

CAPITAL MARKETS DEVELOPMENTS  
IN THE UNITED STATES

Corporate and municipal bond markets. The volume of new, publicly-offered, corporate securities expected this week will about equal the average volume over the past year, while the volume of new municipal bonds will be considerably below average. Swelling the corporate volume will be the expiration of rights for \$93.1 million in Commonwealth Edison cumulative preferred stock, while the largest corporate debt issue will be Pacific Gas & Electric's \$50.0 million of first mortgage bonds. The largest municipal offering will be the \$25.5 million of St. Louis, Missouri general obligation bonds. Also expected in the long-term market this week is \$150.0 million of World Bank bonds.

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

	Corporate		State & local Government	
	New Capital	Refunding	New Capital	Refunding
<b>Sold:</b>				
52 week avg.	332	1	261	1
March 8	<u>58</u>	--	<u>377</u>	--
15	298	--	397	--
<b>Scheduled:</b>				
March 22	315	--	148	--

<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 date subscription rights expire.

Although there is a discontinuity in the new issue series, it is clear that yields on new as well as seasoned corporate bonds advanced only slightly last week. The corporate market fairly effectively weathered the international and domestic financial developments. New issues were well received, but underwriters moved swiftly nonetheless to clear unsold balances of bonds still in syndicate. Two issues offered two weeks earlier -- both with large unsold balances -- were released during the week. Yields on these issues advanced 13 to 16 basis points in free market trading. The American Broadcasting Company postponed its \$75 million convertible debenture offering owing to a decline in the price of its related stock.

Yields on municipals advanced sharply to new highs last week as the municipal market was flooded with about \$200 million in industrial revenue bonds. Underwriters rushed to offer these issues before the March 15 deadline

Yields on Security Markets

<u>High Grade Notes and Bonds</u>	<u>Levels Latest Week</u>	<u>Change from preceding week</u>
<u>Corporate</u>		
New	6.43	+ --
Seasoned	6.08	+ 1
<u>U.S. Government</u>		
Long-term	5.49	+ 22
3-5 year	5.89	+ 21
<u>State and local Govt.</u>		
Moody's Aaa	4.28	+ 1
Std. & Poor's high grade	4.61	+ 8
<u>Money Market</u>		
Federal funds	4.62	- 8
Treasury bills		
3-month	5.25	+ 21
6-month	5.43	+ 18

Corporate Bonds Still in Syndicate

NONE

Blue List of Municipal Dealers' Advertised Inventories

<u>Latest Week</u>	<u>End of Previous Week</u>	<u>Recent High</u>
470(3/13/68)	447	849(4/26/67)

after which the Treasury proposes to halt tax exemption for such issues. Although these high-yielding offerings were quickly sold, the regular competitively-offered municipals last week were not enthusiastically received. Only about 50 per cent of the latter had been sold by the end of the week.

Home-mortgage interest rates and other terms. While recent developments in international and related money markets point to further tightening in mortgage markets ahead, secondary market yields on FHA-insured new-home mortgages declined to 6.78 per cent in February. This followed no change in January from the peak of 6.81 per cent regained last December and was the first decline since last April. Interest rates on conventional first mortgages for both new and existing homes hold at the record levels reached in January. These rates were 6.75 and 6.80 per cent, respectively, as reported by the Federal Housing Administration, which rounds them to the nearest 5 basis points.

The slight shift in the FHA-yield series in February was associated with a turn in average discounts required by lenders from a record 6.8 to 6.6 points. But new Aaa corporate bond yields, which had dropped significantly in January, advanced again in February. Consequently, the spread between these mortgage and bond yields narrowed once more to a mere 49 basis points, compared with 126 basis points a year earlier and a record low of 24 last November.

Reflecting, in part, the higher yields being required by lenders and apparently the more selective market which has developed, non-rate terms have been quite liberal in most cases, compared with earlier standards, according to the Federal Home Loan Bank Board series now available for January. (This series, which has just been reconstituted on a new basis back to January 1965, appears to exhibit no marked difference in the over-all patterns indicated by the old series.) Maturities on new single-family homes reached 25.5 years in January, while those for existing homes averaged 22.7 years.

Loan-to-price ratios for existing homes moved up to 73.6 per cent while loan-to-price ratios for new home mortgages at 73.1 per cent, were below December and the 1967 average, loan amounts generally continued to climb as prices of new homes being sold continued sharply upward. In January such prices, which also reflect the mix of available stocks for sale averaged \$29.9 thousand, 9 per cent above a year earlier.

Stock prices. Common stock prices fluctuated sharply last week in stepped-up trading volume, but showed little change on balance. At the close Friday, Standard & Poor's index of 500 stocks stood at 89.10 up 0.07 from its week earlier level. Trading volume averaged 10.1 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

