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FEDERAL RESERVE BANK
OF RICHMONDCAPITAL MARKETS DEVELOPMENTS
IN THE UNITED STATES*Capital
capital market*

publicly offered, municipal securities and municipal bond markets. The volume of new, municipal securities expected this week will about equal the average weekly volume of the past year, while the corporate volume will be substantially lower. Featured among the municipal issues will be the negotiated offering of \$96.5 million of New York State Housing Finance Agency revenue bonds. The largest corporate issue will be the Columbia Gas System's \$50.0 million of debentures.

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

	Corporate		State and local Government	
	New Capital	Refunding	New Capital	Refunding
Sold:				
52 week avg.	324	1	248	1
April 19	<u>r</u> /398	--	<u>r</u> /216	--
26	162	--	182	--
Scheduled:				
May 3	175	--	250	--

^{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.

Yields on new and seasoned corporate bonds advanced last week. The new issue series set a new high, one basis point above the previous record set the week of February 10, 1968. The increase in the new issue series, however, was somewhat overstated owing to the non-representative level it showed the previous week. The main component of last week's series--the Pennsylvania Bell Telephone issue--carried the highest net interest cost for a Bell system issue since 1921. The new record yield, however, led to a rapid sell-out of the issue.

Yields on municipals advanced sharply last week, but in this market new issues were not as well received. By the end of the week, about 65 per cent of the week's offerings had been sold. There was, however, little change in the volume of dealer inventories advertised in the Blue List.

Home-mortgage interest rates. With pressures on mortgage rates as well as other rates mounting further, secondary market yields on FHA-insured new-home mortgages, which had fallen slightly in February to 6.78 per cent, turned upward again in March to a record high of 6.83 per cent. Interest rates

Yields on Security MarketsHigh-Grade
Notes and BondsLevels Latest WeekChange from
preceding weekCorporate

New	6.65	+ 23
Seasoned	6.22	+ 2

U.S. Government

Long-term	5.33	+ 5
3-5 year	5.88	+ 18

State and local Govt.

Moody's Aaa	4.18	+ 10
Std. & Poor's high grade	4.47	+ 10

Money Market

Federal funds	5.68	- 2
Treasury bills		
3-month	5.63	+ 24
6-month	5.50	- 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 pro- portion sold</u>
4/18	50.0	Province of Quebec, 7's - 1989	7.25	A	85%
4/17	15.0	Massachusetts Electric, 7-1/8's - 1998	6.85	A	30%

Blue List of Municipal Dealers' Advertised Inventories

<u>Latest Week</u>	<u>End of Previous Week</u>	<u>Recent High</u>
606(4/23/68)	599	849(4/26/67)

on conventional mortgages for new homes also rose by 5 basis points to reach the rate for existing homes at 6.80 per cent -- a record level for both types of mortgages as reported by the Federal Housing Administration. However, while new-home mortgages were reaching this average for the first time in March, existing home mortgages continued about unchanged since a 10 basis point rise in January.

Related data for conventional first mortgage loans on single-family homes from the Federal Home Loan Bank Board indicated a similar pattern toward further tightening in March. The FHLBB series, which tends to lag the FHA series, showed a 3-basis point increase in the contract rate on loans for new homes to 6.50 per cent, also a new high, with the rate for existing home loans unchanged from February, at 6.58 per cent.

While lenders remained quite selective in March, average maturities and loan-to-price ratios for qualified borrowers continued to be relatively liberal, according to the FHLBB. Average maturities for such loans actually lengthened further during March, from 25.5 to 25.6 years for new and from 22.6 to 23.1 years for existing homes. Loan-to-price ratios, even though dipping somewhat in both cases, were still near earlier highs, at 74.1 per cent for new and 73.2 per cent for existing homes. Moreover, average loan amounts continued to rise as purchase prices increased.

Savings Flows. Seasonally-adjusted March inflows to nonbank depository institutions continued the improvement shown in February. Financial conditions during that period, including moderated short-term market yields and slackened stock market activity, contributed to increased inflows. The first quarter growth rate (seasonally adjusted) for mutual savings banks was well above that for the fourth quarter, while at savings and loans associations first quarter growth was slightly below the fourth quarter rate---reflecting primarily the adverse January experience at savings and loans associations.

More information on savings flows is presented in the table on page 6.

Stock market credit. Figures for stock market credit extended by brokers continue to be distorted by the wide swings in trading volume which have been occurring this year. Thus, although customers' net debit balances showed a decline of \$169 million in March, margin debt increased \$80 million during the month. The more reliable series on securities loans to others than brokers and dealers by large banks showed a drop of \$47 million, but this decline may merely reflect the loss of credit extended to purchasers of convertible bonds, who, since March 11, have been able to do their convertible bond margin trading more easily, and on the same terms, at brokerages. Customers' free credit balances declined \$76 million, but these net withdrawals may simply have been made to meet April 15 tax payments. Thus, the true direction of stock market credit let alone the underlying reasons for the movements in the data are definitely in doubt in most cases, and it seems imprudent to attach any significance to the changes at this point.

Stock prices. Common stock prices rose sharply last week in trading volume which was heavy by any standards other than those of the past few weeks. At the close Friday the Standard & Poor's index of 500 stocks stood at 97.21, up 1.36 from the previous Friday and only 0.36 below the all-time high reached last September 25. Trading volume averaged 13.7 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.

