

Not for Publication

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January 27, 1964.

CAPITAL MARKETS DEVELOPMENTS  
IN THE UNITED STATES

(Including Review of Sales of State and Local Government  
Bonds to Retire Outstanding Obligations in 1963)

Public security financing to obtain new capital was in very substantial volume last week, but will be more moderate this week. Last week, ended January 24, three large corporate issues (including expiring rights offers) totaling \$97 million and three State and local government bond issues amounting to \$141 million were sold. This week, ending January 31, no large corporate issues are scheduled for offering but four large State and local bond issues with par value of \$107 million are on the calendar. In addition a \$250 million secondary offering of General Motors Corporation common stock is scheduled, with the proceeds to be received by selling stockholders.

Bond yields. Yields on seasoned long-term bonds either declined or remained stable last week. Yields on Aaa-rated State and local government bonds dropped three basis points further to 3.07 per cent, 11 basis points below the mid-November high and their lowest level since last June. U. S. Government bond yields and those on lower-grade corporate bonds eased off a basis point each to 4.15 and 4.83 per cent, respectively, with the latter matching its 1963 low. Yields on Aaa-rated corporate bonds and on lower-grade municipals were unchanged.

Average yields on new corporate bonds, adjusted to an Aaa basis, fell three basis points further last week to 4.41 per cent, the lowest since early December.

Short- and intermediate-term interest rates. Yields on Treasury bills and on intermediate-term U. S. Government obligations declined last week. Rates on 3-month and 6-month Treasury bills fell two basis points each to 3.52 and 3.63 per cent, respectively, while yields on 3-5 year Treasury obligations dropped three basis points to 4.07 per cent. The major finance companies reduced the advertised rates on directly-placed paper with 90-179 day maturity from 3-7/8 to 3-3/4 per cent early last week; as a result, the average rate dropped 10 basis points to 3.78 per cent. The average effective Federal funds rate fell five basis points to 3.45 per cent. Other rates were unchanged.

Mortgage yields and conventional mortgage terms. Secondary market yields on 25-year, 5-1/4 per cent FHA-insured mortgages in December remained at the reduced rate of 5.44 per cent, which--with very slight variation--has prevailed since April. The average in December was 9 basis points under the average yield in December of 1962 and about 80 basis points under the high at the beginning of 1960.

Contract interest rates for conventional first mortgages on homes in December also continued at the levels established in the spring of 1963, according to the Federal Housing Administration. The average rates of 5.80 per cent for loans on new houses and 5.85 per cent for loans on existing houses were both 15 basis points below a year earlier.

The movement of maturities and other terms for conventional loans was mixed in November, based on the most recent report from the Home Loan Bank Board. Maturities dipped somewhat from October to an average of 24.2 years for new home loans and 19.3 years for loans on existing houses. Loan-to-value ratios, on the other hand, rose slightly--to 73.5 per cent for new home loans and 70.9 per cent for loans on existing properties.

Stock prices. Common stock prices continued to move upward in active trading last week. Prices, as measured by Standard and Poor's composite index of 500 stocks, advanced one-half of one per cent to close at a record high of 77.11 on January 24. Trading volume averaged 5.3 million shares a day, down 0.8 million shares from the very large average for the previous week.

Sales of State and Local Government Bonds to Retire  
Outstanding Obligations in 1963

State and local governments took advantage of the relatively low level of interest rates prevailing during most of 1963 to sell a record volume of bonds to redeem previously issued high-coupon debt. Municipal bond sales for refunding purposes amounted to \$1.3 billion in 1963, about five times the amount sold in 1962 and roughly three times the 1941 peak; included in this total was about \$500 million in advance refunding. Despite some increase in bond yields after spring, refinancing dropped off only moderately to \$550 million in the last six months of 1963 from the first half total of \$700 million.