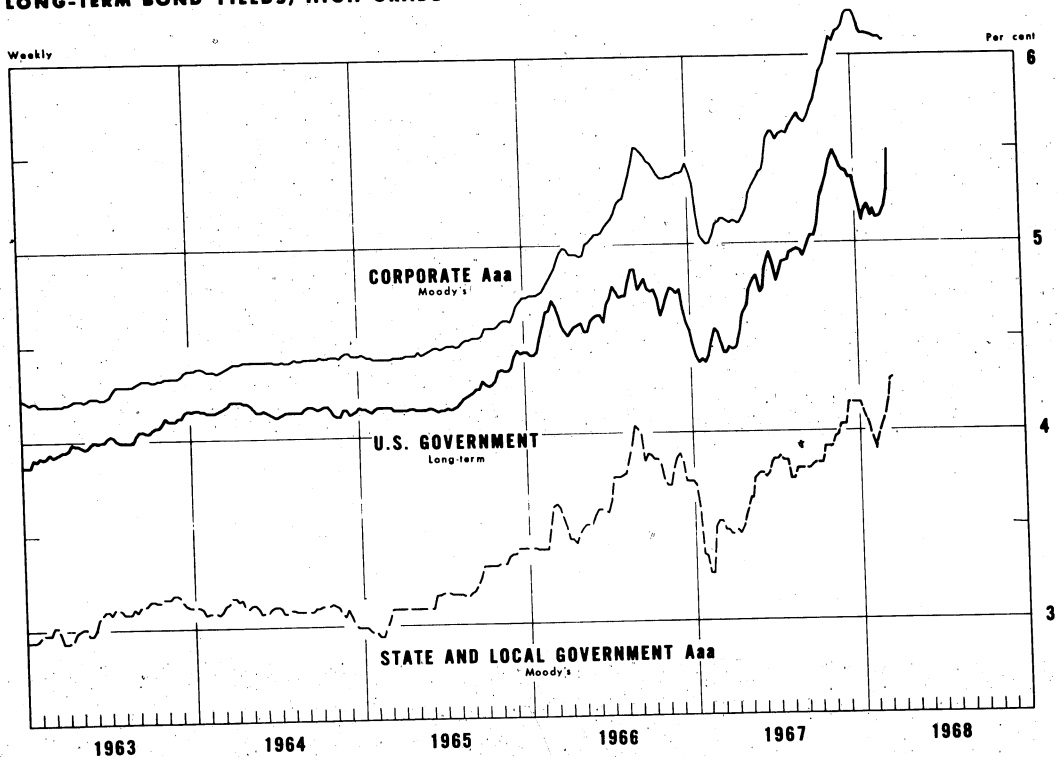


Exhibit A -- Part II

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	6.24(12/29)	5.49(11/17)	4.15(12/28)	.92	1.51
- Low	5.00(2/10)	4.37(2/3)	3.25(2/9)	.44	.74
1968 - Feb. 16	6.10	5.13	4.00	.97	1.13
23	6.09	5.14	4.06	.95	1.08
Mar. 1	6.09	5.19	4.16	.90	1.03
8	6.07	5.27	4.27	.80	1.00
15 <sup>p/</sup>	6.08	5.49	4.28	.59	1.21

<sup>p/</sup> 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**

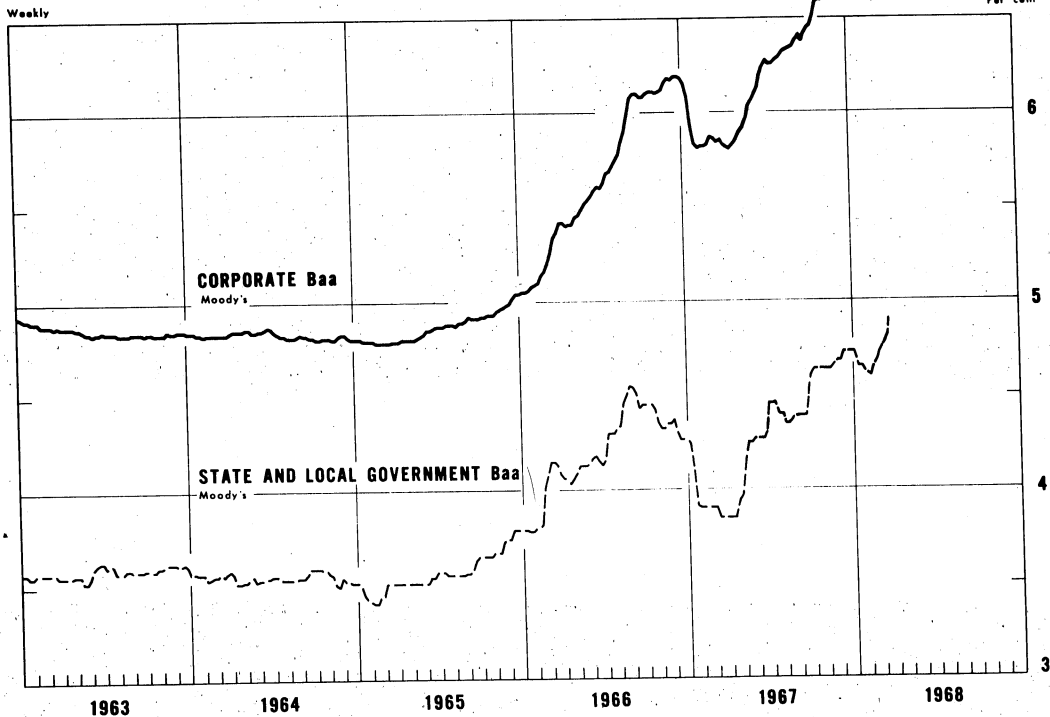


Exhibit B -- Part II

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	6.97(12/29)	4.73(12/28)	.82	.81
Low	5.81(4/14)	3.85(4/13)	.63	.37
1968 - Feb. 16	6.79	4.69	.69	.69
23	6.79	4.73	.70	.67
Mar. 1	6.80	4.78	.71	.62
8	6.81	4.81	.74	.54
15p/	6.81	4.90	.73	.62

Note: For footnotes see Exhibit A.

