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September 5, 1961.

SEP 8 1961

CAPITAL MARKET DEVELOPMENTS  
IN THE UNITED STATES

(Including Monthly Review of the Capital Markets  
and Quarterly Review of Corporate Security Financing)

The volume of new security financing was moderate last week and is expected to be somewhat lighter this Labor Day shortened week. Last week, ending September 1, one large State and local bond issue of \$20 million was sold while the Federal National Mortgage Association sold a \$100 million debenture issue for new capital as part of a \$200 million financing; no large corporate issues were on the calendar. This week, ending September 8, no large corporate or State and local bond issues are scheduled, but the Federal Land Banks are offering \$73 million in debentures to raise new capital as part of a \$193 million issue.

Bond yields. Yields on Aaa-rated corporate bonds and U. S. Government long-term bonds remained unchanged last week while yields on State and local government bonds and Baa-rated corporate bonds rose one basis point each.

Short- and intermediate-term interest rates. Yields on Treasury bills declined last week while those on 3-5 year U. S. Government issues were unchanged. Yields on 3-month Treasury bills dropped 9 basis points while the decline in yields on 6-month bills was 6 basis points. The average effective rate on Federal funds rose 35 basis points to 1.65 per cent from the revised level of the previous week.

Mortgage recordings. Nonfarm mortgage recordings expanded further in June, with both Government underwritten and conventional loans sharing in the rise. At \$2,561 million, the seasonally adjusted 3-month moving average of recordings in May was the highest since the autumn of 1959 and 8 per cent from the peak in the summer of that year.

September security volume. Security issues by corporations are expected to be in moderate volume in September while State and local government financing is expected to be substantial.

Corporate financing is expected to total \$0.7 billion, one-sixth more than in August and substantially the same as in September of the two preceding years. Only \$175 million of large issues are currently scheduled for public offering.

State and local government bond sales in September are estimated at \$750 million, one-fourth larger than the revised estimate for August and one-tenth more than in September of last year. Accounting for a large part of the estimated September volume are two \$100 million issues--one each by the State of California and the State of Illinois.

Capital markets in August. New financing by corporations and State and local governments in August was in light to moderate volume and bond yields changed little.

Sales of securities by corporations totaled only \$0.6 billion in August, sharply less than either a year earlier or in the preceding four months. Large public offerings totaled less than \$200 million for the first time since March. With the supply of new issues small most of those offered during the month were fairly well received by investors and the volume of securities in syndicate was quite small throughout the month. Yields on outstanding Aaa bonds were 4.45 per cent at the end of August (daily basis), the same as on July 31, while yields on new offerings (adjusted to an Aaa basis) averaged approximately 4.58 per cent, slightly less than in July.

New bond sales by State and local governments in August totaled \$0.6 billion, one-third more than in July but about the same as a year earlier. The August financing total was less than had been expected at the beginning of the month primarily due to the rejection of the only bid for \$125 million of State of California bonds. One of the two competing bids on a \$100 million California issue offered at the same time was accepted, however, and \$100 million of the bonds not sold last month have been rescheduled for bidding in September. Despite the moderate volume of new financing and generally favorable new issue reception, dealers made little progress in reducing their moderately heavy inventory of unsold securities. Advertised inventories fluctuated between \$400 and \$450 million during the month, much of this consisting of bonds originally offered in June and July. Yields on Aaa-rated State and local government bonds rose one basis point to 3.34 per cent while yields on Baa bonds increased 5 basis points to 3.98 per cent.

Common stock prices increased regularly during August, closing on the 31st at 68.07, two per cent higher than at the end of July but slightly less than the peak of 68.44 reached on August 22. Trading volume averaged 3.5 million shares a day, moderately more than in June and July but substantially less than this spring.

Stock prices. Common stock prices, as measured by Standard and Poor's composite index of 500 stocks, increased on balance about one per cent last week to close at 68.19 on Friday. Trading volume declined as is usual around a holiday to average 3.0 million shares a day.

