

H.14

November 24, 1958.

CAPITAL MARKET DEVELOPMENTS

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

The volume of public security financing was moderate last week, but is expected to be much smaller during this holiday-shortened week. During the week ending November 21, large corporate issues, including expiration of subscription rights, totaled \$120 million. One of the issues sold, a \$20 million issue of Martin Company, had been originally scheduled for sale in early July, but the sale was then postponed. Large State and local government issues offered totaled \$61 million and a \$100 million issue of International Bank for Reconstruction and Development was also sold. This week, only two large offerings are expected--a corporate issue for \$30 million and a local government issue for \$33 million.

Bond yields - Yields declined slightly for all types of outstanding bonds last week, except those for high-grade State and local government bonds.

Stock market credit - Customer credit in the stock market (excluding that for U. S. Government securities) increased \$61 million further in October. At a record level of \$4,369 million, customer

	End of Month		Change
	Oct.	Sept.	
	(Millions of dollars)		
Customer credit			
Excluding U. S. Government securities - total	4,369	r/4,308	+61
Net debit balances	3,188	r/3,109	+79
Bank loans to "others"	1,181	1,199	-18
Net debit balances secured by U. S. Govt. securities	123	122	+1
Bank loans to others for purchasing or carrying U. S. Government securities	59	51	+8
Broker and dealer credit			
Money borrowed except on U. S. Government securities	1,832	1,865	-33
On customer collateral	1,612	1,628	-16
Money borrowed on U. S. Government securities	193	210	-17
Customers' net free credit balances	1,140	r/1,119	+21

r/ Revised.

credit was 22 per cent higher than when margin requirements were reduced last January. The September increase in credit was entirely in net debit balances, as bank loans to "others" declined.

Borrowing by member firms of the New York Stock Exchange maintaining margin accounts (excluding borrowing on U. S. Government securities) declined slightly last month. Customers' net free credit balances increased for the fifth consecutive month, totaling \$1,140 million at the end of the month.

These and other data on stock market credit for October and September are shown in the table on the preceding page.

Stock prices - Stock prices declined last week after increasing in each of the previous three weeks. Standard and Poor's index of 500 common stocks, which reached a new high of 53.24 last Monday, closed at 52.70 on November 21. Trading activity continued to be heavy, averaging 4.1 million shares a day.

Institutional investors - As in earlier months of the year, the increase in savings capital at savings and loan associations and deposits at mutual savings banks in September was larger than a year earlier; however, the increase in life insurance company assets was slightly smaller.

Combined growth in savings at these three institutions was 15 per cent greater in the third quarter than in the corresponding period last year. Savings capital at savings and loan associations increased \$855 million, 60 per cent more than last year. Deposits at mutual savings banks increased \$498 million, also 60 per cent greater than in the third quarter of 1957. However, the increase in life insurance company assets was \$1,485 million, only 3 per cent larger. (Time deposits at commercial banks increased the same amount in the third quarter this year as a year earlier in contrast to the much more rapid growth earlier in the year.)

Life insurance companies added substantially to their holdings of U.S. Government securities during the third quarter of this year in contrast to a moderate reduction last year. Net acquisition of both business securities and mortgages by these companies was smaller than in the third quarter of 1957, with the former being one-fourth, and the latter one-fifth smaller.

Savings and loan associations' funds invested in mortgages were more than one-third larger than last year. Net acquisition of U. S. Government securities was quite large in the third quarter, totaling \$298 million, compared with only \$91 million a year earlier.

## Sources and Uses of Funds of Major Types of Savings Institutions 1/

Third Quarter 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	2	224	511	402	79	267	1,485	--	--	--
1957	8	-59	685	512	32	257	1,435	--	--	--
1956	-2	-121	510	826	65	258	1,536	--	--	--
1955	78	83	451	766	26	155	1,559	--	--	--
1954	5	-257	619	651	136	258	1,412	--	--	--
1953	83	-100	558	477	18	29	368	--	--	--
Savings and Loan Associations										
1958	-445	298	--	1,664	n.a.	-29	1,488	855	101	532
1957	-412	91	--	1,224	n.a.	21	924	524	47	353
1956	-317	86	--	1,215	n.a.	-20	961	696	-15	280
1955	-351	53	--	1,598	n.a.	-18	1,279	686	302	291
1954	-113	-15	--	1,229	n.a.	-18	1,071	733	14	324
1953	-137	10	--	1,017	n.a.	-53	858	595	83	180
Mutual Savings Banks										
1958	-53	3	76	572	12	30	640	498	--	142
1957	-88	-13	178	336	6	17	436	312	--	124
1956	-82	-91	50	611	-2	17	503	337	--	166
1955	-66	-18	-95	676	-4	12	505	413	--	92
1954	-38	-145	72	543	36	24	492	407	--	85
1953	-27	-44	94	372	18	31	444	357	--	87

