

Capital Markets

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May 27, 1968.

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FEDERAL RESERVE
OF RICHMOND

CAPITAL MARKETS DEVELOPMENTS IN THE UNITED STATES

Corporate and municipal bond markets. Net corporate security issues expected this holiday-shortened week will aggregate less than the average weekly volume over the past year. Dominating this week's corporate issues is the \$150 million debenture issue of Union Oil Company of California. The volume of municipal issues scheduled this week is somewhat above average.

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

	Corporate		State & local Government	
	New Capital	Refunding	New Capital	Refunding
Sold:				
52 week avg.	316	1	248	1
May 17	262	--	233	--
24	220	--	364	--
Scheduled:				
May 31	240	--	280	--

^{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 right expire.

Yields on new corporate bonds advanced more than 20 basis points last week, to a new peak. Investor response was stimulated by these higher yields and all the issues were sold out by the close of trading on Friday. Several older issues were released from underwriters syndicate restrictions, and free market trading resulted in upward yield adjustments of 12 to 25 basis points.

Municipal bond yields also advanced to new record levels. A few scheduled issues were postponed in light of the substantial rise in yields and the "unsettled market" conditions. By the end of the week, about two-thirds of the week's offerings had been sold out.

Home-mortgage interest rates and other terms. Secondary market yields on FHA-insured new-home mortgages reached another new high in April-6.94 per cent, 11 basis points above the previous peak in March. Interest rates on conventional loans for both new and existing homes, as reported by the Federal Housing Administration, also continued upward to new peaks in April. These rates, which are rounded to the nearest 5 basis points, increased by 10 basis points to 6.90 per cent for loans to new homes

Yields on Security MarketsHigh-Grade
Notes and BondsChange from
preceding weekCorporate

New	6.83	+ 21
Seasoned	6.28	+ 1

U. S. Government

Long-term	5.52	+ 14
3-5 year	6.09	+ 14

State and local Govt.

Moody's Aaa	4.35	+ 10
Std. & Poor's high grade	4.68	+ 13

Money Market

Federal funds	5.88	- 55
Treasury bills		
3-month	5.82	+ 15
6-month	5.99	+ 12

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 proportion sold</u>
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NONE

Blue List of Municipal Dealers' Advertised Inventories

<u>Latest Week</u>	<u>End of Previous Week</u>	<u>Recent High</u>
638(5/22/68)	634	849(4/26/67)

and by 15 basis points to 6.95 per cent for loans on existing homes.

With yields on new corporate Aaa bonds down temporarily to 6.49 per cent in April the spread in favor of mortgage yields widened to 45 basis points in the case of FHA-insured mortgages. This spread was still quite narrow by earlier standards. Discounts on such mortgages, which still carried the maximum ceiling rate of only 6 per cent at the time, deepened from 7 points in March to almost 8 points in April. In an attempt to provide some relief from such discounts, effective May 7, the regulatory rate was raised to 6.75 per cent by HUD in quick response to clearance of the long-awaited legislation waiving the statutory ceiling on government-underwritten mortgages until October 1, 1969.

Based on Federal Home Loan Bank Board data, effective yields required by lenders on conventional first-mortgages in April also reached new highs, with rates for new home loans at 6.70 per cent and those on existing home loans at 6.77 per cent. Reflecting the more restrictive posture of lenders which has developed, the yield-increases were associated with a general tightening in non-rate terms as well. While still quite liberal, maturities shortened from 25.7 to 25.3 years for new homes and from 23.0 to 22.6 years for existing homes. And loan-to-price ratios moved downward further to 73.4 per cent for loans on new homes and to 72.8 per cent for loans on existing homes. Loan amounts were also down somewhat even though prices increased further for new homes.

Stock prices. Common stock prices declined last week in active trading. Standard and Poor's index of 500 stocks registered 97.15 at the close on Friday, up 0.25 points from the week earlier. Trading volume averaged 12.9 million shares.

