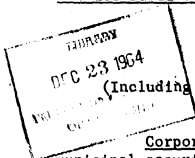


Not for Publication **DECONTROLLED AFTER SIX MONTHS**

December 21, 1964.

(Next issue: January 4, 1965)

**CAPITAL MARKET DEVELOPMENTS  
IN THE UNITED STATES**(Including Review of Sources and Uses of Funds of Financial  
Intermediaries in October)

Corporate and municipal bond markets. Both corporate and municipal security financing will be seasonally very light in volume during the remaining two weeks in 1964.

Long-Term Public Security Offerings 1/

	Corporate		State and local govt.	
	New Capital	Refunding	New Capital	Refunding
<b>Sold:</b>				
52 week avg.	113	1	183	9
Dec. 11	115 <u>r/</u>	--	369 <u>r/</u>	79 <u>r/</u>
Dec. 18	50	--	346 <u>r/</u>	--
<b>Scheduled:</b>				
Dec. 25	10	--	44	--
Jan. 1	--	--	21	--

1/ Federal Reserve estimates based on published reports of issues sold and scheduled for offering; corporate rights offerings are included as of the date subscription rights expire.

Only one medium-sized corporate bond issue reached the market last week, and with the scarcity of new issues, was very well received. The secondary market was only moderately active with price changes on recently distributed issues mixed but minor. Yields on seasoned Aaa-rated bonds, however, fell 2 basis points.

The municipal market remained firm last week and yields edged down further, with those on seasoned, Aaa-rated issues falling to their lowest level since late-May 1963. Last week's large volume of new issues was moderately well received with about three-fifths purchased by investors by the weekend; dealers' advertised inventories of unsold securities jumped \$105 million to \$691 million, the highest since last October.

Yields in Securities Markets

	<u>Level latest week</u> (per cent)	<u>Change from</u> <u>preceding week</u> (basis points)
<u>High-Grade</u>		
<u>Notes and Bonds</u>		
<u>Corporate</u>		
New	--	n.a.
Seasoned	4.43	- 2
<u>U.S. Govt.</u>		
Long-term	4.13	+ 1
3-5 year	4.06	--
State and local govt.	2.99	- 2
<u>Money Market</u>		
Federal Funds	4.00	+70
Treasury bills		
3-month	3.86	+ 5
6-month	3.95	+ 1
Finance Company Paper	3.94	--

Private housing starts and permits. Seasonally adjusted housing starts, which had advanced 12 per cent in the two preceding months, dropped 11 per cent in November. The annual rate of 1,420 thousand (including farm) was the lowest this year and nearly a fourth below the recent peak in October of last year.

On a three-month moving average, starts in the September-November period were at an annual rate of 1,492 thousand. This was virtually the same as in August-October and 14 per cent under the recent high reached in September-November last year.

Government-underwritten starts accounted for 19 per cent of total starts in November. While still well below earlier highs, this marked the third consecutive month in which the share was greater than at the same time last year.

Seasonally adjusted residential buildings permits in permitting areas rose 3 per cent in November from a reduced earlier rate. Permits for 1-to-4-family buildings turned upward appreciably, while permits for 5-or-more-family structures declined further.

Stock market credit. Total customer credit in the stock market changed little during November with an increase of \$32 million in bank loans to others than brokers or dealers for purchasing or carrying securities (other than U.S. Government securities) more than offsetting a \$25 million decline in customer debit balances on non-Government securities. At month-end, the total outstanding remained at \$7.1 billion.

Borrowings of member firms of the New York Stock Exchange on customers collateral dropped \$59 million further in November, the seventh consecutive month-to-month decline. Customers' net free credit balances fell \$24 million. More detailed information on stock market credit in recent months is shown in the tables on the following page.

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**STOCK MARKET CREDIT**  
(In millions of dollars)

Months	Customer Credit			Broker & Dealer Credit		
	Total	Net debit balances with NYSE member firms	Bank loans to others than brokers and dealers for purchasing & carrying secur.	Money borrowed	Cust. coll. Other coll.	Customers' net free credit balances
Outstanding:						
1955-56 High	4,047(5/56)	2,823(12/56)	1,255(4/56)	1,873	430	1,069(1/55)
1957-58 Low	3,554(1/58)	2,482(12/57)	1,060(11/57)	1,344	188	807(4/57)
1959 - High	4,764(4)	3,401(4)	1,373(5)	2,044	318	1,257(3)
1960 - Low	4,142(5)	3,004(7)	1,121(5)	1,801	237	940(4)
1961 - High	5,602(12)	4,259(12)	1,377(8)	2,572	385	1,508(4)
1962 - Low	4,876(7)	3,562(7)	1,269(9)	1,856	235	1,091(9)
1963 - High	7,298(11)	5,586(11)	1,727(12)	3,892	597	1,211(11)
1963 - Dec. 1/	7,242	5,515	1,727	3,852	597	1,210
1964 - Nov.	7,108	5,160	1,948	3,469	482	1,131
Changes in Outstanding:						
1963 - Nov. 1/	118	91	27	179	60	35
Dec. 1/	-56	-71	15	-40	32	-1
1964 - Jan. 1/	8	9	-1	-57	-182	52
Feb.	-130	-140	10	-57	5	-63
Mar.	21	-18	39	-92	72	32
Apr.	173	144	29	270	3	-66
May	-37	-71	34	-48	-1	-27
June	-48	-69	21	-102	-15	8
July	-69	-81	12	-94	-52	-32
Aug.	-64	-102	38	-54	15	-37
Sept.	46	34	12	-50	82	68
Oct.	-41	-36	-5	-40	-29	10
Nov.	7	-25	32	-59	-43	-24

