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February 3, 1964.

**CAPITAL MARKET DEVELOPMENTS  
IN THE UNITED STATES**

(Including Review of Sources and Uses of Funds  
of Financial Intermediaries in November  
and Capital Markets in January)

The volume of public security financing to obtain new capital was light last week and will be even lighter this week. No large corporate issues were publicly offered last week, but four large State and local government bond issues totaling \$106 million were sold. Again this week, ending ~~JANUARY 3~~, no large corporate issues are scheduled, and only three State and local issues with par value of \$52 million are on the calendar.

Bond yields. Changes in yields on seasoned, long-term bonds were mixed but minor last week. Yields on Aaa- and Baa-rated corporate bonds eased a basis point each to 4.37 and 4.82 per cent, respectively, with the latter at its lowest level since September 1958. Aaa-rated State and local government bond yields, however, which had been generally declining since their late November peak, rose one basis point to 3.08 per cent. U. S. Government bond yields and those on lower-grade municipals were stable.

Short- and intermediate-term interest rates. Rates on 3-month and 6-month Treasury bills dropped two basis points each last week to 3.50 and 3.61 per cent, respectively; yields on 3-5 year U. S. Government obligations, however, were unchanged. As a result of the change in the advertised rates on 90-179 day directly-placed finance company paper announced the previous week, the average rate on such paper fell three basis points further to 3.75 per cent. The average effective Federal funds rate increased five basis points to 3.50 per cent. Other rates were unchanged.

Mortgage recordings. Seasonally adjusted nonfarm mortgage recordings of \$20,000 or less declined moderately further in October, the latest month available on a three-month moving average. The monthly rate of \$3,134 million was 7 per cent above a year earlier, however, and within 2 per cent of the record high in August.

Conventional mortgages accounted for 76 per cent of the total amount recorded in November. This compared with 74 per cent a year earlier and 73 per cent in November of 1959.

The average size of mortgage recordings in the "\$20,000-or-less" category contracted slightly in November to \$9,438 or 110.7 per cent of the 1959 average. While the average in recent months has tended to recede from the high reached last August, it has continued in excess of a year earlier.

Stock prices. Common stock prices, as measured by Standard and Poor's composite index of 500 stocks, changed little on balance last week, closing on January 31 at 77.04. Trading volume averaged 4.5 million shares a day, down 0.8 million shares from the previous week.

February security estimates. Corporate security financing to obtain new capital in February is expected to be fairly light and State and local government bond sales will probably be in only moderate volume.

New corporate security financing is expected to total \$650 million in February, one-eighth less than the revised estimate for last month, but about one-tenth larger than last February's small volume.

February bond sales by State and local governments will probably aggregate \$750 million, one-sixth less than in January but slightly more than a year earlier. Large issues definitely scheduled for sale total \$316 million.

Capital markets in January. The capital markets were strong in January. New security financing was fairly substantial, but nearly all major new issues were quickly distributed and bond yields generally declined.

Corporate security financing to obtain new capital aggregated \$750 million in January, two-fifths less than the very large December volume (which, however, included the usual large takedowns of private placements at the year-end), but one-fourth more than the January average for the two previous years. Large issues for new capital sold publicly totaled \$307 million: \$225 million of nonconvertible bonds--slightly more than last January but less than half of the December total; a \$60 million convertible bond issue--the first since last February; and a \$22 million common stock offering.

Investor demand for the new corporate issues was quite strong and all new issues were quickly distributed, most being quoted at a premium by month-end. As a result, new issue yields declined and unsold syndicate balances at the end of month were zero. Yields on new corporate bonds, adjusted to an Aaa basis, averaged 4.41 per cent late in the month, nine basis points less than the peak reached early in the month and the lowest since early December. Yields on seasoned bonds, however, changed little.