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

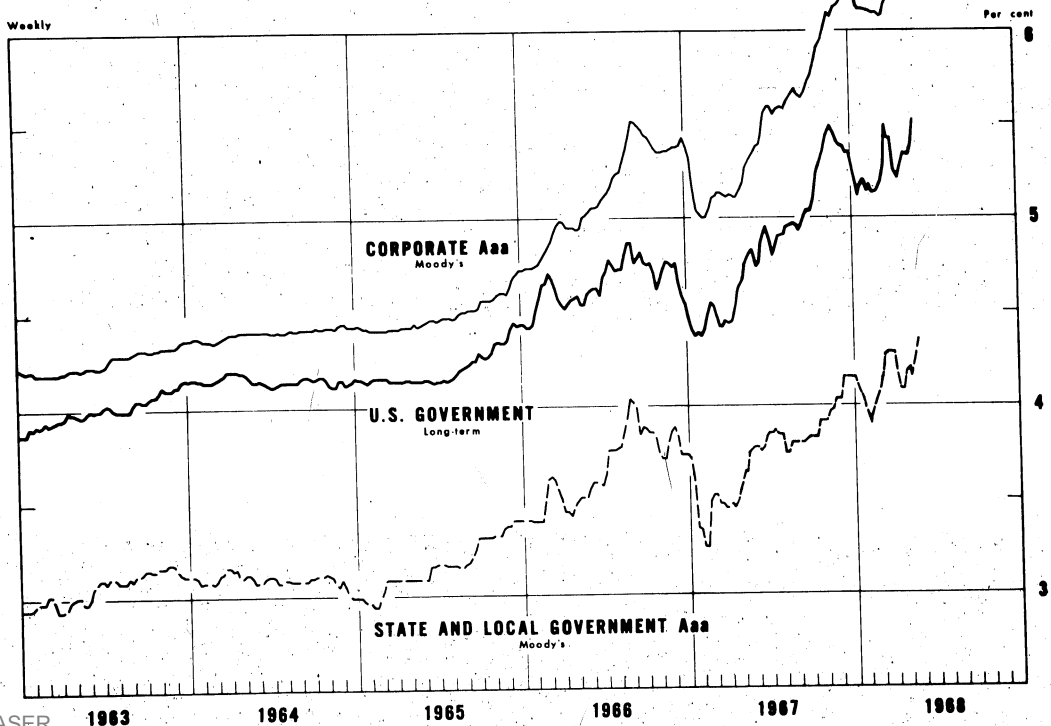


Exhibit A -- Part II

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 - Apr. 26	6.22	5.33	4.18	.89	1.15
May 3	6.25	5.32	4.20	.93	1.12
10	6.25	5.32	4.16	.93	1.09
17	6.27	5.38	4.25	.89	1.13
24 ^{p/}	6.28	5.52	4.35	.76	1.17

^{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

Per cent

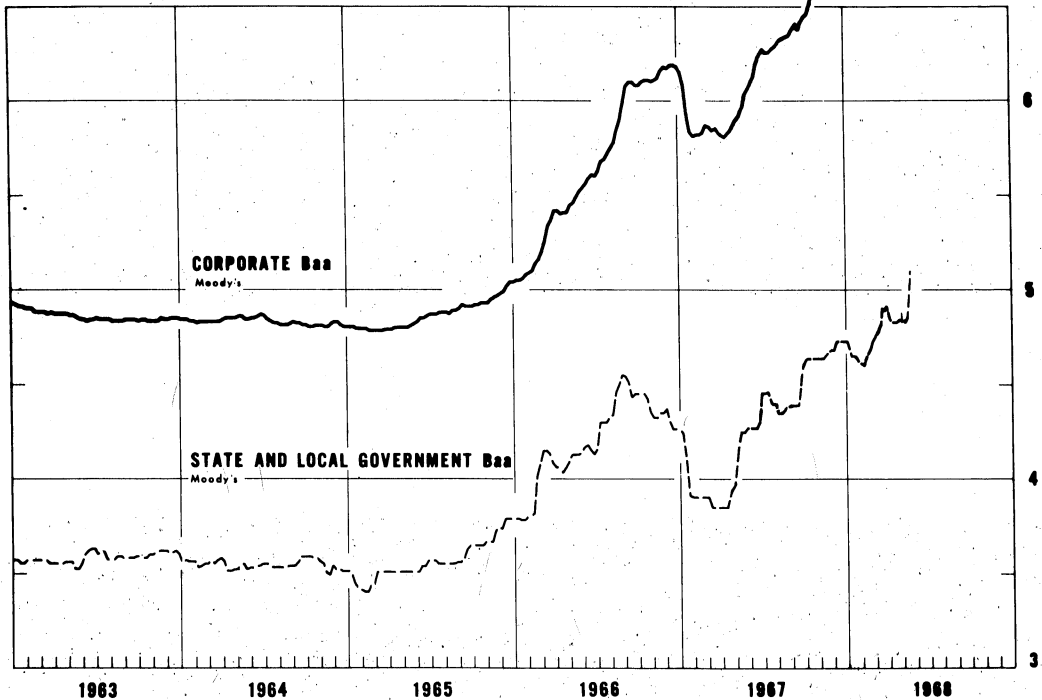


Exhibit B -- Part II

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 - Apr. 26	6.96	4.84	.74	.66
May 3	7.00	4.84	.75	.64
10	7.01	4.83	.76	.67
17	6.99	4.85	.72	.60
24p/	7.05	5.10	.77	.75

Note: For footnotes see Exhibit A.

