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Not for Publication

March 1, 1965.

H. 14

CAPITAL MARKET DEVELOPMENTS
IN THE UNITED STATES

(Including Reviews of Capital Markets in February and Savings Flows
in January)

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MAR 4 1965
FEDERAL RESERVE BANK
OF RICHMOND

Long-Term Public Security Offerings ^{1/}

	Corporate		State & Local Govt.	
	New Capital	Refunding	New Capital	Refunding
Sold:				
52 week avg.	110	1	185	10
Feb. 19	43 <u>r/</u>	--	275 <u>r/</u>	1 <u>r/</u>
Feb. 26	100	--	265	--
Scheduled:				
Mar. 5	160	--	238	100

^{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.

Corporate and municipal bond markets. This week's volume of new corporate security offerings is the largest since early last July and three-fifths greater than last week's fairly substantial total. The \$84 million W.R. Grace Company offering of convertible debentures for which rights expire and \$40 million in bonds of the Florida Power and Light Company will make up most of the week's supply. The volume of municipal bonds expected to reach the market this week will be the largest since mid-December and includes an \$116 million package of Public Housing Authority bonds.

Yields in Securities Markets

	<u>Level latest week</u> (per cent)	<u>Change from</u> <u>preceding week</u>
<u>High-Grade</u>		
<u>Notes and Bonds</u>		
<u>Corporate</u>		
New	4.41	--
Seasoned	4.41	--
<u>U.S. Govt.</u>		
Long-term	4.16	--
3-5 year	4.10	+ 1
State and local govt.	3.03	+ 4
<u>Money Market</u>		
Federal Funds	3.88	-12
Treasury bills		
3-month	3.99	+ 5
6-month	4.04	+ 2
Finance Company Paper	4.25	+12

FNMA secondary market operations. Sales by the Federal National Mortgage Association in the secondary market totaled only \$2.0 million in January. This was one of the lowest levels in recent months and compared with \$8.8 million a year earlier.

Purchases by FNMA, which had improved further in December of last year, changed little in January, at a level of \$29.8 million. This compared with \$11.1 million a year earlier and a recent high of about \$112 million in November of 1961. Offerings also remained near their relatively advanced December level. The January totals of \$36.6 million compared with \$15.6 million at the start of 1964.

Capital markets in February. Security financing for new capital by corporations amounted to about \$800 million in February, one-sixth more than a year earlier. As in other recent months, most of this estimated volume consisted of takedowns of private placements of bonds; public offerings of corporate bonds probably totaled \$190 million -- compared with \$279 million in February 1964 -- while offerings of stock are estimated at \$140 million for the month.

Underwriters bid somewhat less aggressively than they had in January for the slim supply of corporate bonds available for competitive bidding, but investors continued to maintain a cautious investment attitude. As a result, although the new corporate bond yield series rose 8 basis points on balance during the month to 4.41 per cent at month-end, retail reception of the three issues acquired by underwriters at competitive bidding was slow. Price restrictions were terminated on two issues offered during the month and one carried over from January, with the initial price declines on these

issues raising yields 4-7 basis points above the original offering yields. At the end of February, dealers inventories of unsold securities still bound by price restrictions amounted to around \$30 million.

State and local governments sold around \$800 million in new capital bonds in February, slightly more than a year earlier. Although the \$100 million State of California bond issue was almost an immediate sell-out, most of the remaining supply of new issues were being distributed very slowly. Thus, dealers' advertised inventories of unsold securities jumped over \$100 million during the month to a record \$800 million at the end of the month, \$30 million higher than the previous record set in mid-May 1963. With these heavy inventories and a continuing large supply of new issues in prospect, yields on seasoned, Aaa-rated bonds which at the start of the month had fallen to 2.94 per cent -- within 6 basis points of their six-year low of November 1962 -- rose 9 basis points to 3.03 per cent at the end of February.

Common stock prices, as measured by Standard and Poor's composite index of 500 stocks, changed little on balance during February in very active trading. From their all-time high of 87.58 on February 1, prices eased about 2-1/3 per cent through the middle of the month, but recovered most of these losses late in the month to close at 87.43 on February 26. Trading volume averaged 5.9 million shares a day, compared with 4.6 million shares during February 1964.

Estimated security financing in March. Corporate security offerings for new capital are expected to total \$1,050 million in March, two-fifths larger than in March 1964. Large public issues currently scheduled total \$407 million.

The new supply of municipal bonds for new capital will probably have a par value of \$850 million this month, somewhat more than a year earlier.

