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JUN 11 1961

**CAPITAL MARKET DEVELOPMENTS
IN THE UNITED STATES**

June 12, 1961.

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

The volume of large public security financing to obtain new capital was up considerably from the previous week which was shortened by the Memorial Day holiday and is expected to be even larger this week. Last week security offerings by corporations aggregated \$87 million, State and local government bond sales totaled \$142 million, and the Federal Land Banks sold \$76 million of bonds for new capital. This week, ending June 16, seven large State and local government bond offerings with par value of \$163 million are on the calendar while corporate issues with gross proceeds of \$198 million are scheduled.

The total volume of security offerings last week was expanded greatly by the large AT&T and Federal Land Banks refunding issues. AT&T sold \$250 million of debentures maturing in 1998 with a 4-3/4 per cent coupon, at a net cost to the company of 4.73 per cent, to refund a like amount of debentures due in 1986, bearing a 5-3/8 per cent coupon. The Federal Land Banks sold two \$115 million issues of bonds of which all but \$76 million was for refunding.

Long-term bond yields. Yields on all types of long-term bonds increased last week. The yield on Aaa State and local government bonds rose seven basis points, bringing yields on these bonds to a new high for 1961. U. S. Government bond yields rose six basis points while corporate bond yields advanced only slightly.

Short- and intermediate-term interest rates. Yields on U. S. Government securities rose last week. Intermediate-term Government yields rose another 13 basis points to establish a new high for the year, while the yield on 3-month and 6-month Treasury bills rose two and four basis points, respectively. The interest rate on directly placed finance company paper with 90-179 day maturity was increased another one-eighth per cent last week to 2-3/4 per cent, raising the weekly average to 2.71 per cent from 2.58 per cent. The average effective rate for Federal funds was 1.95 per cent, considerably less than in the previous four weeks. Other short- and intermediate-term interest rates were unchanged.

Stock prices. Common stock prices, as measured by Standard and Poor's composite index, declined slightly last week, closing on June 9 at 66.66. Trading volume averaged 3.9 million shares per day, about the same as during the two previous weeks, but considerably less than during the similar period of May.

Institutional investors. The net inflow at three major types of savings institutions--life insurance companies, mutual savings banks, and savings and loan associations--totaled \$0.8 billion in April, one-eighth more than a year earlier. (The increase in time and savings deposits at commercial banks was also larger than a year ago.) On a seasonally adjusted basis, however, the April inflow to each of these institutions was probably moderately smaller than the record rate of recent months.

Life insurance company assets increased \$452 million in April, 5 per cent more than a year earlier. Although a record volume of business securities was sold in April, life insurance company acquisitions were relatively light, about the same as a year earlier. Both the increase in mortgages and the reduction in U. S. Government security holdings were somewhat less than last April.

The net inflow of savings capital at saving and loan associations in April was \$397 million, 7 per cent more than in the corresponding month a year earlier. Both new savings capital and withdrawals were larger this year than last, but the former increased more than the latter. Borrowing--largely from the Home Loan Banks--which had been reduced less in the first quarter this year than in 1960, rose as usual in April, but the increase this year was substantially more than last April. Net mortgage acquisitions were \$687 million, more than one-fifth larger than in April 1960. A small reduction in U. S. Government security holdings was offset by a similar increase in cash and deposits.

Deposits at mutual savings banks declined seasonally in April, as withdrawals exceeded deposits following quarterly payment of interest. The net deposit reduction of \$54 million, however, was substantially less than last year, reflecting a larger rise in new deposits than in withdrawals. Net acquisitions of mortgages totaled \$179 million, three-eighths more than in April 1960. All other types of investment holdings were reduced, as they were a year earlier. Reduction in U. S. Government security holdings this year was particularly large--\$216 million; Treasury bill holdings, which had been built up earlier in the year, were reduced sharply and there were also substantial declines in holdings of notes and marketable bonds.

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.

