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February 8, 1971

to Capital Market

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FEDERAL RESERVE BANK
OF RICHMOND

CAPITAL MARKET DEVELOPMENTS

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

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SYMBOLS:

- e Estimate
 - p Preliminary
 - r Revised
 - n.a. Not available
-

TABLE 1: Yields, Volume and Reception

WEEK ENDING:	CORPORATE BOND MARKET				
	YIELDS		VOLUME ²		
	NEW ISSUE ¹	MOODY'S SEASONED Aaa	GROSS OFFERINGS	PER CENT SOLD BY END OF WEEK	BONDS SCHEDULED WITHIN 28 DAYS
1971 - Jan. 1	--	7.48	--	--	773
8	7.59	7.45	345	80	1,054
15	7.31	7.42	797	95	748
22	6.98	7.36	330	93	n.a.
29	6.76	7.19	525	69	n.a.
Feb. 5	6.91	7.10	384	64	n.a.
12	n.a.	n.a.	635e	n.a.	n.a.
WEEK ENDING:	MUNICIPAL BOND MARKET				
	YIELDS		VOLUME ²		
	MOODY'S SEASONED Aaa	BOND BUYER SEASONED 20 BOND INDEX	GROSS OFFERINGS	PER CENT SOLD BY END OF WEEK	BONDS SCHEDULED WITHIN 28 DAYS
1971 - Jan. 1	5.25	5.58	42	82	1,377
8	5.40	5.74	561	86	1,653
15	5.00	5.39	822	94	1,278
22	4.95	5.13	507	81	1,201
29	4.95	5.16	716	48	1,027
Feb. 5	5.10	5.27	333	72	1,147
Feb. 12	n.a.	n.a.	455e	n.a.	n.a.

Derived by adjusting to a Aaa basis, new issues of publicly-offered corporate bonds with call protection, rated A, Aa, or Aaa 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.)

Millions of dollars unless otherwise indicated.

Note: See footnotes to Table 3

TABLE 2: Details on Inventories

CORPORATE BONDS IN SYNDICATE END OF LATEST WEEK							
DATE OFFERED	AMOUNT (MIL. \$)	ISSUER	COUPON	ORIGINAL	RATING AND	ESTIMATED PRO-	
				YIELD	CALL PROTECTION	PORTION SOLD	
2/4	30.0	Texas Pwr. & Lt.	7-1/8	6.95	Aaa	6 yrs	25%
2/3	40.0	Pub. Svc. Colorado	7-1/4	7.17	Aa	6 yrs	65%
2/2	65.0	Niagara Mohawk Pwr.	7-3/8	7.25	A	6 yrs.	35%
2/2	40.0	Pacific Pwr. & Lt.	7-7/8	7.90	Baa	6 yrs.	50%
2/1	60.0	Penn. Pwr. & Lt.	7-1/4	7.15	Aa	6 yrs.	35%
1/28	50.0	Assoc. Dry Goods	7-1/8	7.15	A	10 yrs.	90%
1/27	15.0	Gen'l Tel. Wisc.	7-1/8	7.10	A	6 yrs.	50%
1/26	200.0	S. Western Bell Tel.	6-7/8	6.80	Aaa	6 yrs.	25%

CORPORATE BONDS RELEASED FROM SYNDICATE DURING LATEST WEEK								
DATE		AMOUNT	ISSUER	COUPON	ORIGINAL	INCREASE	RATING AND	ESTIMATED PRO-
OFFERED	RELEASED				YIELD	IN YIELD	CALL PROT.	PORTION RELEASED

None

INVENTORIES ¹				
DATE	MUNICIPALS		CORPORATES	
	BLUE LIST	IN SYNDICATE	IN SYNDICATE	
1971 - Jan. 8	810	196	95	
15	711	96	48	
22	689	111	22	
29	r856	350	162	
Feb. 5	909	227	308	

N.C. - No call protection.

¹ All figures in millions of dollars. Blue List is daily average for week ended Friday, except for latest week which is daily average of three days ended Wednesday. All other figures are as of Friday.