Note: With the exception of bank loan data, figures are reported to the New York Stock Exchange by member firms carrying margin accounts. Bank loans to others than brokers and dealers for purchasing and carrying securities are for weekly reporting member banks. Net debit balances and customer free credit balances are as of the end of the month; bank loans and money borrowed are reported for the last Wednesday of the month. Numbers in parenthesis denote month of year. All figures exclude credits on, or to carry, U.S. Govt. securities. 1/ November 1963 data on customers' net debit balances do not include accounts carried by a large former member firm in liquidation; most of these accounts have been transferred to other member firms and are reported in their debit figures from the month received (some in December, more in January 1964). Debit balance totals for the period from October 1963 through January 1964, therefore, are not completely comparable.

Stock prices. A three-week decline in common stock prices was reversed at mid-week, and for the week as a whole Standard and Poor's composite index of 500 stocks was up almost one per cent. At the December 18 close of 84.29, the index remains over 2 per cent below its all-time high of November 20. Trading volume averaged 4.8 million shares a day, the same as in the previous week.

Institutional investors. During the month of October net growth in income yielding claims on depositary-type savings institutions totaled \$2.4 billion, off 17 per cent from the net inflow in the comparable 1963 month. The decline was attributable largely to commercial banks where the \$1.4 billion increase in time and savings deposits was 25 per cent less than the increase in October last year. At savings and loan associations also, the increase in savings capital (\$0.8 billion) was 3 per cent less than a year earlier, though this figure will probably be revised upward as a result of sampling problems. Meanwhile, deposit growth at mutual savings banks (\$0.2 billion) was 14 per cent greater than a year earlier.

For savings and loan associations the net gain in mortgage holdings for the month (\$0.8 billion) was one-fourth less than a year earlier, and net increases in cash and U.S. Government securities were also down substantially. With their relatively unchanged savings experience, these associations were consequently able to reduce borrowings somewhat in contrast to a \$0.2 billion net addition last year.

Mutual savings banks used their large deposit gains in October, to make net mortgage acquisitions of \$0.4 billion, 6 per cent more than a year earlier. Their seasonal reduction in holdings of cash and Governments (\$80.2 billion), on the other hand was slightly larger than a year earlier.

Life insurance companies. The net increase in assets of life insurance companies during October--excluding valuation adjustments--amounted to \$0.8 billion, 12 per cent larger than in October 1963. Roughly three-fifths of this increase (\$0.4 billion) was invested in mortgages, over one-third more than a year earlier. The net addition of domestic business securities (\$0.2 billion), on the other hand, was about one-fifth smaller than a year earlier. Modest net acquisitions of municipal bonds this October contrasted with a minor reduction last year.

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.

## LONG-TERM BOND YIELDS, HIGH-GRADE

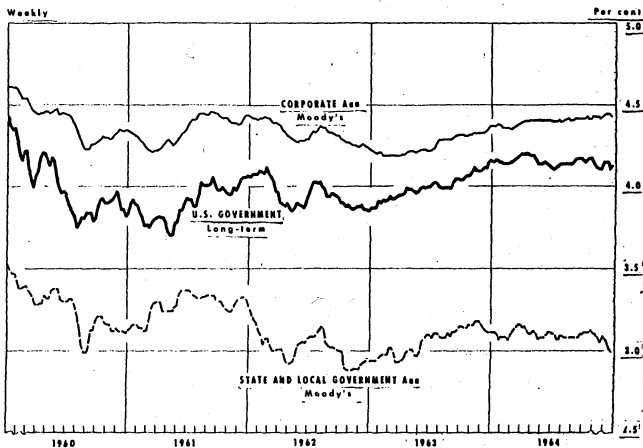


Exhibit A - Part II

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(12/29)	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	4.45(12/11)	4.20(4/17)	3.16(3/26)	.33	1.14
Low	4.35(2/28)	4.11(11/20)	2.99(12/17)	.19	1.01
Nov. 20	4.42	4.11	3.05	.31	1.06
Nov. 27	4.44	4.15	3.09	.29	1.06
Dec. 4	4.45	4.15	3.05	.30	1.10
Dec. 11	4.45	4.12	3.01	.33	1.11
✓ Dec. 18 p/	4.43 ✓	4.13 ✓	2.99 ✓	.30	1.14

1/ Preliminary.

2/ Weekly average of daily figures. Average term of bonds included is 22-24 years.

3/ Weekly average of daily figures. The series includes bonds due or callable in 10 years or more.

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

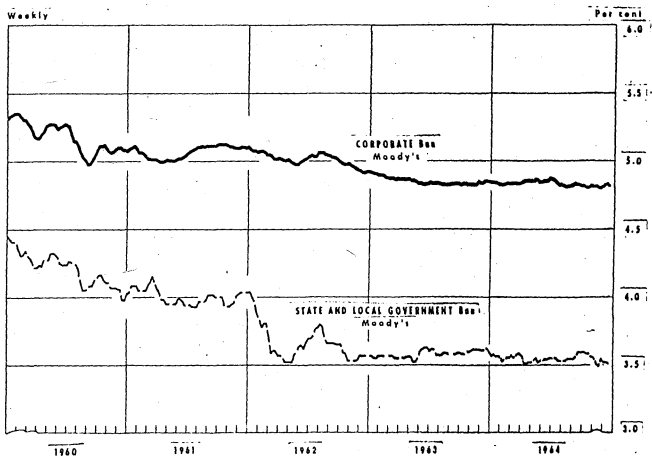


Exhibit B - Part II

Date	Corporate Baa 1/	State and local govt. Baa 2/	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	4.87(6/26)	3.59(10/8)	.48	.52
Low	4.80(11/20)	3.49(11/19)	.37	.36
Nov. 20	4.80	3.49	.38	.44
Nov. 27	4.81	3.54	.37	.45
Dec. 4	4.83	3.52	.38	.47
Dec. 11	4.83	3.52	.38	.51
Dec. 18 p/	4.81	3.51	.38	.52

Note: For footnotes see Exhibit A.