Savings flows in January. During the month of January growth in income-yielding claims on depositary-type institutions amounted to \$3.0 billion, a record for that month and one-third greater than in the corresponding month of 1964. All of this year-over-year expansion in savings flows was attributable to a sharp rise in time and savings deposits at commercial banks; increases in savings capital at savings and loan associations and in regular deposits at mutual savings banks were smaller than a year earlier, with the former off substantially. The greater inflow to commercial banks has followed liberalization of payments on time and savings deposits which many banks put into effect at the start of the year after the November 1964 action of Federal supervisory authorities.

The inflow of savings capital at savings and loan associations was the smallest for any January since 1951 and, after rough allowance for seasonal factors, was probably the smallest monthly inflow in the past decade. The rate differential between dividend rates at savings and loan associations and interest rates paid on alternative forms of savings has narrowed further, particularly on the West Coast where dividend rates-

at 4.5 to 5.0 per cent- have changed little since 1963 while a large number of commercial banks have raised their rates to the maximum each time they have been permitted to do so. Consequently, inflows to associations in that area this January fell \$205 million behind a year earlier, accounting for 70 per cent of the year-over-year contraction in growth of savings capital.

Net Increase in Savings Capital at
Savings and Loan Associations
(In millions of dollars)

	<u>Unadjusted data</u>		<u>Percentage change</u>
	<u>Current year</u>	<u>Change from previous year</u>	
1964 - Oct.	751	-44	-6
Nov.	859	+55	+7
Dec.	1,679	-55	-3
1965 - Jan.	177	-287	-6

Seasonally adjusted data

	<u>Current year</u>	<u>Previous year</u>
1964 - Oct.	854	888
Nov.	968	898
Dec.	690	809
1965 - Jan.	277	575

Although smaller than in January 1964, the net gain in regular deposits at mutual savings banks was down only slightly, and that in comparison with the high January 1964 inflow which followed increases at that time in rates of interest paid by New York savings banks. On a seasonally adjusted basis, the January inflow was larger than in any month since last summer when several large New York City mutuals were conducting intensive advertising campaigns to attract funds.

Net Change in Regular Deposits at Mutual
Savings Banks
(In millions of dollars)

Unadjusted Data

	<u>Current year</u>	<u>Change from previous year</u>	<u>Percentage change</u>
1964 - Oct.	233	+38	+19
Nov.	317	+78	+33
Dec.	629	+65	+12
1965 - Jan.	358	-24	- 6

Seasonally adjusted data

	<u>Current year</u>	<u>Previous year</u>
1964 - Oct.	376	326
Nov.	271	196
Dec.	387	344
1965 - Jan.	406	426

The January increase in time and savings deposits at commercial banks amounted to \$2.5 billion, a post-war record and over twice that of a year earlier. It also exceeded by one-fourth the gain in January 1962 following the previous across-the-board liberalization in maximum permissible interest rates by the Federal regulatory authorities.

