

DECONTROLLED AFTER SIX MONTHS

Not for Publication

H. 14

January 17, 1966

**CAPITAL MARKET DEVELOPMENTS
IN THE UNITED STATES**

Corporate and municipal bond markets. Public security offerings of both corporate and municipal securities this week will be sharply smaller than last week's very large totals.

Long-term Public Security Offerings ^{1/}
(In millions of dollars)

	Corporate		State and local Government	
	New Capital	Refunding	New Capital	Refunding
Sold:				
52 week avg.	147	3	194	12
Jan. 7	209 ^{1/}	--	146 ^{1/}	--
Jan. 14	250	--	330	--
Scheduled:				
Jan. 21	50	--	162	--

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

The bulk of last week's new corporate bond issues reached the market through negotiated offerings and were quickly distributed. Last week's lone competitive issue, however, was moving very slowly despite a reoffering yield which was at the same level as the yields on comparable issues sold around the mid-December peak. Furthermore, syndicate price restrictions were terminated on a slow moving issue sold the previous week, and the immediate price adjustment on this issue in secondary market trading was sufficient to increase its yield 4 basis points.

In the municipal market, yields changed little during a week in which about three-fourths of the large supply of new bond issues were spoken for by the week-end. This strong demand appears to be generated by large interest payments and a sizable volume of maturities of outstanding issues at the start of the year.

Yields in Security 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	4.89*	+7
Seasoned	4.74	+1
<u>U.S. Govt.</u>		
Long-term	4.42	-2
3-5 years	4.84	-9
<u>State and local Govt.</u>		
Moody's Aaa	3.40	--
Standard and Poor's high grade	3.51	-3
<u>Money Market</u>		
Federal funds	4.60	--
Treasury bills		
3-month	4.59	+6
6-month	4.73	+3

Corporate Bonds Still in Syndicate

<u>Date</u> <u>Offered</u>	<u>Amount</u> <u>(millions of \$)</u>	<u>Issue</u>	<u>Reoffering</u> <u>Yield</u>	<u>Rating</u>	<u>Estimated Pro</u> <u>portion sold</u>
1/6	100.0	New York Tel. Co. 4-7/8's - 2006	4.82	Aaa	2/5
1/13	40.0	Ohio Pwr. Co. 5-1/8's - 1996	5.00	A	2/5

Blue List of Municipal Dealer's Advertised Inventories
(millions of dollars)

<u>Latest Date</u>	<u>End of Previous Week</u>	<u>Recent High</u>
496 (12/30)	448	901 (6/4)

Mortgage yields and conventional mortgage terms.

Yields on FHA-insured, 5-1/4 per cent, 30-year mortgages sold in the secondary market which had already risen 7 basis points over the previous four months, accelerated 11 basis points further in December. The increase raised the average to 5.62 per cent, the highest since May of 1962. Associated with the December rise was the decision by the Federal National Mortgage Association, effective December 10, to lower its secondary market purchasing prices by one percentage point and thus bring them into closer alignment with prevailing firmer market conditions.

The increased yield on FHA-insured mortgages only about matched the rise in yields on new corporate bonds adjusted to an Aaa basis. As a result, the spread between yields on these two financing instruments, which had narrowed to 79 basis points in September, continued to change little.

Contract interest rates on conventional mortgages also advanced further in December, based on reports from the Federal Housing Administration. Rates on loans for new homes reached 6.00 per cent, 10 basis points above the average in November and 15 basis points above the earlier level which had continued for more than two years. Loans on existing homes showed a similar pattern of increase reaching 6.05 per cent in December.

In November, adjustments in non-rate terms for conventional mortgages apparently were moving counter to contract rates, according to the Federal Home Loan Bank Board. Loan-to-value ratios and maturities on the average were somewhat more liberal than in October for both new and used homes.

Stock market. Standard and Poor's index of 500 common stock prices advanced further on balance last week to close at an all-time high of 93.50 on January 14. Trading volume averaged 8.6 million shares a day during a week when the New York Stock Exchange closed 1-1/2 hours early each day because of the transit strike.