STOCK MARKET CREDIT
(In millions of dollars)

Months	Customer Credit			Broker & Dealer Credit		
	Total	Net Debit balances with NYSE member firms	Bank loans to others than brokers and dealers for purchas- ing & carrying secur.	Money Borrowed		Customers' net free credit balances
				Cust. coll.	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
1968 - Mar.	9,586	7,212	2,374	n. a.	n. a.	2,692
Change in outstanding:						
1967 - Mar.	393	369	24	n. a.	n. a.	199
Apr.	161	101	60	n. a.	n. a.	-57
May	116	107	9	n. a.	n. a.	142
June	248	240	8	n. a.	n. a.	11
July	467	437	30	n. a.	n. a.	110
Aug.	69	4	65	n. a.	n. a.	-60
Sept.	293	218	75	n. a.	n. a.	120
Oct.	271	185	86	n. a.	n. a.	112
Nov.	62	43	19	n. a.	n. a.	-13
Dec.	852	830	22	n. a.	n. a.	263
1968 - Jan.	-154	-122	-32	n. a.	n. a.	179
Feb.	-391	-380	-11	n. a.	n. a.	-174
Mar.	-216	-169	-47	n. a.	n. a.	-76

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.

SAVINGS FLOWS AT NONBANK DEPOSITARY INTERMEDIARIES
(\$ millions)

Date	Mutual Savings Banks		Net New ^{2/} Money	Savings & Loan Associations			Total		
	Regular Deposits			Share Capital		Net New ^{2/} Money	Deposits		Net New ^{2/} Money
	Net Flow	Annual Growth Rate ^{1/}		Net Flow	Annual Growth Rate ^{1/}		Net Flow	Annual Growth Rate ^{1/}	
<u>Not Seasonally Adjusted</u>									
1965	3,563	7.4%	1,527	8,396	8.3%	4,458e	11,959	8.0%	5,985e
1966	2,591	4.9	227	3,656	3.3	-552	6,247	3.8	-325
1967	5,079	9.3	2,376	10,686	9.1	6,136	15,765	9.2	8,512
1967 - Jan.	433	--	331	309	--	290	742	--	621
Feb.	319	--	286	764	--	741	1,083	--	1,027
Mar.	727	--	260	1,457	--	787	2,184	--	1,047
1968 - Jan.	262	--	162	-251	--	-270	11	--	-108
Feb.	350	--	301	584	--	560	934	--	861
Mar. <u>r</u> /	645	--	117	1,255	--	539	1,900	--	656
<u>Seasonally Adjusted</u>									
1967 - Oct.	338	6.9	--	652	6.4	--	11,892	6.6	--
Nov.	340	6.9	--	544	5.3	--	10,596	5.8	--
Dec.	302	6.1	--	560	5.5	--	10,356	5.7	--
1968 - Jan.	244	4.9	--	249	2.4	--	5,916	3.2	--
Feb.	439	8.8	--	615	6.0	--	12,648	6.9	--
Mar.	427	8.5	--	866	8.3	--	15,516	8.4	--

^{1/} Annual growth rate for monthly data is the annualized monthly increase in deposits.

^{2/} Net New Money is deposits net of both withdrawals and interest. Data for S&Ls are for insured associations only, which represent 96% of the total resources of the industry.

SOURCES: National Association of Mutual Savings Banks and Federal Home Loan Bank Board.

e/ Estimated. p/ Preliminary.

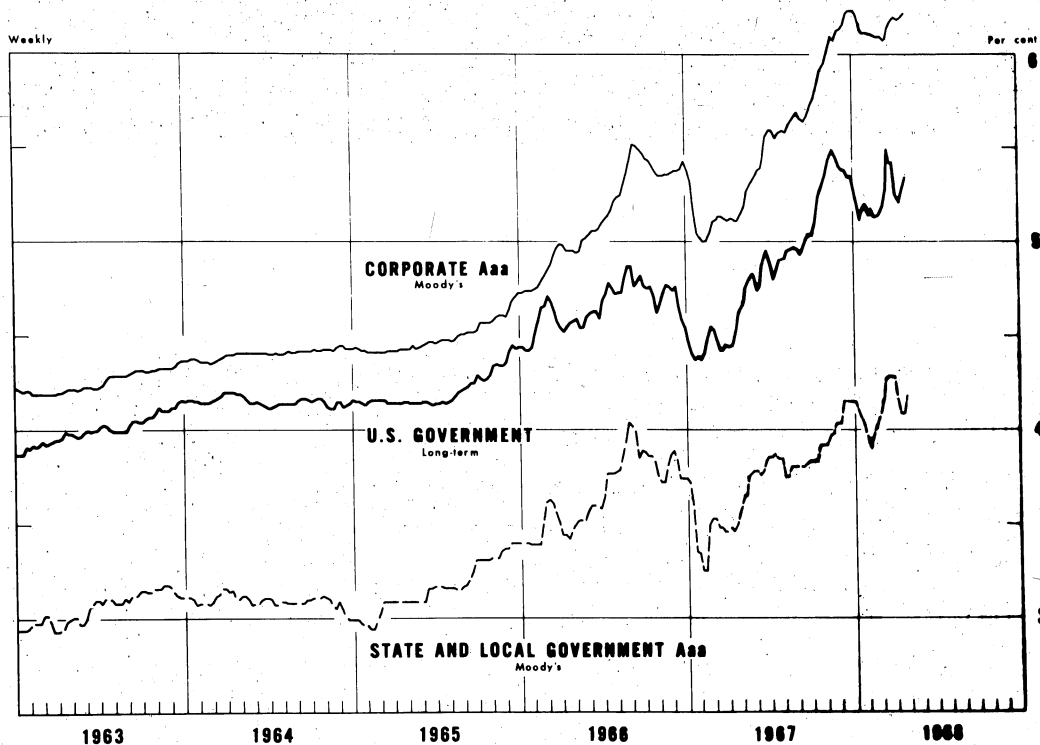
LONG-TERM BOND YIELDS, HIGH-GRADE

Exhibit A -- Part ii

Date	Corporate Aaa 1/	U.S. Govt. long-term 2/	State and local government Aaa 3/	Spread between U.S. Govt. and	
				Corporate Aaa	State and local Aaa
(per cent)					
1959-60 - High	4.61(1/29/60)	4.42(1/8/60)	3.65(9/24/59)	.59(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 - Mar. 29	6.17	5.41	4.28	.76	1.13
Apr. 5	6.20	5.25	4.18	.95	1.07
12	6.19	5.21	4.08	.98	1.13
19	6.20	5.28	4.08	.92	1.20
26p/	6.22	5.33	4.18	.89	1.15

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.