Since the late 1930's and early 1940's the volume of State and local government refunding had been relatively small until recently. The reasons for this were various, but included both the generally rising level of interest rates and the non-callability of the bulk of the maturities of most serial bond issues. The decline in interest rates the last few years, together with the earlier growth in importance of large, single-maturity, callable, revenue bond issues contributed to the recent rise in refundings. In addition, the spread between yields on long-term State and local government bonds and short- and intermediate-term U. S. Government securities has been such as to make advance refunding attractive. The latter involves the sale of new bonds to refund outstanding bonds prior to the date they become first callable; during the interim the proceeds from the new bonds are invested in U. S. Government obligations (or time certificates of deposits). While advance refunding is not entirely a new technique in municipal financing, recent State legislation and legal

opinions have contributed to its increased utilization.

Because many of the refunding issues sold during the last half of 1963 were to redeem a number of smaller issues, securities privately placed, or those sold directly to State agencies detailed analyses of all such financing is not feasible. (For detail on refunding during the first half of 1963, see Capital Markets Developments in the United States for the week of July 15.) Examples of some of these more complicated refundings are an \$11.1 million issue of New Mexico State University sold to refund 26 separate issues offered during the years 1950-61; \$37.9 million in bonds sold by Jefferson County School District, R-1, Colorado, a new consolidated school district formed from a large number of smaller districts, to refund all the issues of the former districts offered over a 25-year period; and a \$40.6 million bond issue sold by the State of Minnesota to refund a similar amount of bonds placed directly with a State agency.

Greater detail on four issues sold during July-December 1963 and on the issue or issues which they were to refund is shown in the following table. These issues had par value of \$330 million and were to refund \$300 million in bonds, nearly all of which were not currently callable. Most of the proceeds of the new issues, therefore, will be held in escrow by trustees until actual retirement of the old issue is possible.

Measurement of interest savings in an advance refunding is much more complex than on an issue sold to refund bonds immediately callable. Interest savings on the latter can be measured by deducting the call premium on the issue to be refunded, amortized from the call date to the maturity date of the issue to be refunded (if average maturity is changed amortization should be over average maturity of new issue), from the difference between net interest cost on the new and refunded issue. In the case of an advance refunding, however, the proceeds from the new issue are invested and will be earning interest until refunding takes place and interest payments will have to be met on both the new and the old issue until the latter is actually retired.

The interest savings accruing to an issuing authority through an advance refunding can be illustrated by the \$195 million refunding of the Grant County Public Utility District, Washington, last July; the refunding will not be completed until 1970 when the issue to be redeemed becomes callable at a price of 104.00. Because the new issue will only have an average maturity of 30 years in 1970, in contrast to an average of 38 years on the old issue at that time, the overall interest savings can probably best be measured by the difference in average interest costs on the two issues--the issue to be refunded was placed at an average net interest cost of 4.90 per cent compared with 3.77 per cent on the new issue, a difference of 113 basis points. The proceeds of the new issue were invested in U. S. Government bonds maturing in late 1969 and yielding slightly better than 4 per cent. The interest earnings from these

bonds will be sufficient to pay the interest on the new issue through 1969 as well as about one-third of the call premium on the issue to be retired; the portion of the call premium not covered by these earnings, amortized over 30 years, will reduce interest savings on the new issue by approximately 9 basis points, or to 104 basis points. In terms of dollar savings, this will amount to roughly \$137 million, but approximately three-fifths of this is accounted for by the eight-year shortening of average maturity.

Details on Selected New State and Local Government Bond  
Issues Sold During the Second Half of 1963 for the Pur-  
pose of Retiring Outstanding Securities

Issuing Authority	Date sold	Amount (millions of dollars)	Maturities	Net Interest Cost	First Call Date	Call Price	
Grant Co. PUD, Wash.	7/63	40.0	1971-78		--	--	
	7/63	51.0	1998	3.77	--	--	
	7/63	106.0	2009		--	--	
	To refund:	7/59	13.7	1970-90	4.90	1970	104.00
		7/59	181.3	2009		1970	104.00
Johnson Co. Water Dist. #1, Kansas	8/63	25.0	1964-93	3.35	--	--	
	To refund:	11/57	20.0	1971-97	4.81	1967	104.00
California Toll Bridge Auth.	10/63	75.0	1964-92	3.62	--	--	
	To refund:	12/55	43.9	1995	3.68	1961	104.00
		7/59	33.4	1995	4.36	1964	104.00
Penna. State Pub. Sch. Bldg., Auth.	11/63	33.0	1964-2003	3.47	--	--	
	To refund:	4/58	8.4	1965-94	4.00	1965	104.00

