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FEDERAL RESERVE BANK
OF MINNEAPOLIS

CAPITAL MARKET DEVELOPMENTS
IN THE UNITED STATES

(Including Review of Sources and Uses of Funds
of Financial Intermediaries in December)

The volume of public security financing to obtain new capital was relatively light last week but is expected to be more substantial this week. During the week ending January 18, a \$35 million corporate issue was offered, three State and local government bond issues with par value of \$41 million were sold, and the City of Montreal, Canada, offered \$25 million in bonds. This week, ending January 25, two large corporate issues to obtain \$75 million in new capital are scheduled and four State and local issues amounting to \$71 million are on the calendar.

Bond yields. Yields on seasoned, long-term bonds either declined slightly or were stable last week. Yields on both Aaa and Baa-rated corporate bonds fell one basis point further to 4.20 and 4.91 per cent, respectively, the lowest levels since the spring of 1959. Baa-rated State and local government bond yields also declined--two basis points to 3.55 per cent. U. S. Government bond yields and those on Aaa-rated municipals were stable.

Average yields on newly offered corporate bonds, adjusted to an Aaa basis, dropped ten basis points to 4.13 per cent, the lowest level since mid-November.

Short- and intermediate-term interest rates. Rates on Treasury bills were stable last week, but yields on 3-5 year U. S. Government obligations edged off a basis point. The major finance companies reduced the advertised rate on their directly-placed paper with 90-179 day maturity by one-eighth of a percentage point to 3-1/8 per cent early last week; this resulted in a ten basis point decline in the average rate on such paper to 3.15 per cent. The average effective Federal funds rate rose 30 basis points to 3.00 per cent. Other short- and intermediate-term interest rates were unchanged.

Housing starts. Private housing starts, including farm, declined 6 per cent in December. The decline followed a 3 per cent upward revision in the already high November rate, however, and the seasonally adjusted annual rate of 1,499 thousands in December was 16 per cent above the rate a year earlier when starts were declining sharply.

For the fourth quarter, starts were at a seasonally adjusted annual rate of 1,547 thousand, the highest quarter in 1962. This brought the total for 1962 as a whole to 1,455 thousand, (1,431 thousand excluding farm) compared with 1,313 thousand in 1961 and the record 1,517 thousand in 1959.

Conventional starts accounted for 79 per cent of total starts in December, a slightly smaller proportion than in November although appreciably more than at this time in other recent years. For 1962 as a whole, starts on conventional mortgages were 77 per cent of the total, compared with 75 per cent a year earlier and 71 per cent in 1959.

Building permits in permit-issuing areas, which had been rising moderately in recent months, increased very sharply in December. At a seasonally adjusted annual rate of 1,361 thousand, they were the highest for any month in 1962 and 13 per cent above the advanced rate a year earlier.

Stock market credit. Customer credit in the stock market rose sharply in December, increasing \$209 million to \$5.5 billion at the month-end. Since margin requirements were reduced in July, stock market credit has advanced \$618 million, canceling 85 per cent of the reduction which occurred during the first seven months of the year incident to the sharp decline in common stock prices during that period; at the end of December level, credit was only \$108 million below its December 1961 peak. The December rise in total customer credit reflected an increase in debit balances (excluding those secured by U. S. Government securities) of \$174 million in December, and in bank loans to others than brokers and dealers for purchasing and carrying securities (except U. S. Government securities) of \$35 million.

Money borrowed by member firms of the New York Stock Exchange (except on U. S. Government securities) rose \$227 million in December. Free credit balances with these firms increased relatively sharply, rising \$65 million, the third consecutive month-to-month increase. These and other data on stock market credit for November and December are shown in the following table.

	End of month		Change
	Dec.	Nov.	
Customer credit			
Excluding U. S. Government securities - total	5,494	5,285	+209
Net debit balances	4,125	3,951	+174
Bank loans to "others"	1,369	1,334	+ 35
Net debit balances secured by U. S. Govt. securities	24	24	--
Bank loans to "others" for purchasing or carrying U. S. Government securities	97	82	+ 15
Broker and dealer credit			
Money borrowed except on U. S. Govt. securities	2,785	2,558	+227
On customer collateral	2,433	2,269	+164
Money borrowed on U. S. Government securities	35	28	+ 7
Customers' net free credit balances	1,216	1,151	+ 65

Stock prices. Common stock prices advanced slightly further on balance last week in active trading. Prices, as measured by Standard and Poor's composite index of 500 stocks, closed at 65.18 on January 18.