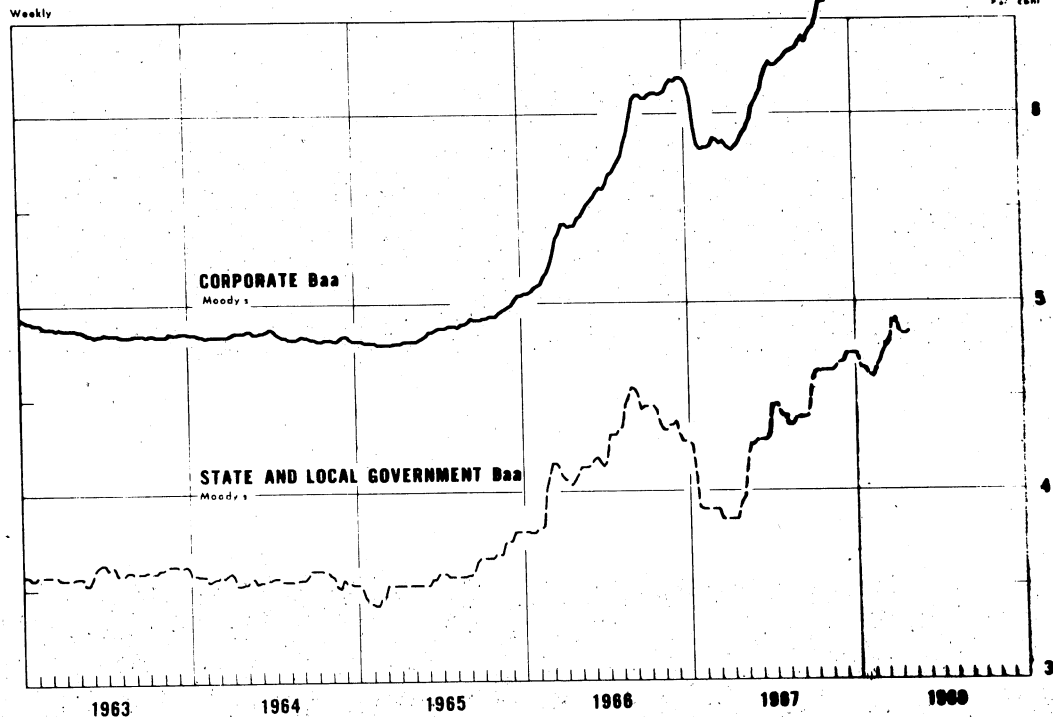
LONG-TERM BOND YIELDS, LOWER GRADE

Exhibit B -- Part II

Date	Corporate Baa <u>1</u> /	State and local govt. Baa <u>3</u> /	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 - Mar. 29	6.93	4.91	.76	.63
Apr. 5	6.98	4.84	.78	.66
12	6.98	4.83	.79	.75
19	6.95	4.83	.75	.75
26p/	6.96	4.84	.74	.66

Note: For footnotes see Exhibit A.

p/ Preliminary.

