

**DECONTROLLED AFTER SIX MONTHS**

Not for Publication

H.14

December 27, 1966

**CAPITAL MARKETS DEVELOPMENTS  
IN THE UNITED STATES**

Corporate and municipal bond markets. New corporate and municipal security issues will be in seasonally light supply during the current holiday-shortened week.

Long-term Public Security Offerings<sup>1/</sup>  
(In millions of dollars)

	Corporate		State and local Government	
	New Capital	Refunding	New Capital	Refunding
<b>Sold:</b>				
52 week avg.	209	1	210	4
Dec. 16	<u>r/452</u>	--	<u>r/238</u>	--
Dec. 23	25	--	121	--
<b>Scheduled:</b>				
Dec. 30	20	--	13	--

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

Yields on recently offered corporate bonds declined further last week, while the lagging seasoned yield series advanced 1 basis point. In the municipal market, seasoned issues showed little net change over the week. The Greater New Orleans Expressway Commission failed to receive bids for the fourth time on its proposed revenue issues aggregating \$72 million.

Mortgage yields and conventional mortgage terms. Secondary market yields on six per cent, 30-year, FHA-insured mortgages averaged 6.81 per cent in November. This compared with an average of 6.63 per cent on comparable 5-3/4 per cent mortgages in September, the last full month when the 5-3/4 per cent regulatory maximum was in effect. Because of the shift to a new maximum by HUD, effective in early October, comparable data on yields for October are not available. While the movement of yields was still clearly upward this autumn, the further adjustment in the regulatory maximum was associated with some improvement in average price (and therefore in discounts) offered by lenders for such mortgages from an average of 92.5 per cent of face amount in September to 93.2 per cent in November. At the same time, however, average yields in November were 130 basis points higher than a year earlier when the regulatory maximum for such mortgages was 5-1/4 per cent and yields had just begun to increase.

Contract rates on conventional first mortgages on homes held at their advanced October levels in November -- 6.70 per cent in the case of loans on

Yields in Security MarketsLevel Latest Week

<u>High-Grade Notes and Bonds</u>		<u>Change from preceding week</u>
---------------------------------------	--	---------------------------------------

Corporate

New	--	--
Seasoned	5.39	+1

U.S. Government

Long-term	4.58	-7
3-5 year	4.90	-16

State and local Govt.

Moody's Aaa	3.74	--
Std. & Poor's high grade	3.79	-5

Money Market

Federal Funds	5.30	--
Treasury bills		
3-month	4.81	-16
6-month	4.93	-13

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>
12/16	40.0	Southern California Gas Company, 1st mtg. bds., 5-7/8's, 1996	5.72	Aa	1/2

Blue List of Municipals' Advertised Inventories  
(In millions of dollars)

<u>Latest Week</u>	<u>End of Previous Week</u>	<u>Recent High</u>
498 (12/21)	470	636 (2/17)

new homes and 6.75 per cent in the case of loans on existing homes. These data are reported rounded to the nearest five basis points. Nevertheless, this was only the second time since October of 1965, when evidence of tightening was already clear, that the series had not shown a further increase. Compared with a year earlier, the year-to-year spread was appreciably less than that for FHA-insured mortgages -- 80 basis points for new as well as existing home mortgages.

While upward pressures on conventional first mortgage rates were still continuing in November, according to the Federal Home Loan Bank Board, loan/price and maturity terms were holding at or near the relatively restrictive levels reached earlier this autumn for loans on both new and existing homes. And although prices of homes involved in transactions were still appreciably higher than a year earlier, average loan amounts in November were running very near year-earlier levels and at least moderately below earlier peaks.

Stock market credit. Total customer credit in the stock market rose \$50 million during November to \$7.35 billion at the month-end. Most of this increase was attributable to a \$48 million gain in customers' net debit balances on non-Government securities. Bank loans to other than brokers and dealers advanced \$2 million. Money borrowed by member firms of the New York Stock Exchange on customers' collateral declined \$30 million in November, while customer free credit balances rose \$12 million to mark their first gain since May. More detailed information on changes in stock market credit in recent months is shown in the table on the following page.

Stock prices. Common stock prices changed little on balance last week in moderately active trading. Standard and Poor's index of 500 stocks lost .11 points to close at 81.47 on December 23. Trading volume averaged 7.6 million shares a day.

Capital Markets Section,  
Division of Research and Statistics,  
Board of Governors of the Federal Reserve System.

STOCK MARKET CREDIT  
(In millions of dollars)