EXHIBIT A

LONG-TERM BOND YIELDS

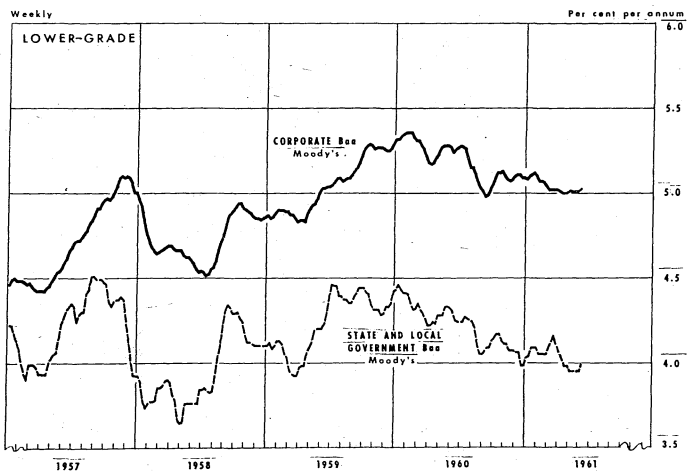
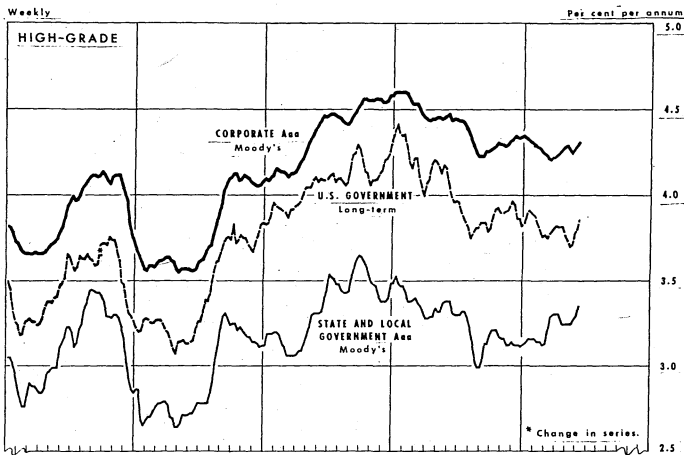


Exhibit B - Tables for Exhibit A

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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)	3.35 (6/8)	.57	.76
Low	4.21 (3/17)	3.70 (5/12)	3.12 (2/23)	.40	.46
May 12	4.27	3.70	3.24	.57	.46
May 19	4.25	3.71	3.24	.54	.47
May 26	4.27	3.78	3.27	.49	.51
June 2	4.29	3.80	3.28	.49	.52
June 9 p/	4.31	3.86	3.35	.45	.51

Lower-grade

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 - 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 (6/1)	.72	.64
May 12	5.01	3.95	.74	.71
May 19	5.01	3.95	.76	.71
May 26	5.01	3.95	.74	.68
June 2	5.02	3.95	.73	.67
June 9 p/	5.03 ✓	3.99	.72	.64

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

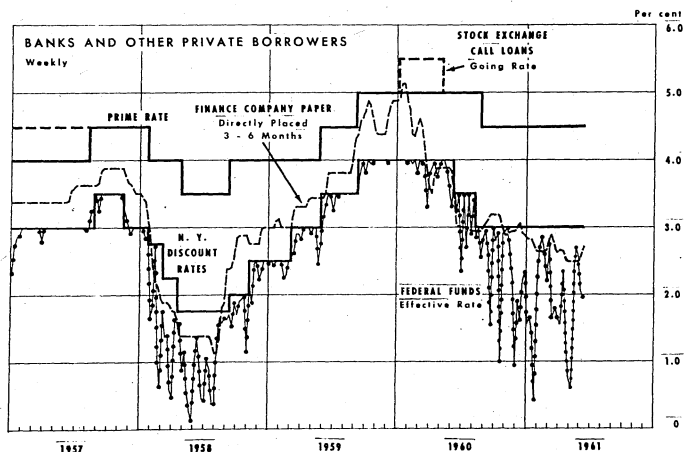
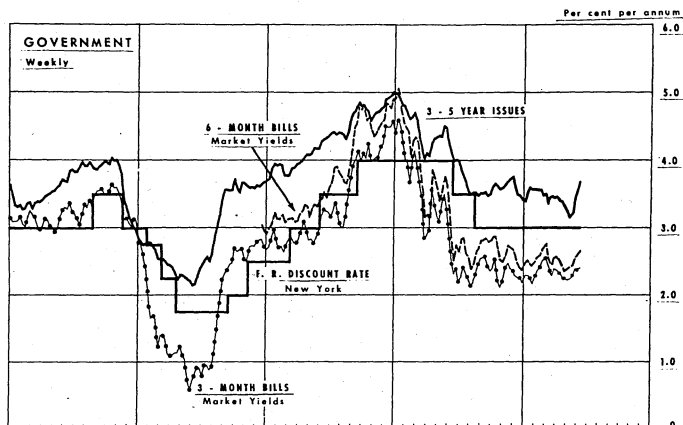


