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August 25, 1958

CAPITAL MARKET DEVELOPMENTS

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

The volume of public security financing continues to be moderate. During the week ending August 22, two large corporate issues with aggregate proceeds of \$114 million were sold, and one large State and local government issue for \$22 million was offered. The calendar for this week includes only one large corporate offering for \$50 million and State and local government issues totaling \$62 million.

The sale of two other corporate issues scheduled for this week has been postponed indefinitely because of market conditions. The estimate for corporate new capital financing for the month of August, shown on Exhibit E, has been lowered to \$500 million, reflecting in part these recent postponements.

Bond yields - Yields continued to increase last week for all categories of outstanding bonds. The increase was slight for yields on long-term U. S. Government obligations, but substantial for yields on corporate and State and local government bonds.

Offering yields on new corporate issues have increased sharply recently. A new Aa-rated first and refunding mortgage bond issue was offered to investors last week at a yield of 4.50 per cent--40 basis points above the yield for a first mortgage bond issue with similar terms offered a month earlier.

Stock prices - Common stock prices increased slightly last week. Standard and Poor's index of 500 common stocks closed at 47.74 on August 22, only 3 per cent below the July 1957 high. Trading activity declined again last week, averaging 2.5 million shares a day.

Institutional investors - In June, savings inflows at three major financial institutions continued to be larger than a year earlier. The combined growth at these institutions--measured by the net increases in life insurance company assets, savings capital at savings and loan associations, and deposits at mutual savings banks--was one-sixth larger than in June 1957.

For the first half, the growth of savings at these three institutions was nearly one-fourth greater than in 1957. Deposits at mutual savings banks increased \$1,293 million during the first six months of 1958, nearly one-half larger than a year earlier. Savings

Sources and Uses of Funds of Major Types of Savings Institutions ^{1/}

First six months 1953-1958

(In millions of dollars)

Year	Uses of funds						Total sources and uses	Sources of funds		
	Cash	U. S. Govt. securities	Business securities	Mortgages	State & local govt. sec.	Other assets		Net change in deposits or savings capital	Borrowing	Other
Life Insurance Companies										
1958	-99	29	1,101	753	146	661	2,591	--	--	--
1957	-155	-249	1,026	1,165	56	552	2,395	--	--	--
1956	-178	-625	1,048	1,859	149	363	2,616	--	--	--
1955	-136	25	968	1,556	124	365	2,902	--	--	--
1954	-124	-424	1,135	1,109	363	692	2,751	--	--	--
1953	-191	-165	1,502	976	69	178	2,369	--	--	--
Savings and Loan Associations										
1958	598	157	---	2,345	n.a.	198	3,298	3,157	-346	487
1957	-58	357	---	2,157	n.a.	411	2,861	2,650	-167	378
1956	-27	304	---	2,191	n.a.	300	2,762	2,656	-279	385
1955	-14	253	---	2,869	n.a.	180	3,282	2,586	151	545
1954	315	39	---	1,874	n.a.	135	2,361	2,324	-276	313
1953	44	210	---	1,703	n.a.	110	2,064	1,945	-146	265
Mutual Savings Banks										
1958	29	-163	525	996	42	70	1,499	1,293	--	206
1957	-49	-108	402	721	10	58	1,034	876	---	158
1956	-48	-163	116	1,147	30	65	1,147	997	--	150
1955	-37	-73	-38	1,155	56	40	1,106	975	--	130
1954	4	-167	226	933	125	64	1,185	1,042	--	143
1953	-51	42	285	726	53	44	1,100	1,007	--	93

^{1/} For description of data see exhibits J, K and L.
n.a.--Not available.

capital at savings and loan associations increased a record \$3,157 million, nearly one-fifth greater than in the first half last year. However, the increase in life insurance company assets totaled \$2,591 million, only 8 per cent larger than last year and smaller than in 1954, 1955, and 1956. (Time and savings deposits at commercial banks have increased more rapidly in each month this year than last, except in January, and growth for the first six months was three-fifths greater than a year earlier.

