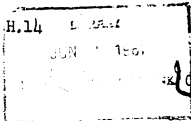


H.14

May 29, 1961.



**CAPITAL MARKET DEVELOPMENTS
IN THE UNITED STATES**

(including Quarterly Review of State and Local
Government Financing)

The volume of large public security financing was substantial last week, but is expected to be somewhat more moderate this week--shortened by the Memorial Day holiday. Last week, ending May 26, large corporate issues with gross proceeds of \$180 million were publicly sold; State and local government bond issues with par value of \$60 million were offered. This week three corporate issues totaling \$90 million are scheduled and four State and local government bond offerings for \$72 million are on the calendar.

Long-term bond yields. All types of high-grade bond yields rose last week; yields on U. S. Government obligations rose 6 basis points, those on Aaa-rated State and local government bonds by 3 basis points, and yields on Aaa-rated corporate bonds by 2 basis points. Lower grade bond yields were stable.

Yields on new bond offerings increased further last week. A Aa-rated first mortgage electric utility issue was offered to investors at 4.65 per cent, 8 basis points higher than the yield on a similar issue sold a week earlier. Also offered last week was a A-rated issue to yield 4.94 per cent, 14 basis points more than the yield on a comparable offering sold seven days earlier.

Short- and intermediate-term interest rates. Yields on Treasury bills and 3-5 year U. S. Government obligations rose substantially last week. The increase was 10 basis points for yields on both the three-month and six-month bills and 19 basis points for intermediate-term securities. The average effective rate for Federal funds last week was 2.55 per cent, 15 basis points less than a week earlier. Other short- and intermediate-term interest rates were unchanged.

FNMA secondary market operations. Mortgage purchases by the Federal National Mortgage Association declined further in April, as did offerings of mortgages to the Association. Sales rose to the highest level since mid-1958, as contracts to sell entered into early in the year were fulfilled.

Effective May 29, the maximum contract interest rate on home mortgages insured by the Federal Housing Administration was reduced from 5-1/2 per cent to 5-1/4 per cent, and FNMA buying prices were raised, generally by \$1 per \$100. The new buying prices are: on 5-3/4 per cent mortgages, 100; on 5-1/2 per cent, 99-100; and on 5-1/4 per cent, 97-99.

Stock prices. Common stock prices, as measured by Standard and Poor's index of 500 stocks, declined last week. Closing at 66.43 on Friday, prices were still less than 2 per cent below their 1961 high and 14 per cent above their level at the end of 1960. Trading volume declined substantially last week, averaging 3.8 million shares a day, the lightest since the first week in January.

State and Local Government Long-term Bond Sales
in the First Quarter of 1961

Sales of long-term bonds by State and local governments during the first quarter of 1961 totaled \$2.1 billion, one-eighth more than a year earlier but less than in 1958 and 1959.

Bond sales in the first quarter increased strikingly--by over one-half--from the fourth quarter of 1960, and most of the increase was in large issues, which are more sensitive to current and anticipated capital market conditions. Sale of bonds in the latter quarter had been unusually low, and since neither first nor fourth quarter volume in the past has been significantly affected by seasonal influences, the marked change from fourth to first quarter was probably largely attributable to a change in expectations regarding interest rates. There is some evidence that bond sales were delayed late last year in anticipation of lower rates in early 1961. As it turned out, municipal interest rates actually changed little from late November to early March when they increased, in part because of the large volume of bond sales. The first quarter volume probably included not only some financing delayed from 1960 but also some anticipatory financing. New issue volume has fallen off somewhat in the second quarter as interest rates have risen.

Purpose of issue. Nearly all first quarter bond sales were to obtain new capital; sale of refunding issues, as in other recent years, were negligible.

Financing of school construction was the most important single purpose of bond sales in the first quarter, as it has been in other recent years; totaling \$0.8 billion, bond issues for this purpose were in record volume and \$0.2 billion more than a year earlier. Sale of sewer and water bonds aggregated \$0.3 billion, a first quarter record but not as large as in some other recent quarters. Financing of miscellaneous public service enterprises--totaling somewhat more than \$0.1 billion--was nearly three times larger than a year earlier. Veterans' welfare issues were also sold in larger volume in the first quarter this year. Sales of bonds to finance residential housing were moderately smaller in volume this year than last. Bond issues for miscellaneous purposes, totaling \$0.4 billion, were \$0.2 billion smaller than the volume a year earlier when sales of bonds for port and airport construction (included in this category) were unusually large.