**SHORT- AND INTERMEDIATE-TERM INTEREST RATES****GOVERNMENT**

Weekly

Per cent

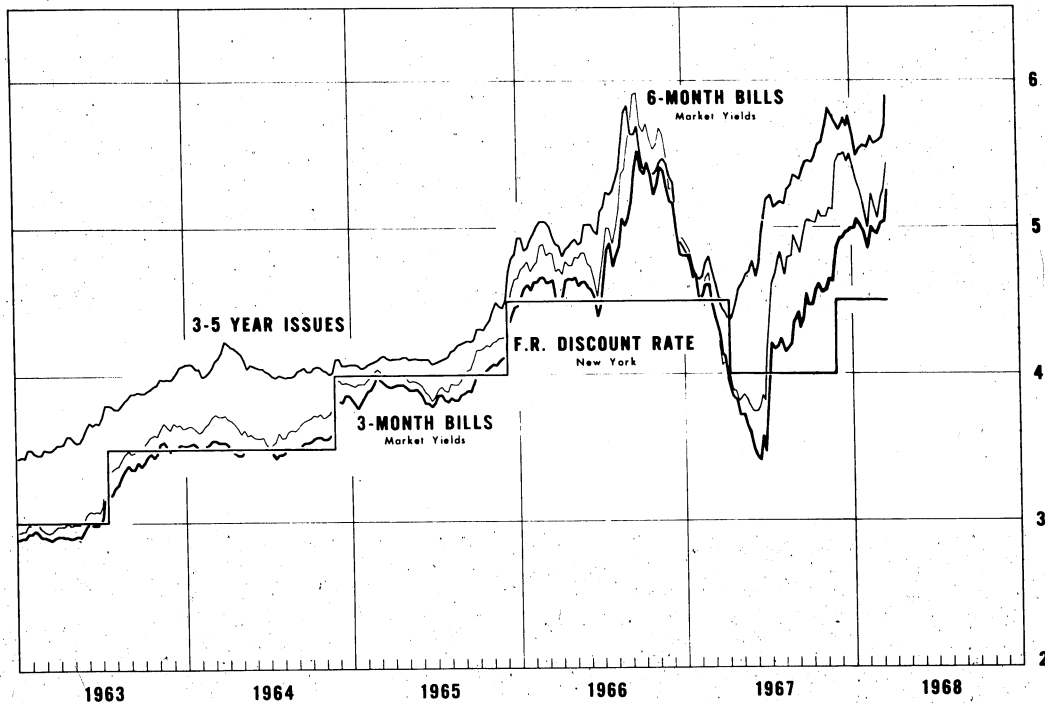




Exhibit C -- Part II

Date	Discount rate 1/	Yields			Spread between yields on	
		3-month bills 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	4.50	4.80	4.92	4.86	.12	.06
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
1967 - High	4.50	4.99(12/29)	5.50(12/15)	5.80(11/10)	.62	1.61
Low	4.00	3.41(6/9)	3.74(6/2)	4.36(4/7)	.01	.02
1968 - Feb. 16	4.50	4.97	5.14	5.56	.17	.59
23	4.50	4.96	5.16	5.57	.20	.61
Mar. 1	4.50	5.03	5.21	5.60	.18	.57
8	4.50	5.04	5.25	5.68	.21	.64
15p/	4.50	5.25	5.43	5.89	.18	.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.

p/ Preliminary.

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

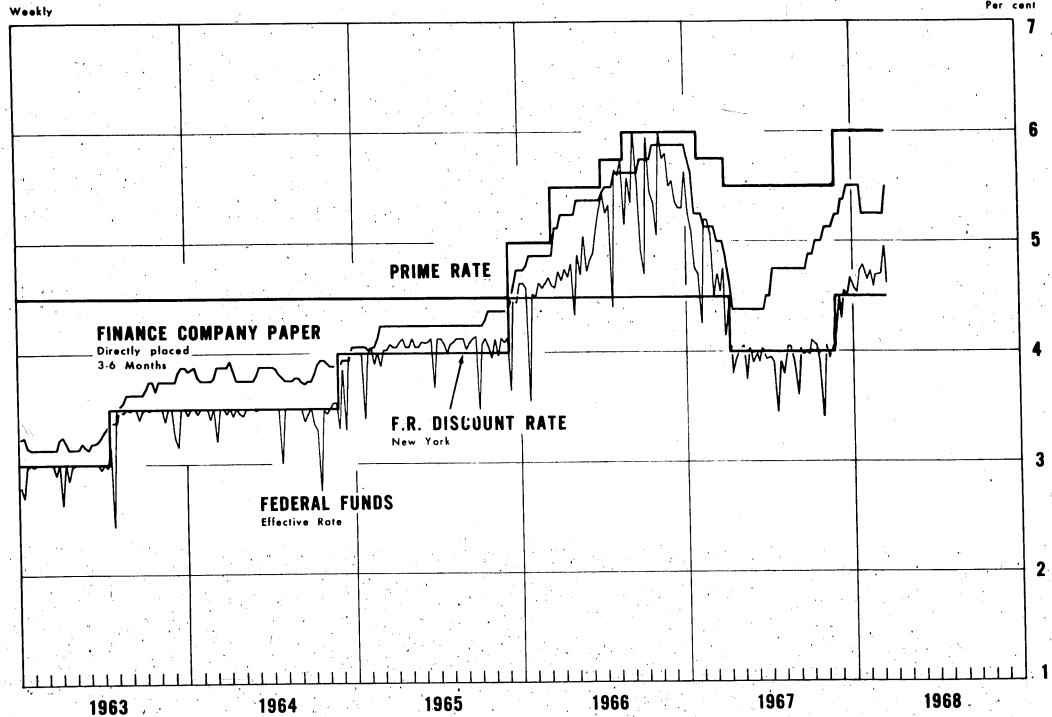


Exhibit D -- Part II

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(12/29)	5.75(1/6)	5.25(1/6)	1.33
Low	5.50(12/1)	4.38(6/23)	3.40(10/27)	.21
1968 - Feb. 16	6.00	5.25	4.59	.28
23	6.00	5.25	4.69	.29
Mar. 1	6.00	5.25	4.70	.22
8	6.00	5.25	4.95	.21
15p/	6.00	5.50	4.62	.25

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.