TABLE 3: High Grade Bond Yields

DATE	NEW CORPORATE Aaa ¹	MOODY'S SEASONED CORPORATE Aaa ²	U. S. GOVERNMENT 20-YEAR CONSTANT MATURITIES ³	BOND BUYER'S SEASONED MUNICIPALS ⁴
1968 - High	7.02 (12/13)	6.55 (1/27)	5.90 (1/20)	4.85 (1/26)
Low	6.13 (8/30)	5.95 (9/13)	5.18 (8/9)	4.07 (8/8)
1969 - High	8.85 (12/5)	7.84 (2/26)	6.97 (12/26)	6.90 (12/18)
Low	6.90 (2/21)	6.55 (1/12)	5.96 (1/24)	4.82 (1/28)
1970 - High	9.30 (6/19)	8.60 (7/3)	7.55 (5/29)	7.12 (5/29)
Low	7.68 (12/18)	7.48 (12/31)	6.17 (12/18)	5.33 (12/11)
1971 - Jan. 1	--	7.48	6.44	5.58
8	7.59	7.45	6.36	5.74
15	7.31	7.42	6.21	5.39
22	6.98	7.36	6.09 ^x	5.13
29	6.76	7.19	6.05	5.16
Feb. 5	6.91	7.10	6.09	5.27

1 New corporate issues, with call protection, adjusted (as described in footnote 1 of Table 1) to a Aaa basis.

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

3 Weekly average of daily figures.

4 Thursday figures. The average rating of the 20 bonds used in this index falls midway between the four top groups as classified by Moody's Investors Service.

Note--Highs and lows are for individual series and may be on different dates for different series.

TABLE 4: Long-term Corporate and State and Local Government
Security Offerings and Placements
(In millions of dollars)

PERIOD	GROSS PROCEEDS					
	CORPORATE ¹			STATE AND LOCAL ²		
	1971	1970	1969	1971	1970	1969
January	2,100e	2,636	2,075	2,600e	1,340	1,262
February		1,802	2,045		1,214	987
March		3,539	2,098		1,551	538
April		3,170	2,748		1,647	1,801
May		3,909	2,076		995	1,110
June		3,389	2,530		1,088	737
July		2,768	2,478		1,338	1,097
August		2,274	1,427		1,355	808
September		3,518	2,427		1,728	559
October		3,851	1,933		1,860	1,280
November		4,050e	2,375		1,742	886
December		3,700e	2,532		2,214e	816
1st Quarter		7,977	6,218		4,105	2,787
2nd Quarter		10,468	7,354		3,730	3,648
3rd Quarter		8,560	6,332		4,421	2,464
4th Quarter		11,601	6,840		5,816	2,982
1st half		18,445	13,572		7,835	6,435
Three quarters		27,005	19,904		12,256	8,899
Year		38,606e	26,744		18,072e	11,881
	Excluding finance companies ³					
1st Quarter			6,170			
2nd Quarter			7,037			
3rd Quarter						
4th Quarter						
Year						

¹ Securities and Exchange Commission estimates of gross proceeds.

² Investment Bankers Association of America estimates of principal amounts.

³ Total gross proceeds excluding offerings of sales and consumer finance companies.

TABLE 5: New Corporate Security Issues, Type of Issue and Issuer
(In millions of dollars)

QUARTER OR MONTH	GROSS PROCEEDS BY TYPE OF ISSUE					GROSS PROCEEDS BY TYPE OF ISSUER				
	TOTAL	BONDS		COMMON AND FPD. STOCK	MEMO: ISSUES INCLUDED		MFG.	PUBLIC UTILITY	COMMUNI- CATIONS	OTHER ISSUERS ¹
		PUBLICLY OFFERED	PRIVATELY PLACED		FOREIGN	CONVERTIBLE				
1970 - I	7,977	4,577	1,235	2,147	222	922	2,584	2,085	766	2,543
II	10,468	6,994	1,282	2,190	135	710	2,445	2,812	2,162	3,048
III	8,560	5,987	914	1,659	83	287	2,314	2,714	868	2,663
IVe	11,601	7,640	1,385	2,576	n.a.	786	2,869	2,996	1,320	4,417
1970 - Jan.	2,636	1,595	516	525	61	387	811	639	234	952
Feb.	1,802	1,068	266	468	33	249	357	540	226	680
Mar.	3,539	1,914	471	1,154	128	286	1,416	906	306	911
Apr.	3,170	2,022	447	701	89	398	689	1,109	62	1,310
May	3,909	3,041	399	468	20	230	817	600	1,747	744
June	3,389	1,931	436	1,021	26	82	939	1,103	353	994
July	2,768	1,831	320	617	68	107	638	843	144	1,143
Aug.	2,274	1,731	205	338	11	59	682	630	279	682
Sept.	3,518	2,425	389	704	4	121	994	1,241	445	838
Oct.	3,851	2,390	385	1,076	4	386	1,094	1,101	370	1,287
Nov. e/	4,050	2,950	300	800	n.a.	200	1,025	970	675	1,380
Dec. e/	3,700	2,300	700	700	n.a.	200	750	925	275	1,750
Jan. e/	2,750	2,000	300	450	n.a.	80	505	465	380	1,400