Life insurance companies added slightly to their holdings of U. S. Government securities during the first half of this year, in contrast to substantial reduction last year. The net addition reflected primarily the pattern of Treasury financing, with life insurance companies acquiring over \$300 million of the new long-term issues, only partially offset by a reduction in their holdings of short-term issues exchanged for the 3 1/2 per cent bond of 1990 and continued reduction in nonmarketable bond holdings. Last year a considerable part of the decline in insurance company holdings of U. S. Governments was in marketable bonds. Net acquisition of business securities by life insurance companies was 7 per cent higher during the first half than last year. The increase in mortgage holdings was smaller in each month this year than in the corresponding period a year earlier--with the total increase being one-third smaller than in 1957.

Mutual savings banks' net liquidation of U. S. Government securities was 50 per cent larger this year than in the corresponding half of 1957. Net acquisition of mortgages was 38 per cent greater than a year earlier, while the increase in holdings of business securities was 31 per cent larger.

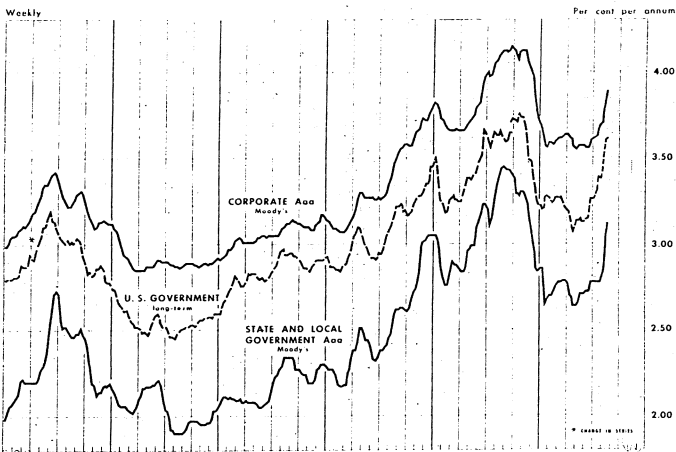
Throughout 1957 savings banks increased their holdings of business securities very rapidly, but net acquisition of mortgages was at a slower rate than in 1956. The large volume of funds available this year has permitted an increase in mortgage holdings as well as in business securities. In June, there appears to have been a marked shift in investment policy of mutual savings banks as net acquisition of mortgages was in record volume while holdings of business securities declined slightly for the first time in over 18 months. The decline reflects a reduction in holdings of nonguaranteed debt of Federal agencies (classified in current monthly reports in the business securities category). Net acquisition of corporate securities increased slightly, but much less than in earlier months of the year. The shift in current investment activity from acquisition of business securities to investment in mortgages was quite sharp.

Savings and loan associations' funds invested in mortgages were 9 per cent larger than last year, while the increase in holdings of U. S. Government securities was less than half as large. These associations increased their cash balances \$598 million, in contrast to a \$58 million decline last year.

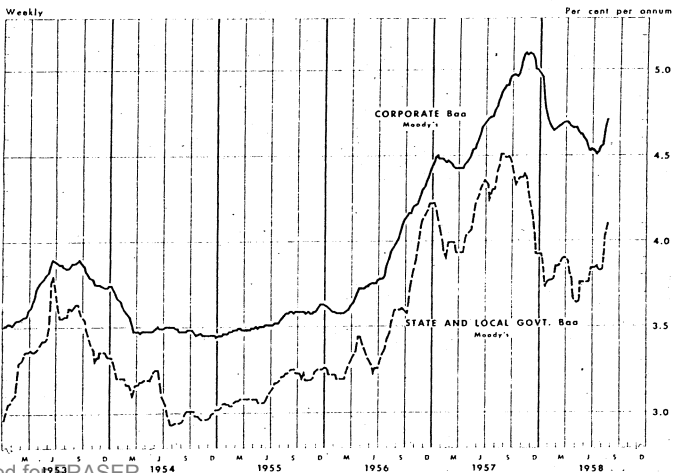
More detailed information concerning recent capital market developments is presented in the attached exhibits.

