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November 21, 1957

CAPITAL MARKET DEVELOPMENTS

(Including Monthly Review of Sources and Uses
of Funds of Financial Intermediaries)

The volume of public security financing continues to be substantial. Last week, corporations sold large issues totaling \$103 million and State and local governments offered issues with aggregate proceeds of \$155 million. The calendar for this week includes corporate offerings totaling \$195 million and State and local government issues amounting to \$109 million. Another State and local government issue originally scheduled for sale this week was postponed indefinitely, when the New York State Thruway Authority rejected the only bid received (naming a 3.45 per cent net interest cost) for its Aaa-rated bonds.

Bond yields - Changes in yields on outstanding bonds were mixed last week. Yields on Baa-rated corporate and State and local government bonds increased slightly, while the corporate Aaa's remained stable and yields on U. S. Government obligations and State and local government Aaa's declined.

Since the change in the discount rate, bond yields have declined sharply. For example, corporate Aaa yields through Tuesday of this week had declined five basis points and the decline for the Baa's was three points. The decline in yields was 16 basis points for the U. S. Government (old series) and 8 points for new series bonds from Thursday to this Tuesday. There are no daily figures available for the yields on State and local government bonds. Over the week ending last Thursday, Moody's composite series went up 2 basis points. For the week ending Friday, the Dow Jones municipal bond yield series dropped eight basis points.

Declining yields on new corporate issues also reflect changed market interpretation of credit conditions. An Aa-rated, first mortgage public utility bond issue was offered to investors on Wednesday (November 20) to yield 4.82 per cent -- 4 basis points below that for the last comparable issue, an offering made on November 8. (The earlier issue, however, carried a 5-year, no-call provision, whereas the issue this week had no such restriction.) The next day, November 21, another Aa-rated utility issue was offered to the public to yield 4.65 per cent -- 17 basis points below the yield for the previous comparable offering.

Stock market credit - Customer credit in the stock market (excluding that extended on U. S. Government securities) declined substantially during October, reaching a level of \$3,643 million at the end of the month. This is the smallest amount outstanding since February 1955. The decline of \$239 million occurred largely in net debit balances. Borrowing by member firms of the NYSE maintaining margin accounts (except borrowings on U. S. Government securities) declined sharply during October, principally in borrowing on customer collateral. Customers' net free credit balances increased, totaling \$879 million at the end of the month. These and other data on stock market credit for October and September are shown in the following table.

	End of month		Change
	Oct.	Sept.	
	(Millions of dollars)		
Customer credit			
Excluding U.S. Govt. securities - total	3,643	3,882	-239
Net debit balances	2,568	2,789	-221
Bank loans to "others"	1,075	1,093	- 18
Net debit balances secured by U.S. Govt. securities	39	35	+ 4
Bank loans to others for purchasing or carrying U.S. Government securities	31	21	+ 10
Broker and dealer credit			
Money borrowed except on U.S. Govt. securities	1,708	2,046	-338
On customer collateral	1,520	r/1,800	-280
Money borrowed on U.S. Government securities	72	63	+ 9
Customers' net free credit balances	879	838	+ 41

r/ Revised.

Stock prices - The Standard and Poor's index of 500 common stock increased slightly last week, closing at 40.37 on November 15. Daily figures for the first three days of this week indicate a decline on balance in prices with the index reaching a level of 39.92 on Wednesday.

Institutional investors - Over the first nine months of this year, the combined growth in savings at three major savings institutions was six per cent smaller than during the corresponding

period of 1956. This growth -- measured by the net increases in life insurance company assets, savings capital at savings and loan associations, and deposits at mutual savings banks -- amounted to \$8,314 million this year, as compared to \$8,838 million a year earlier. Savings lagged behind 1956 rates at each of the institutions, with mutual savings banks showing the largest percentage decline. (In contrast, time and savings deposits at commercial banks increased much more rapidly this year than in the first nine months of last year.)

