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DECONTROLLED AFTER SIX MONTHS

H.14

May 25, 1959.

CAPITAL MARKET DEVELOPMENTS

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

The volume of public security financing for new capital is expected to be much larger this week than in the past few weeks. During the week ending May 22, the sale of large issues included a corporate issue for \$20 million, one large State and local government issue for \$18 million and a foreign government issue for \$50 million. This week, corporate issues, totaling \$230 million (including expiration of subscription rights) and State and local government issues amounting to \$159 million are scheduled for sale. The State and local government financing total includes a \$105 million issue of the Public Housing Authorities, which is expected to be sold tomorrow.

Bond yields - Yields on all types of outstanding bonds increased further last week, but the rise was less than it has been in the past few weeks.

Offering yields on new corporate issues showed little change last week. Two new first mortgage electric utility bond issues were offered to investors. An Aa-rated issue was offered on Wednesday to yield 4.95 per cent--the same as that for a comparable offering made a week earlier. An A-rated issue was offered on Thursday at a yield of 5.13 per cent--7 basis points above that of a similar issue sold a week earlier.

Mortgage and bond yields - FHA mortgage yields changed little in April. Yields on new corporate bonds increased sharply last month, however, reducing the spread between mortgage yields and those on corporate bonds to the narrowest since September 1958.

Institutional investors - Combined growth at three major types of savings institutions--life insurance companies, savings and loan associations and mutual savings banks--was about the same during the first quarter this year as in the comparable period of 1958. The rate of growth experienced by each of these institutions varied, however. Growth in life insurance company assets and savings capital at savings and loan associations was somewhat larger than in the first quarter of 1958, while the increase in deposits at mutual savings banks was substantially smaller. (During the first three months of this year the growth in time and savings deposits at commercial banks was much less than in the comparable period a year earlier.)

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

First Quarter 1953-1959

(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										
1959	-154	24	659	389	155	453	1,526	--	--	--
1958	-124	67	604	456	84	315	1,402	--	--	--
1957	-206	-77	571	688	21	336	1,333	--	--	--
1956	-215	-500	673	957	155	235	1,305	--	--	--
1955	-171	70	513	799	131	222	1,564	--	--	--
1954	-160	-106	561	494	168	479	1,436	--	--	--
1953	-154	-132	763	480	52	252	1,261	--	--	--
Savings and Loan Associations										
1959	-324	472	--	1,430	n.a.	119	1,696	1,371	-243	568
1958	263	24	--	776	n.a.	30	1,093	1,307	-593	379
1957	-235	347	--	838	n.a.	122	1,070	997	-299	372
1956	-99	240	--	907	n.a.	73	1,118	1,106	-326	338
1955	-55	179	--	1,174	n.a.	25	1,320	1,141	-189	368
1954	139	7	--	750	n.a.	30	925	1,063	-322 ^{2/}	184
1953	-30	139	--	655	n.a.	20	782	877	-254 ^{2/}	159
Mutual Savings Banks										
1959	-33	220	-41	508	55	12	721	548	--	173
1958	39	20	332	394	33	54	872	719	--	153
1957	-76	59	205	355	7	54	604	435	--	169
1956	-79	21	50	587	43	30	652	512	--	140
1955	-42	44	26	550	51	42	671	566	--	105
1954	22	-30	173	405	42	45	657	540	--	117
1953	-45	94	135	299	75	45	602	506	--	96

n.a.--Not available.

^{1/} For description of data see Exhibits J, K and L.^{2/} Includes Federal Home Loan Bank advances only.

The increase in life insurance company assets in the first quarter amounted to \$1.5 billion, nearly one-tenth more than in 1958. In both January and February assets increased more than a year earlier, but in March the growth was smaller. Portfolio changes were somewhat different from those in the first quarter of 1958. Net acquisition of U. S. Government securities was nearly two-thirds smaller in the first quarter this year than last. Holdings of business securities increased nearly one-tenth more than in the first quarter of 1958, despite a decline in total new corporate security financing. This rise in net acquisition of corporate securities by life insurance companies reflects in part the fact that the reduction in new corporate security financing this year occurred in publicly-offered securities, which are not ordinarily purchased in large amounts by insurance companies. New debt issues privately placed with institutions were in about the same volume in the first quarter this year as last. The increase in mortgage holdings of insurance companies this year was one-seventh smaller than in 1958. Although net acquisition of FHA-insured mortgages was sharply larger than last year, this was more than offset by smaller acquisition of conventional mortgages and a much larger decline in holdings of VA-guaranteed mortgages than in 1958.