Issuing authority. Municipalities sold the largest volume of bonds in the first quarter of the year, as they have in most recent quarters; such issues totaled \$0.6 billion, \$0.2 billion more than a year earlier. Bond sales by State governments totaled \$0.5 billion, also \$0.2 billion more than in the January-March period of 1960. Special authorities--i.e., special districts and statutory authorities--sold a smaller volume of bonds this year than last.

Type of issue. General obligation financing by State and local governments totaled \$1.5 billion, accounting for all the increase in bond sales from the first quarter of 1960 and most of the increase from the fourth quarter of that year. Revenue bond sales totaled \$0.5 billion, about the same as in the first three months of 1960 but about \$0.2 billion more than in the preceding quarter.

It should be noted that data on Federal Government loans have been revised so they are on a disbursement, rather than approval, basis. Since there is frequently a considerable lag between approval and disbursement this revision presents Federal loan data on a basis more nearly comparable to that on public bond sales.

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.

Long-term Security Issues of State and Local Governments
First Quarter 1956-61

(In millions of dollars)

	1961	1960 r/	1959 r/	1958 r/	1957 r/	1956
Issuing authority:						
State	539	330	416	610	332	270
County and township	156	164	118	116	106	94
Municipality	588	442	634	590	517	444
School district	456	434	317	480	527	270
Special authority	376	524	699	424	252	253
Unidentified 1/	--	--	--	--	--	186
Total	2,115	1,895	2,183	2,221	1,733	1,517
Purpose of issue:						
New capital total						
	2,109	1,880	2,145	2,213	1,725	1,490
Schools 2/	822	615	516	760	744	401
Highways, bridges and tunnels	178	187	173	392	160	280
Residential buildings	72	105	128	71	69	111
Hospitals and institutions	34	36	36	85	28	22
Sewer and water	327	215	314	293	252	264
Misc. public service enterprises	140	56	287	150	67	80
Veterans' aid	144	100	70	111	53	--
Other	393	565	590	352	351	147
Unidentified 1/	--	--	--	--	--	186
Refunding	6	15	38	8	8	27
Total	2,115	1,895	2,183	2,221	1,733	1,517
Type of issue:						
General obligation	1,522	1,285	1,241	1,566	1,309	960
Revenue	497	486	772	562	388	441
Utility	252	278	412	412	292	n.a.
Quasi-utility	148	132	270	33	24	n.a.
Special tax	18	41	46	61	31	n.a.
Rental	78	35	44	55	41	n.a.
Public Housing Authority	72	103	125	67	29	107
Federal Government loans	24	22	46	26	7	9
Total	2,115	1,895	2,183	2,221	1,733	1,517

n.a.--Not available. r/ Revised.

1/ Issues of less than \$500,000 not further classified in 1956.

2/ Data for 1956 probably understate school issues by about one-fourth because of unclassified small issues.

Note.--Details may not add to totals because of rounding.

Source.--1956, Bond Buyer and Federal Reserve; 1957-61, Investment Bankers Association of America.

