

H.14

September 28, 1959.

CAPITAL MARKET DEVELOPMENTS

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

The volume of large public security financing for new capital this week is expected to be somewhat larger, particularly for corporate securities, than in recent weeks. During the week ending September 25, one large corporate issue for \$45 million was offered and two State and local government issues with aggregate proceeds of \$56 million were sold. Another State and local government issue -- Port of New York Authority's \$25 million revenue bond issue -- had been originally scheduled for sale last week. The Authority rejected the only bid offered and postponed indefinitely the sale of the issue largely because of a legal action taken against the Authority the previous day.

Bond yields - Changes in yields on outstanding bonds were mixed last week. Yields on corporate bonds and high-grade State and local government bonds rose further; those on lower grade State and local government bonds remained stable; and those on U. S. Government bonds declined somewhat.

Mortgage and bond yields - Discounts reported by Federal Housing Administration field offices on 5 1/4 per cent FHA-insured new-home mortgages available for immediate delivery in the secondary market rose further in August and the implied gross yield increased 5 basis points to 5.80 per cent. Since yields on new offerings of high-grade corporate bonds declined somewhat in August, the spread between bond and mortgage yields increased to 106 basis points.

Last week, the Federal Housing Administration announced an increase in the administrative ceiling on contractual interest rates on FHA-insured mortgages on all one- to four-family home programs from 5 1/4 per cent to 5 3/4 per cent effective immediately.

October security volume - New corporate security offerings during October are expected to total \$800 million, nearly one-fourth larger than in September, but slightly smaller than in October 1958. Large publicly-offered issues are expected to total over \$300 million.

State and local government bond sales in October are currently estimated at \$600 million. This volume would be one-seventh more than the volume this month and one-third more than in October last year.

Stock prices - Stock prices fluctuated widely last week, but on balance increased for the first time in four weeks. Standard and Poor's index of 500 common stocks closed at 56.73 on September 25, one per cent higher than a week earlier. Trading activity increased sharply, averaging 3.2 million shares a day. This is the largest volume since early July.

Institutional investors - In July, savings inflow at life insurance companies and savings and loan associations was larger than a year earlier, while deposits at mutual savings banks declined in contrast to a small increase last year. This is similar to the pattern of savings inflow at these institutions in most recent months. For the first seven months of 1959 combined, life insurance company assets increased one-seventh more rapidly than in the corresponding period of 1958, share capital at savings and loan associations one-sixth more rapidly; however, the growth in deposits at mutual savings banks has been two-fifths smaller.

The increase in life insurance company assets in July amounted to \$728 million, more than one-fourth greater than in July 1958. The substantially increased inflow of savings this July was reflected in larger acquisitions of all types of investments, except U. S. Government bonds. Net acquisition of Federal obligations was slight in contrast to a large increase last July. The increase in mortgage holdings was more than twice as large as a year earlier, while the increase in business security portfolios was nearly one-fifth larger. Net acquisitions of State and local government bonds continued to be large in July totaling nearly \$100 million, nearly four times more than a year earlier.

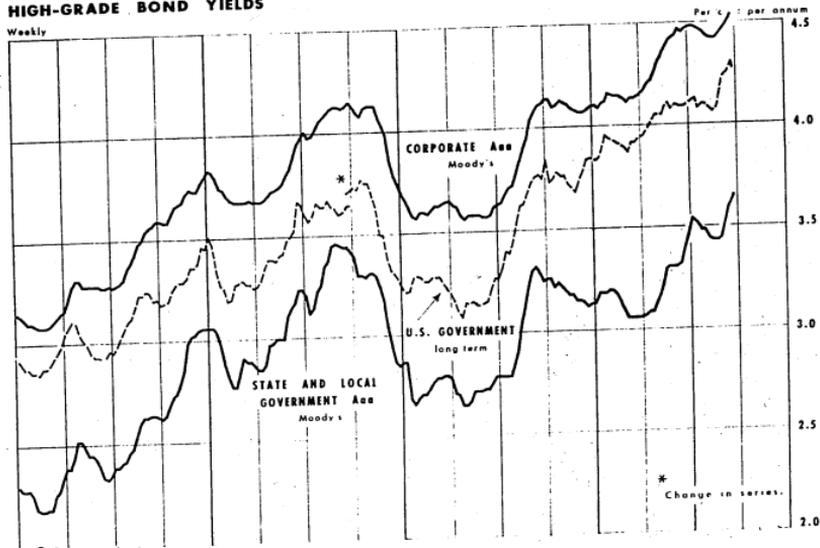
Savings capital at savings and loan associations increased \$190 million, three times as much as in July 1958. The increase in FHLB advances was smaller than in past recent months; however, these associations often repay borrowing in July. The volume of mortgage acquisitions continued to be much larger than a year earlier with the July increase being nearly one-half larger than last year. Net acquisitions of U. S. Government securities increased very substantially compared with a moderate increase in July 1958.