EXHIBIT A, Part I

LONG-TERM BOND YIELDS, HIGH-GRADE

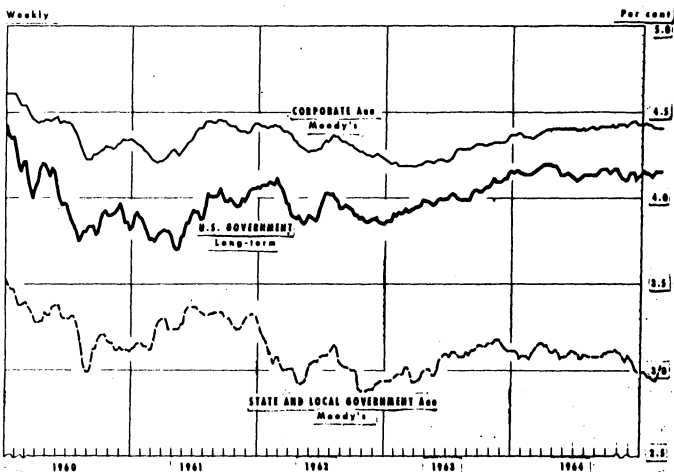


Exhibit A -- Part II

Date	Corporate Ass 1/	U. S. Govt. long-term 2/	State and local government Ass 3/	Spread between U. S. Govt. and	
				Corporate Ass	State and local Ass
		(per cent)			
1959-60 - High	4.61 (1/29/60)	4.42 (1/8/60)	3.65 (9/24/59)	.59	.92
1961-62 - High	4.46 (9/15/61)	4.12 (2/23/62)	3.37 (7/6/61)	.57	1.04
1962-63 - Low	4.19 (3/29/63)	3.85 (12/28/62)	2.88 (11/8/62)	.21	.80
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 (12/31)	.19	1.01
1965 - High	4.44 (1/8)	4.16 (2/26)	3.03 (2/25)	.29	1.22
Low	4.41 (2/26)	4.13 (1/29)	2.94 (2/11)	.25	1.13
Jan. 29	4.42	4.13	2.96	.29	1.17
Feb. 5	4.41	4.15	2.94	.26	1.21
Feb. 12	4.41	4.16	2.94	.25	1.22
Feb. 19	4.41	4.16	2.99	.25	1.17
Feb. 26 p/	4.41	4.16	3.03	.25	1.13

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

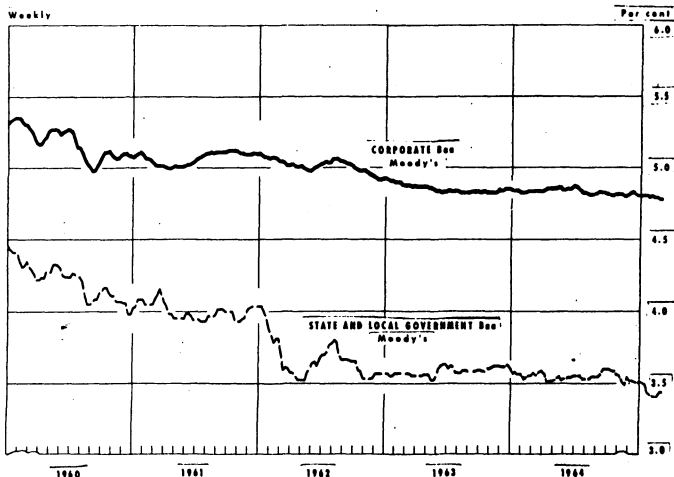


Exhibit B -- Part II

Date	Corporate Baa 1/	State and local govt. Baa 3/	Spread between Aaa and Baa	
			Corporate	State and local govt.
			(per cent)	
1959-60 - High	5.36 (2/12/60)	4.46 (1/7/60)	.84	1.08
Year end - 1961	5.10	4.04	.66	.73
1962	4.93	3.57	.70	.63
1963	4.85	3.60	.48	.49
1964	4.80	3.51	.37	.52
1965- High	4.80(1/8)	3.49(1/7)	.38	.52
Low	4.78(2/26)	3.40 (2/11)	.36	.41
Jan. 29	4.80	3.41	.38	.45
Feb. 5	4.79	3.40	.38	.46
Feb. 12	4.79	3.40	.38	.46
Feb. 19	4.78	3.44	.37	.45
Feb. 26 p/	4.78 ✓	3.44	.37	.41

Notes: For footnotes see Exhibit A.

SHORT- AND INTERMEDIATE-TERM INTEREST RATES, GOVERNMENT

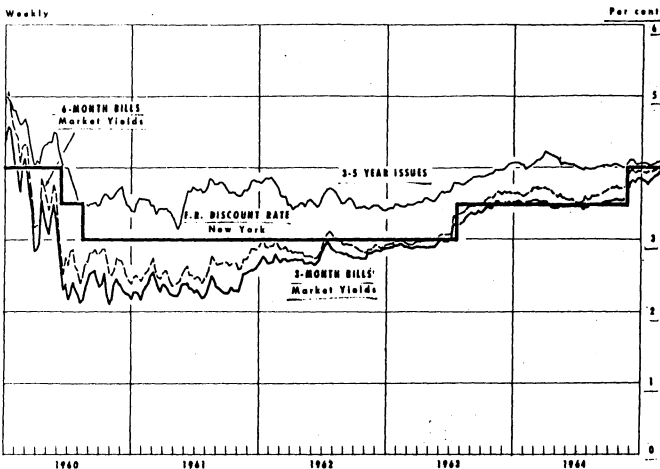


Exhibit C -- Part II

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
Year end - 1961	3.00	2.66	2.90	3.81	.24	1.15
1962	3.00	2.89	2.93	3.41	.04	.52
1963	3.50	3.52	3.64	4.07	.13	.55
1964	4.00	3.83	3.93	4.07	.10	.24
1965 - High	4.00	3.99 (2/26)	4.04 (2/26)	4.10 (2/26)	.13	.29
Low	4.00	3.80 (1/8)	3.92 (1/8)	4.04 (1/22)	.05	.11
Jan. 29	4.00	3.85	3.94	4.05	.09	.20
Feb. 5	4.00	3.89	3.96	4.06	.07	.17
Feb. 12	4.00	3.90	3.99	4.08	.09	.18
Feb. 19	4.00	3.94	4.02	4.09	.08	.15
✓ Feb. 26 p/	4.00	3.99 ✓	4.04 ✓	4.10	.05	.11