The net increase in share capital at savings and loan associations, totaling a first quarter record of \$1.4 billion, was 5 per cent larger than in the comparable period of 1958. (In January the increase in savings capital was slightly lower than a year earlier, but in February and March it was larger.) The net increase in liquid assets--i.e., cash and Government security holdings--this year was only one-half as large as in the first quarter of 1958, however, and repayment of borrowed funds was \$350 million less, and associations were able to increase their holdings of mortgages four-fifths more than in the corresponding period last year. In contrast to last year, when most of the net increase in liquid asset holdings was in cash balances, this year cash was drawn down sharply while net acquisitions of Government securities were very large, reflecting in part the much higher rate of return available from Government securities this year than in early 1958.

The growth in deposits at mutual savings banks, totaling \$548 million, was nearly one-fourth smaller than in the first three months of 1958. There was a net liquidation by savings banks of business securities this year, in contrast with a large net acquisition a year earlier. Net acquisition of mortgages, however, was more than one-fourth larger than last year. This is a continuation of the investment pattern of late 1958, when acquisition of business securities became much less important and those of mortgages more important. During the first quarter, savings banks increased their holdings of U. S. Government securities by \$220 million, over ten times the increase last year. Although there is usually some seasonal increase in Government holdings

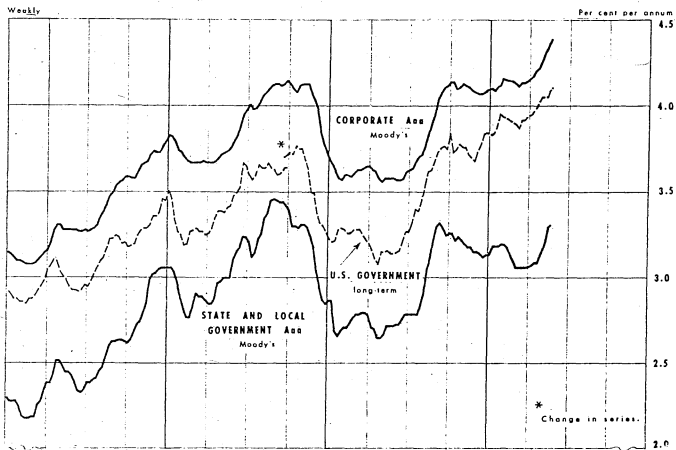
during the first quarter of the year, the increase this year was larger than in any other recent quarter. This large increase probably reflects a build-up in anticipation of heavy takedowns of mortgage commitments in the near future, although it may, to some extent, also reflect the temporary investment of funds in anticipation of higher interest rates and/or a desire to increase liquidity in general after a long period of reduction in Government security holdings.

Stock prices - Stock prices as measured by Standard and Poor's index of 500 common stocks continued to increase last week, closing at 58.33 on May 22. Trading activity slackened somewhat, averaging 3.2 million shares a day.

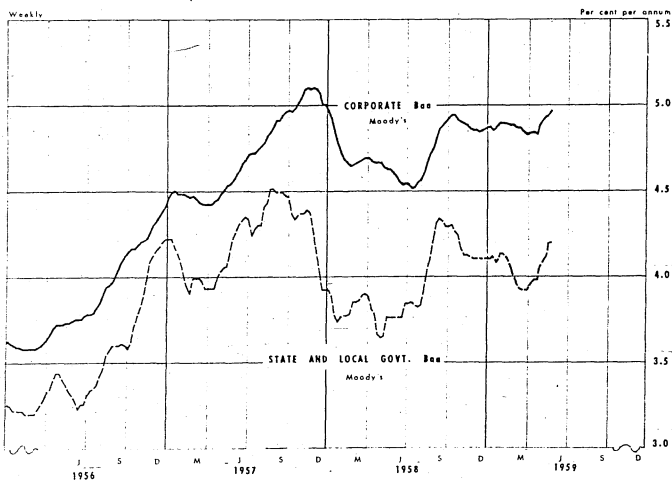
More detailed information concerning recent capital market developments is presented in the attached exhibits.