The increase in life insurance company assets during the first nine months of 1957 amounted to \$3,968 million, about 4 per cent less than a year earlier. Net liquidation of U. S. Government securities was nearly two-thirds less than in the first nine months of 1956. The increase in life insurance company holdings of mortgages has been smaller in each month this year than in the corresponding period last year -- with the increase over the nine months being 35 per cent smaller. At the beginning of 1957, business security holdings increased less rapidly than in 1956. Since March, however, the increase has been more rapid and over the first nine months net acquisition of business securities was 14 per cent greater than last year.

The net increase in savings capital at savings and loan associations in the first nine months was \$3,158 million, six per cent smaller than a year earlier. Funds invested in mortgages were slightly smaller than a year ago, while holdings of U. S. Government securities increased about 15 per cent more from January through September than a year ago.

The growth in deposits at mutual savings banks was \$1,188, about 11 per cent below last year. Net liquidation of U. S. Government securities was about half as large as in the first three quarters of 1956. Net acquisition of mortgages was also half as large as in 1956, but net purchase of business securities was over three times larger than last year.

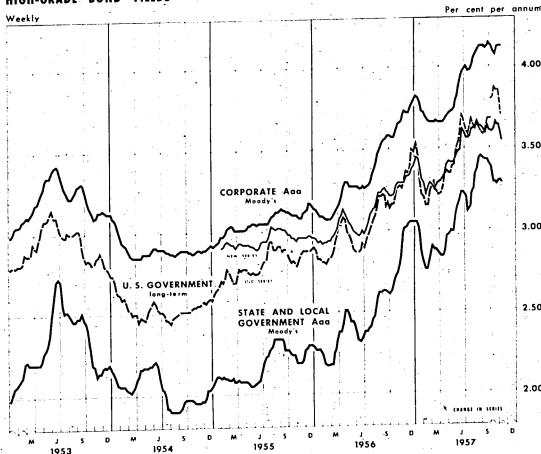
Although the rate of growth in savings at these institutions for the full nine month period has lagged behind the corresponding period of 1956, in September savings inflow was larger than in September a year ago by a margin of about 15 per cent. March and June are the only other months this year when the combined growth was larger than in corresponding periods of last year, and the increase was about 4 per cent greater in each of these months. The increase over last year's rate occurred at all the institutions,

but was particularly large at mutual savings banks and savings and loan associations. The investment pattern of the respective institutions showed little deviation in September from that of other recent months.

More detailed information concerning the recent capital market developments is presented in the attached exhibits.

Business Finance and Capital Markets Section,
Division of Research and Statistics,
Board of Governors of the Federal Reserve System

HIGH-GRADE BOND YIELDS



Date	Corporate Aaa 1/	U. S. Govt., long-term 2/		State and local govt. Aaa 3/	Spread between U. S. Govt. (old series) and	
		Old series	New series		Corporate Aaa	State and local Aaa
(Per cent)						
1953 - High	3.42 (6/19)	3.15 (6/6)	n.a.	2.73 (6/25)	.38	.84
Low	2.99 (1/9)	2.78 (12/26)	n.a.	1.98 (1/8)	.19	.30
1954 - High	3.09 (1/8)	2.74 (1/9)	n.a.	2.21 (6/10)	.43	.61
Low	2.85 (4/23)	2.44 (8/7)	n.a.	1.90 (9/2)	.32	.29
1955 - High	3.17 (12/23)	2.94 (8/5)	3.03 (8/5)	2.34 (9/8)	.34	.70
Low	2.91 (1/7)	2.62 (1/7)	2.89 (6/10)	2.05 (5/26)	.13	.54
1956 - High	3.79 (12/28)	3.49 (12/21)	3.39 (12/28)	3.05 (12/27)	.44	.68
Low	3.07 (3/2)	2.80 (2/17)	2.92 (2/3)	2.17 (2/23)	.13	.32
1957 - High	4.14 (9/27)	3.87 (10/18)	3.66 (10/18)	3.45 (8/29)	.54	.58
Low	3.66 (4/12)	3.15 (2/8)	3.22 (2/8)	2.76 (2/21)	.20	.14
October 18	4.07	3.87	3.66	3.29	.20	.58
October 25	4.11	3.85	3.64	3.28	.26	.57
November 1	4.12	3.85	3.64	3.30	.27	.55
November 8	4.12	3.77	3.60	3.30	.35	.47
November 15	4.12	3.70	3.54	3.28	.42	.42

n.a.--Not available.