Institutional investors. The net inflow of savings during November at three major types of financial intermediaries--life insurance companies, savings and loan associations and mutual savings banks--totaled \$1.8 billion, 22 per cent more than a year earlier; inflows at all three types of institutions were significantly larger than in November 1961. (Time and savings deposits at commercial banks rose \$0.3 billion in November, whereas, they had fallen \$0.2 billion a year earlier.)

Assets of life insurance companies rose \$0.8 billion in November, 18 per cent more than a year before; part of the increased growth, however, appears to reflect a rise in the market value of common stock portfolios. Holdings of business securities increased \$0.1 billion, less than half as much as during November 1961; net acquisitions of long-term bonds and of stocks totaled \$143 million, one-third less than a year earlier, while holdings of short-term commercial and finance company paper fell \$40 million as compared with a \$16 million increase the previous November. Net acquisitions of mortgages amounted to \$0.3 billion, more than during November of any year since 1950 and two-fifths more than a year before. Holdings of cash and U. S. Government securities rose \$63 million in contrast to a small decline the previous November.

Savings capital at savings and loan associations rose \$0.9 billion in November, a record for the month and 14 per cent greater than a year earlier. Net mortgage acquisitions of \$0.8 billion were also a record for the month and about one-tenth greater than during the previous November. Associations reduced their borrowing last November by \$21 million, in contrast to an increase of \$81 million a year earlier; holdings of cash and U. S. Government securities, however, rose one-seventh less than in November 1961.

Deposits at mutual savings banks rose \$0.1 billion in November, a record for the month and over three times as much as a year earlier. Net mortgages acquisitions of \$0.3 billion were also a November record and three-fifths more than during November 1961. Holdings of business and other securities rose \$27 million in contrast to a decline of about the same magnitude a year earlier, but holdings of cash and U. S. Government securities were reduced more than in November 1961.

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, Part I

LONG-TERM BOND YIELDS, HIGH-GRADE

Weekly

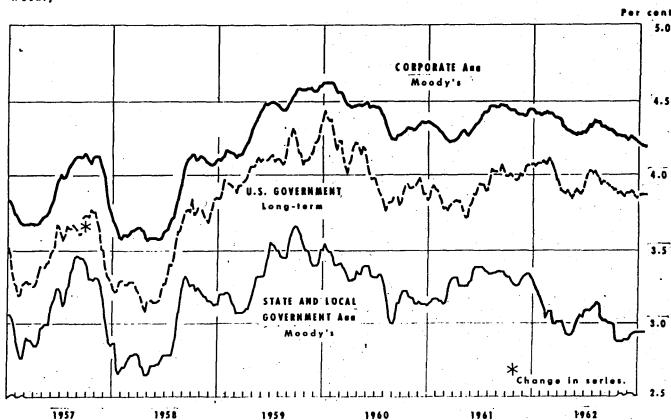


Exhibit A - Part II

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)	.47	1.08
Low	4.23 (12/28)	3.85 (12/28)	2.88 (11/8)	.29	.80
Dec. 21	4.24	3.86	2.94	.38	.92
Dec. 28	4.23	3.85	2.94	.38	.91
Jan. 4	4.22	3.87	2.94	.35	.93
Jan. 11	4.21	3.87	2.94	.34	.93
Jan. 18 p/	4.20 ✓	3.87	2.94	.33	.93

Note: For footnotes see Exhibit B.

LONG-TERM BOND YIELDS, LOWER-GRADE

Weekly

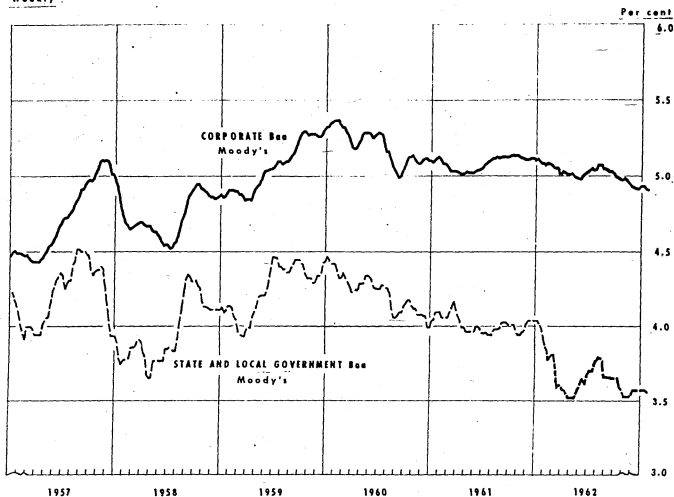


Exhibit B - Part II

Date	Corporate Baa 1/	State and local govt. Baa 3/	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)	.74	.82
Low	4.92 (12/21)	3.52 (5/17)	.63	.56
Dec. 21	4.92	3.57	.68	.63
Dec. 28	4.93	3.57	.70	.63
Jan. 4	4.93	3.57	.71	.63
Jan. 11	4.92	3.57	.71	.63
✓ Jan. 18 p/	4.91	3.55	.71	.61

p/ Preliminary.

