	145	129	145	218	180	209	217
45	British West Indies	34	27	30	42	30	36	50	46	107
46	Mexico	217	323	475	592	475	346	364	290	302
47	Venezuela	114	164	130	165	130	126	121	101	93
48	Asia	6,915	7,550	9,471	9,533	9,471	8,623	8,818	8,869	9,233
49	Japan	3,094	2,914	3,639	3,356	3,639	3,412	3,394	3,317	3,610
50	Middle East oil-exporting countries[2,5]	1,385	1,632	2,016	2,728	2,016	1,568	1,699	1,808	1,496
51	Africa	576	886	841	1,334	841	655	594	835	761
52	Oil-exporting countries[3]	202	339	422	610	422	225	224	356	357
53	All other[4]	1,328	1,030	1,406	1,408	1,406	1,468	1,436	1,268	1,070

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 States[1]

Millions of dollars, end of period

	Type, and area or country	1988	1989	1990	1990		1991			
					Sept.	Dec.	Mar.	June	Sept.	Dec.
1	**Total**	**33,805**	**33,173**	**35,008**	**32,387**	**35,008**	**35,213**	**36,837**	**37,898**	**41,330**
2	Payable in dollars	31,425	30,773	32,499	29,902	32,499	32,945	34,779	35,585	38,890
3	Payable in foreign currencies	2,381	2,400	2,509	2,485	2,509	2,268	2,058	2,313	2,440
	By type									
4	Financial claims	21,640	19,297	19,609	17,865	19,609	19,498	20,741	22,221	24,484
5	Deposits	15,643	12,353	13,495	11,916	13,495	12,907	12,417	16,055	17,018
6	Payable in dollars	14,544	11,364	12,400	10,640	12,400	11,901	11,644	15,070	16,209
7	Payable in foreign currencies	1,099	989	1,095	1,276	1,095	1,006	773	985	809
8	Other financial claims	5,997	6,944	6,114	5,949	6,114	6,590	8,325	6,166	7,466
9	Payable in dollars	5,220	6,190	5,247	5,296	5,247	5,894	7,637	5,493	6,646
10	Payable in foreign currencies	777	754	866	652	866	696	688	673	820
11	Commercial claims	12,166	13,876	15,400	14,522	15,400	15,715	16,095	15,677	16,846
12	Trade receivables	11,091	12,253	13,521	12,744	13,521	13,649	13,912	13,235	14,104
13	Advance payments and other claims	1,075	1,624	1,878	1,778	1,878	2,066	2,183	2,442	2,742
14	Payable in dollars	11,660	13,219	14,852	13,966	14,852	15,150	15,498	15,022	16,035
15	Payable in foreign currencies	505	657	548	556	548	565	597	655	811
	By area or country									
	Financial claims									
16	Europe	10,278	8,463	9,505	9,013	9,505	10,588	11,821	13,029	13,366
17	Belgium-Luxembourg	18	28	76	27	76	85	74	76	13
18	France	203	153	358	145	358	193	255	245	252
19	Germany	120	152	367	142	367	312	298	434	337
20	Netherlands	348	238	265	264	265	380	429	420	386
21	Switzerland	217	153	357	228	357	422	433	580	589
22	United Kingdom	9,039	7,496	7,838	7,980	7,838	8,981	10,184	10,905	11,160
23	Canada	2,325	1,904	2,904	2,006	2,904	1,850	1,986	2,084	2,565
24	Latin America and Caribbean	8,160	8,020	6,096	6,107	6,096	6,161	5,849	6,118	7,561
25	Bahamas	1,846	1,890	1,594	1,443	1,594	1,847	1,031	1,396	1,717
26	Bermuda	19	7	3	4	3	6	4	19	8
27	Brazil	47	224	68	70	68	68	127	124	115
28	British West Indies	5,763	5,486	4,026	4,191	4,026	3,810	4,307	4,209	5,327
29	Mexico	151	94	177	158	177	179	161	173	182
30	Venezuela	21	20	25	23	25	28	29	32	40
31	Asia	623	590	860	531	860	568	747	637	624
32	Japan	354	213	523	207	523	246	398	279	343
33	Middle East oil-exporting countries[2]	5	8	8	9	8	11	4	3	5
34	Africa	106	140	37	49	37	62	64	61	57
35	Oil-exporting countries[3]	10	12	0	7	0	3	1	1	1
36	All other[4]	148	180	206	158	206	268	275	292	311
	Commercial claims									
37	Europe	5,181	6,209	7,038	6,497	7,038	7,041	7,434	6,863	7,814
38	Belgium-Luxembourg	189	242	212	188	212	226	220	186	192
39	France	672	964	1,240	1,206	1,240	1,273	1,388	1,328	1,538
40	Germany	669	696	806	642	806	870	953	852	931
41	Netherlands	212	479	555	491	555	604	707	641	637
42	Switzerland	344	313	301	300	301	324	296	259	287
43	United Kingdom	1,324	1,575	1,774	1,673	1,774	1,636	1,813	1,803	2,062
44	Canada	983	1,091	1,073	1,152	1,073	1,211	1,240	1,231	1,134
45	Latin America and Caribbean	2,241	2,184	2,371	2,408	2,371	2,314	2,418	2,489	2,552
46	Bahamas	36	58	14	25	14	15	16	8	11
47	Bermuda	230	323	246	340	246	231	245	255	263
48	Brazil	299	297	324	252	324	309	297	384	388
49	British West Indies	22	36	40	35	40	49	43	37	41
50	Mexico	461	508	661	652	661	653	711	740	827
51	Venezuela	227	147	192	224	192	181	195	196	201
52	Asia	2,993	3,570	4,064	3,659	4,064	4,282	4,123	4,209	4,466
53	Japan	946	1,199	1,399	1,223	1,399	1,756	1,582	1,742	1,786
54	Middle East oil-exporting countries[2]	453	518	460	408	460	497	500	495	633
55	Africa	435	429	488	372	488	394	428	431	417
56	Oil-exporting countries[3]	122	108	67	72	67	68	63	80	95
57	All other[4]	333	393	366	434	366	473	452	454	463

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

Transaction and area or country	1990	1991	1992 Jan.–Apr.	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.[r]	1992 Apr.[p]
	U.S. corporate securities									
Stocks										
1 Foreign purchases	173,293	210,782	81,164	17,201	20,587	14,729	23,302	21,429[r]	18,884	17,549
2 Foreign sales	188,419	199,598	84,596	16,791	19,594	17,446	25,900	21,193[r]	19,457	18,046
3 **Net purchases, or sales (−)**	**−15,126**	**11,183**	**−3,432**	**410**	**993**	**−2,717**	**−2,598**	**236[r]**	**−573**	**−497**
4 **Foreign countries**	**−15,197**	**10,615**	**−3,367**	**365**	**956**	**−2,700**	**−2,479**	**237[r]**	**−595**	**−530**
5 Europe	−8,479	182	−2,246	−452	−238	−1,883	−1,318	−105	−95	−728
6 France	−1,234	18	−496	−21	−50	−125	−28	−224	−27	−217
7 Germany	−367	−63	−222	12	22	44	−160	30	−45	−47
8 Netherlands	−397	−228	−125	6	−42	−52	44	−114	−17	−38
9 Switzerland	−2,866	−139	370	−93	−508	−7	−286	304	261	91
10 United Kingdom	−2,980	−222	−1,756	−216	254	−1,637	−882	−304	−236	−334
11 Canada	886	3,809	1,316	385	694	131	260	235[r]	410	411
12 Latin America and Caribbean	−1,330	2,177	1,107	366	−197	−280	1,025	359	−322	45
13 Middle East[1]	−2,435	−126	−144	−6	39	−35	−271	101	121	−95
14 Other Asia	−3,477	4,263	−3,651	267	735	−665	−2,211	−396	−886	−158
15 Japan	−2,891	1,181	−3,623	156	158	−429	−2,194	−615	−496	−318
16 Africa	−63	153	31	20	14	7	13	15	4	−1
17 Other countries	−298	158	220	−215	−91	25	23	28	173	−4
18 **Nonmonetary international and regional organizations**	**71**	**568**	**−65**	**45**	**37**	**−17**	**−119**	**−1**	**22**	**33**
Bonds[2]										
19 Foreign purchases	118,764	152,815	68,486	12,844	16,035	15,092	16,498	18,045[r]	17,338	16,605
20 Foreign sales	102,047	125,146	54,757	10,709	13,051	12,348	14,367	14,731	14,321	11,338
21 **Net purchases, or sales (−)**	**16,717**	**27,669**	**13,729**	**2,135**	**2,984**	**2,744**	**2,131**	**3,314[r]**	**3,017**	**5,267**
22 **Foreign countries**	**17,187**	**27,800**	**13,405**	**2,198**	**2,883**	**2,701**	**2,098**	**3,308[r]**	**2,927**	**5,072**
23 Europe	10,079	13,651	7,175	1,722	1,284	1,084	1,390	2,390[r]	1,201	2,194
24 France	373	854	385	−25	110	75	−2	58	−34	363
25 Germany	−377	1,577	1,385	213	274	113	594	277	122	392
26 Netherlands	172	482	−240	44	91	13	−113	12[r]	−15	−124
27 Switzerland	284	572	−50	−64	−449	73	−67	252	124	−359
28 United Kingdom	10,383	9,239	5,155	1,878	714	184	905	1,801[r]	758	1,691
29 Canada	1,906	1,340	−42	86	51	114	−153	97	−72	86
30 Latin America and Caribbean	4,291	2,446	3,342	−365	110	624	506	768	1,456	612
31 Middle East[1]	76	2,185	369	182	313	253	−75	−71	257	258
32 Other Asia	1,083	8,237	2,400	526	1,164	543	339	101	121	1,839
33 Japan	727	5,730	507	237	874	149	257	−121	−316	687
34 Africa	96	56	90	12	13	11	28	15	28	19
35 Other countries	−344	−115	71	35	−52	72	63	8	−64	64
36 **Nonmonetary international and regional organizations**	**−471**	**−131**	**324**	**−63**	**101**	**43**	**33**	**6**	**90**	**195**
	Foreign securities									
37 Stocks, net purchases, or sales (−)[3]	−9,205	−31,446	−10,354	−2,381	−2,016	−1,716	−2,554	−2,301[r]	−2,941	−2,558
38 Foreign purchases	122,641	119,853	46,987	11,310	13,155	11,015	12,485	10,645[r]	12,823	11,034
39 Foreign sales[3]	131,846	151,299	57,341	13,691	15,171	12,731	15,039	12,946[r]	15,764	13,592
40 Bonds, net purchases, or sales (−)	−22,412	−15,842	−2,865	−4,721	779	−1,839	−1,389	417[r]	−614	−1,279
41 Foreign purchases	314,645	324,809	130,675	33,240	29,938	26,296	35,511	33,049[r]	32,287	29,828
42 Foreign sales	337,057	340,652	133,540	37,961	29,159	28,135	36,900	32,632[r]	32,901	31,107
43 **Net purchases, or sales (−), of stocks and bonds**	**−31,617**	**−47,288**	**−13,219**	**−7,102**	**−1,237**	**−3,555**	**−3,943**	**−1,884[r]**	**−3,555**	**−3,837**
44 **Foreign countries**	**−28,943**	**−47,054**	**−15,124**	**−6,766**	**−1,680**	**−3,925**	**−4,194**	**−2,049[r]**	**−3,889**	**−4,992**
45 Europe	−8,443	−34,377	−11,021	−5,700	−4,898	−4,326	−4,604	−2,266[r]	−858	−3,293
46 Canada	−7,502	−7,636	−1,083	−1,619	675	8	−905	1,304[r]	−653	−829
47 Latin America and Caribbean	−8,854	837	−1,423	546	991	−478	−818	708	−479	−834
48 Asia	−3,828	−7,113	−740	−198	1,505	316	2,183	−1,513	−1,579	169
49 Africa	−137	−8	−5	1	−41	159	−5	−10	1	9
50 Other countries	−180	1,243	−852	204	88	396	−45	−272	−321	−214
51 **Nonmonetary international and regional organizations**	**−2,673**	**−234**	**1,905**	**−336**	**443**	**370**	**251**	**165**	**334**	**1,155**

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 securities sold abroad by U.S. corporations organized to finance direct investments abroad.
3. As a result of the merger of a U.S. and U.K. company in July 1989, the former stockholders of the U.S. company received $5,453 million in shares of the new combined U.K. company. This transaction is not reflected in the data.

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

Millions of dollars

Country or area	1990	1991	1992 Jan.–Apr.	1991 Oct.	1991 Nov.	1991 Dec.	1992 Jan.	1992 Feb.	1992 Mar.[r]	1992 Apr.[p]
	Transactions, net purchases or sales (–) during period[1]									
1 **Estimated total**[2]	**18,927**	**22,342**	**11,463**	**414**	**5,446**	**4,483**	**10,623**	**3,175**[r]	**–8,820**	**6,485**
2 Foreign countries[2]	18,764	22,161	11,479	–171	5,352	3,774	9,866	3,558[r]	–9,451	7,506
3 Europe[2]	18,455	9,507	10,876	228	5,023	2,779	5,324	7,326	–4,903	3,129
4 Belgium–Luxembourg	10	523	753	1	201	–21	559	296	–91	–11
5 Germany[2]	5,880	–4,725	1,189	326	707	–139	805	287	–313	410
6 Netherlands	1,077	–3,735	–2,877	549	–25	–888	–1,936	–967	245	–219
7 Sweden	1,152	–662	459	46	–74	582	180	300	102	–123
8 Switzerland[2]	112	1,005	–657	195	1,105	–778	142	–388	–411	0
9 United Kingdom	–1,260	5,647	9,820	–311	212	2,349	2,649	6,234	–1,844	2,781
10 Other Western Europe	11,463	11,440	2,139	–578	2,910	1,664	2,925	1,524	–2,601	291
11 Eastern Europe	13	13	50	0	–13	10	0	40	10	0
12 Canada	–4,627	–2,746	–830	–838	–441	–1,841	964	–1,549[r]	–430	185
13 Latin America and Caribbean	14,734	11,539	–1,882	–2,086	–3,842	1,075	–2,920	–1,191	–554	2,783
14 Venezuela	33	10	384	20	7	122	266	169	73	–124
15 Other Latin America and Caribbean	3,943	5,316	2,718	–14	–525	–1,065	–357	–444	–108	3,627
16 Netherlands Antilles	10,757	6,213	–4,984	–2,092	–3,324	2,018	–2,829	–916	–519	–720
17 Asia	–10,952	3,471	5,280	3,467	3,709	864	7,675	–430	–3,322	1,357
18 Japan	–14,785	–4,034	–4,717	4,111	503	–1,332	–398	–1,933	–3,044	658
19 Africa	313	689	625	39	–26	318	207	100	125	193
20 All other	842	–299	–2,590	–981	929	579	–1,384	–698	–367	–141
21 Nonmonetary international and regional organizations	163	181	–16	585	94	709	757	–383	631	–1,021
22 International	287	–355	8	287	95	786	197	–228	801	–762
23 Latin American regional	–2	–72	67	72	–133	–156	–58	51	0	74
MEMO										
24 Foreign countries[2]	18,764	22,161	11,479	–171	5,352	3,774	9,866	3,558[r]	–9,451	7,506
25 Official institutions	23,218	5,200	7,024	512	7,194	2,521	8,687	–193	–3,136	1,666
26 Other foreign[2]	–4,453	16,961	4,455	–683	–1,842	1,253	1,179	3,751[r]	–6,315	5,840
Oil-exporting countries										
27 Middle East[3]	–387	–6,822	3,091	313	96	–163	623	1,679	233	556
28 Africa[4]	0	239	63	0	0	219	48	0	0	15

1. Estimated official and private transactions in marketable U.S. Treasury securities having an original maturity of more than one 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, denominated in foreign currencies, publicly issued to private foreign residents.
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[1]

Percent per year

Country	Rate on June 30, 1992		Country	Rate on June 30, 1992		Country	Rate on June 30, 1992	
	Percent	Month effective		Percent	Month effective		Percent	Month effective
Austria	8.0	Dec. 1991	Germany	8.0	Dec. 1991	Norway	10.50	July 1990
Belgium	8.5	Dec. 1991	Italy	12.0	Nov. 1991	Switzerland	7.0	Aug. 1991
Canada	5.85	June 1992	Japan	3.75	Apr. 1992	United Kingdom[3]	....	....
Denmark	9.5	Dec. 1991	Netherlands	8.5	Dec. 1991			
France[2]	9.6	Dec. 1991						

1. Rates shown are mainly those at which the central bank either discounts or makes advances against eligible commercial paper or government securities for commercial banks or brokers. For countries with more than one rate applicable to such discounts or advances, the rate shown is the one at which it is understood that the central bank transacts the largest proportion of its credit operations.