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

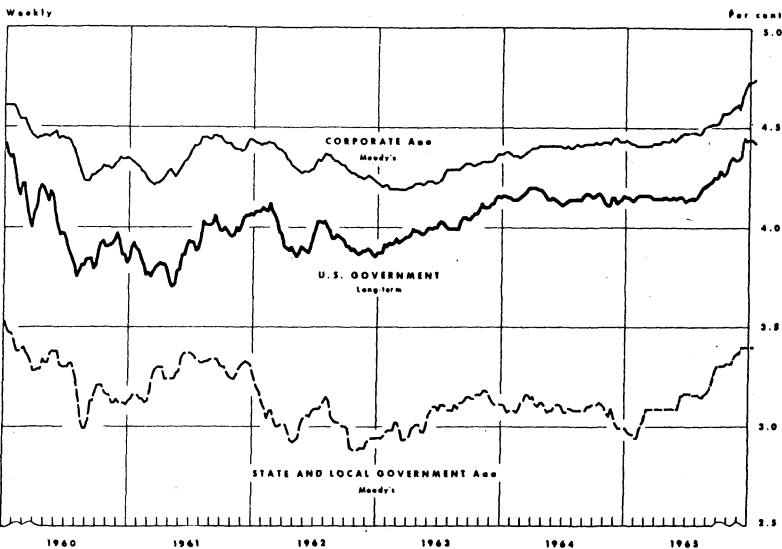


Exhibit A -- Part II

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
1961-62 - 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	4.73 (12/31)	4.45 (12/17)	3.40 (12/31)	.34	1.22
Low	4.41 (3/12)	4.13 (6/25)	2.94 (2/11)	.22	.94
Dec. 17	4.69	4.45	3.40	.24	1.05
Dec. 24	4.71	4.43	3.40	.28	1.03
Dec. 31	4.73	4.44	3.40	.29	1.04
Jan. 7	4.73	4.44	3.40	.29	1.04
Jan. 14 p/	4.74 ✓	4.42 ✓	3.40 ✓	.32	1.02

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.

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

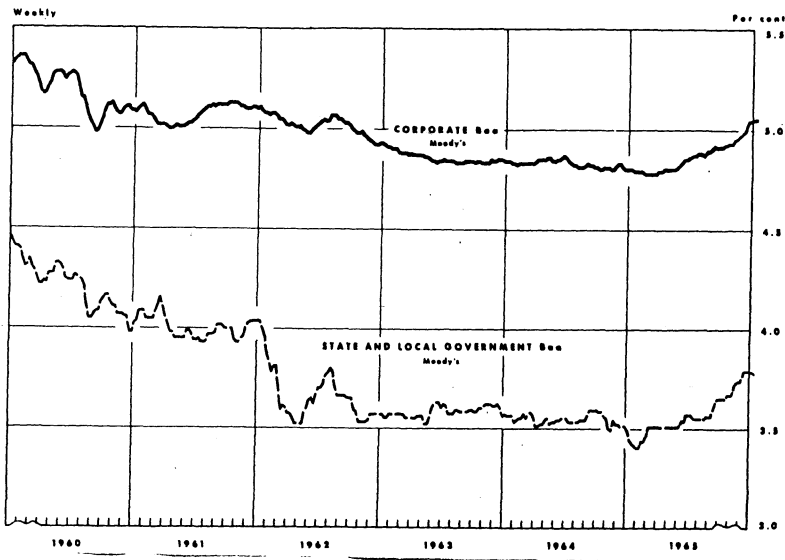


Exhibit B -- Part II

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	5.04 (12/31)	3.79 (12/30)	.41	.52
Low	4.78 (3/19)	3.40 (2/11)	.33	.34
Dec. 17	5.02	3.79	.33	.39
Dec. 24	5.04	3.79	.33	.39
Dec. 31	5.04	3.79	.31	.39
Jan. 7	5.05	3.79	.32	.39
✓ Jan. 14 p/	5.05	3.78	.31	.38

Note: For footnotes see Exhibit A.