SHORT- AND INTERMEDIATE-TERM INTEREST RATES

GOVERNMENT

Weekly

Per cent

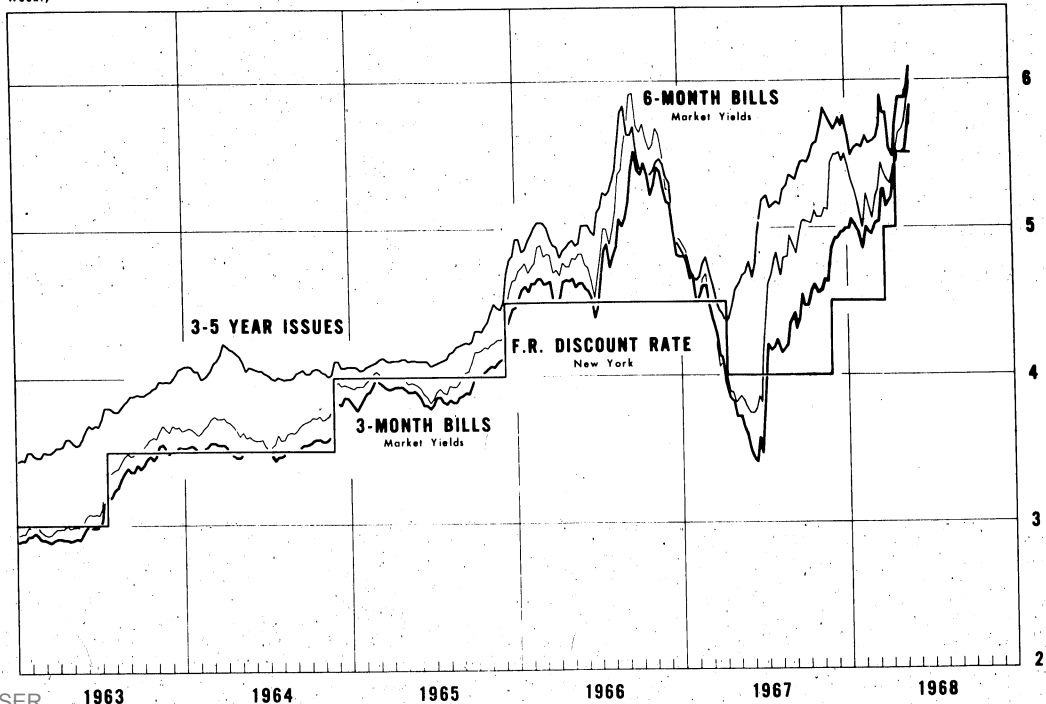


Exhibit C -- Part II

Date	Discount rate 1/	Yields			Spread between yields on 3-mo. bills and yields on	
		3-month bills 2/	6-month bills 2/	3-5 year issues 2/	6-mo. bills	3-5 yr. issues
			(per cent)			
1959-60 - High	4.00	4.59(1/8/60)	5.07(1/8/60)	5.00(12/24/59)	.79	1.81
Year end - 1965	4.50	4.47	4.66	4.90	.19	.43
1966 - High	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
1966 - 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
1967 - Low	4.00	3.41(6/9)	3.74(6/2)	4.36(4/7)	.01	.02
1968 - Apr. 26	5.50	5.50	5.63	5.88	.13	.38
May 3	5.50	5.50	5.66	5.88	.16	.38
10	5.50	5.52	5.72	5.88	.20	.36
17	5.50	5.67	5.87	5.95	.20	.28
24p/	5.50	5.82	5.99	6.09	.17	.27