EXHIBIT A

LONG-TERM BOND YIELDS

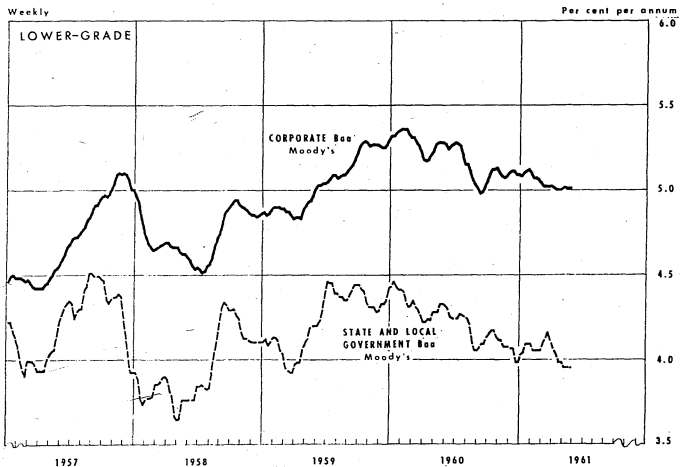
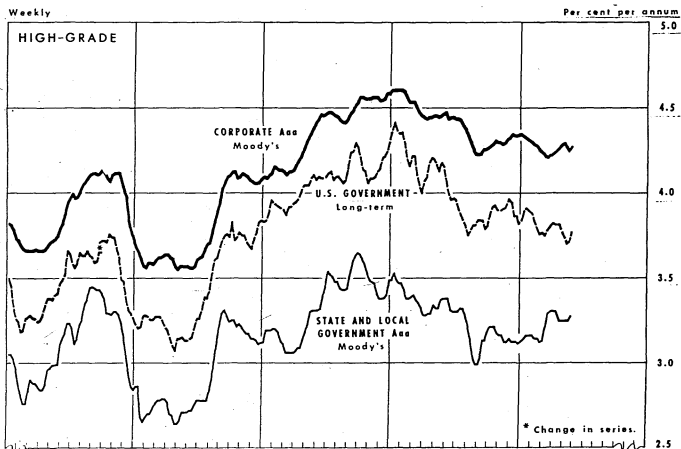


Exhibit B - Tables for Exhibit A

Long-term Bond Yields
High-grade

Date	Corporate Aaa 1/	U. S. Govt. long-term 2/	State and local government 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	.50
1958 - Low	3.55 (5/2)	3.07 (4/25)	2.64 (5/1)	.22	.34
1959-60 - High	4.61 (1/29/60)	4.42 (1/8/60)	3.65 (9/24/59)	.59	.92
1960 - Low	4.23 (9/9)	3.75 (8/5)	2.99 (9/1)	.19	.53
1961 - High	4.34 (1/6)	3.92 (1/20)	3.30 (4/13)	.57	.76
Low	4.21 (3/17)	3.70 (5/12)	3.12 (2/23)	.40	.46
Apr. 28	4.28	3.78	3.24	.51	.53
May 5	4.29	3.73	3.24	.56	.49
May 12	4.27	3.70	3.24	.57	.46
May 19	4.25	3.71	3.24	.54	.47
✓ May 26 p/	4.27	3.77	3.27	.50	.50

Lower-grade

Date	Corporate Baa 1/	State and local govt. Baa 2/	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 - Low	4.51 (7/11)	3.64 (5/1)	.77	.93
1959-60 - High	5.36 (2/12/60)	4.46 (1/7/60)	.84	1.08
1960 - Low	4.98 (9/9)	3.98 (12/29)	.71	.86
1961 - High	5.12 (1/27)	4.16 (3/23)	.81	.93
Low	5.00 (4/21)	3.95 (5/25)	.73	.68
Apr. 28	5.01	3.98	.73	.74
May 5	5.02	3.95	.73	.71
May 12	5.01	3.95	.74	.71
May 19	5.01	3.95	.76	.71
✓ May 26 p/	5.01	3.95	.74	.68

p/ Preliminary.

1/ Weekly average of daily figures. Average term of bonds included is 23-26 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.

For spreads, high refers to widest, and low to narrowest.