State and local government bond sales totaled \$900 million in January, more than twice the small December volume and close to one-fourth more than a year earlier. Investment demand was strong, however, and most new issues were quickly distributed to investors. As a result, both dealers' advertised inventories of unsold securities and municipal bond yields fell moderately further. Dealers' inventories of unsold securities fell to around \$410 million shortly after mid-month, the lowest since the fall of 1962; subsequently they increased to just under

\$500 million but remained slightly below the month-earlier level. Yields on Aaa-rated municipal bonds declined 3 basis points on balance to 3.08 per cent at month-end, 10 basis points below their November high.

Common stock prices advanced moderately further during January in active trading. Prices, as measured by Standard and Poor's composite index of 500 stocks, rose almost three per cent on balance to close at 77.04 on January 31, only slightly below the all-time peak reached a few days earlier.. Trading volume averaged 5.3 million shares a day, substantially more than in December but about the same as in other recent months.

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 \$1.5 billion, 4 per cent less than a year earlier. Inflows at all three types of institutions were smaller than in 1962; the sharpest reductions in growth were in assets of life insurance companies and deposits at mutual savings banks, although the former reflected in part valuation adjustments. (Time and savings deposits at commercial banks rose \$0.2 billion in November, the same as in November 1962.)

Growth in assets of life insurance companies amounted to \$0.6 billion in November, 23 per cent less than a year earlier; this decline was due in large part to a nominal decline in the market value of common stock holdings (included in other assets) this November compared with sizeable appreciation in 1962. Holdings of business securities rose \$0.4 billion, four times the November 1962 increase; net acquisitions of long-term bonds and stocks amounted to \$0.3 billion, twice as much as a year earlier, while holdings of short-term commercial and finance company paper rose \$0.1 billion, in contrast to a slight reduction in November 1962. Mortgage acquisitions, however, at \$0.3 billion, were one-sixth less than their very large purchases a year earlier; November was the first month in 1963 that mortgage acquisitions had been less than a year earlier. Holdings of cash and U. S. Government securities fell \$0.1 billion in November, whereas they had risen by roughly an equivalent amount a year earlier.

Savings capital at savings and loan associations increased \$0.8 billion in November, six per cent less than in November 1962 because of a larger increase in withdrawals than in new deposits. Net mortgage acquisitions also amounted to \$0.8 billion, a record for the month but only slightly more than a year earlier. The increase in holdings of cash and U. S. Governments, at \$0.2 billion, was about one-tenth larger than in November 1962, but borrowings, which had been reduced slightly a year earlier, rose \$59 million.

Deposits at mutual savings banks expanded \$0.1 billion in November, one-fifth less than a year earlier, as a decline in new deposits was combined with a small increase in withdrawals. Mortgage holdings rose \$0.3 billion, a November record and almost one-fifth more than a

year earlier. Holdings of business and miscellaneous securities, however, fell \$0.1 billion whereas they had increased somewhat a year earlier, but the drop in holdings of cash and Governments (\$22 million) was less than one-half that in November 1962.

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**

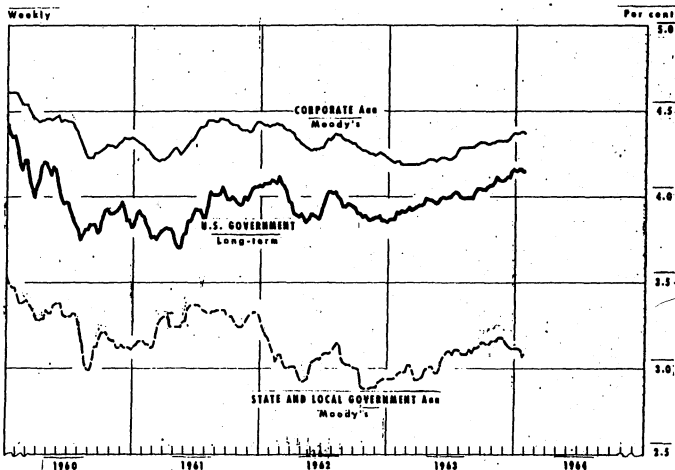


Exhibit A - Part II

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 (11/8)	.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
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	4.38	4.15	3.07	.23	1.08
Jan. 31 p/	4.37	4.15	3.08	.22	1.07