Total deposits at mutual savings banks declined \$54 million during July in contrast to a deposit gain of \$88 million a year earlier. (Savings inflow to these banks is seasonally small in July.) Business security portfolios declined further in July; in July 1958 they had increased somewhat. Holdings of mortgages increased, but slightly less rapidly than a year earlier.

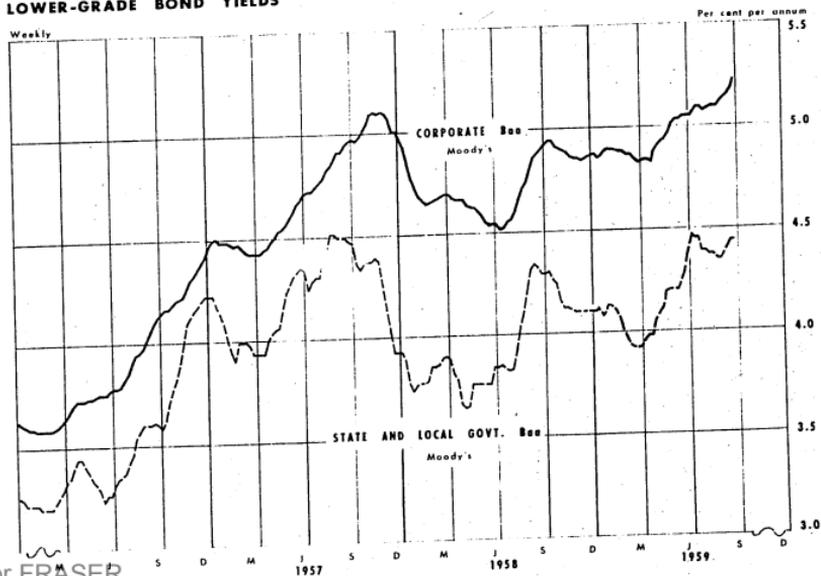
More detailed information concerning recent capital market developments is presented in the attached exhibits.

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 <u>1/</u>	U. S. Govt. long-term <u>2/</u>	State and local govt. Aaa <u>3/</u>	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	4.54 (9/25)	4.30 (9/18)	3.65 (9/24)	.39	.92
Low	4.09 (1/9)	3.83 (1/2)	3.06 (3/26)	.16	.57
Aug. 28	4.44	4.15	3.44	.29	.71
Sept. 4	4.47	4.24	3.52	.23	.72
Sept. 11	4.49	4.25	3.59	.24	.66
Sept. 18	4.52	4.30	3.63	.22	.67
Sept. 25 <u>p/</u>	4.54	4.27	3.65	.27	.62

Lower-grade Bond Yields

Date	Corporate Baa <u>1/</u>	State and local govt. Baa <u>3/</u>	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	5.22 (9/25)	4.46 (7/2)	.77	.98
Low	4.83 (4/17)	3.92 (3/26)	.56	.79
Aug. 28	5.11	4.35	.67	.91
Sept. 4	5.13	4.38	.66	.86
Sept. 11	5.15	4.41	.65	.82
Sept. 18	5.18	4.44	.66	.81
Sept. 25 <u>p/</u>	5.22	4.44	.68	.79

p/ Preliminary.

