

H.14

March 18, 1963.

**CAPITAL MARKET DEVELOPMENTS
IN THE UNITED STATES**

(Including Review of Corporate Security Issues Sold in 1962
to Retire Outstanding Securities)

Public security financing to obtain new capital was in substantial volume last week and is expected to be somewhat larger this week. During the week ending March 15, two large corporate issues totaling \$35 million and two State and local government bond issue amounting to \$172 million were sold. This week, ending March 23, two corporate issues totaling \$80 million and three State and local issues with par value of \$196 million are on the calendar for sale to obtain new capital. In addition the Michigan Consolidated Gas Company and Atlanta Gas Light Company are expected to offer bond issues of \$30 million and \$27 million, respectively, primarily to refund outstanding securities.

Bond yields. Changes in yields on seasoned, long-term bonds were mixed last week. Yields on Aaa-rated State and local government bonds fell four basis points to 2.98 per cent, but U. S. Government bond yields rose a basis point to 3.93 per cent. Yields on corporate bonds and on Baa-rated State and local government bonds were stable.

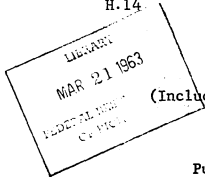
Average yields on new corporate bonds, adjusted to an Aaa basis were 4.17 per cent last week, somewhat lower than in most other recent weeks.

Short- and intermediate-term interest rates. Changes in rates on Treasury bills and on 3-5 year U. S. Government obligations were also mixed last week. Yields on 3-month bills edged off a basis point but those on 6-month bills increased one basis point; yields on intermediate-term Treasury obligations were stable. The average effective rate on Federal funds continued at 3.00 per cent. Other rates were unchanged.

Mortgage yields. Secondary market yields on 25-year, 5-1/4 per cent FHA-insured mortgages declined 2 basis points further in February. At 5.50 per cent, the level was 20 basis points below a year earlier. This was the same year-to-year differential that prevailed in January.

Offering yields on new Aaa corporate bonds also declined further in February. As a result, the spread between mortgage and bond yields continued at the level of 135-136 basis points reached in the previous two months. This compared with a spread of 120 basis points in February of 1962 when bond yields were in a temporary rise.

Average interest rates on conventional first mortgages in February, remained at 5.85 per cent for loans on new homes, according to the Federal Housing Administration. Rates declined about five basis points further, to 5.90 per cent, for loans on existing homes, however. In both cases, the rates were 10 basis points below a year ago.



Stock market credit. Customer credit in the stock market rose \$122 million further in February to a new record level of \$5.7 billion at the month-end, \$115 million above the previous high of December 1961 and an increase of \$841 million from last July when margin requirements were lowered from 70 to 50 per cent. Customer debit balances (except those secured by U. S. Government securities) accounted for all the February increase, rising \$124 million to a record \$4.3 billion, \$73 million higher than the previous record December 1961 level. Bank loans to others than brokers and dealers (except on U. S. Government securities) declined \$2 million during the month.

Money borrowed by member firms of the New York Stock Exchange (except on U. S. Government securities) rose \$147 million further in February, the third straight month-over-month increase. Free credit balances, however, declined \$8 million further. More detailed information on stock market credit in January and February is presented in the following table.

	End of month		Change
	Feb.	Jan.	
Customer credit			
Excluding U. S. Government securities - total	5,717	5,595	+122
Net debit balances	4,332	4,208	+124
Bank loans to "others"	1,385	1,387	-2
Net debit balances secured by U. S. Govt. securities	23	28	-5
Bank loans to "others" for purchasing or carrying U. S. Government securities	91	95	-4
Broker and dealer credit			
Money borrowed except on U. S. Govt. securities	3,042	2,895	+147
On customer collateral	2,694	2,556	+138
Money borrowed on U. S. Government securities	35	32	+3
Customers' net free credit balances	1,191	1,199	-8

Stock prices. Common stock prices advanced somewhat further in moderate trading last week. Prices, as measured by Standard and Poor's composite index of 500 stocks, rose almost one per cent on balance to close at 65.93 on March 15.

Corporate security issues sold in 1962 to retire outstanding securities. Net proceeds of corporate security financing to refund outstanding securities during 1962 totaled \$757 million, one-sixth less than in 1961 but more than in any other year since 1955. Over two-thirds of last year's refunding volume was in the second half of the year when a sizeable number of electric and gas utilities sold new issues primarily to take advantage of the lowest level of yields on new issues in several years. In 1961 four-fifths of the refunding was in the first half of the year and was comprised principally of issues sold by American Telephone and Telegraph Company and its subsidiaries.