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

Weekly

Per cent

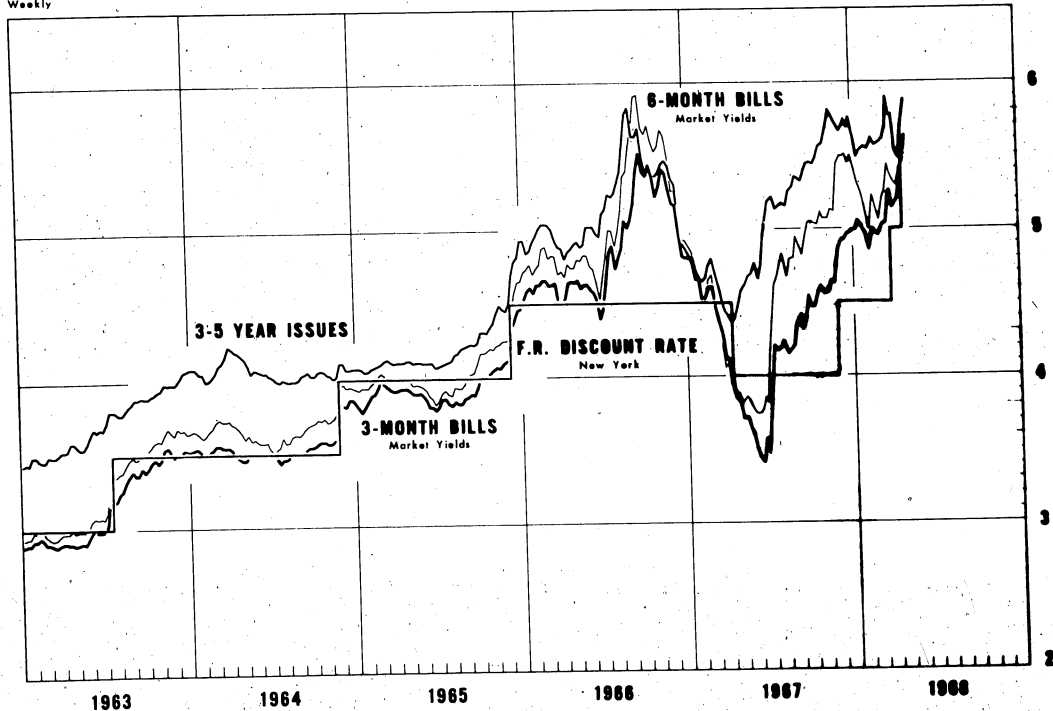


Exhibit C -- Part II

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
(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 - 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 - Mar. 29	5.00	5.14	5.32	5.77	.18		.63
Apr. 5	5.00	5.20	5.29	5.53	.09		.33
12	5.00	5.35	5.44	5.48	.09		.13
19	5.50	5.39	5.51	5.70	.12		.19
26p/	5.50	5.63	5.50	5.88	.13		.25

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

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

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

p/ Preliminary.

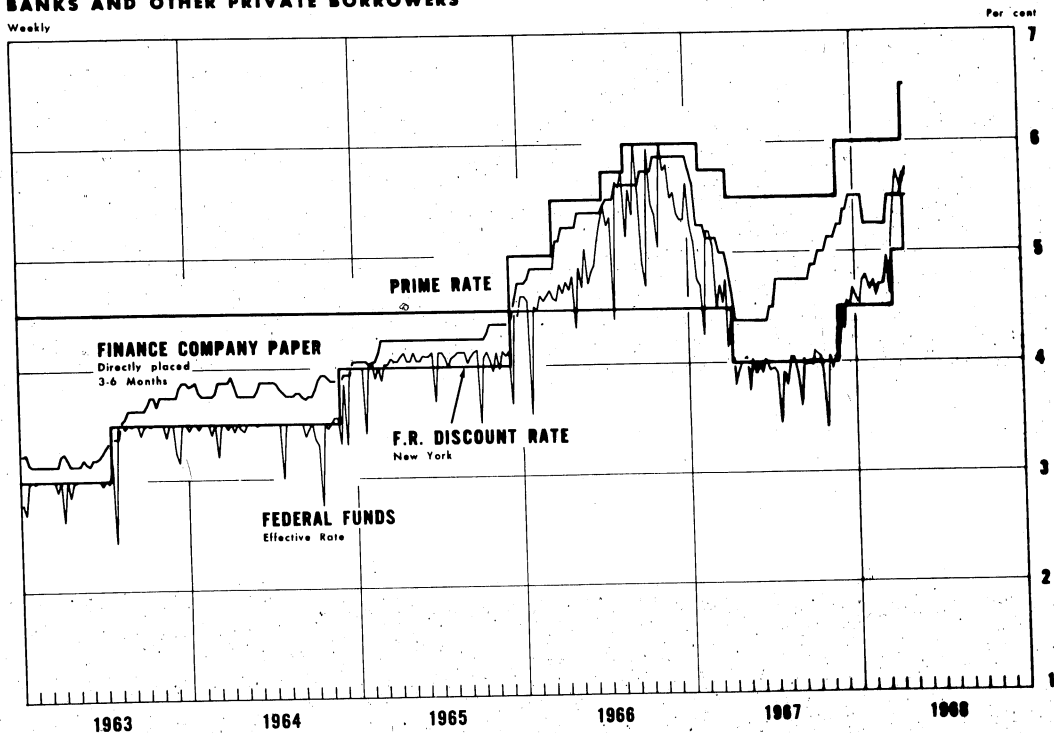
**SHORT- AND INTERMEDIATE-TERM INTEREST RATES,
BANKS AND OTHER PRIVATE BORROWERS**

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 - Mar. 29	6.00	5.50	5.35	.26
Apr. 5	6.00	5.50	5.73	.30
12	6.00	5.50	5.58	.15
19	6.50	5.63	5.70	.24
26p/	6.50	5.75	5.68	.12