1/ Weekly rate shown is that in effect at end of period at the Federal Reserve Bank of New York.
 2/ Market yields; 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

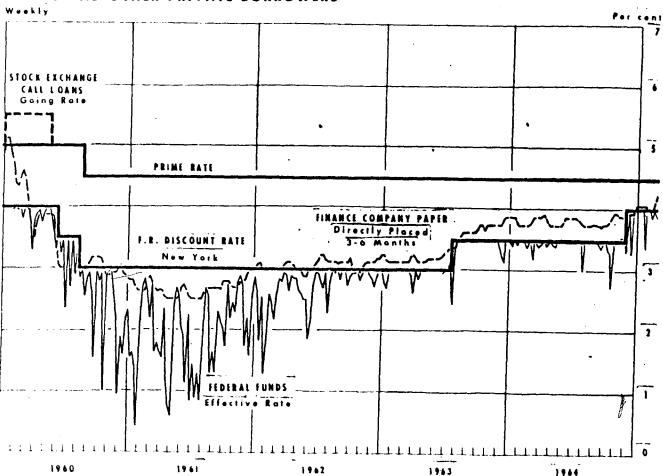
SHORT- AND INTERMEDIATE- TERM INTEREST RATES,
BANKS AND OTHER PRIVATE BORROWERS

Exhibit D -- Part II

Date	Prime rate ^{1/}	Finance company paper ^{2/}	Federal funds ^{3/}	Spread between 3-mo. bills and finance co. paper
	(per cent)			
1959-60 - High	5.00	5.13 (1/22/60)	4.00 (5/13/60)	1.02
Year end - 1961	4.50	3.00	2.88	.34
1962	4.50	3.19	3.00	.30
1963	4.50	3.88	3.50	.36
1964	4.50	4.06	4.00	.23
1965 - High	4.50	4.25(2/26)	4.00(2/19)	.29
Low	4.50	4.00(2/12)	3.88(2/26)	.10
Jan. 29	4.50	4.03	4.00	.18
Feb. 5	4.50	4.00	4.00	.11
Feb. 12	4.50	4.00	3.88	.10
Feb. 19	4.50	4.13	4.00	.19
Feb. 26 ^{6/}	4.50	4.25	3.88	.26

^{1/} Weekly rate shown is that in effect at end of period. 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

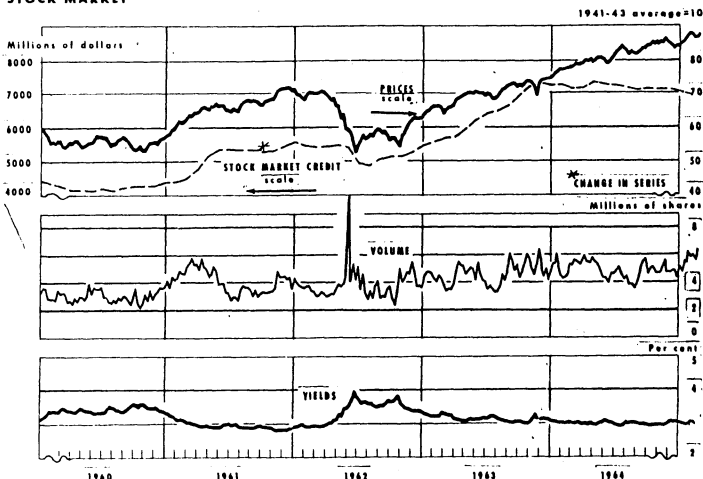


Exhibit E -- Part II

Date	Stock price index 1/	Common stock yields 2/ (per cent)	Trading volume 3/ (millions of shares)	Stock market customer credit		
				Total	Customers' debit balances 4/	Bank loans to "others" 5/
(In millions of dollars)						
1961-62 - High	72.04(12/8/61)	2.80	10.1	5,607(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)
Year end	74.44	3.13	4.7	7,242	5,515	1,727
1964	84.75	3.02	4.7	7,053	5,099	1,974
1965 - High	87.56(1/29)	2.95	6.4	6,940	4,986	1,962(1/20)
Low	85.37(1/8)	3.02	4.7	--	--	1,947(2/3)
Jan.	86.12	2.99	5.5	6,940	4,986	1,954
Feb.	86.75	2.99	5.9	--	--	1,876
Feb. 12	86.17	3.02	5.9	n.a.	n.a.	1,958
Feb. 19	86.21	3.02	5.6	n.a.	n.a.	1,876
Feb. 26 p/	87.43	2.96	6.4	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. Year-end figures are averages of daily figures for the year.