SHORT- AND INTERMEDIATE-TERM INTEREST RATES GOVERNMENT

Weekly

Per cent

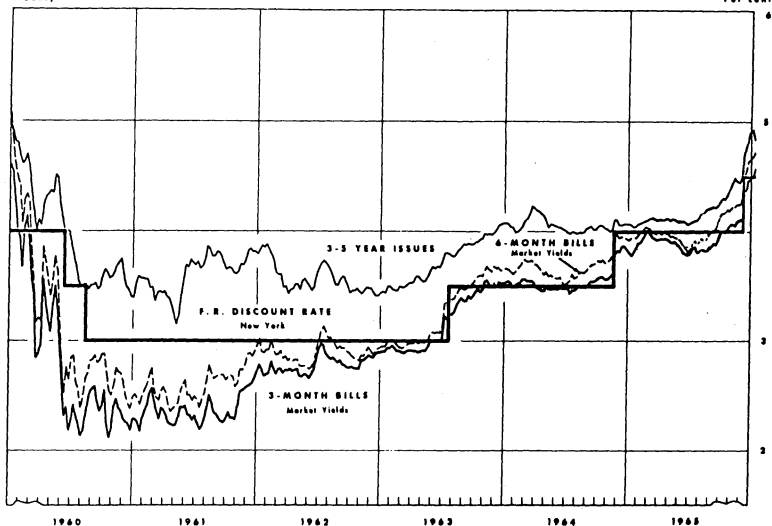


Exhibit C -- Part II

Date	Discount rate 1/	Yields			Spread between yields on 3- month bills and yields on 6-mo. bills 3-5 yr. issues	
		3-month bills 2/	6-month bills 2/	3-5 year issues 2/		
		(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	4.50	4.47 (12/31)	4.66 (12/31)	4.90 (12/31)	.19	.43
Low	4.00	3.78 (6/25)	3.82 (6/25)	4.04 (1/22)	.03	.11
Dec. 17	4.50	4.40	4.58	4.79	.18	.39
Dec. 24	4.50	4.46	4.65	4.82	.19	.36
Dec. 31	4.50	4.47	4.66	4.90	.19	.43
Jan. 7	4.50	4.53	4.70	4.93	.17	.40
Jan. 14p/	4.50	4.59/	4.73 ✓	4.84	.14	.25

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

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

EXHIBIT D, Part I

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

Weekly

Per cent

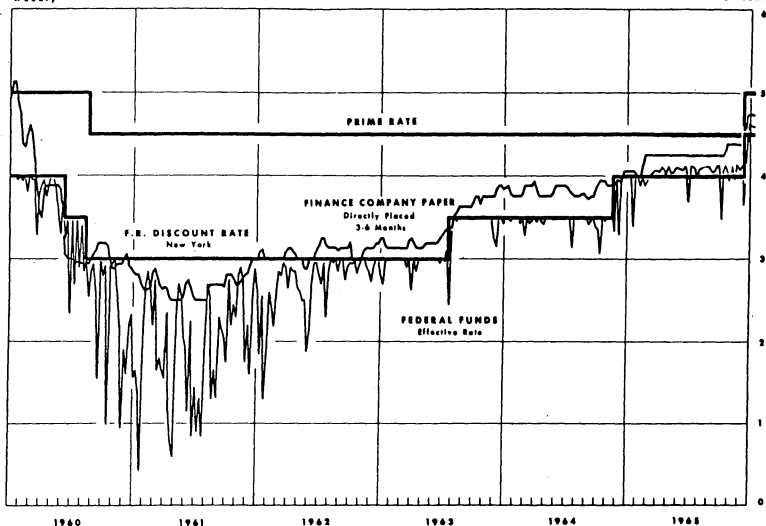


Exhibit D -- Part II

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	5.00	4.75 (12/31)	4.63 (12/31)	.47
Low	4.50	4.00 (2/12)	3.48 (10/1)	.10
Dec.17	5.00	4.61	4.50	.23
Dec.24	5.00	4.75	4.41	.29
Dec.31	5.00	4.75	4.63	.28
Jan.7	5.00	4.75	4.60	.22
✓ Jan. 14p	5.00	4.78	4.60 ✓	.16

^{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 90-175 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

Billions of dollars

1941-43 average=10

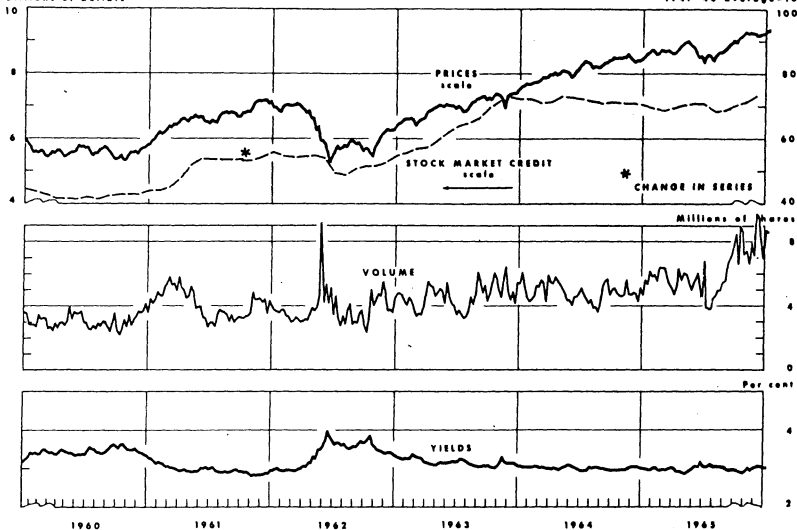


Exhibit E -- Part II

Date	Stock price index 1/	Common stock yields 2/ (per cent)	Trading volume 3/ (millions of shares)	Stock market customer credit		
				Total	Customers' deb't bal- ances 4/	Bank loans to "others" 5/
(In millions of dollars)						
1961-62 - High	72.04(12/8/61)	2.80	10.1	5,607(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						
1963	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	92.55 (11/12)	2.95	9.8	7,304	5,209	2,186 (12/24)
Low	83.06 (6/25)	3.15	3.8	6,872	4,863	1,843 (3/3)
Nov.	92.15	2.97	7.4	7,304	5,209	2,095
Dec.	91.73	3.05	8.6	n.a.	n.a.	2,184
Dec. 31	92.43	3.04	7.0	n.a.	n.a.	2,184
Jan. 7	93.14	3.02	8.7	n.a.	n.a.	2,180
Jan. 14 p/	93.50	3.01	8.6	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.