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

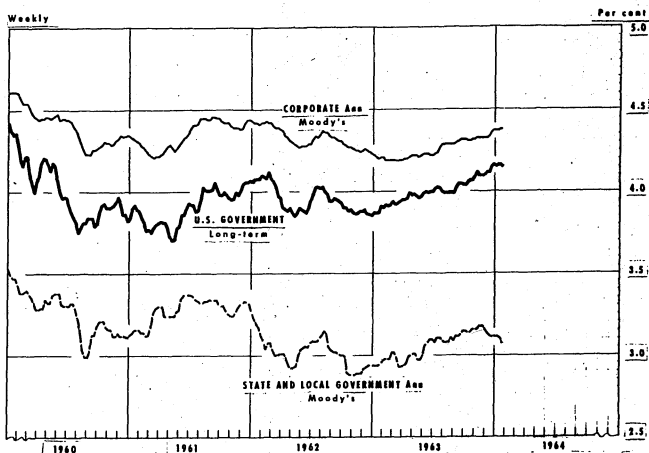


Exhibit A - Part II

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 (11/9)	.30	.80
1963 - High	4.37 (12/27)	4.16 (12/27)	3.18 (11/21)	.35	1.05
Low	4.19 (3/29)	3.87 (1/18)	2.93 (3/28)	.21	.89
Dec. 27	4.37	4.16	3.11	.21	1.05
Jan. 3	4.37	4.15	3.11	.22	1.04
Jan. 10	4.37	4.16	3.11	.21	1.05
Jan. 17	4.38	4.16	3.10	.22	1.06
Jan. 24 p/	4.38	4.15	3.07	.23	-1.08

p/ Preliminary.  
 Weekly average of daily figures. Average term of bonds included is 22-24 years.  
 Weekly average of daily figures. The series includes bonds due or callable in 10 years or more.  
 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

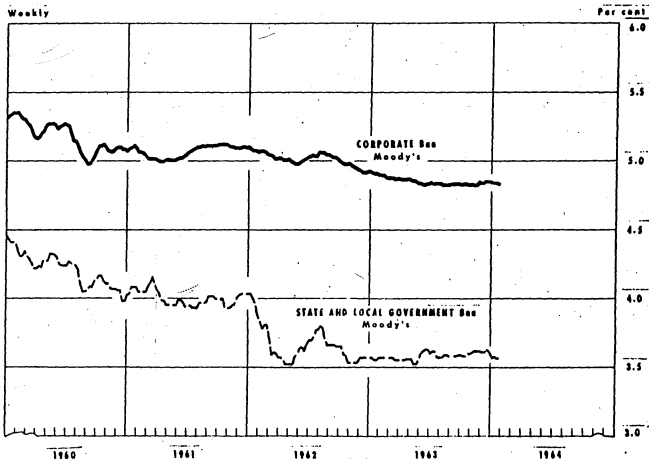


Exhibit B - Part II

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)	3.63 (6/27)	.71	.63
Low	4.83 (11/15)	3.52 (5/23)	.47	.44
Dec. 27	4.85	3.60	.48	.49
Jan. 3	4.84	3.56	.47	.45
Jan. 10	4.84	3.57	.47	.46
Jan. 17	4.84	3.56	.46	.46
Jan. 24 p/	4.83	3.56	.45	.49

Note: For footnotes see Exhibit A.