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

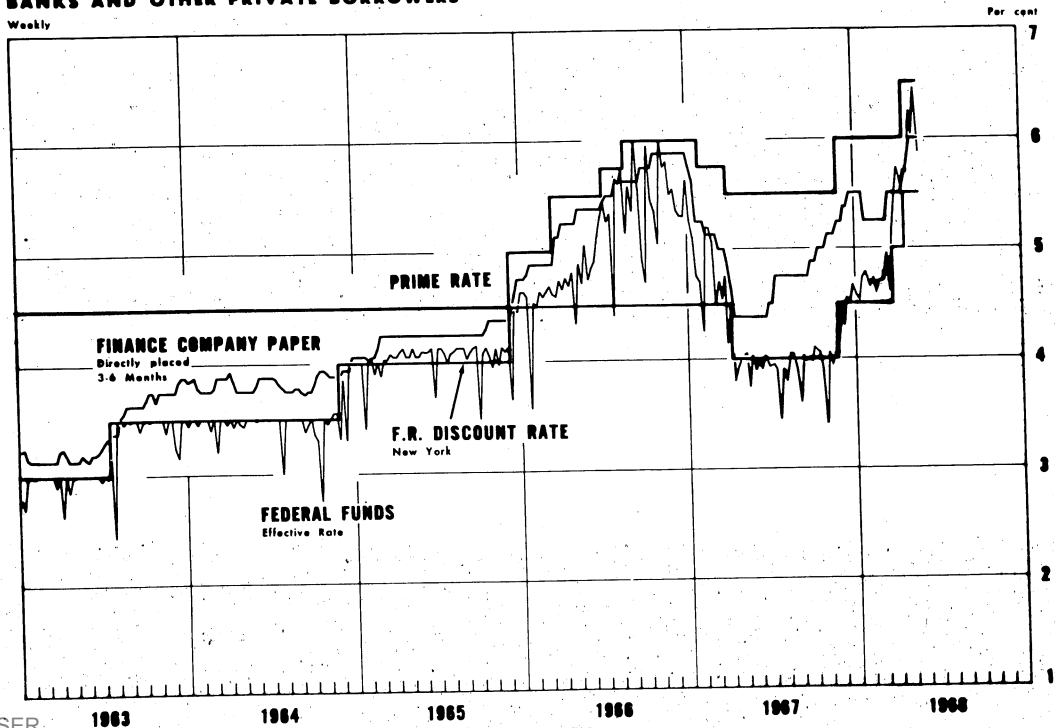


Exhibit D -- Part II

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 - Apr. 26	6.50	5.75	5.68	.12
May 3	6.50	6.00	6.22	.50
10	6.50	6.00	6.03	.48
17	6.50	6.00	6.43	.33
24p/	6.50	6.00	5.88	.18

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.

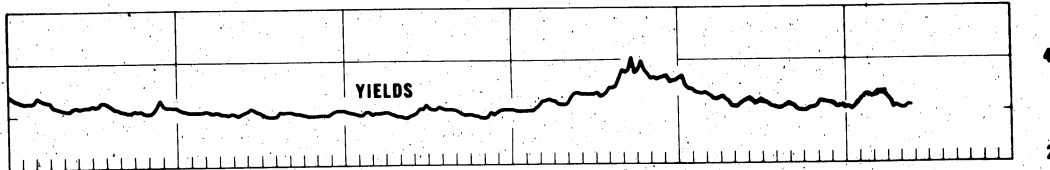
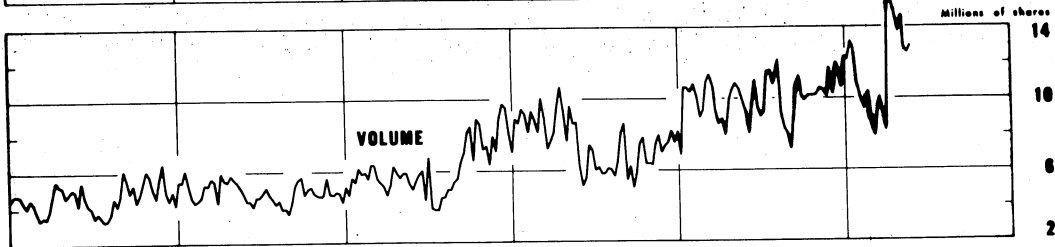
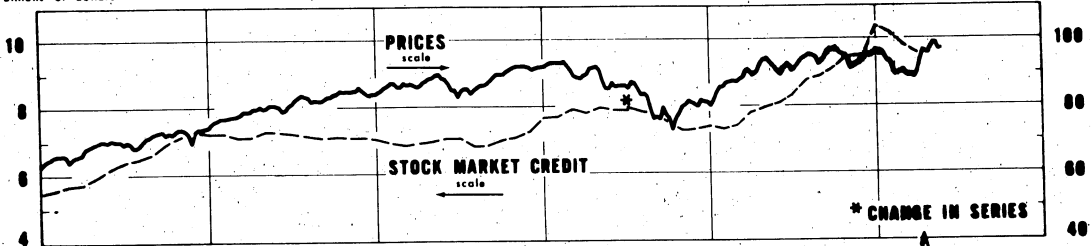
Note.-Highs and lows are for individual series and may be on different dates for different series. For spreads, high refers to widest, and low to narrowest.

p/ Preliminary.