EXHIBIT C

SHORT- AND INTERMEDIATE- TERM INTEREST RATES

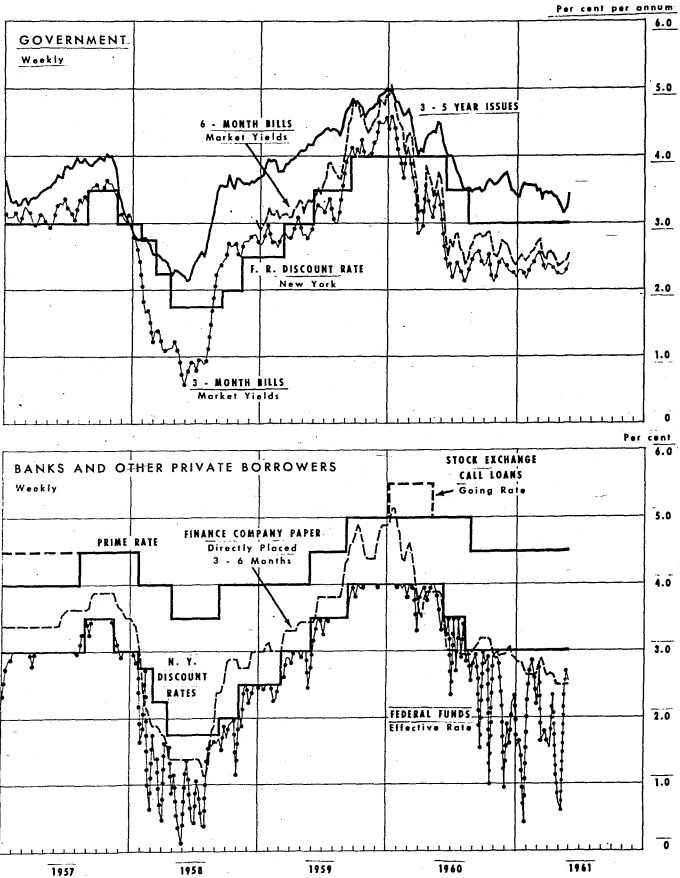


Exhibit D - Tables for Exhibit C

Short- and Intermediate-term Interest Rates

Government

Date	Discount rate 1/	Yields			Spread between yields on	
		3-month bills 2/	6-month bills 2/	3-5 year issues 2/	3-month bills and yields on 6-mo. bills	3-5 yr. issues
1954 - Low	1.50	.61 (6/11)	--	1.66 (4/30)	--	.66
1957 - High	3.50	3.64 (10/18)	--	4.04 (10/18)	--	.86
1958 - Low	1.75	.58 (5/29)	3.02 (12/26)	2.14 (6/6)	.26	.04
1959-60 - High	4.00	4.59 (1/8/60)	5.07 (1/8/60)	5.00 (12/24/59)	.79	1.81
1960 - Low	3.00	2.11 (10/28)	2.38 (12/30)	3.40 (12/30)	.16	.38
1961 - High	3.00	2.56 (3/3)	2.75 (3/3)	3.59 (1/20)	.25	1.40
Low	3.00	2.17 (1/27)	2.35 (4/28)	3.15 (5/12)	.12	.92
Apr. 28	3.00	2.23	2.35	3.32	.12	1.09
May 5	3.00	2.22	2.38	3.23	.16	1.01
May 12	3.00	2.23	2.40	3.15	.17	.92
May 19	3.00	2.29	2.43	3.24	.14	.95
May 26 p/	3.00	2.39	2.53	3.43	.14	1.04

Banks and Other Private Borrowers

Date	Stock Exchange call loan 1/	Prime rate 1/	Finance company paper 3/	Federal funds 4/	Spread between
					3-mo. bills and finance co. paper
(per cent)					
1954 - Low	3.00	3.00	1.25 (12/31)	n.a.	0
1957 - High	4.50	4.50	3.88 (11/15)	3.50 (11/8)	.63
1958 - Low	3.50	3.50	1.13 (8/8)	.13 (5/20)	-.35
1959-60 - High	5.50	5.00	5.13 (1/22/60)	4.00 (5/13/60)	1.02
1960 - Low	4.50	4.50	2.88 (12/30)	.95 (12/2)	.22
1961 - High	4.50	4.50	2.88 (3/10)	2.85 (2/17)	.56
Low	4.50	4.50	2.50 (5/26)	.43 (1/27)	.11
Apr. 28	4.50	4.50	2.50	.75	.27
May 5	4.50	4.50	2.50	.60	.28
May 12	4.50	4.50	2.50	2.40	.27
May 19	4.50	4.50	2.50	2.70	.21
May 26 p/	4.50	4.50	2.50	2.55	.11

1/ Weekly rate shown is that in effect at end of period. Discount rate is for Federal Reserve Bank of New York. Stock Exchange call loan rate is going rate on call loans secured by customers' stock exchange collateral at New York City banks. Prime rate is that charged by large banks on short-term loans to business borrowers of the highest credit standing.

2/ Market yield; weekly averages computed from daily closing bid prices. Series of 3-5 year issues consists of selected notes and bonds.

