

H.14

September 29, 1958.

CAPITAL MARKET DEVELOPMENTS

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

During the week ending September 26, one large corporate issue for \$40 million and large State and local government issues totaling \$91 million were sold. A foreign government issue for \$18 million was also offered. The volume of new security financing is expected to be very small this week. The lone large offering on the calendar for this week is a corporate debenture issue for \$15 million. This issue had been originally scheduled for sale in late August, but was postponed because of market conditions.

Bond yields - Changes in yields on outstanding bonds were mixed again last week, indicating at least a temporary stabilization. Yields on corporate bonds increased slightly while those on U. S. Government and State and local government bonds declined, the former for the first time since July.

October security volume - The October volume of corporate issues for new capital is expected to total only \$550 million, one-half of the volume last October and one-half of the estimated September volume. Large publicly-offered issues are expected to total only about \$175 million, in contrast to a very large volume in both September and October last year.

State and local government security issues for October are currently estimated at \$650 million. This volume would be about one-twelfth larger than in September and only slightly below the volume in October 1957. The calendar includes a \$200 million issue of the New York State Power Authority, which is expected to be sold on a negotiated basis.

Stock prices - Standard and Poor's index of 500 common stocks reached an all time peak of 49.78 on Wednesday of last week and then declined slightly. Closing at 49.66 on September 26, the index was .26 basis points higher than a week earlier and one per cent above the July 1957 high. Trading activity also increased further, averaging 3.7 million shares a day.

Institutional investors - In July, deposits at mutual savings banks and savings capital at savings and loan associations continued to increase much more rapidly than a year earlier, while the increase in life insurance company assets was slightly smaller. Over the first seven months of this year, savings inflow for these three major financial institutions was nearly one-fifth greater than in the corresponding period of 1957. Mutual savings banks showed the largest relative increase in this period, with a deposit growth one-half greater than in the corresponding months of last year. Savings and loan share capital increased one-fourth more than last year. The increase in life insurance company assets was only slightly larger in the January to July period this year than last.^{1/} (The growth in time and savings deposits at commercial banks for the first seven months was three-fifths greater than last year.)

The increase in life insurance company assets amounted to \$570 million, \$14 million less than in July 1957. Holdings of U. S. Government securities increased more sharply than in any month since January 1955, primarily in acquisition of Treasury bills. Net purchases of both business securities and mortgages were smaller than a year earlier--the former more than two-fifths less and the latter one-fourth less.

The growth in deposits at mutual savings banks was \$88 million, \$72 million greater than in July last year. Holdings of U. S. Government securities increased slightly in contrast to a slight decline a year earlier. As in every month this year with the exception of January, the increase in mortgage holdings continued to be larger than last year. The July increase in mortgage acquisitions was one-half larger. In contrast to a more rapid growth this year than last in most other months of the year, net acquisition of business securities was smaller than last July, a continuation of the change in investment policy that first occurred in June.

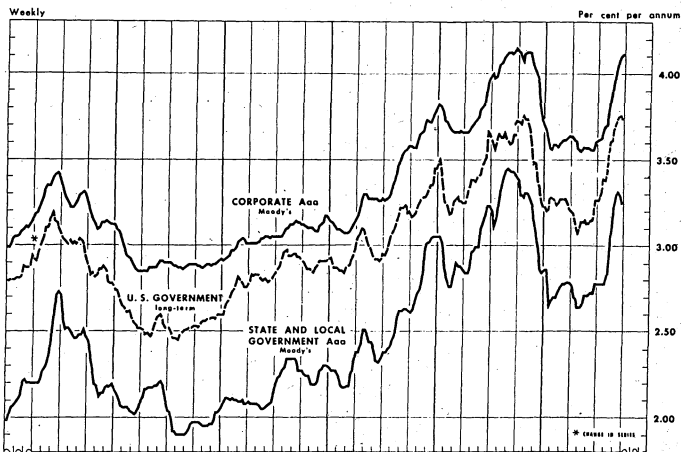
Savings capital at savings and loan associations increased \$62 million in contrast to a decline of \$68 million in July 1957. The increase in holdings of U. S. Government securities was about the same as a year earlier. For the third consecutive month, net acquisition of mortgages by savings and loan associations was substantially larger than a year earlier, with the July increase being one-third greater.