STOCK MARKET

Billions of dollars

1941-43 average=10



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)	2,057(11/1)
Low	82.18(1/6)	3.58	6.9	7,345(1/6)	5,290(1/67)	2,055(1/25)
1968 - Mar.	89.09	3.34	9.2	9,586	7,212	2,374
Apr.	95.67	3.12	14.7	n.a.	n.a.	2,346
1968 - May 10	98.50	3.06	12.8	n.a.	n.a.	2,346
17	96.90	3.12	12.6	n.a.	n.a.	r/2,345
24p/	97.15	3.10	12.9	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 ^{1/2}

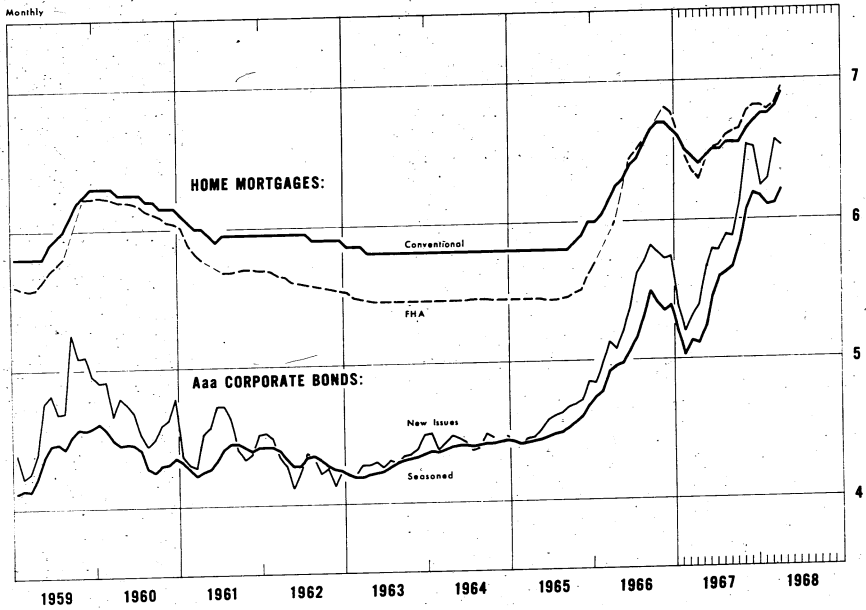


Exhibit F Part II

	FHA mortgages ^{2/}		Conventional mortgages ^{3/}	Spread between on conv. & FHA mortgages ^{4/}	Aaa Corporate Bonds		Spread between yields on new corporate bonds and FHA mtgs. ^{4/}	Seasoned bonds
	25-year	30-year			New ^{5/}	Seasoned ^{6/}		
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 - 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
Apr.	n.a.	6.94	6.90	-.04	<u>r/6.52</u>	6.21	.42	.31

- ^{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.
- r/ Revised.

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. (Tho.)	Contract Rate (Per cent)	Fees & Charges (Per cent) 2/	Effective Rate 3/	Maturity (Years)	Loan/Price Ratio (Per cent)	Loan Amt. (Tho.)
1967												
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
1968												
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>r</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>r</u>	6.50	0.88	6.64	25.7	74.3	22.4	6.59	0.79	6.72	23.0	73.3	18.6
Apr. <u>p</u>	6.56	0.88	6.70	25.3	73.4	22.2	6.64	0.79	6.77	22.6	72.8	18.3

Note: New series beginning 1965.

p/ Preliminary 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.

Exhibit F Part IV

	New Homes						Existing Homes					
	Con- tract Rate (Per cent)	Fees & Charges (Per cent)	Effec- tive Rate	Maturity (Years)	Loan/ Price Ratio (Per cent)	Loan Amt. (Tho.)	Con- tract Rate (Per cent)	Fees & Charges (Per cent)	Effec- tive Rate	Maturity (Years)	Loan/ Price Ratio (Per cent)	Loan Amt. (Tho.)
<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>r</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>r</u>	6.50	0.88	6.64	25.7	74.3	22.4	6.59	0.79	6.72	23.0	73.3	18.6
Apr. <u>p</u>	6.56	0.88	6.70	25.3	73.4	22.2	6.64	0.79	6.77	22.6	72.8	18.3

Note: New series beginning 1965.

