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FEDERAL RESERVE BANK
OF ST. LOUIS

CAPITAL MARKET DEVELOPMENTS
IN THE UNITED STATES

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

Although the volume of new public security financing was light last week and new corporate offerings are not expected to increase much this week, offerings of new State and local government bonds are expected to be in large volume this week. Last week, ending August 11, only one large corporate security issue for \$20 million was sold while two State and local government bond issues totaling \$39 million were sold. This week, ending August 21, one large corporate bond issue of \$40 million is scheduled for sale and two State and local bond issues with par value of \$235 million are on the calendar.

This week State and local financing will be dominated by the \$225 million offering of the State of California. This forthcoming offering is the largest offering ever made by the State and the largest State and local government bond offering since the \$250 million Chelan County Public Utility District, Washington, revenue issue in December 1957.

Bond yields. Yields on corporate bonds and Aaa-rated State and local government bonds did not change last week. Yields on long-term U. S. Government bonds rose to another new high for the year with an increase of 8 basis points, but at 4.03 per cent were still 39 basis points below their early 1960 peak. Yields on Baa-rated State and local government bonds increased 4 basis points.

A new Aa-rated 30-year first mortgage electric utility bond issue was offered to investors last week at 4.85 per cent, 20 basis points above the last comparable issue sold in late July, and only 2 basis points below the high for the year reached in late June.

Short- and intermediate-term interest rates. Yields on Treasury bills and 3-5 year U. S. Government obligations increased 10-13 basis points last week. The average rate on directly placed finance company paper with 90-179 day maturity rose 10 basis points last week as a result of an increase of one-fourth of a percentage point on paper with 150-179 day maturity announced by most major finance companies the middle of last week; rates on such paper with 90-149 day maturity were not changed. The average effective rate on Federal funds at 2.70 per cent was up 65 basis points from the previous week.

Stock prices. Common stock prices, as measured by Standard and Poor's composite index of 500 stocks, continued to rise last week, reaching a new all-time high of 68.06 on August 11. The increase, however, was much smaller than in the two preceding weeks. Trading volume averaged 3.6 million shares a day, down 0.2 million from the previous week.

Institutional investors. Total savings inflow during June at three major financial institutions--life insurance companies, savings and loan associations and mutual savings banks--amounted to \$2.0 billion, or 7 per cent more than a year earlier. The increased growth at savings and loan associations and mutual savings banks more than offset a smaller growth in life insurance company assets. On a seasonally adjusted basis inflow in June was about 5 per cent less than the average for the first five months of the year.

For the first six months of this year, combined growth at these three institutions totaled \$8.6 billion, one-fifth more than in the comparable months of 1960. All three institutions experienced greater growth this year than last year--the greatest increase in savings occurred at mutual savings banks where deposits grew by more than twice as much as last year; savings shares at savings and loan associations increased by more than one-third more than last year, and the increase in life insurance company assets was about one-fifth larger than during the comparable period of 1960. (The increase in time deposits at commercial banks was better than 2-1/2 times larger this year than last.)

While savings inflow at these institutions in the second quarter was one-eighth larger than a year earlier, after adjustment for seasonal factors it was moderately smaller (about 7 per cent) than in the two preceding quarters and about the same as in the third quarter of 1960. Inflow (seasonally adjusted) in the second quarter was smaller than in the first quarter of the year at all three types of institutions, but most of the decline was in the growth in life insurance company assets.

Although the net increase in life insurance company assets of \$3.1 billion in the first half was up one-fifth from a year earlier, all of this increase took place in the first quarter. Net acquisition of mortgages, amounting to \$1.1 billion, were down one-fifth from last year. In contrast, the liquidation of U. S. Government securities was only one-seventh as large. Net acquisition of business securities and State and local government bonds amounting to \$1.0 billion and \$0.2 billion, respectively, were up 6 per cent and 14 per cent, respectively, from last year. Foreign corporate bond acquisitions (included in other assets) of \$0.3 billion were over twice as large as a year earlier.