Exhibit D - Tables for Exhibit C

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
(per cent)						
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)	3.69 (6/9)	.25	1.40
Low	3.00	2.17 (1/27)	2.35 (4/28)	3.15 (5/12)	.12	.92
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	3.00	2.39	2.53	3.43	.14	1.04
June 2	3.00	2.38	2.60	3.56	.22	1.18
June 9 p/	3.00	2.40 ✓	2.64	3.69	.24	1.29

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 (5/29)	-.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
May 12	4.50	4.50	2.50	2.40	.27
May 19	4.50	4.50	2.50	2.70	.21
May 26	4.50	4.50	2.50	2.55	.11
June 2	4.50	4.50	2.58	2.06	.20
June 9 p/	4.50	4.50	2.71	1.95	.31

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.

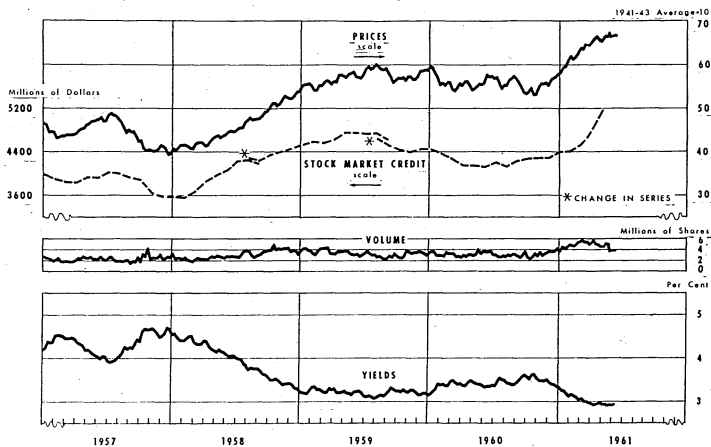
3/ Average of daily rates published by finance companies for directly placed paper for varying maturities in the 90-179 day range.

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.

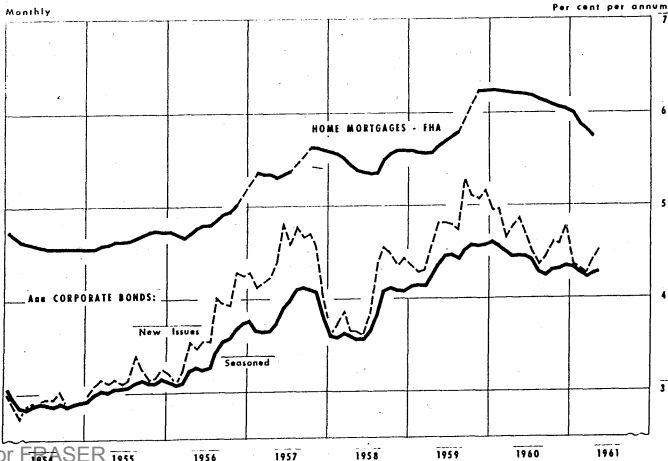
Note: Highs and lows are on different dates for different series and may be on different dates for different series. Note: High refers to widest, and low to narrowest.

EXHIBIT E

STOCK MARKET



MORTGAGE AND BOND YIELDS



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 bal- ances 4/	Bank loans to "others" 5/
(In millions of dollars)						
1957-60 - High Low	60.51 (7/31/59)	3.08	4.9	4,764 (4/59)	3,401 (4/59)	1,373 (5/59)
	39.48 (12/29/57)	4.72	1.4	3,554 (1/58)	2,482 (12/57)	1,060 (11/57)
1961 - High Low	67.27 (5/19)	2.90	5.8	5,190 (4/61)	3,936 (4/61)	1,326 (5/31)
	58.48 (1/6)	3.32	3.6	4,416 (1/61)	3,253 (1/61)	1,152 (3/8)
April	65.83	2.95	5.1	5,190	3,936	1,254
May	66.50	2.92	4.6	n.a.	n.a.	1,326
May 26	66.43	2.92	3.8	n.a.	n.a.	1,310
June 2	66.73	2.91	3.9	n.a.	n.a.	1,326
June 9 p/	66.66	2.94	3.9	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.