Sixteen publicly-offered bond issues were sold last year to raise funds to retire \$416 million in outstanding securities.* The table on the following page presents details on each of these new issues and on the issue, or issues, which their proceeds were used to refund. Most of the issues retired were bonds, but retirement of preferred stock amounted to \$60 million. Issues are divided into two groups; Group A, amounting to \$324 million is comprised of issues refunded primarily to reduce interest costs while Group B, totaling \$92 million, includes issues refunded for other reasons.

Most of the issues refunded to reduce interest rates were sold in 1959 and 1960 when yields on new issues were appreciably higher than last year. Five issues, however, were sold in 1957 and could probably have been refunded at lower rates in 1958, but because of restrictions in the bond indenture preventing retirement at the discretion of the issuer for a prescribed number of years, usually five, could not be refunded until last year.

Issuers were able to place issues in Group A at rates that ran 50 to more than 100 basis points lower than those on the issues refunded. The difference in interest costs between the refunding issue and the issue refunded does not measure the interest savings to the issuer, however, because most issues are callable only at more than par. The effect of call price on total interest savings in a refunding operation can be seen by examining the \$75 million Consolidated Edison Company refunding last year. This company was able to place its new issue at an 87 basis points lower cost than the issues it refunded, but had to pay a call price of 106.07 to holders of the earlier issue. This was equivalent to roughly 20 basis points a year on the new issue, and therefore reduced the interest savings on the refunding to about 67 basis points.

Proceeds from new issues in Group B, except the Massachusetts Electric Company issue, were to refund issues nearing maturity. Most issues to be retired from these funds had been placed at lower rates than those obtained on the new issue, but apparently these corporations felt that they could obtain funds at lower costs last year than they might be able to obtain when these issues reached maturity. The Massachusetts Electric Company issue refunded five issues of newly acquired subsidiaries whose indentures apparently restricted the financial operations of the company more than seemed appropriate.

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

*--Most of the remaining \$351 million securities sold to refund outstanding securities were private placements; publicly available information on these does not permit detailed analysis.

New Corporate Bond Issues Sold During 1962 for the Purpose
of Refunding Outstanding Securities

Issuer	Date Sold	Amount (millions of dollars)	Type of issue	Mat-urity	Cou-pon rate	Cost to issuer (in per cent)	Call price
Group A: Sold Primarily to Reduce Interest Cost							
Sunray DX Oil Co.	4/62	75.0	S.F.deb.	1987	4-1/4	4.39	--
To refund:	5/55	21.6	Conv.pfd.stk.	--	5-1/2	n.a.	100.00
	5/55	38.5	Pfd.stk.	--	4-1/2	n.a.	100.00
Louisiana Gas Service Co.	5/62	10.0	1st mtg. bds.	1987	4-1/2	4.60	--
To refund:	1/60	7.3	1st mtg. bds.	1985	5-7/8	5.86	101.58
Boston Edison Co.	6/62	15.0	1st mtg. bds.	1992	4-1/4	4.23	--
To refund:	11/59	15.0	1st mtg. bds.	1989	5-1/4	5.23	106.02
Public Service Co. of New Hampshire	6/62	24.6	1st mtg. bds.	1992	4-5/8	4.54	--
To refund:	10/57	7.8	1st mtg. bds.	1987	5-3/8	5.36	105.60
	7/59	8.0	1st mtg. bds.	1989	5-1/8	5.04	106.57
	11/60	5.0	1st mtg. bds.	1995	5-1/8	5.04	106.07
Missouri Pwr. & Lt. Co.	7/62	6.0	1st mtg. bds.	1992	4-1/2	4.43	--
To refund:	12/59	4.0	1st mtg. bds.	1989	5-5/8	5.50	107.81
Fla. Pwr. & Lt. Co.	8/62	25.0	1st mtg. bds.	1992	4-1/2	4.47	--
To refund:	10/59	20.0	1st mtg. bds.	1989	5-1/4	5.22	106.31
Columbia Gas System, Inc.	8/62	20.0	1st mtg. bds.	1987	4-5/8	4.63	--
To refund:	6/57	17.5	1st mtg. bds.	1982	5-1/2	5.47	106.31
Duke Power Co.	8/62	50.0	1st&ref.mtg.bds.	1992	4-1/4	4.31	--
To refund:	2/60	50.0	1st&ref.mtg.bds.	1990	5-1/8	5.03	107.13
Penn. Pwr. Co.	9/62	12.0	1st mtg. bds.	1992	4-3/8	4.32	--
To refund:	10/57	8.0	1st mtg. bds.	1987	5	5.00	104.79
Consolidated Edison Co.	10/62	75.0	1st&ref.mtg.bds.	1992	4-3/8	4.33	--
To refund:	12/59	75.0	1st&ref.mtg.bds.	1989	5-1/4	5.20	106.07
West Penn. Pwr. Co.	11/62	14.0	1st mtg. bds.	1992	4-3/8	4.26	--
To refund:	5/59	14.0	1st mtg. bds.	1989	5-1/4	5.17	106.33
Pacific Pwr. & Lt. Co.	11/62	32.0	1st mtg. bds.	1992	4-1/2	4.56	--
To refund:	1/57	12.0	1st mtg. bds.	1987	5-3/8	5.29	106.33
	9/57	20.0	1st mtg. bds.	1987	5-3/4	5.80	105.72