MORTGAGE AND BOND YIELDS

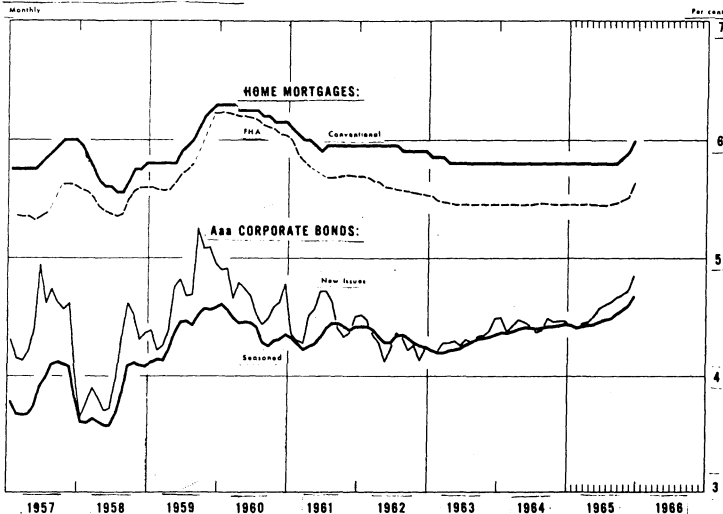


Exhibit F Part II

	FHA mortgages 2/		Conven- tional mort- gages 3/	Spread be- tween yields on conv. & FHA mort- gages 4/	Aaa Corporate Bonds		Spread between yields on new cor- porate bonds and FHA mtgs. 5/	
	25-year	30-year			New 5/	Seasoned 6/	FHA mtgs. 4/	Seasoned bonds
1956 - Low	4.68	--	5.20	.47	3.08	3.08	.76	--
1957 - High	5.63	--	6.00	.47	4.94	4.12	1.58	1.03
1958 - Low	5.35	--	5.55	.15	3.65	3.57	.88	.05
1959-60 - High	6.24	--	6.30	.23	5.25	4.61	1.69	.73
1961-65 - High	6.00	5.70	6.10	.39	4.72	4.60	1.48	.39
Low	5.43	5.44	5.80	.25	4.12	4.19	.79	-.16
1965 - Aug.	5.45	5.45	5.80	.35	4.63	4.49	.82	.14
Sept.	5.46	5.46	5.80	.34	4.67	4.52	.79	.15
Oct.	5.49	5.49	5.85	.36	4.69	4.56	.80	.13
Nov.	5.51	5.51	5.90	.39	4.72	4.60	.79	.12
Dec.	5.63	5.62	6.00	.38	4.85	4.68	.77	.17

1/ Neither mortgage nor bond yields take into account servicing costs which are much higher for mortgages than bonds. Generally, bonds pay interest semi-annually; mortgages, monthly. Mortgage yields, if computed as equivalent to a semi-annual interest investment, would be slightly higher than given in the table.

2/ Based on FHA field office opinions about average bid prices in the private secondary market for new-home mortgages for immediate delivery. Separate data available for 25-year and—beginning July 1961—30-year mortgages with minimum downpayments, weighted by probable volume of transactions. Yields computed by FHA, assuming prepayment period of 12 years for 25-year mortgages and 15 years for 30-year mortgages. Over the period for which they can be compared, the movement of the two mortgage yield series has been similar. Dashed lines indicate periods of adjustment to changes in contractual interest rates.

3/ Based on FHA field office opinion on typical interest rates (rounded) on conventional first mortgages prevailing in the market areas of insuring office cities. Beginning with April 1960, rate relates only to new-home mortgages; prior to that date, rate related to both new as well as existing-home mortgages. Dashed line indicates this change in the series.

4/ FHA mortgage yield data are for 25-year mortgages through June 1961; 30-year mortgages thereafter.

5/ See note for Exhibit G.

6/ Moody's Investor Service. Monthly averages of daily data. See Exhibit A.

