

H. 14

DECONTROLLED AFTER SIX MONTHS

② CAPITAL MARKETS DEVELOPMENTS
IN THE UNITED STATES

Corporate and municipal bond markets. The corporate and municipal calendar this holiday-shortened week will be relatively light. Included in the corporate new issue volume is a \$62 million convertible debt offering to stockholders by Occidental Petroleum Co. and a \$15 million Govt. of Mexico offering to U.S. investors.

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.	175	3	209	5
June 24	871 <u>r/</u>	--	192 <u>r/</u>	--
July 1	110	--	179	--
Scheduled:				
July 8	130	--	122	--

^{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.

New and seasoned corporate bond yields advanced during the past week. The single competitive utility bond issue met with a lackluster reception and has a large unsold balance. Underwriters terminated price restrictions on the slow moving \$15 million Metropolitan Edison Co. issue initially offered to investors at a yield of 5.65. Free market trading resulted in an upward yield adjustment of approximately 10 basis points.

Municipal yields rose 6 to 8 basis points, while the majority of new issues were accorded a poor reception. Advertised inventories of municipal dealers rose to over \$60 million - the highest level since mid-February.

FNMA Secondary Market Operations. Offerings of eligible Government-underwritten mortgages by private holders for purchase of the Federal National Mortgage Association totaled \$192 million in May. While this was little changed from April and was still unusually high, it was down substantially from the record level reached last January (\$333 million) as well as the levels reported for most other recent months. Purchases by FNMA totaled \$167 million in May, substantially above the year-earlier level, but appreciably under the peak \$301 million reached last March. Sales by FNMA remained nil in May.

Yields in Security Markets

	<u>Level latest week</u>	<u>Change from preceding week</u>
<u>High-Grade Notes and Bonds</u>		
<u>Corporate</u>		
New	5.64*	+33
Seasoned	5.09	+2
<u>U.S. Government</u>		
Long-term	4.69	+11
3-5 year	5.11	+16
<u>State and loc. govt.</u>		
Moody's Aaa	3.64	+6
Std. & Poor's high grade	3.80	+8
<u>Money Market</u>		
Federal Funds	5.43	+13
Treasury bills		
3-month	4.47	+8
6-month	4.68	+15

Corporate Bonds Still in Syndicate

<u>Date Offered</u>	<u>Amount (millions of \$)</u>	<u>Issuer</u>	<u>Reoffering Yield</u>	<u>Rating</u>	<u>Estimated Pro- portion sold</u>
6/23	150.0	Southwestern Bell Tel. Co. Debs, 5-3/8's, 2006	5.375	Aaa	1/4
6/29	50.0	Georgia Pwr. Co., 1st mtg. bds., 5-3/4's 1996	5.75	Aa	1/4

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

<u>Latest Date</u>	<u>End of Previous Week</u>	<u>Recent High</u>
621 (6/29)	558	636 (2/17)

The moderation in purchasing activity by FNMA has stemmed mainly from a number of price and other adjustments made by the Association beginning last December, including particularly a limitation in April in eligible mortgages to those with an unpaid balance of \$15,000 per mortgaged housing unit. In an attempt to keep its purchasing prices in line with those currently prevailing in the market, effective June 10, FNMA lowered its prices to sellers of eligible home mortgages further by 2 percentage points. This reduction, which is equal to about 25 basis points in yield to the purchaser, was the second of this magnitude since early April and the fifth--including three of 1 percentage point each--since last December.

To insure some continuance of FNMA support to the mortgage market under the stringent conditions now obtaining, a bill recently reviewed favorably in Congress would permit an increase in FNMA's borrowing authority by 50 per cent or \$2 billion more.

Savings Flows in May. Net inflows of income-yielding claims to depository type institutions aggregated \$2.0 billion in May, a decline of over \$200 million from a year earlier. Time and savings accounts at commercial banks accounted for almost \$1.5 billion or three-fourths of the total increase--compared to \$1.3 billion or less than 60 per cent of the total a year ago. Savings and loan associations and mutual savings banks both experienced an increase substantially below the prior year--a decline of 45 per cent and 39 per cent in their respective growth.

More information on savings flows can be found on the following table.

Stock prices. During the first four trading days last week, common stock prices--as measured by Standard and Poor's index of 500 stocks--declined to a level only 1.09 above the recent low of 83.63 registered May 17. Prices advanced on the last day to close at 85.61--0.97 below the week earlier level. Trading volume averaged 6.0 million shares a day.

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.