2. Since Feb. 1981, the rate has been that at which the Bank of France discounts Treasury bills for seven to ten days.

3. Minimum lending rate suspended as of Aug. 20, 1981. or makes advances

3.27 FOREIGN SHORT-TERM INTEREST RATES[1]

Averages of daily figures, percent per year

Type or country	1989	1990	1991	1991	1992					
				Dec.	Jan.	Feb.	Mar.	Apr.	May	June
1 Eurodollars	9.16	8.16	5.86	4.48	4.06	4.05	4.26	4.05	3.84	3.87
2 United Kingdom	13.87	14.73	11.47	10.73	10.60	10.33	10.58	10.56	10.00	9.94
3 Canada	12.20	13.00	9.07	7.50	7.23	7.42	7.63	7.10	6.60	6.03
4 Germany	7.04	8.41	9.15	9.48	9.45	9.51	9.59	9.63	9.70	9.66
5 Switzerland	6.83	8.71	8.01	7.99	7.55	7.28	8.16	8.48	8.77	9.04
6 Netherlands	7.28	8.57	9.19	9.59	9.45	9.52	9.52	9.42	9.43	9.45
7 France	9.27	10.20	9.49	9.97	9.86	9.93	9.99	9.92	9.83	9.98
8 Italy	12.44	12.11	12.04	12.46	12.00	12.17	12.25	12.38	12.39	13.38
9 Belgium	8.65	9.70	9.30	9.61	9.41	9.50	9.56	9.50	9.51	9.50
10 Japan	5.39	7.75	7.33	6.02	5.18	5.19	4.95	4.72	4.72	4.60

1. Rates are for three-month interbank loans, with the following exceptions: Canada, finance company paper; Belgium, three-month Treasury bills; and Japan, CD rate.

3.28 FOREIGN EXCHANGE RATES[1]

Currency units per dollar, except as noted

Country/currency unit	1989	1990	1991	1992 Jan.	1992 Feb.	1992 Mar.	1992 Apr.	1992 May	1992 June
1 Australia/dollar[2]	79.186	78.069	77.872	74.756	75.178	75.865	76.241	75.587	75.561
2 Austria/schilling	13.236	11.331	11.686	11.108	11.391	11.693	11.620	11.422	11.068
3 Belgium/franc	39.409	33.424	34.195	32.501	33.307	34.189	33.927	33.386	32.362
4 Canada/dollar	1.1842	1.1668	1.1460	1.1571	1.1825	1.1928	1.1874	1.1991	1.1960
5 China, P.R./yuan	3.7673	4.7921	5.3337	5.4618	5.4776	5.4871	5.5098	5.5182	5.4893
6 Denmark/krone	7.3210	6.1899	6.4038	6.1257	6.2763	6.4462	6.3906	6.2678	6.0573
7 Finland/markka	4.2963	3.8300	4.0521	4.2971	4.4230	4.5325	4.5023	4.4076	4.2846
8 France/franc	6.3802	5.4467	5.6468	5.3858	5.5088	5.6400	5.5773	5.4548	5.2940
9 Germany/deutsche mark	1.8808	1.6166	1.6610	1.5788	1.6186	1.6616	1.6493	1.6225	1.5726
10 Greece/drachma	162.60	158.59	182.63	182.42	187.13	192.26	192.83	192.09	190.69
11 Hong Kong/dollar	7.8008	7.7899	7.7712	7.7612	7.7582	7.7463	7.7404	7.7421	7.7343
12 India/rupee	16.213	17.492	22.712	25.863	25.992	28.378	28.896	28.542	28.519
13 Ireland/pound[2]	141.80	165.76	161.39[r]	168.73	164.87	160.50	161.65	164.62	169.80
14 Italy/lira	1,372.28	1,198.27	1,241.28	1,189.76	1,215.92	1,248.28	1,241.55	1,220.95	1,189.52
15 Japan/yen	138.07	145.00	134.59	125.46	127.70	132.86	133.54	130.77	126.84
16 Malaysia/ringgit	2.7079	2.7057	2.7503	2.6891	2.6012	2.5779	2.5521	2.5223	2.5187
17 Netherlands/guilder	2.1219	1.8215	1.8720	1.7780	1.8218	1.8706	1.8568	1.8268	1.7719
18 New Zealand/dollar[2]	59.561	59.619	57.832	54.194	54.177	54.790	54.138	53.514	54.201
19 Norway/krone	6.9131	6.2541	6.4912	6.2044	6.3472	6.5188	6.4606	6.3311	6.1493
20 Portugal/escudo	157.53	142.70	144.77	136.92	139.47	143.26	141.09	135.23	130.79
21 Singapore/dollar	1.9511	1.8134	1.7283	1.6337	1.6361	1.6601	1.6567	1.6408	1.6240
22 South Africa/rand	2.6214	2.5885	2.7633	2.7831	2.8156	2.8830	2.8783	2.8483	2.8077
23 South Korea/won	674.29	710.64	736.73	767.09	769.93	775.68	782.55	786.83	793.60
24 Spain/peseta	118.44	101.96	104.01	100.05	101.73	104.88	103.90	101.47	99.02
25 Sri Lanka/rupee	35.947	40.078	41.200	42.665	42.879	42.744	43.231	43.445	43.941
26 Sweden/krona	6.4559	5.9231	6.0521	5.7461	5.8764	6.0263	5.9667	5.8462	5.6792
27 Switzerland/franc	1.6369	1.3901	1.4356	1.4039	1.4561	1.5094	1.5194	1.4907	1.4250
28 Taiwan/dollar	26.407	26.918	26.759	25.150	25.049	25.407	25.308	25.016	24.770
29 Thailand/baht	25.725	25.609	25.528	25.328	25.463	25.637	25.644	25.550	25.400
30 United Kingdom/pound[2]	163.82	178.41	176.74	180.90	177.78	172.38	175.66	180.95	185.51
MEMO									
31 United States/dollar[3]	98.60	89.09	89.84	86.09	88.04	90.44	89.84	88.30	85.91

1. 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) monthly statistical release. For ordering address, see inside front cover.
2. Value in U.S. cents.
3. Index of weighted-average exchange value of U.S. dollar against the currencies of ten industrial countries. The weight for each of the ten countries is the 1972–76 average world trade of that country divided by the average world trade of all ten countries combined. Series revised as of August 1978 (see *Federal Reserve Bulletin*, vol. 64, August 1978, p. 700).

Guide to Statistical Releases and Special Tables

STATISTICAL RELEASES—List Published Semiannually, with Latest BULLETIN *Reference*

SPECIAL TABLES—Quarterly Data Published Irregularly, with Latest BULLETIN *Reference*

4.20 DOMESTIC AND FOREIGN OFFICES Insured Commercial Bank Assets and Liabilities[1]
Consolidated Report of Condition, March 31, 1992

Millions of dollars, except as noted

Item	Total	Banks with foreign offices[2]			Banks with domestic offices only[3]	
		Total	Foreign	Domestic	Over 100	Under 100
1 **Total assets**[4]	**3,414,120**	**1,909,071**	**429,819**	**1,557,062**	**1,148,396**	**356,653**
2 Cash and balances due from depository institutions	279,923	191,912	85,222	106,689	66,727	21,285
3 Cash items in process of collection, unposted debits, and currency and coin		79,083	2,100	76,983	34,027	
4 Cash items in process of collection and unposted debits		n.a.	n.a.	61,537	22,718	
5 Currency and coin		n.a.	n.a.	15,446	11,309	
6 Balances due from depository institutions in the United States	n.a.	30,233	20,201	10,032	17,584	n.a.
7 Balances due from banks in foreign countries and foreign central banks		68,232	62,736	5,496	3,438	
8 Balances due from Federal Reserve Banks		14,364	185	14,179	11,678	
MEMO						
9 Non-interest-bearing balances due from commercial banks in the United States (included in balances due from depository institutions in the United States)	n.a.	n.a.	n.a.	7,414	13,863	8,431
10 **Total securities, loans and lease financing receivables, net**	**2,837,154**	**1,494,234**	n.a.	n.a.	**1,022,199**	**320,721**
11 Total securities, book value	709,779	297,322	29,306	268,016	292,023	120,434
12 U.S. Treasury securities and U.S. government agency and corporation obligations	542,467	217,139	5,120	212,019	228,819	96,509
13 U.S. Treasury securities	n.a.	79,878	4,069	75,809	95,603	n.a.
14 U.S. government agency and corporation obligations	n.a.	137,260	1,051	136,209	133,216	n.a.
15 All holdings of U.S. government-issued or guaranteed certificates of participation in pools of residential mortgages	156,682	78,363	671	77,691	57,560	20,759
16 All other	n.a.	58,898	380	58,518	75,656	n.a.
17 Securities issued by states and political subdivisions in the United States	71,644	22,476	647	21,828	33,957	15,212
18 Other domestic debt securities	n.a.	29,170	1,015	28,155	23,687	n.a.
19 All holdings of private certificates of participation in pools of residential mortgages	3,376	2,048	8	2,040	1,153	175
20 All other domestic debt securities	56,770	27,122	1,007	26,115	22,534	7,114
21 Foreign debt securities	n.a.	22,501	21,285	1,216	386	n.a.
22 Equity securities	12,635	6,036	1,239	4,798	5,175	1,424
23 Marketable	6,658	2,311	267	2,044	3,281	1,066
24 Investments in mutual funds	4,365	1,379	14	1,365	2,004	982
25 Other	2,408	954	255	699	1,326	128
26 LESS: Net unrealized loss	116	23	2	20	49	44
27 Other equity securities	5,978	3,725	972	2,754	1,894	358
28 Federal funds sold and securities purchased under agreements to resell	158,381	82,342	282	82,060	55,424	20,615
29 Federal funds sold	135,873	63,351	n.a.	n.a.	52,076	20,445
30 Securities purchased under agreements to resell	22,508	18,991	n.a.	n.a.	3,348	169
31 Total loans and lease financing receivables, gross	2,034,745	1,155,804	205,714	950,090	694,541	184,399
32 LESS: Unearned income on loans	10,080	3,830	1,165	2,666	4,738	1,512
33 Total loans and leases (net of unearned income)	2,024,665	1,151,974	204,550	947,424	689,803	182,888
34 LESS: Allowance for loan and lease losses	55,351	37,084	n.a.	n.a.	15,051	3,216
35 LESS: Allocated transfer risk reserves	319	319	n.a.	n.a.	0	0
36 EQUALS: Total loans and leases, net	1,968,994	1,114,570	n.a.	n.a.	674,752	179,672
Total loans, gross, by category						
37 Loans secured by real estate	849,611	409,046	24,217	384,829	342,196	98,369
38 Construction and land development				59,570	30,241	5,876
39 Farmland				2,198	6,646	10,069
40 One-to-four-family residential properties				200,165	181,836	54,408
41 Revolving, open-end loans, extended under lines of credit	n.a.	n.a.	n.a.	37,786	29,387	3,069
42 All other loans				162,379	152,449	51,339
43 Multifamily (five or more) residential properties				11,168	11,651	1,995
44 Nonfarm nonresidential properties				111,727	111,822	26,021
45 Loans to depository institutions	45,663	35,010	15,384	19,627	10,491	161
46 Commercial banks in the United States	n.a.	16,851	572	16,278	9,877	n.a.
47 Other depository institutions in the United States	n.a.	1,067	216	851	404	n.a.
48 Banks in foreign countries	n.a.	17,093	14,596	2,498	211	n.a.
49 Loans to finance agricultural production and other loans to farmers	33,272	5,323	277	5,046	9,982	17,968
50 Commercial and industrial loans	548,646	388,632	95,044	293,588	127,545	32,469
51 U.S. addressees (domicile)	n.a.	313,775	22,158	291,617	126,951	n.a.
52 Non-U.S. addressees (domicile)	n.a.	74,858	72,887	1,971	594	n.a.
53 Acceptances of other banks	1,563	930	487	443	348	285
54 U.S. banks	n.a.	459	108	351	n.a.	n.a.
55 Foreign banks	n.a.	471	380	91	n.a.	n.a.
56 Loans to individuals for household, family, and other personal expenditures (includes purchased paper)	375,566	164,796	18,546	146,250	178,688	32,082
57 Credit cards and related plans	129,192	58,318	n.a.	n.a.	69,171	1,704
58 Other (includes single payment and installment)	246,374	106,478	n.a.	n.a.	109,517	30,378
59 Obligations (other than securities) of states and political subdivisions in the United States (includes nonrated industrial development obligations)	28,065	15,786	256	15,529	11,005	1,274
60 Taxable	1,573	1,076	131	945	450	47
61 Tax-exempt	26,491	14,710	126	14,584	10,555	1,227
62 All other loans	116,389	106,483	47,357	59,126	8,567	1,339
63 Loans to foreign governments and official institutions	n.a.	25,948	25,044	904	94	n.a.
64 Other loans	n.a.	80,534	22,312	58,222	8,473	n.a.
65 Loans for purchasing and carrying securities	n.a.	n.a.	n.a.	14,313	1,439	n.a.
66 All other loans	n.a.	n.a.	n.a.	43,909	7,034	n.a.
67 Lease financing receivables	35,970	29,797	4,145	25,652	5,719	453
68 Assets held in trading accounts	78,025	75,997	40,836	35,065	1,820	208
69 Premises and fixed assets (including capitalized leases)	51,970	28,200		n.a.	17,927	5,842
70 Other real estate owned	28,479	17,654		n.a.	8,779	2,046
71 Investments in unconsolidated subsidiaries and associated companies	2,944	2,538		n.a.	339	67
72 Customers' liability on acceptances outstanding	15,773	15,453	n.a.	n.a.	308	12
73 Net due from own foreign offices, Edge and agreement subsidiaries, and IBFs	n.a.	n.a.		44,979	n.a.	n.a.
74 Intangible assets	12,360	7,116		n.a.	4,818	426
75 Other assets	107,491	75,966		n.a.	25,479	6,047