1. Other issuers are extractive, railroad and other transportation, real estate and finance, and commercial and other.

Source: Securities and Exchange Commission. Quarterly supplements are available.

TABLE 6: Large Long-term Public Security Issues for New Capital
(Other than U.S. Treasury)¹

February 1 thru February 5, 1971

ISSUER	TYPE	AMOUNT (MILLIONS OF DOLLARS)	MATURITY	COUPON RATE OR NET INTER- EST COST	OFFER- ING YIELD	MOODY'S RATING
<u>Corporates</u>						
Texas Pwr. & Lt. Co.	1st. Mtg.	30.0	2001	7.13	6.95	Aaa
Pub. Serv. Co. of Colo.	1st. Mtg. bds	40.0	2001	7.25	7.17	Aa
Uniroyal Inc.	Debs.	100.0	1996	5.50	5.50	Ba
Pacific Pwr. & Lt. Co.	1st. Mtg.	40.0	2001	7.88	7.90	Baa
Niagara Mohawk Pwr. Co.	1st. Mtg.	65.0	2001	7.38	7.25	A
Penna. Pwr. & Lt. Co.	Debs.	60.0	2001	7.25	7.15	Aa

TABLE 6: Large Long-term Public Security Issues for New Capital (continued)
(Other than U.S. Treasury)¹

February 1 thru February 5, 1971

ISSUER	TYPE ²	AMOUNT (MILLIONS OF DOLLARS)	MATURITY	COUPON RATE OR NET INTER- EST COST	OFFER- ING YIELD	MOODY'S RATING
<u>State and Local</u>						
California	Bds.	100.0	1980-20	5.52	3.90-5.70	Aa
Prince William Co, Va.	G.O.	15.0	1972-1990	4.69	2.75-5.00	A
Los Angeles DWAP	Rev.	18.0	1977-96	5.47	3.60-5.30	Aa
Anne Arundel Co., Md.	G.O.	18.0	1972-2001	4.93	2.80-5.50	A
Yonkers, N. Y.	G.O.	16.3	1971-88	--	2.70-5.00	A
Hartford, Conn.	G.O.	14.4	1972-2009	4.77	2.60-5.30	Aaa
Alaska	G.O.	21.3	1972-1992	5.07	3.00-5.80	Baa
Peabody, Mass.	G.O.	11.0	1990-91	--	2.80-5.20	Aa

* Rights offering.

- Includes corporate and other security offerings of \$15 million and over; State and local security offerings of \$10 million and over.
- In 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.
- Includes foreign government and International Bank for Reconstruction and Development issues and non-quaranteed issues by Federal Agencies.

TABLE 7: Forthcoming Large Long-term Public Security Offerings for New Capital
(Other than U.S. Treasury)¹
(continued)

