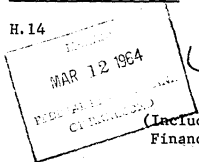


H.14

March 9, 1964.



CAPITAL MARKET DEVELOPMENTS
IN THE UNITED STATES

(Including Sources and Uses of Funds of
Financial Intermediaries During 1963)

Public security financing to obtain new capital was in relatively light volume last week, but will be in fairly substantial volume this week. Last week, ended March 6, no large corporate issues were offered, but three large State and local government bond issues amounting to \$76 million were sold. This week, ending March 13, new capital financing expected includes four large corporate issues with gross proceeds aggregating \$122 million and one \$50 million State and local issue. In addition, the Jacksonville Expressway Authority, Florida, has a \$135 million bond issue on the calendar; \$67 million of this issue will be used for the advance refunding of a similar amount of bonds first callable in 1967 and the remainder will provide new capital.

Bond yields. Yields on most seasoned, long-term bonds increased last week. Yields in Aaa-rated State and local government bonds rose three basis points to 3.12 per cent; this was the highest level since early last December, but still six basis points below the late November high. Lower-grade municipal yields advanced two basis points to 3.57 per cent, matching their high for the year. Aaa-rated corporate bond yields and those on U. S. Government bonds edged up one basis point each to 4.36 and 4.16 per cent, respectively, with the latter at the previous high for the year. Yields on Baa-rated corporate bonds were stable.

Short- and intermediate-term interest rates. Rates on 3-month Treasury bills were unchanged last week, but those on 6-month bills rose two basis points further to 3.74 per cent, the highest level since the winter of 1960. Yields on 3-5 year U. S. Government obligations increased five basis points to 4.10 per cent, the highest since June 1960. Reflecting the full effect of the advertized rate change the previous week, the average rate on directly-placed finance company paper with 90-179 day maturity increased 10 basis points to 3.88 per cent, equaling the high for the year. The average effective Federal funds rate, however, dropped 30 basis points to 3.20 per cent. Other rates were unchanged.

Mortgage recordings. Seasonally adjusted nonfarm recordings of \$20,000 or less changed little in November, the latest month available on a three-month moving average basis. The monthly rate of \$3,149 million continued 7 per cent above a year earlier and within 2 per cent of the high in August.

Stock prices. Common stock prices advanced moderately further last week in active trading. Prices as measured by Standard and Poor's composite index of 500 stocks, increased one-half of one per cent to close at an all-time high of 78.31 on March 6. Trading volume averaged 5.3 million shares a day, slightly less than the previous week.

Sources and Uses of Funds of Financial Intermediaries during 1963.

December flows

The net inflow of savings during December at three major types of financial intermediaries--life insurance companies, savings and loan associations and mutual savings banks--totaled a record \$3.0 billion, 3 per cent more than a year earlier. Moderately larger inflows than a year earlier of both savings capital at savings and loan associations and deposits at mutual savings banks more than offset a smaller growth in assets of life insurance companies. (Time and savings deposits at commercial banks are estimated to have risen \$2.3 billion between the end of November and December 31, 8 per cent more than in the same month of 1962.)

Annual flows

Inflow at these three major types of financial institutions during 1963 amounted to a record \$22 billion, 17 per cent more than the previous peak set in 1962. Growth at all three types of institutions was in record volume and sharply larger than in the previous year; the largest gains were in assets of life insurance companies and savings capital at savings and loan associations. Inflows to savings and loan associations and mutual savings banks slowed somewhat late in the year, and second half flows were smaller than in the first six months.

Time and savings deposits at commercial banks increased an estimated \$14.6 billion in 1963, 6 per cent less than the 1962 postwar record. Moreover, passbook savings--the type most nearly comparable to savings at mutual savings banks and savings and loan associations--accounted for only about two-fifths of last year's gains, compared with one-half of the larger 1962 total.

Life insurance companies

Assets of life insurance companies rose a record \$7.7 billion in 1963, 19 per cent more than in the previous year. About eight-tenths of the year-over-year increase of \$1.3 billion, however, reflected changes in the valuation of assets (principally common stocks); in 1963 unrealized capital gains amounted to about \$0.6 billion, whereas unrealized losses a year earlier were about \$0.4. The 1962-63 increase after adjustment for these valuation changes was less than 5 per cent.