4.20—Continued

Item	Total	Banks with foreign offices[2]			Banks with domestic offices only[3]	
		Total	Foreign	Domestic	Over 100	Under 100
76 **Total liabilities, limited-life preferred stock, and equity capital**	**3,414,120**	**1,909,071**	n.a.	n.a.	**1,148,396**	**356,653**
77 **Total liabilities**[5]	**3,176,441**	**1,793,988**	**429,817**	**1,441,981**	**1,058,537**	**323,916**
78 Limited-life preferred stock	10	0	n.a.	n.a.	8	2
79 Total deposits	2,659,204	1,387,693	309,465	1,078,228	954,532	316,979
80 Individuals, partnerships, and corporations			188,438	995,380	890,470	291,828
81 U.S. government				3,566	1,622	446
82 States and political subdivisions in the United States				34,894	43,146	20,280
83 Commercial banks in the United States	n.a.	n.a.	n.a.	23,491	8,665	1,301
84 Other depository institutions in the United States				3,789	3,978	1,104
85 Banks in foreign countries				5,900	146	n.a.
86 Foreign governments and official institutions		20,019	18,896	1,123	37	n.a.
87 Certified and official checks	19,599	11,141	1,057	10,084	6,468	1,990
88 All other[6]	n.a.	n.a.	101,075	n.a.	n.a.	30
89 Total transaction accounts				345,366	262,145	86,399
90 Individuals, partnerships, and corporations				292,149	232,212	76,394
91 U.S. government				2,048	1,347	344
92 States and political subdivisions in the United States				11,225	14,183	6,750
93 Commercial banks in the United States				20,640	6,567	711
94 Other depository institutions in the United States				2,913	1,249	198
95 Banks in foreign countries				5,526	110	n.a.
96 Foreign governments and official institutions				780	9	n.a.
97 Certified and official checks				10,084	6,468	1,990
98 All other				n.a.	n.a.	14
99 Demand deposits (included in total transaction accounts)				247,844	147,354	40,894
100 Individuals, partnerships, and corporations				198,485	126,483	36,011
101 U.S. government				1,979	1,207	332
102 States and political subdivisions in the United States				7,463	5,316	1,653
103 Commercial banks in the United States				20,640	6,544	704
104 Other depository institutions in the United States	n.a.	n.a.	n.a.	2,890	1,217	190
105 Banks in foreign countries				5,525	110	n.a.
106 Foreign governments and official institutions				778	9	n.a.
107 Certified and official checks				10,084	6,468	1,990
108 All other				n.a.	n.a.	13
109 Total nontransaction accounts				732,862	692,388	230,580
110 Individuals, partnerships, and corporations				703,231	658,258	215,434
111 U.S. government				1,518	276	102
112 States and political subdivisions in the United States				23,669	28,963	13,530
113 Commercial banks in the United States				2,851	2,098	590
114 U.S. branches and agencies of foreign banks				265	174	n.a.
115 Other commercial banks in the United States				2,586	1,923	n.a.
116 Other depository institutions in the United States				876	2,730	906
117 Banks in foreign countries				373	36	n.a.
118 Foreign branches of other U.S. banks				4	7	n.a.
119 Other banks in foreign countries				370	29	n.a.
120 Foreign governments and official institutions				344	27	n.a.
121 All other				n.a.	n.a.	17
122 Federal funds purchased and securities sold under agreements to repurchase	246,414	185,676	337	185,339	57,856	2,883
123 Federal funds purchased	155,799	121,034	n.a.	n.a.	33,654	1,112
124 Securities sold under agreements to repurchase	90,616	64,642	n.a.	n.a.	24,202	1,771
125 Demand notes issued to the U.S. Treasury	n.a.	n.a.	n.a.	10,407	2,396	152
126 Other borrowed money	122,767	96,674	37,606	59,069	25,406	686
127 Banks liability on acceptances executed and outstanding	15,830	15,509	3,350	12,160	308	12
128 Notes and debentures subordinated to deposits	24,853	23,185	n.a.	n.a.	1,575	93
129 Net due to own foreign offices, Edge and agreement subsidiaries, and IBFs	n.a.	n.a.	n.a.	32,831	n.a.	n.a.
130 All other liabilities	94,418	74,843	n.a.	n.a.	16,463	3,111
131 Total equity capital[7]	237,669	115,082	n.a.	n.a.	89,851	32,736
MEMO						
132 Holdings of commercial paper included in total loans, gross		1,173	411	762	1,643	n.a.
133 Total individual retirement accounts (IRA) and Keogh plan accounts				66,378	63,880	18,438
134 Total brokered deposits				35,918	17,275	603
135 Total brokered retail deposits				24,467	15,303	581
136 Issued in denominations of $100,000 or less				1,094	3,757	513
137 Issued in denominations greater than $100,000 and participated out by the broker in shares of $100,000 or less				23,372	11,547	67
138 Money market deposit accounts (savings deposits; MMDAs)				232,952	164,663	39,414
139 Other savings deposits (excluding MMDAs)				114,735	109,207	33,450
140 Total time deposits of less than $100,000				239,116	317	126,789
141 Time certificates of deposit of $100,000 or more				122,881	97,989	29,925
142 Open-account time deposits of $100,000 or more				23,177	3,459	1,002
143 All negotiable order of withdrawal (NOW) accounts (including Super NOWs)	n.a.	n.a.	n.a.	96,676	112,896	44,233
144 Total time and savings deposits				830,383	807,178	276,086
Quarterly averages						
145 Total loans				926,233	686,195	181,180
146 Obligations (other than securities) of states and political subdivisions in the United States				16,035	10,914	n.a.
147 Transaction accounts in domestic offices (NOW accounts, automated transfer service (ATS) accounts, and telephone and preauthorized transfer accounts)				95,545	111,824	44,252
Nontransaction accounts in domestic offices						
148 Money market deposit accounts				232,814	161,865	38,302
149 Other savings deposits				109,197	103,635	31,488
150 Time certificates of deposit of $100,000 or more				128,276	100,192	29,821
151 All other time deposits				273,584	325,929	129,211
152 Number of banks	11,776	224	n.a.	n.a.	2,874	8,678

Footnotes appear at the end of table 4.22

4.21 DOMESTIC OFFICES, Insured Commercial Banks with Assets of $100 Million or more or with foreign offices[1] Consolidated Report of Condition, March 31, 1992

Millions of dollars, except as noted

Item	Total	Members			Nonmembers
		Total	National	State	
1 Total assets[4]	**2,705,458**	**2,100,087**	**1,670,567**	**429,521**	**605,371**
2 Cash and balances due from depository institutions	173,417	142,158	116,477	25,681	31,259
3 Cash items in process of collection and unposted debits	84,255	74,786	60,671	14,115	9,470
4 Currency and coin	26,754	21,980	18,381	3,599	4,775
5 Balances due from depository institutions in the United States	27,616	17,939	14,294	3,645	9,677
6 Balances due from banks in foreign countries and foreign central banks	8,934	7,042	6,140	902	1,892
7 Balances due from Federal Reserve Banks	25,857	20,412	16,991	3,420	5,445
8 Total securities, loans and lease financing receivables, (net of unearned income)	**2,334,751**	**1,790,206**	**1,439,857**	**350,349**	**544,545**
9 Total securities, book value	560,039	419,658	322,210	97,449	140,381
10 U.S. Treasury securities	171,412	122,436	94,364	28,073	48,976
11 U.S. government agency and corporation obligations	269,425	211,058	164,015	47,042	58,368
12 All holdings of U.S. government-issued or guaranteed certificates of participation in pools of residential mortgages	135,251	111,804	89,852	21,952	23,447
13 All other	134,174	99,253	74,163	25,090	34,920
14 Securities issued by states and political subdivisions in the United States	55,785	40,433	30,101	10,332	15,352
15 Other domestic debt securities	51,842	38,323	27,507	10,816	13,520
16 All holdings of private certificates of participation in pools of residential mortgages	3,194	2,627	2,305	321	567
17 All other	48,649	35,696	25,201	10,495	12,953
18 Foreign debt securities	1,602	1,030	937	93	572
19 Equity securities	9,972	6,378	5,286	1,093	3,594
20 Marketable	5,325	2,477	2,191	286	2,848
21 Investments in mutual funds	3,370	2,008	1,883	124	1,362
22 Other	2,025	489	325	164	1,535
23 LESS: Net unrealized loss	70	21	18	3	49
24 Other equity securities	4,648	3,902	3,095	807	746
25 Federal funds sold and securities purchased under agreements to resell[8]	137,484	110,775	85,698	25,078	26,709
26 Federal funds sold	52,076	33,017	29,530	3,487	19,059
27 Securities purchased under agreements to resell	3,348	1,445	1,194	251	1,903
28 Total loans and lease financing receivables, gross	1,644,631	1,264,975	1,036,101	228,875	379,656
29 LESS: Unearned income on loans	7,404	5,203	4,151	1,053	2,201
30 Total loans and leases (net of unearned income)	1,637,227	1,259,772	1,031,950	227,822	377,455
Total loans, gross, by category					
31 Loans secured by real estate	727,025	540,269	453,621	86,648	186,757
32 Construction and land development	89,811	68,695	57,178	11,517	21,116
33 Farmland	8,845	5,410	4,655	755	3,435
34 One-to-four-family residential properties	382,001	286,355	241,762	44,594	95,646
35 Revolving, open-end and extended under lines of credit	67,173	51,354	42,983	8,371	15,819
36 All other loans	314,828	235,001	198,779	36,222	79,827
37 Multifamily (five or more) residential properties	22,819	16,845	14,310	2,535	5,974
38 Nonfarm nonresidential properties	223,549	162,964	135,717	27,247	60,585
39 Commercial banks in the United States	26,155	17,432	14,325	3,106	8,724
40 Other depository institutions in the United States	1,254	1,090	988	102	164
41 Banks in foreign countries	2,709	2,497	1,294	1,203	211
42 Finance agricultural production and other loans to farmers	15,028	10,553	9,569	984	4,475
43 Commercial and industrial loans	421,133	341,989	272,642	69,348	79,144
44 U.S. addressees (domicile)	418,569	339,925	271,042	68,882	78,644
45 Non-U.S. addressees (domicile)	2,565	2,065	1,599	465	500
46 Acceptances of other banks[9]	790	493	298	195	298
47 Of U.S. banks	474	323	146	177	151
48 Of foreign banks	120	89	83	6	31
49 Loans to individuals for household, family, and other personal expenditures (includes purchased paper)	324,938	240,422	202,546	37,876	84,516
50 Credit cards and related plans	69,171	42,400	39,886	2,514	26,771
51 Other (includes single payment and installment)	109,517	67,094	56,542	10,552	42,423
52 Loans to foreign governments and official institutions	998	942	868	75	56
53 Obligations (other than securities) of states and political subdivisions in the United States (includes nonrated industrial development obligations)	26,534	21,864	16,244	5,620	4,670
54 Taxable	1,395	1,187	844	343	208
55 Tax-exempt	25,139	20,677	15,400	5,277	4,461
56 Other loans	66,695	61,249	42,263	18,986	5,446
57 Loans for purchasing and carrying securities	15,753	14,203	7,453	6,749	1,550
58 All other loans	50,943	47,046	34,810	12,237	3,896
59 Lease financing receivables	31,371	26,175	21,443	4,732	5,196
60 Customers' liability on acceptances outstanding	12,239	11,151	8,193	2,957	1,088
61 Net due from own foreign offices, Edge and agreement subsidiaries, and IBFs	44,979	38,763	18,447	20,316	6,216
62 Remaining assets	185,052	156,573	106,039	50,534	28,479

4.21—Continued

Item	Total	Members: Total	Members: National	Members: State	Non-members
63 **Total liabilities and equity capital**	**2,705,458**	**2,100,087**	**1,670,567**	**429,521**	**605,371**
64 **Total liabilities**[5]	**2,500,519**	**1,945,033**	**1,549,370**	**395,663**	**555,486**
65 Total deposits	2,032,760	1,556,265	1,270,657	285,608	476,494
66 Individuals, partnerships, and corporations	1,885,850	1,440,262	1,178,109	262,153	445,588
67 U.S. government	5,188	4,507	4,027	480	681
68 States and political subdivisions in the United States	78,040	57,531	47,423	10,108	20,509
69 Commercial banks in the United States	32,156	28,886	23,402	5,484	3,270
70 Other depository institutions in the United States	7,768	5,255	4,128	1,128	2,512
71 Banks in foreign countries	6,046	5,571	3,438	2,133	475
72 Foreign governments and official institutions	1,160	1,059	704	355	101
73 Certified and official checks	16,552	13,194	9,428	3,766	3,358
74 Total transaction accounts	607,510	481,661	388,264	93,398	125,849
75 Individuals, partnerships, and corporations	524,361	410,956	333,067	77,889	113,405
76 U.S. government	3,394	2,780	2,423	357	614
77 States and political subdivisions in the United States	25,409	19,808	16,134	3,674	5,601
78 Commercial banks in the United States	27,207	25,385	20,769	4,616	1,822
79 Other depository institutions in the United States	4,162	3,438	2,694	744	724
80 Banks in foreign countries	5,636	5,358	3,298	2,060	278
81 Foreign governments and official institutions	789	742	450	292	47
82 Certified and official checks	16,552	13,194	9,428	3,766	3,358
83 Demand deposits (included in total transaction accounts)	395,199	321,496	254,628	66,868	73,703
84 Individuals, partnerships, and corporations	324,967	260,024	207,000	53,024	64,943
85 U.S. government	3,187	2,612	2,267	344	575
86 States and political subdivisions in the United States	12,779	10,786	8,763	2,023	1,993
87 Commercial banks in the United States	27,184	25,384	20,769	4,615	1,800
88 Other depository institutions in the United States	4,107	3,397	2,653	744	710
89 Banks in foreign countries	5,634	5,357	3,298	2,059	277
90 Foreign governments and official institutions	787	741	450	292	46
91 Certified and official checks	16,552	13,194	9,428	3,766	3,358
92 Total nontransaction accounts	1,425,249	1,074,604	882,393	192,211	350,646
93 Individuals, partnerships, and corporations	1,361,489	1,029,306	845,042	184,264	332,183
94 U.S. government	1,794	1,727	1,603	123	67
95 States and political subdivisions in the United States	52,631	37,723	31,288	6,435	14,908
96 Commercial banks in the United States	4,948	3,500	2,632	868	1,448
97 U.S. branches and agencies of foreign banks	439	262	143	119	177
98 Other commercial banks in the United States	4,510	3,239	2,490	749	1,271
99 Other depository institutions in the United States	3,606	1,817	1,434	384	1,789
100 Banks in foreign countries	410	213	140	73	196
101 Foreign branches of other U.S. banks	11	10	8	2	1
102 Other banks in foreign countries	399	203	132	71	196
103 Foreign governments and official institutions	371	317	254	64	54
104 Federal funds purchased and securities sold under agreements to repurchase[10]	243,195	207,497	144,541	62,956	35,699
105 Federal funds purchased	33,654	24,353	20,700	3,653	9,301
106 Securities sold under agreements to repurchase	24,202	13,432	11,644	1,787	10,771
107 Demand notes issued to the U.S. Treasury	12,803	11,663	8,894	2,769	1,141
108 Other borrowed money	84,475	60,707	43,682	17,025	23,768
109 Banks liability on acceptances executed and outstanding	12,468	11,380	8,400	2,980	1,089
110 Notes and debentures subordinated to deposits	1,575	891	829	63	683
111 Net due to own foreign offices, Edge and agreement subsidiaries, and IBFs	32,831	26,193	24,183	2,010	6,638
112 Remaining liabilities	113,242	96,630	72,368	24,262	16,612
113 **Total equity capital**[7]	**204,939**	**155,055**	**121,197**	**33,858**	**49,885**
MEMO					
114 Holdings of commercial paper included in total loans, gross	2,405	640	629	11	1,766
115 Total individual retirement (IRA) and Keogh plan accounts	130,258	100,142	82,429	17,713	30,116
116 Total brokered deposits	53,194	38,708	33,250	5,458	14,486
117 Total brokered retail deposits	39,770	28,353	24,253	4,100	11,417
118 Issued in denominations of $100,000 or less	4,851	1,837	1,692	145	3,014
119 Issued in denominations greater than $100,000 and participated out by the broker in shares of $100,000 or less	34,919	26,516	22,561	3,955	8,403
120 Money market deposit accounts (savings deposits; MMDAs)	397,615	313,285	257,358	55,928	84,329
121 Other savings accounts	223,942	172,082	130,158	41,924	51,860
122 Total time deposits of less than $100,000	556,186	409,179	343,525	65,654	147,008
123 Time certificates of deposit of $100,000 or more	220,871	158,646	138,087	20,559	62,225
124 Open-account time deposits of $100,000 or more	26,636	21,412	13,266	8,146	5,224
125 All negotiable order of withdrawal (NOW) accounts (including Super NOWs)	209,572	158,484	132,150	26,334	51,088
126 Total time and savings deposits	1,637,561	1,234,770	1,016,029	218,741	402,791
Quarterly averages					
127 Total loans	1,612,428	1,238,007	1,013,991	224,016	374,421
128 Obligations (other than securities) of states and political subdivisions in the United States	26,949	22,379	16,524	5,855	4,570
129 Transaction accounts (NOW accounts, automated transfer service (ATS) accounts, and telephone preauthorized transfer accounts)	207,369	156,792	130,947	25,845	50,577
Nontransaction accounts					
130 Money market deposit accounts	394,678	311,577	254,787	56,789	83,101
131 Other savings deposits	212,832	163,594	123,478	40,116	49,238
132 Time certificates of deposits of $100,000 or more	228,468	163,765	141,528	22,237	64,702
133 All other time deposits	599,513	444,701	368,501	76,200	154,812
134 Number of banks	3,098	1,656	1,388	268	1,442

