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STATISTICAL SERIES

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VOLUME AND COMPOSITION OF INDIVIDUALS' SAVING
FIRST QUARTER, 1969

In the first quarter of 1969, individuals' saving amounted to \$13.7 billion, according to estimates released today by the Securities and Exchange Commission. This was less than both the previous quarter's \$20.9 billion and the first quarter 1968 saving of \$14.4 billion. The individuals' sector comprises households, private trust funds, nonprofit institutions, farms, and other noncorporate businesses. In the Securities and Exchange Commission's definition, individuals' saving equals net investment in tangible assets plus change in financial assets less increase in debt.

Increase in Financial Assets

Saving through financial assets totaled \$8.5 billion in the first quarter compared to \$22.5 billion in the previous quarter and \$12.1 billion a year earlier. Currency and demand deposits held by individuals were reduced by \$6.9 billion in January-March. This decline was \$2.7 billion more than in the first quarter of 1968. The first quarter increase in saving accounts was \$7.2 billion, somewhat less than the previous quarter and about equal to the average quarter growth of saving accounts during 1968.

Individuals added \$3.0 billion of securities to their portfolios during January-March -- equal to the first quarter of 1968, but a considerable change from the \$2.0 billion securities disinvestment in the previous quarter. Net purchases of municipal securities were \$2.3 billion compared to \$1.4 billion during the entire year 1968. During the first three months of this year yields on state and local obligations rose considerably more than yields on other securities. This large yield increase was associated with a substantial decline in net acquisitions of municipals by banks. In the Government security sector, individuals reduced their holdings of savings bonds by \$100 million but increased their holdings of 'other' U. S. Government issues by \$400 million. The net increase of \$300 million compares with a \$1.3 billion increase in the comparable quarter of 1968, and a decrease of \$800 million in the last quarter of 1968. Individuals increased their holdings of corporate and foreign bonds by \$1.4 billion in the first quarter compared to \$1.0 billion in the previous quarter and \$500 million a year earlier. In contrast, individuals liquidated \$2.2 billion of stock, other than investment company shares, less than half that of the fourth quarter 1968. Net acquisitions of investment company shares totaled \$1.2 billion, slightly below the average 1968 quarterly accumulation. Miscellaneous financial assets were decreased by \$400 million and reserves of insurance and pension funds were little changed from the fourth quarter of 1968.

At \$7.1 billion, the increase in net investment in tangible assets was considerably lower than the \$11.7 billion increase in the previous quarter. Seasonally influenced decreases occurred in net investment in both nonfarm homes and consumer durables.

Increase in Debt

Individuals' debt rose only \$1.8 billion in the first quarter -- an unusually low amount as compared to recent years. A portion of the quarter-to-quarter change can be attributed to seasonal factors. The increase in mortgage debt on nonfarm homes of \$3.7 billion was equal to the increase in the first quarter of 1968. Mortgage debt of noncorporate business likewise increased by about the same amount as in the first period of 1968.

Consumer credit decreased by \$1.6 billion during the January-March quarter compared to an increase of \$5.6 billion in the fourth quarter. Security credit decreased by \$1.3 billion as contrasted to a \$1.4 billion increase in the previous quarter. Other debt also resulted in a net liquidation of minus \$800 million.

VOLUME AND COMPOSITION OF INDIVIDUALS' SAVING (Billions of dollars)

