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FEDERAL RESERVE BANK
OF RICHMOND

CAPITAL MARKET DEVELOPMENTS
IN THE UNITED STATES

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

The volume of public security financing to obtain new capital was in fairly substantial volume last week. Although the calendar is light this week and for the rest of March, the corporate new issue calendar for April has built up substantially recently and over \$600 million in large issues are already scheduled for offering next month.

During the week ending March 16, 3 large corporate security issues totaling \$127 million were offered and six State and local government bond issues with par value of \$132 million were sold. This week, ending March 24, two corporate issues aggregating \$60 million are scheduled and only one State and local issue with par value of \$11 million is on the calendar.

Bond yields. Yields on long-term bonds declined again last week to new lows for the year. Yields on Aaa-rated State and local government bonds declined 3 more basis points to 3.00 per cent, 31 basis points below their level at the end of 1961 and the lowest since August 1958. Yields on Baa-rated municipal issues declined 12 basis points further to 3.59 per cent, their lowest level since August 1956. Yields on both Aaa-rated and Baa-rated corporate bonds declined a single basis point, while yields on long-term U. S. Government bonds declined 4 basis points.

The average yield on new corporate bonds, adjusted to an Aaa basis, was 4.23 per cent last week, 6 basis points below the average for the previous week. At this level, new offering yields were at their lowest level this year and only 2 basis points above the 1961 low.

Short- and intermediate-term interest rates. Yields on 3-month and 6-month Treasury bills increased 1 and 3 basis points, respectively, last week, while yields on 3-5 year U. S. Government obligations were unchanged. The average Federal funds rate declined 5 basis points to 2.80 per cent. Other short- and intermediate-term interest rates were unchanged.

Mortgage yields. Secondary market yields on 5-1/4 per cent FHA home mortgages averaged 5.70 per cent in February. This was down 2 basis points from the January average and the same as in July of 1961. Since July, when reporting on mortgages bearing the 5-1/4 per cent maximum (which was put into effect in late May) first became available, such yields have moved within a range of only 2 basis points.

Offering yields on new corporate bonds--adjusted to an Aaa basis--increased 5 basis points further in February to maintain the rise begun in November, and the spread between mortgage and bond yields continued to narrow. At 120 basis points, however, it was still moderately above the recent low of 108 reached last July.

Stock market credit. Customer credit in the stock market declined slightly further in February for the second straight month, decreasing \$38 million to \$5.4 billion at the end of the month. This decline was due entirely to a \$45 million decline in customer debit balances, except for those secured by U. S. Government securities, which totaled \$4.1 billion at the month-end. Bank loans to others for purchasing or carrying securities increased slightly for the fourth consecutive month, rising \$7 million.

Money borrowed by New York Stock Exchange member firms declined for the second straight month, decreasing an additional \$49 million. Customers' free credit balances, which had increased slightly the preceding two months, declined \$35 million in February to \$1.2 billion at the end of the month, the lowest level in over a year. These and other data on stock market credit for January and February are shown in the following table.

	End of month		Change
	Feb.	Jan.	
	(Millions of dollars)		
Customer credit			
Excluding U. S. Government securities - total	5,426	r/5,464	-38
Net debit balances	4,066	r/4,111	-45
Bank loans to "others"	1,360	1,353	7
Net debit balances secured by U. S. Govt. securities	34	34	--
Bank loans to "others" for purchasing or carrying U. S. Government securities	133	111	22
Broker and dealer credit			
Money borrowed except on U. S. Government securities	2,811	2,860	-49
On customer collateral	2,480	r/2,517	-37
Money borrowed on U. S. Government securities	71	51	20
Customers' net free credit balances	1,190	r/1,225	-35

r/ Revised.

Stock prices. Common stock prices, as measured by Standard and Poor's composite index of 500 stocks, increased slightly further on balance last week, closing at 70.94 on March 16. Trading volume continued to increase moderately from its low levels of recent weeks, averaging 3.3 million shares a day, 0.2 million shares above the average for the previous week.

Institutional investors. The net inflow of savings during January at three major types of financial institutions--life insurance companies, savings and loan associations, and mutual savings banks--amounted to \$1.4 billion, one-tenth less than in January 1961 but more than in any other January. (For seasonally adjusted data see last week's Capital Market Developments.) The bulk of this decline was attributable to a smaller increase in new savings capital at savings and loan associations this January than last year; assets of life insurance companies increased slightly less while the net rise in deposits at mutual savings banks was about the same as in January 1961. (Time and savings deposits at commercial banks increased \$2.5 billion in January, about eight times more than a year earlier.)