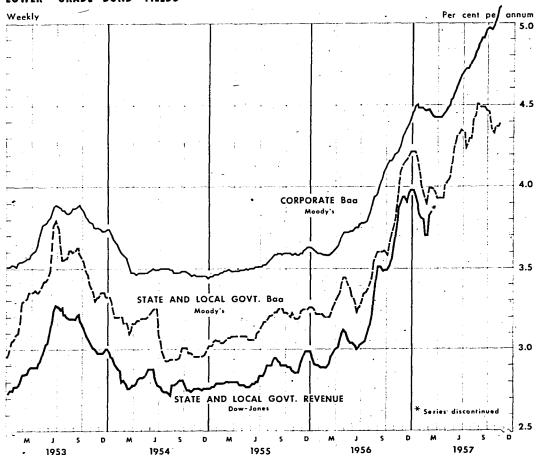
1/ Weekly average of daily figures. Average term of bonds included is 25-26 years.

2/ Weekly averages of daily figures. The old series includes fully taxable, marketable 2 1/2 per cent bonds due or first callable after 12 years through September 1955, and those due or callable in 10-12 years thereafter, including, beginning October 1957, the 4 per cent bond of 1969. The new series is comprised of the 3 per cent bond of 1995 and the 3 1/4 per cent bond of 1978-83.

3/ Thursday figures. Only general obligation bonds are included; average term is 20 years.

Note.--Highs and lows are for individual series and may be on different dates for different series.

LOWER-GRADE BOND YIELDS



Date	Corporate Baa <u>1/</u>	State and local govt. Baa <u>2/</u>	State and local govt. rev. <u>3/</u>
(Per cent)			
1953 - High	3.89 (9/18)	3.79 (6/25)	3.27 (6/26)
Low	3.50 (1/2)	2.96 (1/8)	2.71 (1/2)
1954 - High	3.74 (1/8)	3.32 (1/7)	3.00 (1/1)
Low	3.44 (12/31)	2.93 (8/5)	2.72 (8/13)
1955 - High	3.63 (12/30)	3.26 (12/29)	2.99 (12/30)
Low	3.45 (1/14)	3.02 (1/6)	2.76 (1/7)
1956 - High	4.41 (12/28)	4.22 (12/27)	3.98 (12/28)
Low	3.58 (3/9)	3.20 (3/8)	2.89 (2/24)
1957 - High	5.10 (11/15)	4.51 (8/29)	3.98 (1/4)
Low	4.42 (4/12)	3.90 (2/21)	3.70 (2/22)
October 18	4.98	4.33	<u>4/</u>
October 25	5.01	4.36	
November 1	5.04	4.37	
November 8	5.09	4.37	
November 15	5.10	4.39	

1/ Weekly average of daily figures. Average term of bonds included is 25-26 years.

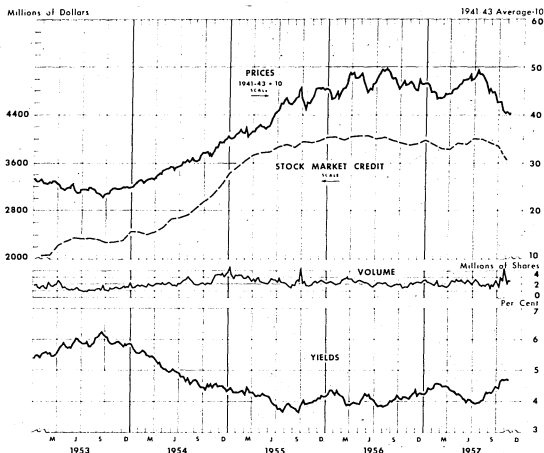
2/ Thursday figures. Only general obligation bonds are included; average term is 20 years.

3/ Friday figures. Average rating of bonds included is between Baa and A; average term is 20 years.

4/ Series discontinued, as of March 15.