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

HIGH-GRADE BOND YIELDS



LOWER - GRADE BOND YIELDS



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Exhibit B

Tables for Exhibit A

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. and	
				Corporate Aaa	State and local Aaa
	(Per cent)				
1953 - High	3.42 (6/19)	3.19 (6/5)	2.73 (6/25)	.38	.83
1954 - Low	2.85 (4/23)	2.45 (8/6)	1.90 (9/2)	.30	.30
1957 - High	4.14 (9/27)	3.76 (10/18)	3.45 (8/29)	.60	.47
1958 - High	3.89 (8/22)	3.62 (8/22)	3.12 (8/21)	.51	.62
Low	3.55 (5/2)	3.07 (4/25)	2.64 (5/1)	.22	.34
July 25	3.70	3.38	2.78	.32	.60
Aug. 1	3.71	3.44	2.84	.27	.60
Aug. 8	3.77	3.53	2.91	.24	.62
Aug. 15	3.83	3.61	3.04	.22	.57
Aug. 22 p/	3.89	3.62	3.12	.27	.50

Lower-grade Bond Yields

Date	Corporate Baa 1/	State and local govt. Baa 3/	Spread between Aaa and Baa	
			Corporate	State and local govt.
	(Per cent)			
1953 - High	3.89 (9/18)	3.79 (6/25)	.69	1.21
1954 - Low	3.44 (12/31)	2.93 (8/5)	.52	.96
1957 - High	5.10 (11/29)	4.51 (8/29)	1.27	1.21
1958 - High	4.96 (1/3)	4.10 (8/21)	1.28	1.11
Low	4.51 (7/11)	3.64 (5/1)	.82	.98
July 25	4.55	3.82	.85	1.04
Aug. 1	4.56	3.83	.85	.99
Aug. 8	4.60	3.92	.83	1.01
Aug. 15	4.66	4.03	.83	.99
Aug. 22 p/	4.71	4.10	.82	.98

p/ Preliminary.

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

2/ Weekly average of daily figures. The series includes bonds due or callable in 10 years or more.

3/ Thursday figures. Only general obligations 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.

EXHIBIT C

STOCK MARKET

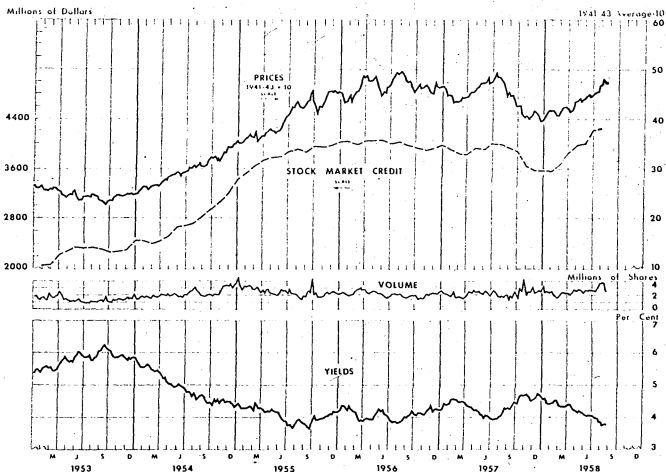


Exhibit D

Table for Exhibit C

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' debit bal- ances 4/	Bank loans to "others" 5/
(Millions of dollars)						
1953 - High	26.54 (1/2)	2.5	5.38	2,455	1,665	780
Low	22.95 (9/18)	0.9	6.25	2,055	1,314	664
1954 - High	35.98 (12/31)	3.7	4.32	3,436	2,388	1,048
Low	24.93 (1/8)	1.4	5.82	2,405	1,653	746
1955 - High	45.89 (12/9)	4.6	4.08	4,030	2,805	1,241
Low	35.28 (1/14)	1.5	4.41	3,537	2,517	1,018
1956 - High	49.64 (8/3)	3.1	3.82	4,047	2,823	1,267
Low	43.22 (1/20)	1.5	4.34	3,914	2,740	1,155
1957 - High	49.08 (7/12)	4.2	3.91	4,031	2,887	1,163
Low	39.48 (12/20)	1.4	4.72	3,576	2,482	1,054
1958 - High	48.05 (8/8)	3.8	3.74	4,251	3,020	1,317
Low	40.37 (1/10)	1.7	4.58	3,554	2,487	1,051
June	44.75	2.7	4.07	4,226	2,929	1,297
July	45.98	3.2	3.97	4,251	3,020	1,231
Aug. 8	48.05	3.7	3.74	n.a.	n.a.	1,199
Aug. 15	47.50	2.9	3.79	n.a.	n.a.	1,189
Aug. 22 p/	47.73	2.5	3.77	n.a.	n.a.	n.a.

n.a.--Not available. p/ Preliminary.