As of February 5, 1971

ISSUER	TYPE	AMOUNT (MILLIONS OF DOLLARS)	APPROXIMATE DATE OF OFFERING
Corporates			
Reliance Elec. Co.	Debs.	30.0	February 8
American Tel. & Tel. Co.	Debs.	500.0	February 8
Central Pwr. & Lt. Co.	1st. Mtg.	36.0	February 9
Indiana & Michigan	Bds.	30.0	February 10
M. Lowenstein Inc.	Debs.	50.0	February 15
Georgia Pwr. Co.	1st. Mtg.	49.5	February 16
Wisconsin Tel. Co.	Debs.	90.0	February 16
Houston Lighting & Pwr. Co.	Bds.	49.5	February 16
*Dana Corp.	Debs.	50.0	February 17
Jersey Central Pwr. & Lt. Co.	Bds.	35.0	February 18
U. S. Plywood-Champion Paper Inc.	S. F. debs.	100.0	February 18
Northern States Pwr. Co.	Bds.	50.0	February 23
Texas Eastern Trans Corp.	Debs.	50.0	February 23
South Carolina Elec. & Gas Co.	Bds.	35.0	February 24
Gen'l Tel. Co. Florida	1st. Mtg.	45.0	February 25
Hart Schaffner & Marx	Debs.	35.0	February 25
McCulloh Properties Credit Corp.	Debs.	30.0	February
Microdot Inc.	Notes	20.0	February
Beneficial Corp.	Bds.	50.0	February
Beneficial Corp.	Bds.	25.0	February
Occidental Petroleum Corp.	Con debs.	100.0	February
Monumental Corp.	Notes	20.0	February
Alabama Gas Co.	1st. Mtg.	16.0	February
Maine Yankee Atomic Pwr. Co.	Bds.	50.0	March 2
* Harsco Corp.	S. F. debs.	30.0	March 4
Columbia Gas System Inc.	Debs.	75.0	March 4
Duquense Lt. Co.	1st. Mtg.	35.0	March 8
Pacific Tel. & Tel. Co.	Debs.	200.0	March 9
Rochester Tel. Co.	Bds.	30.0	March 11
Swift & Co.	Debs.	50.0	March
Burlington Northern, Inc.	1st. Mtg.	60.0	March
Georgia-Pacific Corp.	Conv. debs.	125.0	March
Ohio Power Company	1st. Mtg.	40.0	March 22
*North American Rockwell Corp.	S. F. debs.	100.0	March
*Central Tel. & Utility Corp.	1st. Mtg.	20.0	March
New England Tel. & Tel. Co.	Debs.	200.0	May 25

TABLE 7: Forthcoming Large Long-term Public Security Offerings for New Capital
(Other than U.S. Treasury)¹ As of February 5, 1971

ISSUER	TYPE	AMOUNT (MILLIONS OF DOLLARS)	APPROXIMATE DATE OF OFFERING
<u>State and Local</u>			
Detroit, Michigan	Rev.	20.0	Feb. 9
Tennessee	G.O.	66.0	Feb. 9
Vermont, State of	G.O.	25.0	Feb. 10
New York, State of	Bds.	96.0	Feb. 10
Dallas-Ft. Worth Airport, Tex.	Rev.	65.0	Feb. 10
San Antonio, Tex.	Rev.	10.0	Feb. 11
Los Angeles, Co. Fld. Ctr. Dist. California	Bds.	24.0	Feb. 16
*Prince Georges Co., Md.	Bds.	26.2	Feb. 17
Newark, N. J.	G.O.	18.8	Feb. 17
St. Louis, Missouri	G.O.	10.0	Feb. 17
Calif. State Colleges	Bds.	13.7	Feb. 17
Louisiana, State of	G.O.	50.0	Feb. 18
Pittsburg Stadium Auth., Pa.	Bds.	35.0	Feb. 18
Virginia Pub. Sch. Auth.	G.O.	25.0	Feb. 18
Los Angeles Harbor Dept., Cal.	G.O.	16.0	Feb. 24
Texas Wtr. Development Bd.	G.O.	25.0	Feb. 24
New York State House Finance Agency		103.8	Feb. 24
Ohio, State of	G.O.	75.0	Feb. 25
San Bernardino, Calif. Redevp. Agency	Bds.	13.5	Feb.
Roanoke, Va.	G.O.	10.0	Mar. 2
Broward Co. S/D, Fla.	G.O.	18.6	Mar. 3
Dallas, City of	G.O.	27.0	Mar. 3
San Antonio, Tex.	G.O.	13.0	Mar. 4
Buffalo, N. Y.	G.O.	22.1	Mar. 9
Baltimore, Md.	G.O.	35.2	Mar. 16

* 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.

