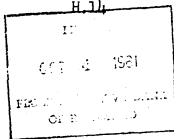


October 2, 1961.

H. 11



CAPITAL MARKET DEVELOPMENTS
IN THE UNITED STATES

(Including Quarterly Review of State and Local
Government Security Financing and Monthly
Review of Capital Market Developments)

Public security financing to obtain new capital was in relatively heavy volume last week, but is expected to be light this week. Last week, ending September 29, two large corporate security issues aggregating \$103 million were sold (including expiration of subscription rights) and four State and local government bond issues totaling \$156 million were offered. This week, ending October 6, two corporate issues for \$45 million are scheduled and one State and local issue with a par value of \$10 million is on the calendar while the Japan Development Bank is offering \$20 million in bonds.

Bond yields. Yields on Aaa-rated State and local government bonds declined 3 basis points while those on Baa-rated bonds declined 2 basis points. Yields on long-term Government bonds which had risen sharply three weeks ago on the announcement of the Treasury's advance refunding operation declined for the second straight week following its success. Yields on corporate bonds were unchanged.

Short- and intermediate-term interest rates. Yields on both 3-month Treasury bills and 3-5 year U. S. Government obligations continued their decline of the past several weeks, decreasing one and 6 basis points, respectively. The average rate of interest on Federal funds declined 20 basis points to 1.95 per cent. Yields on 6-month Treasury bills and other short- and intermediate-term interest rates were unchanged.

FNMA secondary market operations. Secondary market mortgage purchases by the Federal National Mortgage Association more than doubled in August after little change in July, but at \$57.2 million, continued below the year-earlier level. Offerings of mortgages rose for the fourth consecutive month, while sales dwindled further.

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

Corporate financing during October is estimated at \$0.8 billion, one-fourth more than the revised estimate for September but about one-tenth less than in October of the two preceding years. Large issues currently scheduled for public offering during the month amount to \$358 million.

State and local government bond sales in October are expected to be about \$600 million, one-fifth less than in September but almost three-fourths more than the unusually low volume of last October. Large issues are expected to amount to \$251 million.

Capital markets in September. The volume of new security financing in September was moderate, although larger than in August, and interest rates tended to decline. The sharp, temporary increase in long-term U. S. Government bond yields associated with the announcement, and subsequent success, of the Treasury's advance refunding offer was not reflected in either corporate or municipal bond yields.

Corporate security sales in September totaled \$650 million, only \$50 million more than the very light August total. For the second consecutive month large public financing totaled less than \$200 million and there were only two issues of straight bonds (that is, bonds not convertible into stock or in some other way participating in corporate equity). Reflecting the very light volume of public offerings, yields on new bond issues (adjusted to a Aaa basis) averaged only 4.38 per cent in September, about 20 basis points less than in August and the lowest since last March. Yields on outstanding corporate bonds changed little, however, declining one basis point over the month to 4.44 per cent (daily basis) for Aaa-rated issues.

Bond sales by State and local governments totaled \$750 million in September, substantially more than the light volume of July and August but only moderately above the monthly average for the year to date. Included in this total were two \$100 million offerings. One, a State of California issue, was successfully distributed about midmonth; but the second, Illinois State bonds, offered late in the month by underwriters at yields considerably below those prevailing earlier, was less successful, and dealers' advertised inventories of securities, which had declined somewhat rose to over \$400 million. Yields on Aaa-rated municipal bonds, reflecting primarily the pricing rather than the market reception of the Illinois issue, declined 3 basis points during the month to 3.31 per cent.

Common stock prices, after rising to a new peak of 68.46 (as measured by Standard and Poor's 500 stock index) in early September, declined. Prices closed on the 30th at 66.73, 3 per cent below the peak. Trading volume continued to be moderate, averaging 3.2 million shares a day.

Stock prices. Common stock prices, as measured by Standard and Poor's composite index of 500 stocks, changed little on balance last week, closing at 66.73 on September 29. The average daily volume of trading at 3.3 million shares was 0.1 million shares above the previous week.

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

Sales of long-term bonds by State and local governments during the second quarter of 1961, detail for which has just become available, totaled \$2.4 billion, slightly more than a year earlier, but somewhat less than in 1959. Second quarter sales were up slightly more than one-tenth from the first quarter, but this rise was of a seasonal nature. Interest rates on municipal bonds rose moderately during the quarter, particularly in June when over two-fifths of the borrowing was concentrated.