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.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

SECONDARY MARKET OPERATIONS

Monthly

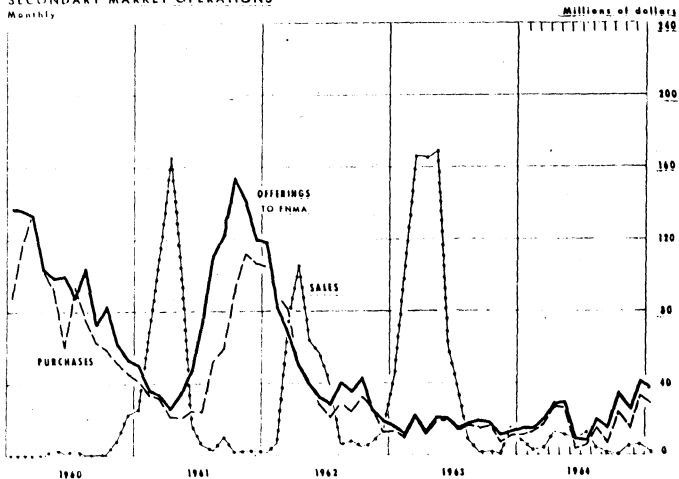


Exhibit F - Part II

Date	Estimated offerings to FNMA			Purchases by FNMA	Sales by FNMA
	Total	Immediate purchase	Standby commitment		
(In millions of dollars)					
1964 - Jan.	15.6	15.5	.1	11.1	8.8
Feb.	15.1	15.0	.1	13.0	2.3
Mar.	20.1	19.9	.3	16.8	3.8
Apr.	28.5	28.5	.1	26.4	12.7
May	28.9	28.9	--	25.8	10.9
June	9.3	9.2	--	3.8	9.5
July	8.4	8.0	.3	5.5	12.6
Aug.	20.5	20.5	--	15.2	4.4
Sept.	15.1	14.9	.1	7.2	1.6
Oct.	34.9	34.8	.1	24.0	--
Nov.	26.0	25.9	.1	16.0	5.7
Dec.	41.3	41.1	.1	32.5	5.9
1965 - Jan.	36.6	36.6	.1	29.8	2.0

--Less than \$50,000.

1/ Data represent unpaid principal balances of the mortgages involved, exclusive of premiums, discounts, or other charges. Offerings are amounts of applications received during the period from sellers proposing that FNMA execute purchasing contracts. An immediate purchase contract covers existing mortgages which the seller must deliver to FNMA within 45 days. A standby commitment contract relates to proposed mortgages on housing not yet under construction which the seller must usually deliver within one year. Purchases include those under both immediate purchases and standby commitment contracts. Data exclude FNMA activity under Special Assistance and Management and Liquidating Programs.