Months	Customer Credit			Broker & Dealer Credit		Customers' net free credit balances
	Total	Net Debit balances with NYSE member firms	Bank loans to others than brokers and dealers for purchasing & carrying secur.	Money Borrowed	Cust. Other coll.	
Outstanding:						
1955-56 High	4,047 (5/56)	2,823 (12/56)	1,255 (4/56)	1,873- 430		1,069 (1/55)
1957-58 Low	3,554 (1/58)	2,482 (12/57)	1,060 (11/57)	1,344 188		807 (4/57)
1959 - High	4,764 (4)	3,401 (4)	1,373 (5)	2,044 318		1,257 (3)
1960 - Low	4,142 (5)	3,004 (7)	1,121 (5)	1,801 237		940 (4)
1961 - High	5,602 (12)	4,259 (12)	1,377 (8)	2,572 385		1,508 (4)
1962 - Low	4,876 (7)	3,562 (7)	1,269 (9)	1,856 235		1,091 (9)
1963 - High	7,298 (11)	5,586 (11)	1,727 (12)	3,892 597		1,211 (11)
1965 - Low	6,833 (7)	4,863 (7)	1,865 (2)	2,882 446		1,192 (8)
1964 - Dec.	7,053	5,079	1,974	3,393 517		1,169
1965 - Dec.	7,705	5,521	2,184	2,889 687		1,666
1966 - Nov.	7,352	5,217	2,135	2,597 569		1,532
Change in outstanding:						
1965 - Nov.	187	136	51	48 76		4
Dec.	401	312	89	-41 90		187
1966 - Jan.	21	30	-9	59 -92		64
Feb.	224	202	22	11 -2		35
Mar.	-127	-108	-19	-104 47		57
Apr.	168	190	-22	128 42		-78
May	-86	-67	-19	-48 -29		95
June	11	2	9	42 53		-181
July	-131*	-103	-28*	150 -102		-63
Aug.	-59	-58	-1	-45 -10		--
Sept.	-286	-254	-32	-223 -19		-67
Oct.	-223	-186	-37	-232 -51		-8
Nov.	50	48	2	-30 45		12

Note: With the exception of bank loan data, figures are reported to the New York Stock Exchange by member firms carrying margin accounts. Bank loans to others than brokers and dealers for purchasing and carrying securities are for weekly reporting member banks. Net debit balances and customer free credit balances are as of the end of the month; bank loans and money borrowed are reported for the last Wednesday of the month. Numbers in parenthesis denote month of year. All figures exclude credits on, or to carry, U.S. Govt. securities.

\*New Series.

## LONG-TERM BOND YIELDS, HIGH-GRADE

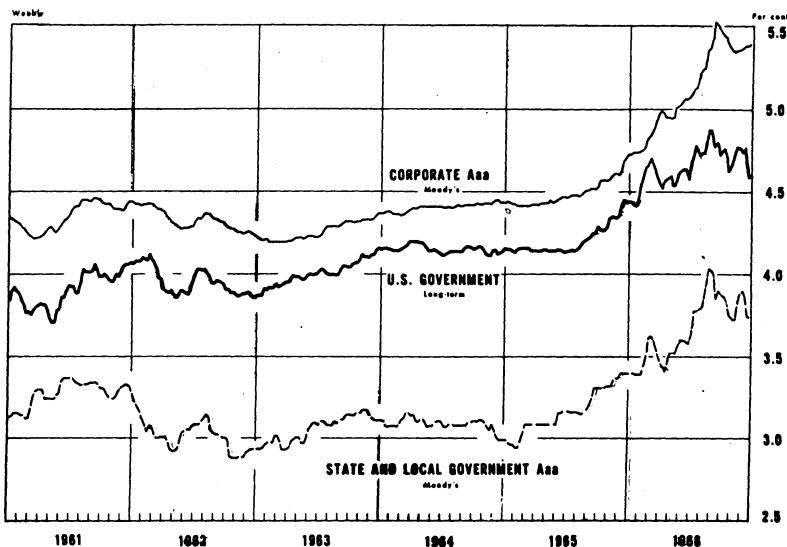


Exhibit A -- Part II

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
1959-60 - High	4.61 (1/29/60)	4.42 (1/8/60)	3.65 (9/24/59)	.59 (8/3/60)	.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	5.52 (9/9)	4.87 (9/2)	4.04 (8/25)	.81	1.19
- Low	4.73 (1/7)	4.42 (1/21)	3.39 (1/13)	.14	.78
Nov. 25	5.36	4.76	3.87	.60	.89
Dec. 2	5.37	4.74	3.89	.63	.85
9	5.38	4.76	3.84	.62	.92
16	5.38	4.65	3.74	.73	.91
23 p/	5.39	4.58	3.74	.81	.84

p/ Preliminary.

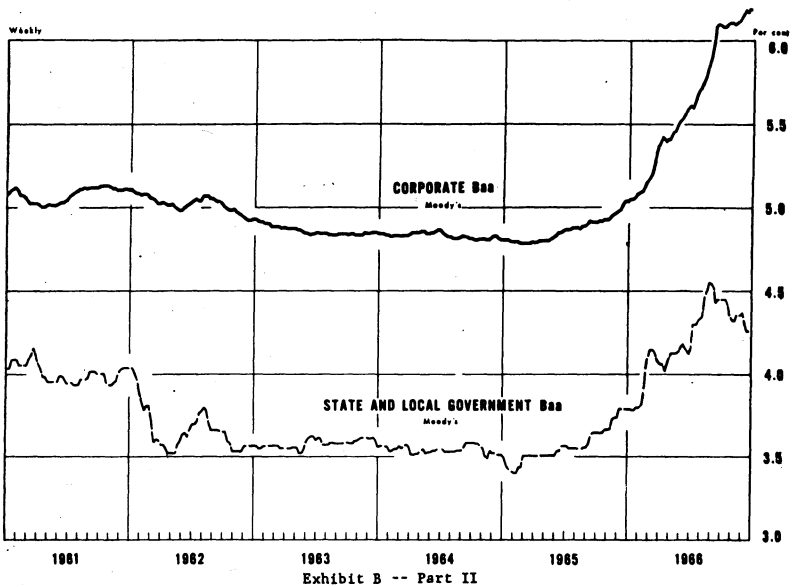
1/ Weekly average of daily figures. Average term of bonds included is 22-24 years.