CONVENTIONAL MORTGAGE TERMS

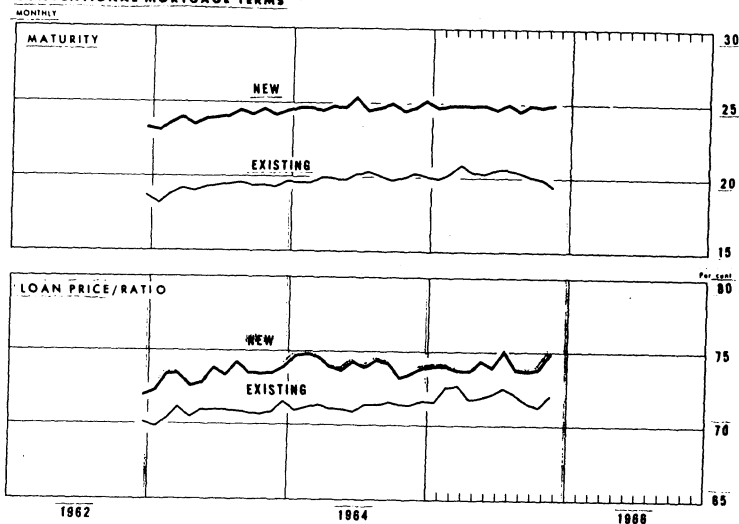


Exhibit F Part IV

	New Homes					Existing Homes				
	Con- tract Rate (Per cent)	Fees & Charges (Per cent) 2/	Maturity (Years)	Loan/ Price ratio (Per cent)	Loan amt. (Thous.)	Con- tract Rate (Per cent)	Fees & Charges (Per cent) 2/	Maturity (Years)	Loan/ Price ratio (Per cent)	Loan amt. (Thous.)
1964										
Nov.	5.75	.55	24.7	74.5	17.4	5.94	.57	20.3	71.4	13.8
Dec.	5.76	.59	25.2	74.9	17.8	5.92	.56	20.1	71.7	13.7
1965										
Jan.	5.79	.59	24.7	74.0	17.5	5.95	.54	19.9	71.6	13.6
Feb.	5.79	.61	24.9	74.0	17.6	5.93	.54	20.3	72.6	13.8
Mar.	5.72	.49	24.0	73.7	18.5	5.91	.55	20.9	72.7	14.6
Apr.	5.74	.51	24.0	73.7	18.1	5.89	.49	20.4	71.8	14.0
May	5.77	.53	24.0	74.4	18.2	5.88	.48	20.3	71.9	14.1
June	5.76	.49	24.6	73.9	17.5	5.86	.49	20.6	72.1	14.3
July	5.77	.55	25.0	75.0	18.3	5.86	.49	20.6	72.1	14.5
Aug.	5.76	.50	24.5	73.8	18.3	5.86	.46	20.4	72.1	14.1
Sept.	5.75	.56	24.9	73.7	18.1	5.89	.47	20.1	71.6	13.7
Oct.	5.75	.53	24.8	73.8	18.3	5.87	.48	19.9	71.3	13.9
Nov.	5.80	.54	25.0	74.9	18.5	5.91	.50	19.4	72.0	13.9

1/ Compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are weighted averages based on probability sample survey of characteristics of conventional first mortgages originated by major institutional lender groups, (including mortgage companies) for purchase of single family homes. Data exclude loans for refinancing, reconditioning, or modernization; construction loans to home-builders; and—in this exhibit—permanent loans which are coupled with construction loans to owner-builders. Data are still in a developmental stage and may reflect seasonal influences which cannot yet be measured because the series go back only to end of 1962. Related series on conventional mortgage rates only, based on unweighted opinions of regional-office directors of the Federal Housing Administration, are available somewhat sooner than the results of FHBB-FDIC survey, and are included—in the case of new home mortgage rates—in Exhibit F, Parts I and II.

2/ Fees and charges—expressed as a percentage of the principal mortgage amount—include loan commissions, fees, discounts, and other charges which provide added income to the lender and are paid by the borrower. They exclude any closing costs related solely to transfer of property ownership.

