

November 20, 1967.

DECONTROLLED AFTER SIX MONTHS

CAPITAL MARKETS DEVELOPMENTS
IN THE UNITED STATES

Corporate and municipal bond markets. The below-average volume of new corporate and municipal securities scheduled for offering this week may turn out to over-estimate actual offerings. Although none have been announced yet, postponements -- in light of Britain's devaluation and the subsequent increase in the Federal Reserve's discount rate -- are certainly possible. The calendar now, however, suggests that the largest corporate offering will be Pacific Gas and Electric's \$80 million of bonds and the Illinois Building Authority's \$54.5 million issue will be the largest municipal offering.

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

| | Corporate | | State & local Government | |
|---------------|-------------|-----------|--------------------------|-----------|
| | New Capital | Refunding | New Capital | Refunding |
| Sold: | | | | |
| 52 weeks avg. | 321 | 1 | 249 | 5 |
| November 10 | 1/98 | -- | 1/194 | -- |
| November 17 | 300 | -- | 388 | -- |
| Scheduled: | | | | |
| November 24 | 245 | -- | 175 | -- |

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

New corporate issues were enthusiastically received last week as yields on new and seasoned bonds advanced and the extraordinary volume of new offerings did not materialize. Early in the week, U.S. Steel postponed indefinitely its \$225 million offering and Tenneco halved its \$200 million convertible issue to \$100 million. Carrying record yields, the remaining offerings sold out quickly and advanced to substantial premiums.

Yields on municipals advanced somewhat and in this market new issue receptions were also generally good. The \$100 million California water bond issue -- only 50 per cent sold -- was a marked exception, but on balance 75 per cent of the total volume had been sold by the week's end.

Private housing starts and permits. Private housing starts, which were revised downward by 2 per cent for September, rose 5 per cent further in October, to a seasonally adjusted annual rate of 1,496 thousand. This level virtually matched the average in the fourth quarter of 1965, before the 1966 downturn began, and, thus, marked a return to a recovery level in total starts for the first time since that period. On a three-month moving average, the

Yields on Security Markets

H. 14

High Grade
Notes and BondsLevel Latest WeekChange from
preceding weekCorporate

| | | |
|----------|------|-----|
| New | 6.57 | +20 |
| Seasoned | 6.10 | +8 |

U.S. Government

| | | |
|-----------|------|----|
| Long-term | 5.49 | +5 |
| 3-5 year | 5.76 | -4 |

State and Local Govt.

| | | |
|--------------------------|------|----|
| Moody's Aaa | 3.98 | +1 |
| Std. & Poor's high grade | 4.37 | +5 |

Money Market

| | | |
|----------------|------|----|
| Federal funds | 4.02 | +8 |
| Treasury bills | | |
| 3-month | 4.63 | -1 |
| 6-month | 5.12 | -1 |

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 pr portion sol</u> |
|-------------------------|------------------------------------|--|-----------------------------|---------------|-------------------------------------|
| 11/9 | 40.0 | Pennsylvania Pwr. & Lt., 6-3/4's - 1997 | 6.55 | Aa | 25% |

Blue List of Municipal Dealers' Advertised Inventories

| <u>Latest Week</u> | <u>End of Previous Week</u> | <u>Recent High</u> |
|--------------------|-----------------------------|--------------------|
| 431(11/15/67) | 366 | 849(4/26/67) |

August-October rate was 1,444 thousand -- only 4 per cent short of the over-all "recovery" level and 44 per cent above the sharply reduced August-October rate in 1966.

As in most other recent months, multifamily units dominated the advance, climbing 8 per cent further after a September pause, to reach the highest rate since mid-1964. By contrast, although single-family starts edged higher in October, the recovery in such starts remained incomplete. Among the individual regions, the North Central States accounted for most of the October increase; but only in the Northeast states, where starts had shown a considerable upward reversal in September, was there any appreciable decline.

Government-underwritten starts accounted for 18 per cent of total starts in October. This compared with proportions somewhat lower than this in October of other recent years.

Building permits, like starts, also rose further in October -- by an average of 4 per cent to a level of 1,202 thousand. The rate of permits for multifamily structures was up most -- 5 per cent. All the regions showed some increase.

Stock prices. In the latter half of last week stock prices erased earlier losses, achieving a slight gain on balance for the week. At the close Friday, Standard & Poor's index of 500 stock at 92.82, up 0.61 from the previous Friday. Trading volume was strong, averaging 10.2 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.