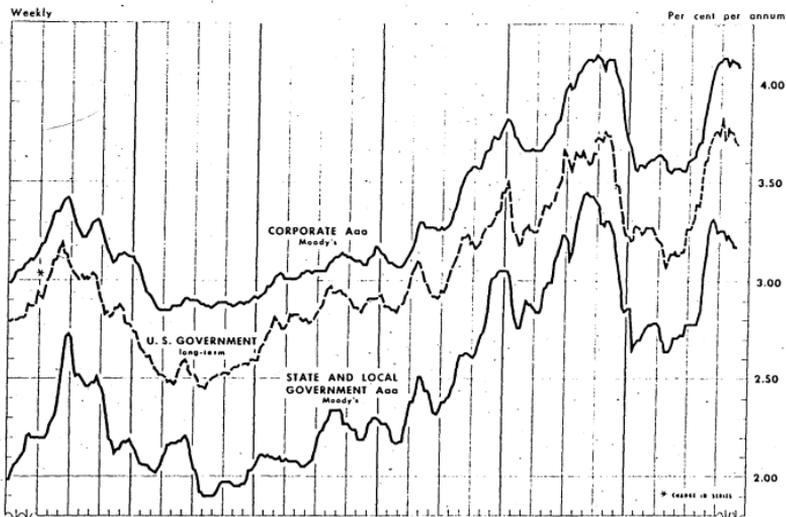
1/ For description of data see Exhibits J, K and L.  
n.a.--Not available.

Mutual savings banks' net acquisition of mortgages was 70 per cent larger than a year earlier, while acquisition of business securities was nearly 60 per cent less. This is in contrast to earlier in the year when both mortgages and business security acquisitions exceeded those of a year earlier. Holdings of U. S. Government securities increased very slightly; they had declined in the third quarter last year.

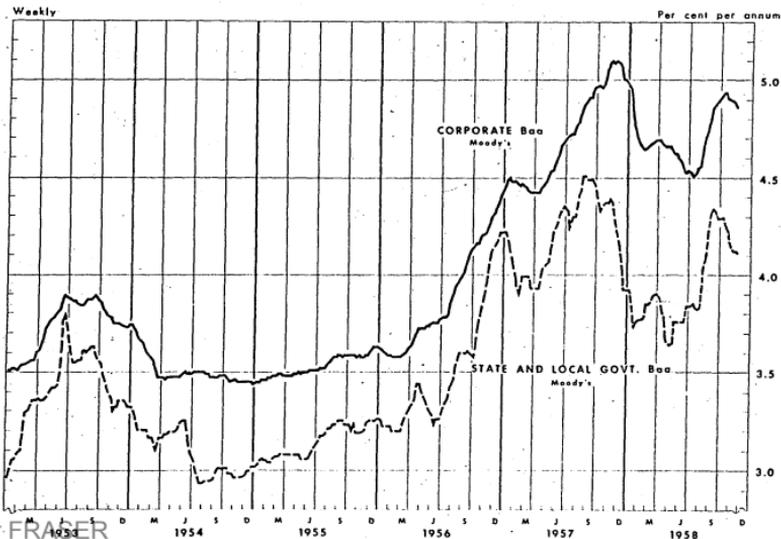
More detailed information concerning recent capital market developments is presented in the attached exhibits.

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

HIGH-GRADE BOND YIELDS



LOWER - GRADE BOND YIELDS



## 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 (10/16)	3.45 (8/29)	.60	.47
1958 - High	4.13 (10/10)	3.83 (10/3)	3.31 (9/11)	.51	.62
Low	3.55 (5/2)	3.07 (4/25)	2.64 (5/1)	.22	.34
Oct. 24	4.10	3.77	3.23	.33	.54
Oct. 31	4.12	3.75	3.21	.37	.54
Nov. 7	4.11	3.75	3.19	.36	.56
Nov. 14	4.10	3.71	3.17	.39	.54
Nov. 21 p/	4.08	3.69	3.17	.39	.52

## 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	.93
Oct. 24	4.91	4.24	.81	1.01
Oct. 31	4.90	4.16	.78	.95
Nov. 7	4.89	4.12	.78	.93
Nov. 14	4.88	4.12	.78	.95
Nov. 21 p/	4.86	4.11	.78	.94

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.