YIELDS ON NEW AND SEASONED CORPORATE BONDS

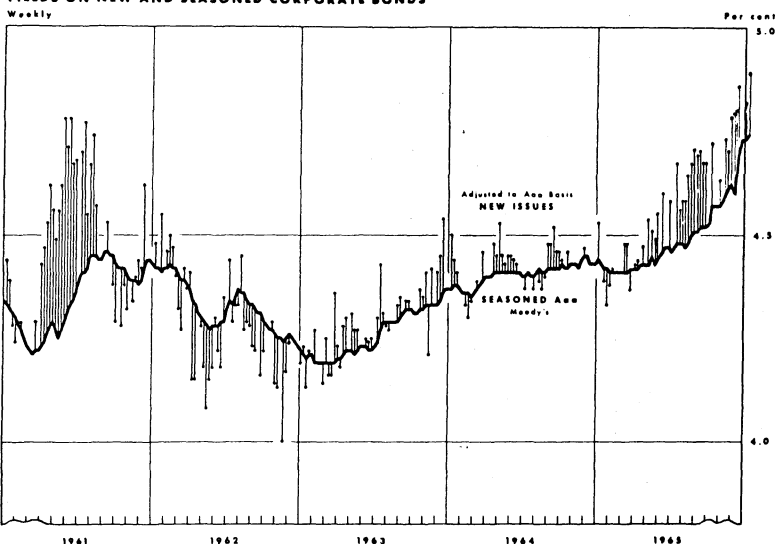


Exhibit G - Part II

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:							
1965 - Jan.	3	94.0	4.42	Nov. 5	--	--	--
Feb.	3	111.0	4.41	12	2	75.0	4.73*
Mar.	7	157.8	4.45	19	2	125.0	4.70
Apr.	4	115.0	4.46	26	2	67.0	4.78
May	8	315.0	4.51	Dec. 3	1	40.0	4.79
June	4	100.0	4.58	10	1	40.0	4.80
July	8	278.0	4.61	17	2	132.0	4.86
Aug.	7	166.5	4.63	24	--	--	--
Sept.	7	288.5	4.67	31	--	--	--
Oct.	5	108.0	4.69	Jan. 7	3	175.0	4.82
Nov.	6	267.0	4.72	14	1	40.0	4.89*
Dec.	4	212.0	4.84	21			
Weekly averages:							
1965 - High			4.86 (12/17)				
			4.33 (1/29)				

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/		
	1966	1965	1964	1966	1965	1964
January	e/1,350	795	938	e/950	p/803	947
February		746	700		p/872	776
March		1,197	778		p/947 -	810
April		1,152	2,237		p/825	1,242
May		1,691	1,095		p/924	667
June		1,946	1,405		p/970 -	903
July		1,290	812		p/984	906
August		850	680		p/648 -	780
September		1,392	1,130		p/966 -	892
October		933 ✓	953		e/800	801
November		e/1,450	669		e/950	529
December		e/1,200 ✓	1,642		e/800	948
1st quarter		2,738	2,416		p/2,622 -	2,533
2nd quarter		4,789	4,738		p/2,719 ✓	2,811
3rd quarter		3,533	2,621		p/2,599 -	2,578
4th quarter		e/3,583 ✓	3,264		e/2,550	2,278
1st half		7,527	7,153		p/5,341 ✓	5,345
Three quarters		11,060	9,775		p/7,940 -	7,923
Year		e/14,643 ✓	13,038		e/10,490 -	10,201
Excluding 3/ finance companies						
1st quarter		2,547	2,043			
2nd quarter		4,348	4,258			
3rd quarter		3,183	2,477			
4th quarter		e/3,083	2,997			
Year		e/13,161	11,775			

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 Publicly Offered	Privately Placed	Common and Pfd. stock	Memo: Foreign issues included	Mfg.	Public Utility	Communi- cations	Other Issuers
1963 - 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	2,548	978	1,269	300	29	429	438	273	1,275
II	4,965	1,321	1,755	1,890	105	723	856	1,666	1,492
III	2,876	792	1,590	494	94	559	642	59	1,361
IV	3,568	531	2,629	408	227	1,061	509	135	1,559
1965 - I	3,007	906	1,673	429	243	1,072	541	91	1,034
II	5,043	1,864	2,259	920	215	1,679	609	255	2,246
III	3,912	1,575	1,955	383	263	1,119	786	323	1,304
IV _e /	3,872	1,227	2,190	454	n.a.	1,050	574	150	1,810
1966 - I									
1964 - July	902	234	443	225	24	150	207	23	432
Aug.	748	183	453	112	27	176	138	16	349
Sept.	1,226	376	693	156	44	234	296	19	580
Oct.	1,036	181	642	213	82	250	297	82	323
Nov.	727	30	645	52	29	203	40	21	405
Dec.	1,805	320	1,342	143	116	607	172	32	831
1965 - Jan.	858	161	565	131	49	385	97	21	292
Feb.	791	187	450	155	51	192	215	44	295
Mar.	1,358	557	658	143	143	494	229	26	448
Apr.	1,233	422	648	162	33	540	176	15	422
May	1,773	694	630	449	49	698	248	143	602
June	2,038	748	980	309	134	441	184	98	1,223
July	1,443	542	780	122	27	399	202	102	587
Aug.	930	369	468	93	87	307	297	25	222
Sept.	1,538	664	706	168	150	414	287	196	495
Oct.	1,002	287	590	124	81	300	154	90	390
Nov. _e /	1,580	630	700	250	n.a.	450	220	10	770
Dec. _e /	1,290	310	900	80	n.a.	300	200	50	650
1966 - Jan.									
Feb.									
Mar.									

p/ Preliminary. e/ Estimated by Federal Reserve.

1/ Gross proceeds exceed net proceeds by the cost of flotation.