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

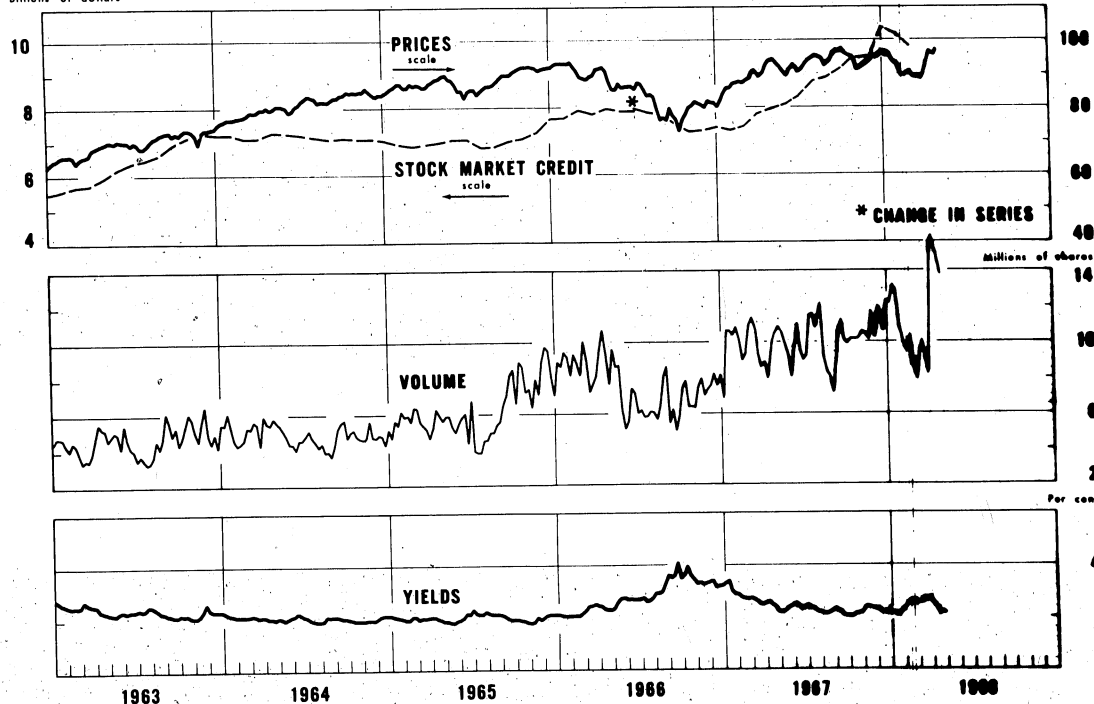


Exhibit E -- Part II

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	12.3	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 - Feb.	90.75	3.28	9.2	9,802	7,381	2,421
Mar.	89.09	3.34	9.2	n.a.	n.a.	2,374
1968 - Apr. 12	96.53	3.09	15.9	n.a.	n.a.	2,349
19	95.85	3.11	14.9	n.a.	n.a.	<u>2,356</u>
26p/	97.21	3.07	13.7	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.

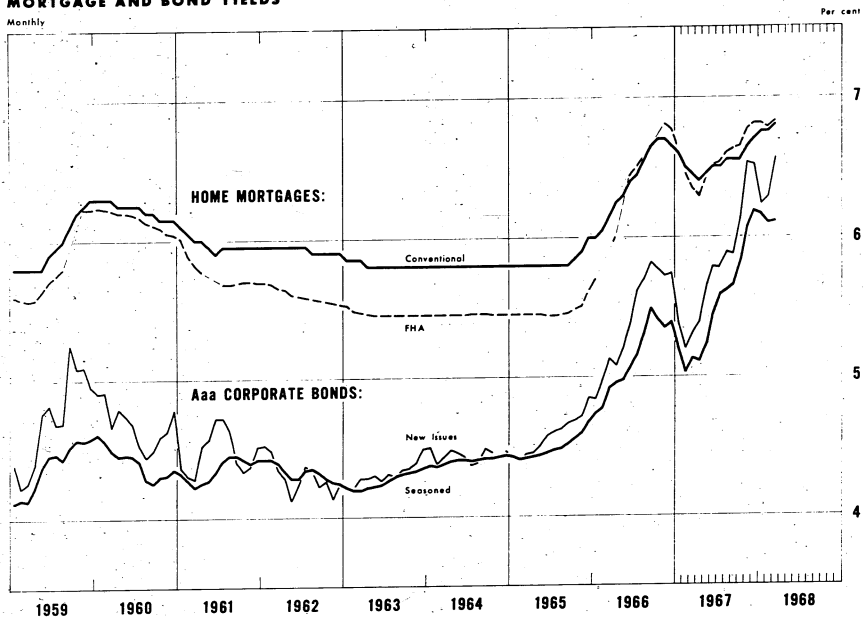
MORTGAGE AND BOND YIELDS

Exhibit F Part II

	FHA mortgages ^{2/}		Conventional mortgages ^{3/}	Spread between yields on conv. & FHA mort- gages ^{4/}	Aaa Corporate Bonds		Spread between yields on new corporate bonds and FHA mtgs. ^{4/}	
	25-year	30-year			New ^{5/}	Seasoned ^{6/}	FHA mtgs. ^{4/}	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 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
Mar.	n.a.	6.83	6.80	-.03	6.56	6.11	.27	.45

- ^{1/} Neither mortgage nor bond yields take into account servicing costs which are much higher for mortgages than bonds. Generally, bonds pay interest semi-annually; mortgages, monthly. Mortgage yields, if computed as equivalent to a semi-annual interest investment, would be slightly higher than given in the table.
- ^{2/} Based on FHA-field-office opinions about average bid prices in the private secondary market for new-home mortgages for immediate delivery. Separate data available for 25-year and--beginning July 1961--30-year mortgages with minimum downpayments, weighted by probable volume of transactions. Yields computed by FHA, assuming prepayment period of 12 years for 25-year mortgages and 15 years for 30-year mortgages. Over the period for which they can be compared, the movement of the two mortgage yield series has been similar. Dashed lines indicate periods of adjustment to changes in contractual interest rates.
- ^{3/} Based on FHA-field-office opinion on typical interest rates (rounded) on conventional first mortgages prevailing in the market areas of insuring office cities. Beginning with April 1960, rate relates only to new-home mortgages; prior to that date, rate related to both new as well as existing-home mortgages. Dashed line indicates this change in the series.
- ^{4/} FHA mortgage yield data are for 25-year mortgages through June 1961; 30-year mortgages thereafter.
- ^{5/} See note for Exhibit G.
- ^{6/} Moody's Investor Service. Monthly averages of daily data. See Exhibit A.
n.a. Not available.