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

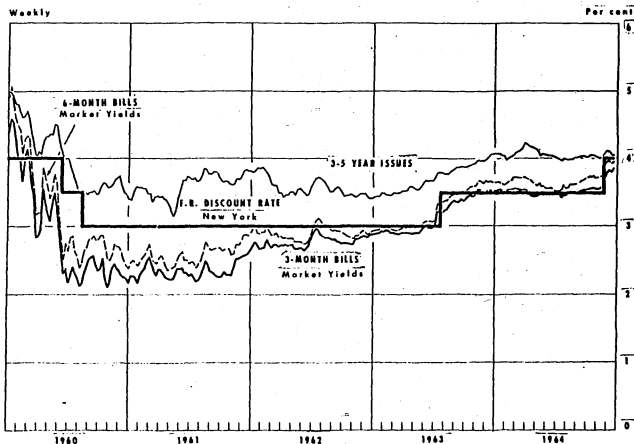


Exhibit C - Part II

Date	Discount rate 1/	Yields			Spread between yields on 3-month bills and yields on	
		3-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	4.00	3.86 (12/18)	3.97 (12/4)	4.23 (3/27)	.21	.71
Low	3.50	3.43 (7/17)	3.52 (7/3)	3.98 (8/7)	.04	.20
Nov. 20	3.50	3.61	3.78	4.02	.17	.41
Nov. 27	4.00	3.78	3.96	4.11	.18	.33
Dec. 4	4.00	3.82	3.97	4.11	.15	.29
Dec. 11	4.00	3.81	3.94	4.06	.13	.25
Dec. 18 p/	4.00 ✓	3.86 ✓	3.95 ✓	4.06	.09	.20

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

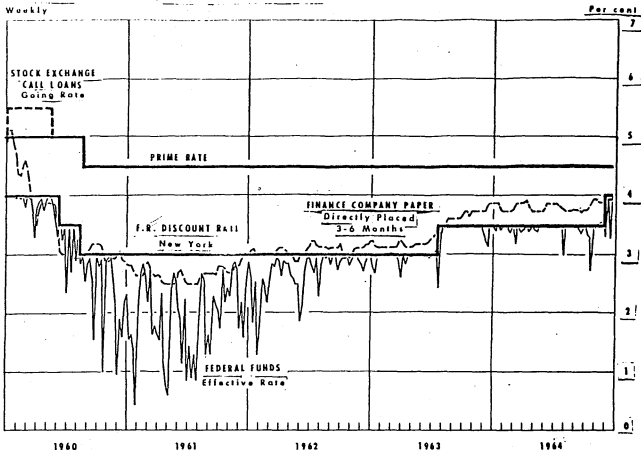


Exhibit D - Part II

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 (2/27)	.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	3.94(12/18)	4.00(12/18)	.41
Low	4.50	4.50	3.72(9/11)	3.07(10/16)	.08
Nov. 20	4.50	4.50	3.88	3.59	.27
Nov. 27	4.50	4.50	3.91	3.34	.13
Dec. 4	4.50	4.50	3.94	3.90	.12
Dec. 11	4.50	4.50	3.94	3.30	.10
Dec. 18 <u>2/</u>	4.50	4.50	3.94	4.00	.08

1/ Weekly rate shown is that in effect at end of period. Stock Exchange call loan rate is going rate on call loans secured by customers' stock exchange collateral at New York City banks. Prime rate is that charged by large banks on short-term loans to business borrowers of the highest credit standing.

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

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

Notes: High and low are for individual series and may be on different dates for different series.

For spreads, high refers to widest, and low to narrowest.



## STOCK MARKET

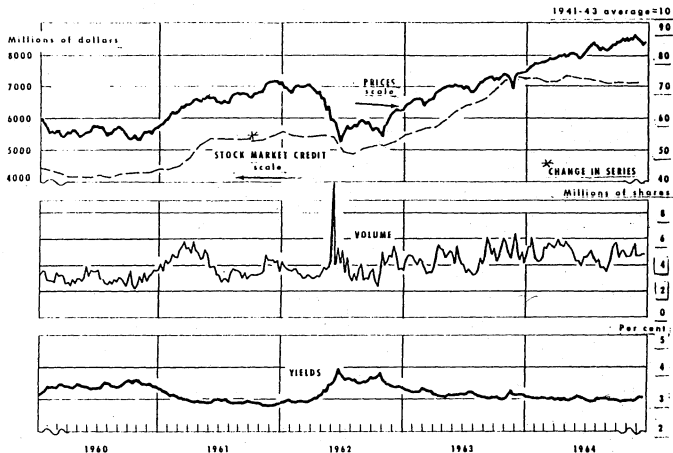


Exhibit E - Part II

Date	Stock price index <sup>1/</sup>	Common stock yields <sup>2/</sup> (per cent)	Trading volume <sup>3/</sup> (millions of shares)	Stock market customer credit		
				Total	Customers' debit balances <sup>4/</sup>	Bank loans to "others" <sup>5/</sup>
(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	86.28(11/20)	2.95	6.1	7,314(4)	5,524(1)	1,950(11/18)
Low	75.50(1/3)	3.10	3.6	7,096(8)	5,185(11)	1,720(1/22)
Oct.	84.85	2.95	4.8	7,101	5,185	1,916
Nov.	85.44	2.96	4.9	7,108	5,160	1,948
Dec. 4	84.35	3.03	4.7	n.a.	n.a.	1,936
Dec. 11	83.66	3.05	4.8	n.a.	n.a.	1,936
Dec. 18 p/	84.29	3.03	4.8	n.a.	n.a.	n.a.

n.a.—Not available. p/ Preliminary.