Group B: Sold Primarily for Other Reasons

Rochester Tel. Co.	7/62	12.0	Deb.	1987	4-3/4	4.67	--
To refund:	12/48	3.8	S.F.deb.	1963	4	3.95	100.35
Mass. Electric Co.	8/62	60.0	1st mtg. bds.	1992	4-3/8	4.37	--
To refund:	12/59	7.5	1st mtg. bds.	1989	5-3/8	5.36	106.06
	2/59	5.0	1st mtg. bds.	1984	3-1/4	3.22	103.01
	5/58	20.0	1st mtg. bds.	1988	4-1/2	4.41	106.28
	3/54	4.0	1st mtg. bds.	1984	3-1/8	3.03	104.15
	12/51	4.0	1st mtg. bds.	1987	4-1/2	4.47	105.32
Southern Cal. Edison Co.	10/62	50.0	1st&ref.mtg.bds.	1987	4-1/4	4.27	--
To refund:	10/40	32.4	1st&ref.mtg.bds.	1965	3	2.89	101.00
Louisville & Nashville RR Co.	11/62	25.0	Coll.tr.bds.	1987	4-7/8	4.95	--
To refund:	2/14	7.4	Gen.con.bds.	1963	5	4.80	--
	3/15	7.9	1st&ref.mtg.bds.	1965	5	5.00	--

LONG-TERM BOND YIELDS, HIGH-GRADE

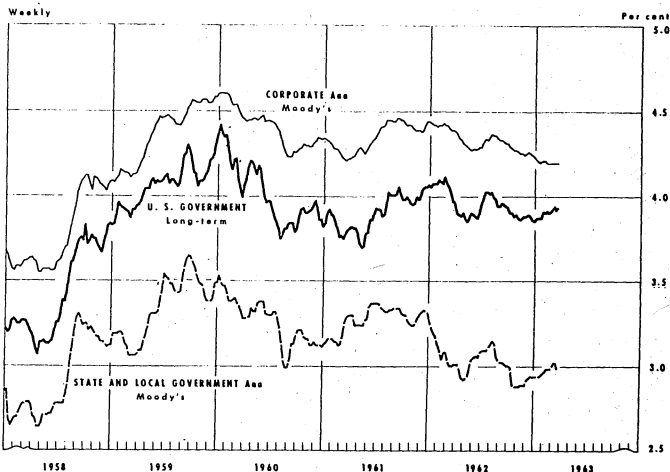


Exhibit A - Part II

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)				
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 - Low	4.23 (12/28)	3.85 (12/28)	2.88 (11/8)	.30	.80
1963 - High	4.22 (1/4)	3.94 (3/1)	3.02 (3/7)	.35	.96
Low	4.19 (3/15)	3.87 (1/18)	2.94 (1/17)	.25	.90
Feb. 15	4.19	3.91	2.98	.28	.93
Feb. 22	4.19	3.92	2.98	.27	.94
Mar. 1	4.19	3.94	3.02	.25	.92
Mar. 8	4.19	3.92	3.02	.27	.90
√ Mar. 15 p/	4.19	3.93	2.98	.26	.95

p/ Preliminary.

1/ Weekly average of daily figures. Average term of bonds included is 22-24 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 B, Part I