Expansion in holdings of business securities totaled \$2.6 billion last year, 14 per cent more than the previous year, but slightly less than the record 1961 gain. Net acquisitions of domestic corporate debt amounted to a record \$2.1 billion (including only \$40 million in short-term commercial and finance company paper, compared with \$155 million in 1962), up 8 per cent from the record of the previous year; holdings of common and preferred stocks increased \$0.5 billion, two-fifths more than the previous year, but one-third less than the record 1961 gain. Mortgage acquisitions amounted to \$3.6 billion, nearly one-third more than in the previous year and about the same as the 1956 peak. Holdings of U. S. Government securities were reduced \$0.4 billion, in contrast to a \$0.1 billion increase in 1962, and State and local government security holdings were cut back \$0.2 billion, also in contrast to a moderate increase the previous year. Acquisition of foreign corporate bonds (\$0.3 billion) were nominally less than in 1962, while foreign government bond acquisitions (\$0.4 billion) were moderately larger; virtually all of these acquisitions (included in other assets) took place prior to the proposal for an interest equalization tax on foreign securities.

Savings and loan associations. Growth in savings capital at savings and loan associations amounted to a record \$11 billion last year, 17 per cent larger than in 1962. Virtually all of this gain over 1962, however, took place during the first half of the year when the net inflow of savings capital was over one-third larger than in the comparable period a year earlier; net inflows during the last half of the year were about the same as in 1962.

Mortgage acquisitions, at \$12.1 billion, were also in record volume and one-fifth more than in the previous year. The increase in cash and U. S. Government security holdings (\$0.9 billion), however, was moderately less than in 1962. In order to finance the larger increase in investments than in savings capital, these associations borrowed a record \$1.4 billion, close to twice as much as in the previous year.

Mutual savings banks. Deposits at mutual savings banks rose a record \$3.6 billion last year, 9 per cent more than in 1962. As in the case of savings and loan associations, all of this increased growth occurred during the first half of the year; the deposit gain during the last half of the year was 4 per cent less than during the corresponding period of 1962.

Mortgage holdings rose a record \$3.9 billion, one-fourth more than in the previous year, while the net reduction in holdings of State and local government securities (\$80 million) was only about one-half that of the previous year. Cash and Government security holdings and those of business and miscellaneous securities, however, were reduced \$0.3 and \$0.1 billion, respectively, in contrast to small net acquisitions during 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.

Sources and Uses of Funds of Major Types of Savings Institutions 1/
1955-1963

(In millions of dollars)

Year	Uses of funds						Total sources or uses	Sources of funds		
	Cash	U. S. Govt. secur- ities	Busi- ness secur- ities	Mort- gages	State & local govt. sec.	Other assets		Net change in deposits or savings capital	Borrow- ing	Other
<u>Life Insurance Companies</u>										
1963	31	-434	2,568	3,563	-184	2,190	7,734	--	--	--
1962 <u>1/</u>	64	36	2,261	2,707	135	1,272	6,475	--	--	--
1961	63	-293	2,629	2,435	296	2,110	7,240	--	--	--
1960	22	-430	2,025	2,578	385	1,346	5,926	--	--	--
1959	-56	-324	2,289	2,145	530	1,486	6,070	--	--	--
1958	69	154	2,479	1,821	314	1,434	6,271	--	--	--
1957	14	-526	2,495	2,241	124	950	5,298	--	--	--
1956	18	-1,026	1,972	3,569	236	808	5,577	--	--	--
1955	55	-476	2,126	3,497	165	832	6,199	--	--	--
<u>Savings and Loan Associations</u>										
1963	38	877	--	12,079	n.a.	832	13,826	10,969	1,382	1,475
1962 <u>1/</u>	611	352	--	9,936	n.a.	571	11,470	9,351	773	1,346
1961	635	616	--	8,764	n.a.	644	10,659	8,743	661	1,255
1960	497	118	--	6,929	n.a.	402	7,946	7,559	-190	577
1959	-402	658	--	7,514	n.a.	621	8,391	6,607	943	841
1958	439	646	--	5,578	n.a.	338	7,001	6,064	65	872
1957	27	391	--	4,278	n.a.	571	5,263	4,764	32	467
1956	52	440	--	4,268	n.a.	408	5,156	5,006	-211	361
1955	92	325	--	5,300	n.a.	320	6,023	4,890	596	537
<u>Mutual Savings Banks</u>										
1963	-47	-259	-83	3,911	-80	119	3,557	3,253	--	304
1962 <u>1/</u>	129	-47	135	3,155	-149	60	3,285	2,973	--	314
1961	-44	-103	-27	2,206	5	220	2,260	<u>1/</u> 2,020	--	<u>1/</u> 240
1960	43	-625	231	1,941	50	91	1,631	<u>1/</u> 1,370	--	261
1959	-70	-340	-81	1,868	-2	107	1,483	1,234	--	249
1958	31	-286	642	2,088	43	94	2,611	2,346	--	265
1957	-30	-419	808	1,422	13	63	1,857	1,663	--	194
1956	-45	-489	177	2,284	32	78	2,037	1,845	--	192
1955	-61	-288	-178	2,429	37	57	1,998	1,828	--	170

1/ Revised.

n.a.--Not available.