Assets of life insurance companies increased \$0.7 billion in January, slightly less than a year earlier. Over one-half of the increase this year was in short-term investments, however, in contrast to only one-fifth last year. Net acquisitions of business securities totaled \$0.3 billion, one-third more than a year earlier; \$0.2 billion of this year's acquisitions were commercial and finance company paper, compared with less than one-half that amount last year, net investment in long-term bonds and corporate stock was smaller this January than last. Net acquisitions of U. S. Government securities (primarily Treasury bills) totaled \$0.2 billion, twice as much as in January 1961, when these companies also increased their bill holdings. Mortgage acquisition was in small volume, totaling \$137 million, one-third less than a year earlier. Cash holdings declined as usual in January, but the decrease this year of \$0.1 billion was twice as large as a year earlier.

The net inflow of new savings capital at savings and loan associations in January amounted to \$0.5 billion, one-fifth less than in January 1961, due to a larger year-over-year increase in withdrawals than in new savings capital. Net acquisitions of mortgage loans declined about seasonally from the large December volume, but continued to be sharply larger than a year earlier; January acquisitions amounted to \$0.5 billion. Cash holdings declined in January, but the reduction of \$0.3 billion this year was three times larger than in January 1961. Associations reduced their borrowings (primarily from the Federal Home Loan Banks) this year as last but repayments were less than in 1961.

Deposits at mutual savings banks increased by \$0.2 billion in January, about the same as a year earlier. Mortgage acquisitions were in the largest volume since June 1958, totaling \$0.3 billion, one-half larger than a year earlier. Cash holdings declined seasonally in January, decreasing \$0.1 billion, double the reduction in January 1961. Holdings of U. S. Government securities increased by about \$0.1 billion as mutual savings banks increased their holdings of Treasury bills.

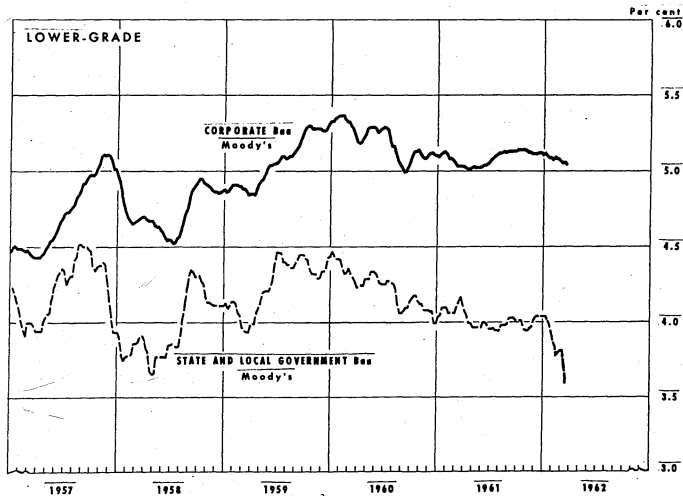
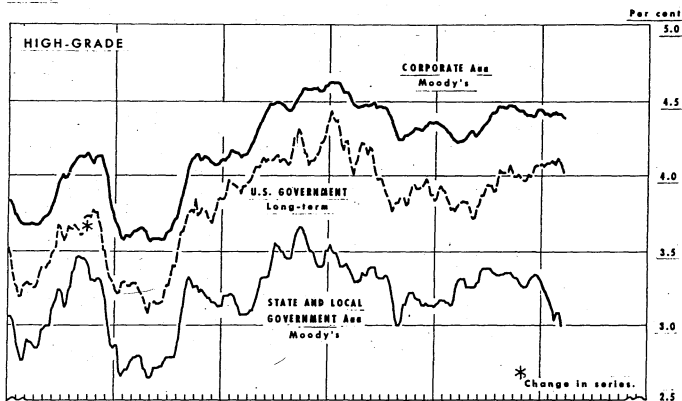
More detailed information concerning recent capital market developments is presented in the attached exhibits.

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

EXHIBIT A

LONG-TERM BOND YIELDS

Weekly



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)			
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
1960-61 Low	4.21 (3/17/61)	3.70 (5/12/61)	2.99 (9/1/60)	.19	.46
1961 - High	4.46 (9/15)	4.07 (12/29)	3.37 (7/6)	.57	.76
1962 - High	4.43 (2/16)	4.12 (2/23)	3.26 (1/4)	.37	c/ 1.04
Low	4.39 (3/16)	4.02 (3/16)	3.00 (3/16)	.30	.80
Feb. 16	4.43	4.08	3.04	.35	1.04
Feb. 23	4.42	4.12	3.08	.30	1.04
Mar. 2	4.42	4.08	3.08	.34	c/ 1.00
Mar. 9	4.40	4.06	3.03	.34	1.03
Mar. 16 p/	4.39 ✓	4.02	3.00	.37	1.02