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

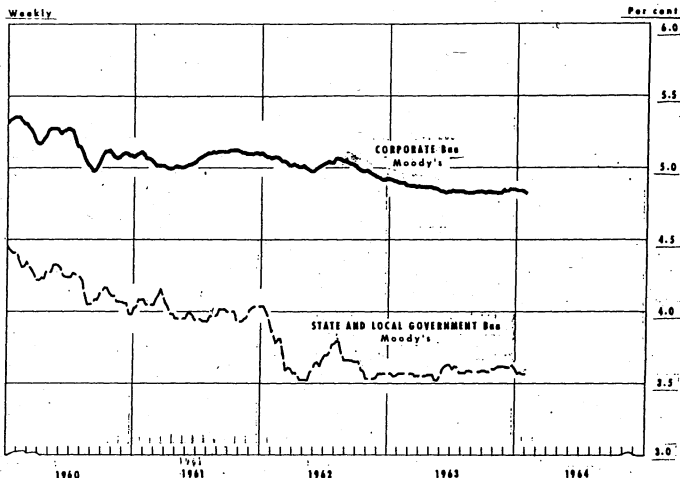


Exhibit B - Part II

Date	Corporate Baa 1/	State and local govt. Baa 3/	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
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	4.83	3.56	.45	.49
Jan. 31 p/	4.82	3.56	.45	.48

Note: For footnotes see Exhibit A.

## SHORT- AND INTERMEDIATE-TERM INTEREST RATES, GOVERNMENT

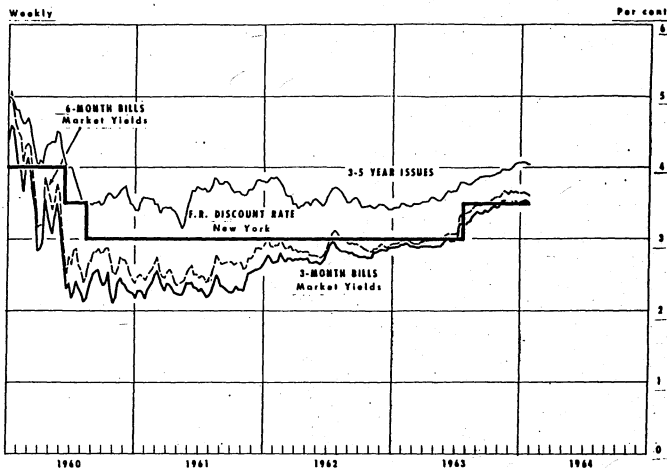


Exhibit C - Part II

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	3.50	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
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	3.50	3.52	3.63	4.04	.11	.52
Jan. 31 p/	3.50	3.50	3.61	4.04	.11	.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.

## EXHIBIT D, Part I

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

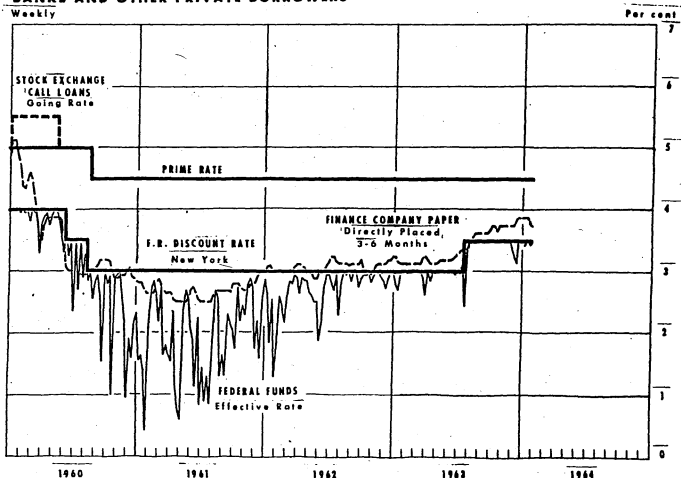


Exhibit D - Part II

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)				
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
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	4.50	4.50	3.78	3.45	.26
Jan. 31 p/	4.50	4.50	3.75	3.50	.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.