YIELDS ON NEW AND SEASONED CORPORATE BONDS

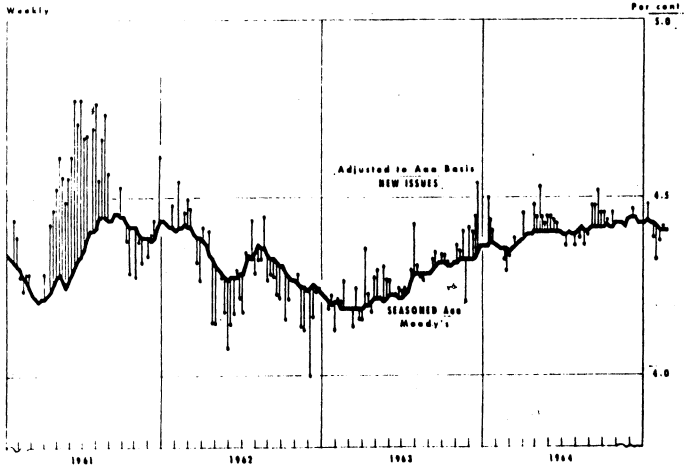


Exhibit G - Part II

Yields on New Corporate Bond Issues Adjusted to an Aaa basis

	Number of issues	Am't of issues included (mil. of dollars)	Average yield (-or cent)		Number of issues	Am't of issues included (mil. of dollars)	Average yield (-or cent)		
Monthly averages:									
1964 - Mar.	6	166.0	4.43	Dec.	4	3	140.0	4.47	
Apr.	1	130.0	4.48	11	--	--	--	--	
May	10	278.0	4.46	18	--	--	--	--	
June	8	230.0	4.43	25	--	--	--	--	
July	3	60.0	4.37	Jan.	1	--	--	--	
Aug.	4	75.0	4.39	8	1	40.0	4.53*	4.53*	
Sept.	7	239.0	4.49	15	--	--	--	--	
Oct.	3	70.0	4.46	22	1	14.0	4.39	4.39	
Nov.	--	--	--	29	1	40.0	4.33	4.33	
Dec.	3	140.0	4.47	Feb.	5	1	16.0	4.38	4.38
1965 - Jan.	3	94.0	4.42	12	1	60.0	4.42	4.42	
				19	--	--	--	--	
				26	1	35.0	4.41	4.41	
Weekly averages									
1964 - High			4.53(5/8)						
Low			4.30(2/21)						

Notes: Averages of offering yields on all new issues of publicly offered corporate bonds rated Aaa, Aa and A by Moody's Investors Service (except serial and convertible issues, offerings of natural gas pipeline and foreign companies, and bonds guaranteed by the Federal Government) weighted by size of offering. Before averaging, new offerings are adjusted to a composite Aaa basis by deducting from the actual 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/		
	1965	1964	1963	1965	1964	1963
January	e/800	930	613	e/800	p/ 947	732
February	e/800	685	594	e/800	p/ 776	746
March	e/1,050	754	1,144	e/850	p/ 810	976
April		2,178	930		p/ 1,242	869
May		1,069	904		p/ 667	866
June		1,378	1,013		p/ 903	930
July		780	676		p/ 906	680
August		661	637		p/ 780	708
September		1,109	795		p/ 892	449
October		949	1,013		e/ 850	1,051
November		656	819		e/ 550	729
December		1,419	1,415		e/ 950	416
1st quarter	e/3,877	2,369	2,351	e/2,450	p/ 2,533	2,454
2nd quarter		4,625	2,847		p/ 2,811	2,665
3rd quarter		2,550	2,109		p/ 2,578	1,837
4th quarter		3,013	3,246		e/ 2,350	2,197
1st half		6,994	5,198		p/ 5,344	5,118
Three quarters		9,544	7,307		p/ 7,922	6,955
Year		12,557	10,553		e/10,272	9,151
	Excluding finance companies 3/					
1st quarter	e/3,677	1,996	2,284			
2nd quarter		4,170	2,529			
3rd quarter		2,411	1,768			
4th quarter		e/ 2,763	2,854			
Year		e/11,340	9,434			

e/ Estimated by Federal Reserve.

p/ Preliminary.

1/ Securities and Exchange Commission estimates of net proceeds.

2/ Investment Bankers Association of America estimates of principal amounts.

3/ Total new capital issues excluding offerings of sales and consumer finance companies.

Exhibit I

New Corporate Security Issues, Type of Issue
and Issuer
(In millions of dollars)

Quarter or Month	Gross proceeds for new capital and refunding 1/					Net proceeds for new capital 1/ 2/			
	Total	Bonds		Common and pfd. stock	Memo: Foreign issues included	Mfg.	Public Utility	Communi- cations	Other issuers
		Publicly Offered	Privately Offered						
1962 - 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	806	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 <u>e/</u>	2,802	792	1,516	494	85	547	642	59	1,303
IV	3,311	531	2,372	408	223	1,045	509	128	1,332
1965 - I									
1963 - 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. <u>e/</u>	1,204	376	672	156	44	234	296	19	560
Oct.	1,032	181	638	213	82	249	297	81	321
Nov.	702	30	620	52	27	188	40	17	401
Dec.	1,577	320	1,114	143	114	607	172	30	610
1965 - Jan. <u>e/</u>	815	165	550	100	n.a.	250	110	10	430
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 & other transportation, real estate & finance, & commercial & other.

Source: Securities & Exchange Commission.