The growth in share capital at savings and loan associations amounted to \$4.4 billion during the first half of 1961, or one-third more than last year. The increase in share capital has been greater in each month this year than in the corresponding month of 1960. Net repayments of borrowings (mainly from the Federal Home Loan Banks) amounting to \$0.2 billion, were less than one-half as large as last year due to both larger borrowings in the second quarter of this year and smaller repayments in the first quarter, but the increase in holdings of cash and U. S. Government securities was three times larger this year than last. Net acquisition of mortgages totaled \$3.9 billion during the first half of this year, or one-fifth more than a year ago, as mortgage extensions in May and June set successive records.

Deposits at mutual savings banks in the first half increased \$1.0 billion or better than twice the increase last year, with every month showing an increase over the comparable month of 1960. Net acquisitions of mortgages of \$1.1 billion were one-fifth larger than last year while holdings of U. S. Government securities increased by about \$0.1 billion this year in contrast with liquidation of over \$0.3 billion last year. Acquisitions of business securities (\$66 million) were slightly less than in the first half of 1960, reflecting smaller purchase of non-guaranteed Federal agency obligations which are included in this category.

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

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

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

First Half 1953-1961

(In millions of dollars)

Year	Uses of funds						Total sources or 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										
1961	-62	-43	976	1,107	157	1,009	3,144	--	--	--
1960	r/ -94	-299	923	1,394	96	710	2,727	--	--	--
1959	r/ -160	41	1,315	793	315	572	2,876	--	--	--
1958	-84	46	1,191	790	163	669	2,775	--	--	--
1957	-137	-207	1,096	1,190	59	570	2,571	--	--	--
1956	-178	-625	1,048	1,859	149	363	2,616	--	--	--
1955	-136	25	968	1,556	124	365	2,902	--	--	--
1954	-124	-424	1,135	1,109	363	692	2,751	--	--	--
1953	-191	-165	1,502	976	69	178	2,369	--	--	--
Savings and Loan Associations										
1961	245	389	--	3,936	n.a.	369	4,939	4,362	-183	760
1960	r/ 96	115	--	3,241	n.a.	290	3,742	3,718	-449	473
1959	r/ -240	577	--	3,791	n.a.	441	4,569	3,480	231	858
1958	606	156	--	2,279	n.a.	185	3,226	3,125	-344	445
1957	-60	347	--	2,105	n.a.	408	2,798	2,578	-166	386
1956	-27	304	--	2,191	n.a.	300	2,762	2,656	-279	385
1955	-12	256	--	2,878	n.a.	182	3,304	2,603	301	400
1954	311	36	--	1,835	n.a.	130	2,312	2,282	-214	244
1953	44	210	--	1,703	n.a.	110	2,064	1,945	-146	265
Mutual Savings Banks										
1961	-13	60	66	1,064	17	26	1,221	1,065	--	156
1960	r/ 11	-309	82	884	-26	55	697	486	--	211
1959	r/ -96	95	15	980	39	62	1,096	885	--	211
1958	29	-163	525	996	42	70	1,499	1,293	--	206
1957	-49	-108	402	721	10	58	1,034	876	--	158
1956	-48	-163	116	1,147	30	65	1,147	997	--	150
1955	-37	-73	-38	1,155	56	40	1,106	975	--	130
1954	4	-167	226	933	125	64	1,185	1,042	--	143
1953	-51	42	285	726	53	44	1,100	1,007	--	93

r/ Revised.

n.a.--Not available.

1/ For description of data see Exhibits J, K and L.

2/ Includes Federal Home Loan Bank advances only.