SAVINGS FLOWS

Year or Month	Total 1/	Savings & Loan Assoc. 2/			Mutual Savings Banks 3/			Commercial Banks 4/		
		Current (millions)	Change from previous year	Per cent change	Current (millions)	Change from previous year	Per cent change	Current (millions)	Change from previous year	Per cent change
Unadjusted										
1960	14,621	7,559	952	14.4	1,362	412	43.4	3,700	3,700	185.0
61	20,055	8,743	1,184	15.7	1,912	550	40.4	9,400	3,700	64.9
62	27,889	9,351	608	7.0	3,038	1,125	58.9	15,500	6,100	64.9
63	29,127	11,072	1,721	18.4	3,255	217	7.1	14,800	700	4.5
64	28,927	10,579	493	4.5	4,236	981	30.1	14,112	688	4.5
65	31,880	8,384	2,195	20.7	3,582	654	15.4	19,914	5,802	41.1
1966 - Jan.	1,314r/	77	331	7	227	131	36.5	1,164r/	1,562r/	57.3r/
Feb.	1,552r/	528	51	8.8	203	7	3.4	821r/	986r/	54.6r/
Mar.	3,767r/	838	217	20.6	356	155	31.7	2,573r/	725r/	39.2r/
Apr.	291r/	748	655	88.1	341	319	93.5	1,380r/	89r/	6.9r/
May	2,035	434	358	45.2	115	73	38.8	1,486	199	15.5
Seasonally Adjusted										
1966 - Jan.	2,380r/	142	414	74.5	174	134r/	43.4r/	2,065r/	1,456r/	41.4r/
Feb.	1,442r/	856	74	9.5	360r/	11r/	5.4r/	2,26r/	1,065r/	81.5r/
Mar.	2,273r/	505	260	32.2	98r/	181r/	48.7r/	1,675r/	620r/	58.8r/
Apr.	1,171r/	82	610	743.8	27r/	297r/	91.7r/	1,226r/	70r/	5.1r/
May	1,362	323	366	53.1	168	70	29.4	872	126	16.9

1/ Commercial bank data are of the last Wednesday of month except June 30 and December 31; other data are as of the last day of the month.

2/ Data are for the net increase in savings capital at all operating S&L's. Source: FHLBB.

3/ Data are for the net increase in regular deposits--excludes other deposits of a demand nature. Source: Mutual Savings Banks Association.

4/ Data are for the net increase in savings and time deposits adjusted at all commercial banks. Source: Federal Reserve.

LONG-TERM BOND YIELDS, HIGH-GRADE

EXHIBIT A, Part I

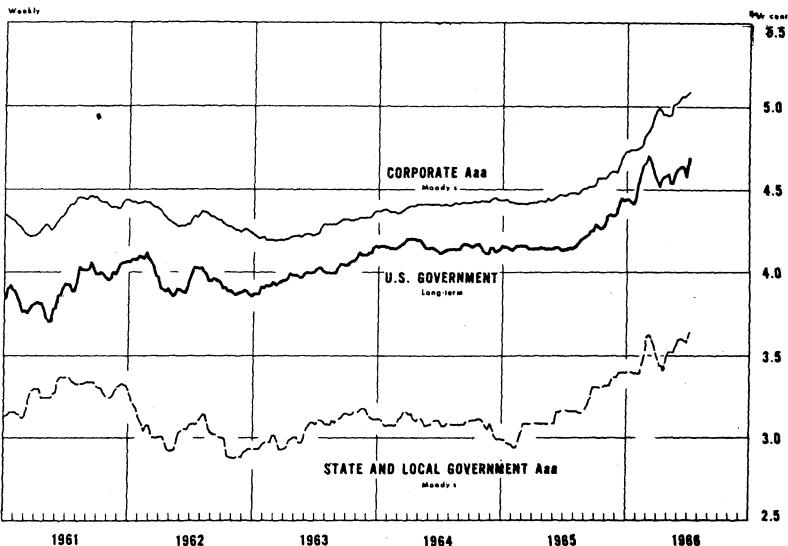


Exhibit A -- Part II

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
1959-60 - High	4.61 (1/29/60)	4.42 (1/6/60)	3.65 (2/24/59)	.59 (8/5/60)	.92 (4/22/60)
1962-63 - Low	4.19 (3/29/63)	3.85 (12/28/62)	2.88 (11/8/62)	.21 (12/27/63)	.80 (1/5/62)
1965 - Low	4.41 (3/12)	4.13 (6/25)	2.94 (2/11)	.22	.94
1966 - High	5.09 (7/1)	4.71 (3/4)	3.64 (6/30)	.49	1.19
- Low	4.73 (1/7)	4.42 (1/21)	3.39 (1/13)	.14	1.00
June 3	5.04	4.62	3.60	.42	1.02
10	5.06	4.63	3.60	.43	1.03
17	5.06	4.63	3.59	.43	1.04
24	5.07	4.58	3.58	.49	1.00
July 1p/	5.09	4.69	3.64	.40	1.05

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.