^{1/} This statement will not agree with the data shown in Exhibit J, which indicate a slightly smaller asset growth during the first seven months of 1958 than during the corresponding period of 1957. As indicated in footnote 2 to the Exhibit, however, the asset growth in January 1957 is overstated because of a change in estimating procedure. After adjustment for this overstatement it would appear that asset growth this year was slightly larger than in 1957. While it is possible to make a fairly accurate adjustment in total assets for this from collateral data, adjustments are not feasible for individual asset items.

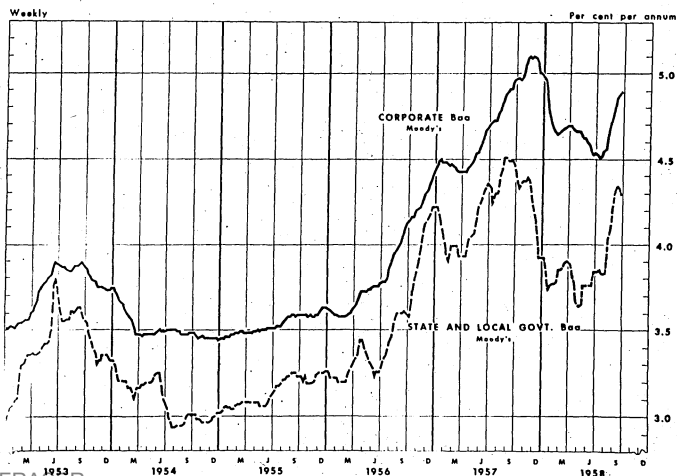
More detailed information concerning recent capital market developments is presented in the attached exhibits.

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

HIGH-GRADE BOND YIELDS



LOWER - GRADE BOND YIELDS



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 | 4.11 (9/26) | 3.76 (9/19) | 3.31 (9/11) | .51 | .62 |
| Low | 3.55 (5/2) | 3.07 (4/25) | 2.64 (5/1) | .22 | .34 |
| Aug. 29 | 3.94 | 3.67 | 3.22 | .27 | .45 |
| Sept. 5 | 4.03 | 3.72 | 3.29 | .31 | .43 |
| Sept. 12 | 4.07 | 3.75 | 3.31 | .32 | .44 |
| Sept. 19 | 4.10 | 3.76 | 3.28 | .34 | .48 |
| Sept. 26 p/ | 4.11 | 3.74 | 3.24 | .37 | .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) | 4.34 (9/11) | 1.28 | 1.11 |
| Low | 4.51 (7/11) | 3.64 (5/1) | .77 | .98 |
| Aug. 29 | 4.74 | 4.21 | .80 | .99 |
| Sept. 5 | 4.80 | 4.31 | .77 | 1.02 |
| Sept. 12 | 4.86 | 4.34 | .79 | 1.03 |
| Sept. 19 | 4.88 | 4.32 | .78 | 1.04 |
| Sept. 26 p/ | 4.90 | 4.29 | .79 | 1.05 |