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

Second Quarter 1953-1961

(In millions of dollars)

Year	Uses of funds						Total sources or uses	Sources of funds			
	Cash	U. S. Govt. securities	Business securities	Mortgages	State & local gov't. sec.	Other assets		Net change in deposits or savings capital	Borrowing	Other	
Life Insurance Companies											
1961	51	-134	458	554	44	419	1,392	--	--	--	
1960	r/ 60	-249	490	620	60	434	1,412	--	--	--	
1959	r/ -12	14	667	392	167	258	1,486	--	--	--	
1958	39	-12	560	335	77	351	1,350	--	--	--	
1957	69	-130	525	502	38	234	1,238	--	--	--	
1956	37	-125	375	902	-6	128	1,311	--	--	--	
1955	35	-45	455	757	-7	143	1,338	--	--	--	
1954	36	-318	574	615	195	213	1,315	--	--	--	
1953	-37	-33	739	496	17	-74	1,108	--	--	--	
Savings and Loan Associations											
1961	278	-3	--	2,449	n.a.	282	3,006	2,513	388	105	
1960	r/ 382	-124	--	1,980	n.a.	251	2,489	2,218	253	18	
1959	r/ 85	123	--	2,351	n.a.	300	2,859	2,102	473	284	
1958	339	130	--	1,504	n.a.	158	2,131	1,808	248	75	
1957	175	--	--	1,267	n.a.	286	1,728	1,581	133	14	
1956	72	64	--	1,284	n.a.	227	1,644	1,550	47	47	
1955	42	77	--	1,705	n.a.	154	1,975	1,456	340	179	
1954	311	36	--	1,836	n.a.	130	2,312	2,282	-281	311	
1953	74	71	--	1,048	n.a.	90	1,282	1,068	108 ^{2/}	106	
Mutual Savings Banks											
1961	6	-263	32	559	23	-46	312	408	--	-96	
1960	r/ 64	-321	51	459	-14	-17	222	184	--	38	
1959	r/ -63	-125	56	472	-15	50	375	337	--	38	
1958	-10	-183	193	602	9	16	627	574	--	53	
1957	27	-167	197	366	3	4	430	441	--	-11	
1956	31	-184	66	560	-13	35	495	485	--	10	
1955	5	-117	-64	605	5	-2	435	409	--	26	
1954	-18	-137	53	528	83	19	528	502	--	26	
1953	-6	-52	150	427	-22	--	498	501	--	-3	

r/ Revised.

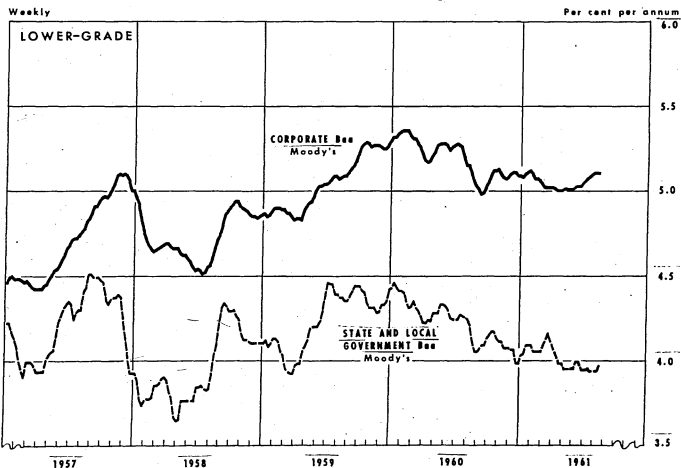
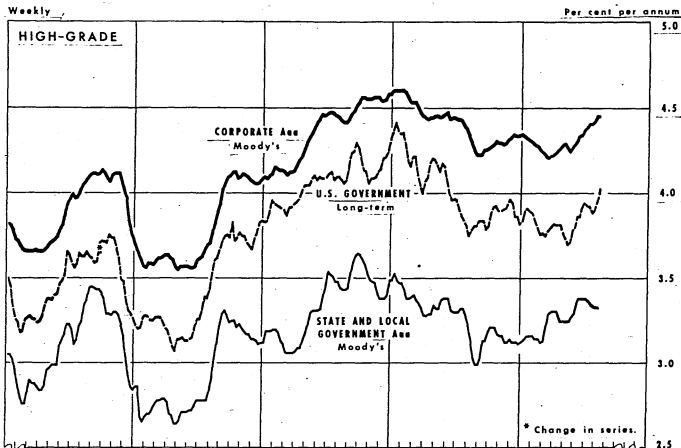
n.a.--Not available.

1/ For description of data see Exhibits L, M and N.

2/ Includes Federal Home Loan Bank advances only.