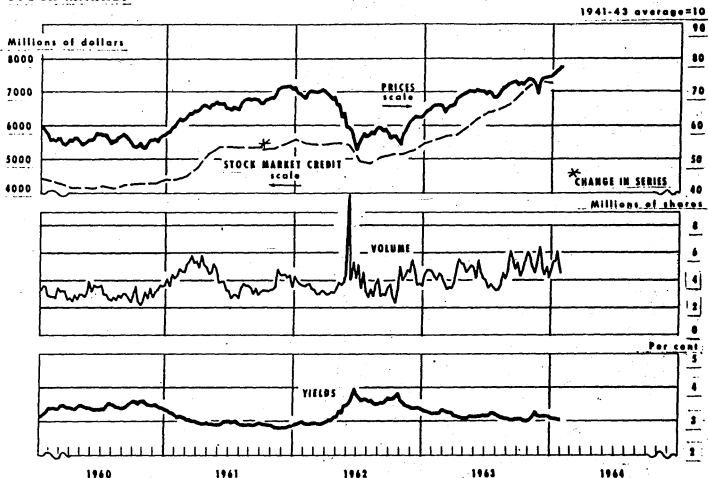
3/ Weekly average of daily effective rate, which is the rate for the heaviest volume of purchase and sale transactions as reported to the Federal Reserve Bank of New York.

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.



## 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)						
1961-62 - High Low	72.04 (12/8/61)	2.82	10.1	5,602(12/61)	4,259 (12/61)	1,377(8/30/61)
	52.68 (6/22/62)	3.96	2.4	4,876(7/62)	3,562 (7/62)	1,269(9/26/62)
1963 - High Low	74.44(12/27)	3.01	6.4	7,298(11/63)	5,586(11/63)	1,738(12/25)
	64.10(3/1)	3.36	3.2	5,595(1/63)	4,208(1/63)	1,378(2/23)
December	74.17	3.13	4.7	7,241	5,514	1,727
January	76.45	3.05	5.3	n.a.	n.a.	n.a.
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	77.11	3.03	5.3	n.a.	n.a.	1,720
Jan. 31 p/	77.04	3.03	4.5	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. High and low 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.

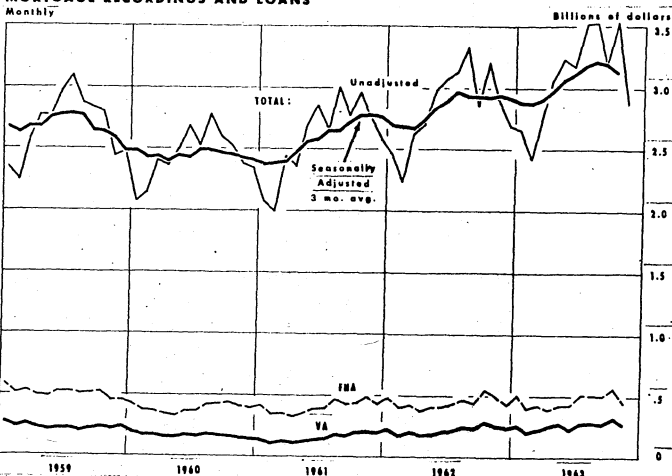
MORTGAGE RECORDINGS AND LOANS <sup>1/</sup>

Exhibit F - Part II

Date	Total		Unadjusted			Average size of recordings (1959 = 100) 3/
	Seasonally adjusted 2/	Unadjusted	FHA	VA	Other	
(Millions of dollars)						
62 - Nov.	2,939	2,883	492	254	2,137	109.7
Dec.	2,916	2,682	429	236	2,017	110.2
63 - Jan.	2,876	2,658	504	254	1,900	109.8
Feb.	2,869	2,424	400	202	1,822	108.7
Mar.	2,907	2,751	416	219	2,116	110.4
Apr.	2,986	3,065	392	245	2,428	110.6
May	3,066	3,233	415	260	2,558	111.7
June	3,121	3,177	419	226	2,532	112.8
July	3,183	3,515	511	265	2,738	112.6
Aug.	3,213	3,525	508	278	2,739	113.5
Sept.	3,189	3,177	505	267	2,404	111.2
Oct.	3,134	3,534	568	316	2,650	111.5
Nov.	n.a.	2,880	445	258	2,177	110.7

n.a. - Not available.