LONG-TERM BOND YIELDS, HIGH-GRADE

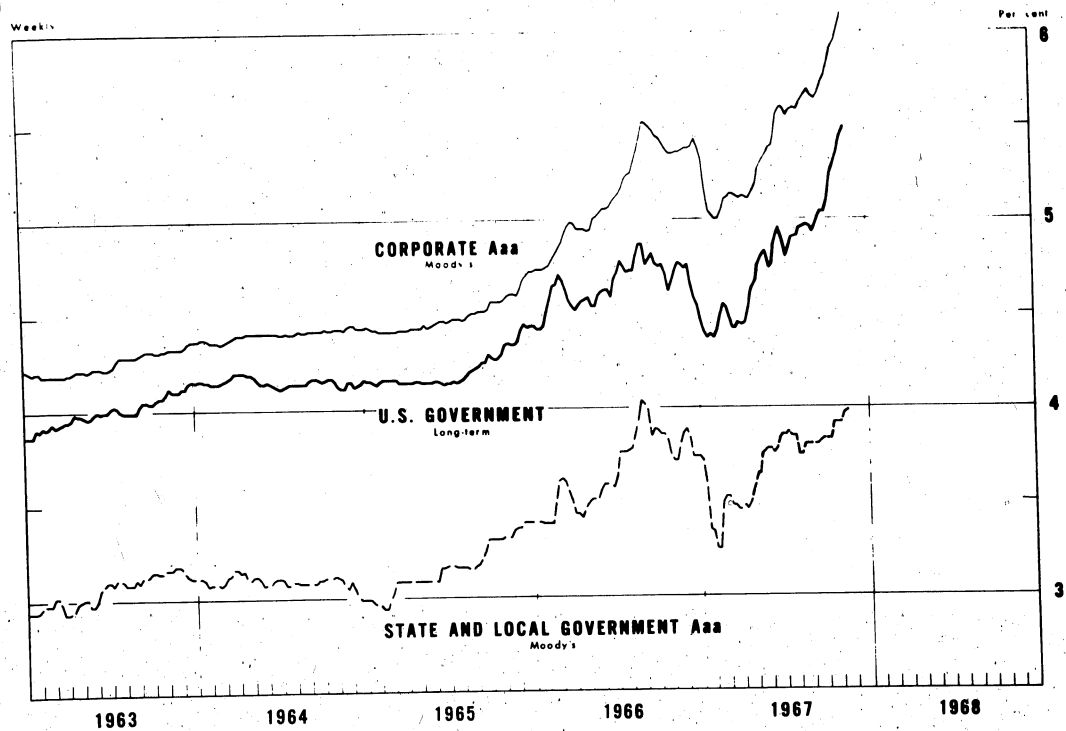


Exhibit A -- Part 11

| Date | Corporate Aaa <u>1/</u> | U.S. Govt. long-term <u>2/</u> | State and local government Aaa <u>3/</u> | 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(8/5/60) | .92(4/22/60) |
| 1966 - High | 5.52(9/9) | 4.87(9/2) | 4.04(8/25) | .84(12/30) | 1.19(2/11) |
| - Low | 4.73(1/7) | 4.42(1/7) | 3.39(1/13) | .14(2/18) | .77(9/2) |
| 1967 - High | 6.10(11/17) | 5.49(11/17) | 3.98(11/17) | .92 | 1.51 |
| - Low | 5.00(2/10) | 4.37(2/3) | 3.25(2/9) | .44 | .74 |
| Oct. 20 | 5.83 | 5.24 | 3.92 | .59 | 1.32 |
| 27 | 5.90 | 5.29 | 3.92 | .61 | 1.37 |
| Nov. 3 | 5.95 | 5.35 | 3.92 | .50 | 1.43 |
| 10 | 6.02 | 5.44 | 3.97 | .58 | 1.47 |
| 17 | 6.10 | 5.49 | 3.98 | .61 | 1.51 |

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

Weekly

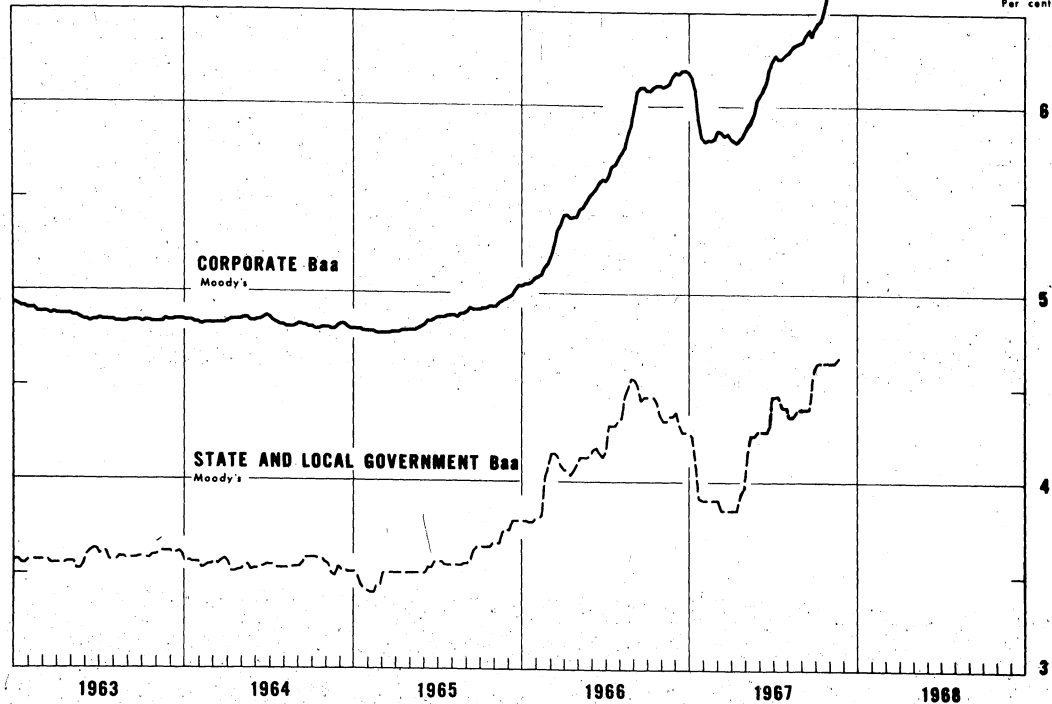


Exhibit B -- Part II

| 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- 1965 | 5.04 | 3.79 | .31 | .39 |
| 1966 - High | 6.18(12/30) | 4.55(8/25) | .81 | .62 |
| Low | 5.05(1/14) | 3.78(1/20) | .31 | .31 |
| 1967 - High | 6.73(11/17) | 4.67(11/17) | .82 | .81 |
| Low | 5.81(4/14) | 3.85(4/13) | .63 | .37 |
| Oct. 20 | 6.53 | 4.64 | .70 | .72 |
| 27 | 6.60 | 4.64 | .70 | .72 |
| Nov. 3 | 6.60 | 4.64 | .65 | .72 |
| 10 | 6.66 | 4.64 | .64 | .67 |
| 17 | 6.73 | 4.67 | .63 | .69 |

Note: For footnotes see Exhibit A.