Note.--Highs and lows are for individual series and may be on different dates for different series.

STOCK MARKET



Date	Stock price index 1/	Trading volume 2/ (millions of shares)	Common stock yields 3/ (per cent)	Stock market customer credit		
				Total	Customers'	Bank
					debit bal- ances 4/	loans to "others" 5/
(Millions of dollars)						
1953 - High	26.5h (1/2)	2.5	6.25	2,455	1,665	780
Low	22.95 (9/18)	0.9	5.38	2,055	1,31h	66h
1954 - High	35.98 (12/31)	3.7	5.82	3,436	2,388	1,048
Low	24.93 (1/8)	1.4	4.32	2,405	1,653	746
1955 - High	45.89 (12/9)	4.6	4.42	4,030	2,805	1,24h
Low	35.28 (1/14)	1.5	3.64	3,537	2,517	1,018
1956 - High	49.6h (8/3)	3.1	4.35	4,047	2,823	1,267
Low	43.22 (1/20)	1.5	3.82	3,51h	2,740	1,155
1957 - High	49.08 (7/12)	4.2	4.70	4,031	2,887	1,163
Low	40.19 (11/8)	1.4	3.91	3,643	2,568	1,071
September	43.98	1.8	4.3h	3,882	2,789	1,093
October	40.43	2.8	4.60	3,643	2,568	1,075
November 1	40.4h	2.0	4.68	n.a.	n.a.	1,075
November 8	40.19	2.4	4.70	n.a.	n.a.	1,071
November 15	40.33	2.3	4.66	n.a.	n.a.	n.a.

n.a.--Not available. 2/ Revised.

1/ Standard and Poor's composite index of 500 common stocks, weekly closing prices, 1941-43=10. Monthly data are averages of daily figures rather than of Fridays' only. Highs and lows are for Friday's data only.

2/ Averages of daily trading volume on the New York Stock Exchange.

3/ Standard and Poor's composite stock yield based on Wednesday data converted to weekly closing prices by Federal Reserve.

4/ End of month figures for member firms of the New York Stock Exchange which carry margin accounts; excludes balances secured by U.S. Government obligations.

5/ Wednesday figures for weekly reporting member banks. Excludes loans for purchasing or carrying U.S. Government securities at banks in New York and Chicago. Weekly reporting banks account for about 70 per cent of loans to others. For further detail see Bulletin.

Note.--Highs and lows are for individual series and may be on different dates for different series.

Corporate and State and local Government
Security Offerings and Placements

(In millions of dollars)

	New capital					
	Corporate			State and local 1/		
	1957	1956	1955	1957	1956	1955
January	1,063	573	535	742	1,104	535
February	1,071	712	1,107	572	696	312
March	1,344	817	1,223	506	390	538
April	924	818	1,178	765	376	1,127
May	771	1,146	886	546	490	350
June	1,489	841	687	395	735	642
July	991	1,063	597	529	1,08	1,470
August	914	654	644	584	206	249
September	973	838	670	430	357	1,406
October	e/950	745 3/	1,162 2/	672	639	919
November	e/850	1,089	632	e/550	347	658
December		1,088	900		1,09	1,108
1st quarter	3,479	2,102	2,165	1,820	1,490	1,365
2nd quarter	3,184	2,805	2,052	1,706	1,603	1,416
3rd quarter	2,878	2,556	1,911	1,543	971	1,124
4th quarter		2,922	2,695		1,395	1,984
1st half	6,663	4,907	4,216	3,526	3,093	2,802
Three quarters	9,541	7,463	6,127	5,056	4,064	3,927
Year		10,384	8,821		5,459	5,911
Excluding finance companies 4/						
1st quarter	3,268	1,647	1,727			
2nd quarter	2,924	2,544	1,870			
3rd quarter	e/2,578	2,246	1,444			
4th quarter		2,826	2,544			
Year		9,259	7,595			

e/ Estimated.

1/ Data through June 1956 are Bond Buyer data classified as new capital by Federal Reserve; later data are from the Investment Bankers Association of America and are somewhat more complete as to coverage than the earlier data, particularly for Federal Government loans.