4/ Thursday figures. Only general obligation bonds are included; average term is 20 years.

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

LONG-TERM BOND YIELDS, LOWER GRADE

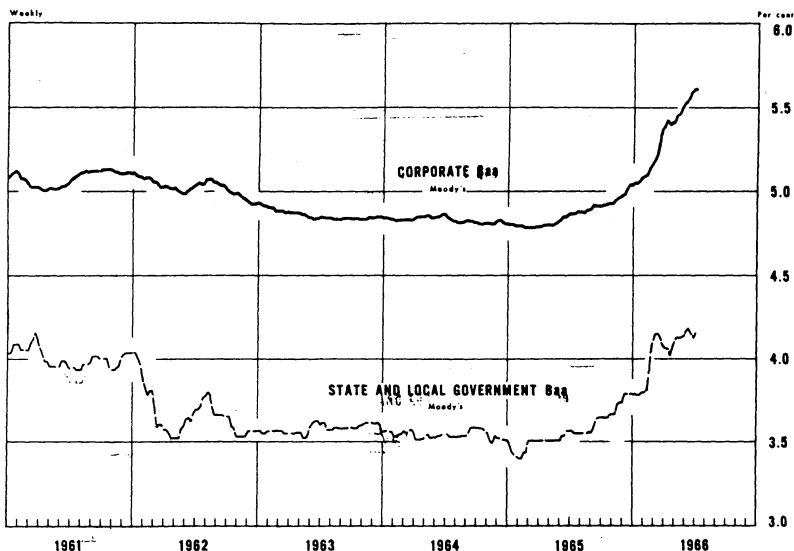


Exhibit B -- Part II

Date	Corporate Baa 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 - 1962	4.93	3.57	.70	.63
1964	4.80	3.51	.37	.52
1965	5.04	3.79	.31	.39
1966 - High	5.61 (7/1)	4.18 (6/9)	.54	.62
Low	5.05 (1/14)	3.78 (1/20)	.31	.38
June 3	5.54	4.17	.50	.57
10	5.56	4.18	.50	.58
17	5.59	4.15	.53	.56
24	5.61	4.13	.54	.55
July 1 p/	5.61	4.16	.52	.52

Note: For footnotes see Exhibit A.

EXHIBIT C, Part I

SHORT- AND INTERMEDIATE-TERM INTEREST RATES GOVERNMENT

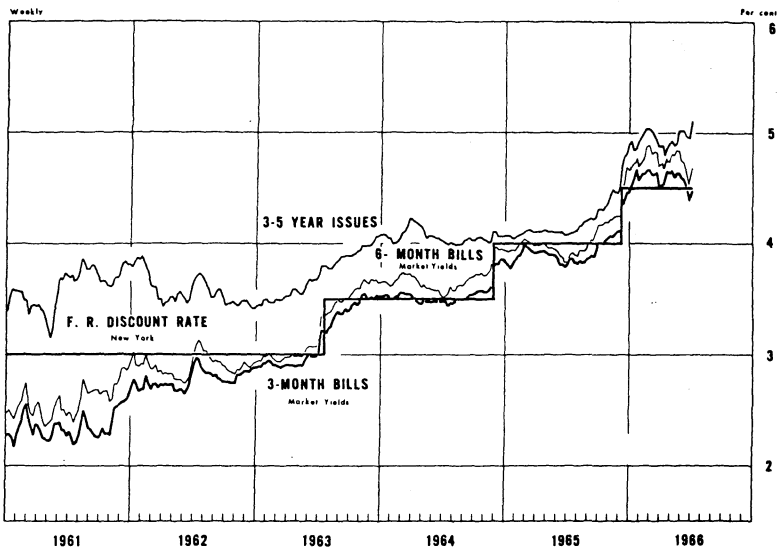


Exhibit C -- Part II

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
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	4.50	4.47	4.66	4.90	.19	.43
1966 - High	4.50	4.66 (5/6)	4.90 (2/18)	5.11 (7/1)	.24	.64
Low	4.50	4.39 (6/24)	4.53 (6/24)	4.80 (4/8)	.09	.21
June 3	4.50	4.59	4.75	5.02	.16	.43
10	4.50	4.57	4.73	5.02	.16	.45
17	4.50	4.52	4.64	4.97	.12	.45
24	4.50	4.39	4.53	4.95	.14	.56
July 1 p/	4.50	4.47	4.68	5.11	.21	.64