p/ Preliminary

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

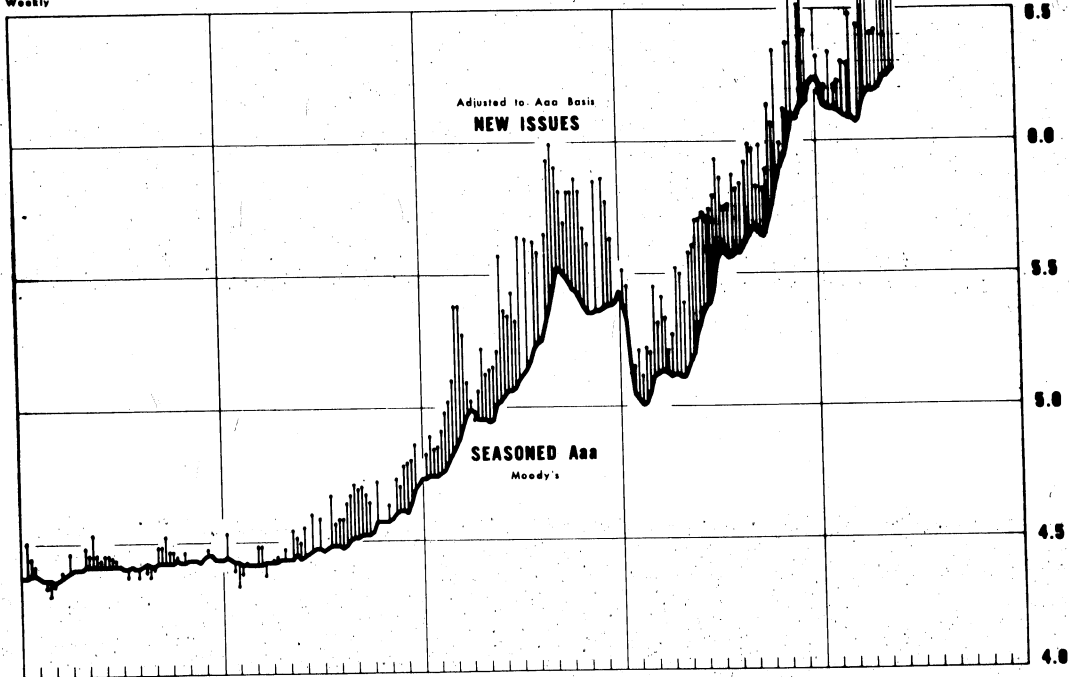


Exhibit G - II

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)
<u>Monthly averages:</u>							
1968 - Jan.	13	567.0	6.24	Apr. 5	1	50.0	6.58
Feb.	13	564.5	6.29	12	1	25.0	6.41
Mar.	10	350.0	6.56	19	3	215.0	6.42
Apr.	7	415.0	<u>r/6.52</u>	26	2	125.0	6.65
				May 3	3	75.0	6.63
				10	2	71.0	6.64
				17	3	170.0	6.62
				24 <u>p/</u>	2	45.0	6.83
<u>Weekly averages:</u>							
High		6.83(5/24/68)					
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.

p/ Preliminary. r/ Revised.

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/	1967p/	1966
January	1,706	1,648	1,302	1,134	1,482	1,188
February	1,570	1,399	1,237	1,173	1,194	858
March	p/1,739	2,317	2,446	p/1,356	1,439	865
April	e/1,675	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	p/5,015	5,364	4,985	p/3,663	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	Bonus		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 I _p /	5,491	2,465	1,724	989	313	1,854	1,394	411	1,356
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.	1,757	903	546	322	16	537	417	186	566
Feb.	1,604	796	585	226	61	556	546	147	321
Mar. _p	2,060	766	593	441	236	761	431	78	469
Apr. _e	1,710	710	700	300	n.a.	635	225	175	640

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.

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	103	196	12	999	1,251	--
February	49	--	40	550	783	503
March	30	223	40	1,370	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
Jan. - Mar. p/	182	419	92	2,919	2,784	913
Year		1,656	597		8,180	6,806
	New short-term 4/					
	State and local Government 5/			Federal Agency 3/		
	1968 p/	1967	1966	1968 p/	1967	1966
January	300p/	179	103	490	-179	308
February		387	39	436	-552	-24
March	89p/	-594	-319	-593	-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	333	-1,185	734
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 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		
1967 - 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
Apr.	696	500	723	73	794	370

Large Individual Issues Offered May 1 through May 24.