Footnotes appear at the end of table 4.22

4.22 DOMESTIC OFFICES, Insured Commercial Bank Assets and Liabilities[1]
Consolidated Report of Condition, March 31, 1992

Millions of dollars, except as noted

Item	Total	Members			Non-members
		Total	National	State	
1 **Total assets**[4]	**3,062,112**	**2,238,015**	**1,778,456**	**459,559**	**824,096**
2 Cash and balances due from depository institutions	194,701	150,723	123,290	27,433	43,979
3 Currency and coin	29,883	23,208	19,351	3,857	6,674
4 Non-interest-bearing balances due from commercial banks	29,708	16,965	13,178	3,786	12,743
5 Other	135,111	110,550	90,760	19,789	24,561
6 **Total securities, loans, and lease financing receivables (net of unearned income)**	**2,658,687**	**1,915,120**	**1,537,395**	**377,726**	**743,567**
7 Total securities, book value	680,473	466,587	360,036	106,551	213,886
8 U.S. Treasury securities and U.S. government agency and corporation obligations	537,347	371,692	289,288	82,404	165,655
9 Securities issued by states and political subdivisions in the United States	70,997	45,826	34,305	11,521	25,171
10 Other debt securities	60,733	42,016	30,601	11,415	18,717
11 All holdings of private certificates of participation in pools of residential mortgages	3,368	2,700	2,353	348	668
12 All other	57,365	39,316	28,248	11,068	18,049
13 Equity securities	11,397	7,053	5,842	1,211	4,344
14 Marketable	6,391	2,902	2,563	339	3,488
15 Investments in mutual funds	4,352	2,428	2,250	179	1,924
16 Other	2,153	511	345	165	1,642
17 LESS: Net unrealized loss	114	37	32	5	77
18 Other equity securities	5,006	4,151	3,279	872	855
19 Federal funds sold and securities purchased under agreements to resell[8]	158,099	119,508	92,469	27,039	38,591
20 Federal funds sold	72,522	41,702	36,259	5,443	30,820
21 Securities purchased under agreements to resell	3,517	1,493	1,236	256	2,024
22 Total loans and lease financing receivables, gross	1,829,031	1,334,825	1,089,502	245,323	494,206
23 LESS: Unearned income on loans	8,916	5,799	4,611	1,188	3,117
24 Total loans and leases (net of unearned income)	1,820,115	1,329,026	1,084,890	244,135	491,089
Total loans, gross, by category					
25 Loans secured by real estate	825,394	577,099	481,686	95,413	248,295
26 Construction and land development	95,687	71,070	58,926	12,143	24,617
27 Farmland	18,913	8,555	7,163	1,392	10,358
28 One-to-four-family residential properties	436,409	306,874	257,272	49,602	129,535
29 Revolving, open-end loans, and extended under lines of credit	70,242	52,693	43,941	8,752	17,549
30 All other loans	366,167	254,181	213,330	40,851	111,986
31 Multifamily (five or more) residential properties	24,814	17,603	14,880	2,723	7,211
32 Nonfarm nonresidential properties	249,570	172,997	143,444	29,553	76,573
33 Loans to depository institutions	30,279	21,088	16,665	4,423	9,191
34 Loans to finance agricultural production and other loans to farmers	32,995	16,686	14,470	2,216	16,309
35 Commercial and industrial loans	453,602	355,210	282,474	72,736	98,392
36 Acceptances of other banks	1,075	600	387	212	475
37 Loans to individuals for household, family, and other personal expenditures (includes purchased paper)	357,020	252,815	212,161	40,653	104,205
38 Credit cards and related plans	70,874	43,109	40,484	2,625	27,765
39 Other (includes single payment installment)	139,895	78,777	65,560	13,218	61,118
40 Obligations (other than securities) of states and political subdivisions in the United States	27,808	22,304	16,601	5,702	5,505
41 Taxable	1,442	1,204	858	346	239
42 Tax-exempt	26,366	21,100	15,743	5,357	5,266
43 All other loans	69,033	62,697	43,486	19,211	6,336
44 Lease financing receivables	31,824	26,327	21,571	4,756	5,497
45 Customers' liability on acceptances outstanding	12,251	11,160	8,201	2,959	1,091
46 Net due from own foreign offices, Edge and agreement subsidiaries, and IBFs	44,979	38,763	18,447	20,316	6,216
47 Remaining assets	196,472	161,012	109,570	51,442	35,460
48 **Total liabilities and equity capital**	**3,062,112**	**2,238,015**	**1,778,456**	**459,559**	**824,096**
49 **Total liabilities**[5]	**2,824,435**	**2,070,568**	**1,647,613**	**422,955**	**753,867**
50 Total deposits	2,349,739	1,678,927	1,366,735	312,192	670,812
51 Individuals, partnerships, and corporations	2,177,678	1,553,407	1,266,781	286,625	624,271
52 U.S. government	5,634	4,662	4,152	511	972
53 States and political subdivisions in the United States	98,320	64,773	53,292	11,481	33,547
54 Commercial banks in the United States	33,457	29,757	23,861	5,895	3,700
55 Other depository institutions in the United States	8,872	5,650	4,421	1,230	3,222
56 Certified and official checks	18,541	14,036	10,084	3,952	4,505
57 All other	7,236	6,642	4,144	2,498	594
58 Total transaction accounts	693,910	516,492	415,910	100,582	177,418
59 Individuals, partnerships, and corporations	600,755	441,688	357,607	84,081	159,067
60 U.S. government	3,738	2,898	2,522	377	840
61 States and political subdivisions in the United States	32,159	22,193	18,109	4,084	9,966
62 Commercial banks in the United States	27,918	26,035	21,067	4,968	1,884
63 Other depository institutions in the United States	4,360	3,534	2,771	763	826
64 Certified and official checks	18,541	14,036	10,084	3,952	4,505
65 All other	6,439	6,109	3,751	2,358	330
66 Demand deposits (included in total transaction accounts)	436,092	338,643	267,962	70,680	97,449
67 Individuals, partnerships, and corporations	360,979	274,876	218,718	56,158	86,102
68 U.S. government	3,519	2,728	2,364	364	792
69 States and political subdivisions in the United States	14,433	11,374	9,252	2,122	3,058
70 Commercial banks in the United States	27,888	26,033	21,066	4,966	1,855
71 Other depository institutions in the United States	4,297	3,488	2,728	761	809
72 Certified and official checks	18,541	14,036	10,084	3,952	4,505
73 All other	6,435	6,107	3,750	2,357	328
74 Total nontransaction accounts	1,655,829	1,162,435	950,825	211,610	493,394
75 Individuals, partnerships, and corporations	1,576,923	1,111,719	909,174	202,545	465,204
76 U.S. government	1,896	1,764	1,630	134	132
77 States and political subdivisions in the United States	66,162	42,580	35,183	7,397	23,581
78 Commercial banks in the United States	5,539	3,722	2,794	928	1,817
79 Other depository institutions in the United States	4,512	2,116	1,649	467	2,396
80 All other	798	534	394	140	264

4.22—Continued

Item	Total	Members Total	Members National	Members State	Nonmembers
81 Federal funds purchased and securities sold under agreements to repurchase[10]	246,078	208,859	145,508	63,351	37,219
82 Federal funds purchased	34,765	24,978	21,103	3,875	9,787
83 Securities sold under agreements to repurchase	25,973	14,168	12,209	1,959	11,805
84 Demand notes issued to the U.S. Treasury	12,956	11,722	8,945	2,778	1,233
85 Other borrowed money	85,161	60,970	43,895	17,075	24,191
86 Banks liability on acceptances executed and outstanding	12,480	11,390	8,408	2,981	1,091
87 Notes and debentures subordinated to deposits	1,668	909	838	71	759
88 Net due to own foreign offices, Edge and agreement subsidiaries, and IBFs	32,831	26,193	24,183	2,010	6,638
89 Remaining liabilities	116,353	97,792	73,284	24,507	18,562
90 Total equity capital[7]	**237,677**	**167,447**	**130,843**	**36,604**	**70,229**
MEMO					
91 Assets held in trading accounts[11]	37,093	35,864	21,924	13,940	1,229
92 U.S. Treasury securities	19,863	19,813	10,460	9,353	50
93 U.S. government agency corporation obligations	4,040	3,826	3,441	385	214
94 Securities issued by states and political subdivisions in the United States	1,333	1,295	1,016	278	38
95 Other bonds, notes, and debentures	448	386	237	149	61
96 Certificates of deposit	997	997	707	290	0
97 Commercial paper	173	173	173	0	0
98 Bankers acceptances	2,621	2,506	1,788	718	114
99 Other	6,614	6,390	3,666	2,724	224
100 Total individual retirement (IRA) and Keogh plan accounts	148,696	107,013	87,831	19,182	41,683
101 Total brokered deposits	53,797	38,926	33,382	5,543	14,871
102 Total brokered retail deposits	40,351	28,565	24,382	4,183	11,786
103 Issued in denominations of $100,000 or less	5,364	2,025	1,809	217	3,339
104 Issued in denominations greater than $100,000 and participated out by the broker in shares of $100,000 or less	34,987	26,539	22,573	3,966	8,447
105 Money market deposit accounts (savings deposits; MMDAs)	437,029	329,608	270,129	59,478	107,421
106 Other savings deposits	257,392	185,183	140,261	44,922	72,209
107 Total time deposits of less than $100,000	682,975	455,414	379,564	75,850	227,561
108 Time certificates of deposit of $100,000 or more	250,796	170,482	147,332	23,150	80,314
109 Open-account time deposits of $100,000 or more	27,637	21,749	13,538	8,210	5,889
110 All negotiable order of withdrawal (NOW) accounts (including Super NOWs)	253,805	175,740	146,142	29,599	78,065
111 Total time and savings deposits	1,913,647	1,340,284	1,098,773	241,512	573,362
Quarterly averages					
112 Total loans	1,793,608	1,306,809	1,066,624	240,186	486,799
113 Transaction accounts (NOW accounts, automated transfer service (ATS) accounts, and telephone and preauthorized transfer accounts)	251,622	173,978	144,856	29,122	77,643
Nontransaction accounts					
114 Money market deposit accounts	432,980	327,473	267,268	60,205	105,507
115 Other savings deposits	244,320	175,953	133,059	42,894	68,366
116 Time certificates of deposit of $100,000 or more	258,289	175,600	150,754	24,845	82,689
117 All other time deposits	728,724	491,909	405,280	86,629	236,815
118 Number of banks	11,776	4,696	3,737	959	7,080

1. Effective Mar. 31, 1984, the Report of Condition was substantially revised for commercial banks. Some of the changes are as follows: (1) Previously, banks with international banking facilities (IBFs) that had no other foreign offices were considered domestic reporters. Beginning with the Mar. 31, 1984 Call Report these banks are considered foreign and domestic reporters and must file the foreign and domestic report of condition; (2) banks with assets of more than $1 billion report additional items; (3) the domestic office of banks with foreign offices report far less detail; and (4) banks with assets under $25 million have been excused from reporting certain detail items.

The "n.a." for some of the items is used to indicate the lesser detail available from banks without foreign offices, the inapplicability of certain items to banks that have only domestic offices or the absence of detail on a fully consolidated basis for banks with foreign offices.

All transactions between domestic and foreign offices of a bank are reported in "net due from" and "net due to." All other lines represent transactions with parties other than the domestic and foreign offices of each bank. Because these intraoffice transactions are nullified by consolidation, total assets and total liabilities for the entire bank may not equal the sum of assets and liabilities respectively, of the domestic and foreign offices.

2. Foreign offices include branches in foreign countries, Puerto Rico, and in U.S. territories and possessions; subsidiaries in foreign countries; all offices of Edge Act and agreement corporations wherever located and IBFs.

3. The 'over 100' column refers to those respondents whose assets, as of June 30 of the previous calendar year, were equal to or exceeded $100 million. (These respondents file the FFIEC 032 or FFIEC 033 Call Report.) The "under 100" column refers to those respondents whose assets, as of June 30 of the previous calendar year, were less than $100 million. (These respondents filed the FFIEC 034 Call Report.)

4. Because the domestic portion of allowances for loan and lease losses and allocated transfer risk reserve are not reported for banks with foreign offices, the components of total assets (domestic) do not add to the actual total (domestic).

5. Because the foreign portion of demand notes issued to the U.S. Treasury is not reported for banks with foreign offices, the components of total liabilities (foreign) will not add to the actual total (foreign).

6. The definition of "all other" varies by report form and therefore by column in this table. See the instructions for more detail.

7. Equity capital is not allocated between the domestic and foreign offices of banks with foreign offices.

8. Only the domestic portion of federal funds sold and securities purchased under agreements to resell are reported here, therefore, the components do not add to totals.

9. "Acceptances of other banks" is not reported by domestic banks having less than $300 million in total assets, therefore the components do not add to totals.

10. Only the domestic portion of federal funds purchased and securities sold are reported here, therefore the components do not add to totals.

11. Components are reported only for banks with total assets of $1 billion or more; therefore the components do not add to the totals for this item.