#### Corporate Security Offerings in the First Half of 1961

Net proceeds from corporate security offerings in the first half of 1961 totaled a record \$7.2 billion, more than one-half larger than during the corresponding period last year and 7 per cent more than the previous peak set in the first six months of 1957. While most of this

Table 1

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**Corporate Security Offerings for New Capital  
by Type of Business of Issuer  
First Half 1956-61  
(Net proceeds in millions of dollars)**

	1961	1960	1959	1958	1957	1956
<b>Total corporate offerings</b>	<b>7,212</b>	<b>4,679</b>	<b>4,835</b>	<b>6,121</b>	<b>6,688</b>	<b>5,144</b>
Refunding	709	152	64	359	94	236
New capital	6,504	4,527	4,771	5,762	6,593	4,907
New money	5,920	4,152	4,313	5,347	6,128	4,537
Other purposes	584	375	458	415	465	371
Manufacturing	1,981	809	1,109	1,542	2,373	1,613
New money	1,636	690	967	1,363	2,100	1,387
Other purposes	346	119	142	178	273	226
Electric, gas & water utilities	1,462	1,406	1,791	2,095	2,116	1,304
New money	1,419	1,371	1,710	2,020	2,015	1,288
Other purposes	43	36	81	75	101	16
Communication	1,176	338	149	930	696	248
New money	1,168	337	146	927	687	245
Other purposes	8	1	2	3	9	3
Railroad	82	90	108	127	210	168
New money	82	90	108	127	210	168
Other purposes	--	--	--	--	--	--
Other transportation	341	230	385	276	195	160
New money	297	223	370	211	192	157
Other purposes	43	7	15	65	3	3
Commercial and other	370	294	409	104	150	150
New money	315	232	299	87	126	128
Other purposes	55	62	110	16	25	22
Mining	110	159	70	115	122	145
New money	101	87	65	102	101	123
Other purposes	9	71	5	13	21	22
Financial and real estate	982	1,200	750	574	732	1,119
New money	901	1,121	647	510	697	1,040
Other purposes	80	79	103	64	36	79
Sales and consumer finance	143	646	356	277	468	720
Other	839	554	394	297	264	399

Note.--Details may not add to totals due to rounding.

Source.--Securities and Exchange Commission and Federal Reserve.

Table 2

Total Corporate Security Offerings by Type of Issue  
First Half 1956-61

(Gross proceeds in millions of dollars)

Type of issue	1961	1960	1959	1958	1957	1956
Total corporate offerings	7,344	4,802	4,947	6,216	6,815	5,239
<u>Type of offering</u>						
Public	4,998	3,113	3,168	4,520	4,949	3,139
Private	2,346	1,688	1,780	1,696	1,866	2,100
<u>Type of security</u>						
Bonds and notes	5,121	3,574	3,476	5,374	5,060	4,017
Public	2,965	2,008	1,747	3,748	3,254	1,978
Private	2,156	1,566	1,729	1,626	1,805	2,039
(Memo: Convertible)	(299)	(198)	(338)	(957)	(639)	(492)
Preferred stock	288	211	315	336	237	337
Common stock	1,936	1,017	1,157	506	1,518	884

year's new financing was to obtain new capital, new issues sold to retire outstanding securities were in substantial volume, unlike either last year or 1957. These refunding issues total \$0.7 billion this year, the largest refunding volume since the second half of 1954. In contrast to the latter period, however, when refinancing to take advantage of a decline in interest rates was widespread, this year's refunding volume reflected primarily the activities of the Bell Telephone System, and was motivated in part by considerations other than the decline in interest rates.

Corporate security offerings for new capital totaled \$6.5 billion in the first half of 1961, 44 per cent more than a year earlier and about the same as the record volume in the first half of 1957 when plant and equipment expenditures were at an all-time peak, one-tenth higher than this year. After the lightest volume of new financing in any first quarter since 1954, new offerings during the second quarter reached a record volume of \$4.7 billion. The second quarter total includes the AT&T \$965 million common stock subscription issue, but even if this offering were excluded, the second would still set a new record.

Industrial distribution. The increase in corporate security financing this year was most notable for manufacturing companies. Railroad, financial and real estate, and mining companies decreased their offerings. Communications companies other than AT&T also decreased their offerings over last year.

New issue volume by manufacturing companies totaled \$2.0 billion in the first half of this year, more than twice the amount raised in the security market in the similar period of 1960 and only one-eighth less than in 1957, when manufacturing companies were investing in plant and equipment at rates one-fifth higher than this year. In contrast to 1957, when five issues of over \$100 million each accounted for about one-third of total manufacturing offerings, only one such large issue--the \$300 million U. S. Steel Company debenture issue--was sold this year. Most types of manufacturing companies shared in the large volume of security financing this year, whereas in 1957 over two-fifths of the financing was concentrated in the petroleum, nonelectrical machinery and primary nonferrous metals industries.