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

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

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

## LONG-TERM BOND YIELDS, LOWER GRADE



Date	Corporate Baa 1/	State and local govt. Baa 2/	Spread between Aaa and Baa	
			Corporate	State and local govt.
			(per cent)	
1959-60 - High	5.36 (2/12/60)	4.46 (1/7/60)	.84	1.08
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	6.19 (12/23)	4.55 (8/25)	.81	.62
Low	5.05 (1/14)	3.78 (1/20)	.31	.31
Nov. 25	6.16	4.35	.80	.48
Dec. 2	6.18	4.37	.81	.48
9	6.17	4.30	.79	.46
16	6.19	4.26	.81	.52
23p/	6.19	4.26	.80	.52

Note: For footnotes see Exhibit A.

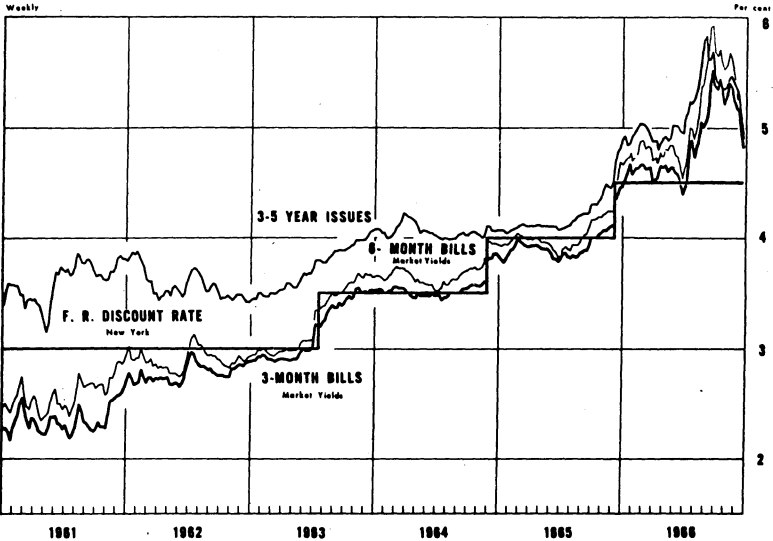
SHORT- AND INTERMEDIATE-TERM INTEREST RATES  
GOVERNMENT

Exhibit C -- Part II

Date	Discount rate 1/	Yields			Spread between yields on 3-month bills and yields on	
		3-month bills 2/	6-month bills 2/	3-5 year issues 2/	6-mo. bills	3-5 yr. issues
(per cent)						
1959-60 - High	4.00	4.59 (1/8/60)	5.07 (1/8/60)	5.00 (12/24/59)	.79	1.81
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	5.52 (9/23)	5.92 (9/23)	5.83 (9/2)	.52	.78
Low	4.50	4.39 (6/24)	4.53 (6/24)	4.80 (4/8)	.09	.01
Nov. 25	4.50	5.26	5.49	5.43	.23	.17
Dec. 2	4.50	5.17	5.26	5.34	-.09	.17
9	4.50	5.16	5.26	5.30	.10	.14
16	4.50	4.97	5.06	5.06	.09	.09
23 <sup>p</sup> /	4.50	4.81	4.93	4.90	.12	.09

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.

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

Weekly.

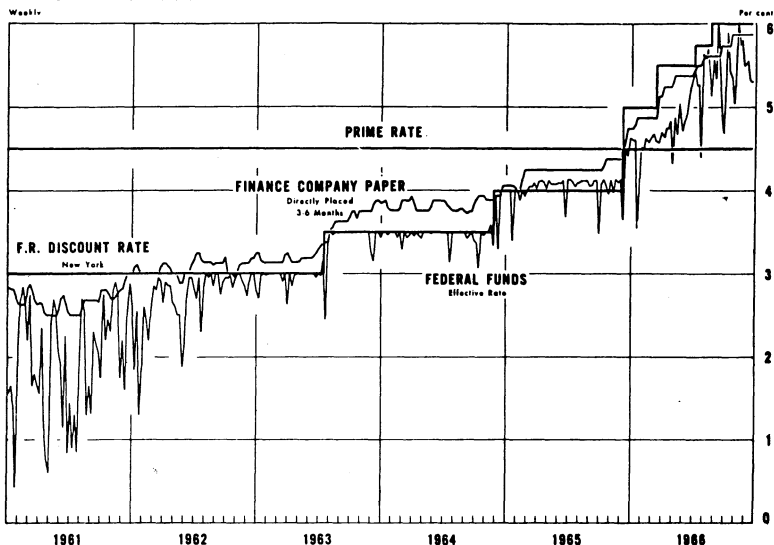


Exhibit D -- Part II

Date	Prime rate <sup>1/</sup>	Finance company paper <sup>2/</sup>	Federal funds <sup>3/</sup>	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	6.00 (12/23)	5.88 (12/23)	6.00 (11/4)	1.07
Low	5.00 (3/4)	4.75 (1/7)	3.55 (1/21)	.20
Nov. 25	6.00	5.88	5.50	.62
Dec. 2	6.00	5.88	5.55	.71
9	6.00	5.88	5.35	.72
16	6.00	5.88	5.30	.91
23p/	6.00	5.88	5.30	1.07

<sup>1/</sup> 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.

