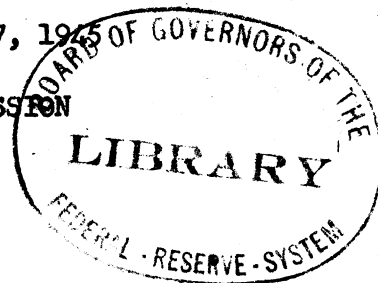


SECURITIES AND EXCHANGE COMMISSION
Philadelphia



STATISTICAL SERIES
Release No. 751

VOLUME AND COMPOSITION OF INDIVIDUALS' SAVING, JAN.-MAR. 1945

The Securities and Exchange Commission today made public its quarterly analysis of the volume and composition of saving by individuals ^{1/} in the United States covering the first quarter of 1945. Total liquid saving during this quarter amounted to \$8.4 billion ^{2/}, a considerably lower rate than the record high of the last quarter of 1944. This decline was mainly attributable to the heavy income tax payments made during this quarter including approximately \$1.5 billion of fourth quarter 1944 taxes, payment of which was postponed to January 1945.

During the first three months of 1945, individuals added \$4.9 billion to their currency and bank deposits, \$1.4 billion to their holdings of U. S. Government securities, \$1.0 billion to their equity in government insurance, and \$900 million to their equity in private insurance, mostly life insurance. They also paid off \$200 million of consumer indebtedness other than mortgages. At the same time they reduced their holdings of corporate securities by \$300 million.

The \$4.9 billion increase in cash and deposits was at a somewhat lower rate than in the previous quarter. In spite of the heavy tax payments which showed their effect on total liquid saving, time and savings deposits increased by the record amount of \$2.3 billion, a continuation of the trend established in 1944. Individuals' demand deposits increased \$2.1 billion, about the same rate as in the last quarter of 1944. Currency showed a much smaller increase of approximately \$500 million, reflecting seasonal factors. In the absence of a War Loan Drive, the \$1.4 billion of saving in the form of U. S. Government securities was substantially less than in the preceding quarter.

Of the remaining components of individuals' saving in the first quarter of 1945, private and Government insurance continued to grow at the same high rate as in prior quarters. Individuals also showed the first liquidation of consumer debt for close to a year, largely as a reflection of seasonal factors. The \$300 million decrease in holdings of corporate securities was due for the most part to the substantial debt retirement by corporations.

The above discussion of individuals' saving is based on data presented in the following table.

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- 1/ In this analysis individuals' saving includes unincorporated business saving of types specified in the attached table. Corporate and Government saving are not included. The change in individuals' equity in Government insurance is, however, considered as part of individuals' saving.
 - 2/ This does not reflect the increase in inventories of unincorporated business (net of the change in notes and accounts payable). Although the amount of this increase is not known, it is believed to have been in the neighborhood of \$100 million in the first quarter of 1945.

Gross Saving by Individuals in the United States ^{1/}
1940 - 1945

(Billions of dollars)

	1940	1941	1942	1943	1944	1944				1945
						Jan.- March	Apr.- June	July- Sept.	Oct.- Dec.	Jan.- March
Gross Saving	15.3	24.3	38.7	45.4	47.9	11.0	10.7	12.3	14.0	10.2
Liquid Saving ^{2/}	4.0	10.4	29.5	37.8	40.0	9.2	8.7	10.3	11.8	8.4
Gross Saving by Type										
1. Currency and bank deposits	+ 3.0	+ 4.9	+11.4	+15.3	+16.9	+ 2.1	+ 3.3	+ 6.2	+ 5.4	+ 4.9
2. Savings and loan associations	+ .2	+ .4	+ .3	+ .6	+ .9	+ .2	+ .2	+ .2	+ .3	+ .2
3. Insurance and pension reserves										
a. Private insurance	+ 1.7	+ 2.1	+ 2.5	+ 3.1	+ 3.4	+ .9	+ .8	+ .7	+ 1.0	+ .9
b. Government insurance	+ 1.2	+ 1.8	+ 2.4	+ 3.8	+ 4.4	+ 1.0	+ 1.1	+ 1.2	+ 1.1	+ 1.0
c. Total	+ 2.9	+ 3.8	+ 4.9	+ 6.9	+ 7.8	+ 1.9	+ 1.9	+ 1.9	+ 2.1	+ 1.9
4. Securities ^{3/}										
a. U.S. Savings bonds	+ .9	+ 2.8	+ 8.0	+11.1	+11.8	+ 3.9	+ 2.6	+ 2.3	+ 3.0	+ 1.4
b. Other U.S. Government	- .4	+ .8	+ 1.9	+ 2.7	+ 3.6	+ 1.1	+ 1.2	- .1	+ 1.5	0
c. State and local governments	- .1	- .2	- .1	+ .2	- .1	- .1	0	0	0	0
d. Corporate and other	- .5	- .5	+ .3	- .2	- .6	- .1	- .4	- .1	0	- .3
e. Total	- .2	+ 2.9	+10.1	+13.8	+14.7	+ 4.7	+ 3.4	+ 2.1	+ 4.5	+ 1.1
5. Non-farm dwellings										
a. Purchases ^{4/}	+ 2.5	+ 3.0	+ 1.6	+ 1.0	+ .8	+ .2	+ .2	+ .2	+ .2	+ .1
b. Change in debt	+ .9	+ .9	+ .1	- .3	0	- .1	0	+ .1	0	- .1
c. Saving (a. minus b.)	+ 1.7	+ 2.1	+ 1.5	+ 1.3	+ .8	+ .3	+ .2	+ .1	+ .2	+ .2
6. Automobiles and other durable consumers' goods ^{5/}	+ 8.8	+10.8	+ 7.6	+ 6.6	+ 7.2	+ 1.6	+ 1.8	+ 1.8	+ 2.0	+ 1.7
7. Liquidation of debt, not elsewhere classified ^{6/}	- 1.1	- .6	+ 2.9	+ 1.0	- .3	+ .3	- .2	0	- .4	+ .2

^{1/} Includes unincorporated business saving of the types specified. Does not include corporate or government saving.

^{2/} Gross saving excluding purchases of homes as well as of automobiles and other durable consumers' goods.

^{3/} Does not include net purchases by brokers and dealers or by other individuals financed by bank loans.

^{4/} New construction of one- to four-family non-farm homes less net acquisition of properties by non-individuals.

^{5/} Purchases. Based on revised Department of Commerce data. The figures shown above include all new passenger cars sold in the United States.

^{6/} Largely attributable to purchases of automobiles and other durable consumers' goods, although including some debt arising from purchases of consumption goods. The other segments of individuals' debt have been allocated to the assets to which they pertain, viz., saving in savings and loan associations, insurance, securities and homes.

Note: Figures are rounded and will not necessarily add to totals.

The foregoing data have been compiled by the Commission from many different sources. Because of the nature of the figures, current data are necessarily estimates and, therefore, are subject to revision.