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

Weekly

Per cent

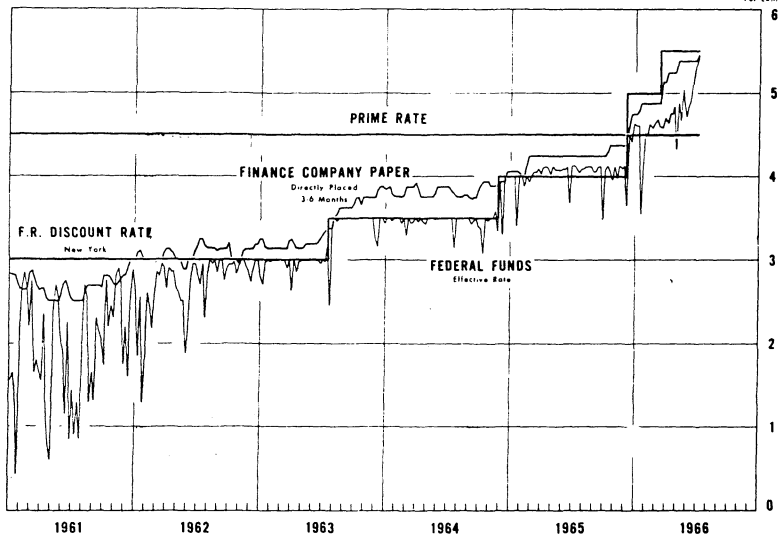


Exhibit D -- Part II

Date	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	5.00	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	5.00	4.75	4.63	.28
1966 - High	5.75	5.45 (7/1)	5.43 (7/1)	.99
Low	5.00	4.75 (1/7)	3.55 (1/21)	.20
June 3	5.50	5.38	4.84	.79
10	5.50	5.38	4.90	.81
17	5.50	5.38	5.13	.86
24	5.50	5.38	5.30	.99
July 1 p/	5.75	5.45	5.43 ✓	.98

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: 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

Billions of dollars

1941-43 average=10

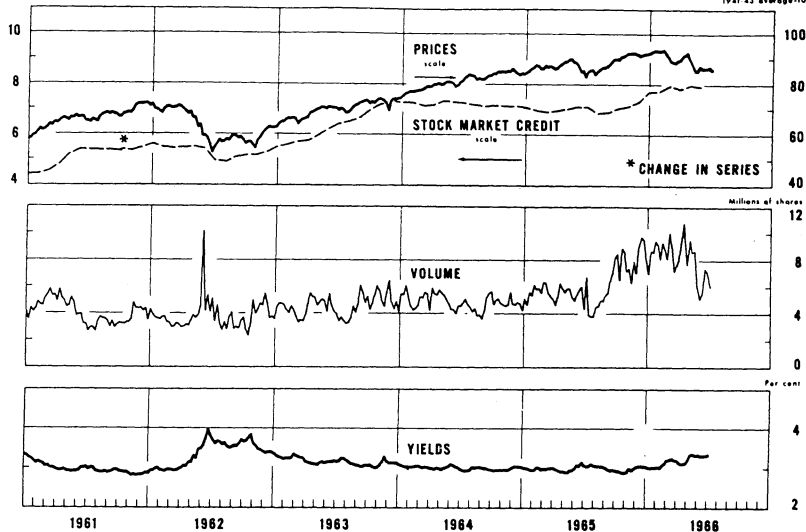


Exhibit E -- Part II

Date	Stock price index 1/	Common stock yields 2/ (per cent)	Trading volume 3/ (millions of shares)	Stock market customer credit		
				Total	Customers' debit bal- ances 4/	Bank loans to "others" 5/
(In millions of dollars)						
1961-62 - High	72.04(12/8/61)	2.82	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)
Nov. 1963	72.62	3.14	5.3	7,298	5,586	1,712
July 1965	84.91	3.09	4.1	6,833	4,863	1,970
1966 - High	93.77 (2/11)	3.02	10.7	7,991	5,835	2,197 (3/2)
Low	85.43 (5/20)	3.37	5.1	7,726	5,551	2,137 (5/27)
1966 May	86.78	3.30	8.1	7,905	5,768	2,137
June	86.06	3.36	6.4	n.a.	n.a.	n.a.
June 17	86.51	3.33	7.4	n.a.	n.a.	2,146
24	86.58	3.33	7.1	n.a.	n.a.	2,145
July 1 p/	85.61	3.37	6.0	n.a.	n.a.	n.a.

n.a.—Not available. p/ Preliminary.

1/ Standard and Poor's composite index of 500 common stocks, weekly closing prices, 1941-43=10. Monthly data are averages of daily figures rather than of Friday's only. Highs and lows are for Friday's data only.

2/ Standard and Poor's composite stock yield based on Wednesday data converted to weekly closing prices by Federal Reserve. Yields shown are for dates on which price index reached its high or low.