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EXHIBIT C, Part I  
SHORT- AND INTERMEDIATE-TERM INTEREST RATES, GOVERNMENT

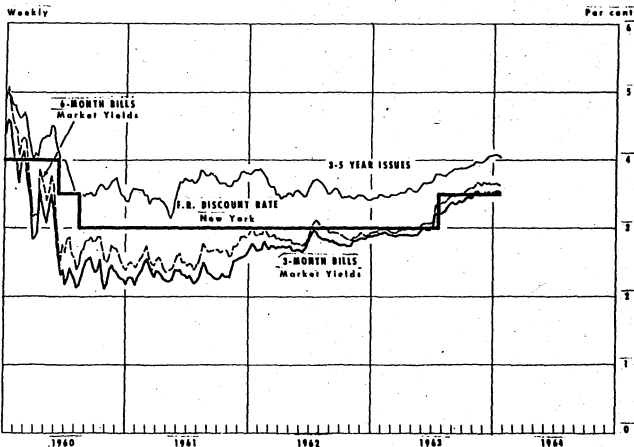


Exhibit C - Part II

Date	Discount rate 1/	Yields			Spread between yields on 3-month bills and yields on 3-5 yr. issues	
		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	3.50	3.55 (11/15)	3.68 (12/6)	4.07 (12/27)	.17	.70
Low	3.00	2.88 (3/15)	2.93 (3/8)	3.44 (1/18)	.04	.42
Dec. 27	3.50	3.52	3.65	4.07	.13	.55
Jan. 3	3.50	3.52	3.65	4.08	.13	.56
Jan. 10	3.50	3.53	3.66	4.08	.13	.55
Jan. 17	3.50	3.54	3.65	4.07	.11	.53
Jan. 24 <sup>3/</sup>	3.50	3.52 <sup>4/</sup>	3.63	4.04	.11	.52

<sup>3/</sup> Weekly rate shown is that in effect at end of period at the Federal Reserve Bank of New York.  
<sup>4/</sup> 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.

## EXHIBIT D, Part I

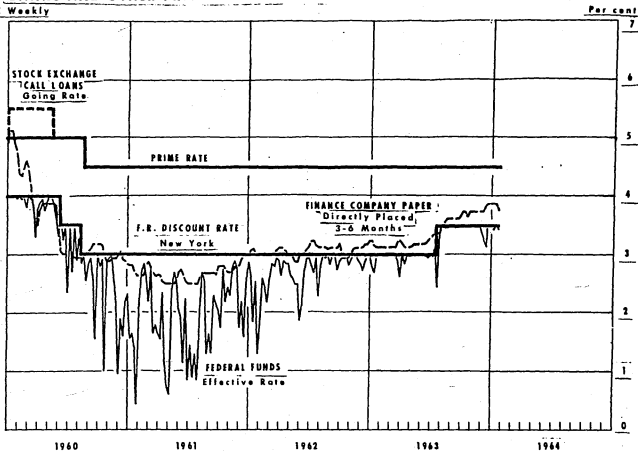
**SHORT- AND INTERMEDIATE- TERM INTEREST RATES,  
BANKS AND OTHER PRIVATE BORROWERS**


Exhibit D - Part II

Date	Stock Exchange call loan <sup>1/</sup>	Prime rate <sup>1/</sup>	Finance company paper <sup>2/</sup>	Federal funds <sup>3/</sup>	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	3.88(12/27)	3.50(12/27)	.36
Low	4.50	4.50	3.13(5/31)	2.45(7/26)	.09
Dec. 27	4.50	4.50	3.88	3.50	.36
Jan. 3	4.50	4.50	3.88	3.44	.36
Jan. 10	4.50	4.50	3.88	3.50	.35
Jan. 17	4.50	4.50	3.88	3.50	.34
Jan. 24 p/	4.50	4.50	3.78	3.45	.26

<sup>1/</sup> 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.

<sup>2/</sup> Average of daily rates published by finance companies for directly placed paper for varying maturities in the 90-179 day range.

<sup>3/</sup> 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.