4.23 TERMS OF LENDING AT COMMERCIAL BANKS Survey of Loans Made, February 3–7, 1992[1]

A. Commercial and Industrial Loans

Characteristic	Amount of loans ($1,000)	Average size ($1,000)	Weighted average maturity[2]	Loan rate (percent)		Loans secured by collateral (percent)	Loans made under commitment (percent)	Participation loans (percent)	Most common base pricing rate[5]
			Days	Weighted average effective[3]	Standard error[4]				
ALL BANKS									
1 Overnight[6]	7,764,001	8,011	*	4.72	.20	5.2	60.8	1.3	Other
2 One month and under (excluding overnight)	5,797,117	2,447	19	5.33	.15	28.5	83.4	9.7	Other
3 Fixed rate	4,664,253	4,241	19	5.16	.21	24.4	80.8	7.8	Other
4 Floating rate	1,132,864	893	21	6.01	.17	45.5	94.1	17.7	Prime
5 Over one month and under a year	5,864,338	451	156	5.92	.13	53.1	86.7	14.9	Prime
6 Fixed rate	2,531,711	1,004	143	5.38	.22	48.1	78.1	18.3	Domestic
7 Floating rate	3,332,628	318	165	6.32	.15	56.9	93.2	12.3	Prime
8 Demand[7]	13,640,035	459	*	5.93	.14	54.9	62.5	14.1	Prime
9 Fixed rate	3,753,232	1,539	*	5.46	.21	42.2	81.5	35.9	Other
10 Floating rate	9,886,804	362	*	6.11	.15	59.7	55.3	5.9	Prime
11 **Total short term**	**33,065,492**	**718**	**53**	**5.54**	**.13**	**38.3**	**70.1**	**10.5**	**Other**
12 Fixed rate (thousands of dollars)	18,713,196	2,662	31	5.07	.20	23.2	72.3	12.1	Other
13 1–99	76,310	22	125	8.18	.04	72.1	53.6	1.5	Prime
14 100–499	201,634	226	82	6.70	.16	61.0	78.1	7.8	Prime
15 500–999	276,298	681	54	5.72	.09	41.7	85.0	14.9	Foreign
16 1,000–4,999	2,805,798	2,312	35	5.38	.10	28.1	82.2	9.7	Other
17 5,000–9,999	3,124,989	6,737	43	5.02	.13	21.3	70.3	7.3	Other
18 10,000 and over	12,228,168	19,141	26	4.95	.21	21.2	70.3	14.0	Other
19 Floating rate (thousands of dollars)	14,352,295	368	128	6.15	.15	57.9	67.2	8.3	Prime
20 1–99	772,859	29	147	7.80	.05	81.3	86.5	2.3	Prime
21 100–499	1,795,472	206	150	7.38	.05	74.7	89.5	6.2	Prime
22 500–999	1,047,331	661	138	7.12	.07	65.5	89.2	11.8	Prime
23 1,000–4,999	2,791,449	1,997	137	6.81	.07	62.0	87.2	15.4	Prime
24 5,000–9,999	1,795,123	6,737	113	6.22	.17	49.3	79.9	13.9	Prime
25 10,000 and over	6,150,062	26,011	117	5.10	.36	49.5	41.6	4.1	Fed funds
			Months						
26 **Total long term**	**4,307,012**	**794**	**41**	**6.38**	**.17**	**50.7**	**83.7**	**15.2**	**Prime**
27 Fixed rate (thousands of dollars)	1,384,292	1,054	44	5.62	.34	45.8	94.3	26.7	Domestic
28 1–99	19,672	23	40	9.07	.17	87.9	32.3	3.4	Other
29 100–499	45,698	225	49	7.78	.20	75.1	68.3	8.6	Other
30 500–999	50,532	698	42	6.62	.60	53.7	68.9	7.1	Other
31 1,000 and over	1,268,389	6,792	44	5.45	.29	43.8	97.2	28.4	Domestic
32 Floating rate (thousands of dollars)	2,922,720	710	40	6.74	.10	53.0	78.7	9.7	Prime
33 1–99	64,042	34	35	7.84	.06	78.5	66.8	6.8	Prime
34 100–499	312,449	225	37	7.45	.09	73.0	81.8	12.3	Prime
35 500–999	250,890	689	34	7.21	.13	59.3	85.0	19.2	Prime
36 1,000 and over	2,295,338	4,992	41	6.56	.17	48.8	78.0	8.4	Prime
			Days	Loan rate (percent)					Prime rate[9]
				Effective[3]	Nominal[8]				
LOANS MADE BELOW PRIME[10]									
37 Overnight[6]	7,742,529	8,336	*	4.71	4.69	5.1	60.8	1.3	6.50
38 One month and under (excluding overnight)	5,191,001	5,462	19	5.07	5.05	22.6	82.8	8.1	6.50
39 Over one month and under a year	3,567,447	3,175	151	4.97	4.91	40.3	86.5	18.8	6.50
40 Demand[7]	7,456,149	4,648	*	4.72	4.67	40.8	45.8	12.0	6.51
41 **Total short term**	**23,957,127**	**5,200**	**39**	**4.83**	**4.79**	**25.3**	**64.7**	**8.7**	**6.51**
42 Fixed rate	17,057,358	5,712	29	4.85	4.82	18.0	70.6	10.1	6.50
43 Floating rate	6,899,769	4,258	109	4.78	4.73	43.3	50.1	5.1	6.51
			Months						
44 **Total long term**	**1,892,019**	**3,562**	**41**	**5.03**	**4.98**	**48.1**	**93.4**	**23.2**	**6.52**
45 Fixed rate	1,086,069	4,140	39	5.10	5.03	38.8	98.9	32.8	6.51
46 Floating rate	805,950	2,998	44	4.95	4.90	60.6	86.1	10.3	6.52

For notes see end of table.

4.23—Continued

A.—Continued

Characteristic	Amount of loans ($1,000)	Average size ($1,000)	Weighted average maturity (Days)	Loan rate (percent): Weighted average effective	Loan rate (percent): Standard error	Loans secured by collateral (percent)	Loans made under commitment (percent)	Participation loans (percent)	Most common base pricing rate[5]
LARGE BANKS									
1 Overnight[6]	6,910,971	8,208	*	4.72	.17	3.8	57.4	1.4	Other
2 One month and under (excluding overnight)	5,337,030	3,520	19	5.30	.15	27.2	82.8	8.8	Other
3 Fixed rate	4,348,473	5,455	19	5.15	.20	23.0	80.1	6.8	Other
4 Floating rate	988,558	1,375	20	5.97	.20	45.7	94.7	17.9	Prime
5 Over one month and under a year	4,560,732	818	153	5.78	.14	52.8	86.7	17.1	Prime
6 Fixed rate	2,171,362	2,218	149	5.28	.22	48.4	79.7	19.5	Domestic
7 Floating rate	2,389,370	520	157	6.24	.14	56.9	93.0	14.9	Prime
8 Demand[7]	10,958,268	689	*	5.78	.15	54.1	56.8	14.6	Prime
9 Fixed rate	3,218,054	1,902	*	5.52	.24	44.8	78.8	40.6	Domestic
10 Floating rate	7,740,214	544	*	5.89	.14	58.0	47.6	3.8	Prime
11 Total short term	**27,767,002**	**1,164**	**48**	**5.43**	**.13**	**36.2**	**66.8**	**10.6**	**Other**
12 Fixed rate (thousands of dollars)	16,648,860	3,863	31	5.06	.18	22.6	70.4	12.8	Other
13 1–99	38,661	28	118	7.98	.30	74.1	62.0	2.0	Prime
14 100–499	139,985	236	72	6.59	.24	59.4	80.1	7.2	Prime
15 500–999	220,134	674	53	5.67	.09	37.9	84.9	8.6	Other
16 1,000–4,999	2,403,667	2,310	34	5.38	.10	27.7	80.7	9.8	Other
17 5,000–9,999	2,623,272	6,744	45	4.97	.19	19.6	66.6	7.5	Other
18 10,000 and over	11,223,141	19,495	26	4.97	.20	21.2	68.7	14.8	Other
19 Floating rate (thousands of dollars)	11,118,142	569	117	5.97	.15	56.7	61.5	7.4	Prime
20 1–99	368,635	30	147	7.73	.06	80.2	85.6	1.9	Prime
21 100–499	1,026,704	210	144	7.33	.05	71.7	89.9	5.9	Prime
22 500–999	649,734	663	133	7.12	.08	62.2	90.1	9.7	Prime
23 1,000–4,999	2,029,431	2,064	132	6.78	.08	60.1	88.6	13.2	Prime
24 5,000–9,999	1,512,670	6,802	105	6.23	.17	45.5	82.0	11.5	Prime
25 10,000 and over	5,530,968	28,135	101	5.11	.39	53.4	35.8	4.6	Fed funds
			Months						
26 Total long term	**3,795,772**	**1,130**	**42**	**6.31**	**.17**	**49.1**	**85.1**	**16.3**	**Prime**
27 Fixed rate (thousands of dollars)	1,212,905	1,734	44	5.48	.32	46.1	97.6	30.0	Domestic
28 1–99	8,826	25	37	8.78	.49	88.3	35.6	2.3	Other
29 100–499	28,748	242	48	7.32	.27	68.5	73.2	7.2	Other
30 500–999	44,474	707	44	6.55	.60	51.2	74.6	8.1	Other
31 1,000 and over	1,130,857	7,179	44	5.37	.29	45.0	99.6	31.6	Domestic
32 Floating rate (thousands of dollars)	2,582,867	971	40	6.70	.11	50.5	79.2	9.9	Prime
33 1–99	34,088	37	34	7.77	.12	76.1	72.4	8.1	Prime
34 100–499	236,977	228	36	7.48	.11	73.3	83.5	13.4	Prime
35 500–999	204,581	698	34	7.22	.18	59.7	86.4	20.3	Prime
36 1,000 and over	2,107,222	5,297	41	6.55	.20	46.7	78.1	8.6	Prime
			Days	Loan rate (percent): Effective[3]	Loan rate (percent): Nominal[8]				Prime rate[9]
LOANS MADE BELOW PRIME[10]									
37 Overnight[6]	6,892,046	8,408	*	4.71	4.69	3.8	57.3	1.4	6.50
38 One month and under (excluding overnight)	4,835,105	5,990	19	5.07	5.05	21.7	82.1	7.2	6.50
39 Over one month and under a year	3,027,094	4,257	149	4.97	4.92	42.9	86.3	21.1	6.50
40 Demand[7]	6,509,695	5,723	*	4.70	4.65	44.5	38.1	12.9	6.51
41 Total short term	**21,263,940**	**6,118**	**37**	**4.83**	**4.79**	**25.9**	**61.2**	**9.0**	**6.50**
42 Fixed rate	15,221,141	6,381	29	4.86	4.83	17.5	68.3	10.5	6.50
43 Floating rate	6,042,799	5,543	95	4.76	4.71	47.0	43.2	5.3	6.50
			Months						
44 Total long term	**1,744,858**	**4,204**	**42**	**5.02**	**4.96**	**49.3**	**94.5**	**24.7**	**6.51**
45 Fixed rate	1,000,794	4,635	38	5.09	5.02	40.5	99.5	35.3	6.51
46 Floating rate	744,064	3,736	46	4.93	4.88	61.2	87.7	10.3	6.52

For notes see end of table.

4.23 TERMS OF LENDING AT COMMERCIAL BANKS Survey of Loans Made, February 3—7, 1992[1]—Continued

A. Commercial and Industrial Loans—Continued

Characteristic	Amount of loans ($1,000)	Average size ($1,000)	Weighted average maturity (Days)	Loan rate (percent): Weighted average effective	Loan rate (percent): Standard error	Loans secured by collateral (percent)	Loans made under commitment (percent)	Participation loans (percent)	Most common base pricing rate[5]
OTHER BANKS									
1 Overnight[6]	853,030	6,708	*	4.73	.38	16.1	89.1	.0	Foreign
2 One month and under (excluding overnight)	460,086	540	24	5.65	.19	43.8	90.1	20.1	Foreign
3 Fixed rate	315,780	1,043	23	5.34	.27	44.0	90.2	21.7	Foreign
4 Floating rate	144,306	262	24	6.32	.22	43.6	90.1	16.6	Prime
5 Over one month and under a year	1,303,606	175	163	6.39	.16	54.1	86.7	7.1	Prime
6 Fixed rate	360,348	234	107	6.02	.26	46.6	68.5	11.4	Domestic
7 Floating rate	943,258	160	184	6.54	.17	57.0	93.6	5.5	Prime
8 Demand[7]	2,681,767	194	*	6.52	.17	58.1	85.9	12.1	Prime
9 Fixed rate	535,177	716	*	5.09	.31	27.0	97.5	7.2	Foreign
10 Floating rate	2,146,590	164	*	6.88	.16	65.9	83.1	13.3	Prime
11 **Total short term**	**5,298,490**	**239**	**86**	**6.13**	**.14**	**49.1**	**87.0**	**9.6**	**Prime**
12 Fixed rate (thousands of dollars)	2,064,336	759	31	5.14	.22	28.5	87.8	7.2	Foreign
13 1–99	37,649	19	130	8.40	.12	70.0	44.9	1.0	Prime
14 100–499	61,648	206	98	6.94	.19	64.8	73.5	9.1	Prime
15 500–999	56,164	710	57	5.94	.23	56.6	85.0	39.5	Foreign
16 1,000–4,999	402,131	2,321	43	5.34	.08	31.0	91.2	9.2	Foreign
17 5,000–9,999	501,717	6,703	34	5.23	.17	30.1	89.5	6.3	Foreign
18 10,000 and over	1,005,027	15,914	16	4.75	.06	21.4	88.3	5.1	Foreign
19 Floating rate (thousands of dollars)	3,234,154	166	163	6.75	.16	62.3	86.5	11.2	Prime
20 1–99	404,224	28	147	7.87	.07	82.2	87.4	2.6	Prime
21 100–499	768,768	201	157	7.46	.08	78.6	89.0	6.7	Prime
22 500–999	397,597	656	147	7.12	.13	70.9	87.8	15.3	Prime
23 1,000–4,999	762,018	1,839	152	6.90	.19	67.1	83.7	21.5	Prime
24 5,000–9,999	282,453	6,410	154	6.16	.27	69.4	68.6	26.4	Prime
25 10,000 and over	619,094	15,531	203	5.00	.47	14.3	93.5	.0	Fed funds
			Months						
26 **Total long term**	**511,240**	**247**	**40**	**6.89**	**.15**	**61.9**	**73.8**	**6.3**	**Prime**
27 Fixed rate (thousands of dollars)	171,387	279	43	6.62	.27	43.5	70.5	3.1	Other
28 1–99	10,847	22	41	9.31	.11	87.6	29.6	4.4	Other
29 100–499	16,950	203	50	8.58	.15	86.2	59.9	11.0	Prime
30 500–999	6,059	643	30	7.13	.41	71.7	27.1	.0	Other
31 1,000 and over	137,532	4,708	43	6.15	.61	33.5	77.0	2.2	Other
32 Floating rate (thousands of dollars)	339,853	234	39	7.02	.11	71.2	75.5	8.0	Prime
33 1–99	29,955	31	37	7.93	.08	81.3	60.3	5.4	Prime
34 100–499	75,473	213	38	7.35	.09	71.8	76.2	8.8	Prime
35 500–999	46,309	655	35	7.16	.12	57.4	79.0	14.6	Prime
36 1,000 and over	188,116	3,033	40	6.71	.24	72.8	76.8	6.4	Prime
			Days	Loan rate (percent): Effective[3]	Loan rate (percent): Nominal[8]				Prime rate[9]
LOANS MADE BELOW PRIME[10]									
37 Overnight[6]	850,483	7,795	*	4.73	4.66	16.2	89.3	.0	6.50
38 One month and under (excluding overnight)	355,897	2,487	23	5.06	5.00	34.4	92.9	20.9	6.53
39 Over one month and under a year	540,353	1,310	165	4.95	4.88	25.7	87.4	5.4	6.52
40 Demand[7]	946,454	2,028	*	4.83	4.78	15.4	98.7	6.3	6.54
41 **Total short term**	**2,693,186**	**2,380**	**56**	**4.85**	**4.79**	**20.2**	**92.7**	**6.1**	**6.52**
42 Fixed rate	1,836,216	3,054	22	4.82	4.77	21.7	89.9	7.0	6.50
43 Floating rate	856,970	1,616	173	4.92	4.84	17.0	98.7	4.0	6.56
			Months						
44 **Total long term**	**147,162**	**1,267**	**38**	**5.15**	**5.13**	**33.4**	**81.1**	**6.2**	**6.57**
45 Fixed rate	85,275	1,838	45	5.14	5.14	18.8	91.6	3.6	6.54
46 Floating rate	61,886	887	29	5.17	5.12	53.4	66.5	9.8	6.60

For notes see following page.