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

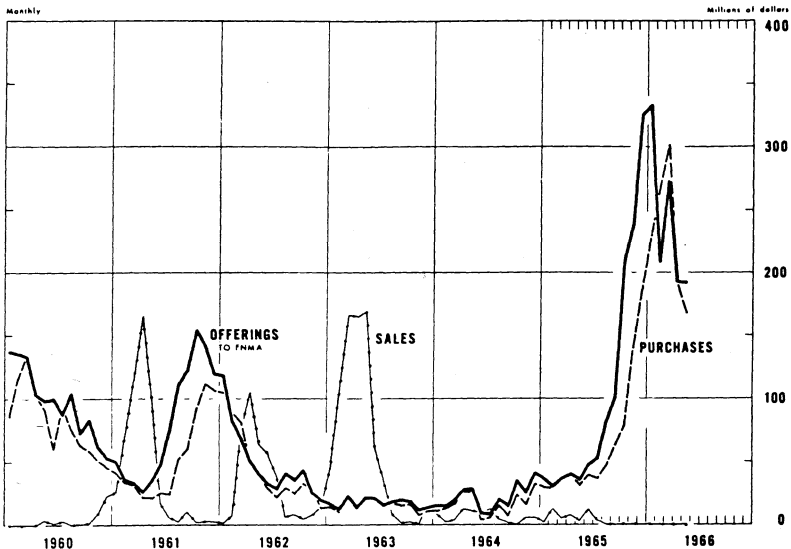
FEDERAL NATIONAL MORTGAGE ASSOCIATION
SECONDARY MARKET OPERATIONS


Exhibit F - Part II

Date	Estimated offerings to FNMA			Purchases by FNMA	Sales by FNMA
	Total	Immediate purchase	Standby commitment		
(In millions of dollars)					
1966 - May	35.8	35.7	.1	31.4	3.0
June	47.9	47.9	--	39.5	12.2
July	52.9	52.9	--	36.7	3.4
Aug.	82.0	82.0	--	47.2	0.2
Sept.	101.1	101.0	--	63.5	0.1
Oct.	209.9	209.9	--	78.5	--
Nov.	238.3	237.2	1.0	140.2	0.2
Dec.	325.7	325.6	--	186.7	--
1966 - Jan.	333.2	333.0	.3	229.2	0.1
Feb.	209.2	209.0	.3	267.3	--
Mar.	272.8	272.3	.5	301.4	--
Apr.	193.0	192.3	.7	193.0	--
May	192.2	191.1	1.1	167.3	--

--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

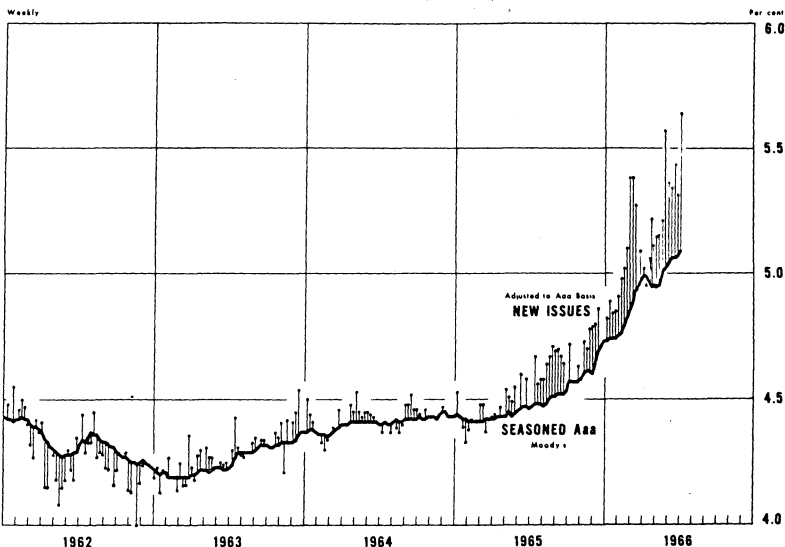


Exhibit G - Part II

Yields on New Corporate Bond Issues Adjusted to an Aaa basis

	Number of issues	Am't of issues included (mil. of dollars)	Average yield (per cent)		Number of issues	Am't of issues included (mil. of dollars)	Average yield (per cent)
Monthly averages:							
1965 - Aug.	7	166.5	4.63	Apr. 1	1	250.0	5.02
Sept.	7	288.5	4.67	8	3	75.0	4.95
Oct.	5	108.0	4.69	15	5	253.3	5.06
Nov.	6	267.0	4.72	22	3	56.0	5.22
Dec.	4	212.0	4.85	29	2	68.0	5.12
1966 - Jan.	8	300.0	4.84	May 6	1	150.0	5.14
Feb.	10	304.5	4.98	13	3	96.0	5.15
Mar.	8	263.0	5.27	20	2	65.0	5.21
Apr.	14	702.3	5.05	27	1	30.0	5.57*
May	7	341.0	5.21	June 3	1	50.0	5.36
June	11	596.0	5.38	10	2	46.0	5.34
Weekly averages:							
1966 - High		5.43	(6/17)	17	3	80.0	5.43
Low		4.82	(1/7)	24	4	370.0	5.31
				July 1	1	50.0	5.64*