1/ For description of data see Exhibits N, O, and P.

Sources and Uses of Funds of Major Types of Savings Institutions ^{1/}
Fourth Quarter 1955-1963

(In millions of dollars)

Year	Uses of funds						Sources of funds			
	Cash	U.S. Govt. securities	Business securities	Mortgages	State & local govt. sec.	Other assets	Total sources or uses	Net change in deposits or savings capital	Borrowing	Other
<u>Life Insurance Companies</u>										
1963 p/	104	-69	652	1,310	-16	158	2,139	--	--	--
1962 r/	167	-160	377	1,233	-47	507	2,157	--	--	--
1961	83	-293	837	823	80	595	2,125	--	--	--
1960	147	-147	703	696	77	253	1,729	--	--	--
1959	152	-318	617	784	56	550	1,841	--	--	--
1958	148	-112	754	622	70	494	1,976	--	--	--
1957	143	-260	714	539	33	123	1,292	--	--	--
1956	198	-280	414	884	22	187	1,425	--	--	--
1955	113	-584	707	1,175	15	312	1,738	--	--	--
<u>Savings and Loan Associations</u>										
1963 p/	581	95	--	2,916	n.a.	281	3,873	3,333	803	-263
1962 r/	889	75	--	2,532	n.a.	105	3,601	3,327	470	-196
1961	603	166	--	2,313	n.a.	257	3,339	2,998	569	-228
1960	600	55	--	1,683	n.a.	182	2,520	2,597	309	-386
1959	363	-43	--	1,557	n.a.	159	2,036	2,085	414	-463
1958	270	192	--	1,603	n.a.	186	2,251	2,059	311	-119
1957	499	-47	--	949	n.a.	142	1,541	1,662	151	-272
1956	396	50	--	862	n.a.	128	1,433	1,604	83	-254
1955	453	15	--	813	n.a.	153	1,431	1,595	143	-307
<u>Mutual Savings Banks</u>										
1963 p/	63	-222	-85	1,016	-7	-37	728	877	--	-149
1962 r/	104	-207	26	813	-36	32	733	878	--	-145
1961	-40	-154	-71	557	-11	119	399	504	--	-105
1960	85	-266	87	496	-16	-26	360	480	--	-120
1959	104	-378	-60	393	-52	-7	--	126	--	-120
1958	55	-126	41	520	-11	-6	472	555	--	83
1957	107	-298	228	365	-3	-12	387	475	--	38
1956	85	-235	11	526	4	-4	387	511	--	124
1955	48	-197	-45	605	-15	6	399	464	--	65

p/ Preliminary.

n.a.--Not available.

^{1/} For description of data see Exhibits N, O, and P.