TABLE 8: Stock Prices and Volume

DATE	STOCK PRICES ¹			TRADING VOLUME ²	
	NYSE ³ INDEX	D. J. - IND.	AMEX ⁴	NYSE	AMEX
1968 - High	61.27(11/29)	985.21(12/13)	33.24(12/20)	17.1(7/12)	9.3(1/19)
Low	48.66(3/5)	825.13(3/21)	21.97(3/25)	8.3(3/29)	2.9(3/29)
1969 - High	50.32(5/14)	968.85(5/14)	32.91(1/3)	16.5(3/29)	8.0(1/31)
Low	49.31(7/29)	769.93(12/17)	25.02(7/29)	8.6(8/29)	3.6(11/20)
1970 - High	52.36(1/5)	842.00(12/29)	27.02(1/8)	18.5(12/4)	7.1(1/2)
Low	37.69(5/26)	631.16(5/26)	19.36(5/27)	7.8(8/14)	1.8(8/14)
1971 - Jan. 1	50.23	838.92	22.75	15.6	4.4
8	50.46	837.01	23.10	14.0	3.6
15	51.16	845.70	23.52	17.4	4.3
22	52.11	861.31	23.93	18.1	4.7
29	52.64	868.50	24.32	20.2	5.3
Feb. 5	53.36	876.57	24.67	21.1	6.9

1. Figures other than highs and lows are Fridays only. Highs and lows are for the year and are not necessarily for Fridays.
2. NYSE is the New York Stock Exchange; AMEX is the American Stock Exchange. Volume figures are daily averaged for the entire week. (millions of shares). Trading is normally conducted for 5-1/2 hours per day and 5 days per week, or 27-1/2 hours per week. In recent years, however abbreviated trading to the extent, and over the time periods, shown below:

<u>From</u>	<u>Through:</u>	<u>Hours/ Day</u>	<u>Days/ Week</u>	<u>Hours/ Week</u>
August 8, 1967	August 20, 1967	4	5	20
January 22, 1968	March 1, 1968	4	5	20
June 30, 1968	December 31, 1968	5-1/2	4	22
January 3, 1969	July 3, 1969	4	5	20
July 7, 1969	December 31, 1969	4-1/2	5	22-1/2
January 2, 1970	May 1, 1970	5	5	25

3. 12/31/65= 50
4. Average dollar value of shares listed.

TABLE 9: Security Credit

END OF PERIOD	CREDIT EXTENDED TO MARGIN CUSTOMERS BY:			CUSTOMERS' NET DEBIT BALANCES	CUSTOMERS' NET FREE CREDIT BALANCES	NET CREDIT EXTENDED BY BROKERS AND DEALERS ³
	BROKERS ¹	BANKS ²	TOTAL			
Outstanding:						
1969 - Dec.	4,970	2,580	7,550	7,445	2,803	4,642
1970 - Jan.	4,680	2,430	7,110	6,683	2,626	4,057
Feb.	4,570	2,370	6,940	6,562	2,563	4,099
Mar.	4,520	2,370	6,890	6,353	2,441	3,912
Apr.	4,360	2,330	6,690	5,985	2,248	3,724
May	4,160	2,290	6,450	5,433	2,222	3,211
June	4,150	2,290	6,150	5,281	2,009	3,272
July	3,800	2,290	6,090	(4)	(5)2,180	(4)
Aug.	3,810	2,300	6,110	(4)	2,083	(4)
Sept.	3,920	2,330	6,250	(4)	2,236	(4)
Oct.	4,010	2,270	6,280	(4)	2,163	(4)
Nov.	4,010	2,320	6,330	(4)	2,197	(4)
Dec.	4,030	2,330	6,360	(4)	2,286	(4)
Change in Outstanding:						
1969 - Dec.	-100	60	-40	334	190	144
1970 - Jan.	-290	-150	-440	-762	-177	-585
Feb.	-110	-40	-170	-121	-163	42
Mar.	-50	--	-50	-209	-22	-187
Apr.	-160	-40	-200	-368	-193	-188
May	200	-40	240	-552	-26	-513
June	-10	--	-300	-152	-213	-61
July	-350	--	-60	--	171	--
Aug.	-10	10	-20	--	97	--
Sept.	110	30	140	--	153	--
Oct.	90	-60	30	--	-73	--
Nov.	2	50	52	--	34	--
Dec.	18	10	28	--	89	--

1 Margin debt, as reported by the New York Stock Exchange. Although margin debt until March 1968 included loans secured by U.S. governments, the amount of such loans included is thought to have been small.