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

<sup>3/</sup> 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=100

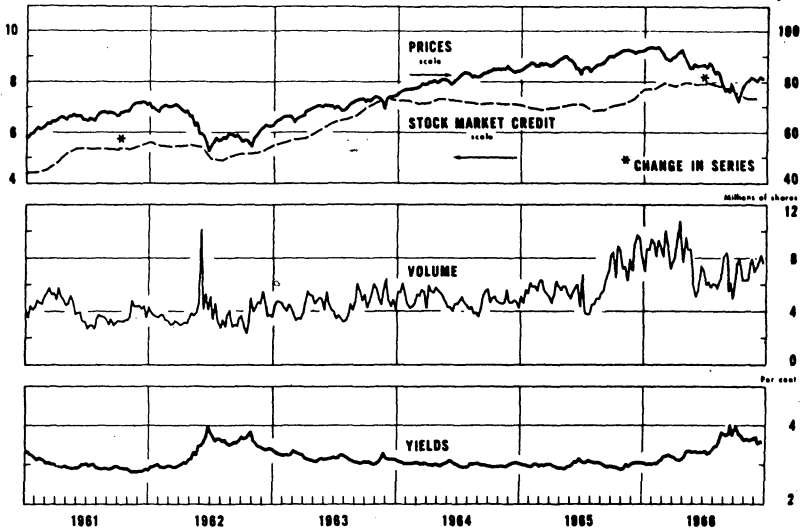
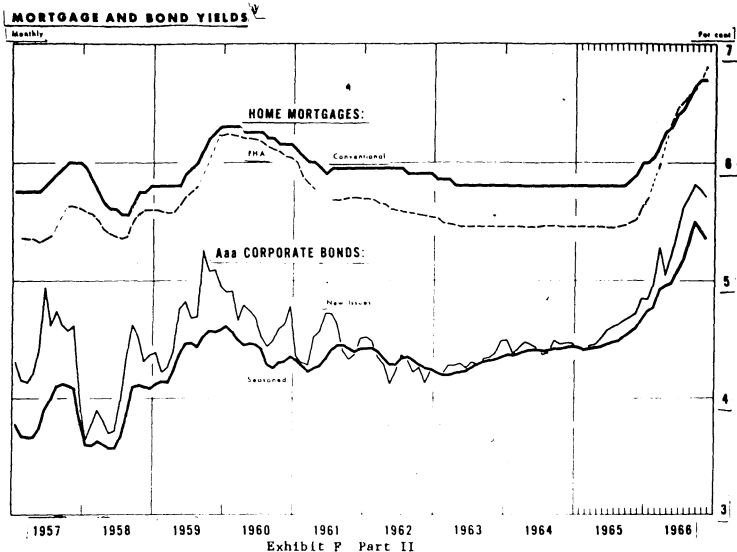


Exhibit E -- Part II

Date	Stock price index <sup>1/</sup>	Common stock yields <sup>2/</sup> (per cent)	Trading volume <sup>3/</sup> (millions of shares)	Stock market customer credit		
				Total	Customers' debit balances <sup>4/</sup>	Bank loans to "others" <sup>5/</sup>
(In millions of dollars)						
1961-62 - High	72.04(12/8/61)	2.82	10.1	5,604(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	7,997	5,835	2,241 (7/6)
Low	73.20 (10/7)	4.04	5.0	7,302	5,169	2,095 (12/16)
Oct.	77.13	3.78	7.0	7,302	5,169	2,133
Nov.	80.99	3.65	7.3	7,352	5,217	2,135
Dec. 9	82.14	3.56	7.6	n.a.	n.a.	2,112
16	81.58	3.59	8.2	n.a.	n.a.	2,095
23 <sup>2/</sup>	81.47	3.60	7.6	n.a.	n.a.	n.a.

n.a.—Not available. <sup>3/</sup> Preliminary.<sup>1/</sup> Standard and Poor's composite index of 500 common stocks, weekly closing prices, 1941-43=100.<sup>2/</sup> Monthly data are averages of daily figures rather than of Friday's only. High and low are for Friday's data only.<sup>3/</sup> Standard and Poor's composite stock yield based on Wednesday data converted to weekly closing prices by Federal Reserve. High's shown are for dates on which price index reached its high or low.<sup>4/</sup> Averages of daily trading volume on the New York Stock Exchange. Year-end figures are averages of daily figures for the year.<sup>5/</sup> End of month figures for member firms of the New York Stock Exchange which carry margin accounts; excludes balances secured by U. S. Government obligations.<sup>6/</sup> Wednesday figures for weekly reporting member banks. Excludes loans for purchasing or carrying U. S. Government securities. Weekly reporting banks account for about 70 per cent of loans to others. For further detail see Bulletin.