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
1953-58 - 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)	2.84 (4/54)	.54	-.12
1959-60 - High	6.24 (1/60)	5.29 (9/59)	4.61 (1/60)	1.76	.77
Low	5.57 (3/59)	4.29 (2/59)	4.12 (1/59)	.83	.08
1961 - January	6.00	4.35	4.32	1.65	.03
February	5.88	4.31	4.27	1.57	.04
March	5.82	4.26	4.22	1.56	.04
April	5.75	4.42	4.25	1.33	.17
May	n.a.	4.51	4.27	n.a.	.21

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 FHA, 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 Aa 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.

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 r/	1959	1961	1960	1959
January	580	570	821	708	700	648
February	667	715	738	661	611	859
March	562	860	646	740	568	638
April	e/2,000	761	894	e/725	719	934
May	e/1,000	577	785	e/550	545	568
June	1,100	1,044	887	e/800	991	987
July		736	535		492	443
August		967	740		606	521
September		726	703		683	470
October		890	879		348	593
November		956	864		501	450
December		852	900		491	478
1st quarter	1,809	2,145	2,204	2,109	1,880	2,145
2nd quarter	4,100e/	2,382	2,567	2,075e/	2,256	2,488
3rd quarter		2,428	1,979		1,780	1,433
4th quarter		2,698	2,642		1,340	1,521
1st half	5,909	4,527	4,771		4,136	4,634
Three quarters		6,955	6,750		5,916	6,067
Year		9,653	9,392		7,257	7,588
Excluding finance companies 3/						
1st quarter	p/1,509	1,716	1,999			
2nd quarter	e/3,950	2,165	2,412			
3rd quarter		2,018	1,716			
4th quarter		2,347	2,503			
Year		8,246	8,630			

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

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	79	-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

2/ Preliminary.

1/ 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.

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, Treasury Department and Federal Reserve.

4/ 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.

5/ 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.

Exhibit I

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 - 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	--
May	557	256	25

Large Individual Issues Offered June 1 through 9

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
Indiana and Michigan Elec.	S.F. deb.	20.0	1986	5-1/8	5.00	A
Columbia Gas System Inc.	Deb.	30.0	1986	5-1/8	5.10	A
Public Service Elec. & Gas	Com. stk.	47.0				
Union Tank Car Co.	S.F. deb.	40.0	1986	5	5.00	A
<u>STATE AND LOCAL GOVERNMENT</u>						
Monroe Co. Wtr. Resources Auth., New York	Rev.-Ut.	17.0	1965-2001	3.88	2.40-3.90	--
Sacramento Mun. Util. Dist. Calif.	Rev.-Ut.	30.0	1966-99	3.77	2.50-3.83	Aa
La. St. Bond & Bldg. Comm.	Rev.-S.T.	14.0	1962-86	3.71	1.75-3.75	Baa
Hilwaukee, Wisconsin	Rev.-Ut.	10.0	1962-90	3.57	1.50-3.70	Aa
State of Ohio	Rev.-S.T.	32.0	1962-72	2.92	1.50-3.15	Aa
Nassau County, New York	G.O.	19.7	1962-90	3.60	1.70-3.80	A
New York, New York	G.O.	60.4	1962-86	3.55	1.70-3.80	A
Santa Clara County, Calif.	G.O.	20.0	1962-85	3.40	1.60-3.60	Aa
<u>OTHER</u>						
Federal Land Banks	Bds.	76.0	1965	4	4.29	--

Footnotes

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- 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.

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 - 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
May 31	487	431	75	611	771	75

Forthcoming Large Offerings, as of June 9

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Arizona Public Service Co.	Com. stk.	15.9	June 13 (rights expire)
P. Lorillard Co.	S.F. deb.	40.0	June 14
Virginia Electric Power Co.	1st ref.mtg.bds.	30.0	June 14
State Loan and Finance Corp.	S.F. deb.	25.0	June 14
Gimbel Bros., Inc.	S.F. deb.	17.2	June 14
Baltimore Gas and Electric	S.F. deb.	20.0	June 15
Michigan-Wisconsin Pipe Line Co.	1st mtg. p. 1. bds.	30.0	June 15
Southern Electric Generating Co.	1st mtg. bds.	20.0	June 16
Varian Associates	Com. stk.	17.4	June 19 (rights expire)
Brooklyn Union Gas Co.	1st mtg. bds.	20.0	June 20
Consolidated Edison Co.	1st ref. mtg. bds.	50.0	June 21
*Caterpillar Tractor Co.	S.F. deb.	50.0	June 28
Jim Walters Corp.	1st sub. deb.	20.0	June
Thompson Ramo Wooldridge Inc.	Deb.	25.0	June
Clark Equipment Credit Corp.	Deb.	20.0	June
*Northern Illinois Gas Co.	Com. stk.	20.0	July 11 (rights expire)
Hunt Foods and Industries Inc.	Conv. sub. deb.	38.8	July (rights expire)
Automatic Carbon Co. of America	Conv. sub. deb.	20.8	July (rights expire)