	1965	1966	1967	1968	1968				1969 1Q
					1Q	2Q	3Q	4Q	
					Unadjusted Quarterly				
1 Increase in financial assets.....	55.0	51.6	63.5	68.9	12.1	16.0	18.4	22.5	8.5
2 Currency and demand deposits.....	7.2	1.9	12.5	14.9	-4.2	2.3	7.2	9.7	-6.9
3 Savings accounts.....	26.5	19.2	32.4	27.6	8.1	5.4	6.3	7.8	7.2
4 Securities.....	3.1	10.9	-3.4	2.1	3.1	1.4	-3	-2.1	3.0
5 U.S. Savings bonds.....	.6	.6	.9	.4	.1	.1	.2	.1	-.1
6 Other U.S. Government securities.....	2.3	7.4	-1.7	2.7	1.2	1.7	.8	-.9	.4
7 State & local obligations.....	2.1	2.2	*	1.4	.4	.2	-.1	.9	2.3
8 Corporate & foreign bonds.....	-.3	1.2	1.6	3.9	.5	1.5	.8	1.0	1.4
9 Investment company shares.....	3.1	3.7	2.8	5.7	1.8	1.2	1.2	1.4	1.2
10 Other corporate stock.....	-4.8	-4.2	-6.9	-12.0	-1.0	-3.3	-3.2	-4.6	-2.2
11 Miscellaneous financial assets.....	1.8	1.7	2.9	3.8	.5	1.3	.4	1.6	-.4
12 Private life insurance reserves.....	4.7	4.5	4.6	4.7	1.2	1.2	1.2	1.2	1.2
13 Private insured pension reserves.....	2.1	2.1	2.2	2.6	.6	.6	.7	.7	.7
14 Private noninsured pension reserves.....	4.9	6.2	6.3	7.8	1.7	1.6	1.9	2.5	2.5
15 Government insurance & pension reserves...	4.8	5.1	5.9	5.4	1.1	2.2	1.0	1.1	1.2
16 Gross investment in tangible assets.....	108.7	110.5	112.0	128.8	28.3	33.1	32.1	35.3	31.3
17 Nonfarm homes.....	22.9	21.5	20.3	25.3	5.8	6.0	6.6	7.0	6.4
18 Noncorporate business construction and equipment.....	17.8	17.8	18.4	19.5	3.9	5.5	5.1	4.9	4.5
19 Consumer durables.....	66.3	70.5	72.6	82.5	17.6	21.0	20.7	23.2	19.4
20 Inventories.....	1.7	.7	.6	1.4	.9	.5	-.2	.3	1.0
21 Capital consumption allowances.....	75.1	80.2	86.6	93.0	22.7	23.1	23.6	23.6	24.2
22 Nonfarm homes.....	7.1	7.4	7.8	8.2	2.0	2.0	2.1	2.1	2.1
23 Noncorporate business plant & equipment...	16.4	17.2	18.2	19.2	4.7	4.8	4.8	4.9	5.0
24 Consumer durables.....	51.5	55.6	60.6	65.6	16.0	16.3	16.7	16.6	17.1
25 Net investment in tangible assets (16-21)...	33.7	30.3	25.4	35.7	5.6	9.9	8.6	11.7	7.1
26 Nonfarm homes.....	15.8	14.1	12.5	17.1	3.8	4.0	4.5	4.9	4.3
27 Noncorporate business construction and equipment.....	1.4	.6	.2	.2	-.8	.8	.3	-.1	-.5
28 Consumer durables.....	14.8	14.9	12.1	16.9	1.6	4.7	4.0	6.6	2.4
29 Inventories.....	1.7	.7	.6	1.4	.9	.5	-.2	.3	1.0
30 Increase in debt.....	41.2	33.3	34.0	47.3	3.3	17.9	13.0	13.2	1.8
31 Mortgage debt on nonfarm homes.....	16.1	11.4	10.9	15.4	3.7	3.5	3.8	4.3	3.7
32 Noncorporate business mortgage debt.....	6.4	6.4	6.1	6.6	1.4	1.9	1.6	1.7	1.5
33 Consumer credit.....	9.4	6.9	4.4	11.1	-1.2	3.6	3.0	5.6	-1.6
34 Security credit.....	.8	-.2	3.3	2.2	-1.0	1.3	.5	1.4	-1.3
35 Policy loans.....	.6	1.5	1.0	1.3	.3	.4	.3	.3	.3
36 Other debt.....	7.9	7.3	8.2	10.9	*	7.2	3.8	*	-.8
37 Individual Saving (1+25-30).....	47.4	48.6	54.9	57.3	14.4	8.0	14.0	20.9	13.7

* Less than \$50 million.