LONG-TERM BOND YIELDS, LOWER-GRADE

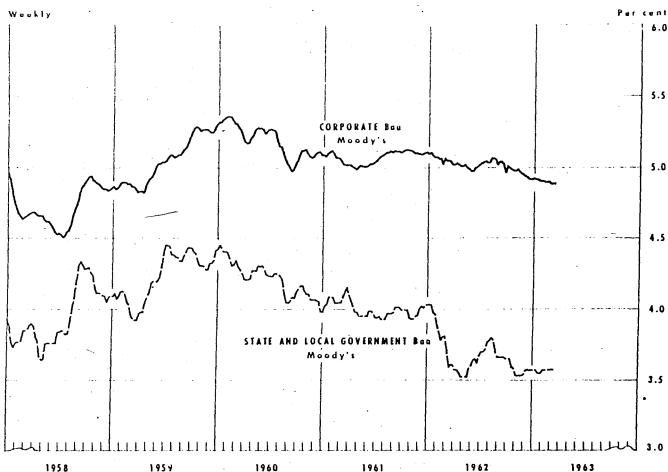


Exhibit B - Part II

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)	
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 - Low	4.92 (12/21)	3.52 (5/17)	.63	.56
1963 - High	4.93 (1/4)	3.57 (3/14)	.71	.63
Low	4.88 (3/15)	3.55 (1/24)	.69	.55
Feb. 15	4.90	3.57	.71	.59
Feb. 22	4.88	3.57	.69	.59
Mar. 1	4.88	3.57	.69	.55
Mar. 8	4.88	3.57	.69	.55
Mar. 15 <u>2</u> / %	4.88	3.57	.69	.59

Note: For footnotes see Exhibit A.

SHORT- AND INTERMEDIATE- TERM INTEREST RATES, GOVERNMENT

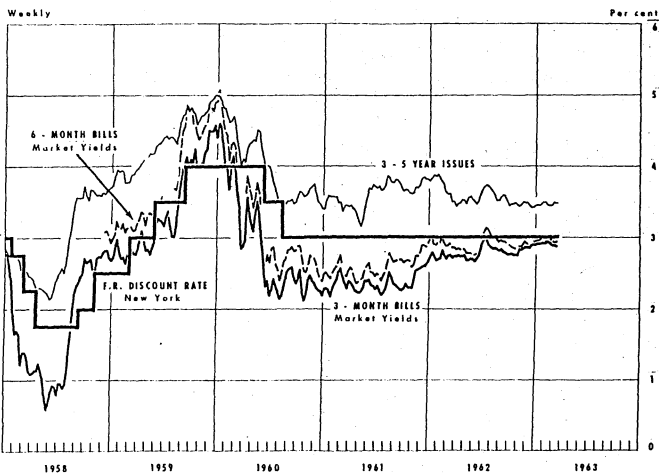


Exhibit C - Part II

Date	Discount rate 1/	Yields			Spread between yields on 3-month bills and yields on	
		3-month bills 2/	6-month bills 2/	3-5 year issues 2/	6-mo. bills	3-5 yr. issues
(per cent)						
1958 - Low	1.75	.58 (5/29)	3.02 (12/26)	2.14 (6/6)	.26	.04
1959-60 High	4.00	4.59 (1/8/60)	5.07 (1/8/60)	5.00 (12/24/59)	.79	1.81
1960-61 Low	3.00	2.11 (10/28/60)	2.35 (4/28/61)	3.15 (5/12/61)	.12	.38
1961-62 High	3.00	2.97 (7/13/62)	3.13 (7/20/62)	3.88 (2/2/62)	.44	1.51
1962 - Low	3.00	2.65 (6/8)	2.74 (6/8)	3.41 (12/28)	.02	.52
1963 - High	3.00	2.95 (2/8)	3.00 (2/8)	3.50 (3/1)	.06	.61
Low	3.00	2.88 (3/15)	2.93 (3/8)	3.44 (1/18)	.04	.52
Feb. 15	3.00	2.93	2.99	3.46	.06	.53
Feb. 22	3.00	2.90	2.96	3.46	.06	.56
Mar. 1	3.00	2.90	2.94	3.50	.04	.60
Mar. 8	3.00	2.89	2.93	3.49	.04	.60
Mar. 15 p/	3.00	2.88	2.94	3.49	.06	.61

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.

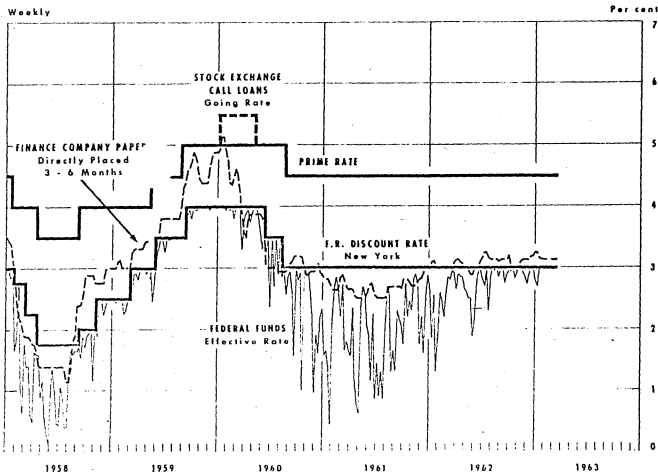
**SHORT- AND INTERMEDIATE- TERM INTEREST RATES,
BANKS AND OTHER PRIVATE BORROWERS**