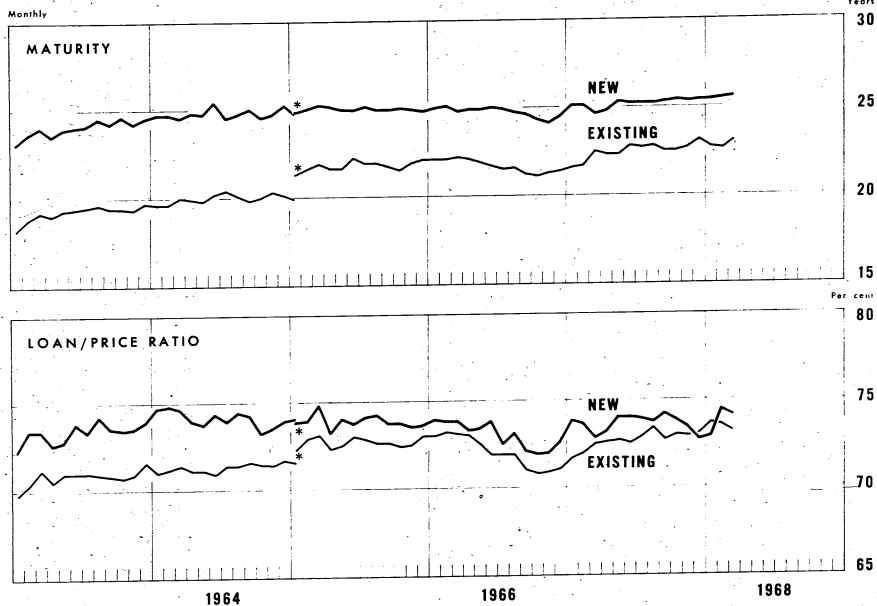
CONVENTIONAL MORTGAGE TERMS \downarrow 

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>												
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.	6.39	0.86	6.52	25.4	72.9	21.7	6.57	0.82	6.70	22.7	73.7	18.4
Feb. <u>p/</u>	6.47	0.94	6.62	25.5	74.5	22.2	6.58	0.81	6.71	22.6	73.6	18.0
Mar. <u>p/</u>	6.50	0.88	6.64	25.6	74.1	22.4	6.58	0.78	6.71	23.1	73.2	18.7

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 FHLEB-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.

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YIELDS ON NEW AND SEASONED CORPORATE BONDS

Weekly

Per cent

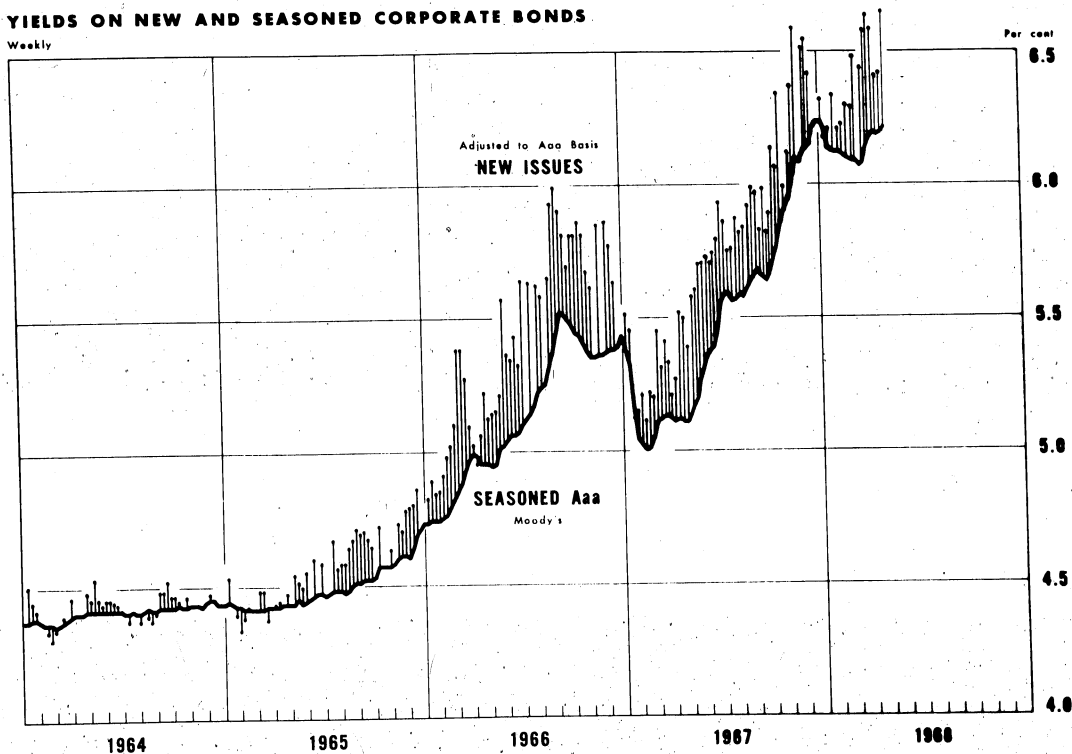


Exhibit G - II

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)
<u>Monthly averages:</u>							
1968 - Jan.	13	567.0	6.24	Feb. 2	3	76.0	6.21
Feb.	13	564.5	6.29	9	3	237.0	6.23
Mar.	10	350.0	6.56	16	5	205.0	6.30
				23	2	42.5	6.29
				Mar. 1	2	70.0	6.48
				8	--	--	--
				15	2	85.0	6.44
				22	4	135.0	6.58
				29	4	130.0	6.64
				Apr. 5	1	50.0	6.58
				12	1	25.0	6.41
				19	3	215.0	6.42
				26p/	2	125.0	6.65
<u>Weekly averages:</u>							
High		6.65 (4/26/68)					
Low		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.