NOTES TO TABLE 4.23

1. As of Sept. 30, 1990, assets of most of the large banks were at least $7.0 billion. For all insured banks, total assets averaged $275 million.
2. Average maturities are weighted by loan size and exclude demand loans.
3. Effective (compounded) annual interest rates are calculated from the stated rate and other terms of the loans and weighted by loan size.
4. 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.
5. The most common base rate is that 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.
6. Overnight loans mature on the following business day.
7. Demand loans have no stated date of maturity.
8. Nominal (not compounded) annual interest rates are calculated from the stated rate and other terms of the loans and weighted by loan size.
9. The prime rate reported by each bank is weighted by the volume of loans extended and then averaged.
10. The proportion of loans made at rates below the prime may vary substantially from the proportion of such loans outstanding in banks' portfolios.

4.31 Pro forma balance sheet for priced services of the Federal Reserve System[1]

Millions of dollars

Item	Mar. 31, 1992		Mar. 31, 1991	
Short-term assets[2]				
Imputed reserve requirement on clearing balances	$ 558.1		$ 317.3	
Investment in marketable securities	4,092.9		2,326.7	
Receivables	63.9		59.8	
Materials and supplies	5.7		6.1	
Prepaid expenses	33.2		35.0	
Items in process of collection	3,826.4		2,864.4	
Total short-term assets		8,580.2		5,609.3
Long-term assets[3]				
Premises	458.7		328.0	
Furniture and equipment	157.4		158.6	
Leases and leasehold improvements	19.3		16.9	
Prepaid pension costs	103.9		75.9	
Total long-term assets		739.2		579.4
Total assets		**9,319.4**		**6,188.7**
Short-term liabilities				
Clearing balances and balances arising from early credit of uncollected items	$5,163.2		$3,058.6	
Deferred availability items	3,314.2		2,449.7	
Short-term debt	102.8		101.0	
Total short-term liabilities		8,580.2		5,609.3
Long-term liabilities				
Obligations under capital leases	1.2		1.2	
Long-term debt	201.7		159.7	
Total long-term liabilities		202.9		160.9
Total liabilities		**8,783.1**		**5,770.3**
Equity		536.4		418.5
Total liabilities and equity[4]		**9,319.4**		**6,188.7**

1. Details may not sum to totals because of rounding.

2. The imputed reserve requirement on clearing balances and investment in marketable securities reflect the Federal Reserve's treatment of clearing balances maintained on deposit with Reserve Banks by depository institutions. For presentation of the balance sheet and the income statement, clearing balances are reported in a manner comparable to the way correspondent banks report compensating balances held with them by respondent institutions. That is, respondent balances held with a correspondent are subject to a reserve requirement established by the Federal Reserve. This reserve requirement must be satisfied with either vault cash or with nonearning balances maintained at a Reserve Bank. Following this model, clearing balances maintained with Reserve Banks for priced service purposes are subjected to imputed reserve requirements. Therefore, a portion of the clearing balances held with the Federal Reserve is classified on the asset side of the balance sheet as required reserves and is reflected in a manner similar to vault cash and due from bank balances normally shown on a correspondent bank's balance sheet. The remainder of clearing balances is assumed to be available for investment. For these purposes, the Federal Reserve assumes that all such balances are invested in three-month Treasury bills.

The account "items in the process of collection" (CIPC) represents the gross amount of Federal Reserve CIPC as of the balance sheet date, stated on a basis comparable with a commercial bank. Adjustments have been made for intra-System items that would otherwise be double-counted on a consolidated Federal Reserve balance sheet; items associated with nonpriced items, such as items collected for government agencies; and items associated with providing fixed availability or credit prior to receipt and processing of items. The cost base for providing services that must be recovered under the Monetary Control Act includes the cost of float (the difference between the value of gross CIPC and the value of deferred availability items) incurred by the Federal Reserve during the period, valued at the federal funds rate. The amount of float, or net CIPC, represents the portion of gross CIPC that involves a financing cost.

3. Long-term assets on the balance sheet have been allocated to priced services with the direct determination method, which uses the Federal Reserve's Planning and Control System (PACS) to ascertain directly the value of assets used solely in priced services operations and to apportion the value of jointly used assets between priced services and nonpriced services. Also, long-term assets include an estimate of the assets of the Board of Governors directly involved in the development of priced services.

Long-term assets include amounts for capital leases and leasehold improvements and for prepaid pension costs associated with priced services. Effective January 1, 1987, the Federal Reserve Banks implemented Financial Accounting Standards Board Statement No. 87, Employer's Accounting for Pensions.

4. A matched-book capital structure has been used for those assets that are not "self-financing" in determining liability and equity amounts. Short-term assets are financed with short-term debt. Long-term assets are financed with long-term debt and equity in a proportion equal to the ratio of long-term debt to equity for the bank holding companies used in the model for the private sector adjustment factor (PSAF).

4.32 Pro forma income statement for priced services of the Federal Reserve System[1]

Millions of dollars

Item	Quarters ending Sept. 30			
	1992		1991	
Income services provided to depository institutions[2]		189.4		182.7
Production expenses[3]		151.3		146.3
Income from operations		38.1		36.4
Imputed costs[4]				
Interest on float	4.8		6.6	
Interest on debt	4.9		4.2	
Sales taxes	2.2		2.2	
FDIC insurance	3.8	15.7	1.3	14.3
Income from operations after imputed costs		22.4		22.1
Other income and expenses[5]				
Investment income	43.8		40.6	
Earnings credits	43.0	.7	35.9	4.6
Income before income taxes		23.1		26.7
Imputed income taxes[6]		6.8		7.4
Net income		**16.3**		**19.3**
MEMO: Targeted return on equity[6]		6.5		8.4

1. The income statement reflects income and expenses for priced services. Included in these amounts are the imputed costs of float, imputed financing costs, and the income related to clearing balances.

Details may not add to totals because of rounding.

2. Income represents charges to depository institutions for priced services. This income is realized through one of two methods: direct charges to an institution's account or charges against accumulated earnings credits. Income includes charges for per-item fees, fixed fees, package fees, explicitly priced float, account maintenance fees, shipping and insurance fees, and surcharges.

3. Production expenses include direct, indirect, and other general administrative expenses of the Federal Reserve Banks for providing priced services. Also included are the expenses of staff members of the Board of Governors working directly on the development of priced services, which amounted to $0.5 million in the first quarter for 1992 and 1991.

4. Imputed float costs represent the value of float to be recovered, either explicitly or through per-item fees, during the period. Float costs include those for checks, book-entry securities, noncash collection, ACH, and wire transfers.

The following table depicts the daily average recovery of float by the Federal Reserve Banks for the first quarter of 1992. In the table, unrecovered float includes that generated by services to government agencies or by other central bank services.

Float recovered through income on clearing balances represents increased investable clearing balances as a result of reducing imputed reserve requirements through the use of a deduction for float for cash items in process of collection when calculating the reserve requirement. This income then reduces the float required to be recovered through other means.

As-of adjustments and direct charges refer to midweek closing float and interterritory check float, which may be recovered from depositing institutions through adjustments to the institution's reserve or clearing balance or by valuing the float at the federal funds rate and billing the institution directly.

Float recovered through per-item fees is valued at the federal funds rate and has been added to the cost base subject to recovery in the first quarter of 1992.

Total float	683.6
Unrecovered float	(4.0)
Float subject to recovery	687.6
Sources of float recovery	
Income on clearing balances	82.7
As of adjustments	226.8
Direct charges	121.0
Per-item fees	257.1

Also included in imputed costs is the interest on debt assumed necessary to finance priced-service assets and the sales taxes and FDIC insurance assessment that the Federal Reserve would have paid had it been a private-sector firm.

Because of a change in the methodology for imputing PSAF costs approved in 1989, FDIC insurance is now calculated on the basis of actual clearing balances and credits that are deferred to depository institutions. Previously, the assessment was calculated on the basis of available funds.

5. Other income and expenses consist of income on clearing balances and the cost of earnings credits granted to depository institutions on their clearing balances. Income on clearing balances represents the average coupon-equivalent yield on three-month Treasury bills applied to the *total* clearing balance maintained, adjusted for the effect of reserve requirements on clearing balances. Expenses for earnings credits are derived by applying the average federal funds rate to the *required* portion of the clearing balances, adjusted for the net effect of reserve requirements on clearing balances.

6. Imputed income taxes are calculated at the effective tax rate derived from a model consisting of the 50 largest bank holding companies. The targeted return on equity represents the after-tax rate of return on equity that the Federal Reserve would have earned had it been a private business firm, based on the bank holding company model.

4.33 ASSETS AND LIABILITIES Life Insurance Companies

Millions of dollars

Account	1990			1991			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Life insurance companies[1]						
1 **Assets**	**1,374,827**	**1,384,712**	**1,408,208**	n.a.	**1,505,318**	**1,538,731**	**1,579,594**
Securities							
2 Government	196,320	204,511	210,846	n.a.	241,289	252,888	262,736
3 United States[2]	169,595	177,946	183,919	n.a.	210,685	221,138	230,549
4 State and local	9,717	9,949	9,546	n.a.	11,329	11,909	12,432
5 Foreign[3]	17,008	16,616	17,381	n.a.	19,275	19,841	19,755
6 Business	698,310	699,330	711,081	n.a.	771,650	786,769	810,974
7 Bonds	563,518	578,160	582,597	n.a.	627,396	635,336	645,981
8 Stocks	134,792	121,170	128,484	n.a.	144,254	151,433	164,993
9 Mortgages	265,959	267,704	270,109	n.a.	271,674	270,094	266,737
10 Real estate	43,513	43,531	43,367	n.a.	45,934	47,164	48,077
11 Policy loans	63,665	61,422	62,603	n.a.	65,391	66,671	67,689
12 Other assets	107,060	108,214	110,202	n.a.	109,380	115,145	123,381

1. Data are no longer available on a monthly basis for life insurance companies.
2. Direct and guaranteed obligations. Excludes federal agency issues not guaranteed, which are included as "Business" securities.
3. Issues of foreign governments and their subdivisions and bonds of the International Bank for Reconstruction and Development.

Source. Estimates by 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."

Index to Statistical Tables

References are to pages A3–A83 although the prefix "A" is omitted in this index

Federal Reserve Board of Governors and Official Staff

ALAN GREENSPAN, *Chairman*
DAVID W. MULLINS, JR., *Vice Chairman*

WAYNE D. ANGELL
EDWARD W. KELLEY, JR.

OFFICE OF BOARD MEMBERS

JOSEPH R. COYNE, *Assistant to the Board*
DONALD J. WINN, *Assistant to the Board*
THEODORE E. ALLISON, *Assistant to the Board for Federal Reserve System Affairs*
LYNN S. FOX, *Special Assistant to the Board*
WINTHROP P. HAMBLEY, *Special Assistant to the Board*
BOB STAHLY MOORE, *Special Assistant to the Board*
DIANE E. WERNEKE, *Special Assistant to the Board*

LEGAL DIVISION

J. VIRGIL MATTINGLY, JR., *General Counsel*
SCOTT G. ALVAREZ, *Associate General Counsel*
RICHARD M. ASHTON, *Associate General Counsel*
OLIVER IRELAND, *Associate General Counsel*
KATHLEEN M. O'DAY, *Associate General Counsel*
MARYELLEN A. BROWN, *Assistant to the General Counsel*

OFFICE OF THE SECRETARY

WILLIAM W. WILES, *Secretary*
JENNIFER J. JOHNSON, *Associate Secretary*
BARBARA R. LOWREY, *Associate Secretary*
RICHARD C. STEVENS, *Assistant Secretary*[1]

DIVISION OF BANKING SUPERVISION AND REGULATION

RICHARD SPILLENKOTHEN, *Director*
STEPHEN C. SCHEMERING, *Deputy Director*
DON E. KLINE, *Associate Director*
WILLIAM A. RYBACK, *Associate Director*
FREDERICK M. STRUBLE, *Associate Director*
HERBERT A. BIERN, *Deputy Associate Director*
ROGER T. COLE, *Deputy Associate Director*
JAMES I. GARNER, *Deputy Associate Director*
HOWARD A. AMER, *Assistant Director*
GERALD A. EDWARDS, JR., *Assistant Director*
JAMES D. GOETZINGER, *Assistant Director*
JAMES V. HOUPT, *Assistant Director*
JACK P. JENNINGS, *Assistant Director*
MICHAEL G. MARTINSON, *Assistant Director*
ROBERT S. PLOTKIN, *Assistant Director*
RHOGER H PUGH, *Assistant Director*
SIDNEY M. SUSSAN, *Assistant Director*
MOLLY S. WASSOM, *Assistant Director*
LAURA M. HOMER, *Securities Credit Officer*

DIVISION OF INTERNATIONAL FINANCE

EDWIN M. TRUMAN, *Staff Director*
LARRY J. PROMISEL, *Senior Associate Director*
CHARLES J. SIEGMAN, *Senior Associate Director*
DALE W. HENDERSON, *Associate Director*
DAVID H. HOWARD, *Senior Adviser*
DONALD B. ADAMS, *Assistant Director*
PETER HOOPER III, *Assistant Director*
KAREN H. JOHNSON, *Assistant Director*
RALPH W. SMITH, JR., *Assistant Director*

DIVISION OF RESEARCH AND STATISTICS

MICHAEL J. PRELL, *Director*
EDWARD C. ETTIN, *Deputy Director*
WILLIAM R. JONES, *Associate Director*
THOMAS D. SIMPSON, *Associate Director*
LAWRENCE SLIFMAN, *Associate Director*
DAVID J. STOCKTON, *Associate Director*
MARTHA BETHEA, *Deputy Associate Director*
PETER A. TINSLEY, *Deputy Associate Director*
MYRON L. KWAST, *Assistant Director*
PATRICK M. PARKINSON, *Assistant Director*
MARTHA S. SCANLON, *Assistant Director*
JOYCE K. ZICKLER, *Assistant Director*
JOHN J. MINGO, *Adviser*
LEVON H. GARABEDIAN, *Assistant Director (Administration)*