2/ Includes \$637.2 million AT&T convertible debenture issue.

3/ Includes \$571.5 million AT&T common stock issue.

4/ Total new capital issues excluding offerings of sales and consumer finance companies.

Notes: Details may not add to totals due to rounding.

Large Public Security Issues for New Capital
(Other than U. S. Treasury) 1/

Proceeds of Large Issues Offered

(Millions of dollars)

Month	Corporate	State and local government	Other 2/
1956 - October	386	383	35
November	701	135	--
December	430	201	--
1957 - January	567	386	100
February	671	306	50
March	788	194	--
April	477	499	125
May	329	248	25
June	877	176	39
July	525	265	25
August	526	357	--
September	537	185	30
October	574	435	75

Large Individual Issues Offered November 1 through 15

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offering yield	Rating
<u>CORPORATE</u>						
Consumers Power Co.	Conv. deb.	35.2	1972	4 5/8	4.63	Aa
Dayton Power & Light Co.	1st mtg. bds.	25.0	1987	5	4.97	Aa
So. New England Tel. Co.	Common stk.	27.4				
Beneficial Finance Co.	Deb.	50.0	1977	5	5.24	--
Caterpillar Tractor Co.	S. F. deb.	65.0	1977	4 1/2	4.54	Aa
Transcontinental Gas Pipe Line Corp.	S. F. deb.	20.0	1978	6 1/8	6.17	Ba
Trans. Gas Pipe Line Corp.	Common stk.	17.8				
<u>STATE AND LOCAL GOVERNMENT</u>						
Fairfax Co., Virginia	G.O.	5.5	1959-83	4.21	3.00-5.00	Baa
Hamilton City S. D., Ohio	G.O.	5.5	1959-80	3.78	2.80-3.80	A
Jacksonville, Fla.	Utilities Rev.	30.0	1959-95/68	4.64	3.20-4.60	A
Port of New York Auth.	Rev.	30.0	1987/67	3.83	3.78	A
Cook Co., Illinois	G.O.	20.7	1958-77	3.58	2.60-3.60	A
State of Kentucky	G.O.	35.0	1959-72/68	2.97	2.30-3.00	Aa

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Large Individual Issues Offered November 1 through 15 (Cont'd)

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offering yield	Rating
<u>STATE AND LOCAL GOVERNMENT</u> <u>(Cont'd)</u>						
Los Angeles Co. Flood Con- trol Dist., Calif.	Rev.	20.0	1958-83	3.72	2.50-3.00	Aa
State of Maryland	G.O.	14.2	1960-72	2.99	2.50-3.00	Aaa
New York, New York	G.O.	36.5	1958-72	3.54	2.60-3.55	A
Springfield, Missouri	Water rev.	22.0	1961-97/67	4.47	3.30-4.50	A
Chicago, Illinois	Water rev.	20.0	1963-82	3.97	3.40-4.00	A
Lincoln Park S. D., Mich.	G.O.	6.8	1960-86/68	4.77	3.25-4.75	Baa
<u>OTHER</u>						
None						

n.a.--Not available.

1/ Includes corporate and other security offerings of \$15 million and over;
State and local government security offerings of \$5 million and over.

2/ Includes foreign government and International Bank for Reconstruction and
Development issues.

3/ In the case of State and local government securities, G. O. denotes general
obligation; Rev., revenue bonds; G. R., general obligations additionally secured by
facilities revenues; L.L., limited liability obligations secured by pledge of
designated revenues.

Forthcoming Large Public Security Offerings for New Capital
(Other than U. S. Treasury) 1/

Expected Proceeds from Forthcoming Large Issues

Date of computation	During month following date shown			Subsequent to date shown		
	Corporate	State and local govt.	Other 2/	Corporate	State and local govt.	Other 2/
1956 - Oct. 31	683	162	--	990	955	--
Nov. 30	436	48	23	481	979	23
Dec. 31	476	280	100	796	763	100
1957 - Jan. 31	591	153	35	966	648	35
Feb. 28	740	153	--	795	631	--
Mar. 29	461	290	25	486	862	25
Apr. 30	187	179	25	258	396	25
May 31	525	97	--	525	388	--
June 28	370	172	25	415	498	25
July 31	526	252	--	811	514	--
Aug. 30	578	243	30	845	439	30
Sept. 30	576	370	--	647	587	15
Oct. 31	458	369	30	815	573	45