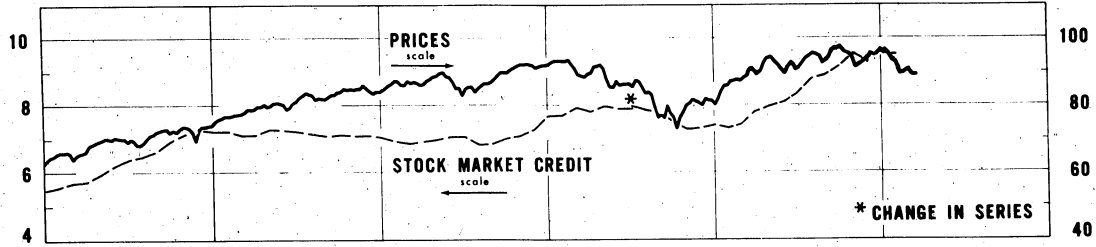
Note.-Highs and lows are for individual series and may be on different dates for different series. For spreads, high refers to widest, and low to narrowest.

p/ Preliminary.

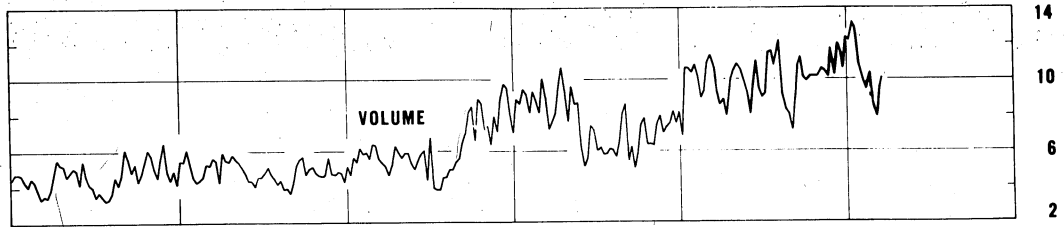
**STOCK MARKET**

Billions of dollars

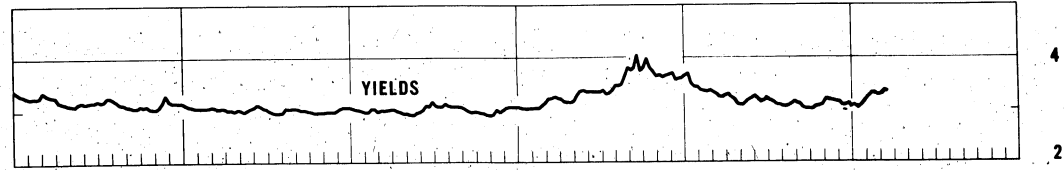
1941-43 average=10



Millions of shares



Per cent



1963                      1964                      1965                      1966                      1967                      1968

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 balances <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	12.3	10,347(12/67)	7,883(12/67)	2,507(11/1)
Low	82.18(1/6)	3.58	6.9	7,345(1/6)	5,290(1/67)	2,055(1/25)
1968 - Jan.	95.04	3.10	11.9	10,193	7,761	2,432
Feb.	90.75	3.28	9.2	n.a.	n.a.	n.a.
Mar. 1	89.11	3.32	8.0	n.a.	n.a.	2,421
8	89.03	3.36	9.6	n.a.	n.a.	2,444
15p/	89.10	3.35	10.1	n.a.	n.a.	n.a.

n.a. Not Available. p/ Preliminary. E/ 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.