Anticipated plant and equipment expenditures of manufacturers are expected to continue below the 1960 level through the third quarter of this year. It appears therefore that the large first half volume of security financing was primarily to restore their liquidity, to repay bank loans, and to obtain funds for capital expenditures later in the cycle when interest rates are expected to be higher. This is partly reflected in the almost threefold expansion, as compared with 1960, in corporate securities issues for stated purposes other than new money and retirement of securities (mainly repayment of bank term loans) by manufacturing companies.

New financing by electric, gas and water utilities, amounting to \$1.5 billion, was 4 per cent greater than in 1960 but was less than in most other recent years. A further growth in internal funds, mainly depreciation allowances, has made it possible to plan plant and equipment expenditures this year of almost \$250 million more than in 1960, and to repay bank loans of about the same magnitude as in the first half of 1960 with only a \$56 million increase in security financing in the first half and a new issue calendar for the second half of the year which currently is no greater than last year.

Financial and real estate companies offered securities with proceeds of \$1.0 billion, about one-fifth less than in 1960. This decline in offerings was accounted for by sales and consumer finance companies. These companies experienced a decline in receivables during the first half of this year due to a sizeable reduction in expenditures by consumers on durable goods as compared with an expansion in the similar period of last year. They used the proceeds of their security offerings to help repay a large amount of bank borrowing.

Types of issues. Gross proceeds from both publicly offered issues and private placements were in record volume in the first half; publicly offered issues of \$5.0 billion were almost three-fifths larger than last year and one per cent larger than the previous record set in 1957 while private placements reached \$2.3 billion, two-fifths larger than in 1960 and one-eighth larger than during the record first half of 1956, the previous record period for private placements.

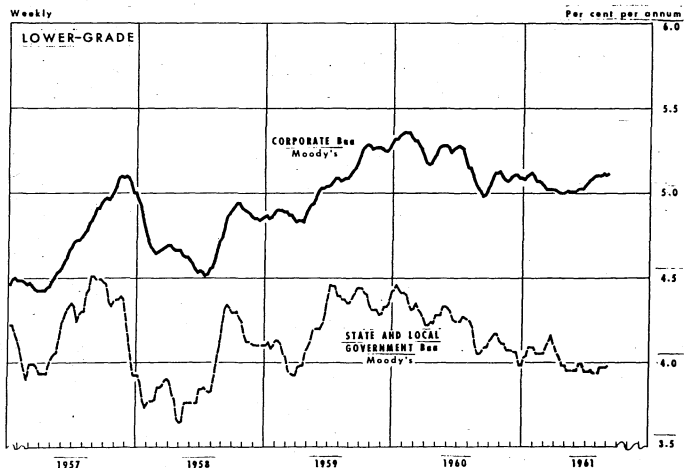
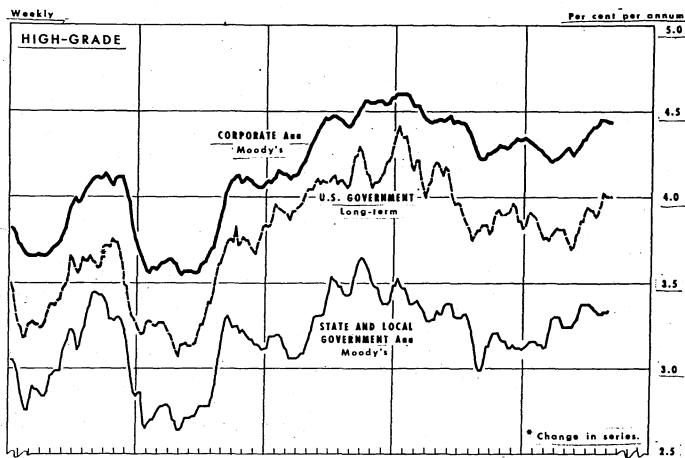
The volume of bond financing at \$5.1 billion was more than two-fifths larger this year than last and only slightly smaller than the record volume of 1958. Common stock issues set a new record of \$1.9 billion but this was due entirely to the AT&T subscription issue. Aside from the latter issue, the dollar volume of common stock financing was a little less than in the first six months of both 1960 and 1959. Preferred stock financing of \$0.3 billion was about one-third more than last year but less than in most other recent years. Financing through convertible bonds totaled \$0.3 billion, about one-half more than last year, but considerably less than in other recent years.