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. Yields shown are for dates on which price index reached its high or low.

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.

**Long-term Corporate and State and Local Government
Security Offerings and Placements**

(In millions of dollars)

	New capital					
	Corporate 1/			State and local 2/		
	1958	1957	1956	1958	1957	1956
January	723	1,060	573	812	742	404
February	851	1,065	712	953	572	696
March	1,561 ^{2/}	1,320	817	511	506	390
April	1,141	931	818	798	765	378
May	600	765	1,146	873	546	490
June	891	1,453	841	542	393	735
July	e/1,150	1,003	1,063	p/627	529	408
August	e/500	924	654	e/400	584	206
September		973	838		431	357
October		1,090	745		698	639
November		789	1,089 ^{4/}		633	347
December		1,076	1,088		698	409
1st quarter	3,135	3,445	2,102	2,276	1,820	1,490
2nd quarter	2,622	3,149	2,805	2,213	1,704	1,603
3rd quarter		2,899	2,556		1,544	971
4th quarter		2,954	2,922		2,029	1,395
1st half	5,757	6,594	4,907	4,489	3,524	3,093
Three quarters		9,493	7,463		5,069	4,064
Year		12,447	10,384		7,099	5,459
Excluding finance companies 5/						
1st quarter	2,894	3,237	1,647			
2nd quarter	2,583	2,889	2,541			
3rd quarter		2,582	2,246			
4th quarter		2,810	2,826			
Year		11,518	9,260			

e/ Estimated. p/ Preliminary.

1/ Securities and Exchange Commission estimates of net proceeds.

2/ 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.

3/ Includes \$718.3 million AT&T convertible debenture issue.

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

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

Other Security Offerings 1/

(In millions of dollars)

	Long-term					
	Foreign government 2/			Federal agency 3/		
	1958	1957	1956	1958	1957	1956
January	196	84	37	1,163	72	--
February	53	49	--	251	--	--
March	--	30	8	--	--	--
April	139	123	50	523	125	60
May	198	48	--	--	--	--
June	120	42	95	--	60	--
July		28	2		--	--
August		7	39		--	109
September		30	--		215	--
October		4	44		--	--
November		60	5		100	--
December		1	21		--	--
Year		507	300		572	169
	Short-term					
	State and local government 4/			Federal agency 3/		
	1958	1957	1956	1958	1957	1956
January	233	326	196	371	638	380
February	460	455	357	208	430	220
March	273	147	249	144	505	283
April	357	205	125	209	336	323
May	354	337	252	161	469	314
June	264	153	176	329	501	260
July	p/286	272	195	601	224	222
August		272	207		370	425
September		252	179		512	273
October		303	294		1,238	407
November		94	328		255	222
December		459	148		116	128
Year		3,274	2,706		5,543	3,457

e/ Estimated. p/ Preliminary.

1/ Data presented in this exhibit differ from those in Exhibit E in that refunding issues, as well as new capital issues, are included. Long-term securities are defined as those maturing in more than one year.

2/ Includes securities offered in the United States by foreign governments and their subdivisions and by international organizations. Source: Securities and Exchange Commission.

3/ Issues not guaranteed by the U. S. Government. Source: long-term, Securities and Exchange Commission; short-term, Federal Reserve.

4/ Principally tax and bond anticipation notes, warrants or certificates and Public Housing Authority notes. In some instances FIA notes included may have a somewhat longer term than one year. Source: Bond Buyer.