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)					
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	4.13 (10/10)	3.84 (12/26)	3.31 (9/11)	.51	.72
Low	3.55 (5/2)	3.07 (4/25)	2.64 (5/1)	.22	.34
1959 - High	4.39 (5/22)	4.11 (5/22)	3.31 (5/21)	.28	.92
Low	4.09 (1/9)	3.83 (1/2)	3.06 (3/26)	.16	.65
Apr. 24	4.26	4.05	3.14	.21	.91
May 1	4.30	4.05	3.18	.25	.87
May 8	4.33	4.05	3.23	.28	.82
May 15	4.36	4.09	3.30	.27	.79
May 22 p/	4.39	4.11	3.31	.28	.80

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)				
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
1959 - High	4.97 (5/22)	4.20 (5/21)	.77	.98
Low	4.83 (4/17)	3.92 (3/26)	.58	.86
Apr. 24	4.88	4.06	.62	.92
May 1	4.91	4.09	.61	.91
May 8	4.93	4.12	.60	.89
May 15	4.94	4.19	.58	.89
May 22 p/	4.97	4.20	.58	.89

p/ Preliminary.

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

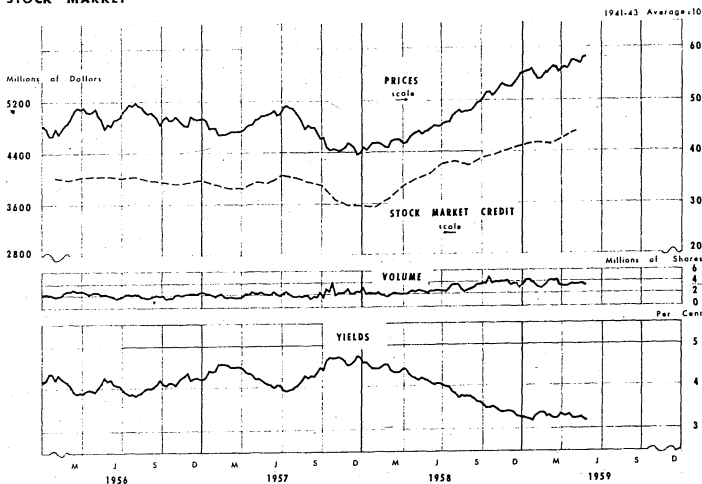
2/ Weekly average of daily figures. The series includes bonds due or callable in 10 years or more.

3/ Thursday figures. Only general 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.

EXHIBIT C

STOCK MARKET



MORTGAGE AND BOND YIELDS

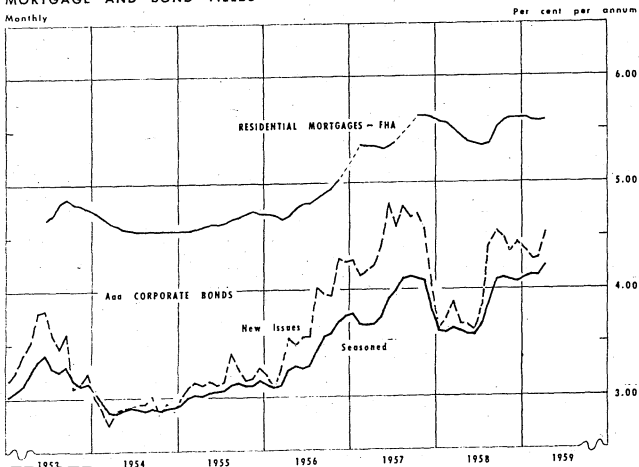


Exhibit D - Tables for Exhibit C

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Stock Market

Date	Stock price index 1/	Common stock yields 2/ (per cent)	Trading volume 3/ (millions of shares)	Stock market customer credit		
				Total	Customers' debit balances 4/	Bank loans to "others" 5/
(Millions of dollars)						
1953-1958 - High	54.11 (12/24/58)	3.30	4.9	4,488	3,281	1,317
Low	22.95 (9/18/53)	6.25	0.9	2,055	1,314	664
1959 - High	58.33 (5/22)	3.19	4.3	4,719	3,399	1,320
Low	54.37 (2/6)	3.34	3.0	4,527	3,253	1,210
March	56.15	3.25	3.9	4,597	3,305	1,292
April	57.10	3.25	3.4	4,719	3,399	1,320
May 8	57.32	3.25	3.8	n.a.	n.a.	1,313
May 15	58.16	3.20	3.6	n.a.	n.a.	1,320
May 22 p/	58.33	3.19	3.2	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 Fridays' data only.

2/ 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.

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

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.