EXHIBIT A

LONG-TERM BOND YIELDS



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	4.45 (8/11)	4.03 (8/11)	3.37 (7/6)	.57	.76
Low	4.21 (3/17)	3.70 (5/12)	3.12 (2/23)	.40	.46
July 14	4.41	3.92	3.36	.49	.56
July 21	4.41	3.88	3.34	.53	.54
July 28	4.42	3.89	3.33	.53	.56
Aug. 4	4.45	3.95	3.32	.51	.62
Aug. 11 p/	4.45	4.03	3.32	.42	.71

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)	3.93 (8/3)	.66	.57
July 14	5.08	3.95	.67	.59
July 21	5.09	3.93	.68	.59
July 28	5.10	3.93	.68	.60
Aug. 4	5.11	3.93	.66	.61
Aug. 11 p/	5.11	3.97	.66	.65

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.

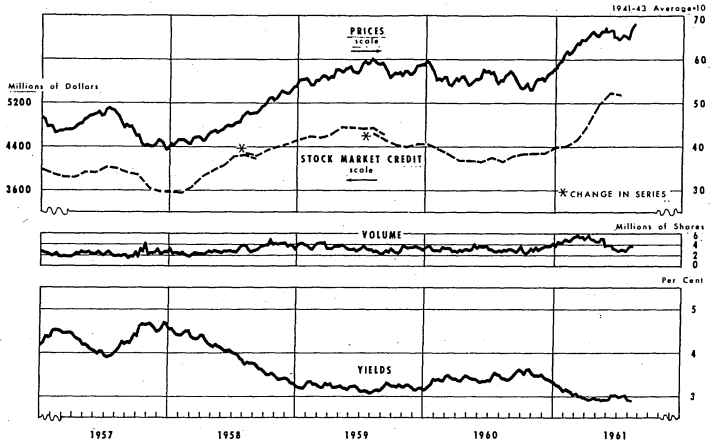
3/ Thursday figures. Only general obligation bonds are included; average term is 20 years.

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 E

STOCK MARKET



MORTGAGE AND BOND YIELDS

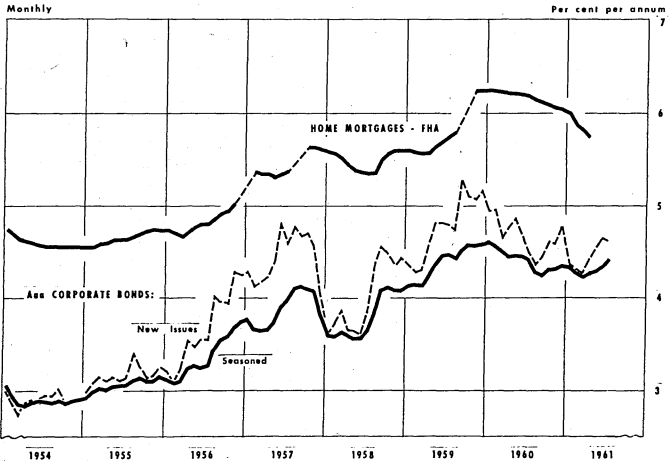


Exhibit D - Tables for Exhibit C

Short- and Intermediate-term Interest Rates

Government

Date	Discount rate 1/	Yields			Spread between yields on 3-month bills and yields on		
		3-month bills 2/	6-month bills 2/	3-5 year issues 2/	3-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)	3.86 (8/11)	.25	1.48	
Low	3.00	2.17 (1/27)	2.35 (4/28)	3.15 (5/12)	.12	.92	
July 14	3.00	2.25	2.46	3.72	.21	1.47	
July 21	3.00	2.19	2.39	3.66	.20	1.47	
July 28	3.00	2.22	2.46	3.68	.24	1.46	
Aug. 4	3.00	2.28	2.51	3.74	.23	1.46	
Aug. 11 p/	3.00	2.38	2.64	3.86	.26	1.48	

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 (7/28)	.43 (1/27)	.11	
July 14	4.50	4.50	2.50	.85	.25	
July 21	4.50	4.50	2.50	1.30	.31	
July 28	4.50	4.50	2.50	.85	.28	
Aug. 4	4.50	4.50	2.50	2.05	.22	
Aug. 11 p/	4.50	4.50	2.60	2.70	.22	

1/ Weekly rate shows 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.