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 p/	1964
January	1,302	795	938	p/1,175	804	947
February	1,237	746	700	p/ 822	872	776
March	2,446	1,197	778	e/ 850	904	810
April	p/ 1,554	1,152	2,237	e/1,140	826	1,242
May	e/1,260	1,691	1,095	e/ 900	924	667
June	e/2,525	1,946	1,405	e/1,200	972	903
July		1,290	812		986	906
August		850	680		648	780
September		1,392	1,130		966	892
October		924	953		794	801
November		1,325	669		1,021	529
December		1,496	1,642			948
1st quarter	4,985	2,738	2,416	e/2,847	2,580	2,533
2nd quarter	e/5,335	4,789	4,738	e/3,240	2,722	2,811
3rd quarter		3,533	2,621		2,600	2,578
4th quarter		3,745	3,264		2,569	2,278
1st half		7,527	7,153		5,302	5,345
Three quarters		11,060	9,775		7,902	7,923
Year		14,805	13,038		10,471	10,201
	Excluding finance companies 3/					
1st quarter		2,547	2,043			
2nd quarter		4,348	4,258			
3rd quarter		3,283	2,477			
4th quarter		3,188	2,997			
Year		13,366	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		Common and pfd. stock	Memo: Foreign issues included	Mfg.	Public Utility	Communi- cations	Other Issuers
		Publicly Offered	Privately Placed						
1964 - I	2,548	978	1,269	300	29	429	438	273	1,275
II	4,965	1,312	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	277	1,061	509	135	1,559
1965 - I	3,007	905	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	4,030	1,226	2,264	540	300	1,145	610	177	1,815
1966 - I	5,094	1,774	2,586	734	345	1,860	969	602	1,553
II									
III									
1965 - 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.	986	287	574	124	99	273	158	92	401
Nov.	1,398	613	529	257	101	402	209	43	671
Dec.	1,646	326	1,161	159	99	470	243	43	741
1966 - Jan. 3/	1,339	460	692	187	93	353	388	141	420
Feb.	1,273	560	583	130	118	530	241	160	306
Mar.	2,482	753	1,311	417	133	977	340	301	827
Apr. p/	1,592	628	754	209	55	653	361	76	465
May e/	1,290	490	700	100	n.a.	400	325	50	485
June									
July									
Aug.									
Sept.									

p/ Preliminary.

e/ Estimated by Federal Reserve.

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

2/ For total see Exhibit H; other issuers are extractive, railroad and other transportation, real estate and finance, and commercial and other.

3/ Does not include U.S. Steel \$600 million conversion of preferred stock to debentures, securities and Exchange Commission.

Exhibit J

Other Security Offerings
(In millions of dollars)

	Gross Long-term 1/					
	Foreign Government 2/			Federal Agency 3/		
	1966	1965	1964	1966	1965	1964
January	<u>p/12</u>	218	4	--	--	--
February	40	--	82	503	129	--
March	40	38	69	410	185	--
April	66	73	30	n.a.	325	--
May	n.a.	--	75	n.a.	--	--
June		91	26		775	275
July		33	20		--	260
August		74	13		239	160
September		5	7		150	--
October		52	180		375	510
November		75	72		375	--
December		2	58		179	--
Jan.-May	n.a.	329	260	n.a.	639	1,205
Year		661	636		2,732	1,205
	New short-term 4/					
	State and local Government 5/			Federal Agency 3/		
January	103	238	103	308	-137	-308
February	39	91	236	-24	-174	-336
March	<u>p/-238</u>	-458	-407	450	117	23
April	<u>p/565</u>	647	442	718	-11	97
May	<u>p/469</u>	204	81	n.a.	509	183
June		-82	-80		237	239
July		119	-9		132	-333
August		408	127		206	167
September		152	176		105	1
October		59	7		-309	525
November		274	-15		202	113
December		-366	-208		-76	-3
Jan. - May	<u>p/938</u>	722	455	n.a.	304	-341
Year		1,286	453		801	368