1/ Weekly average of daily figures. Average term of bonds included in 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, Part I

SHORT- AND INTERMEDIATE- TERM INTEREST RATES, GOVERNMENT

Weekly

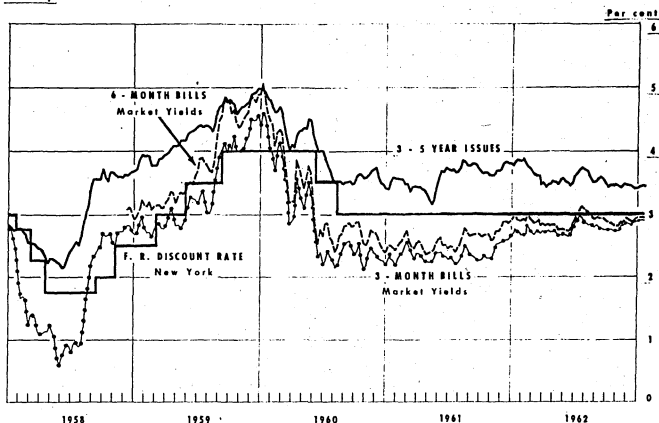


Exhibit C - Part II

Date	Discount rate 1/	Yields			Spread between yields on 3-	
		3-month bills 2/	6-month bills 2/	3-5 year issues 2/	month bills and yields on 6-mo. bills	3-5 yr. issues
		(per cent)				
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 - 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	2.97 (7/13)	3.13 (7/20)	3.88 (2/2)	.24	1.19
Low	3.00	2.65 (6/8)	2.74 (6/8)	3.41 (12/28)	.02	.52
Dec. 21	3.00	2.88	2.90	3.41	.02	.53
Dec. 28	3.00	2.89	2.93	3.41	.04	.52
Jan. 4	3.00	2.89	2.94	3.44	.05	.55
Jan. 11	3.00	2.90	2.95	3.45	.05	.55
Jan. 18 p/	3.00	2.90	2.95	3.44	.05	.54

1/ Weekly rate shown is that in effect at end of period at the Federal Reserve Bank of New York.

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

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.

**SHORT- AND INTERMEDIATE-TERM INTEREST RATES,
BANKS AND OTHER PRIVATE BORROWERS**

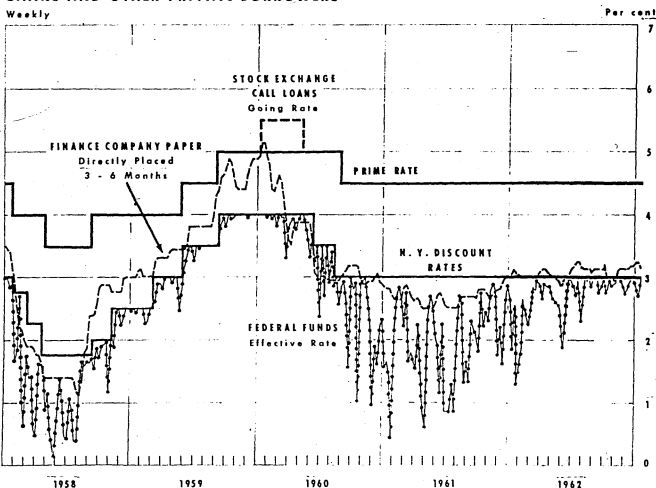


Exhibit D - Part II

Date	Stock Exchange call loan 1/	Prime rate 1/	Finance company paper 2/	Federal funds 3/	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	3.25 (7/20)	3.00 (12/28)	.45
Low	4.50	4.50	2.88 (6/1)	1.30 (1/26)	.19
Dec. 21	4.50	4.50	3.19	3.00	.31
Dec. 28	4.50	4.50	3.19	3.00	.30
Jan. 4	4.50	4.50	3.25	2.79	.36
Jan. 11	4.50	4.50	3.25	2.70	.35
Jan. 18 p/	4.50	4.50	3.15	3.00	.25

1/ Weekly rate shown is that in effect at end of period. 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/ Average of daily rates published by finance companies for directly placed paper for varying maturities in the 90-179 day range.