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**



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 (8/18)	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
Aug. 4	4.45	3.95	3.32	.51	.62
Aug. 11	4.45	4.03	3.32	.42	.71
Aug. 18	4.45	4.01	3.33	.44	.68
Aug. 25	4.44	4.01	3.33	.43	.68
Sept. 1 p/	4.44 ✓	4.01	3.34	.43	.67

## 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 (9/1)	4.16 (3/23)	.81	.93
Low	5.00 (4/21)	3.93 (8/3)	.66	.57
Aug. 4	5.11	3.93	.66	.61
Aug. 11	5.11	3.97	.66	.65
Aug. 18	5.12	3.97	.67	.64
Aug. 25	5.11	3.97	.67	.64
Sept. 1 p/	5.12	3.98	.68	.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

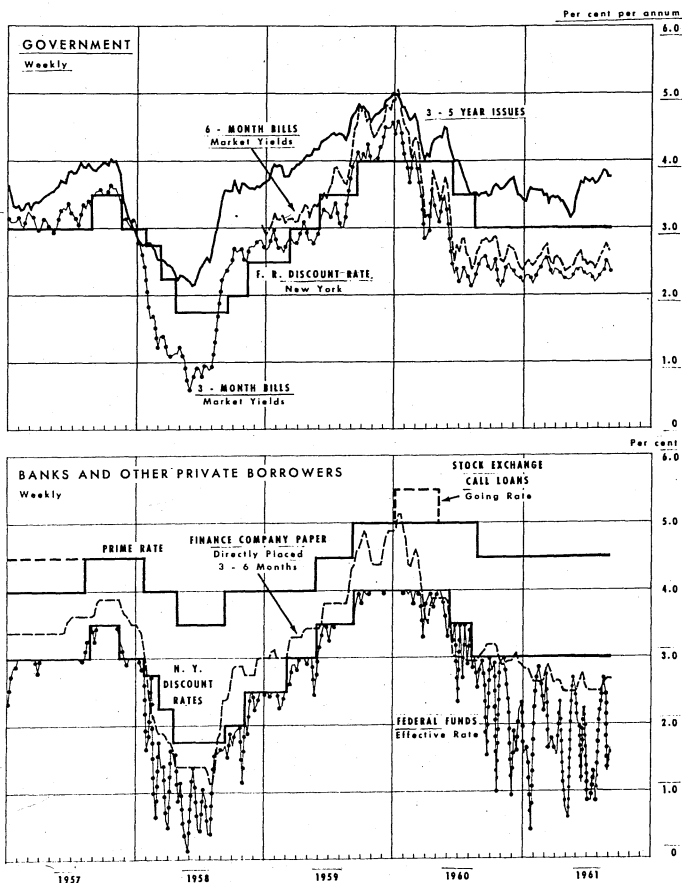


Exhibit D - Tables for Exhibit C  
Short- and Intermediate-term Interest Rates

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 (6/8)	.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)	2.78 (8/18)	3.86 (8/11)	.28	1.48
Low	3.00	2.17 (1/27)	2.35 (4/28)	3.15 (5/12)	.12	.92
Aug. 4	3.00	2.28	2.51	3.74	.23	1.46
Aug. 11	3.00	2.38	2.64	3.86	.26	1.48
Aug. 18	3.00	2.50	2.78	3.83	.28	1.33
Aug. 25	3.00	2.43	2.71	3.77	.28	1.34
Sept. 1 p/	3.00	2.34 ✓	2.65	3.77	.31	1.43

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
Aug. 4	4.50	4.50	2.50	2.05	.22
Aug. 11	4.50	4.50	2.60	2.70	.22
Aug. 18	4.50	4.50	2.69	2.55	.19
Aug. 25	4.50	4.50	2.69	1.30	.26
Sept. 1 p/	4.50	4.50	2.69	1.65	.35

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.