Forthcoming Large Offerings, as of November 15

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Michigan Bell Telephone Co.	Deb.	40.0	Nov. 19
Florida Power & Light Co.	Common stk.	15.0	Nov. 20
Ohio Power Co.	1st mtg. bds.	25.0	Nov. 20
Olin Mathieson Chemical Corp.	Conv. sub. deb.	60.0	Nov. 20
Houston Lighting & Power Co.	1st mtg. bds.	40.0	Nov. 21
Idaho Power Co.	1st mtg. bds.	15.0	Nov. 22
Virginia Electric & Power Co.	1st&ref.mtg.bds.	20.0	Dec. 4
*Chesapeake & Potomac Telephone Co.	Deb.	30.0	Dec. 10
Commonwealth Oil Refining Co.	Conv. sub. deb.	20.0	Dec. 11
Standard Oil Co. of New Jersey	Common stk.	288.2	Dec. 18
			(rights expire)
Commercial Credit Co.	Notes	50.0	Winter
National Cylinder Gas Co.	Conv. sub. deb.	17.5	Winter

Forthcoming Large Offerings, as of November 15 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>STATE AND LOCAL GOVERNMENT</u>			
State of Ohio	Thoroughfare rev.	30.0	Nov. 19
Territory of Hawaii	G.O.	7.0	Nov. 19
Oklahoma Co., Okla.	G.O.	6.0	Nov. 19
*State of Connecticut	Expressway rev.	35.0	Nov. 19
Washington Toll Bridge Auth.	Rev.	30.5	Nov. 20
State of So. Carolina	G.O.	5.0	Nov. 26
*Bethel Municipal Auth., Pa.	Sewer rev.	6.4	Nov. 26
*Akron, Ohio	Water works rev.	5.0	Dec. 2
Los Angeles Sch. Dists., Calif.	G.O.	15.0	Dec. 3
State of Ohio	G.O.	25.0	Dec. 4
Greater Baton Rouge Port Comm., La.	Rev.	19.4	Dec. 11
Chicago Bd. of Education, Ill.	G.O.	25.0	Dec. 17
Caddo Parish Sch. Dist., La.	G.O.	7.5	Jan. 7
Penna. State Highway & Bridge Auth.	Rev.	20.0	Jan. 17
State of Missouri	G.O.	30.0	Winter
State of Texas	G.O.	12.5	Winter
Pennsylvania Turnpike Commission	Rev.	62.0	Winter
Inter-American Center Auth., Fla.	Rev.	20.0	Winter
<u>OTHER</u>			
Pacific Great Eastern Ry. Co.	S. F. deb.	30.0	Winter
Union of South Africa	Ext. loan bds.	15.0	Winter

*--Included in table for first time.

1/ Includes corporate and other issues of \$15 million and over; State and local government issues of \$5 million and over.

2/ Includes foreign government and International Bank for Reconstruction and Development issues.

Note.--Deletions for reasons other than sale of issue: Texas Eastern Transmission Corporation's \$20 million preferred stock issue -- reduced to less than \$15 million.

Yields on New and Outstanding
Electric Power Bonds, Rated Aa and A 1/

Date	Aa-rated offering yields		A-rated offering yields	
	Actual (per cent)	Amount above seasoned yields (basis points)	Actual (per cent)	Amount above seasoned yields (basis points)
1952 - 1956				
High	4.30(12/12/56)	62	4.58(12/6/56)	70
Low	2.93(3/31/54)	- 3	3.00(3/17/54)	-15
1957 - January	4.44	57	4.62	64
February	4.25	44	None	
March	None		4.50	45
April 3	4.29	50		
10			4.60	59
12			4.50	49
May 10			4.53	52
15			4.53 <u>2/</u>	52
16	4.50	65	4.70	69
21	4.38 <u>2/</u>	51		
23			5.00	98
29			5.25	123
June 5	4.63	75		
7			5.10	106
11	4.78	87		
July 3			4.80 <u>2/</u>	64
10	4.57	48	4.88 <u>2/</u>	74
11	4.77	68		
16	4.65	56		
17			4.90	71
August 14	5.00	75		
September 5	4.80	51		
6	4.85	56		
October 25	4.78	45	5.10	51
15			5.00	39
17			4.95	34
24			5.30	67
November 7	4.97	63	5.50	88
8	4.86 <u>2/</u>	52		
15			5.05 <u>2/</u>	43