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 U.S. Government. Source: Long-term, Securities and 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 & 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 2/
	Total	Bonds (other than convertibles)	Convertible bonds	Stocks		
1965 - June	801	343	320	138	377	430
July	477	455	22	--	655	20
Aug.	299	211	62	26	312	50
Sept.	530	530	--	16	563	170
Oct.	246	190	40	--	409	43
Nov.	736	559	33	144	538	95
Dec.	262	212	50	--	413	--
1966 - Jan.	485	370	--	115	787	--
Feb.	545	391	84	70	424	--
Mar.	890	544	75	271	339	55
Apr.	643	481	55	106	720	60
May	401	351	50	--	466	--
June	1,317	636	20	661	582	275

Large Individual Issues Offered During June

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offer- ing yield	Rating
Corporate						
Potomac Elec. Pwr. Co.	Conv. pfd. stk.	26.1				
GATX Corporation	Equip. tr. cert.	40.0	1986	5.45	5.45	--
United Air Lines	Com. stk.	70.9				
Mountain States Tel. & Tel. Company	Deb.	50.0	2005	5-1/2	5.45	Aaa
Louisville Gas & Elec. Co.	1st mtg. bds.	16.0	1996	5-5/8	5.45	Aaa
Pa. Pwr. & Lt. Co.	1st mtg. bds.	30.0	1996	5-5/8	5.47	Aa
*Boeing Co.	Com. stk.	114.8				
Metropolitan Edison Co.	1st mtg. bds.	15.0	1996	5-3/4	5.65	Aa
Northern Natural Gas Co.	S.F. deb.	50.0	1986	5-3/4	5.75	A
Gulf Power Co.	1st mtg. bds.	15.0	1996	6	5.85	A
*New England Tel. & Tel. Co.	Com. stk.	43.0				
*I.B.M.	Com. stk.	377.4				
*Fairchild Camera	Com. stk.	29.1				
National Cash Register	S.F. deb.	60.0	1991	5.60	5.60	A
Pub. Serv. Elec. & Gas Co.	1st mtg. bds.	60.0	1991	5-3/4	5.65	A
Commercial Solvents Corp.	Conv. sub. deb.	20.0	1991	4-1/2	4.50	--

Large Individual Issues Offered During June (Cont'd)

Issuer	Type	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offer- ing Yield	Rating
<u>Corporate (Cont'd)</u>						
Southwestern Bell Tel. Co.	Deb.	150.0	2006	5-3/8	5.38	Aaa
Gulf Oil Co.	S.F. deb.	100.0	1991	5.35	5.35	Aaa
Georgia Pwr. Co.	1st mtg. bds.	50.0	1996	5-3/4	5.75	Aa
<u>State and local Government</u>						
State of Tennessee	G.O.	25.0	1967-91	3.69	3.35-3.70	Aa
Philadelphia, Pa.	G.O.	28.8	1967-91	3.94	3.50-3.90	A
Ann Arbor, Michigan	G.O.	15.0	1971-91	3.84	3.60-3.80	A
New York St. Dorm. Auth.	Rev.-Rent.	24.5	1969-97	4.26	4.00-4.20	--
Fla. St. Bd. of Education	Rev.-Rent.	25.0	1967-96	3.99	3.50-4.00	Aa
Georgia St. Highway Auth.	Rev.-Q.-Ut.	16.6	1968-90	3.83	3.50-3.80	Aa
State of California	G.O.	100.0	1976-2016	3.93	3.70-4.10	Aa
Albuquerque, New Mexico	G.O.	19.8	1967-86	3.97	3.60-3.95	A
Jacksonville Port Auth., Fla.	G.O.	15.7	1967-96	3.99	3.50-4.25	A
Public Housing Auth.	Bonds	109.5	1967-2006	3.64	3.40-3.70	Aaa
State of Michigan	Rev.-Q.-Ut.	24.1	1967-94	3.91	3.50-3.85	A
Md. State Roads Commission	Rev.-Q.-Ut.	20.0	1967-81	3.75	3.50-3.70	Aa
State of North Carolina	G.O.	35.0	1977-85	3.47	3.40-3.45 1/2	Aaa
N.Y. St. Housing Fin. Agency	Rev.-Rent.	47.0	1967-96	4.13	3.85-4.05	--
Univ. of Washington, Seattle	Rev.-Rent.	15.5	1966-2003	n.a.	n.a.	--
Illinois Bldg. Auth.	Rev.-Rent.	39.1	1967-88	4.13	3.70-4.10	--
Fla. St. Board of Education	Rev.-Rent.	11.4	1969-87	n.a.	3.75-3.85	Aa
Pa. St. Hwy. & Bridge Auth.	Rev.-Q.-Ut.	25.0	1968-87	3.77	3.50-3.75	Aa
<u>Other</u>						
City of Montreal, Canada	Bonds	30.0	1991	5-5/8	5.88	--
Indus. Devel. Bank of Israel	Cum. pref.stk.	20.0				
Int. Bk. for Rec. & Devel.	Bonds	175.0	1991	5-3/8	5.39	Aaa
British Col. Hydro. & Pwr. Auth.	S.F. bonds	50.0	1991	5-5/8	5.78	A