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

Millions of Dollars

1941-43 Average-10

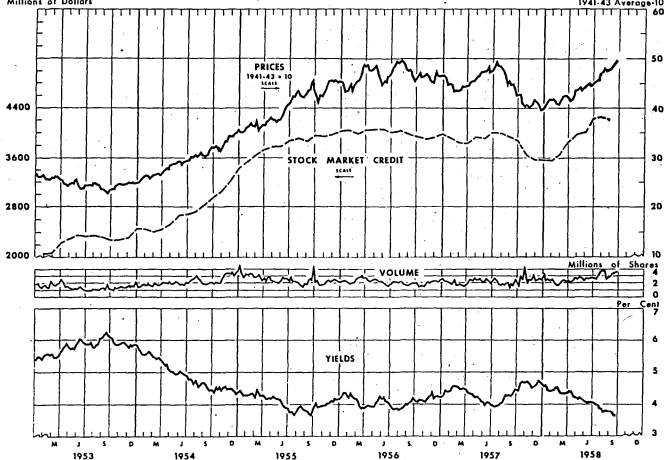


Exhibit D

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 | 49.66 (9/26) | 3.8 | 3.63 | 4,252 | 3,021 | 1,317 |
| Low | 40.37 (1/10) | 1.7 | 4.58 | 3,554 | 2,487 | 1,051 |
| July | 45.98 | 3.2 | 3.97 | 4,252 | 3,021 | 1,231 |
| August | 47.70 | 3.0 | 3.78 | 4,202 | 3,016 | 1,186 |
| Sept. 12 | 48.53 | 3.1 | 3.71 | n.a. | n.a. | 1,192 |
| Sept. 19 | 49.40 | 3.6 | 3.64 | n.a. | n.a. | 1,198 |
| Sept. 26 p/ | 49.66 | 3.7 | 3.63 | 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 ^{3/} | 1,320 | 817 | 511 | 506 | 390 |
| April | 1,141 | 931 | 818 | 798 | 765 | 378 |
| May | 600 | 765 | 1,146 | 878 | 546 | 490 |
| June | 881 | 1,453 | 841 | 551 | 393 | 735 |
| July | e/1,101 | 1,003 | 1,063 | 639 | 529 | 408 |
| August | e/500 | 924 | 654 | p/382 | 584 | 206 |
| September | e/1,100 | 973 | 838 | e/600 | 431 | 357 |
| October | e/550 | 1,090 | 745 | e/650 | 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 | 2,227 | 1,704 | 1,603 |
| 3rd quarter | e/2,701 | 2,899 | 2,556 | e/1,621 | 1,544 | 971 |
| 4th quarter | | 2,954 | 2,922 | | 2,029 | 1,395 |
| 1st half | 5,757 | 6,594 | 4,907 | 4,503 | 3,524 | 3,093 |
| Three quarters | e/8,458 | 9,493 | 7,463 | e/6,124 | 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 | e/2,651 | 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 | 9 | 28 | 2 | 164 | -- | -- |
| 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 | 289 | 272 | 195 | 601 | 224 | 222 |
| August | p/423 | 272 | 207 | 206 | 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 PHA 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/ |
|----------------|-----------|----------------------------|----------|
| 1957 - August | 526 | 266 | -- |
| September | 537 | 133 | 245 |
| October | 574 | 393 | -- |
| November | 420 | 344 | 154 |
| December | 399 | 404 | -- |
| 1958 - 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 |
| August | 209 | 109 | -- |