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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/	1967	1966	1968p/	1967	1966
January	p/ 1,689	1,648	1,302	1,134	1,482	1,188
February	p/ 1,566	1,399	1,237	p/1,175	1,194	858
March	e/ 2,010	2,317	2,446	p/1,356	1,439	865
April	e/ 1,725	1,973	1,553	e/ 1,100	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/ 5,265	5,364	4,985	p/3,665	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		24,098	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		5,657	3,188			
Year		23,115	17,269			

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						
1966 - 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
1968 <u>Ie</u> /	5,421	2,459	2,013	949	77	1,878	1,446	353	1,588
1967 - 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. <u>P</u> /	1,757	903	528	326	16	530	418	182	559
Feb. <u>P</u> /	1,604	796	585	223	61	548	543	146	329
Mar. <u>e</u> /	2,060	760	900	400	n. a.	800	485	25	700

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

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Exhibit J

Other Security Offerings (In millions of dollars)

	Gross Long-term 1/					
	Foreign Government 2/			Federal Agency 3/		
	1968 p/	1967	1966	1968 p/	1967	1966
January	123	196	12	999	1,251	--
February	49	--	40	550	783	503
March		223	40		750	410
April		27	66		650	392
May		13	69		810	699
June		170	76		650	1,030
July		22	72		407	1,084
August		586	7		250	799
September		193	50		599	400
October		66	23		708	450
November		142	74		710	800
December		18	68		612	239
Year		1,656	597		8,180	6,806
New short-term 4/						
	State and local Government 5/			Federal Agency 3/		
January	300p/	179	103	490	-179	308
February		387	39	436	-552	-24
March	89p/	-594	-319		-454	450
April	-604p/	827	580		-559	718
May		515	462		109	85
June		-187	-334		93	284
July		20	-103		-158	-590
August		593	270		-262	-270
September		32	-161		1,407	-652
October		414	-48		606	-555
November		49	503		573	-283
December		-514	-570		36	219
Jan. - Mar. p/	-215	-28	-177			
Year		1,721	422		660	310

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 FHA 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		
1967 - 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
Mar.	788	415	135	238	736	1,030

Large Individual Issues Offered April 1 through April 26.

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
<u>Corporate</u>						
Keystone Steel & Wire Co.	S.F. debts.	30.0	1993	7-1/4	7.25	Baa
New Jersey Bell Tele. Co.	Debs.	50.0	2008	6-5/8	6.60	Aaa
Sundstrand Corporation	Conv. sub. debts.	30.0	1993	5	5.00	Ba
Southland Corporation	Com. stk.	18.4				
Indiana Head, Inc.	Conv. debts.	25.0	1993	5-1/2	5.50	B
Potomac Edison Co.	1st mtg. & coll. tr. bds.	25.0	1998	7.00	6.80	A
Sears, Roebuck Inc.	S.F. debts.	100.0	1993	6-3/8	6.38	Aa
Allied Chemical	Debs.	100.0	1993	6.60	6.60	A
Graphic Sciences	Conv. debts.	15.0	1983	6	6.00	--
Massachusetts Electric Co.	1st mtg. bds.	20.0	1998	7-1/8	6.85	A
Duke Power Co.	Cum. pfd. stk.	35.0				
Bell Telephone of Pa.	Debs.	100.0	2008	6.82	6.75	Aaa
Lucky Stores	Conv. debts.	28.0	1993	5.00	5.00	B
General Telephone of the Southwest	1st mtg. bds.	25.0	1998	6-7/8	6.90	A

Large Individual Issues Offered April 1 through April 26. (Cont'd)

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offer- ing yield	Rating
<u>State & local Govt. (cont'd)</u>						
San Francisco, California	G.O.	21.3	1969-1988	4.07	3.50-4.10	Aa
San Francisco, California	G.O.	10.5	1969-1988	4.06	3.40-4.10	Aa
Washington Suburban Sanitary District, Maryland	Rev.-Ut.	25.0	1969-1998	4.55	3.60-5.25	A
Detroit, Michigan	G.O.	13.9	1969-1992	5.13	3.90-5.25	Baa
California Dept. of Water Resources	Rev.-Rent.	26.0	1998	n.a.	5	A-1
California Dept. of Water Resources	Rev.-Rent.	101.0	2018	n.a.	5.20	A-1
California Dept. of Water Resources	Rev.-Rent.	23.0	1972-1988	5.20	4.00-4.80	A-1
Penna. State Highway & Bridge Authority	Rev.-Rent.	75.0	1968-1989	4.48	3.90-5.05	Aa
Oakland Co., Michigan	G.O.	16.9	1972-2002	4.94	3.90-5.00	A-1
Montgomery Co., Pennsylvania	G.O.	11.0	1969-83	3.94	3.40-3.95	Aa
Calcasieu Parish, Louisiana	Rev.-Rent.	12.5	1984	5-5/8	4.50-5.10	Baa
State of Rhode Island	G.O.	15.1	1970-88	4.10	3.60-4-1/8	A-1
San Diego Unif. Sch. Dist., California	G.O.	10.0	1971-90	4.27	3.75-4.30 ⁴	A-1
San Francisco B.A.R.T.	G.O.	70.0	1972-99	4.48	3.75-4.60 ⁴	Aa
Vermont (Montpelier)	G.O.	25.0	1969-1987	--	3.40-4.00	Aaa
New York City	G.O.	98.1	1969-98	4.92	3.85-5.20	Baa-1
Puerto Rico Water Resources Authority	Rev.-Rent.	38.0	1970-2000	--	4 - 5.06	A
Houston Ind. Sch. District	G.O.	14.0	1969-93	4.54	3.70-4.63 ⁵	A
Baltimore, Maryland	G.O.	16.0	1970-98	4.53	3.85-4.65 ⁵	A
State of Rhode Island	G.O.	18.0	1970	4.23	4.00	--
<u>Other</u>						
Lakehead Pipeline	S.F. debs.	75.0	1993	7-1/8	7.17	A
New Brunswick Higher Ed. Comm., Canada	S.F. debs.	20.0	1993	7	7.15	A
Province of Quebec	Debs.	50.0	1989	7	7.25	--
Federal Home Loan Bank Board	Bonds	225.0	1970	6.00	5.95	--

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 1998-1999 were not reoffered.
- 5/ Bonds reoffered to yield 4% due 1993-98 were not reoffered.