LONG-TERM BOND YIELDS, HIGH-GRADE

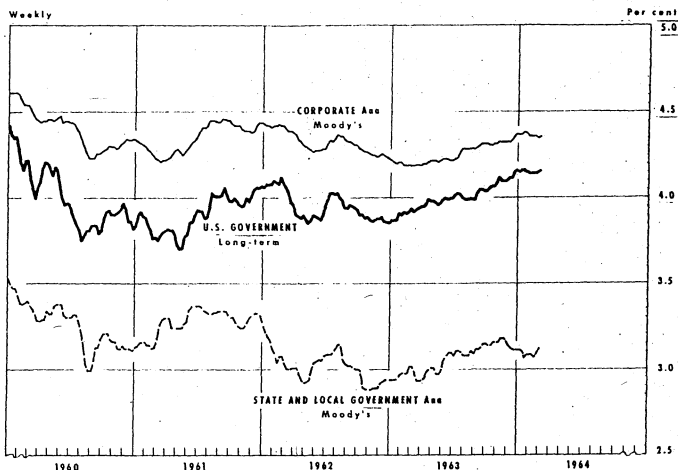


Exhibit A - Part II

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)					
1959-60 - High	4.61(1/29/60)	4.42 (1/8/60)	3.65 (9/24/59)	.59	.92
1961 - High	4.46(9/15)	4.07 (12/29)	3.37 (7/6)	.57	.76
Low	4.21(3/17)	3.70 (5/12)	3.12 (2/23)	.34	.46
1962 - High	4.43(2/16)	4.12 (2/23)	3.26 (1/4)	.47	1.04
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	.88
1964 - High	4.38(1/24)	4.16(3/6)	3.12(3/5)	.23	1.08
Low	4.35(2/28)	4.14(2/21)	3.07(2/20)	.20	1.04
Feb. 7	4.36	4.14	3.08	.22	1.06
Feb. 14	4.36	4.14	3.08	.22	1.06
Feb. 21	4.36	4.14	3.07	.22	1.07
Feb. 28	4.35	4.15	3.09	.20	1.06
Mar. 6 p/	4.36 ✓	4.16	3.12	.20	1.04

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.

LONG-TERM BOND YIELDS, LOWER-GRADE

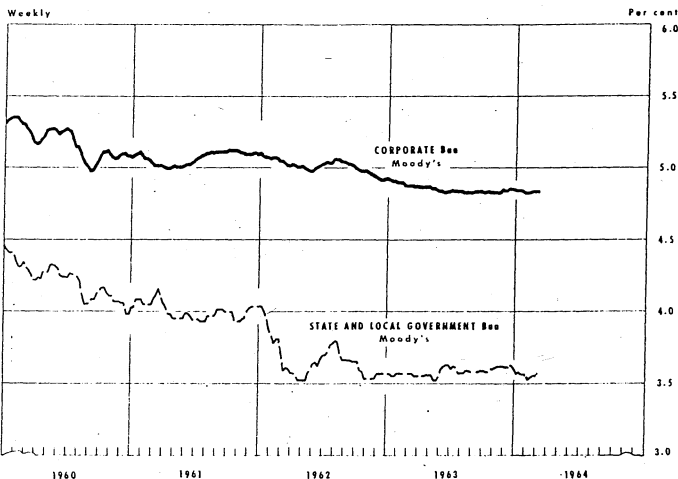


Exhibit B - Part II

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)				
1959-60 - High	5.36(2/12/60)	4.46(1/7/60)	.84	1.08
1961 - High	5.13(10/27)	4.16(3/23)	.81	.93
Low	5.00(4/21)	3.93(11/9)	.66	.57
1962 - High	5.11(1/5)	4.04(1/11)	.74	.82
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)	.48	.44
1964 - High	4.84(1/17)	3.57(3/5)	.48	.49
Low	4.82(2/7)	3.53(2/7)	.45	.45
Feb. 7	4.82	3.53	.46	.45
Feb. 14	4.83	3.54	.47	.46
Feb. 21	4.83	3.55	.47	.48
Feb. 28	4.83	3.55	.48	.46
Mar. 6 <u>P/</u>	4.83	3.57	.47	.45

Note: For footnotes see Exhibit A.