Large Individual Issues Offered during September

| Issuer | Type 3/ | Amount (millions of dollars) | Maturity | Coupon rate or net interest cost | Offering yield | Rating |
|---|------------------|------------------------------|------------|----------------------------------|----------------|--------|
| <u>CORPORATE</u> | | | | | | |
| Standard Oil Co. of Calif. | S.F. deb. | 150.0 | 1983 | 4 3/8 | 4.40 | Aaa |
| Texas Eastern Transm. Co. | 1st mtg.p.l.bds. | 35.0 | 1978 | 5 5/8 | 5.71 | Baa |
| Sears Roebuck & Co. | S.F. deb. | 350.0 | 1983 | 4 3/4 | 4.75 | Aa |
| Tenn. Gas Transm. Co. | 1st mtg.p.l.bds. | 50.0 | 1979 | 5 3/8 | 5.38 | A |
| Standard Oil Co. of Indiana | Deb. | 200.0 | 1983 | 4 1/2 | 4.57 | Aa |
| Consumers Power Co. | 1st mtg. bds. | 40.0 | 1988 | 4 1/2 | 4.44 | Aa |
| <u>STATE AND LOCAL GOVERNMENT</u> | | | | | | |
| State of Delaware | G.O. | 17.0 | 1959-78 | 3.26 | 1.50-3.50 | Aa |
| Indiana State Office Bldg. Comm. | Rev.-Rent. | 30.0 | 1963-88/70 | 4.23 | 3.00-4.25 | Aa |
| State of Connecticut | G.O. | 20.0 | 1959-88 | 3.24 | 1.60-3.50 | Aaa |
| San Diego U. S. D., Calif. | G.O. | 10.0 | 1961-80 | 3.64 | 2.25-3.85 | A |
| Los Angeles Co. Flood Control Dist., California | Rev.-Ut. | 30.0 | 1959-83 | 3.68 | 1.75-3.75 | Aa |

Large Individual Issues Offered during September (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> (Cont'd) | | | | | | |
| Colleges of the State of Texas | Rev.-S.T. | 12.4 | 1959-66 | 3.00 | 1.90-2.90 | Aa |
| State of Oregon | G.O. | 20.0 | 1963-72 | 3.00 | 2.25-3.15 | Aa |
| State of Ohio | Rev.-S.T. | 30.0 | 1959-72 | 3.38 | 1.60-3.45 | Aa |
| Puerto Rico Industrial Development Co. | Rev. | 15.0 | 1959-78 | n.a. | n.a. | -- |
| Commonwealth of Mass. | G.O. | 61.0 | 1959-78 | 3.45 | 2.00-3.50 | Aa |
| State of Washington | Rev.-S.T. | 10.0 | 1959-76 | 3.74 | 2.00-3.75 | A |
| Chicago, Illinois | G.O. | 20.0 | 1960-77 | 3.59 | 2.20-3.70 | A |
| <u>OTHER</u> | | | | | | |
| Kingdom of Norway | Bds. | 17.5 | 1973 | 5 1/4 | 5.45 | -- |

n.a.--Not available.

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/ 1s of 1980 not reoffered.

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 - 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 | -- |
| Aug. 29 | 785 | 241 | -- | 914 | 435 | -- |
| Sept. 30 | 113 | 295 | -- | 216 | 524 | -- |

Forthcoming Large Offerings, as of September 26

| Issuer | Type | Amount (millions of dollars) | Approximate date of offering |
|--------------------------------------|---------------------|------------------------------|------------------------------|
| <u>CORPORATE</u> | | | |
| Universal-Cyclops Steel Corp. | S.F. deb. | 15.0 | Oct. 2 |
| Idaho Power Co. | 1st mtg. bds. | 15.0 | Oct. 5 |
| Public Service Co. of Indiana | Pfd. stk. | 24.3 | Oct. 6 |
| | | | (rights expire) |
| American Cement Corp. | S.F. deb. | 20.0 | Oct. 9 |
| Peoples Gas Light and Coke Co. | Cap. stk. | 17.0 | Oct. 20 |
| | | | (rights expire) |
| *J. I. Case Co. | Conv. deb. | 20.0 | Oct. 30 |
| | | | (rights expire) |
| Consumers Power Co. | Pfd. stk. | 15.0 | 1958 |
| Montana Power Co. | 1st mtg. bds. | 20.0 | 1958 |
| Commerce Oil Refining Corp. | Deb., bds. & common | 45.0 | 1958 |
| Martin Co. | S.F. deb. | 25.0 | 1958 |
| <u>STATE AND LOCAL GOVERNMENT</u> | | | |
| Boston, Massachusetts | G.O. | 24.7 | Oct. 7 |
| Metro. Wtr. Dist. of So. California | Rev.-Ut. | 18.0 | Oct. 14 |
| *State of South Carolina | G.O. | 13.0 | Oct. 15 |
| *City & Co. of San Francisco, Calif. | G.O. | 26.4 | Oct. 27 |
| *New York State Power Auth. | Rev. | 200.0 | Oct. |