<sup>1/</sup> Total recordings data are estimates based on reports from about 450 areas and include mortgages of \$20,000 or less secured by nonfarm real estate, primarily residential properties. FHA-insured loans represent gross amount of insurance written, and VA-guaranteed loans the gross amount of loans closed, on 1-4 family houses. Other recordings data are derived as a residual, although total recordings and VA and FHA loans are not strictly comparable in concept or timing.

<sup>2/</sup> Three-month moving average, seasonally adjusted by Federal Reserve.

<sup>3/</sup> This index relates the average size of mortgage recordings for each month (total dollar recordings divided by number of mortgage recordings) to the average size during 1959.

Sources: Federal Home Loan Bank Board, Federal Housing Administration and Veterans Administration.  
Federal Reserve Bank of St. Louis

## YIELDS ON NEW AND SEASONED CORPORATE BONDS

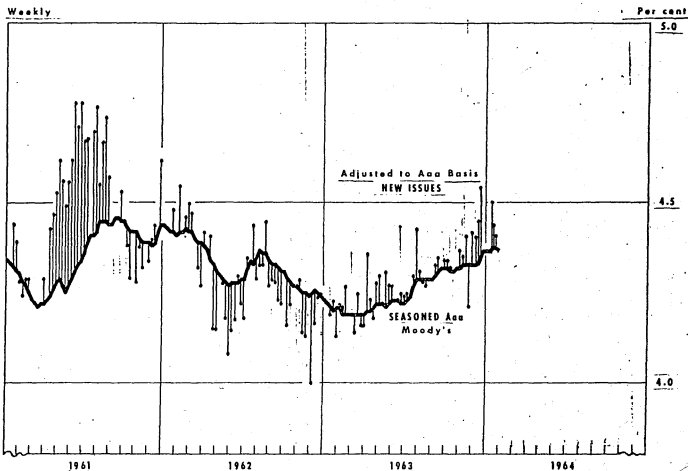


Exhibit G - Part II

## 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	1964			
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	31	--	--	--
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/ 750	613	592	e/ 900	p/ 732	876
February	e/ 650	594	859	e/ 750	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  
y the cost of flotation. 2/ For total see Exhibit H; other issuers are extractive, railroad  
d other transportation, real estate and finance and commercial and other. Source.--Securi-  
ties and Exchange Commission.

## 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 pf. stock	Memo: foreign issues included	Mfg.	Public utility	Communi- cations	Other is- suers
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	933	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.									

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.

## 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		
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	--
1964 - January	307	225	60	22	577	--

## Large Individual Issues Offered during January

Issuer	Type	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>CORPORATE</u>						
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.	60.4	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				
<u>STATE AND LOCAL GOVERNMENT</u>						
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

## Large Individual Issues Offered during January (cont'd.)

Issuer	Type	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offer- ing yield	Rating
<u>STATE AND LOCAL GOVERNMENT</u> (continued)						
New York City, N.Y.	G.O.	114.4	1965-94	3.20	2.10-3.60	A
Philadelphia Sch. Dist., Pa.	G.O.	15.0	1966-89	3.15	2.25-3.30 <sup>5/</sup>	A
Duval Co. Spec. Tax Sch. Dist. No. 1, Fla.	Rev.-S.T.	10.0	1969-81	2.97	2.50-3.00	Aa
Commonwealth of Mass.	G.O.	33.4	1965-2014	3.02	2.00-3.60	Aa
Commonwealth of Puerto Rico	G.O.	53.0	1965-89	3.36	2.05-3.46	A
Bowling Green, Ky.	Rev.-Ut.	10.0	1965-2003	4.03	2.75-4.00	Ba
<u>OTHER</u>						
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 2/	Corporate	State and local govt.	Other 2/
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	--
1964 - Jan. 31	155	316	--	1,771	667	--