## STOCK MARKET

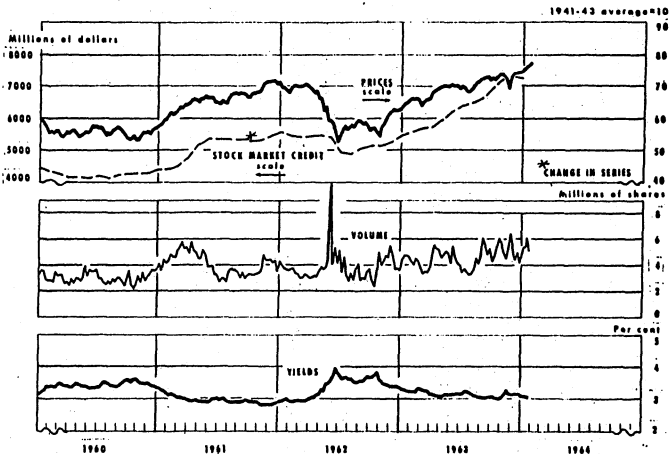


Exhibit E - Part II

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	74.44(12/27)	3.01	6.4	7,298(11/63)	5,586(11/63)	1,738(12/25)
Low	64.10(3/1)	3.36	3.2	5,595(1/63)	4,208(1/63)	1,378(2/23)
November	72.62	3.14	5.2	7,298	5,586	1,712
December	74.17	3.13	4.7	7,241	5,514	1,727
Jan. 10	76.24	3.06	5.4	n.a.	n.a.	1,729
Jan. 17	76.56	3.05	6.1	n.a.	n.a.	1,723
Jan. 24 p/	77.11	3.03	5.3	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

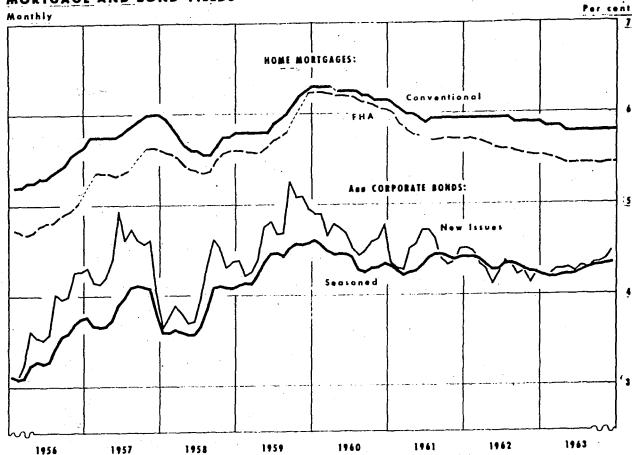


Exhibit F - Part II

Date	FHA mortgages <sup>2/</sup>	Conventional mortgages <sup>3/</sup>	Spread between yields on conv. & FHA mtgs.	Aaa Corporate Bonds		Spread between yields on new corporate bonds and	
				New <sup>4/</sup>	Seasoned <sup>5/</sup>	FHA mtgs.	Seasoned bds.
1956 - Low	4.68	5.20	.47	3.08	3.08	.76	--
1957 - High	5.63	6.00	.47	4.94	4.12	1.58	1.03
1958 - Low	5.35	5.55	.15	3.65	3.57	.88	.05
1959-60 - High	6.24	6.30	.23	5.25	4.61	1.69	.73
1962-63 - High	5.72	5.95	.38	4.72	4.45	1.50	.39
Low	5.43	5.80	.23	4.12	4.22	1.05	-.16
1963 - August	5.44	5.80	.36	4.29	4.29	1.15	--
September	5.43	5.80	.37	4.34	4.31	1.09	.03
October	5.43	5.80	.37	4.35	4.32	1.08	.03
November	5.44	5.80	.36	4.39	4.33	1.05	.06
December	5.44	5.80	.36	4.49	4.35	.95	.14

<sup>1/</sup> 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 semi-annual interest investment, would be slightly higher than given in the table.

<sup>2/</sup> Based on FHA field-office opinions about average bid prices in the private secondary market for new-home mortgages for immediate delivery. Data relate only to 2 1/2-year mortgages with down payments 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.

<sup>3/</sup> Based on FHA field office opinion on typical interest rates (rounded) on conventional first mortgages prevailing in the market areas of insuring office cities. Beginning with April 1961, rate relates only to new-home mortgages; prior to that date, rate related to both new as well as existing-home mortgages. Dashed line indicates this change in the series.