SHORT- AND INTERMEDIATE-TERM INTEREST RATES

GOVERNMENT

Weekly

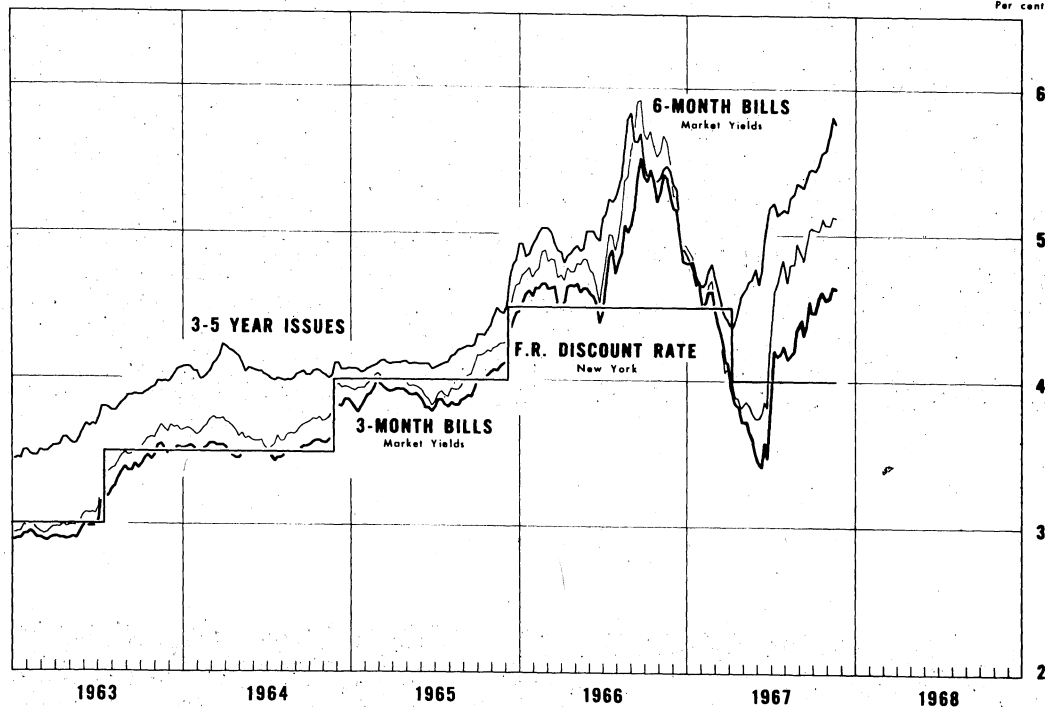


Exhibit C -- Part II

| Date | Discount rate 1/ | Yields | | | Spread between yields on | |
|-----------------|------------------------|---------------------|---------------------|-----------------------|--|----------------|
| | | 3-month bills 2/ | 6-month bills 2/ | 3-5 year issues 2/ | 3-mo. bills and yields on 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 - 1965 | 4.50 | 4.47 | 4.66 | 4.90 | .19 | .43 |
| 1966 - High | 4.50 | 4.80 | 4.92 | 4.86 | .12 | .06 |
| 1966 - Low | 4.50 | 5.52(9/23) | 5.92(9/23) | 5.83(9/2) | .52 | .78 |
| 1967 - High | 4.50 | 4.39(6/24) | 4.53(6/24) | 4.80(4/8) | .09 | .01 |
| 1967 - Low | 4.50 | 4.81(1/13) | 5.13(11/10) | 5.80(11/10) | .62 | 1.61 |
| | 4.00 | 3.41(6/9) | 3.74(6/2) | 4.36(4/7) | .01 | .02 |
| Oct. 20 | 4.00 | 4.61 | 5.11 | 5.55 | .50 | .94 |
| 27 | 4.00 | 4.56 | 5.07 | 5.57 | .51 | 1.01 |
| Nov. 3 | 4.00 | 4.57 | 5.07 | 5.68 | .50 | 1.11 |
| 10 | 4.00 | 4.64 | 5.13 | 5.80 | .49 | 1.16 |
| 17 | 4.00 | 4.63 | 5.12 | 5.76 | .49 | 1.13 |

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

2/ Market yield; weekly averages computed from daily closing bid prices. Series of 3-5 year issues consists of selected notes and bonds.

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

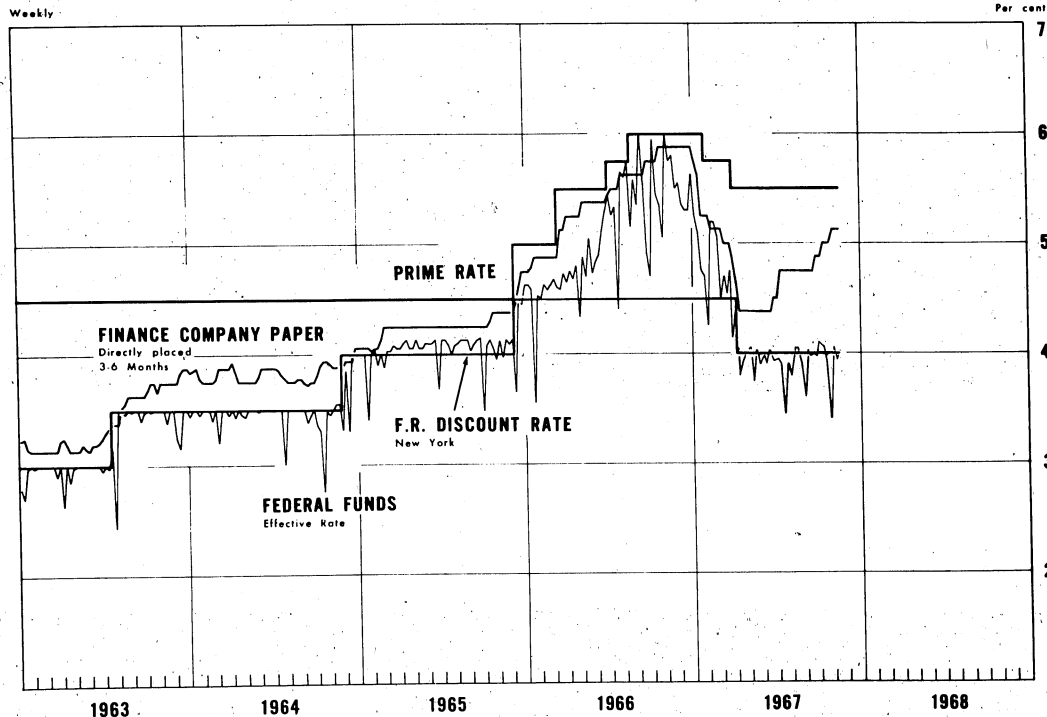
**SHORT- AND INTERMEDIATE-TERM INTEREST RATES,
BANKS AND OTHER PRIVATE BORROWERS**

Exhibit D -- Part II

| Date | 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- 1964 | 4.50 | 4.06 | 4.00 | .23 |
| 1965 | 5.00 | 4.75 | 4.63 | .28 |
| 1966 | 6.00 | 5.88 | 5.63 | 1.08 |
| 1966 - Low | 5.00(3/4) | 4.75(1/7) | 3.55(1/21) | .20 |
| 1967 - High | 6.00(1/6) | 5.75(1/6) | 5.25(1/6) | .97 |
| Low | 5.50(11/17) | 4.38(6/23) | 3.40(10/27) | .21 |
| Oct. 20 | 5.50 | 5.00 | 3.92 | .39 |
| 27 | 5.50 | 5.00 | 3.40 | .44 |
| Nov. 3 | 5.50 | 5.13 | 4.05 | .56 |
| 10 | 5.50 | 5.13 | 3.94 | .49 |
| 17 | 5.50 | 5.13 | p/4.02 | .50 |

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.

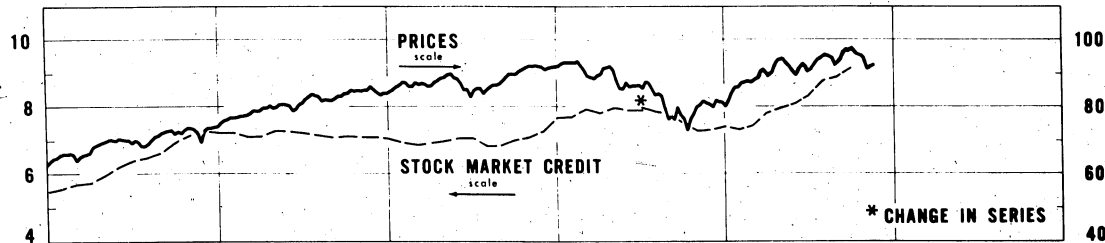
3/ Weekly average of daily effective rate, which is the rate for the heaviest volume of purchase and sale transactions as reported to the Federal Reserve Bank of New York.