	FHA mortgages 2/		Conventional mortgages 3/	Spread between yields on conv. & FHA mortgages 4/	Aaa Corporate Bonds		Spread between yields on new corporate 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 - Low	5.43	5.44	5.80	.25	4.12	4.19	.77	-.16
1966 - High	6.73	6.81	6.70	.30	5.82	5.41	1.11	.46
Low	5.72	5.70	6.00	-.06	4.84	4.74	.73	.09
1966 - July	6.58	6.51	6.45	-.06	5.62	5.16	.89	.46
Aug.	6.67	6.58	6.55	-.03	5.70	5.31	.88	.39
Sept.	6.73	6.63	6.65	.02	5.82	5.49	.81	.33
Oct.	--	--	6.70	--	5.77	5.41	--	.36
Nov.	n. a.	6.81	6.70	.11	5.72	5.35	1.09	.7

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. See note for Exhibit C.

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

## CONVENTIONAL MORTGAGE TERMS

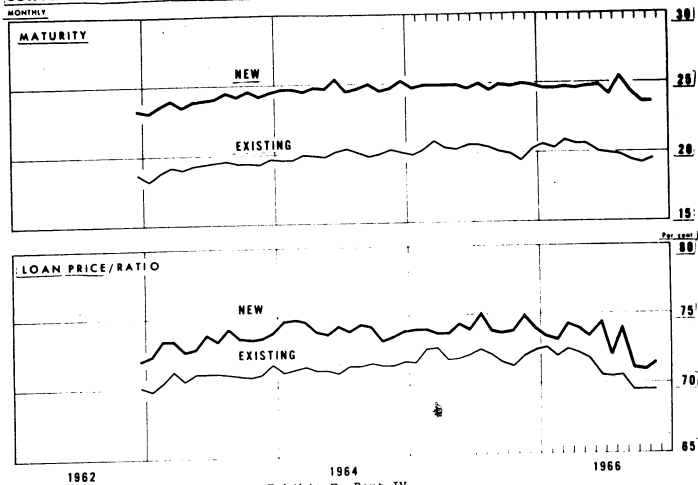


Exhibit F Part IV

	New Homes					Existing Homes				
	Contract Rate (Per cent)	Fees & Charges (Per cent) 2/	Maturity (Years)	Loan/Price ratio (Per cent)	Loan amt. (Thous.)	Contract Rate (Per cent)	Fees & Charges (Per cent) 2/	Maturity (Years)	Loan/Price ratio (Per cent)	Loan amt. (Thous.)
<u>1965</u>										
Nov.	5.80	.54	25.0	74.9	18.5	5.91	.50	20.4	72.0	13.9
Dec.	5.78	.58	24.8	74.0	18.4	5.91	.51	20.6	72.4	14.5
<u>1966</u>										
Jan.	5.81	.51	24.6	73.4	18.0	5.97	.49	20.6	72.6	14.3
Feb.	5.85	.55	24.6	73.2	18.8	5.97	.51	20.3	72.0	14.4
Mar.	5.90	.56	24.7	74.3	18.9	6.01	.53	20.9	72.5	14.7
Apr.	5.99	.57	24.6	73.9	18.2	6.09	.54	20.6	72.2	14.5
May	6.02	.57	24.7	73.4	19.2	6.16	.56	20.6	71.8	14.7
June	6.07	.57	24.8	74.4	19.7	6.18	.47	20.0	70.6	14.7
July	6.12	.67	24.2	72.1	19.2	6.24	.52	19.9	70.5	14.3
Aug.	6.18	.83	25.4	74.0	20.1	6.35	.61	19.8	70.6	14.7
Sept.	6.22	.83	24.3	71.1	19.0	6.40	.64	19.4	69.5	14.0
Oct.	6.32	.80	23.6	71.0	19.2	6.49	.71	19.2	69.5	14.1
Nov.	6.40	.89	23.6	71.5	18.7	6.50	.74	19.5	69.5	14.1

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 FHLMC-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