# MORTGAGE AND BOND YIELDS <sup>1/2</sup>

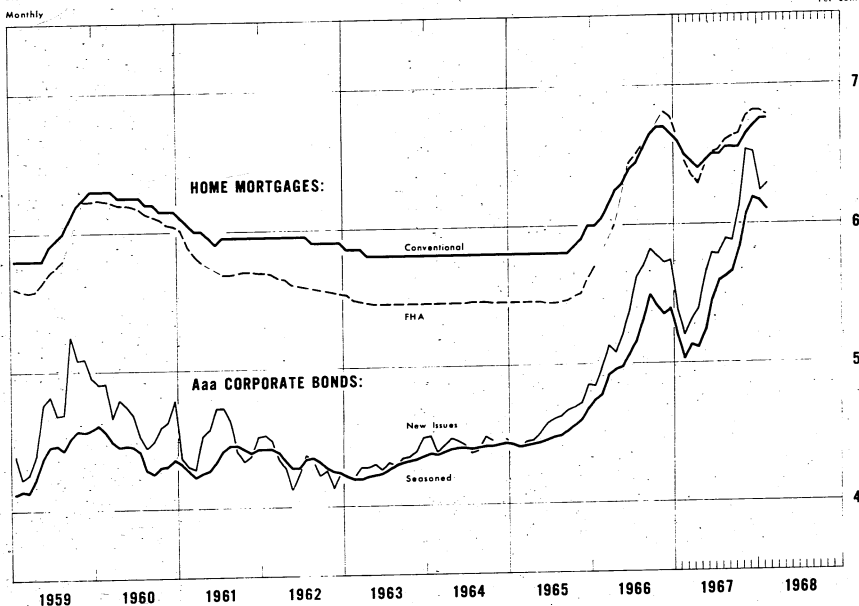


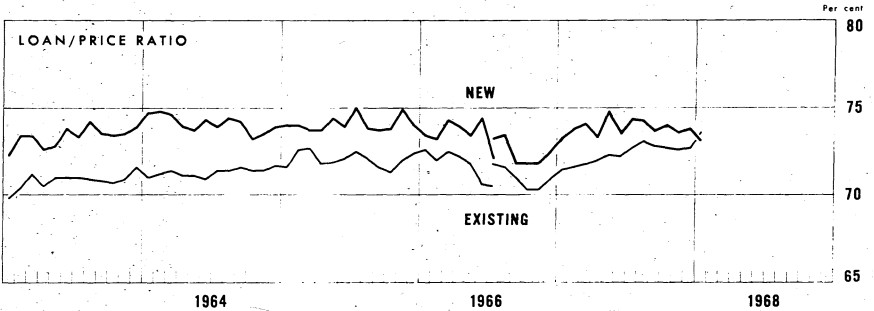
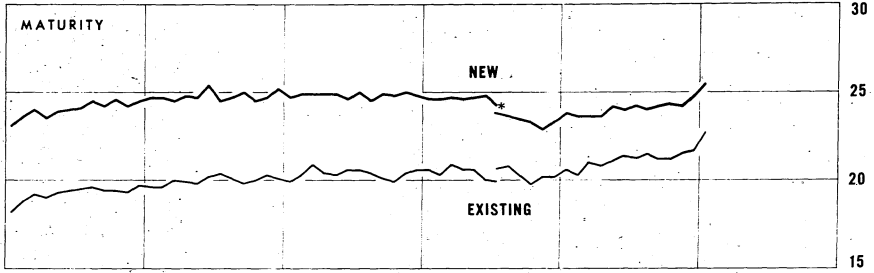
Exhibit F Part II

	FHA mortgages <sup>2/</sup>		Conventional mortgages <sup>3/</sup>	Spread between yields on conv. & FHA mort-gages <sup>4/</sup>	Aaa Corporate Bonds		Spread between yields on new corporate bonds and FHA mtgs. <sup>4/</sup>	
	25-year	30-year			New <sup>5/</sup>	Seasoned <sup>6/</sup>	FHA mtgs. <sup>4/</sup>	Seasoned bonds
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
1961-66 - 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	5.49	1.11	.46
1967 - High	--	6.81	6.65	.11	6.53	6.07	1.26	.46
Low	--	6.29	6.40	-.12	5.20	5.03	.24	.17
1967 - Oct.	n.a.	6.65	6.55	-.10	6.12	5.82	.53	.30
Nov.	n.a.	6.77	6.65	-.12	6.53	6.07	.24	.46
Dec.	n.a.	6.81	6.70	-.11	6.51	6.19	.30	.32
1968 - Jan.	n.a.	6.81	6.75	-.06	6.24	6.17	.57	.07
Feb.	n.a.	6.78	6.75	-.03	6.29	6.10	.49	.19

- <sup>1/</sup> 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.
- <sup>2/</sup> 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.
- <sup>3/</sup> 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.
- <sup>4/</sup> FHA mortgage yield data are for 25-year mortgages through June 1961; 30-year mortgages thereafter.
- <sup>5/</sup> See note for Exhibit G.
- <sup>6/</sup> Moody's Investor Service. Monthly averages of daily data. See Exhibit A.

**CONVENTIONAL MORTGAGE TERMS**

Monthly



\* CHANGE IN SERIES



Exhibit F Part IV

	New Homes						Existing Homes					
	Contract Rate (Per cent)	Fees & Charges (Per cent) 2/	Effective Rate 3/	Maturity (Years)	Loan/Price Ratio (Per cent)	Loan Amt. (\$000)	Contract Rate (Per cent)	Fees & Charges (Per cent) 2/	Effective Rate 3/	Maturity (Years)	Loan/Price Ratio (Per cent)	Loan Amt. (\$000)
<u>1967-</u>												
Jan. r/	6.45	0.91	6.59	25.1	73.8	20.2	6.60	0.87	6.74	21.6	71.7	16.2
Feb.	6.39	0.89	6.54	25.1	73.6	19.6	6.50	0.77	6.63	21.7	72.0	16.3
Mar.	6.34	0.82	6.47	24.6	72.8	19.4	6.44	0.78	6.56	22.5	72.5	17.0
Apr.	6.31	0.77	6.43	24.8	73.2	19.8	6.34	0.74	6.46	22.3	72.6	17.2
May	6.25	0.77	6.37	25.3	74.0	20.4	6.29	0.70	6.40	22.3	72.7	17.5
June	6.23	0.76	6.35	25.2	74.0	20.8	6.28	0.67	6.39	22.8	72.5	18.2
July	6.31	0.77	6.43	25.2	73.9	21.0	6.30	0.70	6.41	22.7	72.9	18.1
Aug.	6.28	0.78	6.40	25.2	73.7	21.0	6.34	0.72	6.46	22.8	73.4	18.1
Sept.	6.31	0.78	6.44	25.3	74.2	21.4	6.36	0.73	6.47	22.5	72.7	17.4
Oct.	6.34	0.82	6.47	25.4	73.8	21.2	6.39	0.78	6.52	22.5	73.0	17.3
Nov.	6.33	0.76	6.45	25.3	73.4	21.2	6.42	0.77	6.55	22.7	72.9	18.3
Dec.	6.41	0.84	6.54	25.4	72.7	21.5	6.51	0.83	6.64	23.1	73.1	18.4
<u>1968-</u>												
Jan. p/	6.39	0.89	6.53	25.5	73.1	21.9	6.56	0.80	6.69	22.7	73.6	18.4

Note: New series beginning 1965 as shown in table; related revision of chart is pending.

r/ Revised.

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 prior to 1965 on a comparable basis with the new series are pending. 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 the FHLBB-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.