## Forthcoming Large Offerings, as of January 31

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>Corporate</u>			
Northern Natural Gas Co.	Deb.	50.0	February 10
Dallas Pwr. & Lt. Co.	S.F. deb.	15.0	February 12
Southern Co.	Com. stk.	30.0	February 18
Potomac Edison Co.	1st mtg. bds.	16.0	March 11
*Southern Cal. Ed. Co.	1st & ref. mtg. bds.	60.0	February 26
American Tel.&Tel. Corp.	Com. stk.	1,600.0	April (rts. ex.)
<u>State and Local Government</u>			
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
State of Oregon	G.O.	30.0	February 11
Fort Worth, Texas	G.O.	14.1	February 18
Milwaukee Co., Wisconsin	G.O.	12.1	February 18
Penna. Gen. State Auth.	Rev.-Rent.	50.0	February 18
*State of California	G.O.	100.0	February 18
*Texas Water Div. Bd.	G.O.	15.0	February 19
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 31 (Cont'd.)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>State and Local Government</u> (cont'd.)			
Jacksonville Expressway Auth., Fla.	Rev.-Q.Ut.	73.2	February-March
*City of Tacoma, Wash.	Rev-Ut.	50.0	March 17
*Sabine River Auth., New Orleans, La.	G.O.	15.0	March 24
*Sabine River Auth. of Texas, Orange, Tex.	G.O.	15.0	March 24
*Delaware River & Bay Auth. Pittsburgh, Pa.	Rev.-Q.Ut.	105.0	March
Dade County, Florida	G.O.	35.0	Indefinite
Houston, Texas	G.O.	46.0	Indefinite
	G.O.	11.1	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.

H.14

## 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
--------------	------------------------------------	---------------------------------

## A. Sold November 1 through January 31

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

2/6	7.5	Tobos de Acero de Mexico, S.A. - convertible debenture
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## Part II: Private Placement--Reported November 1 through January 31

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.

## Exhibit N

Sources and Uses of Funds by  
Life Insurance Companies

	Uses of Funds 1/							Total sources or uses
	Cash	U. S. Govt. securi- ties	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:	(In millions of dollars)							
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 - Dec.	1,411	6,189	53,469	341	4,060	46,980	20,719	133,169
1963 - Nov.	1,323	5,787	55,606	792	3,889	49,553	22,997	140,207
Changes:								
1961 - 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	121	665
Nov.	40	-46	211	16	44	237	149	651
Dec.	13	-261	505	-178	23	382	325	809
1962 - Jan.	-99	223	65	225	29	149	145	737
Feb.	1	25	156	43	3	114	100	442
Mar.	-75	-76	135	52	117	143	60	356
Apr.	12	91	44	179	-15	119	27	457
May	4	-24	265	-53	-12	197	-17	360
June	-22	-95	248	-118	12	198	-14	209
July	58	121	132	72	11	139	148	681
Aug.	-24	-21	206	31	25	237	149	602
Sept.	42	-48	182	20	12	178	87	473
Oct.	12	28	136	69	-21	296	162	679
Nov. <u>p/</u>	35	36	135	-40	-17	332	290	771
Dec.	111	-216	395	-318	-2	600	94	664
p/1963 - Jan.	-128	123	52	184	28	223	360	842
Feb.	-17	-69	159	46	-8	145	233	485
Mar.	-73	-211	233	19	-17	270	256	477
Apr.	-14	-19	160	81	-27	292	160	633
May	29	-162	367	-139	-36	255	312	626
June	-1	-94	219	-50	-19	256	151	462
July	54	86	156	105	-27	244	354	972
Aug.	-10	-33	106	88	-19	299	260	691
Sept.	87	14	186	-56	-43	269	-54	402
Oct.	6	5	225	64	1	303	242	847
Nov.	-21	-42	274	109	-4	277	4	597
Dec.								

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

2/ Includes securities of domestic corporations only. Source.--Institute of Life Insurance.