Lower grade

Date	Corporate Baa <u>1/</u>	State and local govt. Baa <u>3/</u>	Spread between Aaa and Baa	
			Corporate	State and local govt.
	(per cent)			
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
1960-61 Low	4.98 (9/9/60)	3.93 (11/9/61)	.66	.57
1961 - High	5.13 (10/27)	4.16 (3/23)	.81	.93
1962 - High	5.11 (1/5)	4.04 (1/11)	.68	.82
Low	5.04 (3/16)	3.59 (3/16)	.63	.59
Feb. 16	5.08	3.78	.65	.74
Feb. 23	5.07	3.81	.65	.73
Mar. 2	5.05	3.81	.63	.73
Mar. 9	5.05	3.71	.65	.68
Mar. 16 p/	5.04 ✓	3.59	.65	.59

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.

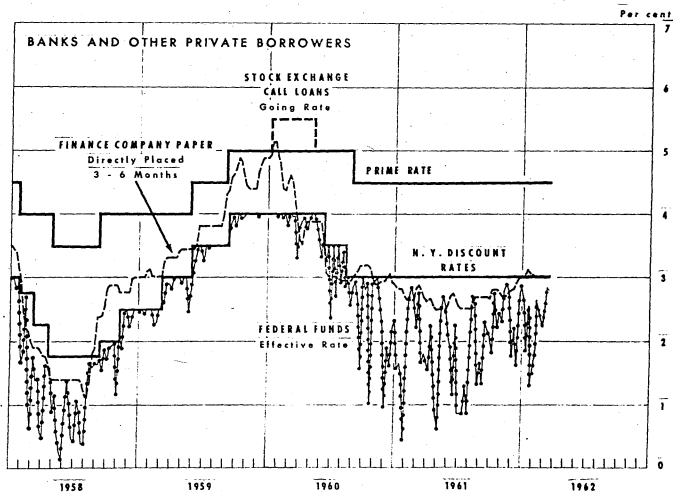
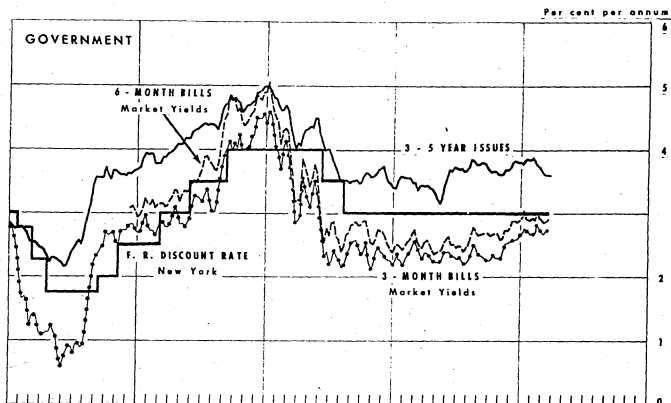
Note:—Highs and lows are for individual series and may be on different dates for different series.

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

EXHIBIT C

SHORT- AND INTERMEDIATE- TERM INTEREST RATES

Weekly



Short- and Intermediate-term Interest Rates

Government

Date	Discount rate 1/	Yields			Spread between yields on 3-month bills and yields on 6-mo. bills 3-5 yr. issues	
		3-month bills 2/	6-month bills 2/	3-5 year issues 2/		
		(per cent)				
1957 - High	3.50	3.64 (10/16)	--	4.04 (10/16)	--	.86
1958 - Low	1.75	.58 (5/29)	3.02 (12/26)	2.14 (6/6)	.26	.04
1959-60 - H	4.00	4.59 (1/8/60)	5.07 (1/8/60)	5.00 (12/24/59)	.79	1.81
1960-61 Low	3.00	2.11 (10/28/60)	2.35 (4/28/61)	3.15 (5/12/61)	.12	.38
1961 - High	3.00	2.66 (12/29)	2.90 (12/29)	3.86 (8/11)	.44	1.51
1962 - High	3.00	2.81 (2/16)	3.02 (1/12)	3.88 (2/2)	.24	1.19
Low	3.00	2.67 (1/26)	2.87 (3/2)	3.61 (3/16)	.15	.87
Feb. 16	3.00	2.81	3.00	3.78	.19	.97
Feb. 23	3.00	2.74	2.93	3.73	.19	.99
Mar. 2	3.00	2.69	2.87	3.62	.18	.93
Mar. 9	3.00	2.73	2.88	3.61	.15	.88
Mar. 16 p/	3.00	2.74✓	2.91	3.61	.17	.87

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)				
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
1960-61 Low	4.50	4.50	2.50 (8/5/61)	.43 (1/27/61)	.11
1961 - High	4.50	4.50	3.00 (12/29)	2.88 (12/29)	.56
1962 - High	4.50	4.50	3.11 (1/19)	2.85 (3/9)	.38
Low	4.50	4.50	3.00 (3/16)	1.30 (1/26)	.19
Feb. 16	4.50	4.50	3.00	2.44	.19
Feb. 23	4.50	4.50	3.00	2.25	.26
Mar. 2	4.50	4.50	3.00	2.60	.31
Mar. 9	4.50	4.50	3.00	2.85	.27
Mar. 16 p/	4.50	4.50	3.00	2.80	.26

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.