3/ Includes fees & charges amortized over a 10 year period in addition to the contract interest rate.

**YIELDS ON NEW AND SEASONED CORPORATE BONDS**

Weekly

Per cent

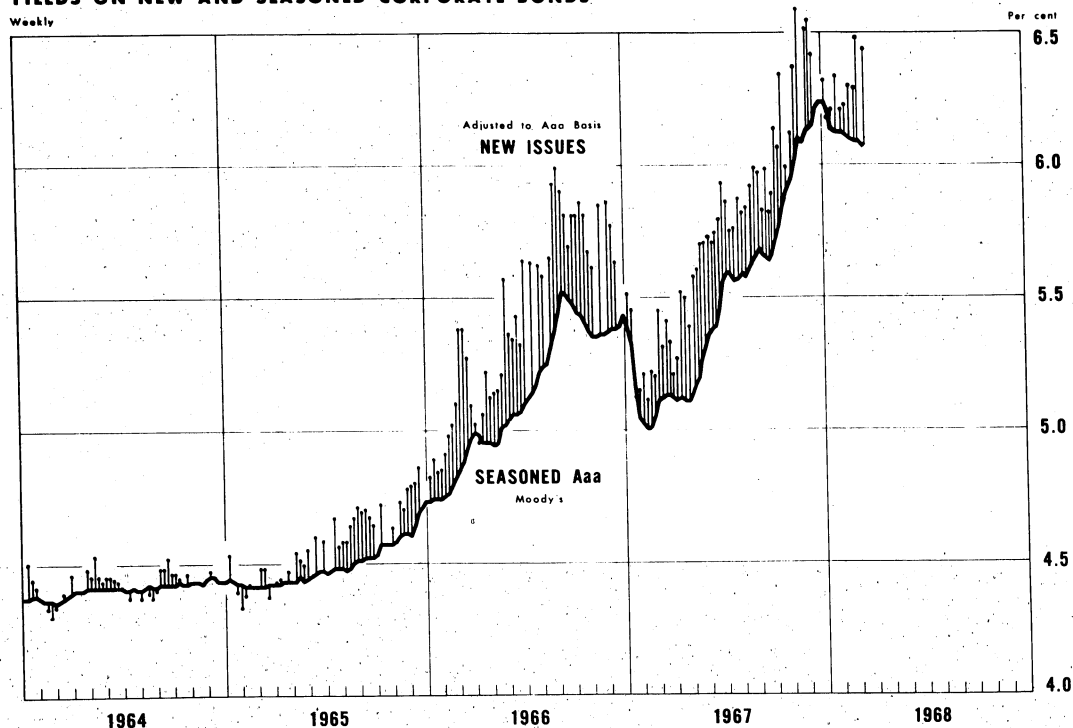


Exhibit G - II

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)
<b>Monthly averages:</b>							
1968 - Jan.	13	567.0	6.24	Feb. 2	3	76.0	6.21
Feb.	13	564.5	6.29		9	237.0	6.23
					16	205.0	6.30
					23	42.5	6.29
				Mar. 1	2	70.0	6.48
					8	--	--
				15*	2	85.0	6.44
<b>Weekly averages:</b>							
		6.48(3/1/68)					
		6.18(1/12/68)					

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.

p/ Preliminary.

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/		
	1968p/	1967p/	1966	1968p/	1967r/	1966
January	p/ 1,689	1,648	1,302	1,107	1,482	1,188
February	e/ 1,600	1,399	1,237	e/1,200	1,194	858
March	e/ 1,800	2,317	2,446	e/1,100	1,439	865
April		1,973	1,553		1,111	1,193
May		1,474	1,058		1,222	901
June		2,611	2,364		1,497	1,141
July		2,454	1,039		943	701
August		2,407	1,670		858	773
September		1,723	1,382		1,324	1,020
October		2,289	829		974	755
November		1,467	1,085		1,424	969
December		2,336	1,635		1,060	940
1st Quarter	e/ 5,089	5,364	4,985	e/3,407	4,115	2,911
2nd Quarter		6,058	4,975		3,830	3,235
3rd Quarter		6,584	4,091		3,125	2,494
4th Quarter		6,092	3,550		3,458	2,664
1st half		11,421	9,959		7,945	6,146
Three quarters		18,007	14,050		11,070	8,640
Year		24,584	17,601		14,529	11,304
	Excluding finance companies 3/					
1st Quarter		5,207	4,924			
2nd Quarter		5,913	4,884			
3rd Quarter		6,338	3,969			
4th Quarter			3,188			
Year			17,269			

e/ Estimated by Federal Reserve.

p/ Preliminary. r/ Revised.

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						
1966 - 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
1967 - 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	6,833	4,604	1,551	678	234	2,792	1,219	595	1,976
IV	6,294	3,107	2,137	1,051	93	2,527	1,255	269	2,040
1967 - 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	1,684	659	330	17	1,298	471	350	492
July	2,589	1,889	486	214	213	925	446	39	1,044
Aug.	2,481	1,813	418	250	13	1,229	509	356	313
Sept.	1,763	902	647	214	8	637	265	200	619
Oct.	2,409	1,375	566	469	34	906	573	119	690
Nov.	1,500	645	551	304	19	512	404	82	469
Dec.	2,385	1,087	1,020	278	40	1,109	278	68	881
1968 - Jan. p/	1,757	903	528	326	16	530	418	182	559
Feb. e/	1,655	755	700	200	n.a.	460	540	125	475

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.