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

(In millions of dollars)

	1961	1960 ^{r/}	1959 ^{r/}	1958 ^{r/}	1957 ^{r/}	1956
Issuing authority:						
State	483	355	518	689	410	164
County and township	179	113	121	165	109	53
Municipality	757	723	566	624	593	452
School district	382	432	395	369	361	287
Special authority	565	642	905	405	236	496
Unidentified ^{1/}	--	--	--	--	--	165
Total	2,367	2,265	2,505	2,252	1,710	1,617
Purpose of issue:						
New capital total	2,358	2,256	2,488	2,223	1,697	1,603
Schools ^{2/}	694	751	689	707	587	394
Highways, bridges and tunnels	356	211	327	417	313	159
Residential buildings	71	166	107	130	41	114
Hospitals and institutions	36	21	47	65	27	15
Sewer and water	376	345	384	264	250	213
Misc. public service enterprises	120	73	460	68	81	245
Veterans' aid	170	51	133	103	136	68
Other	536	637	341	469	262	230
Unidentified ^{1/}	--	--	--	--	--	165
Refunding	8	9	16	30	12	14
Total	2,367	2,265	2,505	2,252	1,710	1,617
Type of issue:						
General obligation	1,563	1,301	1,410	1,664	1,173	979
Revenue	720	777	949	467	470	533
Utility	250	420	796	250	323	n.a.
Quasi-utility	367	256	47	52	17	n.a.
Special tax	10	16	70	143	92	n.a.
Rental	93	86	36	22	39	n.a.
Public Housing Authority	51	153	105	71	36	92
Federal Government loans	33	35	41	50	31	13
Total	2,367	2,265	2,505	2,252	1,710	1,617

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

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

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

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

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

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

Financing of school construction was the most important single purpose of bond sales in the second quarter, as it has been in other recent years; totaling \$0.7 billion, however, school bond sales were 8 per cent below a year ago and almost one-sixth less than the record volume set in the first quarter of this year. Sales of sewer and water bonds were in close to record volume, aggregating \$0.4 billion, one-tenth more than last year. Bond sales to finance highways, bridges and tunnels at \$0.4 billion were better than three-fourths larger than the low April-June volume last year but less than in some other quarters.

Sales of residential housing bonds were in considerably smaller volume than a year earlier, while bonds issued to finance miscellaneous public service enterprises and veterans' aid programs were in larger volume than in the second quarter last year. Sales of bonds for miscellaneous purposes, at \$0.5 billion, were about one-sixth smaller than the record volume of the second quarter of last year when sales of bonds for ports and airport construction (included in this category) were important, but were considerably larger than in the second quarter of other recent years.

Issuing authority. Municipalities sold the largest volume of bonds in the second quarter of the year as they usually do, setting a new record of \$0.8 billion. State governments sold \$0.5 billion of bonds, one-third above last year but less than in the second quarter of both 1958 and 1959. Special authorities--i.e., special districts and statutory authorities--sold almost \$0.6 billion in bonds, about one-eighth less than last year and one-fourth less than the record second quarter volume of 1959.

Type of issue. Sales of general obligation bonds totaled \$1.6 billion, one-fifth more than in the second quarter of 1960. This more than offset the smaller volume of both revenue and Public housing Authority bond financing, which aggregated \$0.7 billion and \$50 million, respectively.