Exhibit J

Other Security Offerings
(In millions of dollars)

	Gross long-term 1/					
	Foreign government 2/			Federal agency 3/		
	1965	1964	1963	1965	1964	1963
January	e/235	4	232	e/--	--	--
February		82	133		--	148
March		69	76		--	--
April		30	57		--	186
May		75	114		--	--
June		26	11		275	459
July		20	63		260	--
August		13	83		160	--
September		7	--		--	--
October		180	--		509	174
November		72	--		--	200
December		58	2		--	--
Year		636	771		1,204	1,167
	New short-term 4/					
	State and local government 5/			Federal agency 3/		
	1965	1964	1963	1965	1964	1963
January	n.a.	103	75	e/249	-78	-106
February		236	272		-336	-189
March		-407	-367		23	-482
April		442	589		97	292
May		81	-30		183	195
June		-80	-10		239	319
July		-9	62		-333	414
August		127	208		167	327
September		176	-173		1	258
October		7	259		525	123
November		-15	146		113	-102
December		p/-208	-339		-3	551
Year		p/ 453	692		598	1,600

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 PMA 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) 1/

Proceeds of Large Issues Offered
(In millions of dollars)

	Corporate				State and local governments	Other <u>2/</u>
	Total	Bonds (other than convertibles)	Convertible bonds	Stocks		
1964 - 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	--	210	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
Dec.	230	200	30	--	541	--
1965 - Jan.	130	115	--	15	419	235
Feb.	217	131	--	86	446	130

Large Individual Issues Offered During February

Issuer	Type <u>3/</u>	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>Corporate</u>						
Texas Elec. Serv. Co.	1st mtg. bds.	16.0	1995	4-1/2	4.40	Aa
*Occidental Pet. Corp.	Com. stk.	22.2				
Dan River Mills	Deb.	20.0	1990	4-5/8	4.65	--
Southern Cal. Ed. Co.	1st & ref. mtg. bds.	60.0	1990	4-1/2	4.44	Aa
*New England Elec. System	Com. stk.	18.3				
Potomas Elec. Pwr. Co.	Pfd. stk.	20.0				
Gen. Tel. Co. of Calif.	1st mtg. bds.	35.0	1995	4-1/2	4.50	A
*Armour & Co.	Com. stk.	25.5				
<u>State & Local Government</u>						
Los Angeles Fld. Cont. Dist Calif.	Rev.-Q.-Ut.	15.0	1966-67	2.33	2.15-2.25	Aa
Commonwealth of Puerto Rico	G.O.	54.0	1966-90	3.36	2.25-3.40	A
Palm Beach Co., Florida	G.O.	26.8	1966-84	3.06	2.20-3.10	A
Onondaga Co., N.Y.	G.O.	10.0	1966-95	n.a.	2.20-3.15 ^{4/}	Aa
Phila. Sch. Dist., Pa.	G.O.	16.0	1966-90	3.09	2.20-3.20 ^{4/}	A
State of California	G.O.	100.0	1975-2015	3.50	2.90-3.58 ^{5/}	Aa

Large Individual Issues Offered During February (Cont'd)

Issuer	Type ^{3/}	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offering yield	Rating
<u>State & Local Government (Cont'd)</u>						
Oyster Bay, N.Y.	G.O.	13.0	1965-94	3.22	2.15-3.40	A
St. Louis, Mo.	G.O.	10.4	1966-85	3.00	2.15-3.02	Aa
Wisc. State Agencies Bldg. Corp.	Rev.-Rent.	35.3	1966-99	3.21	2.20-3.20	Aa
San Mateo Jr. College Dist, Cal.	G.O.	11.1	1967-90	3.02	2.30-3.10 ^{6/}	Aa
State of Maryland	G.O.	31.9	1968-80	2.92	2.40-2.90	Aaa
Los Angeles Dept. of Wtr. & Pwr. Calif.	Rev.-Ut.	35.8	1966-95	3.25	2.20-3.40	Aa
Lake Charles, La.	G.O.	12.7	1966-80	3.32	2.40-3.30	Baa
Atlanta, Georgia	G.O.	24.2	1967-89	3.19	2.40-3.20	Aa
Penna. Gen. State Auth.	Rev.-Rent.	50.0	1968-92	n.a.	2.55-3.36 ^{7/}	--
<u>Other</u>						
Federal Land Banks	Bonds	129.5	1969	4-1/4	4.25	--

*--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/ 1/20 per cent bonds maturing 1990 reoffered to yield 4.10 per cent.
- 5/ Bonds maturing 2013-15 not publicly reoffered.
- 6/ 1/20 per cent bonds maturing 1989-90 reoffered to yield 4.00 per cent.
- 7/ 1/10 per cent bonds maturing 1992 reoffered to yield 4.00 per cent.