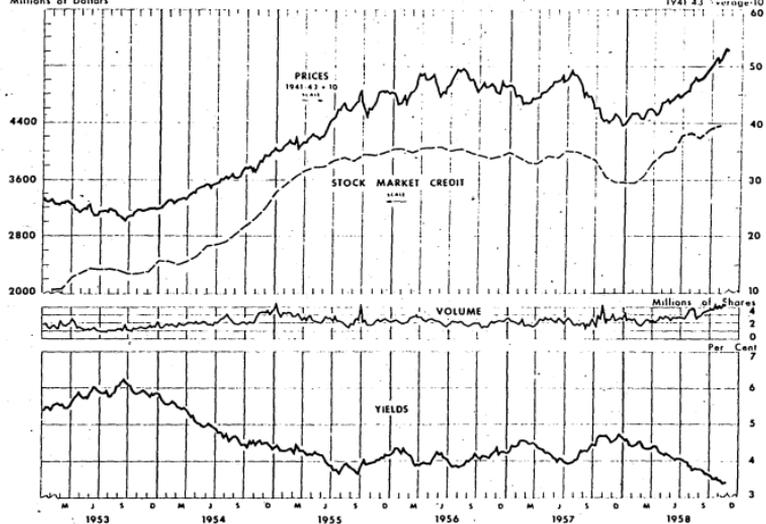
Note.--Highs and lows are for individual series and may be on different dates for different series.

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	53.09 (11/14)	4.9	3.39	4,369	3,186	1,317
Low	40.37 (1/10)	1.7	4.58	3,554	2,487	1,051
September	48.85	3.4	3.69	r/4,308	r/3,109	1,199
October	50.95	4.1	3.52	4,369	3,188	1,181
Nov. 7	52.26	4.0	3.44	n.a.	n.a.	r/1,176
Nov. 14	53.09	4.2	3.39	n.a.	n.a.	1,182
Nov. 21 p/	52.70	4.1	3.41	n.a.	n.a.	n.a.

n.a.--Not available. p/ Preliminary. r/ 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. 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 <sup>2/</sup>	1,320	817	511	506	390
April	1,141	931	818	798	765	378
May	600	765	1,146	895	546	490
June	881	1,453	841	551	393	735
July	1,102	1,003	1,063	804	529	408
August	538	924	654	403	584	206
September	1,144	973	838	667	431	357
October	e/700	1,090	745	p/447	698	639
November	e/600	789	1,089 <sup>2/</sup>	e/600	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	2,244	1,704	1,603
3rd quarter	2,784	2,899	2,556	1,874	1,544	971
4th quarter		2,954	2,922		2,029	1,395
1st half	5,757	6,594	4,907	4,520	3,524	3,093
Three quarters	8,541	9,493	7,463	6,394	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/2,734	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&amp;T convertible debenture issue.

4/ Includes \$571.5 million AT&amp;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/		
	1956	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	5	7	39	--	--	109
September	17	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/		
	1956	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	437	224	222
August	423	272	207	206	370	425
September	369	252	179	330	512	273
October	p/231	303	294		1,238	407
November		94	328		255	222
December		459	118		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 FIMA notes included may have a somewhat longer term than one year. Source: Bond Buyer.

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 - 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	--
September	825	288	18
October	259	172	209

Large Individual Issues Offered November 1 through 21

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
Columbia Gas System, Inc.	Deb.	25.0	1983	4 7/8	4.80	A
Nat. Gas Pipeline Co.	1st mtg.p.l.bds	30.0	1978	4 5/8	4.68	A
Pacific Tel. & Tel. Co.	Deb.	80.0	1990	4 5/8	4.47	Aa
Martin Company	S.F. deb.	20.0	1968	5 1/2	5.34	Baa
Gen. Public Utilities Corp.	Com. stk.	20.3				
<u>STATE AND LOCAL GOVERNMENT</u>						
Chicago, Illinois	Rev.-Ut.	25.0	1964-83	3.82	3.10-3.85	A
Baltimore Co., Maryland	G.O.	11.5	1960-88	3.46	2.25-3.55	A
Public Housing Authorities	G.O.	45.3	1959-99	3.35	1.75-3.45	Aaa
Port of New York Auth.	G.O.	25.0	1959-78	3.57	2.10-3.65	A
State of Maryland	G.O.	16.8	1961-73	2.74	2.05-2.85	Aaa
Nassau Co., New York	G.O.	21.6	1959-87	3.49	2.00-3.65	A
Allegheny Co. San. Auth., Pa.	Rev.-Ut.	20.0	1961-96	3.73	2.50-3.79	--
Los Angeles Sch. Dist., Cal.	G.O.	28.0	1959-83	3.46	1.90-3.55	Aa
Orange Co., California	Rev.-Ut.	15.9	1960-99	3.71	2.10-3.95	A
Philadelphia, Pa.	G.O.	17.4	1959-89	3.51	2.00-3.60	A

## Large Individual Issues Offered November 1 through 21 (Cont'd)

Issuer	Type <sup>3/</sup>	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offering yield	Rating
<u>OTHER</u>						
Int'l Bk. for Rec. & Dev.	Bds. -	100.0	1973	4 1/2	4.50	Aa

n.a.--Not available.