SHORT- AND INTERMEDIATE-TERM INTEREST RATES, GOVERNMENT

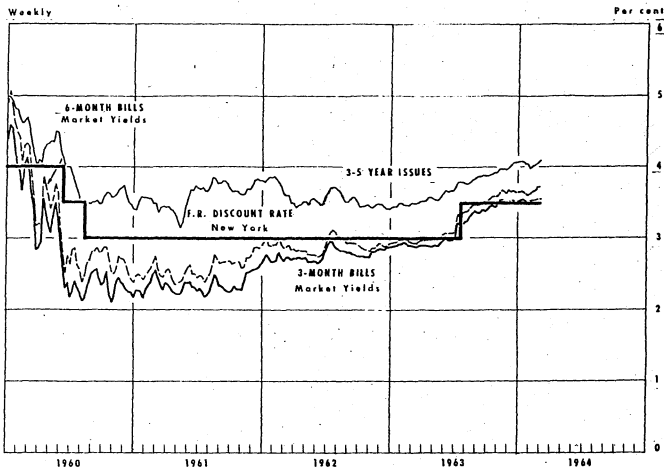


Exhibit C - Part II

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)						
1959-60 - High	4.00	4.59 (1/8/60)	5.07 (1/8/60)	5.00 (12/24/59)	.79	1.81
1961 - High	3.00	2.66 (12/29)	2.90 (1/29)	3.86 (8/11)	.44	1.51
Low	3.00	2.17 (1/27)	2.35 (4/28)	3.15 (5/12)	.12	.92
1962 - High	3.00	2.97 (7/13)	3.13 (7/20)	3.88 (2/2)	.24	1.19
Low	3.00	2.65 (6/8)	2.74 (6/8)	3.41 (12/28)	.02	.52
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
1964 - High	3.50	3.56 (3/6)	3.74 (3/6)	4.10 (3/6)	.18	.55
Low	3.50	3.50 (1/31)	3.61 (1/31)	3.99 (2/7)	.11	.48
Feb. 7	3.50	3.51	3.63	3.99	.12	.48
Feb. 14	3.50	3.52	3.66	4.00	.14	.48
Feb. 21	3.50	3.53	3.68	4.02	.15	.49
Feb. 28	3.50	3.56	3.72	4.05	.16	.49
Mar. 6 p/	3.50	3.56	3.74	4.10	.18	.54

1/ Weekly rate shown is that in effect at end of period at the Federal Reserve Bank of New York.
2/ Market yield; weekly averages computed from daily closing bid prices. Series of 3-5 year issues consists of selected notes and bonds.

Note.—Highs and lows are for individual series and may be on different dates for different series.
For spreads, high refers to widest, and low to narrowest.

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

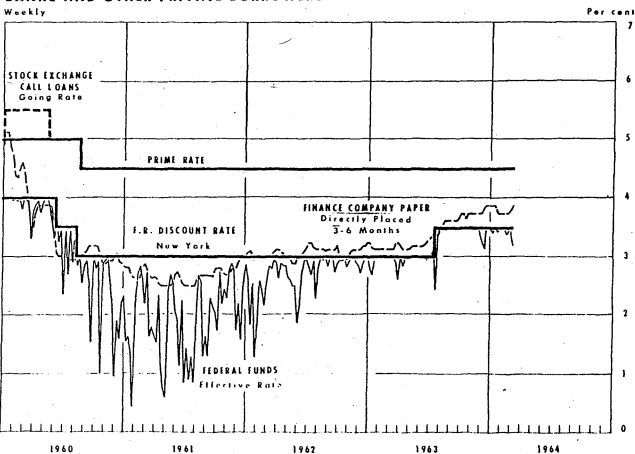


Exhibit D - Part II

Date	Stock exchange call loan <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)				
1959-60 High	5.50	5.00	5.13(1/22/60)	4.00 (5/13/60)	1.02
1961 - High	4.50	4.50	3.00(12/30)	2.90 (11/17)	.56
Low	4.50	4.50	2.50(8/5)	.43 (1/27)	.11
1962 - High	4.50	4.50	3.25(7/21)	3.00 (12/28)	.45
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)	.39
Low	4.50	4.50	3.13(5/31)	2.45 (7/26)	.12
1964 - High	4.50	4.50	3.88(3/6)	3.50(2/28)	.34
Low	4.50	4.50	3.75(2/21)	3.20(3/6)	.22
Feb. 7	4.50	4.50	3.75	3.50	.24
Feb. 14	4.50	4.50	3.75	3.50	.23
Feb. 21	4.50	4.50	3.75	3.40	.22
Feb. 28	4.50	4.50	3.78	3.50	.22
Mar. 6 p/	4.50	4.50	3.88	3.20	.32

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 - 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