Mortgage and Bond Yields 1/

Date	FHA mortgages 2/	Aaa corporate bonds 1/		Spread between new corporate bonds and	
		New 3/	Seasoned 4/	FHA mortgages	Seasoned bonds
1953-1958 - High	5.62	4.81	4.11	1.96	.90
Low	4.56	2.74	2.85	.54	-.12
1959 - High	5.60	4.53	4.23	1.29	.30
Low	5.57	4.29	4.12	1.05	.15
1958 - Dec.	5.60	4.44	4.08	1.16	.36
1959 - Jan.	5.60	4.36	4.12	1.24	.24
Feb.	5.58	4.29	4.14	1.29	.15
Mar.	5.57	4.30	4.13	1.27	.17
Apr.	5.58	4.53	4.23	1.05	.30

1/ Neither mortgage nor bond yields take into account servicing costs which are much higher for mortgages than bonds. Generally, bonds pay interest semi-annually; mortgages, monthly. Mortgage yields, if computed as equivalent to a semiannual interest investment, would be slightly higher than given in the table.

2/ Based on FHA field-office opinions about average bid prices in the private secondary market for new-home mortgages for immediate delivery. Since late 1955, data relate only to 25-year mortgages with downpayments of 10 per cent or more, weighted by probable volume of transactions. Yields computed by FRB, assuming 25-year mortgages are paid off in 12 years. Dashed lines indicate periods of adjustment to changes in the contractual interest rate.

3/ First National City Bank of New York. Averages of offering yields of all new issues of publicly-sold bonds rated Aaa, Aa or A by Moody's Investors Service (except serial and convertible issues and offerings of natural gas and foreign companies) weighted by size of issue. Yields on Aa and A issues are first adjusted to an Aaa basis by the spread between yields of outstanding bonds in these categories and those on Aaa-rated bonds. The series reflects changes in industrial comp. condition, maturity, type, etc. of new offerings.

4/ Moody's Investors Service. Monthly averages of daily data. See Exhibit B.

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

(In millions of dollars)

	New capital					
	Corporate 1/			State and local 2/		
	1959	1958	1957	1959	1958	1957
January	840	723	1,060	636	812	742
February	745	851	1,065	855	953	572
March	631	1,561 ^{2/}	1,320	639	511	506
April	e/800	1,141	931	d/910	798	765
May	e/600	600	765	e/575	895	546
June		881	1,453		551	393
July		1,102	1,003		806	529
August		538	924		403	584
September		1,144	973		651	431
October		858	1,050		456	698
November		473	789		474	633
December		914	1,076		435	698
1st quarter	2,216	3,135	3,445	2,130	2,276	1,820
2nd quarter		2,622	3,149		2,244	1,704
3rd quarter		2,784	2,899		1,860	1,544
4th quarter		2,250	2,954		1,365	2,029
1st half		5,757	6,594		4,520	3,524
Three quarters		8,541	9,493		6,380	5,069
Year		10,791	12,447		7,746	7,099
	Excluding finance companies 4/					
1st quarter	e/2,016	2,894	3,237			
2nd quarter		2,583	2,889			
3rd quarter		2,753	2,582			
4th quarter		2,161	2,810			
Year		10,391	11,518			

e/ Estimated d/ Preliminary.

1/ Securities and Exchange Commission estimates of net proceeds.

2/ Investment Bankers Association of America estimates of principal amounts.

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

4/ 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/}		
	1959	1958	1957	1959	1958	1957
January	77	197	84	199	1,163	72
February	59	54	49	--	251	--
March	2	--	30	175	--	--
April		139	123		523	125
May		200	48		--	--
June		120	42		--	60
July		9	28		164	--
August		5	7		--	--
September		17	30		--	215
October		57	4		220	--
November		123	60		--	100
December		74	1		--	--
Year		995	507		2,321	572
	Short-term					
	State and local government ^{4/}			Federal agency ^{3/}		
	1959	1958	1957	1959	1958	1957
January	190	233	326	359	371	638
February	428	460	455	500	208	430
March	295	273	147	489	144	505
April	p/497	357	205	486	209	336
May		354	337		161	469
June		264	153		329	501
July		289	272		437	224
August		423	272		206	370
September		369	252		330	512
October		231	303		454	1,238
November		415	94		114	255
December		243	459		137	116
Year		3,910	3,274		3,098	5,543

^{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 PMA 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/
1958 - 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
November	227	259	100
December	305	229	79
1959 - January	369	335	174
February	310	551	35
March	215	369	176
April	359	563	20