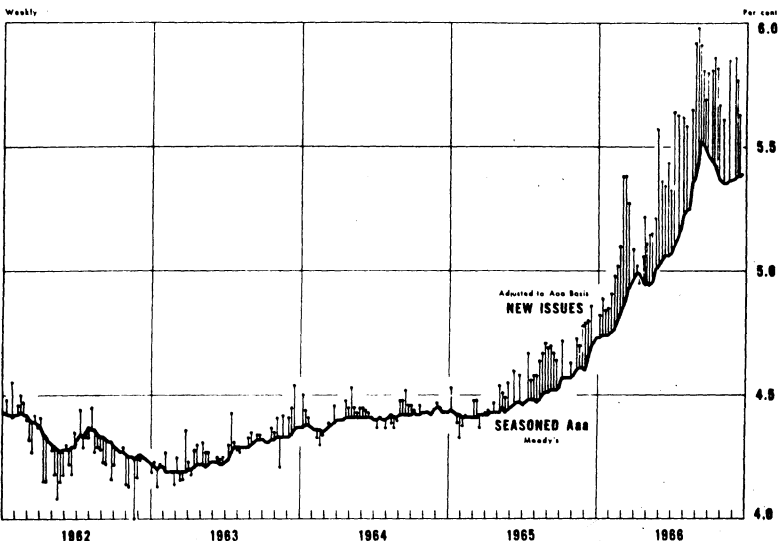


Exhibit G - Part II

## Yields on New Corporate Bond Issues Adjusted to an Ann 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)
<b>Weekly averages:</b>							
1966 - Jan.	8	300.0	4.84	Oct. 7	1	40.0	5.81
Feb.	10	304.5	4.98	14	2	63.5	5.86
Mar.	9	513.0	5.13	21	2	115.0	5.82
Apr.	13	452.3	5.08	28	3	115.0	5.67
May	7	341.0	5.21	Nov. 4	4	155.0	5.61
June	11	596.0	5.38	11	--	--	--
July	5	155.0	5.62	18	1	130.0	5.85
Aug.	5	680.0	5.70	25	--	--	--
Sept.	8	280.0	5.82				
Oct.	8	333.5	5.77	Dec. 2	2	50.0	5.86
Nov.	5	285.0	5.72	9	2	105.0	5.77
<b>Weekly averages:</b>				16	2	115.0	5.63
High		5.98(9/2)		23	--	--	--
Low		4.82(1/7)					

Notes: Averages of offering yields on all new issues of publicly offered corporate bonds rated Ann, An 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 Ann basis by deducting from the serial reoffering yield the excess of the weekly average yield for seasoned bonds of the appropriate industry-quality group over the composite average for seasoned Ann-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 <sup>2/</sup>		
	1966 <sup>p/</sup>	1965	1964	1966 <sup>p/</sup>	1965	1964
January	1,302	795	938	1,184	804	947
February	1,237	746	700	858	872	776
March	2,446	1,197	778	868	904	810
April	1,553	1,152	2,237	1,194	826	1,242
May	1,058	1,691	1,095	905	924	667
June	2,364	1,946	1,405	1,140	972	903
July	1,039	1,290	812	698	986	906
August	1,670	850	680	773	648	780
September	1,382	1,392	1,130	1,010	966	892
October	<sup>p/</sup> 925	924	953	724	794	801
November	<sup>e/</sup> 1,075	1,325	669	<sup>e/</sup> 925	1,021	529
December	<sup>e/</sup> 1,925 <sup>4/</sup>	1,496	1,642	<sup>e/</sup> 875	754	948
1st quarter	4,985	2,738	2,416	2,910	2,580	2,533
2nd quarter	4,974	4,789	4,738	3,239	2,722	2,811
3rd quarter	4,091	3,533	2,621	2,481	2,600	2,578
4th quarter	<sup>e/</sup> 3,925	3,745	3,264	<sup>e/</sup> 2,524	2,569	2,278
1st half	9,959	7,527	7,153	6,149	5,302	5,345
Three quarters	14,050	11,060	9,775	8,630	7,902	7,923
Year	<sup>e/</sup> 17,975	14,805	13,038	<sup>e/</sup> 11,154	10,471	10,201
	<b>Excluding finance companies <sup>3/</sup></b>					
1st quarter	4,924	2,547	2,043			
2nd quarter	4,884	4,348	4,258			
3rd quarter	3,969	3,283	2,477			
4th quarter		3,188	2,997			
Year		13,366	11,775			

<sup>e/</sup> Estimated by Federal Reserve.

<sup>p/</sup> Preliminary.

<sup>1/</sup> Securities and Exchange Commission estimates of net proceeds.

<sup>2/</sup> Investment Bankers Association of America estimates of principal amounts.

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

<sup>4/</sup> Includes \$135 million Pennzoil note issue.

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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 <u>1/</u>					Net proceeds for new capital <u>1/ 2/</u>			
	Total	Bonds		Common and pd. stock	Memo: Foreign issues included	Mfg.	Public Utility	Communi- cations	Other Issuers
		Publicly Offered	Privately Placed						
1964 - 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	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	5,115	1,941	2,083	1,090	168	2,205	960	392	1,418
III	4,197	2,256	1,627	314	153	1,558	657	567	1,309
IV									
1965 - 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. <u>3/</u>	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.	1,582	628	743	210	86	692	364	76	421
May	1,106	481	556	69	33	376	274	40	368
June	2,427	832	784	811	49	1,137	322	276	629
July	1,085	440	535	110	69	397	263	52	327
Aug.	1,712	1,140	435	137	22	518	313	318	522
Sept.	1,400	676	657 <sup>4/</sup>	67	62	643	81	198	460
Oct. <u>e/</u>	989	499	354	136	70	362	304	91	168
Nov. <u>e/</u>	1,100	550	450	100	n. a.	350	275	160	290
Dec.									

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.

4/ Includes \$229 million Consolidation Coal issue for partial payment of a liquidating dividend.