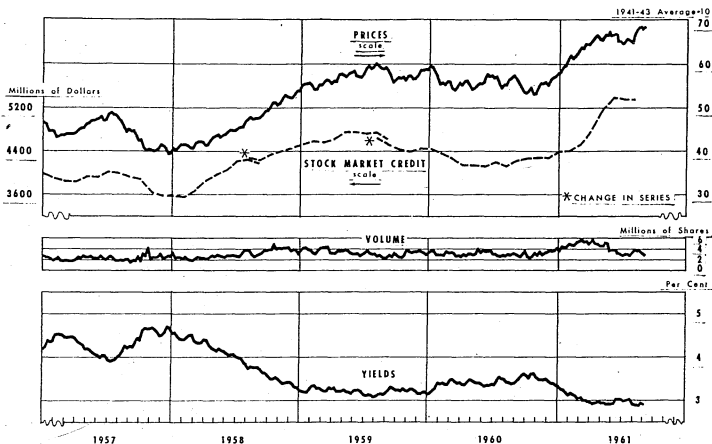
3/ Average of daily rates published by finance companies for directly placed paper for varying maturities in the 90-179 day range.

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.

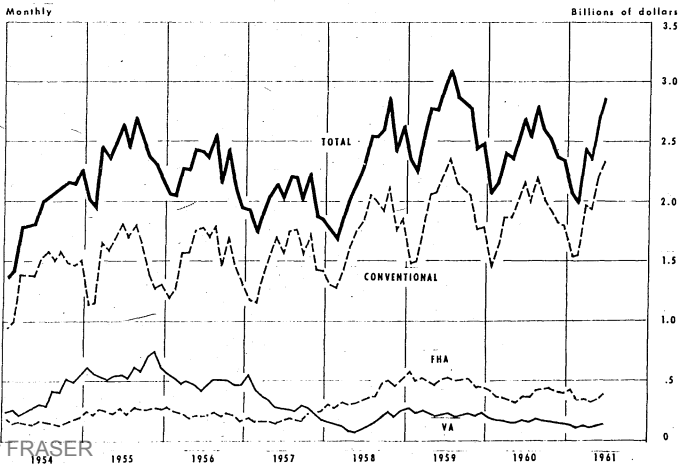
Notes:--Highs and lows are for individual series and may be on different dates for different series. For spreads, high refers to widest, and low to narrowest.

EXHIBIT E

STOCK MARKET



MORTGAGE RECORDINGS AND LOANS



## 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	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	68.29 (8/18)	2.88	5.8	5,386 (5/61)	4,060 (5/61)	1,378 (8/23)
Low	58.48 (1/6)	3.32	2.7	4,424 (1/61)	3,253 (1/61)	1,161 (3/8)
July	65.38	2.98	3.0	5,355	3,991	1,364
August	67.86	2.90	3.5	n.a.	n.a.	n.a.
Aug. 18	68.29	2.88	3.6	n.a.	n.a.	1,370
Aug. 25	67.67	2.91	3.4	n.a.	n.a.	1,378
Sept. 1 p/	68.19	2.89	3.0	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.

## Nonfarm Mortgage Recordings and Loans 1/

Date	Total		Unadjusted		
	Seasonally adjusted 2/	Unadjusted	FHA	VA	Conv.
(Millions of dollars)					
1960 - June	2,427	2,690	365	175	2,150
July	2,493	2,528	362	160	2,006
Aug.	2,488	2,784	417	181	2,186
Sept.	2,464	2,598	425	169	2,004
Oct.	2,451	2,525	434	162	1,929
Nov.	2,426	2,378	404	150	1,824
Dec.	2,407	2,338	390	142	1,806
1961 - Jan.	2,373	2,075	410	132	1,533
Feb.	2,387	1,997	341	108	1,548
Mar.	2,398	2,444	348	125	1,972
Apr.	2,476	2,358	318	109	1,931
May	2,561	2,700	349	123	2,228
June	n.a.	2,856	386	137	2,333

n.a.--Not available.

1/ Total recordings data are estimates based on reports from about 450 areas and include mortgages of \$20,000 or less secured by nonfarm real estate, primarily residential properties. FHA-insured loans represent gross amount of insurance written, and VA-guaranteed loans the gross amount of loans closed, on 1-4 family houses. Conventional data are derived as a residual, although total recordings and VA and FHA loans are not strictly comparable in concept or timing.

2/ Three-month moving average, seasonally adjusted by Federal Reserve.

Source: Federal Home Loan Bank Board, Federal Housing Administration and Veterans Administration.