<sup>4/</sup> See note for Exhibit G.

<sup>5/</sup> Moody's Investor Service. Monthly line averages of daily data. See Exhibit A.

## EXHIBIT G, Part I

## YIELDS ON NEW AND SEASONED CORPORATE BONDS

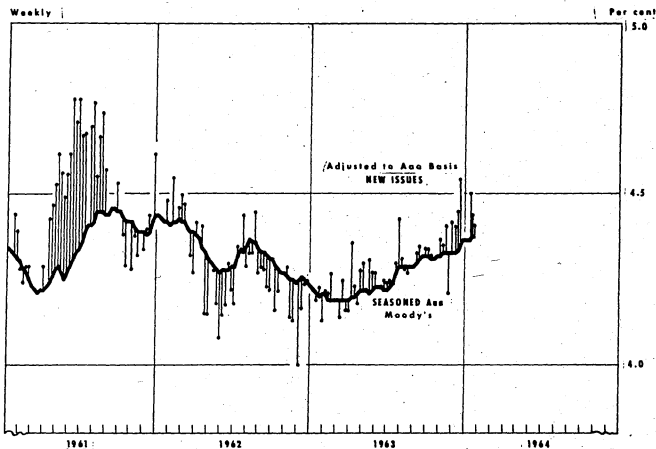


Exhibit G - Part II

## 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)
<b>Weekly averages:</b>							
1963 - Aug. 16	--	--	--	Nov. 22	4	115.0	4.42
23	--	--	--	29	--	--	--
30	2	50.0	4.33*	Dec. 6	2	60.0	4.41
Sept. 6	1	12.0	4.35	13	2	95.0	4.45
13	--	--	--	20	1	150.0	4.54*
20	1	15.0	4.34	27	--	--	--
27	1	100.0	4.34	<b>1964</b>			
Oct. 4	2	33.5	4.32	Jan. 3	--	--	--
11	--	--	--	10	1	130.0	4.50
18	--	--	--	17	1	5.0	4.44
25	1	40.0	4.37	24	1	15.0	4.41
Nov. 1	2	75.0	4.35				
8	1	30.0	4.41				
15	1	22.0	4.21*				

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 offering 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.

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/		
	1964	1963	1962	1964	1963	1962
January	e/ 850	613	592	e/ 900	p/ 732	876
February		594	859		p/ 726	1,133
March		1,144	807		p/ 974	628
April		930	1,113		p/ 866	873
May		904	760		p/ 861	912
June		1,013	1,132		p/ 945	786
July		676	582		p/ 647	612
August		667	749		p/ 706	544
September		795	579		p/ 447	427
October		p/1,062	835		p/1,103	650
November		p/ 830	703		p/ 639	578
December		e/1,282	1,103		e/ 400	550
1st quarter		2,351	2,258		p/2,431	2,637
2nd quarter		2,847	3,005		p/2,672	2,571
3rd quarter		2,138	1,910		p/1,800	1,582
4th quarter		e/3,174	2,641		e/2,142	1,779
1st half		5,198	5,264		p/5,103	5,208
Three quarters		7,337	7,173		p/6,903	6,790
Year		e/10,510	9,814		e/9,065	8,568
	Excluding finance companies 3/					
1st quarter		2,284	2,199			
2nd quarter		2,529	2,919			
3rd quarter		1,797	1,775			
4th quarter		e/2,674	2,410			
Year		e/9,284	9,303			