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

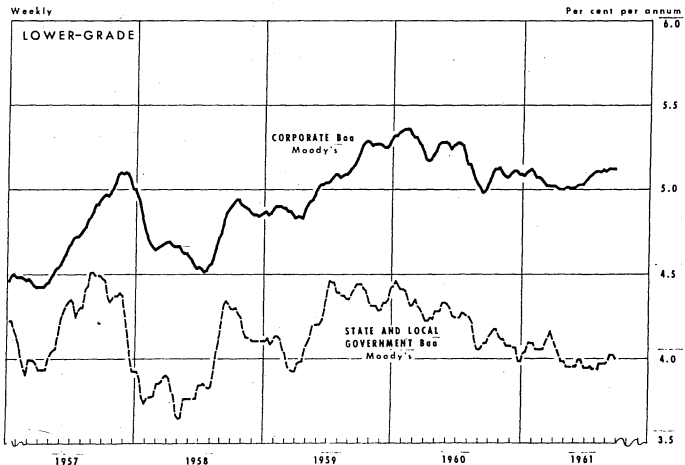
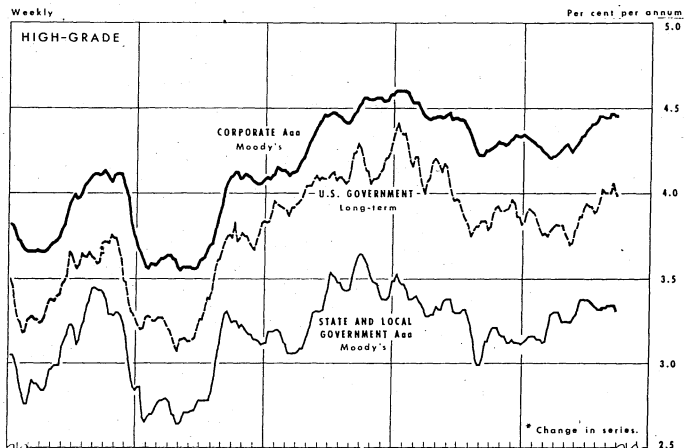


Exhibit B - Tables for Exhibit A

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 (1/9/60)	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	4.46 (9/15)	4.06 (9/15)	3.37 (7/6)	.57	.76
Low	4.21 (3/17)	3.70 (5/12)	3.12 (2/23)	.40	.46
Sept. 1	4.44	4.01	3.34	.43	.67
Sept. 8	4.46	4.02	3.34	.44	.68
Sept. 15	4.46	4.06	3.34	.40	.72
Sept. 22	4.45	4.02	3.34	.43	.68
✓ Sept. 29 p/	4.45	3.98	3.31	.47	.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 (9/22)	4.16 (3/23)	.81	.93
Low	5.00 (4/21)	3.93 (8/3)	.66	.57
Sept. 1	5.12	3.98	.68	.64
Sept. 8	5.12	4.02	.66	.68
Sept. 15	5.12	4.02	.66	.68
Sept. 22	5.12	4.02	.67	.68
✓ Sept. 29 p/	5.12	4.00	.67	.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 C

SHORT- AND INTERMEDIATE- TERM INTEREST RATES

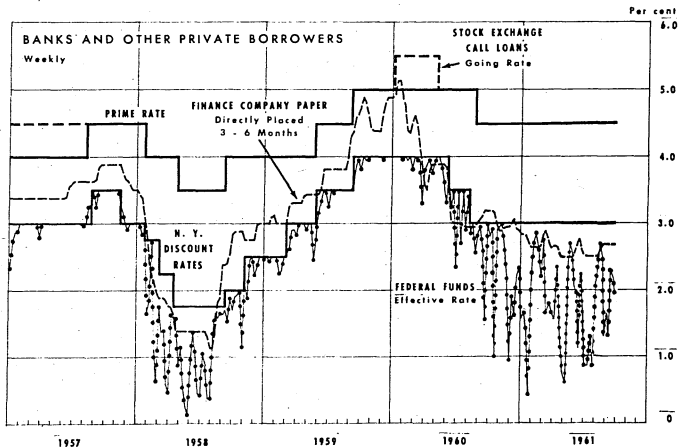
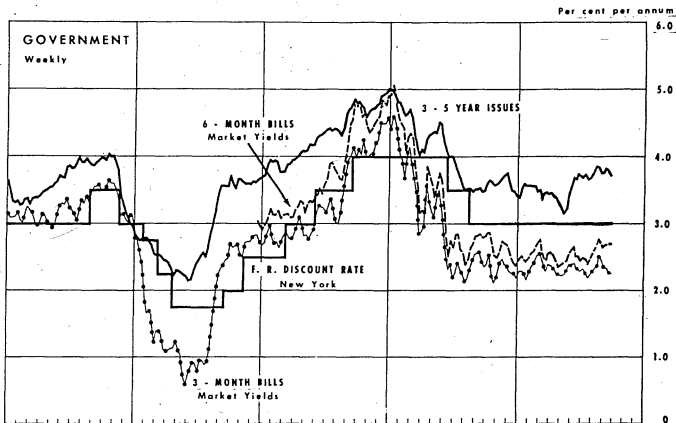