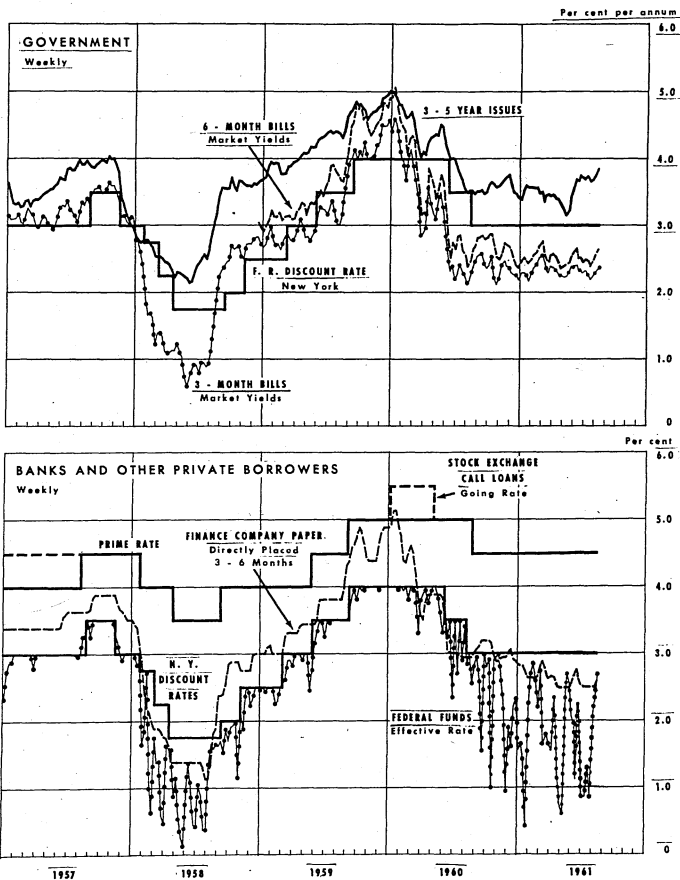
3/ Average of daily rates published by finance companies for directly placed paper for varying maturities in the 90-179 day range.

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 C

SHORT- AND INTERMEDIATE- TERM INTEREST RATES



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 (1/58)	2,482 (12/57)	1,060 (11/57)
1961 - High	68.06 (8/11)	2.89	5.8	5,386(5/61)	4,060(5/61)	1,376(7/19)
Low	58.48 (1/6)	3.32	2.7	4,416(1/61)	3,253(1/61)	1,152(3/8)
June	65.62	2.99	3.3	5,358	4,015	1,343
July	65.38	2.98	3.0	n.a.	n.a.	1,364
July 28	66.71	2.93	3.5	n.a.	n.a.	1,364
Aug. 4	67.68	2.90 ^{c/}	3.8	n.a.	n.a.	1,371
Aug. 11 ^{p/}	68.06	2.89	3.6	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. High and low 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 now 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 - 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
June	n.a.	4.65	4.33	n.a.	.32
July	n.a.	4.62	4.41	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 FRB, assuming 25-year mortgages are paid off in 12 years. Dashed lines indicate periods of adjusting yields 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 municipal 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.

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	570	821	715	700	648
February	667	715	738	681	611	859
March	562	860	616	758	568	638
April	2,115	761	894	720	719	934
May	p/1,223	577	785	588	545	568
June	p/1,149	1,044	887	e/1,050	991	987
July	e/1,000	736	535	e/450	492	443
August	e/600	967	740	e/750	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	2,154	1,880	2,145
2nd quarter	p/4,487	2,382	2,567	e/2,358	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	p/6,296	4,527	4,771	e/4,512	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	1,554	1,716	1,999			
2nd quarter	p/4,337	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.
 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	100	148	--
May	61	72	50	145	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	368	-80	4	-174	-59	33
April	103	70	-197	-79	-277	50
May	42	-146	-25	-67	170	368
June		-157	-197	207	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.