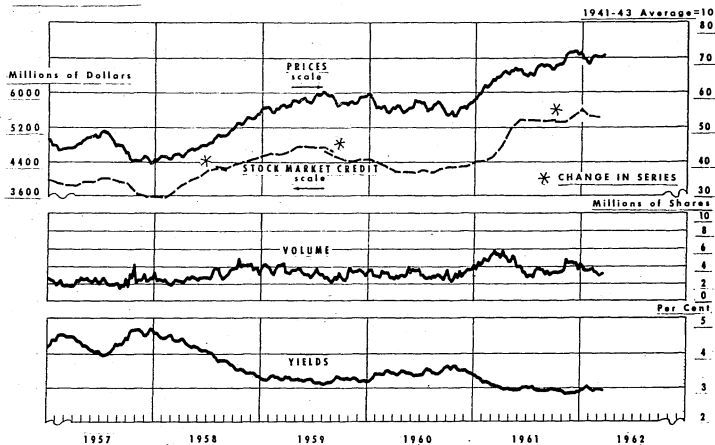
4/ Weekly average of daily effective rate, which is the rate for the heaviest volume of purchase and sale transactions as reported to the Federal Reserve Bank of New York.

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

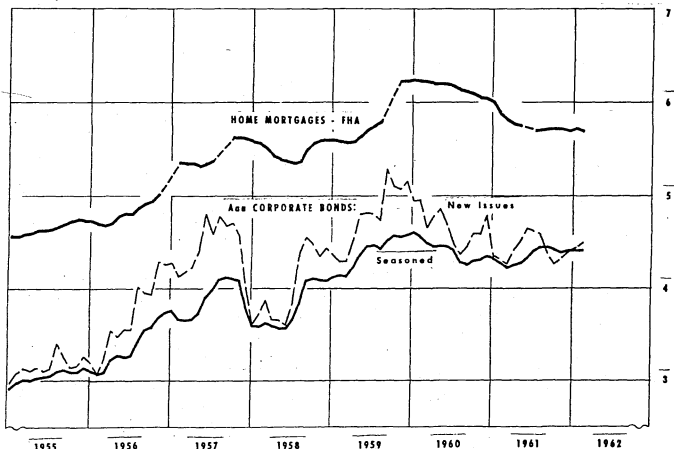
STOCK MARKET



MORTGAGE AND BOND YIELDS

Monthly

Per cent per annum



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)						
1960-61 - High	72.04 (12/8/61)	2.82	5.8	5,602 (12/6/61)	4,259 (12/6/61)	1,377 (8/30/61)
Low	53.32 (10/21/60)	3.62	2.2	4,112 (5/60)	3,004 (7/60)	1,121 (5/25/60)
1962 - High	70.94 (3/16)	2.93	3.9	5,464 (1)	4,111 (1)	1,373 (3/7)
Low	68.13 (1/26)	3.01	3.0	5,426 (2)	4,066 (2)	1,348 (1/24)
January	69.07	2.97	3.7	5,464	4,111	1,353
February	70.22	2.94	3.5	5,426	4,066	1,360
Mar. 2	70.16	2.96	3.0	n.a.	n.a.	1,360
Mar. 9	70.42	2.94	3.1	n.a.	n.a.	1,373
Mar. 16 p/	70.94	2.93	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.

Mortgage and Bond Yields 1/

Date	FHA mortgages 2/	Aaa corporate bonds 1/		Spread between new corporate bonds and	
		New 3/	Seasoned 4/	FHA mortgages	Seasoned bonds
1953-58 - High	5.63 (11/57)	4.81 (6/57)	4.12 (9/57)	1.96	.90
Low	4.56 (2/55)	2.74 (3/54)	2.84 (4/54)	.54	-.12
1959-60 - High	6.24 (1/60)	5.29 (9/59)	4.61 (1/60)	1.76	.77
1960-61 - Low	5.70 (7/61)	4.26 (10/61)	4.22 (3/61)	1.08	-.16
1961 - October	5.72	4.26	4.42	1.46	-.16
November	5.72	4.32	4.39	1.40	-.07
December	5.71	4.39	4.41	1.32	-.02
1962 - January	5.72	4.45	4.42	1.27	.03
February	5.70	4.50	4.42	1.20	.08