Exhibit D - Part II

Date	Stock Exchange call loan <u>1/</u>	Prime rate <u>1/</u>	Finance company paper <u>2/</u>	Federal funds <u>3/</u>	Spread between 3-mo. bills and finance co. paper
	(per cent)				
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
1961-62 - High	4.50	4.50	3.25 (7/20/62)	3.00 (12/28/62)	.56
1962 - Low	4.50	4.50	2.88 (6/1)	1.30 (1/26)	.19
1963 - High	4.50	4.50	3.25 (1/11)	3.00 (3/15)	.36
Low	4.50	4.50	3.13 (3/15)	2.70 (1/11)	.18
Feb. 15	4.50	4.50	3.13	3.00	.20
Feb. 22	4.50	4.50	3.13	3.00	.23
Mar. 1	4.50	4.50	3.13	3.00	.23
Mar. 8	4.50	4.50	3.13	3.00	.24
Mar. 15 <u>p/</u>	4.50	4.50	3.13	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.

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

STOCK MARKET

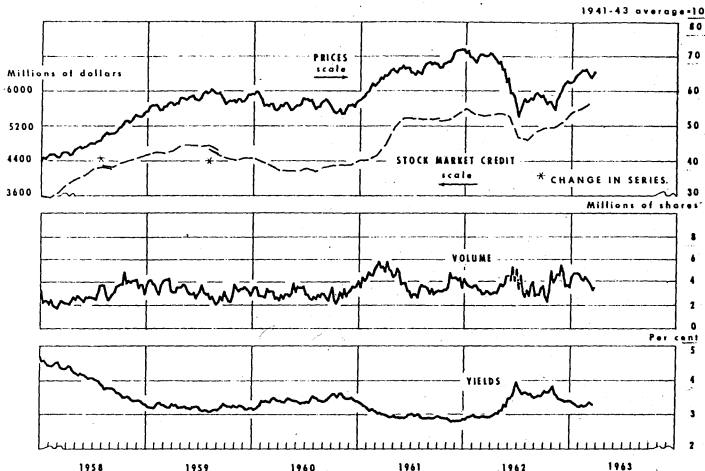


Exhibit E - Part II

Date	Stock price index <u>1/</u>	Common stock yields <u>2/</u> (per cent)	Trading volume <u>3/</u> (millions of shares)	Stock market customer credit		
				Total	Customers' debit balances <u>4/</u>	Bank loans to "others" <u>5/</u>
(In millions of dollars)						
1961-62 - High	72.04 (12/8/61)	2.82	10.1	5,602(12/61)	4,259 (12/61)	1,377(8/30/61)
Low	52.68 (6/22/62)	3.96	2.4	4,876(7/62)	3,562 (7/62)	1,269(9/26/62)
1963 - High	66.41 (2/15)	3.23	4.8	5,717(2/63)	4,332 (2/63)	1,413 (1/2)
Low	64.10 (3/1)	3.36	3.3	5,595 (1/63)	4,208 (1/63)	1,378 (2/23)
January	65.06	3.31	4.6	5,595	4,208	1,387
February	65.92	3.26	4.2	5,717	4,332	1,385
Mar. 1	64.10	3.36	3.8	n.a.	n.a.	1,385
Mar. 8	65.33	3.31	3.3	n.a.	n.a.	1,396
Mar. 15 <u>p/</u>	65.93	3.28	3.5	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 details see Bulletin.

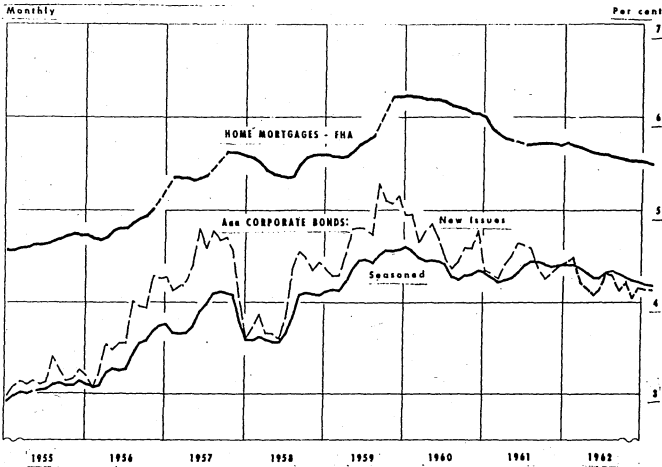
MORTGAGE AND BOND YIELDS ^{1/}

Exhibit F - Part II

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)	2.85 (4/54)	.54	-.12
1959-61 - High	6.24 (1/60)	5.29 (9/59)	4.61 (1/60)	1.76	.77
Low	5.57 (3/59)	4.26 (10/61)	4.12 (1/59)	.65	-.16
1962 - High	5.72 (1/62)	4.50 (2/62)	4.42 (2/62)	1.53	.08
1962 - November	5.53	4.05	4.25	1.48	-.20
December	5.53	4.18	4.24	1.35	-.06
1963 - January	5.52	4.16	4.21	1.36	-.05
February	5.50	4.15	4.19	1.35	-.04

^{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/} Data not yet revised to conform with new series shown in Exhibit G.