1/ Covers only 30-year first mortgage bonds, as reported in Moody's Bond Survey. Except where indicated, the actual yield figure and the amount above seasoned yields are averages of offerings during the indicated period and of the differences between these new offering yields and yields on seasoned issues of similar quality for the same day. Average maturity for the seasoned issues varies from 26 to 28 years.

2/ Provides for a 5-year period during which issue may not be called for refunding at a lower coupon rate. Other issues have no such provision.

Sources and Uses of Funds by Life
Insurance Companies
Monthly

(In millions of dollars)

	Uses of Funds 1/						Total sources or uses
	Cash	U.S. Govt. secur- ities	Busi- ness secur- ities	State and local govt. secur- ities	Mort- gages	Other	
1955 - May	40	-47	168	-9	266	34	454
June	-3	-12	144	1	267	54	451
July	30	50	251	22	264	51	668
Aug.	75	84	-9	--	253	46	449
Sept.	-27	-51	209	4	249	58	442
Oct.	-9	-102	261	7	313	17	487
Nov.	67	-136	153	-3	304	94	479
Dec.	55	-346	293	11	558	201	772
Value of Assets at End of Year	1,255	8,545	37,580	1,996	29,425	11,464	90,267
1956 - Jan.	-88	-152	274	125	373	85	617
Feb.	-113	-157	230	20	304	93	377
Mar.	-14	-191	169	10	280	57	311
Apr.	27	40	116	--	269	8	460
May	19	-99	153	-14	340	55	454
June	-9	-66	106	8	293	65	397
July	16	-36	297	44	329	56	706
Aug.	-29	-109	142	16	282	109	411
Sept.	11	24	71	5	215	93	419
Oct.	16	47	108	4	289	-1	463
Nov.	16	-101	98	12	307	73	405
Dec.	166	-226	208	6	288	115	557
Value of Assets at End of Year	1,273	7,519	39,552	2,234	32,994	12,272	95,844
1957 - Jan.	-132	69	172	10	285	68	472
Feb.	-38	-44	160	--	200	144	422
Mar.	-47	-117	192	7	193	108	336
Apr.	24	3	165	13	168	41	414
May	-22	-90	165	26	142	119	380
June	60	-70	172	--	137	72	371
July	-5	36	144	33	197	91	766
Aug.	-30	-38	154	10	191	82	369
Sept.	45	-44	188	7	150	92	438

1/ Uses of funds represent net changes in assets and therefore reflect net, rather than gross, uses.

Source: Institute of Life Insurance.

Sources and Uses of Funds
by Savings and Loan Associations
Monthly

(In millions of dollars)