Issuer	Type 3/	Amount (millions of dollars)	Maturity	Coupon rate or net interest cost	Offering yield	Rating
Corporate						
Dial Finance Company	Debs.	25.0	1988	7.30	7.30	--
Universal Oil Products Co.	S.F. debs.	25.0	1993	6-5/8	6.66	A
Columbia Gas System	Debs.	50.0	1993	7-1/4	7.25	A
Chase Manhattan Bank	Conv. cap. notes	150.0	1993	4-/78	4.88	--
Consumers Power Co.	1st mtg. bds.	55.0	1998	6-/78	6.70	Aaa
Nevada Power Co.	1st mtg. bds.	15.0	1998	7-/8	7.25	Baa
El Paso Electric Co.	1st mtg. bds.	16.0	1998	6-/4	6.75	Aa
Fidelity Corporation	Conv. debs.	16.0	1988	5-1/2	5.50	--
Northern States Power Co.	1st mtg. bds.	45.0	1998	6-/34	6.80	Aa
Northern States Power Co.	Pfd. stk.	20.0				Aa
Chesapeake & Potomac Tel. Company of Virginia	Debs.	70.0	2008	6.79	6.73	Aaa
SCM	S.F. debs.	20.0	1988	7-1/4	7.35	Baa
*SCM	Conv. debs.	41.5	1988	5-1/2	n.a.	--
Wisconsin Elec. Power Co.	1st mtg. bds.	35.0	1988	6.84	6-7/8	A
LTV Ling-Altec Inc.	Sub. debs. w/wts.	15.0	1988	6-3/4	--	--
Burroughs Corporation	Conv. debs.	50.0	1993	3-3/4	3.75	--

Large Individual Issues Offered May 1 through May 24, (Cont'd)

Issuer	Type ^{3/}	Amount (millions of dollars)	Maturity	Coupon rate or net inter- est cost	Offer- ing yield	Rating
<u>Corporate (Cont'd)</u>						
Girard Trust Bank	Conv. cap. notes	25.0	1993	5-3/8	5.38	--
Iowa - Illinois Gas & Electric Co.	Debs.	20.0	1993	7-1/4	7.20	A
Indianapolis Pwr. & Light Co.	1st mtg. bds.	25.0	1998	7-1/8	7.00	Aa
Midwestern Gas Transmission Co.	Debs.	20.0	1988	7-3/4	7.70	Ba
Virginia Elec. & Pwr. Co.	Com. stk.	50.0				
<u>State and local Government</u>						
Kansas City, Mo.	Rev.-Rent.	10.0	1969-98	4.90	3.80-5.15	A-1
East Baton Rouge Parish, La.	G.O.	21.0	1969-98	4.80	3.75-4.90	--
Los Angeles Flood Control District	G.O.	10.0	1969-95	4.58	3.65-4.65	Aa
California, State of	G.O.	100.0	1970-94	4.54	3.75-5.00	Aa
*Jefferson, La., Parish-wide Sch. Dist. #1	G.O.	15.0	1971-98	5.54	4.10-5.50	Baa
Delaware, State of	G.O.	22.2	1969-1988	4.05	3.50-4.15	Aa
Dallas Co. Jr. Coll. Dist., Texas	G.O.	26.5	1969-91 ^{5/}	4.31	3.60-4.40	Aa
Detroit, Michigan	G.O.	32.0	1970-2002 ^{4/}	4.80	3.75-4.90	Aa
Los Angeles Co. S.E. Gen'l Hosp. Auth.	Rev.-Rent.	22.4	1971-92	4.91	4.00-5.00	Aa
Cincinnati, Ohio	G.O.	13.9	1969-98	4-3/8	3.70-4.60	Aa
Medford, Mass.	G.O.	15.8	1969-88	4.88	3.75-4.50	--
Austin, Texas	G.O.	16.0	1969-88	4.51	3.70-4.60	Aa
Puerto Rico	G.O.	44.0	1970-94	5.04	4.00-5.00	A-1
Hempstead, N. Y.	G.O.	10.0	1969-94	4-3/4	3.90-5.00	A
Housing Assistance Admin.	Bonds	145.6	1969-2009	4.73	3.70-4.95	Aaa
<u>Other</u>						
Montreal Catholic Sch. Comm.	S.F. debs.	20.0	1993	7-1/2	7.88	A
Newfoundland and Labrador Power Commission	S.F. debs.	25.0	1993	7-3/4	8	Baa

^{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 maturing only at 2001 reoffered.

^{5/} Bonds maturing only at 1990-91 reoffered.

* Rights offering.

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 - 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
Apr. 30	1,103	695	45	1,612	1,069	60

Forthcoming Large Offerings as of May 24.

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>Corporate</u>			
Union Oil of California	Debs.	150.0	May 20
Northern Natural Gas	Debs.	50.0	May 28
Monongahela Power Co.	1st mtg. bds.	20.0	May 28
Dow Chemical Co.	Debs.	100.0	June 4
Ogden Corp.	Conv. debs.	50.0	June 4
Louisville Gas & Electric	1st mtg. bds.	20.0	June 4
*Franklin National Bank	Com. stk.	15.4	June 4
Southwestern Bell Telephone	Debs.	150.0	June 5
Becton-Dickinson & Co.	Conv. sub. debs.	25.0	June 5
Florida Power Corp.	1st mtg. bds.	30.0	June 6
*Gulf Oil Corp.	Debs.	200.0	June 10
*Equity Funding Corp. of America	Conv. debs.	15.0	June 10
*Northern Illinois Gas Co.	1st mtg. bds.	30.0	June 11
Alloys Unlimited	Conv. sub. debs.	15.0	June 12
Arkansas Power & Light	1st mtg. bds.	15.0	June 12
Columbus & Southern Ohio Electric	1st mtg. bds.	25.0	June 13
Public Service Electric & Gas Co.	1st mtg. bds.	75.0	June 18
Gordon Jewelry	Conv. debs.	15.0	June 18

Forthcoming Large Offerings as of May 24.