3/ Revised p/ Preliminary

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Federal Reserve Bank of St. Louis

## Exhibit O

Sources and Uses of Funds by  
Savings and Loan Associations

	Uses of funds 1/				Total sources or uses	Source of funds		
	Cash	U. S. Govt. secur- ities	Mort- gages 2/	Other assets		Net change savings capital	Borrow- ing 3/	Other
Value of assets at end of period:	(In millions of dollars)							
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	71,476	62,142	2,197	7,137
1961 - Dec.	3,315	5,211	68,834	4,775	82,135	70,885	2,856	8,394
1962 - Dec.	3,926	5,563	78,770	5,346	93,605	80,236	3,629	9,740
1963 - Nov.	3,482	6,543	89,857	6,154	106,041	89,471	4,464	12,106
Changes:								
1961 - July	-216	-9	741	-144	372	124	--	248
Aug.	-81	65	915	84	983	507	132	344
Sept.	51	-2	809	82	940	679	128	133
Oct.	82	43	811	107	1,043	724	75	244
Nov.	84	79	757	203	1,123	779	79	265
Dec.	437	44	745	-53	1,173	1,495	415	-737
1962 - Jan.	-354	182	518	-105	241	494	-381	128
Feb.	96	95	592	39	822	565	-98	355
Mar.	128	35	784	95	1,042	918	-81	205
Apr.	-77	-43	830	93	803	374	125	304
May	10	-8	962	401	1,365	761	98	506
June	258	-64	1,006	-62	1,138	1,395	364	-621
July	-384	46	880	-178	364	25	89	250
Aug.	-37	-8	1,003	100	1,058	635	91	332
Sept.	82	42	829	83	1,036	857	96	83
Oct.	93	35	944	40	1,112	815	36	261
Nov.	100	46	790	164	1,100	857	-23	266
Dec.	696	-6	798	-99	1,389	1,655	457	-723
1963 - Jan.	-333	188	671	-108	418	985	-737	170
Feb.	106	172	696	46	1,020	844	-195	371
Mar.	90	177	905	117	1,289	1,195	-96	190
Apr.	-139	35	1,061	92	1,049	478	124	447
May	-37	-24	1,178	394	1,511	969	115	427
June	237	90	1,244	-29	1,542	1,642	594	-694
July	-449	70	1,103	-150	574	-36	254	356
Aug.	-48	-38	1,208	151	1,273	643	224	406
Sept.	30	112	1,097	38	1,277	916	296	65
1963 - Oct.	67	74	1,118	82	1,341	795	197	349
Nov.	32	129	806	175	1,142	804	59	279
Dec.								

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/ Advances from Home Loan Banks and other borrowing. Source--FSLIC.

## Exhibit P

Sources and Uses of Funds  
by Mutual Savings Banks

	Uses of funds 1/						Total sources or uses	Sources of fund	
	Cash	U. S. Govt. secur-ities	Busi-ness secur-ities 2/	State & local govt. secur-ities	Mort-gages	Other		Net change in deposits	Other
Value of assets at end of period:									
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 - Dec.	957	6,089	5,188	528	32,070	1,284	46,118	41,582	4,536
1963 - Nov.	811	5,861	5,031	450	35,665	1,436	49,303	44,305	4,999
Changes:									
1961 - 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	-36	-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	255	-118	250	83	167
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	424	-118
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.	124	-26	-4	-15	236	28	345	545	-200
1963 - Jan.	-137	39	-4	-15	436	13	330	229	101
Feb.	51	31	-11	-11	320	-6	375	215	160
Mar.	21	260	-9	-26	313	49	610	526	84
Apr.	-61	-241	-72	-5	327	-58	-111	11	-122
May	22	-25	-5	-8	357	52	592	232	160
June	37	13	19	-3	254	-11	306	422	-119
July	-63	-19	14	-3	314	11	254	137	118
Aug.	-18	-34	25	-1	300	71	344	174	171
Sept.	38	-61	43	-2	274	37	329	430	-102
Oct.	-28	-177	-22	-3	369	-42	97	198	-101
Nov.	-8	-14	-75	-2	321	38	259	118	141

r/ Revised. p/ Preliminary. c/ Corrected.

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.

Source: FRBSB and FDIC.