Forthcoming Large Offerings, as of June 9 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE (Cont'd)</u>			
Commerce Oil Refining Corp.	Deb., bds. & com.	45.0	Indefinite
Realty Collateral Corp.	Coll. tr. notes	20.0	Indefinite
<u>STATE AND LOCAL GOVERNMENT</u>			
San Francisco, California	G.O.	11.3	June 12
State of Connecticut	G.O.	41.4	June 13
Indianapolis, Indiana	Rev.-Ut.	10.0	June 13
State of Kentucky	G.O.	25.0	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
*State of Delaware	G.O.	10.6	June 23
*San Diego, California	Rev.-Ut.	42.5	June 27
Harris County, Texas	G.O.	29.5	June 28
*Maryland State Roads Commission	Rev.-S.T.	15.0	June 28
Los Angeles, California	G.O.	18.8	July 11
*Memphis, Tennessee	G.O.	13.5	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>			
Commonwealth of Australia	Bds.	25.0	June 28
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.

Exhibit K

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)
1952-1959 - High	5.30 (12/8/59)	87	5.65 (9/18/59)	123
Low	2.93 (3/31/54)	-8	3.00 (3/17/54)	-15
1960 - Jan.			*5.30 ^{2/}	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/}	22	*4.80	24
Oct.	4.65 ^{2/}	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/}	17
21			4.80 ^{2/}	32
26	4.80	43		
27	4.67	29		
May 17	4.50 ^{2/}	13	4.72	19
18	4.57	20		
19			4.80	27
23	4.65	27		
26			4.94	40

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

- ^{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

	Uses of funds 1/						Total sources or uses
	Cash	U. S. Govt. securities	Business securities 2/	State and local govt. securities	Mortgages	Other	
Value of assets at end of period:	(In millions of dollars)						
1957 - Dec.	1,294	7,028	42,133	2,377	35,271	13,206	101,309
1958 - Dec.	1,363	7,182	44,612	2,691	37,092	14,640	107,580
1959 - Dec.	1,307	6,858	46,901	3,221	39,237	16,126	113,650
1960 - Dec.	1,332	6,444	48,896	3,622	41,798	17,625	119,717
1961 - Apr.	1,228	6,488	49,549	3,769	42,553	18,334	121,921
Changes:							
1959 - Apr.	-29	-19	258	51	110	113	522
May	15	-15	182	82	126	85	475
June	2	10	227	34	156	60	489
July	-25	39	194	110	194	146	658
Aug.	16	95	81	31	167	110	500
Sept.	-39	-181	82	18	207	108	195
Oct.	20	-18	203	14	245	91	555
Nov.	33	-132	195	18	235	146	495
Dec.	99	-168	219	24	304	313	791
1960 - Jan.	-71	153	204	-24	336	-46	552
Feb.	-53	-36	125	25	196	207	464
Mar.	-30	-167	104	35	242	115	299
Apr.	39	-85	134	21	225	95	429
May	-12	-62	231	26	203	128	514
June	33	-102	125	13	192	211	469
July	12	73	167	104	63	206	628
Aug.	4	-40	168	43	226	175	576
Sept.	-51	-6	40	82	179	122	366
Oct.	90	-62	311	33	214	11	597
Nov.	-35	23	198	26	208	102	522
Dec.	99	-103	188	17	277	173	651
1961 - Jan.	-54	101	242	49	210	202	750
Feb.	-9	-3	128	31	135	202	484
Mar.	-50	-7	148	33	208	186	518
Apr.	9	-47	135	34	202	119	452
May							
June							
July							

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

2/ Includes securities of domestic corporations only.

Source.--Institute of Life Insurance.