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/
1965 - Feb. 28	224	454	--	1,649	646	--
Mar. 31	1,587	669	25	1,837	953	26
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
Dec. 31	105	306	215	105	435	215
1965 - Jan. 29	169	242	--	253	382	--
Feb. 26	407	316	--	504	599	--

Forthcoming Large Offerings as of February 26

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
Corporate			
W.R. Grace Co.	Conv. sub. deb.	84.0	Mar. 1 (rts. ex.)
Mississippi Pwr. & Lt. Co.	1st mtg. bds.	20.0	Mar. 3
Florida Pwr. & Lt. Co.	1st mtg. bds.	40.0	Mar. 4
United Air Lines Inc.	Conv. deb.	66.0	Mar. 8 (rts. ex.)
General Acceptance Corp.	Deb.	35.0	Mar. 9
Oklahoma Gas & Elec. Co.	1st mtg. bds.	25.0	Mar. 10
Phila. Elec. Pwr. Co.	1st mtg. bds.	25.0	Mar. 11
*Southwestern P. S. Co.	1st mtg. bds.	16.0	Mar. 11
Carolina, Clinchfield, & Ohio Railroad Co.	Gen. mtg. bds.	16.0	Mar. 17
Northern Nat. Gas Co.	Deb.	20.0	Mar. 18
*Spiegel, Inc.	Deb.	40.0	Mar. 23
*Brooklyn Union Gas Co.	1st mtg. bds.	20.0	Mar. 25
Celanese Corp.	Con. sub. deb.	78.9	Apr. 1 (rts. ex.)
*Spiegel, Inc.	Sub. deb.	17.7	Apr. 9 (rts. ex.)

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Forthcoming Large Offerings as of February 26

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>State and Local Government</u>			
Monroe, La.	G.O.	20.4	Mar. 1
Public Housing Auth.	--	115.7	Mar. 3
*Prince Georges Co., Md.	G.O.	18.3	Mar. 3
Fairfax Co., Va.	G.O.	10.0	Mar. 3
Milwaukee, Wisc.	G.O.	12.0	Mar. 9
*State of New York	G.O.	43.6	Mar. 9
La. State Bond & Bldg. Comm.	Rev.-Rent.	15.0	Mar. 10
Nassau Co., N.Y.	G.O.	19.6	Mar. 10
*Charlotte, N.C.	G.O.	10.8	Mar. 16
Forth Worth, Texas	G.O.	10.4	Mar. 23
*Tacoma Dept. of Pub. Util, Wash.	Rev.-Ut.	50.0	Mar. 24
*State of Ohio	G.O.	40.0	Apr. 1
*Clark Sch. Dist., Nev.	G.O.	17.0	Apr. 1
Ill. State Normal Univ.	Rev.-Rent.	80.0	Apr. 12
Pittsburgh, Pa.	G.O.	35.0	Indefinite
Dade County, Fla.	G.O.	46.0	Indefinite
Florida Dev. Comm.	Rev.-S.T.	33.8	Indefinite
Los Angeles Harbor Dist., Calif.	Rev.-Q.-Ut.	11.0	Indefinite
Va. State Highway Auth.	Rev.-Q.-Ut.	31.0	Indefinite
<u>Other</u>			
*Federal Home Loan Banks	Bonds	185.0	Mar. 3

*--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 Dec. 1 through February 26		
12/15	25.0	*European Investment Bank--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%.
1/14	200.0	International Bank for Reconstruction and Development--4-1/2% bonds, maturing 1990, reoffered to yield 4.48%.
1/19	15.0	Republic of the Philippines--6-1/2% bonds, maturing 1980, reoffered to yield 6.66%.
1/25	20.0	Republic of Portugal--5-3/4 bonds, maturing 1985, reoffered to yield 5.97%.
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 8.83 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 by new security offerings from borrowers in certain designated "developed" countries.

Part II: Private Placement--Reported December 1 through February 26

Date reported	Amount (millions of dollars)	Issuer and Description of Issue
12/21	25.0	Prince George Pulp & Paper Ltd.--1st mtg. sinking fund bonds, maturing 1985--no information available on takedown.
1/11	25.0	Alberta Municipal Financing Corp.--4-5/8% debentures, maturing 1989, priced to yield 4.65%--no information available on takedown.
1/13	8.0	Beneficial Finance Co. of Canada--senior notes maturing 1984--no information available on takedown.
1/18	30.0	Province of Nova Scotia--4-1/2% sinking fund debentures, 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 takendown 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.