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EXHIBIT G

Large long-term 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/
1967 - July	525	224	25
August	526	266	--
September	537	133	245
October	574	393	--
November	420	344	154
December	399	404	--
1968 - January	318	410	1,357
February	605	553	266
March	1,093	182	--
April	725	300	653
May	356	505	164
June	281	195	86
July	771	275	41

Large Individual Issues Offered August 1 through 22

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
Consolidated Nat. Gas Co.	S.F. deb.	45.0	1983	4 3/8	4.30	Aaa
Public Serv. Elec. & Gas Co.	1st ref.mtg.bds.	60.0	1988	4 5/8	4.50	Aa
Houston Corp.	Deb.&com.stk.	45.3	1968	5	5/	--
<u>STATE AND LOCAL GOVERNMENT</u>						
Philadelphia Sch. Dist., Pa.	G.O.	12.0	1960-83	3.28	1.40-3.50 ^{4/}	A
Georgia Rural Rds. Auth.	Rev.-kent.	21.0	1960-79/68	3.72	1.70-3.70	A
Los Angeles, California	G.O.	21.5	1954-88/68	3.63	1.25-3.85	Aa
<u>OTHER</u>						
None						

1/ Includes corporate and other security offerings of \$15 million and over; State and local government security offerings of \$10 million and over.

2/ Includes foreign government and International Bank for Reconstruction and Development issues and non-guaranteed issues by Federal agencies.

3/ In the case of State and local government securities, G.O. denotes general obligations; Rev.-Ut., revenue obligations secured only by income from public utilities; Rev.-Q.Ut., revenue bonds secured only by revenue of quasi-utilities; Rev.-S.T., revenue bonds secured by revenue from specific taxes only; Rev.-Rent., revenue bonds secured solely by lease payments.

4/ The 3.50 per cent yield is for the 1981-82 maturities. The 1/4s of 1983 were reoffered to yield 4.00 per cent.

5/ Offered in units with common stock.

Forthcoming Large Long-term 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/
1957 - June 28	370	153	25	415	479	25
July 31	526	218	--	811	471	--
Aug. 30	578	183	30	845	379	30
Sept. 30	576	334	--	647	551	15
Oct. 31	458	339	30	815	543	45
Nov. 29	383	363	18	1,193	558	63
Dec. 31	378	345	150	1,161	564	165
1958 - Jan. 31	498	370	--	1,378	487	--
Feb. 28	1,123	134	--	1,208	341	--
Mar. 31	555	298	110	670	330	110
Apr. 30	356	493	150	561	493	150
May 29	266	177	36	464	208	36
June 30	768	225	--	1,048	235	--
July 31	161	55	--	381	125	--

Forthcoming Large Offerings, as of August 22

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Southern California Edison Co.	1st ref. mtg. bds.	50.0	Aug. 26
*Texas Eastern Trans. Co.	1st mtg. p. 1. bds.	35.0	Sept. 11
*Sears Roebuck & Co.	S.F. deb.	350.0	Sept.
*Tennessee Gas Trans. Co.	1st mtg. p. 1. bds.	50.0	Sept.
Universal-Cyclops Steel Corp.	S.F. deb.	22.5	1958
Montana Power Co.	1st mtg. bds.	20.0	1958
Commerce Oil Refining Corp.	Deb., bds. & common	45.0	1958
Standard Oil Co. of California	Deb.	150.0	1958
Martin Co.	S.F. deb.	25.0	1958
<u>STATE AND LOCAL GOVERNMENT</u>			
New York, New York	G.O.	32.4	Aug. 26
Detroit, Michigan	G.O.	18.7	Aug. 26
San Carlos, California	G.O.	10.7	August
*State of Delaware	G.O.	21.0	Sept. 3
Indiana State Office Bldg. Comm.	Rev.	30.0	Sept. 9
*State of Connecticut	G.O.	20.0	Sept. 9
San Diego Unif. Sch. Dist., Calif.	G.O.	10.0	Sept. 10
*Los Angeles Co. Flood Dist., Calif.	Rev.	30.0	Sept. 16
State of Ohio	Rev.-S.T.	30.0	Sept. 18
Chesapeake Bay Ferry Comm.	Rev.-Ut.	144.0	October
State of California	G.O.	50.0	Dec. 3

Forthcoming Large Offerings, as of August 22 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>OTHER</u>			
None			

*--Included in table for first time.