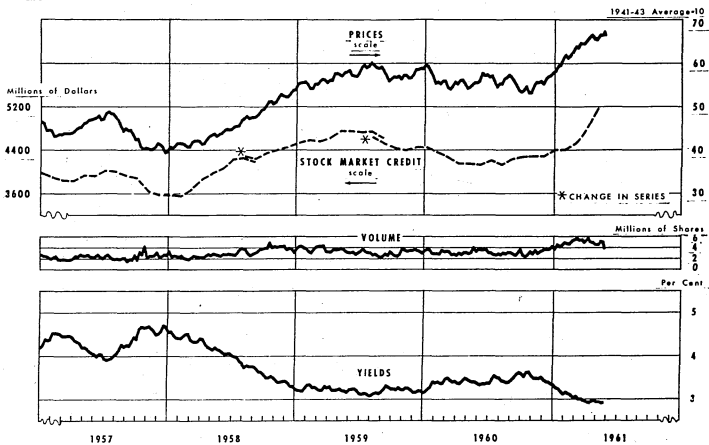
3/ Average of daily rates published by finance companies for directly placed paper for varying maturities in the 90-179 day range.

4/ Weekly average of daily effective rate, which is the rate for the heaviest volume of purchase and sale transactions as reported to the Federal Reserve Bank of New York.

Note:--Highs and lows are for individual series and may be on different dates for different series. For spreads, high refers to widest, and low to narrowest.

EXHIBIT E

STOCK MARKET



FEDERAL NATIONAL MORTGAGE ASSOCIATION
SECONDARY MARKET OPERATIONS

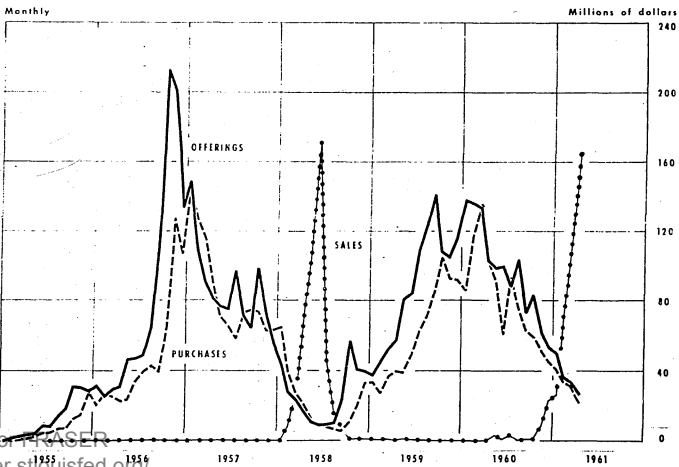


Exhibit F - Tables for Exhibit E

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/
(In millions of dollars)						
1957-60 - High	60.51 (7/31/59)	3.08	4.9	4,764 (4/59)	3,401 (4/59)	1,373 (5/59)
Low	39.48 (12/29/57)	4.72	1.4	3,554 (1/59)	2,482 (12/57)	1,060 (11/57)
1961 - High	67.27 (5/19)	2.90	5.8	5,190 (4/61)	3,936 (4/61)	1,285 (5/19)
Low	58.48 (1/6)	3.32	3.6	4,416 (1/61)	3,253 (1/61)	1,152 (3/10)
March	64.12	3.03	5.4	4,775	3,601	1,174
April	65.83	2.95	5.1	5,190	3,936	1,254
May 12	66.45	2.92	5.2	n.a.	n.a.	1,275
May 19	67.27	2.90	4.9	n.a.	n.a.	1,285
May 26 p/	66.43	2.92	3.8	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 Friday's only. Highs and lows are for Friday's 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.

Federal National Mortgage Association Secondary Market Operations 1/

Date	Estimated Offerings to FNMA			Purchases by FNMA	Sales by FNMA
	Total	Immediate purchase	Standby commitment		
(In millions of dollars)					
1960 - Apr.	103.5	96.2	7.3	102.6	*
May	98.5	93.8	4.7	91.5	3.6
June	99.9	93.7	6.1	60.8	1.0
July	88.0	82.9	5.1	93.7	3.2
Aug.	104.0	89.1	14.8	75.6	.1
Sept.	73.1	69.8	3.3	63.0	.8
Oct.	83.2	68.6	14.6	58.8	1.1
Nov.	61.7	56.9	4.8	51.2	8.9
Dec.	53.3	51.4	1.9	45.5	23.3
1961 - Jan.	50.1	48.1	2.1	41.2	26.2
Feb.	36.3	33.7	2.6	33.7	70.7
Mar.	33.7	29.8	3.9	31.6	115.4
Apr.	26.4	24.0	2.4	21.8	165.6

*--Less than \$50,000.