Exhibit D - Tables for Exhibit C

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 (12/24/60)	.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)	.44	1.51
Low	3.00	2.17 (1/27)	2.35 (4/28)	3.15 (5/12)	.12	.92
Sept. 1	3.00	2.34	2.65	3.77	.31	1.43
Sept. 8	3.00	2.32	2.67	3.81	.35	1.49
Sept. 15	3.00	2.29	2.68	3.80	.39	1.51
Sept. 22	3.00	2.26	2.69	3.76	.43	1.50
Sept. 29 p/	3.00	2.25	2.69	3.70	.44	1.45

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
Sept. 1	4.50	4.50	2.69	1.65	.35
Sept. 8	4.50	4.50	2.69	1.31	.37
Sept. 15	4.50	4.50	2.69	2.30	.40
Sept. 22	4.50	4.50	2.69	2.15	.11
Sept. 29 p/	4.50	4.50	2.69	1.95	.44

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

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

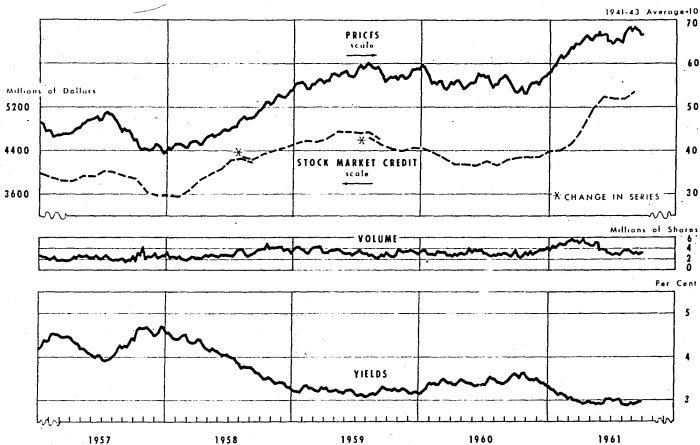
3/ Average of daily rates published by finance companies for directly placed paper for varying maturities in the 90-179 day range.

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

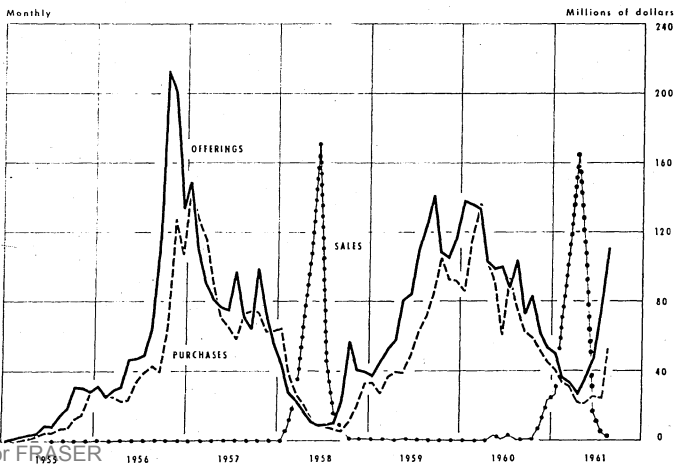
Note: --Highs and lows are for individual series and may be on different dates for different series. For spreads, high refers to widest, and low to narrowest.

EXHIBIT E

STOCK MARKET



FEDERAL NATIONAL MORTGAGE ASSOCIATION
SECONDARY MARKET OPERATIONS



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 (12/23/57)	4.72	1.4	3,554 (1/58)	2,482 (12/57)	1,060 (11/57)
1961 - High	68.29 (8/18)	2.89	5.8	5,386 (5/61)	4,060 (5/61)	1,378 (9/60)
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	5,349	3,972	1,377
Sept. 15	67.65	2.92	3.0	n.a.	n.a.	1,373
Sept. 22	66.72	2.96	3.2	n.a.	n.a.	1,378
Sept. 29 ^{p/}	66.73	2.95	3.3	n.a.	n.a.	n.a.

n.a.--Not available.