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.

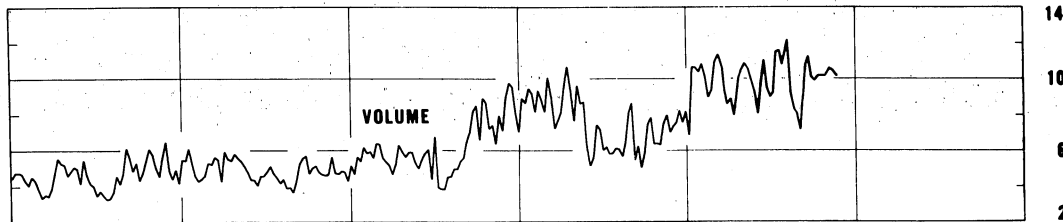
STOCK MARKET

Billions of dollars

1941-43 average=10



Millions of shares



Per cent

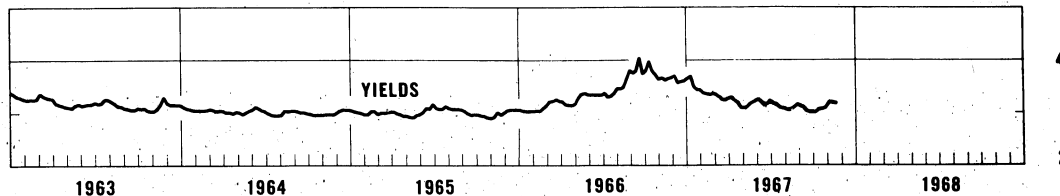


Exhibit E -- Part II

| Date | Stock price index <u>1/</u> | Common stock yields <u>2/</u> (per cent) | Trading volume <u>3/</u> (millions of shares) | Stock market customer credit | | |
|--------------------------|--------------------------------|---|--|------------------------------|---|--|
| | | | | Total | Customers' debit bal- ances <u>4/</u> | Bank loans to "others" <u>5/</u> |
| (In millions of dollars) | | | | | | |
| 1961-62 - High | 72.04(12/8/61) | 2.82 | 10.1 | 5,602(12/61) | 4,259(12/61) | 1,418(5/9/62) |
| Low | 52.68(6/22/62) | 3.96 | 2.4 | 4,424(1/61) | 3,253(1/61) | 1,161(3/8/61) |
| 1966 - High | 93.77(2/11) | 3.01 | 10.7 | 7,997 | 5,835 | 2,241(7/6) |
| Low | 73.20(10/7) | 3.97 | 5.0 | 7,302 | 5,169 | 2,097(12/14) |
| 1967 - High | 97.26(10/6) | 3.01 | 12.1 | 9,162 | 6,825 | 2,507(11/1) |
| Low | 82.18(1/6) | 3.58 | 6.9 | 7,345 | 5,290 | 2,055(2/1) |
| Sept. | 95.81 | 3.07 | 10.3 | 9,162 | 6,825 | 2,337 |
| Oct. | 95.66 | 3.06 | 10.2 | n.a. | n.a. | 2,423 |
| Nov. 3 | 91.78 | 3.20 | 10.6 | n.a. | n.a. | 2,507 |
| 10 | 92.21 | 3.19 | <u>10.5</u> | n.a. | n.a. | 2,494 |
| 17 | 92.82 | 3.18 | 10.2 | n.a. | n.a. | n.a. |

n.a. Not Available. p/ Preliminary. r/ Revised.

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.

PRIVATE HOUSING STARTS AND PERMITS

Monthly, annual rates

Millions of units

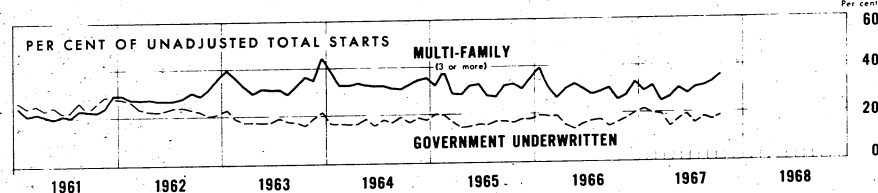
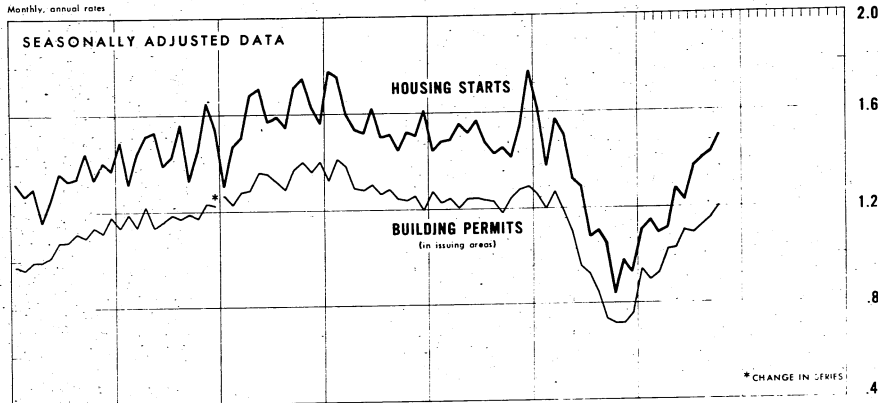


Exhibit F - Part II

| Date | Starts | | | | | | | Building permits (seasonally adjusted annual rate) 2/ |
|----------------------|---------------------------------|------------|-------------------|----|-------|-----------------|--------------|---|
| | Total | | Unadjusted | | | | | |
| | Seasonally adjusted annual rate | Unadjusted | Type of financing | | | Type of housing | | |
| | | | FHA | VA | Other | 1-2 family | Multi-family | |
| (Thousands of units) | | | | | | | | |
| 1966 - Oct. | 845 | 77 | 9 | 3 | 64 | 57.0 | 19.6 | 714 |
| Nov. | 975 | 73 | 10 | 3 | 60 | 52.7 | 20.1 | 715 |
| Dec. | 931 | 60 | 10 | 2 | 48 | 40.3 | 19.8 | 759 |
| 1967 - Jan. | 1,111 | 59 | 10 | 3 | 46 | 41.8 | 17.2 | 942 |
| Feb. | 1,149 | 61 | 9 | 3 | 49 | 42.3 | 19.2 | 894 |
| Mar. | 1,094 | 92 | 14 | 4 | 74 | 68.8 | 22.7 | 928 |
| Apr. | 1,116 | 114 | 12 | 4 | 97 | 83.5 | 30.2 | 1,028 |
| May | 1,274 | 132 | 18 | 5 | 109 | 92.3 | 39.8 | 1,033 |
| June | 1,233 | 125 | 19 | 5 | 101 | 90.6 | 34.8 | 1,109 |
| July | 1,369 | 125 | 15 | 5 | 106 | 86.8 | 38.4 | 1,093 |
| Aug. | 1,407 | 127 | 17 | 6 | 105 | 87.4 | 39.5 | 1,127 |
| Sept. | 1,429 | 120 | 16 | 5 | 100 | 81.3 | 39.7 | 1,159 |
| Oct. | 1,496 | 135 | 19 | 5 | 111 | 80.6 | 48.3 | 1,202 |