2 "Bank loans to others than brokers and dealers for purchasing or carrying securities other than U.S. governments."

3 The difference between customers' net debit balances and customers' net free credit balances, this figure represents the net credit extended by brokers and dealers to the nonfinancial public.

NOTE: With the exception of bank loan data, figures are supplied by the New York Stock Exchange and are end of month data. Bank loans are for weekly reporting large commercial banks. Broker data includes loans for regulated securities; bank data includes loans for the purpose of purchasing or carrying any security, whether regulated or not.

TABLE 10: Savings Flows at Nonbank Depository Intermediaries
(\$ millions)

DATE	MUTUAL SAVINGS BANKS			SAVINGS & LOAN ASSOCIATIONS			TOTAL		
	REGULAR DEPOSITS ³		NET NEW MONEY ²	SHARE CAPITAL		NET NEW MONEY ²	DEPOSITS		NET NEW MONEY ²
	NET FLOW	ANNUAL GROWTH RATE ¹		NET FLOW	ANNUAL GROWTH RATE ¹		NET FLOW	ANNUAL GROWTH RATE ¹	
	<u>Not Seasonally Adjusted</u>								
1968	4,203	7.0	1,143	7,432	6.0	2,738	11,635	6.3	3,881
1969	2,549	4.0	-763	4,019	3.1	-1,003	6,568	3.4	-1,766
1970 p/	4,199	6.3	860	11,048	8.2	5,288	15,247	7.5	6,148
1969- Oct.	-138	--	266	-406	--	-430	-544	--	-696
Nov.	257	--	179	226	--	207	483	--	386
Dec.	571	--	-237	1,069	--	-387	1,640	--	-624
1970 - Oct.	276	--	138	1,130	--	1,064	1,406	--	1,202
Nov.	497	--	388	1,098	--	1,044	1,595	--	1,432
Dec p/	900	--	300	2,696	--	1,154	3,596	--	1,454
	<u>Seasonally Adjusted</u>								
1970 - July	497	8.8	--	1,776	15.5	--	2,273	13.3	--
Aug.	268	4.7	--	785	6.8	--	1,053	6.1	--
Sept.	437	7.6	--	1,393	11.9	--	1,830	10.5	--
Oct.	444	7.7	--	1,399	11.9	--	1,843	10.5	--
Nov.	531	9.1	--	1,092	9.2	--	1,623	9.2	--
Dec. p/	557	9.5	--	1,721	14.3	--	2,278	12.8	--

¹ Annual growth rate for monthly data is the annualized monthly percentage increase in deposits.

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

³ Regular deposits at mutual savings banks exclude items such as Christmas club and certain escrow accounts, which represent a very small part of total deposits.

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

TABLE 11: Mortgage Commitments at Selected Thrift Institutions ¹

DATE	OUTSTANDING COMMITMENTS			NET CHANGE		
	TOTAL	ALL SAVINGS & LOAN ASSOCIATIONS	MUTUAL SAVINGS BANKS (N.Y. STATE)	TOTAL	ALL SAVINGS & LOAN ASSOCIATIONS	MUTUAL SAVINGS BANKS (N.Y. STATE)
(Billions of Dollars, Seasonally Adjusted) ^{1/}						
1969 - Dec.	8.4	5.8	2.6	-.25	-.12	-.13
1970 - Jan.	8.2	5.6	2.6	-.17	-.22	.04
Feb.	7.9	5.4	2.5	-.30	-.23	-.07
Mar.	7.6	5.2	2.5	-.26	-.21	-.05
Apr.	7.8	5.4	2.4	.13	.26	-.13
May	8.0	5.8	2.2	.24	.38	-.14
June	8.2	6.1	2.1	.22	.30	-.09
July	8.6	6.5	2.0	.38	.42	r-.04
Aug.	r8.8	6.8	2.0	.24	.33	r-.08
Sept.	9.1	r7.1	1.9	.24	.39	-.10
Oct.	9.3	7.4	1.9	.32	.39	-.06
Nov.	9.4	7.5	1.9	.34	.33	-.07
Dec.	9.8	7.6	1.9	.55	.32	-.22