SOURCE: 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	12	218	4	--	--	--
February	40	--	82	503	129	--
March	40	38	69	410	185	--
April	66	73	30	392	325	--
May	69	--	75	699	--	--
June	76	91	26	1,030	775	275
July	72	33	20	1,084	--	260
August	7	74	13	799	239	160
September	50	5	7	400	150	--
October	--	52	180	450	375	510
November		75	72		375	--
December		2	58		179	--
Jan. - Oct.	432	584	506	5,767	2,178	1,205
Year		661	636		2,732	1,205
	New short-term 4/					
	State and local Government 5/			Federal Agency 3/		
	1966	1965	1964	1966	1965	1964
January	103	238	103	308	-137	-308
February	39	91	236	-24	-174	-336
March	-319	-458	-407	450	117	23
April	580	647	442	718	-11	97
May	462	204	81	85	509	183
June	-334	-82	-80	284	237	239
July	-103	119	-9	-590	132	-333
August	270	408	127	-270	206	167
September	p/-161	152	176	-652	105	1
October	p/-49	59	7	-555	-309	525
November		274	-15		202	113
December		-366	-208		-76	-3
Jan. - Oct.	p/488	1,378	676	-246	675	258
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 - 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	399	55
Apr.	643	481	55	106	720	60
May	401	351	50	--	466	--
June	1,317	636	20	661	582	275
July	402	170	182	50	338	15
Aug.	1,189	862	257	80	410	--
Sept.	627	287	340	--	611	50
Oct.	523	352	116	55	387	--
Nov.	510	363	97	50	464	55

**Large Individual Issues Offered December 1 through 23**

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<b>Corporate</b>						
Florida Power & Lt. Co.	1st. mtg. bds.	40.0	1996	6	5.90	Aa
	Com. stk.	21.1				
Western Union Tele. Co.	S. F. deb.	50.0	1989	6-1/2	6.50	Baa
Rohr Corp.	Conv. sub. deb.	15.0	1986	5-1/4	5.25	Ba
Tenneco, Inc.	1st. mtg. p. l. bds.	60.0	1987	6-3/4	6.75	Baa
New Jersey Bell Tel. Co.	Deb.	55.0	2006	5-7/8	5.83	Aaa
Gen. Aniline & Film Corp.	Deb.	50.0	1991	5-7/8	5.95	A
Commonwealth Edison Co.	1st. mtg. bds.	50.0	1996	5-3/4	5.75	Aaa
*Gen. Public Utilities	Com. stk.	27.0				
Detroit Edison Co.	1st. mtg. bds.	100.0	1996	6	6.00	Aa
Dana Corp.	Deb.	35.0	1991	6	6.00	A
Braniff Airways, Inc.	Sub. deb.	60.0	1986	5-2/4	5.75	Ba
Gen. Tel. & Elec. Corp.	S. F. deb.	125.0	1991	6-1/4	6.16	Baa
Consol. Edison Co. of N. Y.	1st. & ref. mtg. bds.	75.0	1996	5.90	5.90	A
Southern Calif. Gas Co.	1st. mtg. bds.	40.0	1996	5-7/8	5.72	Aa
*United Air Lines	Conv. sub. deb.	103.4	1991	5	5.00	Baa



## Large Individual Issues Offered December 1 through 23 (Cont'd)

Issuer	Type <sup>3/</sup>	Amount (millions of dollars)	Maturity	Coupon Rate or Net Inter- est Cost	Offer- ing Yield	Rating
<u>State of local Govt.</u>						
Munic. of Metro. Seattle, Washington	Rev.-Ut.	15.0	1975-2006	4.50	4.25-4.45	--
Oklahoma Turnpike Auth.	Rev.-Q.-Ut.	40.0	2006	4.92	4.70-5.00	Baa
Oklahoma Turnpike Auth.	Rev.-Q.-Ut.	36.0				Ba
Ga. Univ. System Bldg. Auth.	Rev.-Rent	25.5	1967-91	4.02	3.80-3.96	Aa
State of Mississippi	G.O.	26.2	1968-92	4.09	3.85-4.00	Aa
New York State Dorm. Auth.	Rev.-Rent	30.1	1968-97	4.68	4.50-4.60	--
State of Tennessee	G.O.	28.0	1968-87	3.81	3.65-3.75	Aa
Housing Assistance Admin.	Bonds	115.4	1967-2007	3.74	--	Aaa
Puerto Rico Urban Re- newal & Housing Corp.	Rev.-Rent	15.0	1969-92	4.59	4.40-4.50	A
Metro. Fair Exposition Auth., Ill	Rev.-Rent	15.0	1995	5.00	5.90	--
Los Angeles Co. Flood Control Dist., Calif.	G.O.	15.0	1967-89	3.88	3.40-3.75	Aa
Belridge Wtr. Storage District, Calif.	G.O.	10.3	1970-2006	6.20	5.75	--
Richmond, Virginia	G.O.	14.3	1968-87	3.55	3.50 <sup>4/</sup>	Aaa
State of Vermont	G.O.	20.0	1968-86	3.57	3.40-3.50	Aaa
Calif. Toll Bridge Auth, Sacramento	Rev.-Q.-Ut.	47.6	2003	5.24	5.11	--
Univ. of Mass. Bldg. Auth	Rev.-Rent.	10.4	1967-99	3.82	3.60-3.75	Aa
<u>Other</u>						
Quebec Hydro.-Electric Commission	Deb.	60.0	1993	6-1/4	6.29	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 leased payments.
- 4/ Bonds maturing 1968-71 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 - 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	85
June 30	317	337	15	619	353	50
July 29	677	403	--	697	403	35
Aug. 31	662	515	40	853	685	90
Sept. 30	687	300	--	767	380	35
Oct. 31	397	140	--	457	175	35
Nov. 30	1,098	496	--	1,133	571	65