3/ 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, Part I

STOCK MARKET

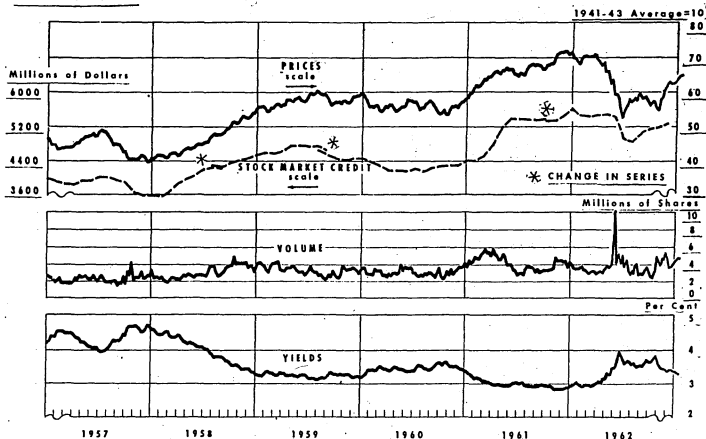


Exhibit E - Part II

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 Low	72.04 (12/8/61)	2.82	5.8	5,602 (12/61)	4,259 (12/61)	1,377 (8/30/61)
	53.32 (10/21/60)	3.62	2.2	4,112 (5/60)	3,004 (7/60)	1,121 (5/25/60)
1962 - High Low	70.94 (3/16)	2.93	10.1	5,491 (4)	4,111 (1)	1,418 (5/9)
	52.68 (6/22)	3.96	2.4	4,876 (7)	3,562 (7)	1,269 (9/26)
November	60.04	3.50	4.8	5,285	3,951	1,334
December	62.64	3.40	4.0	5,494	4,125	1,369
Jan. 4	64.13	3.34	4.0	n.a.	n.a.	1,413
Jan. 11	64.85	3.30	4.8	n.a.	n.a.	1,383
Jan. 18 p/	65.18	3.28	4.8	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.

PRIVATE HOUSING STARTS ✓

Monthly

Thousands of Units

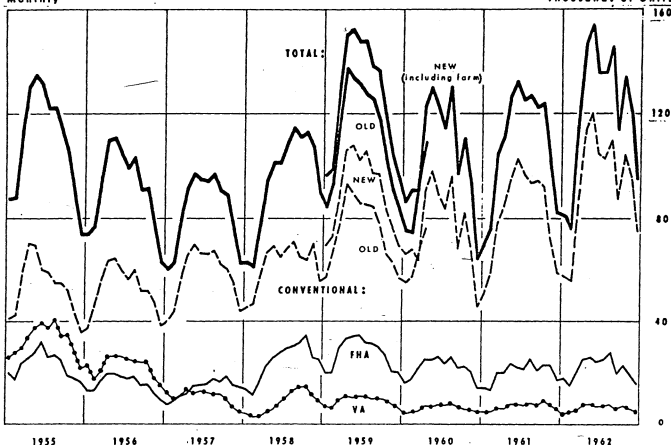


Exhibit F - Part II

Date	Total		Unadjusted		
	Seasonally adjusted annual rate	Unadjusted	FHA	VA	Conventional
	(Thousands of units)				
1961 - Dec.	<u>r/1,295</u>	82	17	6	59
1962 - Jan.	1,273	81	18	4	58
Feb.	1,152	76	15	5	56
Mar.	1,431	115	21	6	88
Apr.	1,542	147	25	8	114
May	1,579	154	26	8	120
June	1,425	136	24	7	105
July	1,466	136	25	7	103
Aug.	1,529	146	28	8	110
Sept.	1,289	114	20	6	87
Oct.	<u>r/1,550</u>	<u>r/134</u>	23	7	<u>r/104</u>
Nov.	<u>r/1,591</u>	<u>r/121</u>	19	6	<u>r/96</u>
Dec. p/	1,499	95	16	5	75

1/ Total starts are Census estimates, which are not strictly comparable with old nonfarm series developed by BLS. A dwelling unit is started when excavation begins; all units in an apartment structure are considered started at that time. FHA and VA starts are units started under commitments by these agencies to insure or guarantee the mortgages. As reported by FHA and VA, a unit is started when a field office receives the first compliance inspection report, which is made before footings are poured in some cases but normally after the foundations have been completed. Capehart military housing units are excluded. Conventional starts are derived as a residual, although total and FHA and VA starts are not strictly comparable in concept or timing; they include both units financed by conventional mortgages and units without mortgages.