Large Individual Issues Offered May 1 through 22

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
Alabama Power Co.	1st mtg. bds.	20.0	1989	4 7/8	4.85	A
Textron, Inc.	Sub. deb.	25.5	1984	5	5.00	Ba
Idaho Power Co.	1st mtg. bds.	15.0	1989	5	4.95	Aa
Southwestern Elec. Pwr. Co.	1st mtg. bds.	16.0	1989	5 1/8	5.06	A
Gen. Amer. Oil Co. of Tex.	Sub. conv. deb.	20.0	1984	4 3/4	4.75	Ba
Gulf States Utilities Co.	Com. stk.	15.4				
<u>STATE AND LOCAL GOVERNMENT</u>						
Los Angeles, California	G.O.	15.0	1961-89/69	3.83	2.40-3.95	Aa
Cincinnati, Ohio	G.O.	26.9	1960-89	3.47	2.20-3.70	Aaa
State of New Jersey	G.O.	25.0	1964-84/75	3.24	2.50-3.35	Aaa
King Co., Washington	G.O.	14.5	1961-79/69	3.66	2.60-3.75 4/	A
Kanawha Co. Bd. of Ed., W.Va.	G.O.	18.0	1960-69	3.25	2.40-3.25	Aa
<u>OTHER</u>						
Alberta Mun. Financing Corp.	S. F. deb.	50.0	1984	4 3/4	4.89	Aa

Footnotes

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

4/ 1/4s of 1979 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/
1958 - 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	--
Nov. 28	301	229	71	401	683	71
Dec. 31	210	261	75	370	515	75
1959 - Jan. 30	270	551	45	365	856	45
Feb. 27	198	292	--	279	481	--
Mar. 31	396	550	20	476	761	20
Apr. 30	246	254	50	346	517	50

Forthcoming Large Offerings, as of May 22

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Baltimore Gas & Electric Co.	Conv. deb.	19.9	May 25 (rights expire)
Consolidated Edison Co.	1st & ref. mtg. bds.	75.0	May 27
Potomac Electric Power Co.	Com. stk.	30.2	May 27 (rights expire)
National Steel Corp.	1st mtg. bds.	80.0	May 28
Southern Electric Generating Co.	1st mtg. bds.	25.0	May 29
Public Service Electric & Gas Co.	1st & ref. mtg. bds.	50.0	June 3
Florida Power Corp.	Com. stk.	17.6	June 3 (rights expire)
Florida Power & Light Co.	1st mtg. bds.	25.0	June 4
Duke Power Co.	Pfd. stk.	25.0	June 10
Consolidated Natural Gas Co.	Cap. stk.	38.6	June 10 (rights expire)
Virginia Electric & Power Co.	Com. stk.	20.0	June 18 (rights expire)
Spiegel, Inc.	Conv. sub. deb.	15.4	June 19 (rights expire)
Philadelphia Electric Co.	Com. stk.	30.0	June 23 (rights expire)
*International Recreation Corp.	Com. stk.	24.8	June
Commerce Oil Refining Corp.	Deb., bds. & common	45.0	Summer

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

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>STATE AND LOCAL GOVERNMENT</u>			
Public Housing Authorities	G.O.	104.8	May 26
Oakland Co., Michigan	G.O.	12.7	May 26
Chicago, Illinois	Rev.-Ut.	30.0	May 27
*Oyster Bay, Long Island, N. Y.	G.O.	11.3	May 27
Los Angeles Co. Flood Control Dist.,			
California	G.O.	40.0	June 2
Memphis, Tennessee	G.O.	10.0	June 2
Pennsylvania State Hwy.&Bridge Auth.	Rev.-Ut.	10.0	June 3
New York, New York	G.O.	27.0	June 4
*State of Maryland	G.O.	10.5	June 9
California Toll Bridge Authority	Rev.-Ut.	34.0	June 24
Chesapeake Bay Ferry Commission	Rev.-Ut.	144.0	Summer
Commonwealth of Pennsylvania	G.O.	120.0	Summer
New York Thruway Authority	Rev.-Ut.	50.0	Summer
*Grant Co. Public Utility Dist. No.2,			
Washington	Rev.-Ut.	200.0	Summer
<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: Glickman Corporation's \$31 million common stock issue--statement withdrawn from registration. Oroville-Wyandotte Irrigation District, California's \$62 million revenue bond issue--financing postponed until 1960 due to unsatisfactory construction bids.