Forthcoming Large Offerings as of December 23

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<b>Corporate</b>			
Pacific Tel. Tel. Co.	Com. stk.	20.3	December 30 (rts. ex.)
Pennzoil Company	Notes	215.0	December
Associates Investment Co.	Notes	35.0	January 5
American Tel. & Te'. Co.	Deb.	250.0	January 11
Bethlehem Steel Corp.	Deb.	150.0	January 11
Collins Radio Co.	Conv. sub. deb.	30.0	January 11
N. Y. State Elec. Gas Corp.	1st mtg. bds.	25.0	January 12
*Ferro Corp.	S.F. deb.	20.0	January 17
Houston Lighting & Power Co.	1st mtg. bds.	40.0	January 18
SCM Corporation	S.F. deb.	20.0	January 24
Oklahoma Gas & Electric Co.	1st mtg. bds.	15.0	January 25
Dallas Power & Light Co.	1st mtg. bds.	16.0	January 26
*Seaboard Finance Co	S.F. deb.	25.0	January
*Oklahoma Gas & Elec	Cum pfd stk.	15.0	January
*MSL Industries	S.F. deb.	15.0	Indefinite

## Forthcoming Large Offerings as of December 23 (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of Offering
<u>Corporate (Cont'd)</u>			
McCall Corp.	Conv. pfd. stk.	20.0	Indefinite
United Nuclear Corp.	Conv. sub. deb.	15.0	Indefinite
<u>State and Local Government</u>			
Middletown Growth, Inc., Ohio	Rev.-Rent.	80.0	December
Fairfax County, Virginia	G.O.	14.8	January 4
State of Oregon	G.O.	30.0	January 4
Vigo County, Indiana, High Sch. Bldg. Corp.	Rev.-Rent.	19.0	January 4
King County Sch. Dist., Wash.	G.O.	34.0	January 5
State of Ohio	G.O.	75.0	January 5
*South Carolina Pub. Sch. Serv. Auth.	Rev.-Q.-Ut.	51.6	January 5
Los Angeles USD, California	G.O.	30.0	January 10
Milwaukee County, Wisconsin	G.O.	16.8	January 10
Milwaukee, Wisconsin	G.O.	16.5	January 10
*State of Connecticut	G.O.	50.0	January 11
*State of Washington	G.O.	25.0	January 11
San Diego USD, California	G.O.	12.5	January 17
State of North Carolina	G.O.	60.0	January 18
Oakland, Washtenaw, et al. Comm. Coll. Dist., Michigan	G.O.	12.0	January 19
*Metro. St. Louis Sewer Dist., Mo.	G.O.	20.0	January 20
*Florida State Bd. of Education	Rev.-S.T.	25.0	January 24
Pennsylvania General State Auth.	Rev.-Rent.	75.0	January 24
*Los Angeles Dept. of Water & Sewer, California	Rev.-Rent	15.0	January 25
<u>Other</u>			
British Columbia Hydro & Power Auth.	Gtd. S.F. deb.	50.0	January 14
Nippon Tel. & Tel. Pub. Corp.	Bonds	15.0	Indefinite
*Province of Nova Scotia	S.F. deb.	30.0	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; Greater New Orleans Expressway Commission's Rev.-Q.-Ut., \$72.4 million issue -- no bids received.

**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
		<b>A. Sold October 1 through December 23</b>
11/15	10.0	Government of Mexico--7-1/4% external sinking fund bonds, maturing 1981, reoffered to yield 7.65%.
11/16	15.0	New Brunswick Electric Power Commission--6% sinking fund debentures maturing 1991, reoffered to yield 6.16%.
11/16	30.0	City of Montreal, Canada--6% sinking fund debentures maturing 2006, reoffered to yield 6.35%.
12/14	60.0	Quebec Hydro-Electric Commission--6-1/4 debentures maturing 1993, reoffered to yield 6.29%.
		<b>B. Prospective Offerings</b>
January 14	50.0	British Columbia Hydro and Power Auth.--Gtd.S.F.deb.
*Indefinite	30.0	Province of Nova Scotia -- S.F. deb.
Indefinite	15.0	Nippon Telegraph and Telephone Public Corp.--Bonds

\* -- Included in table for first time.

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

\*\*\* -- Issue subject to interest equalization tax.

## Part II: Private Placements - Reported October 1 through December 31

Date Reported	Amount (millions of dollars)	Issuer and Description of Issue
10/28	44.0	Bell Telephone of Canada--6% 1st mortgage bonds, maturing 1996--\$33.5 taken down balance by January 13, 1967.
10/28	12.0	Canadian Fina Oil Ltd.--6-1/2% guaranteed notes, maturing 1996--to be taken down by March 30, 1967.

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 taken down but only in the amount of takedown while the placements shown in this exhibit are included when reported, frequently with little or no information concerning timing of takedown. Full or partial takedowns may take place both prior and subsequent to the date a placement is reported.