YIELDS ON NEW AND SEASONED CORPORATE BONDS

Weekly

Per cent

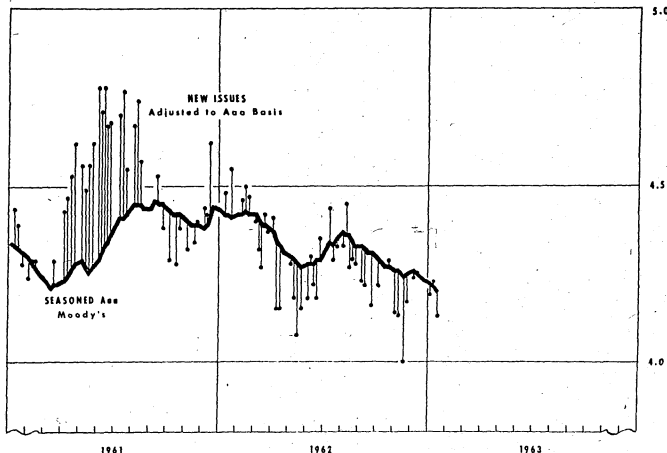


Exhibit G - Part II

Yields on New Corporate Bond Issues Adjusted to an Aaa basis

	Number of issues	Am't of issues included (mil. of dollars)	Average yield (per cent)		Number of issues	Am't of issues included (mil. of dollars)	Average yield (per cent)
Weekly averages:							
1962 - Aug. 3	4	107.3	4.33	Nov. 2	3	85.0	4.14
10	2	115.0	4.45	9	2	37.0	4.13
17	3	70.0	4.27	16	--	--	--
24	2	52.0	4.29	23	2	19.8	4.00*
31	1	60.0	4.28	30	2	72.5	4.17
Sept. 7	1	12.0	4.23	Dec. 7	3	87.0	4.24
14	1	50.0	4.22	14	1	45.0	4.25
21	--	--	--	21	--	--	--
28	1	4.9	4.16	28	--	--	--
Oct. 5	1	75.0	4.22	Jan. 4	1	25.0	4.19
12	--	--	--	11	1	70.0	4.23
19	--	--	--	18	1	35.0	4.13
26	2	275.0	4.29	25			

Note: Averages of offering yields on all new issues of publicly offered corporate bonds rated Aaa, Aa and A by Moody's Investors Service (except serial and convertible issues, offerings of natural gas pipeline and foreign companies, and bonds guaranteed by the Federal Government) weighted by size of offering. Before averaging, new offerings are adjusted to a composite Aaa basis by deducting from the actual reoffering yield the excess of the weekly average yield for seasoned bonds of the appropriate industry-quality group over the composite average for seasoned Aaa-rated bonds (Moody's). Averages considered unrepresentative because of special characteristics of the offerings included are denoted by an asterisk.

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

(In millions of dollars)

	New capital					
	Corporate 1/			State and local 2/		
	1963	1962	1961	1963	1962	1961
January	e/750	592	580	e/600	p/876	713
February		859	667		p/1,133	689
March		807	562		p/629	764
April		1,113	2,118		p/873	723
May		760	1,259		p/914	641
June		1,132	1,318		p/788	1,034
July		582	1,028		p/611	485
August		749	762		p/543	604
September		579	647		p/425	734
October		888	1,090		p/627	678
November		p/737	948		e/550	789
December		e/800	1,000		e/500	606
1st quarter		2,258	1,809		p/2,638	2,166
2nd quarter		3,005	4,695		p/2,574	2,397
3rd quarter		1,910	2,437		p/1,577	1,823
4th quarter		e/2,425	3,038		e/1,677	2,073
1st half		5,264	6,504		p/5,213	4,563
Three quarters		7,173	8,941		p/6,789	6,387
Year		e/9,598	11,979		e/8,466	8,460
Excluding finance companies 3/						
1st quarter		2,199	1,554			
2nd quarter		2,919	4,552			
3rd quarter		1,775	2,337			
4th quarter		e/2,125	2,807			
Year		e/9,618	11,253			