^{4/} Moody's Investors Service. Monthly averages of daily data. See Exhibit A.

YIELDS ON NEW AND SEASONED CORPORATE BONDS

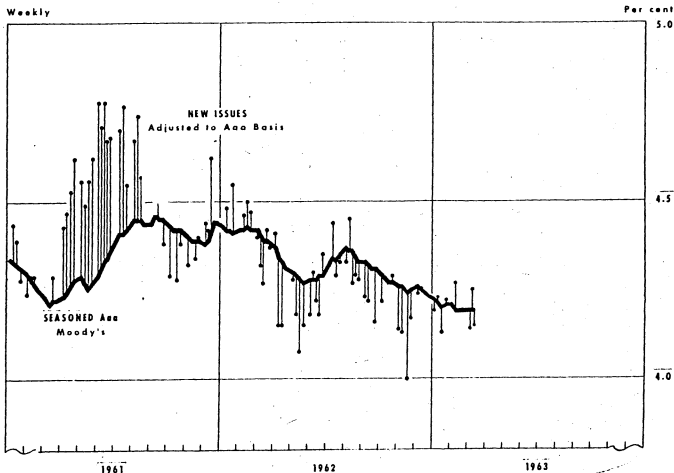


Exhibit G - Part II

Yields on New Corporate Bond Issues Adjusted to an Aaa basis

Weekly averages:			Weekly averages:				
	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)
1962 - Oct. 5	1	75.0	4.22	Jan. 11	1	70.0	4.23
12	--	--	--	18	1	35.0	4.13
19	--	--	--	25	2	75.0	4.22
26	2	275.0	4.29	Feb. 1	1	25.0	4.21
Nov. 2	3	85.0	4.14	8	2	64.0	4.27*
9	2	37.0	4.13	15	--	--	--
16	--	--	--	22	4	100.0	4.19
23	2	19.8	4.00*	Mar. 1	1	12.0	4.14
30	2	72.5	4.17	8	2	55.0	4.25*
Dec. 7	3	87.0	4.24	15	2	24.4	4.17
14	1	45.0	4.25				
21	--	--	--				
28	--	--	--				
1963 - Jan. 4	1	25.0	4.19				

Notes: 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	<u>p/584</u>	592	580	<u>e/700</u>	<u>p/876</u>	713
February	<u>e/700</u>	859	667	<u>e/700</u>	<u>p/1,133</u>	689
March	<u>e/650</u>	807	562	<u>e/900</u>	<u>p/630</u>	764
April		1,113	2,118		<u>p/873</u>	723
May		760	1,259		<u>p/915</u>	641
June		1,132	1,318		<u>p/788</u>	1,034
July		582	1,028		<u>p/612</u>	485
August		749	762		<u>p/544</u>	604
September		579	647		<u>p/426</u>	734
October		835	1,090		<u>p/640</u>	678
November		703	948		<u>p/577</u>	789
December		1,103	1,000		<u>e/520</u>	606
1st quarter	<u>e/1,934</u>	2,258	1,809	<u>e/2,300</u>	<u>p/2,639</u>	2,166
2nd quarter		3,005	4,695		<u>p/2,575</u>	2,397
3rd quarter		1,910	2,437		<u>p/1,581</u>	1,823
4th quarter		2,641	3,038		<u>e/1,737</u>	2,073
1st half		5,264	6,504		<u>p/5,214</u>	4,563
Three quarters		7,173	8,941		<u>p/6,795</u>	6,387
Year		9,814	11,979		<u>e/8,532</u>	8,460
	Excluding finance companies 3/					
1st quarter	<u>e/1,834</u>	2,199	1,554			
2nd quarter		2,919	4,552			
3rd quarter		1,775	2,337			
4th quarter		<u>e/2,241</u>	2,807			
Year		<u>e/9,134</u>	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		Common and pfd. stock	Memo: foreign issues included	Mfg.	Public utility	Communi-cations	Other issuers
		Publicly offered	Privately offered						
1960 - 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	2,957	1,089	1,568	300	179	769	568	321	986
1963 - I									
1961 - 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.	976	539	314	123	46	153	141	260	282
Nov.	784	286	446	52	34	271	175	4	253
Dec.	1,197	264	808	125	99	345	252	57	451
1963 - Jan. p/	681	350	238	94	18	133	118	125	208
Feb. e/	715	260	375	80	n.a.	220	120	60	300
Mar.									

