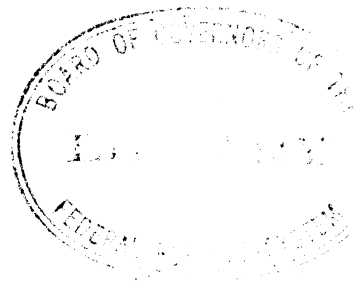


SECURITIES AND EXCHANGE COMMISSION
Washington 25, D. C.



STATISTICAL SERIES
Release No. 1096

VOLUME AND COMPOSITION OF INDIVIDUALS' SAVING, JAN.-MARCH, 1952 ^{1/}

In the first quarter of 1952 individuals saved \$2.7 billion in liquid form, according to the quarterly estimates made public today by the Securities and Exchange Commission. This rate of saving, although lower than in the last three quarters of 1951, was higher than in any first quarter of the post-war period.

During the first three months of this year, individuals made net purchases of securities amounting to \$2.1 billion, added \$2.2 billion to their equity in insurance, and \$700 million to their equity in savings and loan associations. Following the usual seasonal pattern for the first quarter, they also repaid \$1.1 billion of consumer debt. At the same time, individuals reduced their holdings of currency and bank deposits by \$2.3 billion and increased their mortgage debt by \$1.2 billion.

Insurance and government pension reserves again constituted the largest form of liquid saving in the first quarter of this year. Private insurance increased \$1.2 billion about the same amount as in the fourth quarter of 1951. Government insurance and pension reserves (Social Security, etc.) rose by \$1.0 billion.

Corporate stocks and bonds constituted the most important component of total individuals' saving in the form of securities in the first quarter, net purchases of such securities amounting to \$1.0 billion. ^{2/} This was the same as in the preceding quarter, and compared with \$700 million in the first quarter of 1951. The substantial net purchases of securities this year reflect the large volume of funds raised in the capital market by corporations to assist in their current expansion programs, still at record levels. Net purchases of stock issues amounted to \$800 million, slightly higher than in the preceding quarter and contrasting with only \$200 million net purchases of preferred and common stock issues in the first quarter of 1951. While the volume of corporate and miscellaneous debt issues, net of retirements, continued to be high, totalling \$1.1 billion, all but \$200 million was absorbed by institutional investors.

Individuals made the largest net purchases of United States Government securities since the first quarter of 1949, total investments rising by \$900 million of which \$100 million was U. S. Savings Bonds and \$800 million other U. S. Government obligations. In the corresponding quarter of 1951 individuals reduced their holdings of Savings Bonds by \$200 million, but purchased about the same amount of other U. S. Government securities. In addition, individuals absorbed \$200 million of state and local government securities in the first quarter.

The \$2.3 billion reduction in individuals' holdings of currency and deposits resulted from declines of \$3.0 billion in demand deposits and \$300 million in currency, offset in part by a \$1.0 billion increase in time and savings deposits. The sharp decline in demand deposits reflected a transfer of funds into securities investments as well as seasonal influences such as income tax payments and the repayment of consumer debt.

- ^{1/} Individuals' saving in addition to personal holdings, covers saving of unincorporated business, trust and pension funds and nonprofit institutions in the forms specified. Liquid saving comprises saving in the form of currency and bank deposits, equity in savings and loan associations, private and government insurance, securities, and repayment of mortgage debt and other consumer debt.
- ^{2/} Including a small amount of foreign and miscellaneous securities.