e/ Estimated by Federal Reserve. 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 Publicly offered	Privately offered	Common and pfd. stock	Memo: foreign issues included	Mfg.	Public utility	Communi- cations	Other issuers
1960 - I	2,265	934	795	536	69	298	598	189	1,059
II	2,537	1,074	770	692	27	511	808	149	913
III	2,520	1,336	754	429	38	562	652	317	896
IV	2,832	1,462	955	416	17	625	696	381	997
1961 - I	1,992	662	880	449	76	515	381	81	832
II	5,352	2,303	1,275	1,774	155	1,466	1,081	1,095	1,052
III	2,566	772	1,139	654	69	935	595	104	803
IV	3,236	967	1,424	845	62	792	836	147	1,263
1962 - I	2,378	1,155	716	507	68	655	430	456	717
II	3,250	1,389	1,222	639	257	996	983	231	794
III	2,184	853	1,024	307	56	601	375	275	659
IV e/	2,691	1,095	1,349	247	n.a.	666	454	310	995
1961 - Jan.	601	178	294	129	54	169	137	21	253
Feb.	695	273	255	167	19	99	160	41	368
Mar.	696	211	331	154	3	248	84	19	211
Apr.	2,231	713	348	1,170	71	574	254	994	297
May	1,342	666	355	320	35	447	439	85	289
June	1,779	924	572	283	49	446	389	16	467
July	1,075	424	392	259	52	428	269	16	315
Aug.	813	225	411	177	7	255	215	13	279
Sept.	678	123	336	218	10	252	111	75	209
Oct.	1,155	336	509	310	25	271	306	25	487
Nov.	987	414	348	225	12	215	362	80	291
Dec.	1,094	217	567	310	25	306	168	42	485
1962 - Jan.	647	273	232	143	3	205	89	73	225
Feb.	884	497	232	155	12	131	148	362	218
Mar.	847	386	253	209	54	318	193	21	275
Apr.	1,217	654	227	336	10	384	377	88	264
May	801	247	420	134	147	270	196	64	229
June	1,232	488	575	169	100	342	410	79	301
July	630	200	366	67	13	217	118	88	159
Aug.	922	477	363	82	--	218	110	120	301
Sept.	632	176	295	161	43	166	148	67	199
Oct. p/	1,037	540	372	125	47	170	141	257	320
Nov. p/	824	295	477	52	34	266	193	3	275
Dec. e/	830	260	500	70	n.a.	230	120	50	400

p/ Preliminary. e/ Estimated by Federal Reserve. 1/ Gross proceeds exceed net proceeds by the cost of flotation. 2/ For total see Exhibit H; 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	--	182
February	10	29	175	156	--	150
March	35	20	70	--	252	150
April	10	2	34	461	100	148
May	86	66	72	--	149	354
June	50	29	40	--	278	--
July	25	5	25	--	--	--
August	8	2	1	150	250	199
September	31	--	56	175	193	--
October	p/151	43	34	e/...	--	160
November	p/ 87	34	2	e/...	225	149
December	e/75	--	41	e/...	--	181
Year	e/710	236	533	e/1,188	1,448	1,672
	Net short-term 4/					
	State and local government 5/			Federal agency 3/		
January	18	160	58	247	-144	-196
February	466	195	140	-156	-162	-202
March	-186	-8	-80	226	-174	-59
April	127	-103	70	-364	-79	-277
May	-84	-42	-146	82	-87	170
June	-118	-155	-157	284	207	320
July	78	109	48	261	22	95
August	339	518	415	227	193	23
September	-406	-86	-175	-157	108	-201
October	71	-6	-16	379	98	-23
November	p/233	54	50	55	56	-33
December	n.a.	-116	-189	e/-30	-114	-250
Year	n.a.	520	18	e/1,044	-76	-633

p/ Preliminary. e/ Estimated by Federal Reserve. n.a.-Not available.

- 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/ Included securities offered in the United States by foreign governments and their political subdivisions and 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 FRA notes included may have a somewhat longer maturity 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>
	Total	Bonds (other than convertibles)	Convertible bonds	Stocks		
1961 - December	255	125	--	130	307	--
1962 - January	195	170	--	25	561	145
February	425	425	--	--	662	64
March	366	330	15	21	259	30
April	648	430	51	167	423	55
May	200	170	--	30	373	88
June	472	387	--	85	266	30
July	165	135	--	30	321	20
August	286	226	60	--	272	--
September	191	100	--	91	153	194
October	434	398	--	36	320	25
November	178	178	--	--	217	--
December	198	178	20	--	193	75