- 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 adjustment to changes in the contractual interest rate.
- 3/ First National City Bank of New York. Averages of offering yields of all new issues of publicly-sold bonds rated Aaa, Aa or A by Moody's Investors Service (except serial and convertible issues and offerings of natural gas and foreign companies) weighted by size of issue. Yields on Aa and A issues are first adjusted to an 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

Yields on New Corporate Bond Issues Adjusted to an Aaa Basis

	Number of issues included	Amount of issues included (millions of dollars)	Average yield (per cent)		Number of issues included	Amount of issues included (millions of dollars)	Average yield (per cent)
<u>Monthly averages:</u>				December 15	1	40.0	4.55*
1961 - July	4	273.0	4.62	22	--	--	--
August	4	115.0	4.59	29	--	--	--
September	2	78.8	4.38				
October	7	200.0	4.26	1961 - high		4.68 (6/16)	
November	9	229.0	4.32	Low		4.21 (11/3)	
December	3	115.0	4.39				
1962 - January	4	130.0	4.45	1962			
February	5	394.5	4.50	January 5	--	--	--
March				12	1	60.0	4.50
April				19	--	--	--
May				26	3	70.0	4.40
June				February 2	--	--	--
				9	2	19.5	4.40
<u>Weekly averages:</u>				16	1	300.0	4.52*
1961 - July 7	--	--	--	23	1	50.0	4.50
14	1	8.0	4.60	March 2	1	25.0	4.37
21	1	200.0	4.64	9	1	30.0	4.29
28	2	65.0	4.46	16	1	65.0	4.23
August 4	2	55.0	4.54	23			
11	1	20.0	4.73*	30			
18	1	40.0	4.60	April 6			
25	--	--	--	13			
September 1	--	--	--	20			
8	--	--	--	27			
15	1	18.0	4.46	May 4			
22	--	--	--	11			
29	1	60.8	4.36	18			
October 6	2	45.0	4.25	25			
13	--	--	--	June 1			
20	2	60.0	4.21	8			
27	3	95.0	4.28	15			
November 3	3	45.0	4.21	22			
10	--	--	--	29			
17	4	94.0	4.29				
24	1	60.0	4.35				
December 1	1	30.0	4.40				
8	2	75.0	4.29				

Note: Averages of offering yields on all new issues of publicly sold bonds rated Aaa, Aa and A by Moody's Investors Service (except serial, equipment trust and convertible issues, offerings of natural gas pipeline and foreign companies, and issues guaranteed by the Federal Government) weighted by size of issues. Yields on Aa- and A-rated bonds are first adjusted to an Aaa basis, using the comparable spreads in yields on seasoned bonds (Moody's averages). Averages reflect changes in industrial composition, type, maturity, and call provisions of new offerings. Weekly averages considered unusually unreliable as indicators of interest rates on new issues because of the small number or special characteristics of offerings included etc. are marked with an asterisk.

Exhibit H

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

(In millions of dollars)

	New capital					
	Corporate 1/			State and local 2/		
	1962	1961	1960	1962	1961	1960
January	p/660	580	570	e/850	713	700
February	e/900	667	715	e/1,000	689	611
March	e/750	562	860	e/500	764	568
April		2,118	761		723	719
May		1,259	577		641	545
June		1,318	1,044		1,084	991
July		1,028	736		485	492
August		762	967		604	606
September		647	726		728	683
October		1,090	890		p/648	348
November		948	956		p/726	501
December		1,000	852		e/550	491
1st quarter	e/2,310	1,809	2,145	e/2,350	2,166	1,880
2nd quarter		4,695	2,382		2,447	2,256
3rd quarter		2,437	2,428		p/1,817	1,780
4th quarter		3,038	2,698		e/1,924	1,340
1st half		6,504	4,527		4,613	4,136
Three quarters		8,941	6,955		p/6,430	5,916
Year		11,979	9,653		e/8,354	7,257
Excluding finance companies 3/						
1st quarter	e/2,210	1,554	1,716			
2nd quarter		4,552	2,165			
3rd quarter		2,337	2,018			
4th quarter		2,807	2,347			
Year		11,253	8,246			

e/ Estimated. p/ Preliminary.

1/ Securities and Exchange Commission estimates of net proceeds.