¹ Based on data from Federal Home Loan Bank Board and Savings Banks Associations of New York State. Data for savings banks and S&L's include a minor amount of non-residential commitments. S&L commitments include loans in process. Net changes are derived directly from unrounded outstandings levels as reported and after seasonal adjustment by Federal Reserve. Subtotals may not add to totals because of rounding.

TABLE 12: Net Change in Mortgage Holdings ¹

DATE	TOTAL INCLUDING FNMA-GNMA	FINANCIAL INSTITUTIONS					FNMA-GNMA
		TOTAL	COMMERCIAL BANKS	MUTUAL SAVINGS BANKS	SAVINGS & LOAN ASSOC.	LIFE INSURANCE COMPANIES	
<u>Not Seasonally Adjusted</u>							
1966	18,105	15,782	4,705	2,720	3,761	4,596	2,323
1967	20,016	18,219	4,639	3,153	7,520	2,907	1,797
1968	23,781	21,273	6,677	2,787	9,350	2,459	2,508
1969	24,051	19,676	5,535	2,682	9,407	2,052	4,375
1969 - Nov.	1,636	1,042	300	151	450	141	594
Dec.	2,120	1,475	200	325	533	417	645
1970 - Nov.	2,184	1,932	300	183	1,322	127	252
Dec.	n.a.	n.a.	200	n.a.	1,664	n.a.	n.a.
<u>Seasonally Adjusted</u>							
1969 - Dec.	1,913	1,315	314	279	571	151	598
1970 - Jan.	1,469	919	231	25	452	211	550
Feb.	1,542	1,044	199	143	482	220	498
Mar.	1,330	809	140	186	322	161	521
Apr.	1,351	844	76	188	385	195	507
May	1,485	1,050	65	155	631	199	435
June	1,749	1,281	81	201	777	222	468
July	2,083	1,575	165	142	1,055	213	508
Aug.	1,817	1,409	168	175	983	83	408
Sept.	2,091	1,727	228	245	1,103	151	364
Oct.	2,074	1,754	195	170	1,189	200	320
Nov.	2,186	1,958	224	176	1,427	131	228
Dec.	n.a.	n.a.	312	n.a.	1,702	n.a.	n.a.

¹ Monthly data for commercial banks based on Federal Reserve estimates benchmarked to Call Report data on real estate loans outstanding as available. Other data derived from mortgage debt outstanding as reported separately by National Assn. of Mutual Savings Banks, Federal Home Loan Bank Board, Institute of Life Insurance and, through August 1968, the Federal National Mortgage Association, and thereafter by FNMA and the Government National Mortgage Association. Data for mutual savings banks and for Life Insurance companies may differ somewhat from those derived from regular quarterly series because of minor conceptual differences for which adjustments are not made in the monthly series. Altogether, these groups accounted for 86 per cent of the net increase estimated for all holders in 1967.

TABLE 13: Net Increases in Mortgage Debt Outstanding ¹
 Billions of dollars, SAAR ²

QUARTER	TOTAL	RESIDENTIAL ³	1- to 4- FAMILY	MULTI- FAMILY	COMMERCIAL	MULTI-AND COMMERCIAL	FARM
1966 - II	18.6	10.9	8.3	2.6	5.5	8.2	2.2
IV	15.1	9.1	7.0	2.1	4.1	6.0	1.8
1967 - I	15.9	10.3	7.0	3.3	3.9	7.3	1.8
II	20.7	13.9	10.5	3.4	5.0	8.4	1.8
III	26.6	19.2	15.3	3.9	4.9	8.8	2.5
IV	27.3	19.8	16.0	3.8	4.8	8.4	2.8
1968 - I p	27.7	19.0	15.8	3.1	6.4	9.4	2.3
II p	26.2	18.2	15.0	3.2	5.9	9.2	2.2
III p	26.0	17.7	14.1	3.4	6.5	10.2	1.8
IV p	29.6	20.2	16.4	3.8	7.5	11.1	1.8
1969 - I p	31.3	29.0	18.6	4.4	6.2	10.4	2.2
II p	28.9	21.5	16.8	4.7	5.2	10.1	2.2
III p	26.5	19.3	14.6	4.7	5.3	10.0	1.8
IV p	30.4	18.3	13.0	5.3	5.4	10.7	1.4
1970 - I p	20.3	13.8	8.8	5.0	5.0	9.8	1.5
II p	23.4	16.9	11.5	5.4	5.0	9.8	1.5
III p	26.9	20.9	15.0	6.0	4.2	10.1	1.7
IV p							