DIVISION OF MONETARY AFFAIRS

DONALD L. KOHN, *Director*
DAVID E. LINDSEY, *Deputy Director*
BRIAN F. MADIGAN, *Assistant Director*
RICHARD D. PORTER, *Assistant Director*
NORMAND R.V. BERNARD, *Special Assistant to the Board*

DIVISION OF CONSUMER AND COMMUNITY AFFAIRS

GRIFFITH L. GARWOOD, *Director*
GLENN E. LONEY, *Assistant Director*
ELLEN MALAND, *Assistant Director*
DOLORES S. SMITH, *Assistant Director*

1. On loan from the Division of Information Resources Management.

JOHN P. LAWARE
LAWRENCE B. LINDSEY

SUSAN M. PHILLIPS

OFFICE OF STAFF DIRECTOR FOR MANAGEMENT

S. DAVID FROST, *Staff Director*
WILLIAM SCHNEIDER, *Special Assignment: Project Director, National Information Center*
PORTIA W. THOMPSON, *Equal Employment Opportunity Programs Officer*

DIVISION OF HUMAN RESOURCES MANAGEMENT

DAVID L. SHANNON, *Director*
JOHN R. WEIS, *Associate Director*
ANTHONY V. DIGIOIA, *Assistant Director*
JOSEPH H. HAYES, JR., *Assistant Director*
FRED HOROWITZ, *Assistant Director*

OFFICE OF THE CONTROLLER

GEORGE E. LIVINGSTON, *Controller*
STEPHEN J. CLARK, *Assistant Controller (Programs and Budgets)*
DARRELL R. PAULEY, *Assistant Controller (Finance)*

DIVISION OF SUPPORT SERVICES

ROBERT E. FRAZIER, *Director*
GEORGE M. LOPEZ, *Assistant Director*
DAVID L. WILLIAMS, *Assistant Director*

DIVISION OF INFORMATION RESOURCES MANAGEMENT

STEPHEN R. MALPHRUS, *Director*
BRUCE M. BEARDSLEY, *Deputy Director*
ROBERT J. ZEMEL, *Senior Adviser*
MARIANNE M. EMERSON, *Assistant Director*
PO KYUNG KIM, *Assistant Director*
RAYMOND H. MASSEY, *Assistant Director*
EDWARD T. MULRENIN, *Assistant Director*
DAY W. RADEBAUGH, JR., *Assistant Director*
ELIZABETH B. RIGGS, *Assistant Director*

DIVISION OF RESERVE BANK OPERATIONS AND PAYMENT SYSTEMS

CLYDE H. FARNSWORTH, JR., *Director*
DAVID L. ROBINSON, *Deputy Director (Finance and Control)*
BRUCE J. SUMMERS, *Deputy Director (Payments and Automation)*
CHARLES W. BENNETT, *Assistant Director*
JACK DENNIS, JR., *Assistant Director*
EARL G. HAMILTON, *Assistant Director*
JEFFREY C. MARQUARDT, *Assistant Director*
JOHN H. PARRISH, *Assistant Director*
LOUISE L. ROSEMAN, *Assistant Director*
FLORENCE M. YOUNG, *Assistant Director*

OFFICE OF THE INSPECTOR GENERAL

BRENT L. BOWEN, *Inspector General*
BARRY R. SNYDER, *Assistant Inspector General*

Federal Open Market Committee and Advisory Councils

FEDERAL OPEN MARKET COMMITTEE

MEMBERS

ALAN GREENSPAN, *Chairman*

E. GERALD CORRIGAN, *Vice Chairman*

WAYNE D. ANGELL
THOMAS H. HOENIG
JERRY L. JORDAN
EDWARD W. KELLEY, JR.
JOHN P. LAWARE
LAWRENCE B. LINDSEY
THOMAS C. MELZER
DAVID W. MULLINS, JR.
SUSAN M. PHILLIPS
RICHARD F. SYRON

ALTERNATE MEMBERS

EDWARD G. BOEHNE
SILAS KEEHN
ROBERT D. MCTEER, JR.
JAMES H. OLTMAN
GARY H. STERN

STAFF

DONALD L. KOHN, *Secretary and Economist*
NORMAND R.V. BERNARD, *Deputy Secretary*
JOSEPH R. COYNE, *Assistant Secretary*
GARY P. GILLUM, *Assistant Secretary*
J. VIRGIL MATTINGLY, JR., *General Counsel*
ERNEST T. PATRIKIS, *Deputy General Counsel*
MICHAEL J. PRELL, *Economist*
EDWIN M. TRUMAN, *Economist*
ANATOL B. BALBACH, *Associate Economist*
JOHN M. DAVIS, *Associate Economist*
RICHARD G. DAVIS, *Associate Economist*
THOMAS E. DAVIS, *Associate Economist*
DAVID E. LINDSEY, *Associate Economist*
ALICIA H. MUNNELL, *Associate Economist*
LARRY J. PROMISEL, *Associate Economist*
CHARLES J. SIEGMAN, *Associate Economist*
THOMAS D. SIMPSON, *Associate Economist*
DAVID J. STOCKTON, *Associate Economist*

PETER D. STERNLIGHT, *Manager for Domestic Operations, System Open Market Account*
WILLIAM J. MCDONOUGH, *Manager for Foreign Operations, System Open Market Account*

FEDERAL ADVISORY COUNCIL

RONALD G. STEINHART, *President*
TERRENCE A. LARSEN, *Vice President*

IRA STEPANIAN, First District
CHARLES S. SANFORD, JR., Second District
TERRENCE A. LARSEN, Third District
JOHN B. MCCOY, Fourth District
EDWARD E. CRUTCHFIELD, Fifth District
E.B. ROBINSON, JR., Sixth District
EUGENE A. MILLER, Seventh District
DAN W. MITCHELL, Eighth District
JOHN F. GRUNDHOFER, Ninth District
DAVID A. RISMILLER, Tenth District
RONALD G. STEINHART, Eleventh District
RICHARD M. ROSENBERG, Twelfth District

HERBERT V. PROCHNOW, *Secretary*
WILLIAM J. KORSVIK, *Associate Secretary*

CONSUMER ADVISORY COUNCIL

COLLEEN D. HERNANDEZ, Kansas City, Missouri, *Chairman*
DENNY D. DUMLER, Denver, Colorado, *Vice Chairman*

BARRY A. ABBOTT, San Francisco, California
JOHN R. ADAMS, Philadelphia, Pennsylvania
JOHN A. BAKER, Atlanta, Georgia
VERONICA E. BARELA, Denver, Colorado
MULUGETTA BIRRU, Pittsburgh, Pennsylvania
GENEVIEVE BROOKS, Bronx, New York
TOYE L. BROWN, Boston, Massachusetts
CATHY CLOUD, Washington, D.C.
MICHAEL D. EDWARDS, Yelm, Washington
GEORGE C. GALSTER, Wooster, Ohio
E. THOMAS GARMAN, Blacksburg, Virginia
DONALD A. GLAS, Hutchinson, Minnesota
DEBORAH B. GOLDBERG, Washington, D.C.
MICHAEL M. GREENFIELD, St. Louis, Missouri
JOYCE HARRIS, Madison, Wisconsin
GARY S. HATTEM, New York, New York
JULIA E. HILER, Marietta, Georgia
HENRY JARAMILLO, Belen, New Mexico
KATHLEEN E. KEEST, Boston, Massachusetts
EDMUND MIERZWINSKI, Washington, D.C.
BERNARD F. PARKER, JR., Detroit, Michigan
OTIS PITTS, JR., Miami, Florida
JEAN POGGE, Chicago, Illinois
JOHN V. SKINNER, Irving, Texas
NANCY HARVEY STEORTS, Dallas, Texas
LOWELL N. SWANSON, Portland, Oregaon
MICHAEL W. TIERNEY, Philadelphia, Pennsylvania
SANDRA L. WILLETT, Boston, Massachusetts

THRIFT INSTITUTIONS ADVISORY COUNCIL

LYNN W. HODGE, Greenwood, South Carolina, *President*
DANIEL C. ARNOLD, Houston, Texas, *Vice President*

JAMES L. BRYAN, Richardson, Texas
VANCE W. CHEEK, Johnson City, Tennessee
BEATRICE D'AGOSTINO, Somerville, New Jersey
THOMAS J. HUGHES, Merrifield, Virginia
RICHARD A. LARSON, West Bend, Wisconsin
PRESTON MARTIN, San Francisco, California
RICHARD D. PARSONS, New York, New York
THOMAS R. RICKETTS, Troy, Michigan
EDMOND M. SHANAHAN, Chicago, Illinois
WOODBURY C. TITCOMB, Worcester, Massachusetts

Federal Reserve Board Publications

For ordering assistance, write PUBLICATIONS SERVICES, MS-138, Board of Governors of the Federal Reserve System, Washington, D.C. 20551 or telephone (202) 452-3244 or FAX (202) 728-5886. *When a charge is indicated, payment should accompany request and be made payable to the Board of Governors of the Federal Reserve System. Payment from foreign residents should be drawn on a U.S. bank.*

THE FEDERAL RESERVE SYSTEM—PURPOSES AND FUNCTIONS. 1984. 120 pp.
ANNUAL REPORT.
ANNUAL REPORT: BUDGET REVIEW, 1990–91.
FEDERAL RESERVE BULLETIN. Monthly. $25.00 per year or $2.50 each in the United States, its possessions, Canada, and Mexico. Elsewhere, $35.00 per year or $3.00 each.
ANNUAL STATISTICAL DIGEST

1981.	1982. 239 pp. $ 6.50 per copy.
1982.	1983. 266 pp. $ 7.50 per copy.
1983.	1984. 264 pp. $11.50 per copy.
1984.	1985. 254 pp. $12.50 per copy.
1985.	1986. 231 pp. $15.00 per copy.
1986.	1987. 288 pp. $15.00 per copy.
1987.	1988. 272 pp. $15.00 per copy.
1988.	1989. 256 pp. $25.00 per copy.
1980–89.	1991. 712 pp. $25.00 per copy.
1990.	1991. 196 pp. $25.00 per copy.

SELECTED INTEREST AND EXCHANGE RATES—WEEKLY SERIES OF CHARTS. Weekly. $30.00 per year or $.70 each in the United States, its possessions, Canada, and Mexico. Elsewhere, $35.00 per year or $.80 each.
THE FEDERAL RESERVE ACT and other statutory provisions affecting the Federal Reserve System, as amended through August 1990. 646 pp. $10.00.
REGULATIONS OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.
ANNUAL PERCENTAGE RATE TABLES (Truth in Lending—Regulation Z) *Vol. I* (Regular Transactions). 1969. 100 pp. *Vol. II* (Irregular Transactions). 1969. 116 pp. Each volume $2.25; 10 or more of same volume to one address, $2.00 each.
Introduction to Flow of Funds. 1980. 68 pp. $1.50 each; 10 or more to one address, $1.25 each.
Federal Reserve Regulatory Service. Looseleaf; updated at least monthly. (Requests must be prepaid.)
Consumer and Community Affairs Handbook. $75.00 per year.
Monetary Policy and Reserve Requirements Handbook. $75.00 per year.
Securities Credit Transactions Handbook. $75.00 per year.
The Payment System Handbook. $75.00 per year.
Federal Reserve Regulatory Service. 3 vols. (Contains all four Handbooks plus substantial additional material.) $200.00 per year.
Rates for subscribers outside the United States are as follows and include additional air mail costs:
Federal Reserve Regulatory Service, $250.00 per year.
Each Handbook, $90.00 per year.
THE U.S. ECONOMY IN AN INTERDEPENDENT WORLD: A MULTICOUNTRY MODEL, May 1984. 590 pp. $14.50 each.
WELCOME TO THE FEDERAL RESERVE. March 1989. 14 pp.
INDUSTRIAL PRODUCTION—1986 EDITION. December 1986. 440 pp. $9.00 each.
FINANCIAL FUTURES AND OPTIONS IN THE U.S. ECONOMY. December 1986. 264 pp. $10.00 each.
FINANCIAL SECTORS IN OPEN ECONOMIES: EMPIRICAL ANALYSIS AND POLICY ISSUES. August 1990. 608 pp. $25.00 each.

CONSUMER EDUCATION PAMPHLETS

Short pamphlets suitable for classroom use. Multiple copies are available without charge.

Consumer Handbook on Adjustable Rate Mortgages
Consumer Handbook to Credit Protection Laws
A Guide to Business Credit for Women, Minorities, and Small Businesses
How to File A Consumer Credit Complaint
Series on the Structure of the Federal Reserve System
The Board of Governors of the Federal Reserve System
The Federal Open Market Committee
Federal Reserve Bank Board of Directors
Federal Reserve Banks
Organization and Advisory Committees
A Consumer's Guide to Mortgage Lock-Ins
A Consumer's Guide to Mortgage Settlement Costs
A Consumer's Guide to Mortgage Refinancing
Home Mortgages: Understanding the Process and Your Right to Fair Lending
Making Deposits: When Will Your Money Be Available?
When Your Home is on the Line: What You Should Know About Home Equity Lines of Credit

STAFF STUDIES: Summaries Only Printed in the Bulletin

Studies and papers on economic and financial subjects that are of general interest. Requests to obtain single copies of the full text or to be added to the mailing list for the series may be sent to Publications Services.

Staff Studies 1–145 are out of print.

146. THE ROLE OF THE PRIME RATE IN THE PRICING OF BUSINESS LOANS BY COMMERCIAL BANKS, 1977–84, by Thomas F. Brady. November 1985. 25 pp.
147. REVISIONS IN THE MONETARY SERVICES (DIVISIA) INDEXES OF THE MONETARY AGGREGATES, by Helen T. Farr and Deborah Johnson. December 1985. 42 pp.
148. THE MACROECONOMIC AND SECTORAL EFFECTS OF THE ECONOMIC RECOVERY TAX ACT: SOME SIMULATION RESULTS, by Flint Brayton and Peter B. Clark. December 1985. 17 pp.
149. THE OPERATING PERFORMANCE OF ACQUIRED FIRMS IN BANKING BEFORE AND AFTER ACQUISITION, by Stephen A. Rhoades. April 1986. 32 pp.
150. STATISTICAL COST ACCOUNTING MODELS IN BANKING: A REEXAMINATION AND AN APPLICATION, by John T. Rose and John D. Wolken. May 1986. 13 pp.
151. RESPONSES TO DEREGULATION: RETAIL DEPOSIT PRICING FROM 1983 THROUGH 1985, by Patrick I. Mahoney, Alice P. White, Paul F. O'Brien, and Mary M. McLaughlin. January 1987. 30 pp.
152. DETERMINANTS OF CORPORATE MERGER ACTIVITY: A REVIEW OF THE LITERATURE, by Mark J. Warshawsky. April 1987. 18 pp.
153. STOCK MARKET VOLATILITY, by Carolyn D. Davis and Alice P. White. September 1987. 14 pp.
154. THE EFFECTS ON CONSUMERS AND CREDITORS OF PROPOSED CEILINGS ON CREDIT CARD INTEREST RATES, by Glenn B. Canner and James T. Fergus. October 1987. 26 pp.
155. THE FUNDING OF PRIVATE PENSION PLANS, by Mark J. Warshawsky. November 1987. 25 pp.
156. INTERNATIONAL TRENDS FOR U.S. BANKS AND BANKING MARKETS, by James V. Houpt. May 1988. 47 pp.
157. M2 PER UNIT OF POTENTIAL GNP AS AN ANCHOR FOR THE PRICE LEVEL, by Jeffrey J. Hallman, Richard D. Porter, and David H. Small. April 1989. 28 pp.
158. THE ADEQUACY AND CONSISTENCY OF MARGIN REQUIREMENTS IN THE MARKETS FOR STOCKS AND DERIVATIVE PRODUCTS, by Mark J. Warshawsky with the assistance of Dietrich Earnhart. September 1989. 23 pp.
159. NEW DATA ON THE PERFORMANCE OF NONBANK SUBSIDIARIES OF BANK HOLDING COMPANIES, by Nellie Liang and Donald Savage. February 1990. 12 pp.
160. BANKING MARKETS AND THE USE OF FINANCIAL SERVICES BY SMALL AND MEDIUM-SIZED BUSINESSES, by Gregory E. Elliehausen and John D. Wolken. September 1990. 35 pp.
161. A REVIEW OF CORPORATE RESTRUCTURING ACTIVITY, 1980–90, by Margaret Hastings Pickering. May 1991. 21 pp.
162. EVIDENCE ON THE SIZE OF BANKING MARKETS FROM MORTGAGE LOAN RATES IN TWENTY CITIES, by Stephen A. Rhoades. February 1992. 11 pp.
163. CLEARANCE AND SETTLEMENT IN U.S. SECURITIES MARKETS, by Patrick Parkinson, Adam Gilbert, Emily Gollob, Lauren Hargraves, Richard Mead, Jeff Stehm, and Mary Ann Taylor. March 1992. 37 pp.