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

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

Exhibit I

New Corporate Security Issues, Type of Issue and Issuer
(In millions of dollars)

Quarter or month	Gross proceeds for new capital and refunding 1/				Net proceeds for new capital 1/ 2/			
	Total	Bonds		Common and pfd. stock	Mfg.	Public utility	Communi- cations	Other issuers
		Publicly offered	Privately offered					
1960 - I	2,265	934	795	536	298	598	189	1,059
II	2,537	1,074	770	692	511	808	149	913
III	2,520	1,336	754	429	562	652	317	890
IV	2,832	1,462	955	416	625	696	361	997
1961 - I	1,992	662	880	449	515	381	81	832
II	5,352	2,303	1,275	1,774	1,466	1,081	1,095	1,052
III	2,566	772	1,139	654	935	595	104	803
IV	3,236	967	1,424	845	792	836	147	1,263
1962 - I								
II								
III								
IV								
1961 - Jan.	601	178	294	129	169	137	21	253
Feb.	695	273	255	167	99	160	41	368
Mar.	696	211	331	154	248	84	19	211
Apr.	2,231	713	348	1,170	574	254	994	297
May	1,342	666	355	320	447	439	85	289
June	1,779	924	572	283	446	389	16	467
July	1,075	424	392	259	428	369	16	315
Aug.	813	225	411	177	255	215	13	279
Sept.	678	123	336	218	252	111	75	209
Oct.	1,155	336	509	310	271	306	25	487
Nov.	987	414	348	225	215	362	80	291
Dec.	1,094	217	567	310	306	168	42	485
1962 - Jan. p/	720	273	308	140	246	89	73	253
Feb. e/	930	500	300	130	200	100	350	250
Mar.								
Apr.								
May								
June								
July								
Aug.								
Sept.								
Oct.								
Nov.								
Dec.								

p/ Preliminary. e/ Estimated. 1/ Gross proceeds exceed net proceeds by the cost of flotation. 2/ For total see Exhibit I; other issuers are extractive, railroad and other transportation, real estate and finance and commercial and other. Source.--Securities and Exchange Commission.

Other Security Offerings
(In millions of dollars)

	Gross long-term 1/					
	Foreign government 2/			Federal agency 3/		
	1962	1961	1960	1962	1961	1960
January	142	6	2	246	--	189
February		29	175		--	150
March		20	70		252	150
April		2	34		100	148
May		66	72		149	394
June		29	40		278	--
July		5	25		--	--
August		2	1		250	199
September		--	36		193	--
October		43	34		--	160
November		34	2		225	149
December		--	41		--	181
Year		236	533		1,448	1,672
	Net short-term 4/					
	State and Local government 5/			Federal agency 3/		
	1962	1961	1960	1962	1961	1960
January		160	58	247	-144	-196
February		195	140		-162	-202
March		-8	-80		-174	-59
April		-103	70		-79	-277
May		-42	-146		-87	170
June		-155	-157		207	320
July		109	48		22	95
August		518	415		193	23
September		-86	-175		108	-201
October		-6	-16		98	-23
November		54	50		56	-33
December		p/ -207	-189		-114	-250
Year		p/ 429	18		-76	-633

p/ Preliminary.

- 1/ These data differ from those in Exhibit H 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 international organizations. Source: Securities and Exchange Commission.
- 3/ Issues not guaranteed by the U. S. Government. Source: long-term, Securities and Exchange Commission; short-term, Treasury Department and Federal Reserve.
- 4/ These data differ from those in Exhibit H 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 PHA notes included may have a somewhat longer 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 2/
	Total	Bonds (other than convertibles)	Convertible bonds	Stocks		
1961 - February	267	230	--	37	360	--
March	70	25	40	5	405	67
April	1,572	560	--	1,010	383	--
May	557	480	15	62	256	25
June	532	435	--	97	616	151
July	475	285	75	115	179	--
August	185	165	--	20	281	100
September	168	78	33	58	435	73
October	354	205	67	81	326	40
November	391	320	26	45	480	250
December	255	125	--	130	307	--
1962 - January	195	170	--	25	561	145
February	425	425	--	--	662	64

Large Individual Issues Offered March 1 through 16

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
West Penn Power Co.	1st mtg. bds.	30.0	1992	4-1/2	4.43	Aa
Stokely-Van Camp Inc.	Conv. sub. deb.	15.0	1982	4-1/4	4.25	Baa
Pacific Gas & Electric Co.	1st & ref. mtg. bds.	65.0	1994	4-3/8	4.38	Aa
Southern European Pipeline	S.F. deb.	40.0	1982	5-1/2	5.46	--
<u>STATE AND LOCAL GOVERNMENT</u>						
Los Angeles Dept. of Wtr. and Pwr., California	Rev.-Ut.	16.0	1963-92	3.15	1.70-3.40	Aa
Georgia St. Hwy. Auth.	Rev.-S.T.	35.0	1963-91	3.34	1.75-3.50	A
Columbus, Ohio	G.O.	11.1	1964-98	3.08	1.90-3.50	Aa
Dallas, Texas	G.O.	10.8	1963-82	2.86	1.65-3.10	A
Penn. Gen. State Auth.	Rev.-Rent.	25.0	1965-89	3.05	2.00-3.25	--
City and County of Denver, Col.	G.O.	15.0	1972-99	3.23	2.60-3.40	Aa
Puerto Rico Wtr. Resources Authority	Rev.-Ut.	12.5	1964-98	3.40	1.90-3.75	A
State of Connecticut	G.O.	53.7	1968-75	2.59	2.20-2.70	Aaa
Louisiana State Bond & Mfg. Auth.	Rev.-Rent.	15.0	1963-87	3.27	1.75-3.35	Baa