2/ For total see Exhibit H; other issuers are extractive, railroad & 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	218	4	232	--	--	--
February	--	82	133	129	--	148
March	38	69	76	185	--	--
April	73	30	57	325	--	186
May	--	75	114	--	--	--
June	91	26	11	775	275	459
July	33	20	63	--	260	--
August	74	13	83	239	160	--
September	5	7	--	150	--	--
October	34	180	--	375	510	174
November	e/ 70	72	--	e/ --	--	200
December	e/ --	58	2	e/179	--	--
Year	e/636	636	771	e/2,357	1,205	1,167
	New short-term 4/					
	State and Local Government 5/			Federal Agency 3		
	1965	1964	1963	1965	1964	1963
January	238	103	75	-137	-308	-332
February	91	236	272	-174	-336	-255
March	-458	-407	-367	117	23	-161
April	647	442	589	-11	97	202
May	204	81	-30	509	183	195
June	-82	-80	-10	237	239	319
July	119	-9	62	132	-333	415
August	408	127	208	206	167	326
September	152	176	-173	105	1	258
October	59	7	259	-309	525	123
November	p/175	-15	146	p/202	113	-102
December	n.a.	-208	-339	n.a.	-3	551
Year	n.a.	453	692	n.a.	368	1,539

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 and Exchange Commission. 3/ Issues not guaranteed by the U.S. Government. Source: Long-term, Securities & Exchange Commission; short-term, Treasury Dept. & Fed. 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 maturity of one year or less. 5/ Principally tax and bond anticipation notes, warrants, or certificates and Public Housing Auth. notes. In some instances PHA notes included may have a somewhat longer maturity than 1 year. Source: Bond Buyer & Fed. Res.

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 2/
	Total	Bonds (other than convertibles)	Convertible bonds	Stocks		
1964 - Dec.	230	200	30	--	541	--
1965 - Jan.	193	115	--	15	419	235
Feb.	217	131	--	86	446	130
Mar.	513	233	280	--	395	19
Apr.	307	210	97	--	411	260
May	928	560	53	315	492	40
June	801	343	320	138	377	340
July	477	455	22	--	655	20
Aug.	299	211	62	26	312	50
Sept.	530	530	--	--	563	170
Oct.	246	190	40	16	409	43
Nov.	736	559	33	144	538	95
Dec.	262	212	50	--	413	--

Large Individual Issues Offered January 1 through 14

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>Corporate</u>						
*United Utilities Inc.	Com. stk.	15.4				
Ohio Pwr. Co.	1st mtg. bds.	50.0	1996	5	4.89	Aa
New York Tel. Co.	Ref. mtg. bds.	100.0	2006	4-7/8	4.82	Aaa
Mississippi Pwr. Co.	1st mtg. bds.	25.0	1996	5-1/8	5.00	A
Tenn. Gas Trans. Co.	1st mtg. p.l.bds.	50.0	1986	5-3/8	5.33	Baa
	Pfd. stk.	100.0				
Puget Sound Pwr. & Lt.Co.	1st mtg. bds.	20.0	1996	5-1/4	5.20	Baa
Ohio Power Co.	Deb.	40.0	1996	5-1/8	5.00	A
<u>State and local Govt.</u>						
Alabama Pub. Sch. & Coll.						
Auth.	Rev.-Rent	30.0	1967-86	3.72	3.00-3.70	Aa
Houston, Tex.	G.O.	25.7	1967-86	3.52	3.00-3.53	A
Fairfax Co., Va.	G.O.	20.5	1967-91	3.71	3.10-3.75	A
State of New York	G.O.	75.0	1967-86	3.32	2.85-3.35	Aa
Penna. State High. & Bridge Auth.	Rev.-Q.-UT.	2.50	1967-86	3.43	3.00-3.45	Aa

K-2

Large Individual Issues Offered January 1 through 14

Issuer	Type <u>3/</u>	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offer- ing yield	Rating
<u>State and local Govt.</u> <u>Cont'd</u>						
DeKalb Co. S.D., Ga.	G.O.	17.3	1968-95	3.71	3.15-3.75	A
Milwaukee Co., Wisc.	G.O.	36.6	1967-86	3.37	2.85-3.40	Aaa
Comm. of Kentucky	G.O.	39.0	1967-95	3.53	2.90-3.55	Aa
		37.0		3.49		
<u>Other</u> None						

*--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 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/
1964 - Dec. 31	104	306	215	105	435	215
1965 - Jan. 29	169	242	--	253	382	--
Feb. 26	407	316	--	504	599	--
Mar. 31	267	212	60	792	373	60
Apr. 30	852	411	25	852	635	25
May 28	765	328	70	923	474	70
June 30	363	397	20	410	524	20
July 30	193	248	--	340	353	--
Aug. 31	312	404	--	636	450	--
Sept. 30	206	269	15	303	331	15
Oct. 29	412	343	25	489	578	25
Nov. 30	297	398	20	344	458	20
Dec. 31	553	501	20	676	582	20