## 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	646	758	568	638
April	2,118	761	894	720	719	934
May	1,259	577	785	588	545	568
June	1,318	1,044	887	e/1,050	991	987
July	e/1,000	736	535	e/450	492	443
August	e/600	967	740	e/600	606	521
September	e/700	726	703	e/750	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	4,695	2,382	2,567	e/2,358	2,256	2,488
3rd quarter	e/2,300	2,428	1,979	e/1,800	1,780	1,433
4th quarter		2,698	2,642		1,340	1,521
1st half	6,504	4,527	4,771	e/4,512	4,136	4,634
Three quarters	e/8,804	6,955	6,750	e/6,312	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	4,552	2,165	2,412			
3rd quarter	e/2,200	2,018	1,716			
4th quarter		2,347	2,503			
Year		8,246	8,630			

e/ Estimated.

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	2	34	58	100	148	--
May	63	72	50	149	354	--
June	24	40	42	278	--	--
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	-8	-80	4	-174	-59	33
April	-103	70	197	-79	-277	50
May	-42	-146	-25	-87	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.

1/ These data differ from those in Exhibit Q 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. Sources: Securities and Exchange Commission.

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

4/ These data differ from those in Exhibit Q 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. Sources: 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 - 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	--
August	185	281	100

## Large Individual Issues Offered during August

Issuer	Type 3/	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
Consumers Power Co.	1st mtg. bds.	40.0	1991	4-5/8	4.60	Aaa
Clark Equip. Credit Corp.	Deb.	20.0	1981	5-1/4	5.35	--
<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 1/2	Aa
Penna. Gen. State Auth.	Rev.-Rent.	25.0	1964-88	3.54	2.20-3.70	--
St. Petersburg, Fla.	Rev.-Ut.	14.0	1967-91	4.11	2.90-4.10	A
Wash. Sub. Sanit. Dist., Maryland	G.O.	10.0	1963-92	3.56	2.10-3.85 1/2	A
State of California	G.O.	100.0	1963-87	3.75	2.00-3.90	Aa
Cook County, Illinois	G.O.	25.0	1962-76	3.33	1.75-3.50	A
San Diego USD, Calif.	G.O.	20.0	1963-82	3.44	2.00-3.65	A

## Large Individual Issues Offered during August (Cont'd)

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offering yield	Rating
<u>OTHER</u>						
Federal National Mortgage Association	Deb.	100.0	1971	4-1/2	4.52	--

- 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 reoffered.
- 5/ 1.10 per cent bonds due 1990-92 were reoffered to yield 4.75.



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 - 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
June 30	521	195	--	666	291	--
July 31	170	406	--	255	537	--
Aug. 31	175	399	73	240	530	73

Forthcoming Large Offerings, as of September 1

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Mountain Fuel Supply Co.	Deb.	18.0	Sept. 12
Armour & Co.	Conv. sub. deb.	32.5	Sept. 12 (rights expire)
Western Union Telegraph Co.	Com. stk.	45.0	Sept. 25 (rights expire)
Pacific Gas & Electric Co.	1st & ref. mtg. bds.	60.0	Sept. 27
Keystone Steel & Wire Co.	Conv. sub. deb.	20.0	Sept.
Rochester Gas & Electric Co.	1st mtg. bds.	15.0	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>			
Commonwealth of Massachusetts	G.O.	47.0	Sept. 12
Cheyenne, Wyoming	Rev.-Ut.	10.0	Sept. 12
State of California	G.O.	100.0	Sept. 13
Penna. State School Bldg. Auth.	Rev.-Rent.	24.0	Sept. 19
Oklahoma Building Bond Comm.	G.O.	35.5	Sept. 19
Los Angeles, Calif.	Rev.-Ut.	15.0	Sept. 20
New York City	G.O.	42.9	Sept. 20
Detroit, Michigan	G.O.	14.5	Sept. 26
Detroit City Sch. Dist., Mich.	G.O.	10.0	Sept. 26

## Forthcoming Large Offerings, as of September 1 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>STATE AND LOCAL GOVERNMENT (Cont'd)</u>			
State of Illinois	G.O.	100.0	Sept. 27
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>			
*Federal Land Banks	Deb.	73.3	Sept. 7

\*--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 <sup>1/</sup>

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 <sup>2/</sup>	17
21			4.80 <sup>2/</sup>	32
26	4.80	43		
27	4.67	29		
May 17	4.50 <sup>2/</sup>	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		

- <sup>1/</sup> 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.
- <sup>2/</sup> 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.