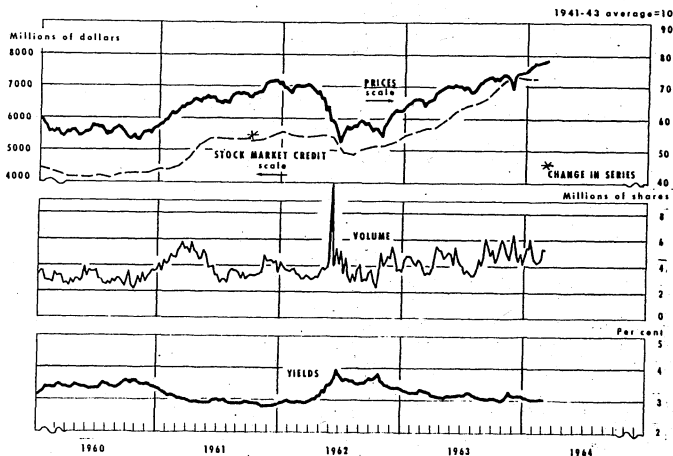


Exhibit E - Part II

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	72.04(12/8/61)	2.80	10.1	5,602(12/61)	4,259(12/61)	1,418(5/9/62)
Low	52.68(6/22/62)	3.96	2.4	4,424(1/61)	3,253(1/61)	1,161(3/8/61)
1963 - High	74.44(12/27)	3.01	6.5	7,298(11/63)	5,586(11/63)	1,738(12/25)
1964 - High	78.31(3/6)	3.03	6.1	7,250(1)	5,524(1)	1,741(2/12)
Low	75.50(1/3)	3.09	4.3	n.a.	n.a.	1,720(1/22)
January	76.45	c/ 3.06	5.3	7,250	5,524	1,726
February	77.37	c/ 3.05	4.6	n.a.	n.a.	1,736
Feb. 21	77.62	3.04	4.6	n.a.	n.a.	1,736
Feb. 28	77.80	3.06	5.3	n.a.	n.a.	1,736
Mar. 6 p/	78.31	3.04	5.2	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. Weekly reporting banks account for about 70 per cent of loans to others. For further detail see Bulletin.

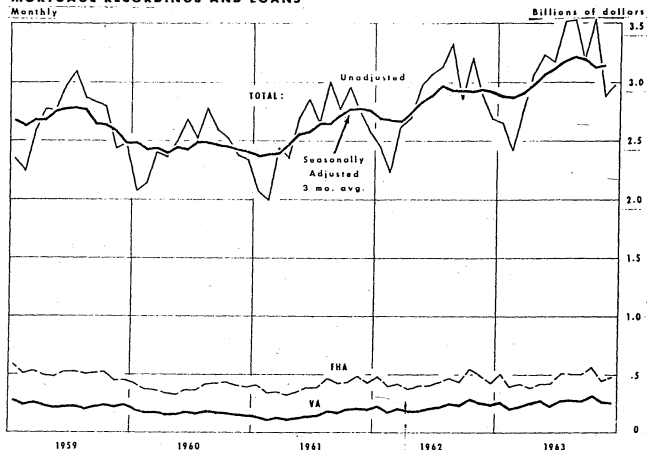
MORTGAGE RECORDINGS AND LOANS ^{1/}

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 - 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.	3,149	2,880	445	258	2,177	110.7	
Dec.	n.a.	2,987	487	255	2,245	111.3	

n.a.—Not available.

^{1/} 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.

^{2/} Three-month moving average, seasonally adjusted by Federal Reserve.

^{3/} 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.

Source: Federal Home Loan Bank Board, Federal Housing Administration and Veterans Administration.

EXHIBIT G, Part I

YIELDS ON NEW AND SEASONED CORPORATE BONDS

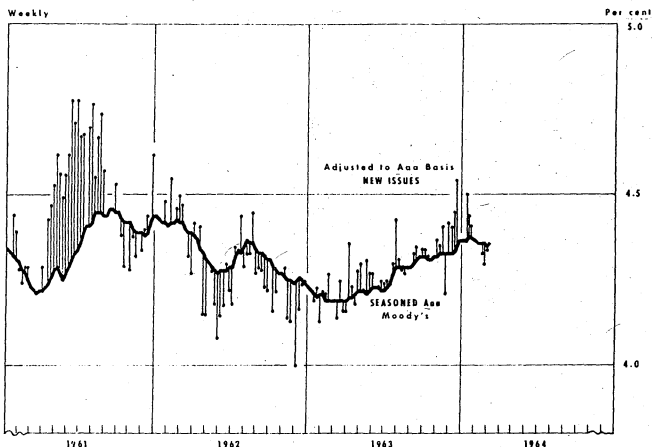


Exhibit G - Part II

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)
Weekly averages:							
1963 - Oct. 4	2	33.5	4.32	Jan. 17	1	5.0	4.44
11	--	--	--	24	1	15.0	4.41
18	--	--	--	31	--	--	--
25	1	40.0	4.37	Feb. 7	--	--	--
Nov. 1	2	75.0	4.35	14	1	15.0	4.33
- 8	1	30.0	4.41	21	1	50.0	4.30
15	1	22.0	4.21*	28	1	60.0	4.34
22	4	115.0	4.42	Mar. 6	--	--	--
29	--	--	--				
Dec. 6	2	60.0	4.41				
13	2	95.0	4.45				
20	1	150.0	4.54*				
27	--	--	--				
1964 - Jan. 3	--	--	--				
10	1	130.0	4.50				