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	196	12	218	1,251	--	--
February	--	40	--	783	503	129
March	223	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	22	72	33	407	1,084	--
August	586	7	74	250	799	239
September	193	50	5	599	400	150
October	66	23	52	708	450	375
November	142	74	75	710	800	375
December	18	68	2	612	239	179
Year	1,656	597	661	8,180	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	-107
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	200	-161	152	1,407	-652	105
October	464	-48	59	606	-555	-309
November	50	503	274	573	-283	202
December p/	-431	-570	-366	36	219	-76
Year	2,281	422	1,286	660	310	801

p/ Preliminary. e/ Estimated by Federal Reserve. 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. n.a. -- Not available.

FOOTNOTE:

\* 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 obligation; 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.
- 4/ Bonds due 1993 with a 2% coupon reoffered at 5.40%.
- 5/ Bonds due 1969-74 were not reoffered.

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23

**Exhibit K**

**Large Long-term Public Security Issues for New Capital  
(Other than U. S. Treasury) <sup>1/</sup>**

**Proceeds of Large Issues Offered  
(In millions of dollars)**

201

	Corporate			State and local governments	Other <sup>2/</sup>	
	Total	Bonds (other than convertibles)	Convertible bonds			Stocks
1967 - 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
Nov.	826	461	150	215	865	845
Dec.	978	460	437	81	633	627
1968 - Jan.	904	652	168	85	785	1,095
Feb.	757	575	105	77	591	389

**Large Individual Issues Offered March 1 through March 15, 1968.**

Issuer	Type <sup>3/</sup>	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<b>Corporate</b>						
*Computer Sciences	Com. stk.	19.4				
Baxter Laboratories, Inc.	Conv. sub. debts.	25.0	1988	4-1/2	4.50	Ba
Philadelphia Electric Co.	1st mtg. bds.	60.0	1993	6.55	6.50	Aaa
White Motor Corporation	Conv. debts.	25.0	1993	6-1/2	6.50	A
White Motor Corporation	S.F. Debts.	25.0	1993	5-1/4	5.25	Baa
Union Tank Car	Equip. tr. cert.	20.0	1988	6-1/2	6.50	A
<b>State &amp; local Government</b>						
Cornell Township, Michigan	Rev.-Rent.	43.8	1995	5-1/2	5.50	--
Cornell Township, Michigan	Rev.-Rent.	12.9	1971-78	5-1/2	4.50-5.10	--
Illinois Bldg. Authority	Rev.-Rent.	35.4	1968-90	4.86	3.25-4.90	Aa
State of Hawaii	G.O.	30.0	1971-88	4.41	3.70-4.50	A
Prince George's Co., Md.	G.O.	24.0	1969-93	4.51	3.40-4.63 <sup>4/</sup>	A
Ft. Lauderdale, Florida	Rev.-Rent.	11.5	1971-97	5.02	3.90-5.00	A
Housing Assistance Admin.	Bds.	143.8	1968-2008	4.43	3.10-4.63	Aaa
Opelika, Alabama	Rev.-Rent.	45.0	1971-93		4.75-5.75	--
Los Angeles Dept. of Water & Power	Rev.-Ut.	24.0	1969-98	4.71	4.10-4.85 <sup>5/</sup>	Aa
State of Minnesota	G.O.	33.8				
Ashland, Kentucky	Rev.-Rent.	23.0	1993		6.00	--
Pennsylvania State Sch. Building Authority	Rev.-Rent.	40.0	1970-2007 <sup>6/</sup>	5.06	3.90-5.25	--



## Large Individual Issues Offered March 1 through March 15. (Cont'd)

Issuer	Type <u>3/</u>	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offer- ing yield	Rating
<u>State &amp; local Govt. (Cont'd)</u>						
Malta Jr. Coll. Dist., California	G.O.	18.5	1993	5.00	3.50-4.60	Aa
State of Maine	G.O.	11.7	1969-98	4.25	3.30-4.85	Aaa
Wester Co., South Carolina	Rev.-Rent.	10.8	1970-78	n.a.	4.50-5.10	--
Wester Co., South Carolina	Rev.-Rent.	24.2	1993	n.a.	5.75	--
Train Co., Ohio	Rev.-Rent.	29.5	1971-78	n.a.	4.30-5.00	--
Train Co., Ohio	Rev.-Rent.	50.5	1988	n.a.	5.38	--
Manabawagan, Michigan	Rev.-Rent.	12.6	1996	n.a.	6.50	--
<u>Other</u>						
Federal Land Banks	Bonds	130.0	1970-6.00	6.00	5.97	--

- 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 obligation; 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.
- 4/ Bonds due 1993 with a 2% coupon reoffered at 5.40%.
- 5/ Bonds due 1969-74 were not reoffered.
- 6/ Bonds with a coupon due 2007 were not reoffered.

~~25~~  
25

## Exhibit I

**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/
1967 - 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
Nov. 30	826	865	845	2,129	1,684	875
Dec. 31	968	633	402	1,892	1,076	502
1968 - Jan. 31	531	449	60	736	937	75
Feb. 29	873	683	130	1,105	1,079	265

Forthcoming Large Offerings as of March 15, 1968.