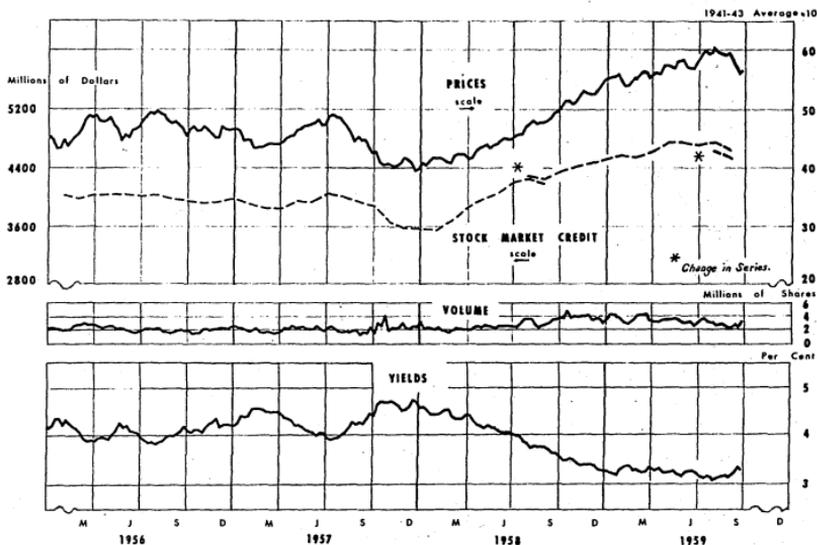
1/ Weekly average of daily figures. Average term of bonds included is 25-26 years.

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.

STOCK MARKET



MORTGAGE AND BOND YIELDS

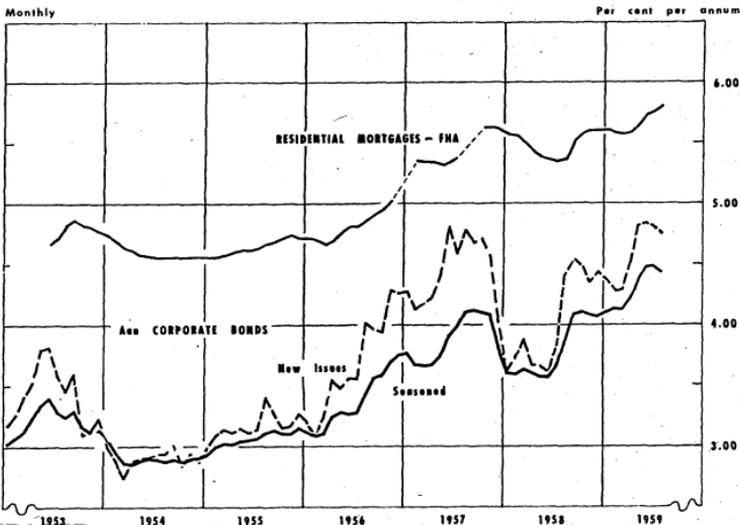


Exhibit D - Tables for Exhibit C

Stock Market

Date	Stock price index <u>1/</u>	Common stock yields <u>2/</u> (per cent)	Trading volume <u>3/</u> (millions of shares)	Stock market customer credit		
				Total	Customers' debit bal-ances <u>4/</u>	Bank loans to "others" <u>5/</u>
(Millions of dollars)						
1953-1958 - High	54.11 (12/24/58)	3.30	4.9	4,492	3,285	1,317
Low	22.95 (9/18/53)	6.25	0.9	2,055	1,314	669
1959 - High	60.51 (7/31)	3.08	4.3	4,721	3,388	1,332
Low	54.37 (2/6)	3.34	2.1	4,528	3,253	1,210
July	59.74	3.12	3.2	4,648	3,374	1,274
August	59.40	3.13	2.4	4,529	3,270	1,259
Sept. 4	58.54	3.18	2.3	n.a.	n.a.	1,273
Sept. 11	57.41	3.24	2.8	n.a.	n.a.	1,251
Sept. 18	56.09	3.32	2.4	n.a.	n.a.	1,240
Sept. 25 <u>p/</u>	56.73	3.28	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. Prior to July 1, 1959, such loans are excluded only 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 <u>2/</u>	Aaa corporate bonds <u>1/</u>		Spread between new corporate bonds and	
		New <u>3/</u>	Seasoned <u>4/</u>	FHA mortgages	Seasoned bonds
1953-1958 - High	5.63 (11/57)	4.81 (6/57)	4.12 (9/57)	1.96	.90
Low	4.56 (2/55)	2.74 (3/54)	2.85 (4/54)	.54	-.12
1959 - High	5.80	4.82	4.47	1.29	.44
Low	5.57	4.29	4.12	.83	.15
1959 - May	5.64	4.81	4.37	.83	.44
June	5.71	4.82	4.46	.89	.36
July	5.75	4.80	4.47	.95	.33
August	5.80	4.74	4.43	1.06	.31