<sup>1/</sup> 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.

<sup>2/</sup> 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.

<sup>3/</sup> Averages of daily trading volume on the New York Stock Exchange.

<sup>4/</sup> 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.

<sup>5/</sup> 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.

PRIVATE HOUSING STARTS AND PERMITS

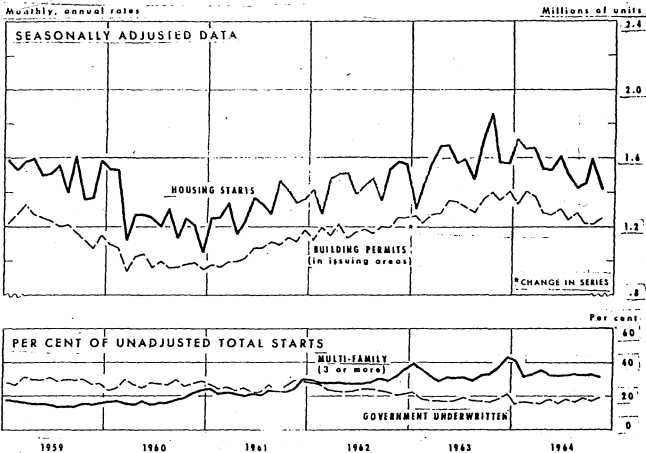


Exhibit F - Part II

Date	Starts							Building permits (seasonally adjusted annual rate) 2/
	Seasonally adjusted annual rate	Unadjusted	Unadjusted					
			Type of financing			Type of housing		
(Thousands of units)								
			FHA	VA	Other	1-2 family	Multi-family	
1963 - Nov.	1,577	121	17	5	98	76.3	44.1	1,359
Dec.	1,570	96	16	5	75	54.0	41.7	1,402
1964 - Jan.	1,718	100	11	4	84	58.5	41.0	1,333
Feb.	1,657	100	12	4	84	68.5	31.9	1,404
Mar.	1,663	130	16	5	109	87.0	43.1	1,377
Apr.	1,531	149	18	5	125	96.0	52.4	1,280
May	1,529	158	23	5	129	106.1	51.5	1,271
June	1,611	159	19	6	134	107.2	51.3	1,306
July	1,505	143	20	6	117	96.1	46.6	1,242
Aug.	1,430	142	18	5	119	94.3	47.3	1,281
Sept.	̄ 1,457	123	18	5	100	̄ 83.1	̄ 39.5	1,222
Oct.	̄ 1,599	142	19	5	118	95.9	45.9	1,220
Nov.	p/ 1,420	p/ 109	16	5	88	n.a.	n.a.	p/ 1,257

1/ Total starts are Census estimates including farm for both permit-issuing and non-issuing areas. A dwelling unit is started when excavation begins; all units in an apartment structure are considered or guaranteed the mortgage. FHA and VA starts are units started under commitments by these agencies to insure the first compliance inspection report, which is made before footings are poured in some cases but normally after the foundations have been completed. Capital military housing units are excluded. Other starts are derived as a residual, although total and FHA and VA starts are not strictly comparable in concept or timing; other starts include both units financed by conventional mortgages and units without mortgages.

2/ Building permits before January 1963 are Census estimates for about 10,000 areas identified as having a local building permit system in 1959. Estimates beginning January 1963, are for approximately 12,000, or all known, permit-issuing places. Unlike starts, seasonally adjusted building permits reflect direct adjustment for differences in the number of working days per month, as well as other differences in timing and coverage.

## YIELDS ON NEW AND SEASONED CORPORATE BONDS

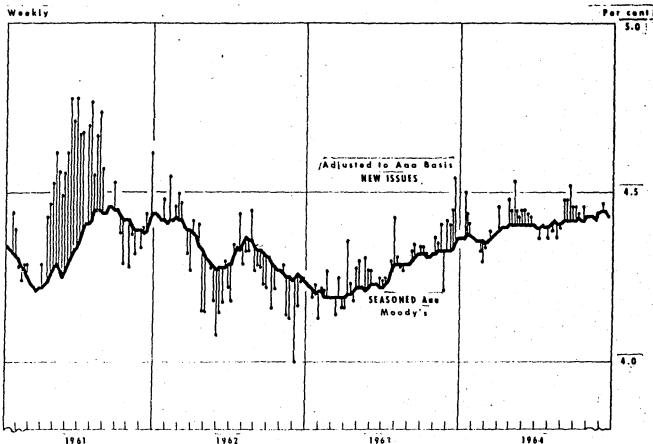


Exhibit G - Part II

## Yields on New Corporate Bond Issues Adjusted to an Aaa basis

Monthly averages:				Weekly averages			
	Number of issues	Am't of issues included (mil. of dollars)	Average yield (per cent)		Number of issues	Am't of issues included (mil. of dollars)	Average yield (per cent)
1964 - Jan.	3	150.0	4.50	1964 - High			4.53(5/8)
Feb.	3	125.0	4.38	Low			4.30(2/21)
Mar.	6	166.0	4.43	Oct. 2	2	70.0	4.46
Apr.	1	130.0	4.48	9	1	12.0	4.44
May	10	278.0	4.46	16	--	--	--
June	8	230.0	4.43	23	1	18.0	4.46
July	3	60.0	4.37	30	--	--	--
Aug.	4	75.0	4.39	Nov. 6	--	--	--
Sept.	7	239.0	4.49	13	--	--	--
Oct.	3	70.0	4.46	20	--	--	--
Nov.	--	--	--	27	--	--	--
Dec.				Dec. 4	3	140.0	4.47
				11	--	--	--
				18	--	--	--

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.