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>Corporate</u>			
A.M.K. Corp.	Debs.	30.0	March 18
Diversified Metals	Conv. sub. debs.	20.0	March 18
General Telephone of the Southwest	1st mtg. bds.	25.0	March 18
Shell Oil Co.	Com. stk.	95.0	March 18 (rts. exp.)
Consolidated Edison	Cum. pfd. stk.	93.1	March 18 (rts. exp.)
Sundstrand Corporation	Conv. sub. debs.	30.0	March 19
*Container Corp. of America	S.F. debs.	30.0	March 19
Utah Power & Light Co.	1st mtg. bds.	20.0	March 19
Pacific Gas & Electric	1st & ref. mtg. bds.	50.0	March 20
Louisiana Power & Light Co.	1st mtg. bds.	35.0	March 21
Graphic Sciences	Conv. debs.	15.0	March 25
Pioneer Natural Gas	1st mtg. bds.	15.0	March 25
McCulloch Oil Corp. of California	Conv. sub. debs.	15.0	March 26
Tenneco, Inc.	Cum. pfd. stk.	40.0	March 26
Union Electric Co.	1st mtg. bds.	50.0	March 26
United Utilities	Conv. debs.	50.0	March 26
Kansas City Power & Light Co.	1st mtg. bds.	25.0	March 27
Hawaiian Telephone Co.	1st mtg. bds.	20.0	March 28

**FOOTNOTES:**

\*--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: American Broadcasting Co.'s \$75.0 million convertible issue postponed due to market conditions.

## Forthcoming Large Offerings as of March 15, 1968. (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>Corporate (Cont'd)</u>			
Houston Lighting & Power Co.	1st mtg. bds.	35.0	March 28
New Jersey Bell Telephone Co.	Debs.	50.0	April 2
Potomac Edison Co.	1st mtg. & coll. tr. bds.	25.0	April 9
*Nevada Power Company	1st mtg. bds.	15.0	April 16
*Massachusetts Electric Co.	1st mtg. bds.	20.0	April 17
*Consolidated Natural Gas Co.	Debs.	30.0	April 18
*Bell Telephone of Pennsylvania	Debs.	100.0	April 23
SCM	Conv. debs.	41.5	April 24 (rts. exp.)
Fidelity Corporation	Conv. debs.	16.0	Indefinite
Montana Power	1st mtg. bds.	30.0	Indefinite
*Keystone Steel & Wire Co.	S.F. debs.	30.0	Indefinite
*Natural Aviation Corp.	Com. stk.	24.2	Indefinite (rts. exp.)
<u>State &amp; local Government</u>			
*Atlanta, Georgia	Rev.-Rent.	12.5	March 18
Allegheny County Port Auth., Pa.	Rev.-Q.-Ut.	20.0	March 19
St. Louis County, Missouri	G.O.	25.5	March 21
Anne Arundel Co., Annapolis, Md.	G.O.	12.0	March 26
Cleveland City School Dist.	G.O.	15.0	March 26
Rochester, New York	G.O.	16.2	March 26
State of Alaska	G.O.	15.5	March 27
New York City	G.O.	45.2	March 27
Nassau Co., New York	G.O.	35.0	March 28
San Francisco, California	G.O.	31.8	April 1
Calcasieu Parish, Louisiana	Rev.-Rent.	20.0	April 2
Detroit, Michigan	G.O.	13.9	April 2
Washington Suburban Sani. Dist., Maryland	Rev.-Ut.	25.0	April 2
California Dept. of Water Resources	G.O.	150.0	April 3
*Penna. State Highway and Bridge Authority	Rev.-Rent.	74.0	April 3
*Oakland Co., Michigan	G.O.	16.9	April 4
*San Diego Unif. Sch. Dist., Calif.	G.O.	10.0	April 9
*San Francisco B.A.R.T.	G.O.	70.0	April 10
Kentucky Turnpike Authority	Rev.-Q.-Ut.	120.0	Indefinite
*West Virginia State Bldg. Comm.	Rev.-Rent.	24.2	March 25
<u>Other</u>			
*World Bank	Bonds.	150.0	March 21
*F.N.M.A.	Part. cert.	730.0	March 26
International Nickel Co.	Debs.	150.0	March
*Jamaica, Government of	S.F. loan bonds	15.0	Indefinite
New Zealand	Bonds	15.0	Indefinite

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: Jan. 1 through Mar. 15, 1968.		
1/11	60.0	Quebec Hydro - Electric Commission 6-7/8% debentures maturing 1989, reoffered to yield 7.00%.
1/23	35.0	Province of Nova Scotia -- 7% S.F. debentures maturing 1993, reoffered to yield 7.10%.
2/1	15.0	New Brunswick Electric Power Commission -- 6-7/8% S.F. debentures maturing 1993, reoffered to yield 7.00%.
2/13	25.0	Montreal, Canada -- 7-1/8% S.F. debentures maturing 1988, reoffered to yield 7.06%.
2/20	20.0	Canadian Pacific Railway -- 6.90% equipment trust certificates -- maturing March 1, 1983; reoffered to yield 6.90%.
B. Prospective Offerings		
Indefinite	15.0	New Zealand -- Bonds ***
Indefinite	120.0	International Nickel Co. -- Debs.
Indefinite	15.0	*Government of Jamaica -- S.F. loan bonds

\* - Included in table for first time.

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

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

## PART II: Private Placements - Reported January 1 through March 15, 1968.

Date Reported	Amount (millions of dollars)	Issuer and Description of Issue
1/1/68	1.5	Nicaraguan Hotel Co. -- U.S. guaranteed 6% note, maturing June 1, 1987.
1/8/68	12.0	Republic of Portugal -- notes due 1968.
1/15/68	7.0	Home Oil Co. Ltd. (Canada) -- Secured 15 year bonds.
2/5/68	1.5	Caribbean Finance Co. (Puerto Rico) Senior notes due 1/15/80.
2/26/68	6.0	Aluminio, S.A. de C.V. (Mexico) U.S. debentures -- 7-1/2%, maturing 1980.
3/1/68	12.0	Edmonton (City of Alberta, Canada), U.S. 6-3/4% debentures maturing Jan., 1993.
3/15/68	35.0	Mexico - (United Mexican States) external 7-1/4% bonds due 3/1/73.

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 takedown may take place both prior and subsequent to the date a placement is reported.