Issuer	Type	Amount (millions of dollars)	Approximate date of offering
<u>Corporate (Cont'd)</u>			
Dayton Power & Light Co.	1st mtg. bds.	25.0	June 19
*Ohio Bell Telephone	Debs.	55.0	June 24
*Lone Star Cement	Conv. debs.	30.0	June
Montgomery Ward Credit Corp.	Debs.	60.0	June
Allegheny Beverage Corp.	Conv. sub. debs.	20.0	Indefinite
Piedmont Aviation	Conv. debs.	15.0	Indefinite
Transcontinental Gas Pipeline	1st mtg. bds.	50.0	Indefinite
Penzoil United, Inc.	Debs.	100.0	Indefinite
American Hoist & Derrick	Conv. debs.	15.0	Indefinite
<u>State and local Government</u>			
Jefferson Co., Ala.	Rev.-S.T.	10.0	May 28
New York State	G.O.	75.0	May 28
Calif. State Colleges	Rev.-Rent.	50.6	May 28
Chicago, Illinois	G.O.	40.0	May 28
Florida State Bd. of Ed.	G.O.	25.0	May 28
Los Angeles Dept. of Wtr. & Pwr.	Rev.-Ut.	21.0	May 29
Livonia, Michigan Pub. Sch. Dist.	G.O.	14.0	June 3
Dormitory Auth. of the State of N.Y.	Rev.-Rent.	28.2	June 4
Fulton Co. Sch. Dist., Ga.	G.O.	10.0	June 4
Houston, Texas	G.O.	20.0	June 5
State of Oregon	G.O.	25.0	June 5
Seattle, Washington	Rev.-Ut.	20.0	June 5
Pennsylvania Gen'l State Auth.	Rev.-Rent.	75.0	June 6
Metro. Water Dist. of S. Calif.	G.O.	85.0	June 11
Dallas I.S.D., Texas	G.O.	10.0	June 12
*Virginia Public School Auth.	G.O.	10.0	June 12
Allegheny Co., Pa.	G.O.	18.8	June 13
Florida State Bd. of Ed.	Rev.-S.T.	51.7	June 18
Newark, N. J.	G.O.	18.1	June 18
*Rend Lake Conservancy Dist., Ill.	Rev.-Ut.	13.5	June 18
Harris Co., Texas	G.O.	18.8	June 24
*Port of Seattle, Wash.	Rev.-Q.-Ut.	10.0	June 25
Kentucky Turnpike Auth.	Rev.-Q.-Ut.	120.0	Indefinite
Los Angeles Dept. of Airports	Rev.-Rent.	35.0	Indefinite
<u>Other</u>			
Export-Import Bank	Part. cert.	500.0	June 4
Canadian Utilities, Ltd.	S.F. debs w/wts.	15.0	Indefinite
*Canada, Gov't of	Bonds	100.0	Indefinite

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: Two issues were postponed due to market conditions; they were Michigan Wisconsin Pipeline Co.'s \$50.0 million 1st mtg. p.l. bonds; Philadelphia, Pa.'s \$29.4 G.O. issue.

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 May 24, 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%.
May 15	20.0	Montreal Catholic School Commission--7-1/2% S.F. debts. maturing 1993, reoffered to yield 7.88%.
May 21	25.0	Newfoundland and Labrador Power Commission--7-3/4% S.F. debentures, maturing 1993, reoffered to yield 8%.
B. Prospective Offerings		
Indefinite	15.0	New Zealand -- Bonds ***
Indefinite	15.0	Canadian Utilities, Ltd., -- S.F. debts. with warrants.

* - 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 March 1 through May 24, 1968.

Date Reported	Amount (millions of dollars)	Issuer and Description of Issue
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.
4/29/68	27.8	Arctic LNG Transportation Co. (Liberian Corp.) 6-5/8% notes maturing 1991. \$21.3 take down.
5/20/68	60.0	Eurocan Pulp & Paper Co. Ltd. - (British Columbia) 1st and collateral--7-1/2%, maturing 1993.

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.