Large Individual Issues Offered March 1 through 9 (Cont'd)

Issuer	Type <u>3</u> /	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offering yield	Rating
<u>OTHER</u> None						

*--Rights offering.

- 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/ 3 per cent bonds due 1985-87 not reoffered.

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/
1961 - 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
Oct. 31	346	597	--	411	693	--
Nov. 30	356	295	--	421	498	--
Dec. 29	161	223	--	591	415	--
1962 - Jan. 31	480	465	64	525	567	64
Feb. 28	222	153	--	341	239	--

Forthcoming Large Offerings, as of March 16

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Potomac Electric Power Co.	Com. stk.	22.0	March 21 (rights expire)
Ashland Oil and Refining Corp.	S.F. deb.	25.0	Mar. 22
National Dairy Products Corp.	S.F. deb.	35.0	Mar. 22
International Tel. & Tel. Co.	S.F. deb.	50.0	March 27
National Cash Register Co.	S.F. deb.	50.0	Mar. 28
National Cash Register Co.	Com. stk.	36.7	April 1 (rights expire)
Long Island Lighting Co.	Com. stk.	21.1	Apr. 2 (rights expire)
Ohio Oil Co.	S.F. deb.	90.0	Apr. 4
*Tennessee Gas Trans. Co.	Deb.	75.0	April 10
*General Tel. & Elec. Co.	Deb.	50.0	April 10
Northern Indiana Public Service Co.	1st mtg. bds.	20.0	Apr. 11
Pacific Power & Light Co.	1st mtg. bds.	35.0	Apr. 13
Consolidated Edison Co.	Conv. pfd. stk.	94.7	Apr. 16 (rights expire)
Transcontinental Gas Pipeline Corp.	1st mtg. p. l. bds.	40.0	Apr. 18
Lone Star Gas Co.	S.F. deb.	35.0	Apr. 18
Appalachian Power Co.	1st mtg. bds.	25.0	Apr. 25
Pacific Power & Light Co.	S.F. deb.	20.0	
	Com. stk.	20.0	April (rights expire)

Forthcoming Large Offerings, as of March 16 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE (Cont'd)</u>			
Litton Industries Inc.	Conv. sub. deb.	50.7	April (rights expire)
Commerce Oil Refining Corp.	Deb., bds. & com.	45.0	Indefinite
<u>STATE AND LOCAL GOVERNMENT</u>			
Washington State Public Power Supply System	Rev.-Ut.	10.5	Mar. 20
Detroit, Michigan	G.O.	15.0	Mar. 27
Detroit School Dist., Mich.	G.O.	10.0	Mar. 27
Shelby County, Tenn.	G.O.	12.5	Apr. 2
Cook Co., Illinois	G.O.	25.0	Apr. 2
Los Angeles County Flood Control District, California	G.O.	25.0	Apr. 3
City of Philadelphia, Pa.	G.O.	25.0	Apr. 4
Penna. State Public Sch. Bldg. Auth.	Rev.-Rent.	26.4	Apr. 17
*Sacramento Mun. Utility Dist., Cal.	Rev.-Ut.	10.0	Apr. 17
Cleveland, Ohio	G.O.	18.0	Apr. 24
Georgia State School Bldg. Auth.	Rev.-Rent.	35.0	Apr. 25
Tampa, Florida	Rev.-Ut.	15.0	Apr. 26
Dade County, Florida	G.O.	46.0	Indefinite
Jacksonville Expressway Auth., Fla.	Rev.-Ut.	40.0	Indefinite
<u>OTHER</u>			
*Kingdom of Belgium	Bonds	30.0	March 29

*--Included in table for first time

1/ Includes corporate and other issues of \$15 million and over; State and local government issues of \$10 million and over.

2/ Includes foreign government and International Bank for Reconstruction and Development issues and non-guaranteed issues by Federal agencies.

Note.--Deletions for reasons other than sale of issue: None.