- 1/ Data represent unpaid principal balances of the mortgages involved, exclusive of premiums, discounts, or other charges. Offerings are amounts of applications received during the period from sellers proposing that FNMA execute purchasing contracts. An immediate purchase contract covers existing mortgages which the seller must deliver to FNMA within 45 days. A standby commitment contract relates to proposed mortgages, on holding not yet under construction, which the seller must usually deliver within one year. Purchases include those under both immediate purchases and standby commitment contracts. Data exclude FNMA activity under Special Assistance and Management and Loan Guaranty Programs.

Exhibit G

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

(In millions of dollars)

	New capital					
	Corporate 1/			State and local 2/		
	1961	1960	1959	1961	1960	1959
January	580	577	821	708	700	648
February	667	715	738	661	611	859
March	562	860	616	740	568	638
April	e/2,000	766	894	e/725	719	934
May	e/950	567	785	e/550	545	568
June		1,034	887		991	987
July		727	535		492	443
August		962	740		606	521
September		738	703		683	470
October		874	879		348	593
November		959	864		501	450
December		876	900		491	478
1st quarter	1,809	2,151	2,204	2,109	1,880	2,145
2nd quarter		2,367	2,567		2,256	2,488
3rd quarter		2,427	1,979		1,780	1,433
4th quarter		2,709	2,642		1,340	1,521
1st half		4,519	4,771		4,136	4,634
Three quarters		6,945	6,750		5,916	6,067
Year		9,055	9,392		7,257	7,588
	Excluding finance companies 3/					
1st quarter	e/1,509	1,722	1,999			
2nd quarter		2,150	2,412			
3rd quarter		2,017	1,716			
4th quarter		2,358	2,503			
Year		8,248	8,630			

e/ Estimated.

p/ Preliminary.

1/ Securities and Exchange Commission estimates of net proceeds.

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

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

Exhibit H

Other Security Offerings
(In millions of dollars)

	Gross long-term 1/					
	Foreign government 2/			Federal agency 3/		
	1961	1960	1959	1961	1960	1959
January	6	2	81	--	182	199
February	29	175	60	--	150	--
March	20	70	2	252	150	175
April		34	58		148	--
May		72	50		354	--
June		40	42		--	--
July		25	85		--	--
August		1	1		199	98
September		36	35		--	150
October		34	33		160	--
November		2	30		149	--
December		41	70		181	86
Year		533	547		1,672	707
	Net short-term 4/					
	State and local government 5/			Federal agency 3/		
	1961	1960	1959	1961	1960	1959
January	160	58	-4	-144	-196	-82
February	195	140	181	-162	-202	176
March		-80	4	-174	-59	33
April		70	197		-277	50
May		-146	-25		170	368
June		-157	-197		320	286
July		48	57		95	362
August		415	392		23	133
September		-175	131		-201	79
October		-16	-81		-23	280
November		50	-176		-33	240
December		-189	-117		-250	44
Year		18	362		-633	1,969

1/ Preliminary.

2/ These data differ from those in Exhibit G 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.

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

4/ Issues not guaranteed by the U. S. Government. Source: Long-term, Securities and Exchange Commission; short-term, Treasury Department and Federal Reserve.

5/ These data differ from those in Exhibit G and above in that they represent new offerings less retirements, whether from the proceeds of refunding issues or from other funds. Data include only issues with original maturity of one year or less.

6/ 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 and Federal Reserve Bank of St. Louis

Large Long-term Public Security Issues for New Capital
(Other than U. S. Treasury) 1/

Proceeds of Large Issues Offered

(In millions of dollars)

Month	Corporate	State and local government	Other 2/
1960 - April	309	370	71
May	139	234	28
June	442	561	30
July	303	191	--
August	581	298	75
September	266	367	25
October	566	46	77
November	465	186	150
December	260	222	99
1961 - January	147	391	--
February	267	360	--
March	70	405	67
April	1,572	383	--