Forthcoming Large Offerings as of January 14

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
Corporate			
Dallas Pwr. & Lt. Co.	1st mtg. bds.	20.0	Jan. 18
Gulf States Util. Co.	1st mtg. bds.	20.0	Jan. 19
Texas Pwr. & Lt. Co.	1st mtg. bds.	20.0	Jan. 26
Hooker Chem. Co.	S.F. deb.	25.0	Jan. 26
*Ohio Bell Tel. Co.	Deb.	60.0	Feb. 2
Western Union Tel. Co.	Pfd. Stk.	37.7	Feb. 3 (rts. ex.)
Storer Broadcasting Co.	Conv. deb.	34.4	Feb. 4 (rts. ex.)
*Texas Elec. Ser. Co.	1st mtg. bds.	15.0	Feb. 9
Duquesne Lt. Co.	Deb.	20.0	Feb. 17
*Long Island Lt. Co.	1st mtg. bds.	40.0	Feb. 21
*Pub. Serv. Co. of Okla.	1st mtg. bds.	25.0	Feb. 25
Macy Credit Corp.	Deb.	25.0	Indefinite
Great Western Financial Corp.	Deb.	22.0	Indefinite
Southern Cal. Ed. Co.	1st mtg. bds.	75.0	Indefinite

Forthcoming Large Offerings as of January 14

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>State and local Govt. Cont'd.</u>			
Columbus City Sch. Dist., Ohio	G.O.	11.0	Jan. 18
Los Angeles U.S.D., Calif.	G.O.	27.5	Jan. 18
Montgomery Co., Md.	G.O.	15.0	Jan. 18
Chesterfield Co., Va.	G.O.	10.0	Jan. 19
Md. Nat. Cap. Pk. & Planning Comm.	G.O.	11.0	Jan. 19
Met. St. Louis Sewer Dist., Mo.	Rev.-Ut.	20.0	Jan. 19
Springfield, Ill.	Rev.-Ut.	15.0	Jan. 25
Penna. Turnpike Comm.	Rev.-Q.-Ut.	77.5	Jan. 25
*State of Delaware	G.O.	15.0	Jan. 26
Florida Dev. Comm.	Rev. S.T.	21.0	Jan. 27
Okla. Bldg. Bond Comm.	Rev.-Rent	15.4	Jan. 27
*State of Maine	G.O.	13.0	Feb. 1
*La. Cap. Const. & Imp. Comm.	Rev.-Rent	30.0	Feb. 1
*State of Calif.	G.O.	100.0	Feb. 2
*Albany Co., N.Y.	G.O.	70.0	Feb. 15
*Los Angeles Co., Calif.	G.O.	20.0	Feb. 15
Dade County, Fla.	G.O.	46.0	Indefinite
Austin, Texas	Rev.-Ut.	14.0	Indefinite
Lake Charles Harbor and Term. Dist., La.	Rev.-Q.-Ut.	21.4	Indefinite
<u>Other</u>			
Republic of Ireland	Bonds	20.0	Indefinite

*--Included in table for first time.

1/ Includes corporate and other issues of \$15 million and over; State and local government issues of \$10 million and over.

2/ Includes foreign government and International Bank for Reconstruction and Development issues and non-guaranteed issues of Federal Agencies.

Note: Deletions for reasons other than sale of issue: None.

Exhibit M

Foreign Government and Corporate Security Offerings
and Placements in the United States

Part I: Public Offerings

Sale Date	Amount (millions of dollars)	Issuer and Description of Issue
A. Sold November 1 to January 14		
11/9	25.0	Commonwealth of Australia--5-3/4 bonds, maturing 1985, reoffered to yield 5.77%. ***
11/17	33.0	International Util. Corp.--conv. pfd. stk.
11/18	50.0	Quebec Hydro-Elec. Comm.--5 1/2% bonds, maturing 1987, reoffered to yield 5.25%.
11/23	20.0	Japan Development Bank--6 1/2% bonds, maturing 1980, reoffered to yield 6.74%.
1/12	7.5	Govt. of Jamaica--6-3/4% bonds, maturing 1981, reoffered to yield 7.10%.
B. Prospective Offerings		
Indefinite	20.0	Republic of Ireland-Bonds.

-- Included in table for first time.

-- Issue sold to investors outside U. S.

** -- Issues subject to interest equalization tax.

M-2

Part II: Private Placements-Reported November 1 through January 14

Date Reported	Amount (millions of dollars)	Issuer and Description of Issue
1/3	23.0	Pilkington Brothers Ltd.--5½% secured notes, maturing 1981--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 the Exhibit and that shown in Exhibits I and J because the latter includes privately placed securities in the period in which funds are actually takedown but only in the amount of takedown while the placements shown in this exhibit are included when reported, frequently with little or no information concerning timing of takedowns. Full or partial takedowns may take place both prior and subsequent to the date a placement is reported.