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

(In millions of dollars)

	New Capital					
	Corporate			State and Local 2/		
	1964	1963	1962	1964	1963	1962
January	930	613	549	p/ 946	732	876
February	685	594	860	p/ 772	746	1,133
March	754	1,144	819	p/ 809	976	628
April	2,178	930	1,153	p/1,216	869	873
May	1,069	904	771	p/ 666	866	912
June	1,378	1,013	1,132	p/ 903	930	786
July	780	676	573	p/ 906	680	612
August	661	637	773	p/ 756	708	544
September	1,035	795	557	p/ 892	449	427
October	p/ 951	1,013	819	e/ 850	1,051	650
November	e/ 650	819	678	e/ 550	729	578
December	e/ 1,150	1,415	1,064	e/ 700	416	550
1st quarter	2,369	2,351	2,228	p/2,527	2,454	2,637
2nd quarter	4,625	2,847	3,056	p/2,785	2,665	2,571
3rd quarter	2,476	2,109	1,902	p/2,554	1,837	1,528
4th quarter	e/ 2,751	3,246	2,561	e/2,100	2,197	1,779
1st half	6,994	5,198	5,284	p/5,312	5,118	5,208
Three quarters	9,470	7,307	7,186	p/7,866	6,955	6,790
Year	e/12,221	10,553	9,747	e/9,966	9,151	8,568
	Excluding finance companies 3/					
1st quarter	1,996	2,284	2,169			
2nd quarter	4,170	2,529	2,970			
3rd quarter	p/ 2,226	1,768	1,767			
4th quarter	e/ 2,501	2,854	2,330			
Year	e/10,893	9,434	9,236			

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.

New Corporate Security Issues, Type of Issue  
and Issuer

(In millions of dollars)

Quarter or Month	Gross proceeds for new capital and refunding <sup>1/</sup>					Net proceeds for new capital <sup>1/ 2/</sup>			
	Total	Bonds		Common and pfd. stock	Memo: Foreign issues included	Mfg.	Public Utility	Communi- cations	Other issuers
		Publicly Offered	Privately Offered						
1962 - I	2,345	1,114	724	508	70	649	429	456	694
II	3,317	1,386	1,289	642	251	996	984	228	848
III	2,167	852	1,006	308	55	566	376	274	685
IV	2,875	1,088	1,510	277	135	747	552	317	945
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	896	285	150	868
IV	3,466	1,319	1,780	367	47	968	530	118	1,629
1964 - I	2,499	978	1,221	300	29	418	438	273	1,240
II	4,851	1,321	1,640	1,890	105	723	856	1,663	1,383
III	2,728	792	1,442	494	85	547	642	59	1,229
IV									
1963 - 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	187
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.	985	338	526	121	5	149	109	157	515
Feb.	710	279	342	88	16	123	155	83	324
Mar.	805	361	353	91	8	146	174	34	400
Apr.	2,234	383	480	1,372	34	186	151	1,377	463
May	1,155	470	537	148	36	206	441	27	395
June	1,461	468	623	370	35	332	264	258	525
July	869	234	411	225	21	149	207	23	401
Aug.	728	183	433	112	21	164	138	16	342
Sept.	1,130	375	598	156	44	234	296	19	486
Oct. <sup>p/</sup>	1,030	181	633	217	101	218	306	82	345
Nov. <sup>e/</sup>	680	30	600	50	n.a.	200	50	10	390
Dec.									

<sup>p/</sup> Preliminary. <sup>e/</sup> Estimated by Federal Reserve.<sup>1/</sup> Gross Proceeds exceed net proceeds by the cost of flotation.<sup>2/</sup> For total see Exhibit H; other issuers are extractive, railroad & other transportation, real estate & finance, & commercial & other.

Source: Securities &amp; Exchange Commission.

Other Security Offerings  
(In millions of dollars)

	Gross long-term 1/					
	Foreign government 2/			Federal agency 3/		
	1964	1963	1962	1964	1963	1962
January	4	232	142	--	--	246
February	82	133	10	--	148	156
March	69	76	35	--	--	--
April	30	57	10	--	186	461
May	75	114	86	--	--	--
June	26	11	50	275	459	--
July	20	63	25	260	--	--
August	13	83	8	160	--	150
September	7	--	31	--	--	175
October	p/ 180	--	151	p/ 509	174	--
November	e/ 44	--	88	e/ --	200	--
December		2	101		--	--
Jan. - Nov.	e/ 550	769	636	e/ 1,204	1,167	1,188
Year		771	737		1,167	1,188
	New short-term 4/					
	State and local government 5/			Federal agency 3/		
	1964	1963	1962	1964	1963	1962
January	103	75	18	-78	-106	247
February	236	272	466	-336	-189	-156
March	-407	-367	-186	23	-482	226
April	442	589	127	97	292	-364
May	81	-30	-84	183	195	82
June	-80	-10	-118	239	319	284
July	-9	62	78	-333	414	261
August	p/ 130	208	339	167	327	227
September	p/ 159	-173	-406	1	258	-157
October	p/ 26	259	71	525	123	379
November	n.a.	146	234	p/ 442	-102	55
December		-339	-161		551	-80
Jan. - Nov.	n.a.	1,031	539	p/ 930	1,049	1,084
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 U.S. by foreign governments and their political subdivisions and international organizations. Source: Securities & Exchange Commission. 3/ Issues not guaranteed by the U.S. Government. Source: Long-term, Securities & Exchange Commission; short-term, Treasury Dept. & 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 or refunding issues or from other funds. Data include only issues with original maturing 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 1 year. Source: Bond Buyer & Federal Reserve.