Large Individual Issues Offered May 1 through 26

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
Bell Tel. of Pa.	Deb.	20.0	2001	4-3/4	4.60	Aaa
Nippon Tel. & Tel. Corp.	Ex. bds.	15.0	1976	6	6.47	--
Washington Gas Light Co.	Ref.mtg.bds.	15.0	1986	4-1/8	4.85	A
Continental Oil Co.	Deb.	100.0	1991	4-1/2	4.55	Aa
U. S. Freight Co.	Conv.sub.deb.	15.4	1981	5	5.00	Ba
Luke Power Co.	Com. stk.	16.6				
Tenn. Gas Trans. Corp.	Deb.	75.0	1981	5-1/8	5.13	Baa
New York St. Elec. & Gas	1st mtg. bds.	25.0	1991	4-5/8	4.50	Aa
Aerojet-General Corp.	S.F. deb.	15.0	1981	5-1/4	5.25	Baa
Federal Paper Board Co.	S.F. deb.	20.0	1981	5	5.08	A
New England Tel. & Tel. Co.	Com. stk.	45.0				
Allegheny-Ludlum Steel	S.F. deb.	15.0	1986	4-3/4	4.78	A
Ohio Edison	1st mtg. bds.	30.0	1991	4-3/4	4.65	Aa
Armco Steel Corp.	S.F. deb.	50.0	1986	4-1/2	4.55	Aa
Michigan Consol. Gas Co.	1st mtg. bds.	30.0	1986	5-1/8	5.00	A
Consol. Natural Gas Co.	Deb.	40.0	1986	4-3/4	4.70	Aaa
Aldens, Inc.	S.F. deb.	15.0	1981	5-7/8	5.38	Paa
New Orleans Pub. Serv. Corp.	1st mtg. bds.	15.0	1991	5	4.94	A

Large Individual Issues Offered May 1 through 26 (Cont'd)

Issuer	Type ^{2/}	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offering yield	Rating
<u>STATE AND LOCAL GOVERNMENT</u>						
Los Angeles Unif. Sch. Dist., Calif.	G.O.	30.0	1962-86	3.42	1.50-3.60	Aa
Grand Rapids, Mich.	Rev.-Ut.	13.1	1962-82	3.31	1.60-4.10	Aa
Port of New York Auth.	Rev.-Ut.	35.0	1962-81	3.41	1.60-3.60	A
Cincinnati, Ohio	G.O.	21.5	1962-2001	3.18	1.40-3.40	Aaa
Puerto Rico Wtr. Resources Auth.	Rev.-Ut.	22.0	1963-98	4.08	2.15-4.10	A
Chicago Bd. of Educ., Ill.	G.O.	40.0	1963-81	3.28	1.85-3.50	A
Penn. St. Pub. Sch. Bldg. Auth.	Rev.-Rent.	24.6	1961-2000	3.64	1.40-4.25	--
Wisc. St. Pub. Bldg. Corp.	Rev.-Rent.	17.4	1965-91	3.56	2.25-3.60	Aa
Owensburg, Ky.	Rev.-Ut.	25.0	1991	3.96	3.94	--
Houston, Texas	G.O.	17.2	1962-86	3.34	1.60-3.57	A
<u>OTHER</u>						
Montreal, Canada	S.F. deb.	15.0	1981	5	5.00	A
	S.F. deb.	10.0	1986	5	5.00	A

- 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.-C.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/ 3 per cent bonds of 1990-2001 not reoffered.

Exhibit J

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/
1960 - Apr. 29	202	243	--	357	258	--
May 31	483	277	30	553	502	60
June 30	237	180	30	455	380	30
July 29	596	275	--	1,006	324	--
Aug. 31	216	283	--	731	283	--
Sept. 30	576	212	77	836	336	127
Oct. 31	440	258	50	585	391	50
Nov. 30	260	242	--	335	560	--
Dec. 30	91	412	--	1,036	682	--
1961 - Jan. 31	110	181	--	1,046	360	--
Feb. 28	55	307	--	1,125	638	--
Mar. 31	1,580	559	--	1,700	806	--
Apr. 28	542	236	15	687	579	15