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)						
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 - Dec.	1,389	6,104	51,524	3,922	44,241	19,409	126,589
1962 - Jan.	1,281	6,314	51,848	3,958	44,378	19,532	127,311
Changes:							
1959 - Oct.	20	-18	203	14	245	91	555
Nov.	33	-132	195	18	235	146	495
Dec.	99	-168	219	24	304	313	791
p/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
p/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 r/	-39	-182	270	-13	222	131	289
July	40	71	245	25	107	142	630
Aug.	-18	--	211	36	164	128	521
Sept.	14	-50	213	29	165	138	509
Oct.	31	13	288	17	199	105	653
Nov.	43	-43	206	36	235	165	642
Dec.	15	-256	372	18	426	308	883
1962 - Jan.	-108	210	324	36	137	123	722
Feb.							
Mar.							

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

2/ Includes securities of domestic corporations only.

Source: Institute of Life Insurance.

Sources and Uses of Funds by
Savings and Loan Associations

	Uses of funds 1/				Total sources or uses	Sources of funds		
	Cash	U. S. Govt. secur-ities	Mortgages ^{2/}	Other assets		Net change savings capital	Borrow-ing ^{3/}	Other
Value of assets at end of period	(In millions of dollars)							
1958 - Dec.	2,585	3,819	45,627	3,108	55,139	47,976	1,444	5,719
1959 - Dec. <u>r/</u>	2,183	4,477	53,141	3,729	63,530	54,583	2,387	6,560
1960 - Dec. <u>r/</u>	2,680	4,595	60,070	4,131	71,476	62,142	2,197	7,137
1961 - Dec.	3,298	5,222	68,833	4,743	82,096	70,851	2,863	8,382
1962 - Jan.	2,951	5,403	69,373	4,568	82,295	71,312	2,480	8,503
Changes:								
1959 - Oct.	-69	10	626	86	653	396	136	121
Nov.	61	-28	464	137	634	484	56	94
Dec.	371	-25	467	-64	749	1,205	222	-678
1960 - Jan.	-315	199	321	-112	93	467	-451	77
Feb.	-34	65	400	64	495	406	-123	212
Mar.	49	-26	541	104	668	630	-125	163
Apr.	-26	--	564	108	646	370	39	237
May	81	18	635	210	944	622	4	318
June	320	-143	762	-50	869	1,220	210	-541
July	-233	-32	645	-148	232	157	-124	199
Aug.	30	-23	722	-6	723	486	22	215
Sept.	25	5	656	50	736	604	49	83
Oct.	102	110	602	-1	813	666	-14	161
Nov.	83	-54	515	233	777	552	52	173
Dec.	415	-1	566	-50	930	1,379	271	-720
p/1961 - Jan.	-95	93	369	-106	261	591	-465	135
Feb.	59	191	428	71	749	553	-80	276
Mar.	3	107	690	122	922	705	-26	243
Apr.	23	-18	695	113	813	417	88	308
May	150	-3	809	224	1,180	800	41	339
June	131	32	997	-64	1,096	1,362	274	-540
July	-227	-8	737	-150	352	111	-1	242
Aug.	-86	66	910	76	966	496	132	338
Sept.	47	-5	802	83	927	662	130	135
Oct.	81	45	810	103	1,039	726	74	239
Nov.	84	82	752	198	1,116	775	81	260
Dec. <u>r/</u>	448	45	764	-58	1,199	1,511	418	-730
1962 - Jan.	-347	181	540	-175	199	461	-383	121
Feb.								
Mar.								

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.--FSLIC.

Sources and Uses of Funds
by Mutual Savings Banks

	Uses of funds 1/						Total sources or uses	Sources of funds	
	Cash	U. S. Govt. secur-ities	Busi-ness secur-ities 2/	State & local govt. secur-ities	Mort-gages	Other		Net change in deposits	Other
Value of assets at end of period	(In millions of dollars)								
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.	872	6,239	5,080	672	26,709	1,001	40,573	36,353	4,220
1961 - Dec. <u>r/</u>	938	6,145	5,046	678	28,925	1,111	42,841	38,401	4,440
1962 - Jan.	838	6,230	5,070	670	29,168	1,106	43,083	38,570	4,513
Changes:									
1959 - 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.	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 <u>r/</u>	30	-52	34	23	217	-23	228	367 2/	-139 2/
July	-26	18	2	-2	201	-28	164	23	141
Aug.	-14	6	-23	1	207	55	232	99	133
Sept.	46	-15	-19	1	156	49	220	310	-90
Oct.	-27	-120	-56	-5	178	-44	-74	-15	-59
Nov.	7	-13	-20	-5	167	46	181	48	133
Dec. <u>r/</u>	90	-12	-2	--	222	4	300	385	-85
1962 - Jan.	-100	85	24	-8	243	-5	242	169	73
Feb.									
Mar.									

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 stock.

3/ Conforming to FDIC redefinition, \$115 million other liabil. reclassified as deposits.

Source: --NMSB and FDIC
Federal Reserve Bank of St. Louis