^{p/} Preliminary.^{1/} Standard and Poor's composite index of 500 common stocks, weekly closing prices, 1941-43=10. Monthly data are averages of daily figures rather than of Friday's only. Highs and lows are for Friday's data only.^{2/} Standard and Poor's composite stock yield based on Wednesday data converted to weekly closing prices by Federal Reserve. Yields shown are for dates on which price index reached its high or low.^{3/} Averages of daily trading volume on the New York Stock Exchange.^{4/} End of month figures for member firms of the New York Stock Exchange which carry margin accounts; excludes balances secured by U. S. Government obligations.^{5/} Wednesday figures for weekly reporting member banks. Excludes loans for purchasing or carrying U. S. Government securities. Prior to July 1, 1959, such loans are excluded only at banks in New York and Chicago. Weekly reporting banks account for about 70 per cent of loans to others. For further detail see Bulletin.Federal National Mortgage Association Secondary Market Operations ^{1/}

Date	Estimated Offerings to FNMA			Purchases by FNMA	Sales by FNMA
	Total	Immediate purchase	Standby commitment		
(In millions of dollars)					
1960 - Aug.	104.0	89.1	14.8	75.6	.1
Sept.	73.1	69.8	3.3	63.0	.8
Oct.	83.2	68.6	14.6	58.8	1.1
Nov.	61.7	56.9	4.8	51.2	8.9
Dec.	53.3	51.4	1.9	45.5	23.3
1961 - Jan.	50.1	48.1	2.1	44.2	26.2
Feb.	36.3	33.7	2.6	33.7	70.7
Mar.	33.7	29.8	3.9	31.6	115.4
Apr.	26.4	24.0	2.4	21.8	165.6
May	35.0	32.2	2.8	21.3	101.4
June	47.9	46.9	1.0	25.4	17.2
July	75.7	73.9	1.7	24.4	5.6
Aug.	111.2	108.0	3.2	52.7	2.4

^{1/} --less than \$50,000.^{1/} Data represent unpaid principal balances of the mortgages involved, exclusive of premiums, discounts, or other charges. Offerings are amounts of applications received during the period from sellers proposing that FNMA execute purchasing contracts. An immediate purchase contract covers existing mortgages which the seller must deliver to FNMA within 45 days. A standby commitment contract relates to proposed mortgages, on housing not yet under construction, which the seller must usually deliver within one year. Purchases include those under both immediate purchases and standby commitment contracts. Data exclude FNMA activity under Special Assistance and Management and Lending Programs.

Exhibit G

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

(In millions of dollars)

	New capital					
	Corporate 1/			State and local 2/		
	1961	1960	1959	1961	1960	1959
January	580	570	821	716	700	648
February	667	715	738	683	611	859
March	562	860	616	760	568	638
April	2,118	761	894	724	719	934
May	1,259	577	785	628	545	568
June	1,318	1,044	887	1,015	991	987
July	957	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	e/800	890	879	e/600	348	593
November		956	864		501	450
December		852	900		491	478
1st quarter	1,809	2,145	2,204	2,159	1,880	2,145
2nd quarter	4,695	2,382	2,567	2,367	2,256	2,488
3rd quarter	2,300 e/	2,428	1,979	1,800 e/	1,780	1,433
4th quarter		2,698	2,642		1,340	1,521
1st half	6,504	4,527	4,771	4,526	4,136	4,634
Three quarters	8,300 e/	6,955	6,750	6,326 e/	5,916	6,067
Year		9,653	9,392		7,257	7,508
	Excluding finance companies 3/					
1st quarter	1,554	1,716	1,999			
2nd quarter	4,552	2,165	2,412			
3rd quarter	2,100 e/	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	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	-155	-157	-197	207	320	286
July	109	48	57	58	95	362
August		415	392		23	133
September		-175	131		-201	79
October		-16	-81		-23	280
November		50	-176		-33	240
December		-189	-117		-250	44
Year		18	362		-633	1,969

1/ Preliminary.

2/ These data differ from those in Exhibit G in that refunding issues, as well as new capital issues, are included. Long-term securities are defined as those maturing in more than one year.

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

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

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

6/ Principally tax and bond anticipation notes, warrants or certificates and Public Housing Authority notes. In some instances PHA notes included may have a somewhat longer term than one year. Source: Bond Buyer and Federal Reserve.