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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/
1967 - 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
Mar. 31	758	494	15	935	624	125

Forthcoming Large Offerings as of April 26, 1968.

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
Corporate			
Indiana & Michigan Electric Co.	S.F. debts.	15.0	April 30
Indiana & Michigan Electric Co.	1st mtg. bds.	35.0	April 30
National Aviation Corporation	Com. stk.	24.2	April 30 (rts.exp.)
Dial Fiance Company	Debs.	25.0	May 1
Universal Oil Products Co.	S.F. debts.	25.0	May 1
Columbia Gas System	Debs.	50.0	May 2
Chase Manhattan Bank	Conv. cap. notes	150.0	May 6 (rts. exp.)
Consumers Power Co.	1st mtg. bds.	55.0	May 7
El Paso Electric Company	1st mtg. bds.	16.0	May 8
Commonwealth Edison	1st mtg. bds.	50.0	May 9
Northern States Power Company	1st mtg. bds.	45.0	May 13
Northern States Power Co.	Pfd. stk.	20.0	May 13
Chesapeake & Potomac Tel. Co. of Virginia	Debs.	70.0	May 14
SCM	Conv. debts.	41.5	May 14 (rts. exp.)
Wisconsin Electric Power Co.	1st mtg. bds.	35.0	May 15
Indianapolis Power & Light Co.	1st mtg. bds.	25.0	May 20
Appalachian Power Company	1st mtg. bds.	55.0	May 21
Virginia Elec. & Power Company	Com. stk.	50.0	May 22

Forthcoming Large Offerings as of April 26, 1968. (Cont'd)

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>Corporate (Cont'd)</u>			
Michigan Wisconsin Pipeline Co.	1st mtg. p.l. bds.	50.0	May 23
Iowa-Illinois Gas & Electric Co.	Debs.	20.0	May 23
*Northern Natural Gas	Debs.	50.0	May 28
*American Hoist & Derrick	Conv. debs.	15.0	May
Illinois Bell Telephone	Com. stk.	83.0	Indefinite (rts.exp.)
*Burroughs Corporation	Conv. debs.	50.0	Indefinite
Piedmont Aviation	Conv. debs.	15.0	Indefinite
Dow Chemical Company	Com. stk.	100.0	Indefinite
Montana Power	1st mtg. bds.	30.0	Indefinite
Monongheela Power Company	1st mtg. bds.	20.0	Indefinite
Ogden Corporation	Conv. debs.	50.0	Indefinite
LTV Ling-Altec Inc.	Sub. debs. w/wts.	15.0	Indefinite
National Equipment Rental Ltd.	Conv. sub. debs.	25.0	Indefinite
Fidelity Corporation	Conv. debs.	16.0	Indefinite
Collins Radio Company	Debs.	35.0	Indefinite
<u>State and local Government</u>			
State of Texas	G.O.	30.0	April 29
*New York State Housing Finance Agency	Rev.-Rent.	96.5	April 30
Cleveland, Ohio	G.O.	27.1	April 30
Kansas City, Missouri	Rev.-Rent.	10.0	May 1
*California, State of	G.O.	100.0	May 7
Los Angeles Flood Control Dist.	G.O.	10.0	May 7
East Baton Rouge Parish, La.	G.O.	21.0	May 7
Jefferson, La., Parish-wide Sch. District	G.O.	15.0	May 8
*Delaware, State of	G.O.	22.2	May 9
Dallas Co. Jr. Coll. Dist., Texas	G.O.	26.5	May 14
Detroit, Michigan	G.O.	32.0	May 14
Los Angeles Co. S.E. Gen'l. Hosp. Authority	Rev.-Rent.	22.4	May 14
Cincinnati, Ohio	G.O.	13.9	May 15
Buffalo, New York	G.O.	13.3	May 16
*Florida State Bd. of Education	G.O.	25.0	May 21
*Philadelphia, Pennsylvania	G.O.	29.4	May 22
*Housing Assistance Administration	Bonds	145.6	May 22
Houston, Texas	G.O.	20.0	May 22
*Austin, Texas	G.O.	16.0	May 22
Kentucky Turnpike Authority	Rev.-Q.-Ut.	120.0	Indefinite
Los Angeles Dept. of Airports	Rev.-Rent.	35.0	Indefinite
<u>Other</u>			
*Montreal Catholic Sch. Comm.	S.F. debs.	20.0	May 15
*Canadian Utilities Ltd.	S.F. debs w/wts.	15.0	Indefinite

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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: Government of Jamaica \$15.0 million issue. postponed due to "market conditions".

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: Mar. 1 through April 26, 1968.		
March 28	150.0	International Nickel Company -- Debentures maturing 1993, reoffered to yield 6.85%.
April 16	75.0	Lakehead Pipeline Co. -- 7-1/8% S.F. debentures, maturing 1993, reoffered to yield 7.17%.
April 17	20.0	New Brunswick Higher Education Commission - (Canada) -- 7% S.F. debentures maturing 1993, reoffered to yield 7.15%.
April 18	50.0	Province of Quebec -- 7% debentures maturing 1989, reoffered to yield 7.25%.
B. Prospective Offerings		
Indefinite	15.0	New Zealand -- Bonds ***
Indefinite	15.0	Canadian Utilities, Ltd., -- S.F. debts. with warrants.
May 15	20.0	Montreal Catholic School Commission -- S.F. debentures.

* - Included in table for first time.

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

*** - Issue subject to interest equalization tax.

NOTE: Government of Jamaica \$15.0 million issue, postponed due to "market conditions".

PART II: Private Placements - Reported January 1 through April 26, 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.