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/		
	1963	1962	1961	1963	1962	1961
January	p/232	142	6	p/--	246	--
February	e/175	10	29	e/148	156	--
March		35	20		--	252
April		10	2		461	100
May		86	66		--	149
June		50	29		--	278
July		25	5		--	--
August		8	2		150	250
September		31	--		175	193
October		151	43		--	--
November		88	34		--	225
December		101	--		--	--
Year		737	236		1,188	1,448
Jan.-Feb.	e/407	152	35	e/148	402	--
	Net short-term 4/					
	State and local government 5/			Federal agency 3/		
January	n.a.	18	160	p/-283	247	-144
February	n.a.	466	195	p/-118	-156	-162
March		-186	-8		226	-174
April		127	-103		-364	-79
May		-84	-42		82	-87
June		-118	-155		284	207
July		78	109		261	22
August		339	518		227	193
September		-406	-86		-157	108
October		71	-6		379	98
November		p/233	54		55	56
December		p/-168	-116		-80	-114
Year		p/370	520		1,004	-76
Jan.-Feb.	n.a.	484	355	p/-401	91	-306

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 PHA 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 2/
	Total	Bonds (other than convertibles)	Convertible bonds	Stocks		
1962 - 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
1963 - January	234	215	--	19	344	48
February	186	125	35	26	367	63

Large Individual Issues Offered March 1 through 15

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
Northwestern Bell Tel. Co.	Deb.	40.0	2003	4-3/8	4.27	Aaa
Atlantic City Elec. Co.	1st mtg. bds.	15.0	1993	4-3/8	4.26	Aa
Oklahoma Gas & Elec. Co.	1st mtg. bds.	15.0	1993	4-1/4	4.24	Aa
**Kansai Electric Power Co., Inc.	Com.stk.	21.8				
<u>STATE AND LOCAL GOVERNMENT</u>						
State of Minnesota	G.O.	29.4	1964-83	2.72	1.60-3.00	Aa
De Kalb Co. Ind. Sch. Dist., Ga.	G.O.	12.0	1966-93	3.20	2.00-3.50	A
Fenna. General State Auth.	Rev.-Rent.	25.0	1966-90	3.18	1.90-3.35	--
Louisiana Fiscal Auth.	Rev.-Q.Ut.	20.0	1964-83	3.31	1.70-3.55	Baa
Boston Metro. Dist., Mass.	G.O.	10.9	1964-93	3.08	1.60-3.30	Aa
State of Illinois	G.O.	150.0	1964-88	2.88	1.50-3.10	Aaa
Missouri-Illinois Bi-State Development Agency	Rev.-U.T.	21.5	1993	n.a.	4.10	--
<u>OTHER</u>						
None						

*--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.

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>
1962 - 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
1963 - Jan. 31	167	376	--	412	843	33
Feb. 28	142	458	--	572	755	--

Forthcoming Large Offerings, as of March 15

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
Crown Cork & Seal Co., Inc.	S.F.deb.	30.0	March 19
General Tel. & Electronics Corp.	Deb.	50.0	March 20
Texas Electric Service Co.	1st mtg. bds.	22.0	March 27
Socony Mobil Oil Co.	Deb.	200.0	March 28
Pacific Northwest Bell Tel. Co.	Deb.	50.0	April 2
*Hartford Elec. Light Co.	1st mtg. bds.	15.0	April 4
Consolidated Edison Co.	Com.stk.	100.0	April 9
			(rights expire)
Northern Indiana Public Service Corp.	1st mtg. bds.	30.0	April 10
Consolidated Natural Gas Co.	S.F.deb.	35.0	April 24
*Commercial Credit Co.	Notes	50.0	April
Commerce Oil Refining Corp.	Deb., bds. & com.	45.0	Indefinite
<u>STATE AND LOCAL GOVERNMENT</u>			
San Francisco, Cal.	G.O.	37.2	March 18
Public Housing Auth.	--	137.9	March 20
Los Angeles Dept. of Wtr. & Pwr.	Rev.-Ut.	21.0	March 20
Florida Development Comm.	Rev.-Ut.	15.0	March 25
Macomb Co., Mich.	G.O.	10.3	March 26
Commonwealth of Massachusetts	G.O.	41.6	March 26
Columbus, Ohio	G.O.	18.2	March 27
*Puerto Rico Water Resources Auth.	Rev.-Ut.	15.0	March 27