*--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.
- 4/ Bonds maturing 1967-76 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/
1965 - 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
1966 - Jan. 31	530	340	--	931	461	20
Feb. 28	828	366	20	1,176	504	90
Mar. 31	489	253	--	606	334	55
Apr. 30	248	399	--	1,034	546	55
May 31	1,261	584	30	1,261	584	83
June 30	317	537	15	619	353	30

Forthcoming Large Offerings as of July 1

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
Corporate			
Occidental Petroleum Corp.	Conv. sub. deb.	62.0	July 5
Douglas Aircraft Co.	Conv. sub. deb.	75.0	July 7
Harvey Aluminum Ind.	Conv. sub. deb.	25.0	July 7
Consumers Power Co.	1st mtg. bds.	65.0	July 13
C & S Telephones	Deb.	25.0	July 14
*Northern States Pwr. Co.	1st mtg. bds.	45.0	July 28
*Florida Power Corp.	Deb.	20.0	July 29
*Jersey Central Pwr. & Lt. Co.	1st mtg. bds.	30.0	August 3
*Amer. Tel. & Tel. Co.	Deb.	250.0	August 4
*Northeast Airlines	Conv. sub. deb.	22.0	Indefinite
State and Local Government			
La. Cap. Const. & Imp. Comm.	Rev. Rent.	30.0	July 6
Warren Consol. Sch. Dist., Mich.	Rev. Rent.	11.0	July 6
Univ. of Texas	Rev. Rent.	11.0	July 6
*Ala. Pub. Sch. & College Auth.	Rev. Rent.	25.0	July 6

Forthcoming Large Offerings as of July 1 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of Offering
<u>State and loc. Govt. (Cont'd)</u>			
*Metro. Water Dist. of Southern California	G.O.	70.0	July 12
Houston, Texas	G.O.	21.0	July 13
State of Texas	G.O.	10.0	July 18
State of Oklahoma	G.O.	12.0	July 19
State of Mississippi	G.O.	17.4	July 20
*Chenodaga County, New York	G.O.	15.0	July 20
Kentucky Turnpike	Rev.-Q.-Ut.	115.0	July
*Nashville & Davidson Co. Metro. Govt., Tennessee	G.O.	15.9	August 2
<u>Other</u>			
Govt. of Mexico	S.F. bonds	15.0	July 7
Republic of Ireland	Bonds	20.0	Indefinite
Nippon Tel. & Tel. Pub. Corp.	Bonds	15.0	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.

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 May 1 through July 1		
6/2	30.0	City of Montreal, Canada-- 5-5/8% debentures, maturing 1991, reoffered to yield 5.88%.
6/6	20.0	Industrial Development Bank of Israel--Cum. pref. stk.
6/28	175.0	International Bank for Reconstruction and Development-- 5-3/8% bonds, maturing 1991, reoffered to yield 5.39%.
6/29	50.0	British Columbia Hydro. and Power Auth.--5-5/8% S.F. bonds, maturing 1991, reoffered to yield 5.78%.
B. Prospective Offerings		
July 7	15.0	Govt. of Mexico--S.F. bonds
Indefinite	20.0	Republic of Ireland--bonds
Indefinite	15.0	Nippon Telegraph and Telephone Public Corp.--bonds

*--Included in table for first time.

**--Issue sold to investors outside of U.S.

***--Issues subject to interest equalization tax.

Part II: Private Placements - Reported May 1 through July 1

Date Reported	Amount (millions of dollars)	Issuer and Description of Issue
5/2	30.0	Northwestern Pulp and Pwr. Ltd.--5-5/8% senior notes, maturing 1985--no information available on takedown.
5/2	46.5	Prince Albert Pulp Co. Ltd.--5.20% notes, maturing 1989--no information available on takedown.
5/4	15.0	New Brunswick Elec. Power Commission-- % S.F. deb, maturing 1991--no information available on takedown.
5/10	20.0	British Columbia School Dist., Capital Financing Auth.--5-1/2% debentures maturing 1986--no information available on takedown.
5/17	11.5	International Pub. Corp.--5.90% notes, maturing 1977 and 1981--no information available on takedown.
5/31	15.0	Budd Auto. Co. of Canada, Ltd.-- 6-3/4% gtd. debentures, maturing 1986--no information available on takedown.
5/31	15.0	New Brunswick Power Commission -- 5-1/2% debentures, maturing 1991, no information available on takedown.
6/1	14.0	Govt. of the Bahama Islands-- bonds, 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.