## Exhibit K

Large Long-term Public Security Issues for New Capital  
(Other than U. S. Treasury) <sup>1/</sup>Proceeds of Large Issues Offered  
(In millions of dollars)

	Corporate				State and local governments	Other <sup>2/</sup>
	Total	Bonds (other than convertibles)	Convertible bonds	Stocks		
1963 - Nov.	180	117	--	63	373	200
Dec.	547	515	--	32	111	--
1964 - Jan.	307	225	60	22	577	--
Feb.	263	200	35	28	358	--
Mar.	335	296	--	38	282	50
Apr.	1,557	235	51	1,271	698	20
May	452	415	--	37	274	15
June	650	390	--	260	284	275
July	291	178	--	113	544	260
Aug.	142	125	17	--	459	104
Sept.	376	269	25	81	558	15
Oct.	187	108	--	79	419	502
Nov.	--	--	--	--	226	15

## Large Individual Issues Offered December 1 through 18

Issuer	Type <sup>3/</sup>	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<b>Corporate</b>						
Pacific Gas & Elec. Co.	1st & ref. mtg. bds.	65.0	1966	4-1/2	4.50	Aa
Stauffer Chemical Co.	Deb.	35.0	1989	4-1/2	4.48	A
Niagara Mohawk Pwr. Corp.	Gen. mtg. bds.	40.0	1994	4-5/8	4.49	Aa
Granite City Steel Co.	Conv. sub. deb.	30.0	1994	4-5/8	4.63	--
Tennessee Gas Trans. Co.	Deb.	40.0	1984	5	5.00	--
Bank of California	Cap. notes	20.0	1989	4.55	4.55	--
<b>State and Local Government</b>						
Boston, Mass.	G.O.	13.1	1965-94	3.20	2.40-3.35 <sup>4/</sup>	A
N-w York State Dorm Auth.	Rev.-Rent.	11.5	1966-95	3.59	2.60-3.67 <sup>5/</sup>	A
Houston, Texas	G.O.	27.0	1966-85	3.13	2.30-3.20	A
Stickn-y Twp. Road Dist., Illinois.	G.O.	12.5	1970-79	3.30	3.00-3.30	Baa
State of Oregon	G.O.	30.0	1974-90	3.00	2.80-3.00	Aa
Nashville & Davidson Co., Met. Govt., Tenn.	G.O.	13.8	1966-90	3.12	2.25-3.20 <sup>6/</sup>	Aa

## Large Individual Issues Offered December 1 through 18

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offer- ing yield	Rating
<u>State and Local Govt. (Cont'd)</u>						
Florida State Bd. of Education	Rev.-Rent.	25.0	1965-94	3.30	2.10-3.40	Aa
Los Angeles Unif. Sch. Dist., Calif.	Rev.-Rent.	25.0	1966-90	3.12	2.20-3.22	Aa
Public Housing Auth.	--	104.0	1966-2005	3.22	2.15-3.30	Aaa
Mass. Port Auth.	Rev.-Q.-Ut.	33.0	1966-89	n.a.	2.50-3.65	Aa
State of Calif.	G.O.	100.0	1966-91	3.20	2.20-3.34	Aa
		50.0		3.21		
City of Anaheim Stadium Inc., Calif.	Rev.-Rent.	21.5	1967-2001	3.99	3.15-3.90 <sup>7/</sup>	Baa
Prattsville Ind. Dev. Bd., Ala.	Rev.-Rent.	27.0	1987	4.05	8/	--
		18.0	1968-77			
<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 & local govt. securities, G.O. denotes general obligations; Rev.-Ut., revenue obligation 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 least payments.

4/ 1/4 per cent bonds maturing 1994 reoffered to yield 4.00 per cent.

5/ 1/10 per cent bonds maturing 1995 reoffered to yield 4.40 per cent.

6/ 1/10 per cent bonds maturing 1990 not publicly reoffered.

7/ Bonds maturing 1967-71 and 1999-2001 not publicly reoffered.

8/ Bonds not publicly reoffered.