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 - 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
September	168	435	73

Large Individual Issues Offered during September

Issuer	Type <u>3/</u>	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
Mountain Fuel Supply Co.	Deb.	18.0	1986	4-7/8	4.80	A
Armour & Co.	Conv.sub.deb.	32.6	1983	4-1/2	4.50	Ba
First Mortgage Investors	Benef.interests	15.0				
Western Union Telegraph Co.	Com. stk.	42.8				
Pacific Gas & Elec. Co.	1st & ref.mtg.bds.	60.0	1993	4.50	4.50	Aa
<u>STATE AND LOCAL GOVERNMENT</u>						
Cheyenne, Wyoming	Rev.-Ut.	10.0	1963-91	3.57	2.00-3.65	Aa
Commonwealth of Mass.	G.O.	46.8	1962-2009	3.29	1.60-3.90	Aa
State of California	G.O.	100.0	1963-87	3.76	2.00-3.85	Aa
Okla Bldg. Bond Comm.	G.O.	35.5	1964-86	3.18	2.00-3.35	Aa
Penna. St. Sch.Bldg.Auth.	Rev.-Rent.	25.9	1962-2000	3.69	1.70-4.60	--
New York City, New York	G.O.	42.9	1962-76	2.72	1.70-3.50	A
Los Angeles, Dept. of Wtr. and Pwr., Calif.	Rev.-Ut.	18.0	1962-91	3.50	1.60-3.70	Aa
Detroit, Michigan	G.O.	14.5	1962-86	3.46	1.75-4.50	A
Detroit City Sch. Dist., Michigan	G.O.	10.0	1963-88	3.66	2.00-4.40	A

Large Individual Issues Offered during September (Cont'd)

Issuer	Type ^{3/}	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offering yield	Rating
<u>STATE AND LOCAL GOVERNMENT</u> (Cont'd)						
Georgia St.Sch.Bldg.Auth. State of Illinois	Rev.-Rent.	31.5	1963-83	3.57	2.00-3.75	A
	G.O.	100.0	1962-86	2.97	1.40-3.20	Aaa
<u>OTHER</u>						
Federal Land Banks	Deb.	73.3	1966	4-1/4	4.25	--

- 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 - 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	81	--	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
Sept. 29	358	251	35	504	454	35

Forthcoming Large Offerings, as of September 29

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Public Service Co. of Colorado	1st mtg. bds.	30.0	Oct. 3
Gulf States Utilities Co.	Deb.	15.0	Oct. 4
Allied Stores Corp.	Conv. sub. deb.	27.0	Oct. 9 (rights expire)
Keystone Steel & Wire Co.	Conv. sub. deb.	20.0	Oct. 11
General American Transp. Corp.	Equip. tr. ctf.	25.0	Oct. 11
Public Service Electric & Gas Co.	Deb.	50.0	Oct. 18
Northern Indiana Public Service Co.	Conv. deb.	20.3	Oct. 18 (rights expire)
Georgia Power Co.	1st mtg. bds. & pfd. stk.	17.0	Oct. 19
*Pacific Northwest Bell Telephone Co.	Com. stk.	28.0	Oct. 20 (rights expire)
Niagara Mohawk Power Co.	Mtg. bds. & com. stk.	70.3	Oct. 25
FMC Corp.	Conv. sub. deb.	30.0	Oct.
Family Finance Corp.	Sen. deb.	25.0	Oct.
Idaho Power Co.	1st mtg. bds. & com. stk.	16.8	Nov. 2
*Pacific Northwest Bell Telephone Co.	Deb.	50.0	Nov. 16
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

Forthcoming Large Offerings, as of September 29 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>STATE AND LOCAL GOVERNMENT</u>			
New Haven, Conn.	G.O.	10.3	Oct. 5
Los Angeles Sch. Dist., Calif.	G.O.	35.0	Oct. 14
*State of New York	G.O.	48.7	Oct. 16
*State of California	G.O.	100.0	Oct. 18
Pittsburgh & Allegheny Co. Public Aud. Auth.	Rev.-Rent.	15.0	Oct. 19
State of Texas	G.O.	25.0	Oct. 19
Wayne County, Mich.	G.O.	16.8	Oct. 31
*Georgia State highway Auth.	Rev.-S.T.	35.0	Nov. 15
*Los Angeles Flood Control Dist., Cal.	G.O.	20.0	Nov. 14
Omaha Public Power Dist., Nebraska	Rev.-Ut.	17.0	Nov. 16
Orleans Parish Sch. Dist., La.	G.O.	10.0	Indefinite
Dade County, Florida	G.O.	46.0	Indefinite
Jacksonville Expressway Auth.	Rev.-Ut.	10.0	Indefinite
State of Kentucky	G.O.	35.0	Indefinite
<u>OTHER</u>			
Japan Development Bank	Bonds	20.0	Oct. 4
*Govt. of New Zealand	Bonds	15.0	Oct.

*--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.