Sources and Uses of Funds by
Savings and Loan Associations

	Uses of funds 1/				Total sources or uses	Sources of funds		
	Cash	U. S. Govt. secur- ities	Mort- gages 2/	Other assets		Net change savings capital	Borrow- ing 3/	Other
Value of assets at end of period	(In millions of dollars)							
1957 - Dec.	2,146	3,173	40,049	2,770	48,138	41,912	1,379	4,847
1958 - Dec.	2,585	3,819	45,627	3,108	55,139	47,976	1,444	5,719
1959 - Dec.	2,183	4,477	53,194	3,676	63,530	54,583	2,387	6,560
1960 - Dec.	2,715	4,586	60,084	4,104	71,489	62,154	2,191	7,144
1961 - Apr.	2,705	4,954	62,258	4,274	74,191	64,400	1,710	8,081
Changes:								
1959 - Apr.	-180	105	710	151	786	414	97	275
May	27	21	757	185	990	599	62	329
June	238	-3	884	-36	1,083	1,089	314	-320
July	-431	108	803	-113	367	201	31	135
Aug.	-42	23	740	14	735	394	119	222
Sept.	-52	-7	679	64	684	447	148	89
Oct.	-69	10	626	86	653	396	136	121
Nov.	61	-28	460	141	634	484	56	94
Dec.	371	-25	468	-65	749	1,205	222	-678
p/1960 - Jan.	-301	196	316	-119	92	468	-462	86
Feb.	-34	65	398	65	494	409	-114	199
Mar.	49	-22	547	93	667	623	-126	170
Apr.	-27	-2	565	106	642	372	37	233
May	80	21	635	203	939	630	5	304
June	329	-143	780	-58	908	1,216	211	-519
July	-236	-33	615	-127	219	149	-127	197
Aug.	30	-27	713	2	718	489	22	207
Sept.	24	1	643	63	731	602	49	80
Oct.	104	20	605	85	814	667	-14	161
Nov.	86	36	501	153	776	558	51	167
Dec.	428	-3	572	-38	959	1,388	272	-701
p/1961 - Jan.	-95	93	371	-107	262	591	-465	136
Feb.	59	192	427	71	749	553	-80	276
Mar. r/	3	107	689	123	922	705	-26	243
Apr.	23	-24	687	83	769	397	90	282
May								
June								
July								

r/ Revised. 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/ Data for 1957 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

	Uses of funds 1/						Total sources or uses	Sources of funds	
	Cash	U. S. Govt. securities	Business securities 2/	State & local govt. securities	Mortgages	Other		Net change in deposits	Other
Value of assets at end of period	(In millions of dollars)								
1957 - Dec.	890	7,552	4,331	682	20,951	761	35,168	31,695	3,473
1958 - Dec.	921	7,266	4,973	725	23,039	855	37,779	34,041	3,738
1959 - Dec.	829	6,864	4,849	722	24,768	910	38,942	34,983	3,959
1960 - Dec.	874	6,236	5,080	673	26,701	1,005	40,568	36,349	4,219
1961 - Apr.	804	6,343	5,103	665	27,382	1,026	41,323	36,952	4,371
Changes:									
1959 - 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.	3	-12	13	-1	156	33	192	80	112
Sept.	-2	-32	-2	8	160	31	163	197	-34
Oct.	-27	-281	-55	-20	137	-37	-283	-187	-96
Nov.	20	-85	-28	-8	124	42	65	-27	92
Dec.	111	-12	23	-24	132	-12	218	340	-122
1960 - Jan.	-131	-9	-12	-6	159	-12	-11	-68	57
Feb.	37	-11	-9	-9	116	43	167	50	117
Mar.	41	32	52	3	150	41	319	320	-1
Apr.	-86	-148	-19	13	129	-21	-132	-95	-37
May	42	-80	13	-23	161	63	176	58	118
June	108	-93	57	-4	169	-59	178	221	-43
July	-69	-48	38	-4	159	42	118	21	97
Aug.	-6	30	-8	-5	206	6	223	105	118
Sept.	22	-32	32	1	196	14	233	278	-45
Oct.	-8	-156	-4	-6	168	-25	-31	56	-87
Nov.	9	-68	34	-5	171	13	154	39	115
Dec.	86	-45	57	-4	149	-10	232	381	-149
1961 - Jan.	-49	106	3	-5	161	17	233	170	63
Feb.	21	100	-15	--	140	26	272	136	136
Mar.	9	117	46	-1	204	29	404	351	53
Apr.	-51	-216	-11	-2	176	-51	-154	-54	-100
May									
June									
July									

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, nonguaranteed Federal agency and other bonds as well as corporate bonds and stocks.

Source.--National Association of Mutual Savings Banks and Federal Deposit Insurance Corporation.