Saving by Individuals in the United States ^{1/}

1940 - 1952

(Billions of dollars)

Type of Saving	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	1950	1951	1951				1952
													Jan.- Mar.	Apr.- June	July- Sept.	Oct.- Dec.	Jan.- Mar.
1. Currency and bank deposits	2.9	4.8	11.0	16.2	17.5	19.1	10.6	2.0	- 1.8	- 1.3	4.2	5.8	- 2.2	0.2	4.1	3.7	- 2.3
2. Savings and loan associations	0.2	0.4	0.3	0.6	0.8	1.1	1.2	1.2	1.2	1.5	1.5	2.1	0.3	0.6	0.4	0.7	0.7
3. Insurance	3.1	4.0	5.0	6.8	8.2	8.6	7.0	7.1	7.3	6.1	5.2	8.0	2.0	2.0	2.0	2.1	2.2
a. Private	1.8	2.1	2.5	2.8	3.2	3.5	3.4	3.6	3.7	3.7	3.9	4.2	1.1	0.9	1.0	1.2	1.2
b. Government	1.3	1.9	2.6	3.9	5.0	5.1	3.5	3.5	3.6	2.3	1.3	3.8	0.9	1.1	1.0	0.9	1.0
4. Securities ^{2/}	- 0.2	2.8	10.2	13.8	15.0	9.4	0.9	3.5	3.2	2.8	0.7	3.5	0.7	1.6	0.2	1.1	2.1
a. U. S. savings bonds	0.9	2.8	8.0	11.1	11.8	6.9	0.9	1.8	2.1	1.5	0.6	- 0.4	- 0.2	- 0.2	- 0.1	0.1	0.1
b. Other U.S. Government ^{3/}	- 0.4	0.7	2.4	3.0	3.9	3.6	- 0.4	0.5	- 1.5	- 0.4	- 1.5	- 0.2	0.2	0.1	- 0.1	- 0.4	0.8
c. State and local government	- 0.5	- 0.3	- 0.2	- 0.1	(*)	- 0.2	- 0.2	0.4	1.1	0.5	0.5	0.8	0.1	0.5	(*)	0.3	0.2
d. Corporate and other	- 0.2	- 0.4	0.1	- 0.2	- 0.7	- 0.9	0.7	0.9	1.5	1.1	1.2	3.3	0.7	1.1	0.5	1.0	1.0
5. Liquidation of mortgage debt ^{4/}	- 1.0	- 0.8	- 0.1	0.4	0.1	- 0.2	- 3.7	- 4.5	- 4.6	- 3.8	- 7.0	- 5.7	- 1.4	- 1.6	- 1.4	- 1.3	- 1.2
6. Liquidation of debt not elsewhere classified ^{5/}	- 1.2	- 1.0	3.3	1.3	- 0.2	- 0.8	- 3.3	- 3.4	- 2.5	- 2.3	- 3.2	- 0.4	0.8	0.2	- 0.1	- 1.3	1.1
7. Total Liquid Saving	4.0	10.3	29.7	39.0	41.4	37.0	12.6	6.0	2.8	2.9	1.5	13.4	0.1	3.0	5.3	5.0	2.7
8. Nonfarm dwellings ^{6/}	3.4	3.9	2.0	1.2	1.0	1.2	4.1	6.2	8.5	8.1	12.6	11.5	2.7	2.9	3.0	2.8	2.3
9. Other durable consumers' goods ^{7/}	7.9	9.8	7.1	6.8	7.1	8.5	16.6	21.4	22.9	23.9	29.2	26.8	6.9	6.3	6.2	7.4	5.5
10. Total Gross Saving (7+8+9)	15.2	23.9	38.8	47.0	49.6	46.7	33.4	33.5	34.1	34.9	43.2	51.7	9.8	12.2	14.5	15.2	10.5

^{1/} Includes unincorporated business saving of the types specified.

^{2/} After deducting change in bank loans made for the purpose of purchasing or carrying securities.

^{3/} Includes Armed Forces Leave bonds.

^{4/} Mortgage debt to institutions on one-to four-family nonfarm dwellings.

^{5/} 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 and securities.

^{6/} Construction of one-to four-family nonfarm dwellings less net acquisition of properties by non-individuals; also includes a small amount of construction of nonprofit institutions.

^{7/} Consumer expenditures on durable goods as estimated by the Department of Commerce.

NOTE: Figures are rounded and will not necessarily add to totals. Asterisk (*) indicates less than \$50 million. 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.