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 is- suers
		Publicly offered	Privately offered						
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	893
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	2,700	1,108	1,306	287	128	947	326	236	842
II	3,634	1,389	1,820	424	434	591	794	221	1,241
III	2,466	898	1,281	287	109	806	285	150	897
IV e/	3,421	1,289	1,771	360	n. a.	884	505	123	1,662
1962 - 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.	695	350	243	102	25	135	114	125	238
Feb.	642	259	289	94	43	220	115	68	191
Mar.	1,363	499	774	91	60	592	97	43	412
Apr.	1,049	380	452	217	56	148	341	71	369
May	1,340	550	694	95	182	216	222	92	373
June	1,246	459	675	113	196	227	230	58	499
July	810	279	431	100	46	297	107	86	187
Aug.	786	336	349	100	21	272	100	24	270
Sept.	871	283	501	87	42	237	78	39	441
Oct. p/	1,170	511	532	127	7	266	198	42	556
Nov. p/	904	205	542	157	8	224	130	13	463
Dec. e/	1,347	573	697	76	n. a.	394	177	68	643
1964 - Jan.									
Feb.									
Mar.									

1/ 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.

## Exhibit J

Other Security Offerings  
(In millions of dollars)

	Gross long-term 1/					
	Foreign government 2/			Federal agency 3/		
	1964	1963	1962	1964	1963	1962
January		232	142		--	246
February		133	10		148	156
March		76	35		--	--
April		57	10		186	461
May		114	86		--	--
June		11	50		459	--
July		63	25		--	--
August		83	8		--	150
September		--	31		--	175
October		p/ --	151		p/174	--
November		p/ --	88		p/200	--
December		e/ --	101		e/ --	--
Year		e/ 769	737		e/1,167	1,188
	Net Short-term 4/					
	State and local government 5/			Federal agency 3/		
	1964	1963	1962	1964	1963	1962
January		75	18		-106	247
February		272	466		-189	-156
March		-367	-186		-482	226
April		589	127		292	-364
May		-30	-84		195	82
June		-10	-118		319	284
July		62	78		414	261
August		208	339		327	227
September		-173	-406		258	-157
October		259	71		123	379
November		146	234		-102	55
December		p/ -346	-161		p/ 545	-80
Year		p/ 685	378		p/1,594	1,004

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/ Includes 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.

## Exhibit K

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 - December	198	178	20	--	193	75
1963 - January	234	215	--	19	344	48
February	186	125	35	26	367	63
March	394	372	--	22	570	--
April	409	263	--	146	431	134
May	149	149	--	--	389	43
June	348	348	--	--	372	460
July	199	180	--	19	279	60
August	236	218	--	18	329	20
September	237	215	--	22	135	--
October	446	380	--	66	743	174
November	180	117	--	63	373	200
December	547	515	--	32	111	--

## Large Individual Issues Offered January 1 through 24

Issuer	Type	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<b>CORPORATE</b>						
General Amer. Transp. Corp.	Equip. tr. cert.	40.0	1984	4-5/8	4.59	A
New York Tel. Co.	Deb.	130.0	2004	4-5/8	4.53	Aaa
Transcontinental Gas P.L. Corp.	1st mtg. p.l. bds.	40.0	1984	4-3/4	4.82	Baa
*Pan American World Airways	Conv. sub. deb.	60.0	1984	4-1/2	4.50	Ba
Texas Power & Light Co.	S.F. deb.	15.0	1989	4-1/2	4.45	Aa
*Potomac Elec. Power Co.	Com. stk.	21.7				
<b>STATE AND LOCAL GOVERNMENT</b>						
State of California	G.O.	80.0	1965-90	n.a.	2.10-3.35 <sup>4/</sup>	Aa
Alabama Highway Auth.	Rev.-Q.Ut.	15.0	1970-84	3.44	2.75-3.47	A
Public Housing Auth.	--	140.3	1964-2004	3.36	1.90-3.50	Aaa
Toledo Lucas Co. Port Auth., Ohio	Rev.-Rent.	18.9	1964-84		2.80-3.60	
	Rev.-Rent.	46.9	2004	3.96	3.95	--
St. Louis Met. Swr. Dist., Mo.	G.O.	16.0	1965-84	3.00	2.00-3.10	Aa
Greater Johnstown Wtr. Auth. Pa.	Rev.-Ut.	11.8	1965-2004	3.88	2.25-3.90	A
Dallas, Texas	G.O.	12.0	1965-84	3.00	2.10-3.10	A
New York City, N.Y.	G.O.	114.4	1965-94	3.20	2.10-3.60	A

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## Large Individual Issues Offered January 1 through 24 (cont'd.)