- 1/ Total starts are Census estimates including farm for both permit-issuing and non-issuing areas. A dwelling unit is started when excavation begins; all units in an apartment structure are considered started at that time. FHA and VA starts are units started under commitments by these agencies to insure or guarantee the mortgages. As reported by FHA and VA, a unit is started when a field office receives the first compliance inspection report, which is made before footings are poured in some cases but normally after the foundations have been completed. Capehart military housing units are excluded. Other starts are derived as a residual, although total and FHA and VA starts are not strictly comparable in concept or timing; other starts include both units financed by conventional mortgages and units without mortgages.
- 2/ Building permits before January 1963 are Census estimates for about 10,000 areas identified as having a local building permit system in 1959. Estimates beginning January 1963, are for approximately 12,000, or all known, permit-issuing places. Unlike starts, seasonally adjusted building permits reflect direct adjustment for differences in the number of working days per month, as well as other differences in timing and coverage.

YIELDS ON NEW AND SEASONED CORPORATE BONDS

Weekly

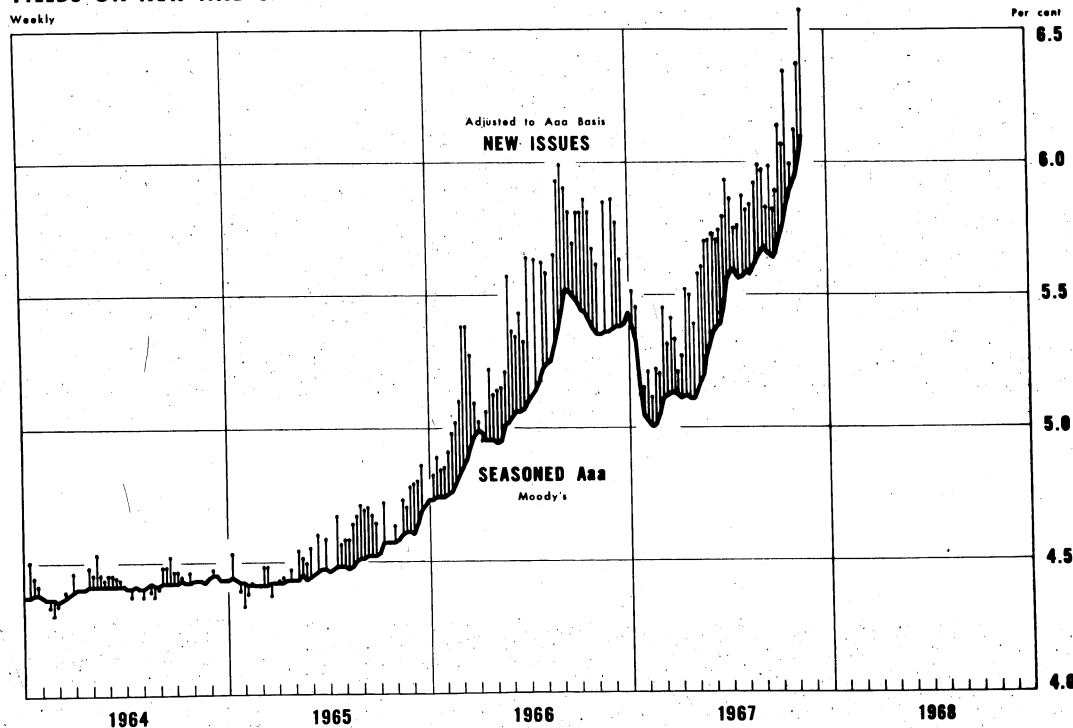


Exhibit G - II

Yields on New Corporate Bond Issues Adjusted to an Aaa basis

| | Number of issues | Am't. of issues included (mill. of dollars) | Average yield (per cent) | | Number of issues | Am't. of issues included (mill. of dollars) | Average yield (per cent) |
|--------------------------|------------------------|---|--------------------------------|--------|------------------------|---|--------------------------------|
| <u>Monthly averages:</u> | | | | | | | |
| 1967 - Jan. | 6 | 496.0 | 5.38 | Oct. 6 | 3 | 68.0 | 6.14 |
| Feb. | 7 | 481.0 | 5.20 | 13 | 3 | 118.0 | 6.07 |
| Mar. | 20 | 1,073.0 | 5.31 | 20 | 3 | 85.0 | 6.34 |
| Apr. | 20 | 916.0 | 5.39 | 27 | 3 | 295.0 | 5.99 |
| May | 14 | 570.0 | 5.66 | | | | |
| June | 23 | 993.0 | 5.79 | Nov. 3 | 3 | 150.0 | 6.13 |
| July | 14 | 772.0 | 5.78 | 10 | 2 | 40.0 | 6.37 |
| Aug. | 17 | 1,125.0 | 5.89 | 17 | 4 | 85.0 | 6.57 |
| Sept. | 10 | 358.0 | 5.88 | | | | |
| Oct. | 15 | 716.0 | 6.12 | | | | |
| <u>Weekly averages:</u> | | | | | | | |
| High | | 6.57(11/17) | | | | | |
| Low | | 5.11(2/10) | | | | | |

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 reoffering 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.