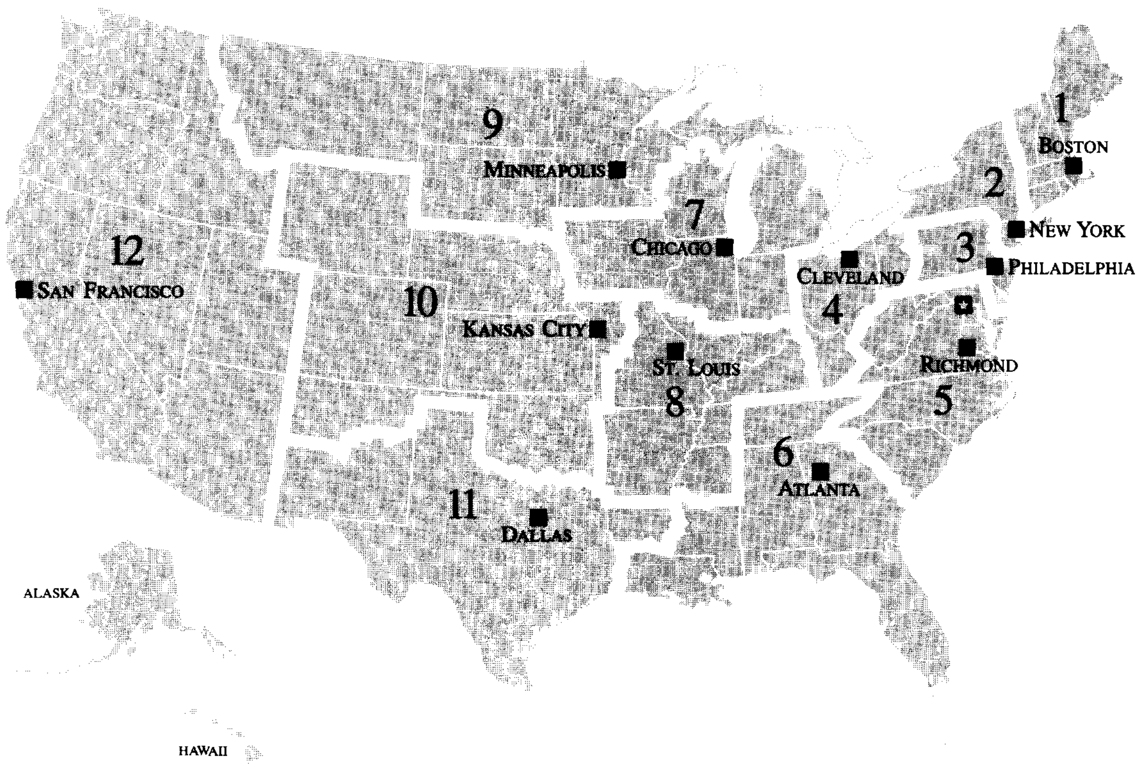
REPRINTS OF SELECTED Bulletin *ARTICLES*

Some Bulletin *articles are reprinted. The articles listed below are those for which reprints are available. Most of the articles reprinted do not exceed twelve pages.*

Limit of ten copies

Recent Developments in the Bankers Acceptance Market. 1/86.
The Use of Cash and Transaction Accounts by American Families. 2/86.
Financial Characteristics of High-Income Families. 3/86.
Prices, Profit Margins, and Exchange Rates. 6/86.
Agricultural Banks under Stress. 7/86.
Foreign Lending by Banks: A Guide to International and U.S. Statistics. 10/86.
Recent Developments in Corporate Finance. 11/86.
Measuring the Foreign-Exchange Value of the Dollar. 6/87.
Changes in Consumer Installment Debt: Evidence from the 1983 and 1986 Surveys of Consumer Finances. 10/87.
Home Equity Lines of Credit. 6/88.
Mutual Recognition: Integration of the Financial Sector in the European Community. 9/89.
The Activities of Japanese Banks in the United Kingdom and in the United States, 1980–88. 2/90.
Industrial Production: 1989 Developments and Historical Revision. 4/90.
Recent Developments in Industrial Capacity and Utilization. 6/90.
Developments Affecting the Profitability of Commercial Banks. 7/90.
Recent Developments in Corporate Finance. 8/90.
U.S. Exchange Rate Policy: Bretton Woods to Present. 11/90.
The Transmission Channels of Monetary Policy: How Have They Changed? 12/90.
Changes in Family Finances from 1983 to 1989: Evidence from the Survey of Consumer Finances. 1/92.
U.S. International Transactions in 1991. 5/92.

Maps of the Federal Reserve System



LEGEND

Both pages

■ Federal Reserve Bank city

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

Facing page

• Federal Reserve Branch city

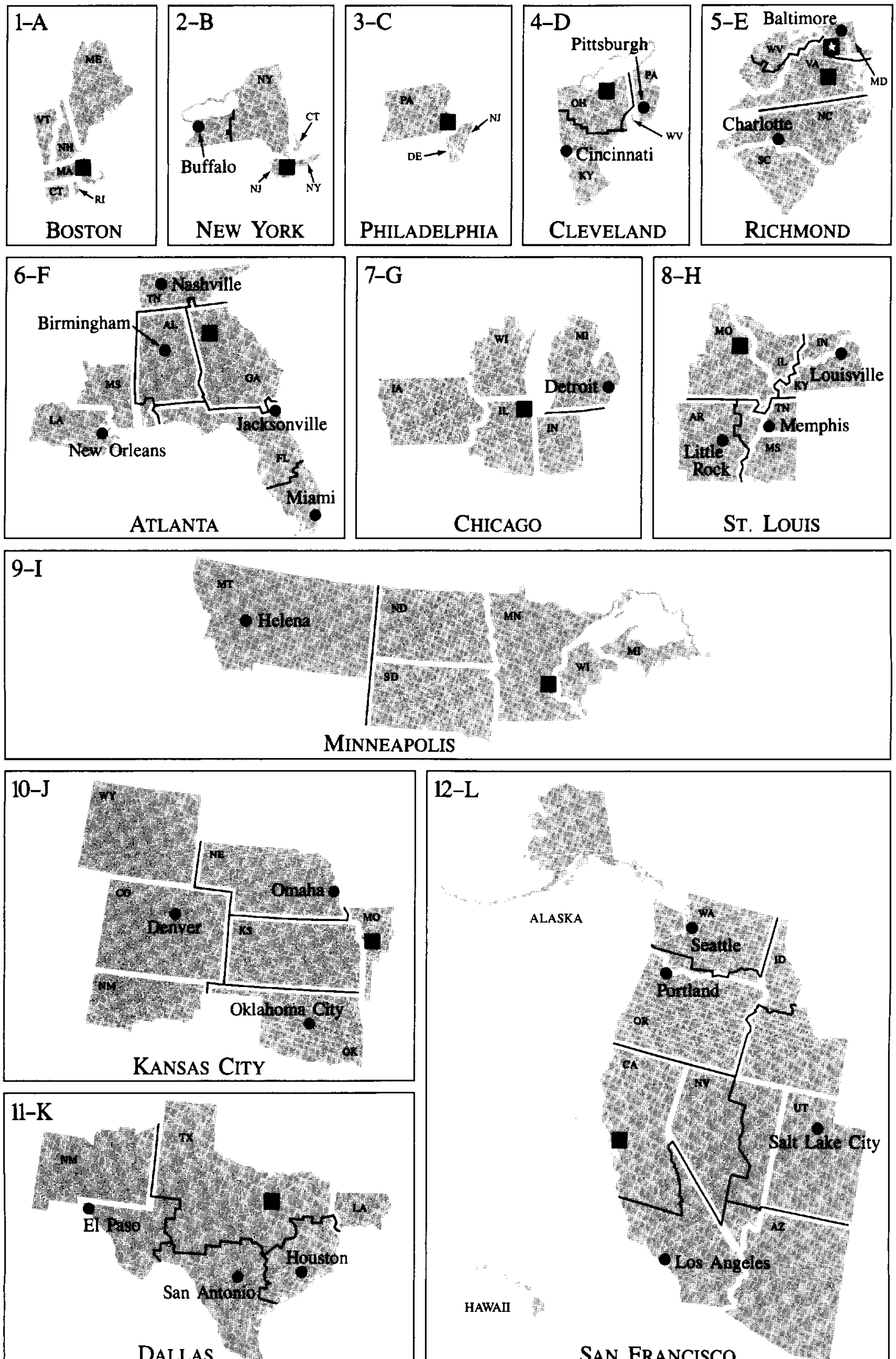
— Branch boundary

NOTE

The Federal Reserve officially identifies Districts by number and Reserve Bank city (shown on both pages) and by letter (shown on the facing page).

In the 12th District, the Seattle Branch serves Alaska, and the San Francisco Bank serves Hawaii.

The System serves commonwealths and territories as follows: the New York Bank serves the Commonwealth of Puerto Rico and the U.S. Virgin Islands; the San Francisco Bank serves American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands. The Board of Governors revised the branch boundaries of the System most recently in December 1991.


1-A
ME
VT
NH
MA
CT
RI
BOSTON
2-B
NY
CT
Buffalo
NJ
NY
NEW YORK
3-C
PA
NJ
DE
PHILADELPHIA
4-D
Pittsburgh
PA
OH
WV
Cincinnati
KY
CLEVELAND
5-E
Baltimore
WV
VA
MD
Charlotte
NC
SC
RICHMOND
6-F
Nashville
TN
Birmingham
AL
MS
GA
LA
Jacksonville
New Orleans
FL
Miami
ATLANTA
7-G
WI
MI
IA
Detroit
IL
IN
CHICAGO
8-H
MO
IN
IL
Louisville
KY
AR
TN
Memphis
Little Rock
MS
ST. LOUIS
9-I
MT
Helena
ND
MN
MI
SD
WI
MINNEAPOLIS
10-J
WY
NE
Omaha
CO
Denver
KS
MO
NM
Oklahoma City
OK
KANSAS CITY
11-K
NM
TX
LA
El Paso
Houston
San Antonio
DALLAS
12-L
ALASKA
WA
Seattle
ID
Portland
OR
CA
NV
UT
Salt Lake City
AZ
Los Angeles
HAWAII
SAN FRANCISCO

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	Richard N. Cooper Jerome H. Grossman	Richard F. Syron Cathy E. Minehan	
NEW YORK*	10045	Ellen V. Futter Maurice R. Greenberg	E. Gerald Corrigan James H. Oltman	
Buffalo	14240	Herbert L. Washington		James O. Aston
PHILADELPHIA	19105	Peter A. Benoliel Jane G. Pepper	Edward G. Boehne William H. Stone, Jr.	
CLEVELAND*	44101	John R. Miller A. William Reynolds	Jerry L. Jordan William H. Hendricks	
Cincinnati	45201	Marvin Rosenberg		Charles A. Cerino[1]
Pittsburgh	15230	Robert P. Bozzone		Harold J. Swart[1]
RICHMOND*	23219	Anne Marie Whittemore Henry J. Faison	Robert P. Black Jimmie R. Monhollon	
Baltimore	21203	John R. Hardesty, Jr.		Ronald B. Duncan[1]
Charlotte	28230	Anne M. Allen		Walter A. Varvel[1]
Culpeper Communications and Records Center	*22701*			John G. Stoides[1]
ATLANTA	30303	Edwin A. Huston Leo Benatar	Robert P. Forrestal Jack Guynn	Donald E. Nelson[1]
Birmingham	35283	Nelda P. Stephenson		Fred R. Herr[1]
Jacksonville	32231	Lana Jane Lewis-Brent		James D. Hawkins[1]
Miami	33152	Michael T. Wilson		James T. Curry III
Nashville	37203	Harold A. Black		Melvyn K. Purcell
New Orleans	70161	Victor Bussie		Robert J. Musso
CHICAGO*	60690	Richard G. Cline Robert M. Healey	Silas Keehn Daniel M. Doyle	
Detroit	48231	J. Michael Moore		Roby L. Sloan[1]
ST. LOUIS	63166	H. Edwin Trusheim Robert H. Quenon	Thomas C. Melzer James R. Bowen	
Little Rock	72203	James R. Rodgers		Karl W. Ashman
Louisville	40232	Daniel L. Ash		Howard Wells
Memphis	38101	Seymour B. Johnson		Ray Laurence
MINNEAPOLIS	55480	Delbert W. Johnson Gerald A. Rauenhorst	Gary H. Stern Thomas E. Gainor	
Helena	59601	J. Frank Gardner		John D. Johnson
KANSAS CITY	64198	Burton A. Dole, Jr. Herman Cain	Thomas M. Hoenig Henry R. Czerwinski	
Denver	80217	Barbara B. Grogan		Kent M. Scott
Oklahoma City	73125	Ernest L. Holloway		David J. France
Omaha	68102	Sheila Griffin		Harold L. Shewmaker
DALLAS	75222	Leo E. Linbeck, Jr. Henry G. Cisneros	Robert D. McTeer, Jr. Tony J. Salvaggio	
El Paso	79999	Alvin T. Johnson		Sammie C. Clay
Houston	77252	Judy Ley Allen		Robert Smith, III[1]
San Antonio	78295	Roger R. Hemminghaus		Thomas H. Robertson
SAN FRANCISCO	94120	James A. Vohs Robert F. Erburu	Robert T. Parry Patrick K. Barron	
Los Angeles	90051	Donald G. Phelps		John F. Moore[1]
Portland	97208	William A. Hilliard		Leslie R. Watters
Salt Lake City	84125	Gary G. Michael		Andrea P. Wolcott
Seattle	98124	George F. Russell, Jr.		Gordon Werkema[1]

*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.

1. Senior Vice President.