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/ 950	p/ 732	876
February	e/ 700	594	859	e/ 750	p/ 741	1,133
March	e/ 750	1,144	807	e/ 850	p/ 974	628
April		930	1,113		p/ 869	873
May		904	760		p/ 861	912
June		1,013	1,132		p/ 930	786
July		676	582		p/ 680	612
August		637	749		p/ 708	544
September		795	579		p/ 449	427
October		1,013	835		p/1,051	650
November		819	703		p/ 729	578
December		1,415	1,103		p/ 416	550
1st quarter	e/2,200	2,351	2,258	e/2,550	p/2,454	2,637
2nd quarter		2,847	3,005		p/2,665	2,571
3rd quarter		2,109	1,910		p/1,837	1,582
4th quarter		3,246	2,641		p/2,197	1,779
1st half		5,198	5,264		p/5,118	5,208
Three quarters		7,307	7,173		p/6,955	6,790
Year		10,553	9,814		p/ 3,151	8,568
Excluding finance companies 3/						
1st quarter	e/1,950	2,284	2,199			
2nd quarter		2,529	2,919			
3rd quarter		1,768	1,775			
4th quarter		2,854	2,410			
Year		9,434	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 net capital and refunding 1/					Net proceeds for new capital 1/ 2/			
	Total	Bonds Publicly offered	Privately offered	Common and pfd. stock	Memo: Foreign issues included	Mfg.	Public utility	Communi- cations	Other issuers
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	2,436	898	1,251	287	109	806	285	150	868
IV	3,466	1,319	1,780	367	47	968	530	118	1,629
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.	756	336	318	100	21	272	100	25	240
Sept.	871	283	501	87	42	237	78	39	441
Oct.	1,116	511	481	125	10	240	201	41	531
Nov.	891	183	549	159	10	214	131	13	461
Dec.	1,459	626	751	83	27	515	198	64	637
1964 - Jan. e/	780	340	350	90	n.a.	170	100	130	350
Feb. e/	720	280	340	100	n.a.	150	160	80	310
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.

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Federal Reserve Bank of St. Louis

Exhibit J
Other Security Offerings
(In millions of dollars)

	Cross long-term 1/					
	Foreign government 2/			Federal agency 3/		
	1964	1963	1962	1964	1963	1962
January	e/ --	232	142	e/ --	--	246
February	e/ 50	133	10	e/ --	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		--	151		174	--
November		--	88		200	--
December		2	101		--	--
Jan. - Feb.	e/ 50	365	152	e/ --	148	402
Year		771	737		1,167	1,138
	Net short-term 4/					
	State and local government 5/			Federal agency 3/		
January	p/ -61	75	18	12	-106	247
February	n.a.	272	466	p/ 22	-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		-339	-161		551	-80
Jan. - Feb.	n.a.	347	484	p/ 34	-295	91
Year		692	378		1,600	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 <u>2/</u>
	Total	Bonds (Other than convertibles)	Convertible bonds	Stocks		
1963 - 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	734	174
November	180	117	--	63	373	200
December	547	515	--	32	111	--
1964 - January	307	225	60	22	577	--
February	263	200	35	28	358	--

Large Individual Issues Offered March 1 through 6

Issuer	Type	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offer- ing yield	Rating
<u>Corporate</u>						
None						
<u>State and Local Government</u>						
Louisiana State Bond & Bldg. Comm.	Rev.-S.T.	15.0	1965-84	3.43	2.20-3.50	A
Minneapolis, Minn.	G.O.	10.7	1965-89	2.92	2.10-3.20	Aaa
State of Kentucky	G.O.	50.0	1972-90	3.24	2.75-3.30	A
<u>Other</u>						
None						

K-2

Footnotes

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

- 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.

Exhibit L

Forthcoming Large Long-term Public Security Offerings for New Capital
(Other than U. S. Treasury) 1/

Expected Proceeds from Forthcoming Large Issues

	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>
1963 - 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	216	--	1,771	667	--
Feb. 28	224	454	--	1,649	646	--

Forthcoming Large Offerings, as of March 6

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>Corporate</u>			
Southwestern P.S. Co.	1st mtg. bds.	15.6	March 9
Anheuser-Busch Inc.	Deb.	40.0	March 10
Beneficial Finance Co.	Deb.	50.0	March 10
Potomac Edison Co.	1st mtg. bds.	16.0	March 11
*Texas Utilities Co.	Com. stk.	24.0	March 24
Florida Pwr & Lt. Co.	1st mtg. bds.	35.0	March 26
Pennsylvania Railroad Co.	Bonds	50.0	March
*National Airlines Inc.	Com. stk.	31.9	April 1 (rts. ex.)
American Tel. & Tel. Corp.	Com. stk.	1,225.0	April 6 (rts. ex.)
*Pacific Tel. & Tel. Co.	Deb.	100.0	April 22
*Xerox Corp.	Conv. sub. deb.	51.4	April 28 (rts. ex.)
Communications Satellite Co.	Com. stk.	200.0	April