Exhibit H

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

(In millions of dollars)

| | New Capital | | | | | |
|--------------------------------|-----------------|--------|--------|--------------------|--------|--------|
| | Corporate | | | State and local 2/ | | |
| | 1967 | 1966 | 1965 | 1967 p/ | 1966 | 1965 |
| January | 1,648 | 1,302 | 795 | 1,482 | 1,188 | 804 |
| February | 1,398 | 1,237 | 746 | 1,196 | 858 | 872 |
| March | 2,317 | 2,446 | 1,197 | 1,438 | 865 | 904 |
| April | 1,973 | 1,553 | 1,152 | 1,112 | 1,193 | 826 |
| May | 1,474 | 1,058 | 1,691 | 1,218 | 901 | 924 |
| June | 2,611 | 2,364 | 1,946 | 1,497 | 1,141 | 972 |
| July | <u>1/2,456</u> | 1,039 | 1,290 | 941 | 701 | 986 |
| August | <u>1/2,407</u> | 1,670 | 850 | <u>p/</u> 852 | 773 | 648 |
| September | <u>p/1,722</u> | 1,382 | 1,392 | <u>e/</u> 1,250 | 1,020 | 966 |
| October | <u>e/2,300</u> | 829 | 924 | <u>e/</u> 925 | 755 | 794 |
| November | <u>e/2,200</u> | 1,085 | 1,325 | <u>e/</u> 1,300 | 969 | 1,021 |
| December | | | 1,496 | | 940 | 754 |
| 1st Quarter | 5,363 | 4,985 | 2,738 | 4,116 | 2,911 | 2,580 |
| 2nd Quarter | 6,058 | 4,974 | 4,789 | 3,827 | 3,235 | 2,722 |
| 3rd Quarter | <u>p/6,585</u> | 4,091 | 3,533 | 3,043 | 2,494 | 2,600 |
| 4th Quarter | | | 3,745 | | 2,664 | 2,569 |
| 1st half | 11,421 | 9,959 | 7,527 | 7,943 | 6,146 | 5,302 |
| Three quarters | <u>p/18,006</u> | 14,050 | 11,060 | <u>e/</u> 10,986 | 8,640 | 7,902 |
| Year | | | 14,805 | | 11,304 | 10,471 |
| Excluding finance companies 3/ | | | | | | |
| 1st Quarter | 5,207 | 4,924 | 2,547 | | | |
| 2nd Quarter | 5,913 | 4,884 | 4,348 | | | |
| 3rd Quarter | | 3,969 | 3,283 | | | |
| 4th Quarter | | 3,492 | 3,188 | | | |
| Year | | 17,269 | 13,366 | | | |

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 | | | | | | |
| 966 - III | 4,197 | 2,256 | 1,627 | 314 | 154 | 1,558 | 657 | 567 | 1,309 |
| IV | 3,669 | 2,047 | 1,247 | 375 | 117 | 1,232 | 984 | 417 | 918 |
| 967 - I | 5,464 | 3,263 | 1,811 | 390 | 60 | 2,442 | 997 | 543 | 1,382 |
| II | 6,208 | 4,017 | 1,465 | 726 | 65 | 3,014 | 1,268 | 548 | 1,228 |
| III <u>p/</u> | 6,834 | 4,604 | 1,552 | 678 | 234 | 2,792 | 1,219 | 595 | 1,979 |
| 966 - Oct. | 892 | 499 | 256 | 137 | 66 | 331 | 254 | 97 | 147 |
| Nov. | 1,115 | 569 | 435 | 111 | 27 | 228 | 320 | 168 | 369 |
| Dec. | 1,661 | 980 | 555 | 127 | 24 | 673 | 409 | 152 | 401 |
| 967 - Jan. | 1,684 | 745 | 848 | 91 | 35 | 624 | 220 | 293 | 511 |
| Feb. | 1,418 | 900 | 362 | 156 | 10 | 563 | 274 | 105 | 456 |
| Mar. | 2,362 | 1,618 | 601 | 143 | 15 | 1,254 | 503 | 145 | 415 |
| Apr. | 2,016 | 1,368 | 410 | 238 | 16 | 1,128 | 394 | 107 | 343 |
| May | 1,519 | 965 | 396 | 158 | 32 | 588 | 403 | 91 | 393 |
| June | 2,673 | 1,884 | 659 | 330 | 17 | 1,298 | 471 | 350 | 492 |
| July <u>r/</u> | 2,590 | 1,889 | 487 | 214 | 213 | 925 | 446 | 39 | 1,046 |
| Aug. <u>r/</u> | 2,481 | 1,813 | 418 | 250 | 13 | 1,229 | 509 | 356 | 313 |
| Sept. <u>p/</u> | 1,549 | 902 | 647 | 214 | 8 | 637 | 265 | 200 | 620 |
| Oct. <u>a/</u> | 2,350 | 1,350 | 650 | 350 | n.a. | 1,210 | 350 | 40 | 700 |

p/ Preliminary. r/ Revised. a/ 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.

SOURCE: Securities and Exchange Commission.

Exhibit J

Other Security Offerings
(In millions of dollars)

| | Gross Long-term 1/ | | | | | |
|--------------|-------------------------------|------|-------|-------------------|-------|-------|
| | Foreign Government 2/ | | | Federal Agency 3/ | | |
| | 1967 | 1966 | 1965 | 1967 | 1966 | 1965 |
| January | 130 | 12 | 218 | 1,251 | -- | -- |
| February | -- | 40 | -- | 783 | 503 | 129 |
| March | 114 | 40 | 38 | 750 | 410 | 185 |
| April | 27 | 66 | 73 | 650 | 392 | 325 |
| May | 13 | 69 | -- | 810 | 699 | -- |
| June | 170 | 76 | 91 | 650 | 1,030 | 775 |
| July | 5 | 72 | 33 | 407 | 1,084 | -- |
| August | <u>539</u> | 7 | 74 | 250 | 799 | 239 |
| September | 117 | 50 | 5 | 599 | 400 | 150 |
| October | | -- | 52 | | 450 | 375 |
| November | | 74 | 75 | | 800 | 375 |
| December | | | 2 | | | 179 |
| Jan. - Sept. | 1,115 | 432 | 5 | 6,150 | 5,767 | 1,803 |
| Year | | 597 | 661 | | 6,806 | 2,732 |
| | New short-term 4/ | | | | | |
| | State and local Government 5/ | | | Federal Agency 3/ | | |
| | 1967 | 1966 | 1965 | 1967 | 1966 | 1965 |
| January | 179 | 103 | 238 | -179 | 308 | -137 |
| February | 387 | 39 | 91 | -552 | -24 | -174 |
| March | -594 | -319 | -458 | -454 | 450 | 117 |
| April | 827 | 580 | 647 | -559 | 718 | -11 |
| May | 515 | 462 | 204 | 109 | 85 | 509 |
| June | -128 | -334 | -82 | 93 | 284 | 237 |
| July | 219 | -103 | 119 | -158 | -590 | 132 |
| August | 593 | 270 | 408 | -262 | -270 | 206 |
| September | <u>p/-146</u> | -161 | 152 | 1,407 | -652 | 105 |
| October | <u>p/ 464</u> | -48 | 59 | | -555 | -309 |
| November | | 503 | 274 | | -283 | 202 |
| December | 2,316 | -570 | -366 | | 219 | -76 |
| Jan. - Oct. | <u>p/</u> 2,316 | 489 | 1,378 | | -246 | 675 |
| Year | | 422 | 1,286 | | | |