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

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

<sup>3/</sup> 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 from quasi-utilities; Rev.-S.T., revenue bonds secured by revenue from specific taxes only; Rev.-Rent., revenue bonds secured solely by lease payments.

<sup>4/</sup> 2 3/4s of 1978 not reoffered.

<sup>5/</sup> 1s of 1986-99 not reoffered.

<sup>6/</sup> 1s of 1989 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 - 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	--
Oct. 31	204	258	--	326	675	--

Forthcoming Large Offerings, as of November 21

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Northern Natural Gas Co.	S.F. deb.	30.0	Nov. 26
Pacific Gas & Electric Co.	1st & ref. mtg. bds.	65.0	Dec. 3
Potomac Electric Power Co.	1st mtg. bds.	25.0	Dec. 3
Public Service Electric & Gas Co.	Common stk.	23.0	Dec. 4
P. Lorillard Co.	Common stk.	24.0	Dec. 9
			(rights expire)
Southern Bell Telephone & Telegraph	Deb.	70.0	Dec. 10
Philadelphia Electric Co.	1st & ref. mtg. bds.	50.0	Dec. 11
Pacific Telephone and Telegraph Co.	Common stk.	16.6	Dec. 30
			(rights expire)
Arvida Corp.	Common stk.	27.5	Dec.
Consumers Power Co.	Pfd. stk.	15.0	Winter
Montana Power Co.	1st mtg. bds.	20.0	Winter
Commerce Oil Refining Corp.	Deb., bds. & common	45.0	winter
Indiana & Michigan Electric Co.	1st mtg. bds.	20.0	winter

## Forthcoming Large Offerings, as of November 21 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>STATE AND LOCAL GOVERNMENT</u>			
New York, New York	G.O.	32.8	Nov. 25
State of Ohio	G.O.	30.0	Dec. 2
State of California	G.O.	100.0	Dec. 3
East Baton Rouge Parish, Louisiana	G.O.	22.5	Dec. 10
*State of New York	G.O.	51.0	Dec. 10
*Chicago Board of Education, Illinois	G.O.	25.0	Dec. 10
New York State Power Authority	Rev.-Ut.	200.0	Winter
Chesapeake Bay Ferry Commission	Rev.-Ut.	144.0	Winter
Detroit-Metro. Expressway	Rev.-Ut.	35.0	Winter
Massachusetts Port Authority	Rev.-Ut.	75.0	Winter
<u>OTHER</u>			
Republic of Austria	Bonds	25.0	Dec. 4
Union of South Africa	Bonds	25.0	Dec. 4

\*--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 <sup>1/</sup>

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 <sup>2/</sup>	3
February	3.89 <sup>2/</sup>	22	4.07	9
March	4.08	35	4.16	-1
April	3.91	18	4.01	8
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 <sup>2/</sup>	1
9	4.00	25		
18	4.10	28		
23	4.10	29	4.35 <sup>2/</sup>	31
Oct. 7	4.57	25		
15	4.50	22		
28	4.40 <sup>2/</sup>	12		
29	4.42 <sup>2/</sup>	14		

\*--Single observation, not an average.

<sup>1/</sup> 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.

<sup>2/</sup> 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. securities	Business securities	State and local govt. securities	Mortgages	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 <sup>2/</sup> - Jan.	-127	65	202	12	286	87	525
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 - 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.	-17	42	128	36	140	147	476
Sept.	-1	7	201	19	139	74	439

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

2/ The sum of the twelve monthly changes will not equal the difference between the asset values for 1956 and 1957 shown because of adjustment of the change data to eliminate the effect of a change in estimating procedures.

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. securities	Mortgages	Other assets		Net change savings capital	Borrowing 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 <sup>p/</sup> - 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 <sup>p/</sup> - 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.	-73	111	562	13	613	358	54	201
Sept.								

<sup>p/</sup>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. securities	Business securities	State and local govt. securities	Mortgages	Other	Total sources or uses	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.	-5	19	8	2	198	29	251	143	108
Sept.	18	-27	34	2	181	29	237	267	-30

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.