1/ Includes corporate and other issues of \$15 million and over; State and local government issues of \$10 million and over.

2/ Includes foreign government and International Bank for Reconstruction and Development issues and non-guaranteed issues by Federal agencies.

Note--Deletions for reasons other than sale of issue: None.

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 - 1957				
High	5.00(8/14/57)	87	5.50(11/7/57)	123
Low	2.93(3/31/54)	-3	3.00(3/17/54)	-15
1958 - January	*3.60	-8	3.96 ^{2/}	3
February	3.89 ^{2/}	22	4.07	9
March 4			4.25	6
5	4.15	44		
6	4.22	50		
12	4.00	28		
19	4.00	26		
21			4.07	-7
25	4.05	31		
April 1	3.98	23		
2	4.00	25		
17			3.98	5
23	3.75	5		
29			4.04	11
May 7			4.00	3
13	3.90	21		
15			4.07	4
16			4.35	32
20	3.85	16		
21	3.85	16		
22			4.00	-1
28			3.95	-6
June 10	3.85	17		
17	3.82	12		
25	3.95	24		
July 2			3.98 ^{2/}	1
9	4.00	25		
18	4.10	28		
23	4.10	29	4.35 ^{2/}	31

*—Single observation, not an average.

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. Monthly averages so marked include one or more issues with such a provision. 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	
1956 - 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	182	119	380
June	60	-70	172	--	137	72	371
July	-5	36	414	33	197	91	766
Aug.	-30	-38	154	10	191	82	369
Sept.	45	-44	188	7	150	92	438
Oct.	-16	9	237	12	162	8	412
Nov.	14	-98	202	10	127	118	373
Dec.	138	-185	252	13	244	-16	446
Value of Assets at End of Year	1,264	6,950	42,025	2,375	35,230	13,199	101,043
1958 - Jan.	-94	163	214	43	180	123	629
Feb.	-57	11	99	8	119	148	328
Mar.	19	-122	271	22	134	61	385
Apr.	-18	7	202	12	110	19	332
May	73	-73	130	27	111	165	433
June	-22	43	185	34	99	145	484

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

Source: Institute of Life Insurance.

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Exhibit K

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
1956 - 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	4,380
1957 ^p - 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
Oct.	-21	-10	426	94	488	367	18	103
Nov.	84	19	303	69	473	399	8	66
Dec.	439	-69	284	22	675	966	123	-444
Value of Assets at End of Year	2,144	3,169	40,119	2,809	48,275	42,038	1,381	4,856
1958 ^p - Jan.	-121	46	216	7	148	453	-377	72
Feb.	175	-20	254	13	422	384	-127	165
Mar.	209	-3	344	11	561	491	-89	159
Apr.	117	37	400	108	662	363	112	187
May	38	15	541	100	694	521	-32	205
June	180	82	590	-41	811	945	167	-301

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.

Sources and Uses of Funds by
Mutual Savings Banks
Monthly

(In millions of dollars)

	Uses of Funds 1/						Sources of Funds		
	Cash	U.S. Govt. secur- ities	Busi- ness secur- ities	State and local govt. secur- ities	Mort- gages	Other	Total sources or uses	Net changes in deposits	Other
1956 - 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	118	-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
Oct.	-24	-136	60	-3	124	-41	-20	34	-54
Nov.	6	-136	93	7	100	38	108	36	72
Dec.	125	-26	75	-7	141	-9	299	405	-106
Value of Assets at End of Year	890	7,552	4,331	682	20,951	701	35,168	31,695	3,473
1958. - Jan.	-60	--	160	23	130	25	278	234	44
Feb.	63	-21	86	4	99	20	251	149	102
Mar.	36	41	86	6	165	9	343	336	7
Apr.	-47	-85	97	4	174	-26	24	93	1
May	-5	-62	120	-19	195	40	269	181	88
June	42	-36	-24	24	253	5	264	300	-36

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

2/ Includes Canadian government and political subdivisions, international Bank for Reconstruction and Development, non-guaranteed Federal agency and other bonds as well as corporate bonds and stock.

Source: National Association of Mutual Savings Banks and Federal Deposit