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 - 1958				
High	5.00 (9/14/57)	87	5.50 (11/7/57)	123
Low	2.93 (3/31/54)	-3	3.00 (3/17/54)	-15
1958 - May	3.87	18	4.07	6
June	3.87	17	--	--
July	4.07 ^{2/}	28	4.16 ^{2/}	15
August	--	--	--	--
September	--	--	--	--
October	4.47 ^{2/}	18	--	--
November	--	--	--	--
December	*4.44	23	--	--
1959 - Jan. 7			4.75 ^{2/}	23
20	4.60	34		
28	4.65	40		
Feb. 18	4.35 ^{2/}	4		
Mar. 11	4.40 ^{2/}	11		
25	4.43	9		
26	4.43	9		
31	4.47	13		
Apr. 3			4.67	18
15	4.60	22		
16	4.59 ^{2/}	21		
29	4.55 ^{2/}	7		
May 1			4.85	17
13			5.06	13
14	4.95	38		
20	4.95	34		
21			5.13	27

*--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

(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	
1957 - Jan. 2/	-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
Oct.	-19	12	303	25	186	53	560
Nov.	52	25	133	31	146	100	487
Dec.	123	-139	394	13	303	185	879
Value of Assets at End of Year	1,365	7,205	44,615	2,685	37,097	14,452	107,419
1959 - Jan.	-83	280	185	59	114	171	726
Feb.	-57	-71	223	30	139	174	438
Mar.	-14	-185	251	66	136	108	362

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

2/ Adjusted 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

(In millions of dollars)

	Uses of Funds 1/				Total sources or uses	Sources of Funds		
	Cash	U. S. Govt. securities	Mortgages 2/	Other assets		Net change savings capital	Borrowing 3/	Other
1957 - Jan.	-171	143	220	-20	172	337	-211	46
Feb.	-40	115	259	56	390	308	-69	151
Mar.	-24	89	357	86	508	352	-19	175
Apr.	-49	26	400	115	492	308	11	173
May	39	14	446	140	639	452	21	166
June	185	-40	421	31	597	821	101	-325
July	-320	41	407	-94	34	-52	-37	123
Aug.	-103	24	460	59	440	252	37	151
Sept.	11	26	357	56	450	324	47	79
Oct.	-18	-5	416	87	480	361	16	103
Nov.	86	23	278	60	447	378	10	59
Dec.	431	-65	253	-5	614	923	125	-434
Value of Assets at End of Year	2,146	3,173	40,049	2,770	48,138	41,912	1,379	4,847
1958 ^{D/} - Jan.	-119	44	194	12	131	450	-377	58
Feb.	173	-19	247	8	409	373	-127	163
Mar.	209	-1	335	10	553	484	-89	158
Apr.	116	38	398	102	654	356	113	185
May	38	13	528	100	679	508	-32	203
June	177	81	582	-37	803	937	169	-303
July	-297	40	533	-80	196	62	-39	173
Aug.	-70	111	557	9	607	353	55	199
Sept.	-78	147	574	42	685	440	85	160
Oct.	-108	107	605	131	735	501	58	176
Nov.	44	50	465	102	661	477	41	143
Dec.	338	37	532	-44	863	1,073	215	-425
Value of Assets at End of Year	2,569	3,821	45,599	3,125	55,114	47,926	1,451	5,737
1959 - Jan.	-300	296	410	-53	353	434	-181	100
Feb.	-26	97	427	80	578	408	-57	227
Mar.	1	79	593	92	765	529	-5	241

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/ 1957 data adjusted to include mortgage pledged shares as currently reported.

3/ Advances from Home Loan Banks and other borrowing.

Source: Federal Savings and Loan Insurance Corporation.

Sources and Uses of Funds by
Mutual Savings Banks

(In millions of dollars)

	Uses of Funds 1/						Sources of Funds		
	Cash	U. S. Govt. secur- ities	Busi- ness secur- ities ^{2/}	State and local govt. secur- ities	Mort- gages	Other	Total sources or uses	Net change in deposits	Other
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
Oct.	-8	-92	-6	-3	195	-46	40	95	-55
Nov.	-38	-32	--	-1	151	43	123	42	81
Dec.	104	-39	12	-10	158	20	245	398	-153
Value of Assets at End of Year	924	7,229	4,938	722	23,023	878	37,715	34,021	3,694
1959 - Jan. 2/	-96	119	-16	17	208	-58	175	122	53
Feb.	18	39	6	-4	125	32	216	113	103
Mar.	45	62	-31	41	175	38	330	313	17

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 stocks.

3/ Adjusted to eliminate the effect of a merger of a large savings bank with a commercial bank.

Source: Nat. Assoc. of Mutual Savings Banks and Federal Deposit Insurance Corp.