Large Individual Issues Offered January 1 through '18

Issuer	Type <u>3/</u>	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
Gen. Amer. Trans. Corp.	Equip.tr.cert.	35.0	1983	4.30	4.30	A
New York Telephone Co.	Ref.mtg.bds.	70.0	2000	4-1/4	4.21	Aaa
Genesco, Inc.	Pfd.stk.	18.5				
Illinois Power Co.	1st mtg.bds.	35.0	1993	4-1/4	4.20	Aa
<u>STATE AND LOCAL GOVERNMENT</u>						
Oklahoma City, Oklahoma	G.O.	15.0	1965-88	2.88	1.85-3.10	A
Phila. Sch. Dist., Pa.	G.O.	15.0	1965-88	2.97	1.75-3.204/	A
State of Louisiana	G.O.	15.0	1964-88	3.08	1.70-3.20	A
Memphis, Tenn.	Rev.-Rent.	32.85/	1965-85	2.89	1.75-3.00	Aaa
Montgomery Co. Md.	G.O.	15.7	1964-88	2.96	1.60-3.206/	A
St. Louis Sch. Dist. Mo.	G.O.	10.7	1964-83	2.91	1.55-3.00	Aa
Metro. Seattle, Wash.	Rev.-Ut.	15.0	1966-2002	3.54	2.00-3.60	A
<u>OTHER</u>						
City of Montreal, Canada	Bonds	9.0	1983			
		16.0	1988	5.00	4.90	A

Footnotes

*--Rights offering. **--Foreign issue.

- 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/ 1/20 per cent bonds maturing 1988 not reoffered.
- 5/ An additional \$160.5 million in bonds were sold to refund outstanding securities.
- 6/ 1/10 per cent bonds maturing 1987-88 reoffered to yield 4.25 per cent.

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 <u>2/</u>	Corporate	State and local govt.	Other <u>2/</u>
1961 - Dec. 29	161	223	--	591	415	--
1962 - Jan. 31	480	465	64	525	567	64
Feb. 28	222	153	--	341	239	--
Mar. 30	628	453	--	693	539	--
Apr. 30	185	333	95	598	452	95
May 31	587	184	55	692	337	55
June 29	120	202	--	458	377	25
July 31	302	273	--	477	427	--
Aug. 31	170	61	175	312	215	175
Sept. 28	363	187	--	546	387	--
Oct. 31	203	96	--	328	243	--
Nov. 30	170	194	75	360	328	75
Dec. 28	269	177	25	314	311	25

Forthcoming Large Offerings, as of January 18

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Tennessee Gas Trans. Co.	1st mtg. bds.	50.0	Jan. 22
Chesapeake & Potomac Tel. Co.	Deb.	25.0	Jan. 23
*Bell Tel. Co. of Pa.	Deb.	50.0	Feb. 6
*Potomac Electric Power Co.	1st mtg. bds.	50.0	Feb. 11
Commerce Oil Refining Corp.	Deb., bds. & com.	45.0	Indefinite
<u>STATE AND LOCAL GOVERNMENT</u>			
Cleveland Consolidated Sch. Dist., Ohio	G.O.	10.0	Jan. 21
State of Oregon	G.O.	37.0	Jan. 22
Milwaukee, Wisconsin	G.O.	12.3	Jan. 22
Los Angeles Dept. of Wtr. & Pwr., Cal.	Rev.-Ut.	12.0	Jan. 23
*New York City, New York	G.O.	108.2	Jan. 29
Lafayette, La.	Rev.	15.5	Feb. 5
Buffalo, New York	G.O.	11.0	Feb. 7
Washington Toll Bridge Auth.	Rev.-Ut.	37.2	Feb. 7
*New York State Housing Fin. Agency	Rev.-Rent	89.0	Feb. 9
*St. Louis, Mo.	G.O.	14.8	Feb. 19

Forthcoming Large Offerings, as of January 18 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>STATE AND LOCAL GOVERNMENT</u> (CONT'D)			
Pittsburgh, Pa.	G.O.	35.0	Indefinite
Jefferson County, Colorado	G.O.	12.9	Indefinite
Dade County, Florida	G.O.	46.0	Indefinite
Jacksonville Expressway Auth., Fla.	Rev.-Ut.	40.0	Indefinite
<u>OTHER</u>			
NONE			