Forthcoming Large Offerings, as of March 15

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>STATE AND LOCAL GOVERNMENT (CONT'D)</u>			
Houston, Texas	G.O.	13.3	April 1
*Cleveland, Ohio Philadelphia, Pa.	Rev.-Ut.	12.0	April 2
Brevard Co. Special Tax Sch. Dist. No. 1, Florida	G.O.	37.2	April 3
City of Detroit, Mich.	Rev.-S.T.	12.0	April 9
*State of California	G.O.	10.5	April 9
Duval Co. Special Tax Sch. Dist., Florida	G.O.	100.0	April 10
Washington Public Power Supply System	Rev.-S.T.	10.0	April 11
Washington Sub. San. Dist.	Rev.-Ut.	130.0	April 17
Los Angeles Co. Flood Control Dist., Cal.	G.O.	14.0	April 22
State of Oregon	Rev.-Ut.	15.0	April 23
*Placer County Water Agency, Cal.	G.O.	10.5	April 23
Pittsburgh, Pa.	Rev.-Ut.	115.0	April
Jefferson County, Colorado	G.O.	35.0	Indefinite
Dade County, Florida	G.O.	12.9	Indefinite
Jacksonville Expressway Auth., Fla.	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.

Notes.--Deletions for reasons other than sale of issue: none.

Foreign Government and Corporate Security Offerings
and Placements in the United States

Part I: Public Offerings

Sale Date	Amount (millions of dollars)	Issuer and Description of Issue
A. Sold January 1 through March 15		
1/14	25.0	City of Montreal, Canada--5% bonds, due 1983 and 1988, reoffered at 4.90%
1/29	6.7	Nippon Electric Co., Ltd--common stock
1/30	22.5	Japan Development Bank--6% bonds, due 1975, reoffered at 6.37%
2/26	30.0	Kingdom of Denmark--5-1/4% bonds, due 1978, reoffered at 5.37%
*3/13	12.5	Republic of Finland--6% bonds, due 1973, reoffered at 6.17%
*3/13	21.8	Kansai Electric Power Co., Inc.--common stock
B. Prospective Offerings		
4/16	10.0	Mitsui & Co.--convertible sinking fund bonds
4/	6.0	Sony Corp.--common stock

Part II: Private Placements--Reported January 1 through March 15

Date reported	Amount (millions of dollars)	Issuer and Description of Issue
1/3	9.0	Republic of Panama--4-1/2% bonds, due 2001--no information available on takedown
1/14	35.0	Massey-Ferguson, Ltd.--Senior notes, due 1983--no information available on takedown
1/29	20.0	Alberta Government Telephone Commission--4-7/8% debentures, due 1988--no information available on takedown
2/4	300.0	Quebec Hydro-Electric Commission--5% bonds, due 1988, placed to yield 5.07%--\$100 million to be taken down in February with the remainder to be taken down by the end of 1964
2/4	3.0	Government of Jamaica--7% sinking fund debentures--no information available on takedown
2/12	9.0	Federation Chemicals, Ltd.--subordinated notes, due 1977--\$5.9 million to be taken down in February with the remainder to be taken down by the end of January 1964
2/18	25.0	Province of Saskatchewan, Canada--5% bonds, due 1983--no information available on takedown
2/19	5.0	Tabor de Acero de Mexico, S. A.--7-1/2% convertible debentures, due 1975--no information available on takedown
2/25	2.5	Quebec Natural Gas Corp.--5-1/2% first mortgage bonds, due 1980--no information available on takedown
3/4	3.0	Protestant School Board of Greater Montreal--5-1/4% bonds, due 1982--no information available on takedown
3/7	12.0	Government of Norway--bonds, due 1983--no information available on takedown
* 3/13	1.0	City of Aalborg, Denmark--notes, due 1978--no information available on takedown
* 3/13	30.0	Bayer Foreign Investments, Ltd.--5-1/2% promissory notes, maturing 1983--no information available on takedown
* 3/13	25.0	Manitoba Hydro-Electric--4-7/8% sinking fund bonds, maturing 1988--no information available on takedown

Note: For retrospective data on aggregate foreign corporate and government security offerings in the United States see Exhibits I and J. There is no simple relationship between the data shown in this Exhibit and that shown in Exhibits I and J because the latter includes privately placed securities in the period in which funds are actually taken down but only in the amount of takedown, while the placements shown in this exhibit are included when reported, frequently with little or no information concerning timing of takedowns. Full or partial takedowns may take place both prior and subsequent to the date a placement is reported.

*--Included in table for first time.