## Exhibit L

Forthcoming Large Long-term Public Security Offering for New Capital  
(Other than U.S. Treasury) 1/Expected Proceeds from Forthcoming Large Issues  
(In millions of dollars)

	During month following date shown			Subsequent to date shown		
	Corporate	State and local govt.	Other 2/	Corporate	State and local govt.	Other 2/
1963 - Nov. 29	392	137	--	1,992	349	--
Dec. 31	305	469	--	1,905	731	--
1964 - Jan. 31	155	316	--	1,771	667	--
Feb. 28	224	454	--	1,649	646	--
Mar. 31	1,587	669	25	1,837	953	25
Apr. 30	651	345	15	844	575	15
May 28	600	341	--	668	598	--
June 30	292	539	--	307	716	--
July 31	92	120	--	167	588	--
Aug. 31	402	511	15	442	680	15
Sept. 30	186	500	--	186	626	--
Oct. 30	--	254	--	--	549	--
Nov. 30	90	360	25	130	563	25

## Forthcoming Large Offerings as of December 18

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>Corporate</u>			
Conn. Yankee Atomic Pwr. Co.	1st mtg. bds.	40.0	Jan. 27
Times Mirror Co.	S.F. deb.	40.0	Jan. 6
<u>State and Local Government</u>			
State of Washington	Rev.-S.T.	15.0	Dec. 29
Los Angeles, Calif.	G.O.	15.0	Jan. 6
State of New Jersey	G.O.	45.0	Jan. 12
Penna State Publ Sch. Auth.	Rev.-Rent.	20.0	June 21
Pittsburgh, Pa.	G.O.	35.0	Indefinite
Jade County, Fla.	G.O.	46.0	Indefinite
Va. State Highway Auth.	Rev.-Q.tUt.	31.0	Indefinite
Forth Worth, Texas	G.O.	14.1	Indefinite
Florida Dev. Comm.	Rev.-S.T.	33.8	Indefinite
<u>None.</u>			

\*--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 for 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
A. Sold Oct. 1 through December 18		
10/27	35.0	United Mexican States--6-1/4% sinking fund bonds maturing 1979, reoffered to yield 6.43%.
10/29	100.0	Inter-American Development Bank--4-1/2% bonds maturing 1984, reoffered to yield 4.57%.
11/25	15.0	Republic of Finland--6% bonds maturing 1979--reoffered to yield 6.26%.
* 12/15	25.0	*European Investment --5-1/2% bonds maturing in 1984, reoffered to yield 4.85% to investors in the U.S. and 5.54% to other investors.
* 12/11	20.1	Home Oil Co. Ltd.--5-1/8% convertible subordinate debenture maturing 1984, offered to stockholders of record November 19 to yield 5.13%.
B. Prospective Offerings		
None.		

\* Difference in reoffering yields on bonds sold to U.S. citizens and those sold to foreign citizens reflects an upward adjustment of 8.87 per cent in the price paid by U.S. citizens. This premium was collected by the underwriters in accordance with the provisions of the new Interest Equalization Tax. This tax is collected--under a scale of rates which rises with maturity--when U.S. lenders buy new security offerings from borrowers in certain designated "developed" countries.

## Part II: Private Placement--Report 4d Oct. 1 through December 18

Date reported	Amount (millions of dollars)	Issuer and Description of Issue
10/2	50.0	Bell Telephone Co. of Canada--4.60% 1st mtg. bds., maturing 1989--no information available on <b>takedown</b> .
10/19	7.5	Province of New Brunswick--4/3-4% sinking funds debenture; maturing 1989--no information available on <b>takedown</b> .
10/20	25.0	The Alberta Government Telephone Commission--4-3/4% debenture, maturing 1989--no information available on <b>takedown</b> .
11/4	60.0	City of Montreal--5% sinking fund debenture, maturing 2004--no information available on <b>takedown</b> .
11/5	7.9	Montréal Catholic School Comm.--5% sinking fund debenture, maturing 1989--no information available on <b>takedown</b> .
11/11	25.0	Toronto--Dominion Tower, Ltd.--4.85% first mortgage sinking fund bonds, maturing 1989--no information available on <b>takedown</b> .
11/18	29.1	Banco Nacional Hipotecario Urbano y de Obras Publicas, S.A.--promissary notes, maturing 1965-69--no information available on <b>takedown</b> .

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 data a placement is reported. \*--Included in table for first time.

**Exhibit N**  
Sources and Uses of Funds by  
Life Insurance Companies

Quarter or Month	Uses of Funds 1/						Total sources or uses	Memo: Total Excl. Val- uation Change 3/	
	Cash	U.S. Govt. Securi- ties	Business Securities 2/		State & local Govt. secur.	Mort- gages			Other
			Bonds & Stocks	Short-term paper					
End of period:	(In millions of dollars)								
1962 - Dec.	1,456	6,171	53,468	348	4,037	46,957	20,854	133,291	127,796
1963 - Dec.	1,442	5,755	55,997	381	3,876	50,543	22,909	140,903	134,805
1964 - Oct.	1,278	5,769	57,861	610	3,866	53,984	24,609	147,977	141,098
Changes:									
1962 I	-173	172	356	320	149	406	305	1,535	1,481
II	-6	-28	557	8	-15	514	-4	1,026	1,442
III	76	52	520	123	48	554	384	1,757	1,649
IV	167	-160	673	-296	-47	1,233	587	2,157	1,954
1963 I	-226	-149	434	253	4	624	920	1,860	1,567
II	16	-276	727	-110	-89	786	659	1,713	1,572
III	103	95	501	134	-62	893	350	2,014	1,960
IV	104	-69	890	-238	-16	1,310	158	2,139	1,962
1964 I	-166	-24	625	108	-27	898	750	2,164	1,732
II	-18	-101	715	-154	-27	1,025	454	1,897	1,718
III	24	154	479	81	24	1,094	352	2,208	2,113
1963 -Oct. r/	-20	24	235	68	-3	310	104	718	651
Nov.	-21	-42	274	109	-4	277	4	597	605
Dec.	119	-32	391	-411	-13	730	-88	696	704
p/1964 - Jan.	-159	27	261	270	-17	285	296	963	774
Feb.	-15	23	131	-68	-2	298	298	665	518
Mar.	8	-74	233	-94	-8	315	156	536	440
Apr.	-108	-42	191	-26	4	365	225	609	526
May	12	42	232	-44	-26	311	109	636	608
June	78	-101	292	-84	-5	349	120	652	584
July	-9	125	199	185	-13	366	5	859	970
Aug.	105	5	122	-39	13	341	106	652	612
Sept.	-72	24	158	-65	24	387	241	697	531
Oct.	-4	-18	45	194	20	424	144	805	730

r/ Revised.

p/ Preliminary.