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 Aa, Aa or A by Moody's Investors Service (except serial and convertible issues and offerings of mutual 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 composition, 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 ^{r/}	1957	1959	1958	1957
January	840	728	1,060	636	812	742
February	745	857	1,065	856	953	572
March	631	1,553 ^{2/}	1,320	645	511	506
April	899	1,140	931	931	798	765
May	791	597	765	592	895	546
June	874	887	1,453	981	551	393
July	e/550	1,107	1,003	567	806	529
August	e/775	540	924	p/498	403	584
September	e/650	1,114	973	e/525	651	431
October	e/800	862	1,090	e/600	456	698
November		518	789		474	633
December		920	1,076		435	698
1st quarter	2,216	3,139	3,445	2,138	2,276	1,820
2nd quarter	2,564	2,623	3,149	2,504	2,244	1,704
3rd quarter	e/1,975	2,760	2,899	e/1,590	1,860	1,544
4th quarter		2,300	2,954		1,365	2,029
1st half	4,780	5,762	6,594	4,642	4,520	3,524
Three quarters	e/6,755	8,522	9,493	e/6,232	6,380	5,069
Year		10,823	12,447		7,746	7,099
	Excluding finance companies 4/					
1st quarter	2,011	2,899	3,237			
2nd quarter	2,409	2,586	2,889			
3rd quarter	e/1,675	2,731	2,582			
4th quarter		2,213	2,810			
Year		10,429	11,518			

e/ Estimated. p/ Preliminary. r/ Revised.

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.

Exhibit F

Other Security Offerings ^{1/}

(In millions of dollars)

	Long-term					
	Foreign government ^{2/}			Federal agency ^{3/}		
	1959	1958	1957	1959	1958	1957
January	77	196	84	199	1,163	72
February	59	53	49	--	251	--
March	2	--	30	175	--	--
April	56	139	123	--	523	125
May	50	198	48	--	--	--
June	42	120	42	--	--	60
July	74	9	28	--	164	--
August		5	7		--	--
September		17	30		--	215
October		58	4		220	--
November		123	60		--	100
December		74	1		--	--
Year		992	507		2,321	572
	Short-term					
	State and local government ^{4/}			Federal agency ^{3/}		
January	190	233	326	359	371	638
February	428	460	455	500	208	430
March	295	273	147	489	144	505
April	563	357	205	486	209	336
May	411	354	337	675	161	469
June	245	264	153	289	329	501
July	246	289	272	727	437	224
August	^{e/} 462	423	272	365	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

^{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 FHA 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 <u>2/</u>
1958 - 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	340	551	35
March	215	369	176
April	359	563	20
May	342	258	50
June	284	635	60
July	110	194	50
August	363	263	98

Large Individual Issues Offered September 1 through 25

Issuer	Type <u>3/</u>	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
Associates Investment Co.	Deb.	50.0	1979	5 1/8	5.13	--
Georgia Power Co.	1st mtg. bds.	18.0	1989	5 3/4	5.65	A
New England Tel. & Tel. Co.	Deb.	45.0	1994	5 3/4	5.63	Aa
<u>STATE AND LOCAL GOVERNMENT</u>						
Los Angeles, California	G.O.	12.5	1960-79	3.88	2.75-4.00	Aa
State of Connecticut	G.O.	22.5	1961-87	3.73	2.60-3.75	Aaa
Allegheny Co.San.Dist., Pa.						
Serial	Rev.-Ut.	7.5	1961-81	4.24	3.00-4.00	--
Term	Rev.-Ut.	7.5	1996/80		4.30	--
State of California	G.O.	50.0	1961-85/80	4.01	3.00-4.00	Aa
Cook Co., Illinois	G.O.	44.0	1960-77	4.00	3.10-4.00	A
Orange Co. Flood Control Dist., California	G.O.	12.0	1962-96	4.11	3.15-4.25 ^{4/}	Aa

Large Individual Issues Offered September 1 through 25 (Cont'd)

Issuer	Type ^{3/}	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offering yield	Rating
<u>OTHER</u>						
Fed. Nat. Mtg. Assoc.	Deb.	150.0	1961	5 1/8	5.26	--
Commonwealth of Australia	Ext. deb.	25.0	1979	5 1/2	5.75	A

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/} Iss of 1995 and 1996 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 - 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
May 29	287	247	--	332	761	--
June 30	165	146	50	272	500	50
July 31	238	356	--	305	406	--
Aug. 31	198	385	25	517	402	25