*--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 of 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. secur-ities	Business securities 2/		State and local govt. secur-ities	Mort-gages	Other	
			Long-term bonds and stocks	Commercial and finance company paper				
Value of assets at end of period.								
1958 - Dec.	1,363	7,182	44,612		2,691	37,092	14,640	107,580
1959 - Dec.	1,307	6,858	46,783	118	3,221	39,237	16,126	113,650
1960 - Dec.	1,329	6,428	48,631	295	3,606	41,815	17,472	119,576
1961 - Dec.	1,392	6,135	51,362	193	3,902	44,250	19,582	126,816
1962 - Nov.	1,300	6,405	53,074	659	4,062	46,380	20,625	132,505
Changes:								
1960 - July	42	52	143	81	24	153	87	582
Aug.	3	-45	133	53	46	227	113	530
Sept.	-49	-2	111	-61	82	179	110	370
Oct.	93	-62	100	205	33	217	-6	580
Nov.	-35	18	257	-59	26	197	92	496
Dec.	89	-103	300	-100	18	282	167	653
1961 - Jan.	-34	125	152	118	49	186	257	853
Feb.	-10	-2	156	-27	27	141	199	484
Mar.	-54	-7	174	-26	28	223	192	530
Apr.	7	-43	-112	66	34	262	158	596
May	74	20	234	-66	1	173	114	550
June	-43	112	280	-36	-1	187	134	409
July	48	70	130	110	21	109	156	644
Aug.	-23	--	276	-72	30	167	150	528
Sept.	15	-51	241	-30	27	164	155	521
Oct.	30	14	260	23	13	204	122	665
Nov.	40	-46	211	16	44	237	149	651
Dec.	13	-261	505	-178	23	382	325	809
p/1962 - Jan.	-111	179	80	213	56	128	-50	495
Feb.	-5	21	126	47	2	116	113	420
Mar.	-74	-78	144	49	118	143	75	377
Apr.	12	94	53	171	-14	114	31	461
May	3	-26	242	-43	-14	195	5	362
June	-22	-95	253	-117	8	196	-10	213
July	69	176	135	72	4	198	204	858
Aug.	-29	-21	213	30	28	236	137	594
Sept.	33	-48	187	20	14	182	85	473
Oct.	6	31	136	64	-24	293	160	666
Nov.	26	37	143	-40	-18	329	293	770
Dec.								

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

2/ Includes securities of domestic corporations only.

Source.--Institute of Life Insurance.

Sources and Uses of Funds by
Savings and Loan Associations

	Uses of funds 1/				Total sources or uses	Sources of funds		
	Cash	U. S. Govt. secur- ities	Mort- gages2/	Other assets		Net change savings capital	Borrow- ing 3/	Other
	(In millions of dollars)							
Value of assets at end of period								
1958 - Dec.	2,585	3,819	45,627	3,108	55,139	47,976	1,444	5,719
1959 - Dec.	2,183	4,477	53,141	3,729	63,530	54,583	2,387	6,560
1960 - Dec.	2,680	4,595	60,070	4,131	71,475	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 - Nov.	3,204	5,569	78,166	5,375	92,314	78,707	3,181	10,425
Changes:								
1960 - July	-233	-32	645	-148	232	137	-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.	448	45	764	58	1,199	1,511	478	-730
p/1962 - Jan.	-365	186	535	-115	241	491	-383	133
Feb.	98	95	600	40	833	578	-96	351
Mar.	131	36	801	93	1,061	934	-83	210
Apr.	-78	-46	847	90	813	386	126	301
May	10	-13	971	413	1,381	782	98	501
June	263	-67	1,044	-58	1,182	1,427	365	-610
July	-394	46	894	-194	352	18	89	245
Aug.	-39	-11	1,017	105	1,072	648	92	332
Sept.	88	42	843	77	1,050	870	95	85
Oct. r/	98	31	960	44	1,153	835	36	262
Nov.	94	48	821	137	1,100	887	-21	234
Dec.								

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 sources.--FSLIC.

Sources and Uses of Funds
by Mutual Savings Banks

	Uses of funds 1/						Sources of funds		
	Cash	U.S. Govt. secur- ities	Busi- ness secur- ities 2/	State & local govt. secur- ities	Mort- gages	Other	Total sources or uses	Net change in deposits	Other
Value of assets at end of period:	(In millions of dollars)								
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.	828	6,136	5,053	677	28,915	1,224	42,833	38,487	4,346
1962 - Nov.	833	6,115	5,192	543	31,831	1,256	45,773	41,037	4,736
Changes:									
1960 - 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	30	-52	34	23	217	-23	228	366 ^{3/}	-138 ^{3/}
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.	-20	-21	5	-1	212	117	292	471	-179
1962 - Jan.	10	94	17	-7	253	-118	250	83	166
Feb.	47	77	1	-18	188	12	307	165	142
Mar.	12	209	25	-18	230	62	519	472	47
Apr.	-79	-216	-35	-26	270	-45	-131	-51	-80
May	12	16	2	-20	254	68	334	184	150
June	54	-38	17	-5	302	-22	306	548	-242
July	-46	-11	66	-5	290	-10	285	172	113
Aug.	-29	26	14	-9	312	53	367	215	152
Sept.	44	3	2	-5	243	28	315	429	-114
Oct.	15	-162	3	-15	305	-32	114	186	-72
Nov.	-35	-19	27	-6	272	36	274	147	127
Dec.									

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/ Adjusted so as not to reflect \$115 million other liability reclassified as deposits in conformity with FDIC redefinition. Source--NAMS and FDIC.