Issuer	Type	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offer- ing yield	Rating
<b>STATE AND LOCAL GOVERNMENT</b> (continued) Philadelphia Sch. Dist., Pa.	G.O.	15.0	1966-89	3.15	2.25-3.30 <sup>5/</sup>	A
<b><u>OTHER</u></b>  None						

\*--Rights offering. n.a.--Not available.

- 1/ Includes corporate and other security offerings of \$15 million and over; State 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 due 1989 and 1/4 per cent bonds due 1990 not publicly reoffered.
- 5/ 1/20 per cent bonds due 1989 reoffered to yield 4.40%.



## Exhibit L

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 - Dec. 28	269	177	25	314	311	25
1963 - Jan. 31	167	376	--	412	843	33
Feb. 28	142	458	--	572	755	--
Mar. 29	376	381	45	421	763	45
Apr. 30	149	447	40	234	599	40
May 31	223	255	460	288	582	460
June 28	170	142	75	215	287	75
July 31	221	329	20	267	512	20
Aug. 31	158	210	--	183	468	--
Sept. 30	240	561	--	240	757	--
Oct. 31	145	255	--	145	401	--
Nov. 29	392	137	--	1,992	349	--
Dec. 31	305	469	--	1,905	731	--

## Forthcoming Large Offerings, as of January 24

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>CORPORATE</u>			
American Tel. & Tel. Corp.	Com. stk.	1,600.0	April (rts. ex.)
*Northern Natural Gas Co.	Deb.	50.0	February 10
*Dallas Pwr. & Lt. Co.	S.F. deb.	15.0	February 12
*Potomac Edison Co.	1st mtg. bds.	16.0	February
*Southern Co.	Com. stk.	30.0	February
<u>STATE AND LOCAL GOVERNMENT</u>			
Dural Co. Spec. Tax Sch. Dist. No. 1, Fla.	Rev.-S.T.	10.0	January 28
Commonwealth of Massachusetts	G.O.	33.4	January 28
Commonwealth of Puerto Rico	G.O.	53.0	January 29
*Bowling Green, Ky.	G.O.	10.0	January 29
State of Delaware	G.O.	24.8	February 4
Milwaukee, Wisconsin	G.O.	15.6	February 4
Chesterfield Co., Va.	G.O.	11.5	February 5
*Fort Worth, Texas	G.O.	14.1	February 8
*State of Oregon	G.O.	30.0	February 11
Milwaukee Co., Wisconsin	G.O.	12.1	February 18
Penna. Gen. State Auth.	Rev.-Rent.	50.0	February 18
*Buffalo, New York	G.O.	14.3	February 20
*Prince Georges Co., Md.	G.O.	18.9	February 25
Alabama State Docks Dept.	Rev.-Q.Ut.	10.0	February 27

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## Forthcoming Large Offerings, as of January 24 (Cont'd.)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>STATE AND LOCAL GOVERNMENT</u> (cont'd.)			
Jacksonville Expressway Auth., Fla. Pittsburgh, Pa. Dade County, Florida Houston, Texas	Rev.-Q.Ut.. G.O. G.O. G.O.	73.2 35.0 46.0 11.1	February-March Indefinite Indefinite 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.

Exhibit M

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
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A. Sold November 1 through January 24

12/24	3.0	Province of Sante Fe, Republic of Argentina - 7% Treasury bonds, maturing 1969, offered to yield 9.45%
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B. Prospective Offerings

2/27	7.5	Tubos de Acero de Mexico, S.A. - convertible debenture
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## Part II: Private Placement--Reported November 1 through January 24

Date reported	Amount (millions of dollars)	Issuer and Description of Issue
11/27	15.0	Home Oil Co., Ltd.--6-1/4% collateral trust bonds, maturing 1983, placed at par--no information available on takedown
1/7	14.0	Laurentide Financial Corp., Ltd.--5-1/4% collateral trust notes, maturing 1989--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 takedown 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.