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

2/ Includes securities of domestic corporations only.

3/ Excludes changes in miscellaneous assets (one portion of the "other" in this table) which includes most, but not all, valuation changes, as well as changes in a few other items.

Source.--Institute of Life Insurance.

## Exhibit O

Sources and Uses of Funds by  
Savings and Loan Associations

Quarter or Month	Uses of funds 1/				Total sources or uses	Sources of funds		
	Cash	U. S. Govt. secur- ities	Mort- gages	Other assets		Net change savings capital	Borrowing 2/	Other
(In millions of dollars)								
End of period:								
1962 - Dec.	3,926	5,563	78,770	5,346	93,605	80,236	3,629	9,740
1963 - Dec.	3,964	6,440	90,849	6,178	107,431	91,205	5,011	11,215
1964 - Oct.	3,416	6,798	99,730	6,829	116,773	99,228	5,029	12,516
Changes:								
1962 I	-130	312	1,894	29	2,105	1,977	-560	688
II	191	-115	2,798	432	3,306	2,530	587	189
III	-339	80	2,712	5	2,458	1,517	276	665
IV	889	75	2,532	105	3,601	3,327	470	-196
1963 I	-137	537	2,272	55	2,727	3,024	-1,028	731
II	61	101	3,483	457	4,102	3,089	833	180
III	-467	144	3,408	39	3,124	1,523	774	827
IV	581	95	2,916	281	3,873	3,333	803	-263
1964 I	-351	293	2,220	55	2,217	2,320	-688	585
II	182	-48	2,998	495	3,627	3,068	657	-97
III	-405	89	2,807	-3	2,488	1,816	85	586
1963 - 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
1964 - Jan.	-396	158	604	-189	177	464	-421	134
Feb.	33	64	710	109	916	754	-213	375
Mar.	12	71	906	135	1,124	1,102	-54	76
Apr.	-146	-16	909	120	867	321	278	268
May	37	-5	993	385	1,410	982	-57	485
June	291	-27	1,096	-10	1,350	1,765	436	-851
July	-456	2	1,044	-192	398	16	11	371
Aug.	15	49	948	113	1,125	773	1	351
Sept. 1/	37	42	836	102	1,017	1,073	73	-129
Oct. p/	25	20	835	78	958	773	-36	221

1/ Revised.

p/ Preliminary.

1/ Uses of funds represent net changes in assets and therefore reflect net, rather than gross uses. Savings and loan associations do not hold business securities and data on holdings of State and local government bonds, presumed to be small, are not available.

2/ Advances from Home Loan Banks and other borrowing.

Source:--FSLIC

Exhibit P

Sources and Uses of Funds by  
Mutual Savings Banks

Quarter or Month	Uses of funds 1/						Total sources or uses	Sources of funds	
	Cash	U.S. Govt. secur- ities	Busi- ness secur- ities 2/	State and local govt. secur- ities	Mort- gages	Other		Net change in deposits	Other
End of period:	(In millions of dollars)								
1962 - Dec.	956	6,107	5,177	527	32,056	1,297	46,121	41,336	4,785
1963 - Dec.	912	5,863	5,074	440	36,007	1,406	49,702	44,606	5,096
1964 - Oct.	898	5,849	5,178	403	39,538	1,616	53,482	47,982	5,500
Changes:									
1962 I	-41	371	50	-44	661	69	1,068	806	261
II	-13	-235	-21	-51	836	10	524	559	-33
III	-31	18	82	-19	844	71	967	816	150
IV	104	-207	26	-36	813	32	733	878	-146
1963 I	-65	325	-20	-52	1,069	57	1,315	970	344
II	-1	-243	-67	-17	950	-28	592	666	-73
III	-42	-114	81	-5	888	117	927	740	186
IV	64	-213	-97	-13	1,043	-36	747	894	-146
1964 I	-25	254	78	-16	926	124	1,339	1,155	183
II	19	-93	-6	-15	1,037	17	959	862	99
III	-23	58	47	--	1,173	80	1,338	1,133	207
1963 - Oct.	-29	-177	-22	-2	369	-40	97	198	-100
Nov.	-8	-14	-76	-3	321	38	260	118	142
Dec.	101	-22	1	-8	353	-34	390	578	-188
1964 - Jan.	-63	88	15	--	345	93	477	400	77
Feb.	32	82	47	-13	283	5	435	260	175
Mar.	6	84	16	-3	298	26	427	495	-69
Apr.	-68	-53	-13	-1	334	-64	135	90	47
May	28	-12	12	-4	333	75	433	272	161
June	59	-28	-5	-10	370	6	391	500	-109
July	-43	1	-3	--	436	26	416	294	122
Aug.	32	70	37	-2	355	71	565	356	210
Sept.	-12	-13	13	2	382	-17	357	483	-125
Oct.	15	-233	-15	-6	392	-10	143	226	-83

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

2/ Includes Canadian government and political subdivision, International Bank for Reconstruction and Development, nonguaranteed Federal agency and other bonds as well as corporate bonds and stock.

Source:--NAMSB