Forthcoming Large Offerings, as of September 25

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Southern California Gas Co.	1st mtg. bds.	30.0	Sept. 30
Hooker Chemical Corp.	Conv. deb.	24.4	Sept. 30 (rights expire)
Union Electric Co.	Com. stk.	31.1	Sept. 30 (rights expire)
Boston Edison Co.	1st mtg. bds.	15.0	Oct. 1
Southern New England Telephone Co.	Com. stk.	18.8	Oct. 9 (rights expire)
Columbia Gas System, Inc.	Deb.	25.0	Oct. 9
*Boston Edison Co.	Com. stk.	15.4	Oct. 13 (rights expire)
*Philadelphia Electric Co.	1st ref. mtg. bds.	50.0	Oct. 15
*Northern Natural Gas Co.	Pfd. stk.	20.0	Oct. 16
*Southern Bell Telephone & Telegraph	Deb.	70.0	Oct. 21
American Electric Power	Com. stk.	60.0	Oct. 23
*Puget Sound Power & Light Co.	1st mtg. bds.	20.0	Oct. 29
*Central & South West Corp.	Com. stk.	15.0	Oct. 30
American Telephone and Telegraph Co.	Deb.	250.0	Nov. 17
Commerce Oil Refining Corp.	Deb., bds. & com.	45.0	Indefinite
Sylvania Electric Products, Inc.	S.F. deb.	25.0	Indefinite

Forthcoming Large Offerings, as of September 25 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>STATE AND LOCAL GOVERNMENT</u>			
Indianapolis-Marion Co., Inc.	G.O.	32.0	Sept. 29
Oakland Unif. Sch. Dist., Calif.	G.O.	10.0	Sept. 29
Detroit, Michigan	G.O.	15.9	Sept. 29
State of Mississippi	Rev.-Ut.	12.0	Sept. 30
*Wayne Co., Mich.	G.O.	26.0	Oct. 6
Denver, Colorado	G.O.	17.0	Oct. 14
*New York, New York	G.O.	18.0	Oct. 15
State of New Hampshire	G.O.	16.0	Oct. 15
*Public Housing Authorities	G.O.	102.1	Oct. 20
*Los Angeles Flood Control Dist., California	G.O.	21.2	Oct. 27
*Baltimore Co., Md.	G.O.	20.0	Oct. 28
Columbus, Ohio	G.O.	10.0	Dec. 1
Chesapeake Bay Ferry Commission	Rev.-Ut.	190.0	Indefinite
Port of New York Authority	Rev.-Ut.	25.0	Indefinite
<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 - 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
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
26	5.00	38		
June 4	4.95	29		
17			4.92 ^{3/}	6
26			5.10	24
July 9			5.10	19
10	4.93	31		
15			5.10	19
30			5.00	13
Aug. 5	4.85	24		
20	4.80	22		
Sept. 18			5.65	60

*--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.

3/ Provides for a 7-year period during which issue may not be called for refunding at a lower coupon rate.

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. securities	Busi-ness secur-ities	State and local govt. secur-ities	Mort-gages	Other	
1957 - 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
Apr.	-24	22	242	49	116	80	485
May	10	-16	193	79	135	97	498
June	3	11	242	23	157	60	496
July	-15	13	214	94	279	143	728
Aug.							
Sept.							

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

Source: Institute of Life Insurance.

Sources and Uses of Funds by
Savings and Loan Associations

(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 - 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 ^{B/} - 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 ^{B/} 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
Apr.	-183	106	704	153	780	420	98	262
May	28	23	750	181	982	604	63	315
June	249	-5	840	6	1,090	1,090	313	-313
July	-444	105	779	-92	348	190	31	127
Aug.								
Sept.								

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/ 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. securities	Business securities ^{2/}	State and local govt. securities	Mortgages	Other	Total sources or uses	Net change in deposits	Other
1957 - 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.	101	-2	47	-7	174	-3	309	418	-109
Value of Assets at End of Year	921	7,266	4,973	725	23,039	855	37,779	34,041	3,738
1959 - Jan. ^{3/}	-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
Apr.	-114	-44	58	-33	155	-32	-10	6	-16
May	8	13	-20	10	161	45	217	120	97
June	43	-85	--	19	145	39	161	202	-41
July	-79	-13	-47	4	179	-12	32	-54	86
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 stocks.

^{3/} Adjusted to eliminate the effect of a consolidation of a large savings bank with a commercial bank.

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