Forthcoming Large Offerings, as of May 26

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Indiana and Michigan Electric Co.	S.F. deb.	20.0	June 1
Union Tank Car Co.	S.F. deb.	40.0	June 1
Columbia Gas System Inc.	Deb.	30.0	June 2
F. Lorillard Co.	S.F. deb.	40.0	June 7
*Public Service Electric & Gas Co.	Com. stk.	46.0	June 7
Brooklyn Union Gas Co.	1st mtg. bds.	20.0	June 9
*Arizona Public Service Co.	Com. stk.	15.9	June 13 (rights expire)
Virginia Electric Power Co.	1st ref. mtg. bds.	30.0	June 14
*Baltimore Gas and Electric	S.F. deb.	20.0	June 14
Michigan-Wisconsin Pipe Line Co.	1st mtg. p.l. bas.	30.0	June 15
*City Products Corp.	Conv. sub. deb.	15.0	June 15
Southern Electric Generating Co.	1st mtg. bds.	20.0	June 16
Consolidated Edison Co.	1st ref. mtg. bds.	50.0	June 21
*Jim Walters Corp.	1st sub. deb.	20.0	June
*State Loan and Finance Corp.	S.F. deb.	25.0	June
*Thompson Ramo Wooldridge Inc.	Deb.	25.0	June
Gimbel Bros., Inc.	S.F. deb.	17.2	June
Clark Equipment Credit Corp.	Deb.	20.0	June
*Mount Foods and Industries Inc.	Conv. sub. deb.	36.8	July (rights expire)
Commerce Oil Refining Corp.	Deb., bds. & com.	45.0	Indefinite
*First Interstate Corp.	Coll. tr. notes	20.0	Indefinite

forthcoming Large Offerings, as of May 26 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>STATE AND LOCAL GOVERNMENT</u>			
*Forth Worth, Texas	G.O.	10.6	May 31
Monroe County Wtr. Resources Auth., New York	Rev.-Ut.	17.0	June 1
Sacramento Mun. Util. Dist., Calif.	Rev.-Ut.	30.0	June 1
Louisiana State Bond & Bldg. Comm.	Rev.-S.T.	14.0	June 1
Milwaukee, Wisconsin	G.O.	10.0	June 6
State of Ohio	G.O.	32.0	June 6
Nassau County, New York	G.O.	19.7	June 6
New York, New York	G.O.	60.4	June 8
Santa Clara County, Calif.	G.O.	20.0	June 8
San Francisco, Calif.	G.O.	11.3	June 12
*State of Connecticut	G.O.	41.4	June 13
*Indianapolis, Indiana	Rev.-Ut.	10.0	June 13
*Seattle, Washington	Rev.-Ut.	20.0	June 15
*Georgia State Highway Authority	Rev.-S.T.	30.0	June 15
Philadelphia, Pa.	G.O.	25.0	June 15
*State of Texas	G.O.	25.0	June 22
*Los Angeles, California	G.O.	18.8	July 11
New York State Housing Fin. Agency	Rev.	50.0	Indefinite
Massachusetts Turnpike Authority	Rev.	175.0	Indefinite
Orleans Parish School Dist., La.	G.O.	10.0	Indefinite
Dade County, Florida	G.O.	46.0	Indefinite
Jacksonville Expressway Auth.	Rev.-Ut.	40.0	Indefinite
<u>OTHER</u>			
*Tennessee Valley Authority	Rev. bds.	50.0	June 29

*--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 ¹/₂

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)
1952-1959 - High	5.30 (12/8/59)	87	5.65 (9/18/59)	123
	2.93 (3/31/54)	-8	3.00 (3/17/54)	-15
1960 - Jan.			*5.30 ² / ₁	28
Feb.	5.09	45		
Mar.	4.82	25	4.97	9
Apr.	4.91	37	5.14	35
May	*4.88	32	5.15	29
June	4.83	26	*4.95	11
July			4.87	6
Aug.				
Sept.	4.60 ² / ₁	22	*4.80	24
Oct.	4.65 ² / ₁	23		
Nov.	4.82	37	4.97	35
Dec.	*5.00	49		
1961 - Jan. 12	4.60	11		
18	4.55	7		
25	4.44	-2		
Feb. 8			4.60	-2
16			4.65	5
16			4.47	-13
Mar. 23	4.37	8	4.50	5
24			4.40	-5
Apr. 13			4.65 ² / ₁	17
21			4.80 ² / ₁	32
26	4.80	43		
27	4.67	29		
May 17	4.50 ² / ₁	13	4.72	19
18	4.57	20		
19			4.80	27
23	4.65	27		
26			4.94	n.a.

*--Single observation, not an average. ___ n.a.--Not available.

- ¹/₁ 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.
- ²/₁ 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.