	Uses of Funds 1/				Total sources or uses	Sources of Funds		
	Cash	U.S. Govt. secur- ities	Mort- gages	Other assets		Net change savings capital	Borrow- ing 2/	Other
1955 - May	3	25	551	93	671	415	73	183
June	126	18	611	12	766	715	207	-156
July	-244	57	534	-71	275	122	62	91
Aug.	-66	15	581	40	569	294	129	146
Sept.	-41	-19	483	13	435	270	111	54
Oct.	117	1	336	46	499	416	73	10
Nov.	67	11	246	97	420	386	18	16
Dec.	268	3	218	15	503	784	54	-335
Value of Assets at End of Year	2,067	2,342	31,461	1,791	37,719	32,192	1,558	3,969
1956 - Jan.	-48	110	214	-27	248	413	-200	35
Feb.	-4	73	296	56	420	346	-75	149
Mar.	-47	57	397	44	450	347	-51	154
Apr.	-62	55	408	88	488	319	-5	174
May	12	43	436	127	617	462	-2	157
June	122	-34	440	12	539	769	54	-284
July	-178	34	414	-84	186	142	-59	103
Aug.	-96	39	447	9	398	287	16	95
Sept.	-43	13	354	54	377	267	28	82
Oct.	36	14	356	68	473	405	2	66
Nov.	58	25	274	81	437	377	--	60
Dec.	302	11	232	-21	523	822	81	-380
Value of Assets at End of Year	2,119	2,782	35,729	2,199	42,875	37,148	1,347	4,000
1957 2/- Jan.	-172	142	200	-24	145	336	-215	24
Feb.	-40	117	266	57	399	315	-70	154
Mar.	-23	91	364	84	515	359	-21	177
Apr.	-48	30	404	112	497	313	14	170
May	38	18	458	141	654	468	19	167
June	187	-41	465	41	651	859	106	-314
July	-320	41	394	-100	14	-68	-34	116
Aug.	-106	23	463	59	438	252	39	147
Sept.	8	26	363	55	451	324	47	80

p/ Preliminary.

1/ Uses of funds represent net changes in assets and therefore reflect net, rather than gross, uses. Savings and loan associations do not hold business securities and data on holdings of State and local government bonds, presumed to be small, are not available.

2/ Advances from Home Loan Banks and other borrowing.

Source: Federal Savings and Loan Insurance Corporation.

Exhibit J

Sources and Uses of Funds by
Mutual Savings Banks
Monthly

(In millions of dollars)

	Uses of Funds 1/						Total sources or uses	Sources of Funds	
	Cash	U.S. Govt. secur- ities	Busi- ness secur- ities	State and local govt. secur- ities	Mort- gages	Other		Net change in deposits	Other
1955 - May	16	-14	-36	5	192	30	191	125	66
June	36	-58	-10	2	229	-8	194	240	-47
July	-65	34	-32	19	213	-23	146	97	49
Aug.	9	-7	-40	-3	231	11	201	134	67
Sept.	-10	-45	-23	-20	232	24	158	182	-24
Oct.	-25	-111	-10	-5	221	-16	54	85	-31
Nov.	-6	-73	-35	-12	177	36	87	27	60
Dec.	73	-13	--	2	200	-15	246	328	-82
Value of Assets at End of Year	965	8,460	3,346	637	17,245	621	31,274	28,187	3,087
1956 - Jan.	-52	21	13	25	192	-20	179	139	40
Feb.	-14	-8	34	2	190	13	222	135	87
Mar.	-13	8	3	16	205	32	251	238	13
Apr.	-56	-52	2	-3	183	5	79	45	34
May	-2	-42	19	-5	194	62	226	162	64
June	89	-90	45	-5	183	-32	190	278	-88
July	-63	-7	34	1	198	-24	139	76	63
Aug.	-19	-47	2	2	227	16	181	102	79
Sept.	--	-37	14	-5	186	25	183	159	24
Oct.	-33	-147	13	-5	205	-15	18	62	-44
Nov.	-22	-78	-7	1	175	53	122	50	72
Dec.	140	-10	5	8	146	-42	247	399	-152
Value of Assets at End of Year	920	7,971	3,523	669	19,529	698	33,311	30,032	3,279
1957 - Jan.	-89	21	68	6	136	-5	137	85	52
Feb.	--	20	54	1	92	27	194	112	82
Mar.	13	18	83	--	127	32	273	238	35
Apr.	-56	-76	63	2	121	-20	34	7	27
May	12	-19	62	2	127	62	246	169	77
June	71	-72	72	-1	116	-38	150	265	-115
July	-73	-7	62	7	122	-29	82	16	66
Aug.	-42	11	61	-3	111	28	166	90	76
Sept.	27	-17	55	2	103	18	188	206	-18

1/ Uses of funds represent net changes in assets and therefore reflect net, rather than gross, uses.

2/ Source: National Association of Mutual Savings Banks and Federal Deposit Insurance Corporation.