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Forthcoming Large Offerings, as of March 6 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>State and Local Government</u>			
State of Connecticut	G.O.	50.0	March 10
Jacksonville Expressway Auth., Fla.	Rev.-Q.Ut.	68.0	March 12
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
Rochester, New York	G.O.	12.6	March 24
El Paso Ind. Sch. Dist., Tex.	G.O.	10.0	March 24
Los Angeles Dept. of Wtr. & Pwr., Cal.	Rev.-Ut.	22.0	March 25
Illinois Bldg., Auth.	Rev.-Ut.	25.0	March 25
Delaware River & Bay Auth.	Rev.-Q.Ut.	105.0	March
Florida Dev. Comm.	Rev.-Q.Ut.	17.0	April 1
*Public Housing Auth.	Bonds	141.4	April 1
Metropolitan Seattle, Wash.	Rev.-Ut.	15.0	April 2
Detroit, Mich.	G.O.	18.3	April 7
*Nassau Co., N. Y.	G.O.	20.0	April 14
Univ. of California	Rev.-Rent.	19.6	April 15
Washington Sub. San. Dist., Md.	G.O.	16.0	April 30
*New York State Housing Finance Agency	Rev.-Rent.	93.0	April
Pittsburgh, Pa.	G.O.	35.0	Indefinite
Dade County, Florida	G.O.	46.0	Indefinite
Fort Worth, Texas	G.O.	14.1	Indefinite
Houston, Texas	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 December 1 through March 6
12/24	3.0	Province of Sante Fe, Republic of Argentina - 7% Treasury bonds, maturing 1969, offered to yield 9.45%
2/6	8.0	Tubos de Acero de Mexico, S.A. - 7% convertible debenture, maturing 1970, offered to yield 7.00%

B. Prospective Offerings

None

M-2

Part II: Private Placement--Reported December 1 through March 6

Date reported	Amount (millions of dollars)	Issuer and Description of Issue
1/7	14.0	Laurentide Financial Corp., Ltd.--5-1/4% collateral trust notes, maturing 1989--no information available on takedown
2/3	28.0	Manitoba Hydro-Electric Board--4-1/4% debentures, maturing 1986--no information available on takedown
2/3	5.0	Scottish United Investors, Ltd.--5% notes, maturing 1969-79--no information available on takedown
2/10	8.0	British American Construction Co.--promissory notes, maturing 1979--no information available on takedown
2/10	4.0	British Assets Trust Ltd. (Scotland)--5% notes, maturing 1981--takedown in February

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.

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/ Long-term bonds and stocks	Commercial and finance company paper	State and local govt. secur- ities	Mort- gages	Other	
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. <u>r/</u>	1,456	6,171	53,468	348	4,037	46,957	20,854	133,201
1963 - Dec. .	1,442	5,755	55,997	381	3,876	50,543	22,908	140,903
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	603
Sept.	42	-48	182	20	12	178	87	473
Oct.	12	28	136	69	-21	296	<u>r/159</u>	679
Nov.	35	36	135	-40	-17	332	290	771
Dec. <u>r/</u>	120	-224	402	-325	-9	605	138	707
p/1963 - Jan.	-128	123	52	184	28	223	360	842
Feb.	-17	-69	159	46	-8	145	233	489
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	403
Oct.	6	5	225	64	1	303	242	846
Nov.	-21	-42	274	109	-4	277	4	597
Dec.	119	-32	391	-411	-13	730	-88	696

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	93,305	80,236	3,629	9,740
1963 - Dec.	3,964	6,448	90,849	6,178	107,431	91,205	5,011	11,215
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
Oct.	67	74	1,118	82	1,341	795	197	349
Nov.	32	129	806	175	1,142	804	59	279
Dec.	482	-108	992	24	1,390	1,734	547	-891

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 funds	
	Cash	U. S. Govt. secur-ities	Busi-ness secur-ities 2/	State & local govt. secur-ities	Mort-gages	Other		Net change in deposits	Other
Value of assets at end of period:									
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	38,353	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 - Dec.	910	5,850	5,103	448	35,981	1,403	49,675	44,866	4,810
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	-56	-5	178	-44	-74	-15	-59
Nov.	7	-13	-20	-5	167	46	181	48	133
Dec.	-20	-21	5	-1	212	117	292	471	-179
1962 - Jan.	10	94	17	-7	253	-118	250	83	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	392	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	-	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
Dec.	99	-31	12	-2	326	-33	372	561	-189

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--NAMS and FDIC.