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UNITED STATES
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STATISTICAL SERIES

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VOLUME AND COMPOSITION OF INDIVIDUALS' SAVING, JANUARY-MARCH, 1967.

Individuals' net increase in financial savings amounted to \$10.2 billion during the first quarter of 1967, according to estimates made public today by the Securities and Exchange Commission. This was a first quarter record and nearly twice as large as in the comparable 1966 period.

The pattern of individuals' saving shifted materially from that of early last year. Direct holdings of securities were reduced somewhat in contrast to large net acquisition in the first quarter last year, and net addition to savings in depository institutions were made in sharply larger volume. These shifts appear to reflect in large part a reaction to the severe strains evident in the nation's credit markets last year.

The \$6.1 billion net increase in time and savings deposits at banks (both commercial and mutual savings banks) was nearly twice as great as last year. Saving shares at savings and loan associations and credit unions increased \$2.5 billion during the quarter, \$1 billion more than the net inflow a year earlier. Moreover, while holdings of currency and demand deposits declined seasonally, the \$0.6 billion drop this year compares with a \$4.6 billion reduction in the January-March period of last year.

Individuals' ownership of U.S. Government and Federal agency marketable securities was reduced by \$0.9 billion in contrast to substantial net acquisitions during early 1966. Individuals also reduced their portfolio of tax-exempt securities during the quarter while adding corporate debt issues to their holdings. The addition of corporate debt issues probably reflects the substantial volume of new convertible debentures issued by corporations during the period. There was a \$2.7 billion reduction in individuals' stock holdings, other than investment company issues. Net purchases of the latter issues reached \$1.3 billion, a January-March total exceeded only in 1966.

Equity in private insurance and pension reserves increased \$3.6 billion, \$0.6 billion more than the growth during the first quarter of 1966, with private noninsured pension funds accounting for most of the increase.

Individuals' indebtedness, an offset to saving, rose \$0.6 billion, the smallest increase in six years. Consumer debt declined \$1.6 billion as a decline in automobile credit accompanied the seasonal decline in charge account credit. Mortgage debt on one-to-four-family homes rose \$2.4 billion, the smallest expansion since 1958.

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Other Concepts of Saving

There are other concepts of individuals' saving with different degrees of coverage currently in use. The personal saving estimate of the Department of Commerce is derived as the difference between personal income (after taxes) and expenditures. The Federal Reserve Board's flow-of-funds system of accounts includes estimates of gross saving and net financial investment of households. A comparison of the Securities and Exchange Commission estimates and the Department of Commerce series appears in the July issue of the Department's Survey of Current Business. The Commission's Statistical Bulletin will present a revised comparison later this year.

SAVING BY INDIVIDUALS IN THE UNITED STATES 1/

1963 - 1967

(Billions of dollars)

Type of Saving	1963	1964	1965	1966	1965 Oct.- Dec.	1966				1967 Jan.- Mar.
						Jan.- Mar.	Apr.- June	July- Sept.	Oct.- Dec.	
1. Currency and demand deposits.....	6.8	7.0	10.0	-3.3	7.1	-4.6	.3	.4	.5	-.6
2. Time and saving deposits.....	11.6	12.3	15.3	12.0	3.4	3.2	2.1	3.6	3.2	6.1
3. Savings shares 2/.....	11.7	11.3	9.3	4.4	3.3	1.4	1.0	-.6	2.6	2.5
4. Securities.....	1.6	7.0	4.9	15.7	.6	4.9	3.7	4.5	2.6	-1.9
a. U.S. savings bonds										
(1) Series E & H.....	1.6	1.2	.9	1.0	.3	.2	.3	.2	.3	.3
(2) Other.....	-.4	-.3	-.2	-.4	*	-.1	-.1	-.1	-.1	-.1
b. Other U.S. Government 3/.....	.7	3.3	1.8	9.5	-.2	4.0	.8	3.4	1.3	-.9
c. State and local government.....	1.8	2.4	2.4	3.6	1.1	.2	1.4	.4	1.7	-.7
d. Corporate and other.....	-2.1	.4	.1	2.0	-.5	.6	1.4	.7	-.6	-.5
(1) Bonds and notes.....	.5	.9	2.3	2.6	.2	.8	.7	.8	.3	.8
(2) Investment company shares 4/.....	1.6	2.0	2.1	4.5	.6	1.6	.9	.8	1.2	1.3
(3) Other preferred and common stock.....	-4.3	-2.5	-4.4	-5.1	-1.3	-1.8	-.3	-.9	-2.1	-2.7
5. Private insurance and pension reserves.....	10.7	11.7	13.0	12.3	3.9	3.0	2.7	2.8	3.7	3.6
a. Insurance reserves.....	4.5	4.8	5.3	4.4	1.7	1.3	.9	.9	1.2	1.4
b. Insured pension reserves.....	1.7	2.0	2.1	2.2	.5	.6	.6	.6	.6	.6
c. Noninsured pension reserves 5/.....	4.5	4.9	5.6	5.8	1.7	1.2	1.3	1.3	1.9	1.6
6. Government insurance and pension reserves 6/....	4.0	4.6	5.0	5.0	1.3	1.1	1.2	1.3	1.3	1.1
7. Increase in debt (8+9+10).....	22.1	22.2	24.4	20.1	9.2	3.7	5.9	3.2	7.3	.6
8. Mortgage debt 7/.....	14.9	15.6	15.4	13.4	4.4	4.5	3.0	2.8	3.1	2.4
9. Consumer debt 8/.....	6.3	6.5	9.0	6.2	3.4	-.4	2.6	1.6	2.5	-1.6
10. Securities loans 9/.....	.9	.1	*	.5	1.5	-.4	.3	-1.1	1.6	-.2
11. Net financial saving (1-2+3+4+5+6-7).....	24.3	31.7	33.1	26.0	10.3	5.5	5.1	8.8	6.7	10.2

* Indicates less than \$50 million.

1/ Includes unincorporated business saving of the types specified. 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.

2/ Includes shares in savings and loan associations and shares and deposits in credit unions.

3/ Includes nonguaranteed Federal agency securities.

4/ Includes closed-end investment companies as well as mutual funds.

5/ In addition to corporate funds, includes reserves of nonprofit organizations and multi-employer plans.

6/ Includes civil service, railroad retirement and state and local retirement funds.

7/ Mortgage debt to institutions on one-to-four-family nonfarm dwellings.

8/ Consumer debt owed to corporations. Policy loans on life insurance have been deducted from that item of saving.

9/ Change in bank loans to brokers and dealers and others made for the purpose of purchasing or carrying securities.