3/ 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.

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

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

6/ 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.

7/ 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 and Federal Reserve Bank of St. Louis.

Exhibit I

-14-

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 <u>2/</u>
1960 - 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
June	532	616	151
July	475	179	--

Large Individual Issues Offered August 1 through 11

Issuer	Type <u>3/</u>	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
Texas Eastern Trans. Co.	Deb.	30.0	1981	5-3/8	5.38	Ba
Texas Eastern Trans. Co.	Conv.pfd.stk.	20.0				
Long Island Lighting Co.	1st mtg. bds.	25.0	1991	5	4.90	A
Kimberly-Clark Corp.	S.F. deb.	30.0	1986	4-5/8	4.63	Aa
Northern States Pwr. Co.	1st mtg. bds.	20.0	1991	4-7/8	4.85	Aa
<u>STATE AND LOCAL GOVERNMENT</u>						
State of Maryland	G.O.	16.9	1964-76	2.92	2.00-3.10	Aaa
Public Housing Authority	--	60.3	1962-2002	3.45	1.40-3.63	Aaa
Sacramento USD, Calif.	G.O.	10.0	1963-86	3.39	1.85-3.53	<u>4/</u> Aa
<u>OTHER</u>						
None						

footnotes

- 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/ 1986 maturity not reffered.

Exhibit J

-16-

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 - 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. 31	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
June 30	521	195	--	666	291	--
July 31	170	406	--	255	537	--

Forthcoming Large Offerings, as of August 11

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Consumers Power Co.	1st mtg. bds.	40.0	Aug. 16
Armour & Co.	Conv. sub. deb.	32.5	Sept. (rights expire)
Clark Equipment Credit Corp.	Deb.	20.0	Indefinite
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>			
St. Petersburg, Fla.	Rev.-Ut.	14.0	Aug. 8
Pennsylvania General State Authority	Rev.-Rent.	25.0	Aug. 8
Washington Sub. Sanitary Dist., Md.	G.O.	10.0	Aug. 15
State of California	G.O.	225.0	Aug. 16
Cook County, Illinois	G.O.	25.0	Aug. 22
San Diego Unif. Sch. Dist., Calif.	G.O.	20.0	Aug. 29
Orleans Parish Sch. Dist., La.	G.O.	10.0	Indefinite
Dade County, Florida	G.O.	46.0	Indefinite
Jacksonville Expressway Auth.	Rev.-Ut.	40.0	Indefinite
State of Kentucky	G.O.	35.0	Indefinite
<u>OTHER</u>			

Footnotes

*--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)
1952-1960 - 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
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	25		
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
June 8			5.12	55
13			4.92	36
28	4.87	41		
July 13			4.93	29
26	4.65	14		
Aug. 3			4.90	20
9	4.85	29		

- ^{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 - June	1,270	6,401	49,872	3,779	42,505	18,634	122,861
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	75	63	170	5	170	58	541
June	-33	-150	153	5	182	242	399

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. securities	Mortgages ^{2/}	Other assets		Net change savings capital	Borrowing ^{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 - June	2,960	4,975	64,020	4,473	76,428	66,510	2,008	7,904
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.	3	107	689	123	922	705	-26	243
Apr.	24	-18	694	113	813	417	88	308
May ^{r/}	149	--	815	216	1,180	800	41	339
June	105	15	940	-47	1,013	1,296	259	-542
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/						Sources of funds		
	Cash	U. S. Govt. secur- ities	Busi- ness secur- ities 2/	State & local govt. secur- ities	Mort- gages	Other	Total sources or uses	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. r/	872	6,239	5,080	672	26,709	1,001	40,573	36,353	4,220
1961 - June	859	6,300	5,146	689	27,773	1,027	44,794	37,416	4,376
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. r/	84	-42	57	-5	157	-14	237	385	-148
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	30	-13	27	1	187	30	262	114	148
June	27	-34	16	24	196	-25	204	348	-144
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.