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 | | |
| 1966 - Oct. | 523 | 352 | 116 | 55 | 387 | -- |
| Nov. | 510 | 363 | 97 | 50 | 464 | 55 |
| Dec. | 1,177 | 990 | 118 | 68 | 779 | 60 |
| 1967 - Jan. | 681 | 611 | 30 | 40 | 947 | 230 |
| Feb. | 842 | 709 | 40 | 93 | 675 | 530 |
| Mar. | 1,638 | 1,435 | 140 | 63 | 669 | 1,000 |
| Apr. | 1,311 | 956 | 213 | 142 | 512 | 540 |
| May | 870 | 771 | 55 | 44 | 496 | 391 |
| June | 1,666 | 1,072 | 409 | 185 | 875 | 825 |
| July | 1,340 | 890 | 317 | 133 | 483 | 85 |
| Aug. | 1,705 | 1,288 | 350 | 67 | 473 | 221 |
| Sept. | 794 | 473 | 257 | 65 | 847 | 400 |
| Oct. | 1,458 | 897 | 285 | 276 | 505 | 50 |

Large Individual Issues Offered November 1 through November 17.

| Issuer | Type 3/ | Amount (millions of dollars) | Maturity | Coupon rate or net inter- est cost | Offer- ing yield | Rating |
|--|---------------------|---|-----------------|---|---------------------------------|---------------|
| <u>Corporate</u> | | | | | | |
| Pacific Southwest Airlines | Sub. debts. w. wts. | 26.0 | 1987 | 6 | 6.00 | Ba |
| Union Electric | Pfd. stk. | 30.0 | | | | |
| Pennsylvania Power & Light | Debs. | 40.0 | 1997 | 6.75 | 6.55 | Aa |
| Long Island Lighting Co. | Conv. pfd. stk. | 30.2 | | | | |
| Tenneco, Inc. | Debs. | 100.0 | 1992 | 6-1/4 | 6.25 | B |
| West Penn Power | 1st mtg. bds. | 25.0 | 1997 | 6.99 | 6.90 | Aa |
| Ling-Temco-Vaught | Com. stk. | 66.8 | | | | |
| *SCM | Com. stk. | 30.0 | | | | |
| Wisconsin Electric Power | 1st mtg. bds. | 40.0 | 1997 | 6.83 | 6.75 | Aa |
| <u>State & local Government</u> | | | | | | |
| Los Angeles Dept. of Water and Power | Rev.-Ut. | 24.0 | 1968-97 | 4.45 | 3.40-4.50 | Aa |
| Minnesota St. College Bd. | Rev.-Rent. | 13.0 | 1970-2007 | 4.96 | 4.00-5.00 | A |
| State of Hawaii | G.O. | 20.0 | 1970-87 | 4.32 | 3.70-4.32 | A |
| Austin, Texas | Rev.-Rent. | 10.0 | 1969-88 | 4.18 | 3.50-4.25 | Aa |
| Chicago Metro. Fair & Expo. Authority | Rev.-Rent. | 40.0 | 1973-76 | 5 | 4.40-4.70 | -- |
| State of Mississippi | G.O. | 79.2 | 1997 | 5 | 4.96 | Aa |
| State of Mississippi | Rev.-Rent. | 50.8 | 1972-85 | 4.99 | 4.10-4.75 | Aa |

Large Individual Issues Offered November 1 through November 17

| Issuer | Type <u>3/</u> | Amount (millions of dollars) | Maturity | Coupon rate or net inter- est cost | Offer- ing yield | Rating |
|---|----------------|---------------------------------------|-----------|---|------------------------|--------|
| <u>State & local Govt. (Cont'd)</u> | | | | | | |
| Boston, Massachusetts | G.O. | 23.0 | 1968-97 | 4.48 | 3.60-4.60 | Baa |
| Newark, New Jersey | G.O. | 15.0 | 1968-87 | 5.00 | 3.75-5.00 | Baa |
| State of California | G.O. | 100.0 | 1977-2017 | 4.69 | 4.10-4.75 | Aa |
| West Virginia | G.O. | 20.0 | 1968-92 | 4.25 | 3.30-4.30 | A |
| <u>Other</u> | | | | | | |
| Tennessee Valley Authority | Bonds | 60.0 | 1992 | 6-3/8 | 6.38 | Aaa |
| Province of Ontario | Debs. | 75.0 | 1997 | 6-7/8 | 6.96 | Aa |
| Inter-American Development Bank | Bonds | 60.0 | 1992 | 6-1/2 | 6.55 | Aaa |

*Rights offering.

1/ Includes corporate and other security offerings of \$15 million and over; State and local 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 income from quasi-utilities; Rev.-S.T., revenue bonds secured by revenue from specific taxes only; Rev.-Rent., revenue bonds secured solely by lease payments.

NOTE: Tenneco's \$203.0 million offering was reduced to \$100.0 million due to market conditions.

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/ |
| 1966 - Oct. 31 | 397 | 140 | -- | 457 | 175 | 35 |
| Nov. 30 | 1,098 | 496 | -- | 1,133 | 571 | 65 |
| Dec. 30 | 656 | 939 | 80 | 811 | 1,154 | 95 |
| 1967 - Jan. 31 | 486 | 780 | 530 | 706 | 851 | 545 |
| Feb. 28 | 1,410 | 508 | 250 | 1,534 | 528 | 265 |
| Mar. 31 | 767 | 227 | -- | 905 | 247 | 15 |
| Apr. 30 | 963 | 326 | 70 | 1,262 | 346 | 85 |
| May 31 | 1,449 | 596 | 100 | 2,065 | 616 | 115 |
| June 30 | 1,636 | 401 | 40 | 1,922 | 402 | 70 |
| July 31 | 1,261 | 512 | -- | 1,576 | 575 | 150 |
| Aug. 31 | 694 | 783 | 100 | 1,335 | 903 | 159 |
| Sept. 30 | 534 | 768 | 65 | 1,090 | 889 | 126 |
| Oct. 31 | 1,357 | 505 | 50 | 2,694 | 743 | 260 |

Forthcoming Large Offerings as of November 17, 1967.