Forthcoming Large Offerings, as of September 26 (Cont'd)

| Issuer | Type | Amount (millions of dollars) | Approximate date of offering |
|--|----------|------------------------------------|---------------------------------|
| <u>STATE AND LOCAL GOVERNMENT (Cont'd)</u> | | | |
| Florida State Board of Education | Rev. | 12.5 | Oct. |
| Detroit - Metro. Expressway | Rev.-Ut. | 35.0 | Nov. 15 |
| Chesapeake Bay Ferry Comm. | Rev.-Ut. | 144.0 | Nov. |
| State of California | G.O. | 50.0 | Dec. 3 |
| <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 - 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 ^r - Jan. 2/ | -120 | 100 | 288 | 31 | 322 | 71 | 692 |
| Feb. | -37 | -33 | 169 | -- | 205 | 147 | 451 |
| Mar. | -42 | -109 | 200 | 9 | 197 | 102 | 357 |
| Apr. | 28 | 11 | 172 | 10 | 172 | 34 | 427 |
| May | -18 | -79 | 169 | 26 | 186 | 135 | 419 |
| June | 59 | -62 | 184 | 2 | 144 | 65 | 392 |
| July | -9 | 5 | 324 | 14 | 163 | 87 | 584 |
| Aug. | -30 | -32 | 163 | 11 | 195 | 77 | 384 |
| Sept. | 47 | -32 | 198 | 7 | 154 | 93 | 467 |
| Oct. | -17 | 13 | 244 | 13 | 170 | 6 | 429 |
| Nov. | 22 | -92 | 212 | 10 | 132 | 110 | 394 |
| Dec. | 138 | -181 | 258 | 10 | 237 | 7 | 469 |
| Value of Assets at End of Year | 1,294 | 7,028 | 42,133 | 2,377 | 35,271 | 13,206 | 101,309 |
| 1958 ^r - Jan. | -93 | 171 | 221 | 51 | 191 | 111 | 652 |
| Feb. | -51 | 15 | 106 | 10 | 125 | 144 | 349 |
| Mar. | 20 | -119 | 277 | 23 | 140 | 60 | 401 |
| Apr. | -17 | 11 | 208 | 13 | 113 | 19 | 347 |
| May | 74 | -70 | 135 | 28 | 116 | 167 | 450 |
| June | -20 | 47 | 194 | 35 | 104 | 140 | 500 |
| July | 20 | 175 | 182 | 24 | 123 | 46 | 570 |
| Aug. | | | | | | | |
| Sept. | | | | | | | |

^r Revised.

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

2/ The total net change in assets is overstated by about \$170 million for this month as the result of a change in estimating procedure.

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 |
| 1956 - 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 ^D - 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 | -414 |
| Value of Assets at End of Year | 2,144 | 3,169 | 40,119 | 2,809 | 48,275 | 42,038 | 1,381 | 4,856 |
| 1958 ^D - 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 |
| July | -304 | 42 | 539 | -79 | 198 | 62 | -37 | 173 |
| Aug. | | | | | | | | |
| Sept. | | | | | | | | |

^D/ 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/ | | | | | | 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 changes in deposits | Other |
| 1956 - 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 | 761 | 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 | 154 | -29 | 94 | 93 | 1 |
| May | -5 | -62 | 120 | -19 | 195 | 40 | 269 | 181 | 88 |
| June | 42 | -36 | -24 | 24 | 253 | 5 | 264 | 300 | -36 |
| July | -66 | 11 | 34 | 8 | 193 | -28 | 152 | 88 | 64 |
| Aug. | | | | | | | | | |
| Sept. | | | | | | | | | |

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 Insurance Corporation.