| Issuer | Type | Amount (millions of dollars) | Approximate date of offering |
|---------------------------------|--------------------|---------------------------------------|---------------------------------|
| Corporate | | | |
| Houston Lighting & Power | 1st mtg. bds. | 35.0 | November 20 |
| Sanders Associates | Conv. debts. | 35.0 | November 21 |
| Pacific Gas & Electric | 1st mtg. bds. | 80.0 | November 21 |
| Natural Gas Pipeline of America | 1st mtg. p.l. bds. | 50.0 | November 21 |
| Northern Natural Gas | Debts. | 40.0 | November 21 |
| Santa Fe Drilling | Conv. sub. debts. | 17.0 | November 22 |
| Holiday Inns of America | Com. stk. | 20.0 | November 27(rts. exp.) |
| R.H. Macy | Conv. sub. debts. | 23.0 | November 27(rts. exp.) |
| General Telephone of California | 1st mtg. bds. | 60.0 | November 28 |
| Southwestern Electric Power | 1st mtg. bds. | 20.0 | November 28 |
| Atlanta Gas Light | 1st mtg. bds. | 15.0 | November 28 |
| Florida Power & Light | 1st mtg. bds. | 60.0 | November 30 |
| Utah Construction | Conv. sub. debts. | 25.0 | November |
| Twentieth Century-Fox | Conv. sub. debts. | 28.1 | December 4(rts. exp.) |
| Flying Tiger Line | Equip. tr. cert. | 45.0 | December 4 |
| Flying Tiger Line | Conv. debts. | 27.0 | December 4 |

Forthcoming Large Offerings as of November 17. (Cont'd)

| Issuer | Type | Amount (millions of dollars) | Approximate date of offering |
|--|------------------|---------------------------------------|------------------------------|
| <u>Corporate (Cont'd)</u> | | | |
| Control Data | S.F. debs. | 56.0 | December 4 |
| Control Data | Com. stk. | 45.0 | December 4 |
| Public Service Electric & Gas | Pfd. stk. | 25.2 | December 5 |
| Pacific Northwest Bell Telephone | Debs. | 50.0 | December 6 |
| Virginia Electric & Power Co. Pacific Northwest Bell Telephone | 1st mtg. bds. | 50.0 | December 5 |
| | Debs. | 50.0 | December 6 |
| *General Tel. Co. of Illinois | Debs. | 20.0 | December 13 |
| Inland Steel | 1st mtg. bds. | 50.0 | December |
| *Revere Copper & Brass | Conv. debs. | 56.0 | December (rts. exp.) |
| Montana Power | 1st mtg. bds. | 30.0 | Indefinite |
| U.S. Smelting, Refining & Mining | Conv. debs. | 60.0 | Indefinite |
| Bliss & Laughlin Industries | Conv. debs. | 15.0 | Indefinite |
| General Instrument | Conv. sub. debs. | 50.0 | Indefinite |
| U.S. Steel | Debs. | 225.0 | Indefinite |
| *Granite Equipment Leasing | Debs. | 15.0 | Indefinite |
| *Ozark Airlines | Conv. debs. | 15.0 | Indefinite |
| *Blue Bell Inc. | Conv. pfd. stk. | 15.0 | Indefinite |
| <u>State & local Government</u> | | | |
| *Illinois Building Auth. | Rev.-Rent. | 54.5 | November 20 |
| Nashville & Davidson Co. Metro Government | G.O. | 12.0 | November 21 |
| State of Minnesota | G.O. | 30.0 | November 22 |
| *Wisconsin State Agencies Building Corp. | Rev.-Rent. | 37.5 | November 28 |
| *Rhode Island Turnpike & Bridge Authority | Rev.-Q.-Ut. | 13.5 | November 28 |
| *Chicago Park Dist., Illinois | G.O. | 10.0 | November 28 |
| Kansas City, Missouri | Rev.-Rent. | 50.0 | November 29 |
| Pennsylvania General State Authority | Rev.-Rent. | 75.0 | November 29 |
| Philadelphia, Pennsylvania | G.O. | 40.8 | November 28 |
| Washington County, Maryland | G.O. | 10.0 | November 29 |
| Iberville Parish, Louisiana | Rev.-Rent. | 25.0 | November |
| Calcasieu Parish, Louisiana | Rev.-Rent. | 62.7 | December 1 |
| *Columbus, Ohio | G.O. | 13.8 | December 4 |
| Los Angeles Unif. Sch. Dist., California | G.O. | 30.0 | December 5 |
| State of Maryland | G.O. | 52.0 | December 5 |
| Virgin Islands | G.O. | 10.3 | December 6 |
| *Richmond, Virginia | G.O. | 17.0 | December 13 |
| *Housing Assistance Admin. Cheyenne, Wyoming | Bonds | 138.7 | December 13 |
| | Rev.-Rent. | 25.0 | December 11 |

Forthcoming Large Offerings as of November 17. (Cont'd)

| Issuer | Type | Amount (millions of dollars) | Approximate date of offering |
|---|--------------|---------------------------------------|------------------------------|
| <u>State & local Govt. (Cont'd)</u> | | | |
| *San Antonio, Texas | Rev.-Rent. | 30.0 | December 14 |
| Kentucky Turnpike Authority | Rev.-Q.-Ut. | 120.0 | Indefinite |
| <u>Other</u> | | | |
| *F.N.M.A. | Part. cert. | 650.0 | November 28 |
| *Komatsu Mfg., Tokyo | Conv. debts. | 15.0 | December 12 |
| New Zealand | 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.

26

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 October 1 through November 17, 1967. | | |
| 10/4 | 15.0 | New Brunswick Electric Power Commission 6-1/2% S.F. debentures maturing 1992, reoffered to yield 6.60%. |
| 10/17 | 35.0 | Province of Nova Scotia -- 6-1/2% of S.F. debentures maturing 1992, reoffered to yield 6.75%. |
| 11/14 | 75.0 | Province of Ontario -- 6-7/8% debentures maturing 1997, reoffered to yields 6.96 |
| B. Prospective Offerings | | |
| Indefinite | 15.0 | New Zealand -- Bonds *** |
| 12/12 | 15.0 | Komatsu Mfg., Tokyo -- Conv. debts. |

* - Included in table for first time.

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

*** - Issue subject to interest equalization tax.

M-2

PART II: Private Placements - Reported October 1 through November 17, 1967.

| Date Reported | Amount (millions of dollars) | Issuer and Description of Issue |
|---------------|---------------------------------------|--|
| 10/17 | 13.2 | British Columbia School District Capital Financing Authority -- S.F. debentures maturing 1987. |
| 10/23 | 118.0 | Jamaica Alumina Security Co. Ltd. -- 6-1/8% notes maturing 1992 -- no information available on takedown. |
| 10/30 | 15.0 | Beneficial Finance Co. of Canada -- Sr. notes maturing October 15, 1987 (\$6.5 taken down, balance delivered 1968.) |
| 10/30 | 3.4 | Gamble of Canada Properties Ltd. -- secured notes, maturing 1987 -- no information available on takedown. |
| 10/30 | 15.0 | Province of Newfoundland -- 7% debentures maturing 1987 -- no information available of takedown. |
| 10/30 | 10.0 | Newfoundland Municipal Financing Corp. -- 7% debentures maturing October 1987, 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 U. 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 takedown may take place both prior and subsequent to the date a placement is reported.