¹ Derived from data on mortgage debt outstanding from Federal Deposit Insurance Corporation, Federal Home Loan Bank Board, Institute of Life Insurance, National Association of Mutual Savings Banks, Departments of Commerce and Agriculture, Federal National Mortgage Association, Federal Housing Administration, Veterans Administration and Comptroller of the Currency. Separation of non-farm mortgage debt by type of property, where not available, and interpolations and extrapolations, where required, estimated mainly by Federal Reserve.

² May differ somewhat from related flow of funds series mainly because of more aggregative type of seasonal adjustment.

³ Residential mortgage debt includes nonfarm only and is sum of 1-to 4- family and multifamily mortgage debt combined.

TABLE 14: FNMA Weekly "Auction" Results

WEEK ENDED	COMMITMENTS IN \$ MILLIONS					IMPLICIT YIELD ² (per cent)		
	TOTAL OFFERED	ACCEPTED				90-DAY	6-MONTH	1-YEAR ¹ & OVER
		TOTAL	90-DAY	6-MONTH	1-YEAR ¹ & OVER			
1970 - Aug. 10	441.3	180.2	41.4	91.0	47.8	9.03	9.03	9.04
	24 575.0	215.1	48.8	124.4	41.9	9.03	9.03	9.03
Sept. 8	384.2	200.1	45.6	117.0	37.5	9.06	9.04	9.04
	21 207.8	195.3	40.1	121.5	33.7	9.01	9.01	9.02
Oct. 5	267.5	149.8	62.2	73.1	14.5	8.90	8.92	8.97
	19 352.5	149.7	53.2	88.1	8.4	8.89	8.90	8.95
Nov. 2	341.5	181.2	100.1	62.4	18.7	8.90	8.93	8.93
	16 222.4	170.3	75.8	79.4	15.1	8.89	8.90	8.92
Dec. 7	166.5	127.8	54.7	60.9	12.2	8.56	8.54	8.57
	14 165.5	124.7	42.1	72.1	10.5	8.51	8.43	8.47
	28 60.6	48.1	17.2	28.9	3.0	8.41	8.36	8.40
Jan. 25	44.6	35.5	9.9	25.6	--	7.83	7.96	--

Note: Under the FNMA auction system, approved sellers of Government-underwritten mortgages bid for FNMA forward purchase commitments, subject to an over-all dollar limit announced by FNMA in advance. Bids accepted by FNMA are for delivery at the seller's option, and at any time within the specified period. Bids on proposed homes relate to construction not yet started on which mortgages may be delivered only after completion and occupancy.

- 1 For "proposed construction" of new homes only.
- 2 Average secondary market yield after allowance for commitment fee and required purchase and holding of FNMA stock, assuming prepayment of 15 years for 30-year Government-underwritten mortgages. Yields shown are gross, before deduction of 38 basis points fee paid by investors to servicers. Prior to August 10, 1970 the servicing fee was 50 basis points.

TABLE 15: Private Housing Starts and Permits

DATE	STARTS							BUILDING PERMITS (SEASONALLY ADJUSTED ANNUAL RATE) ²
	SEASONALLY ADJUSTED ANNUAL RATE			TOTAL	UNADJUSTED			
					TYPE OF FINANCING			
	TOTAL	1-FAMILY	2 OR MORE		FHA	VA	OTHER	
1969 - Dec.	1,402	776	626	84.1	23.2	4.2	57.9	1,239
1970 - Jan.	1,059	577	482	66.4	16.5	3.4	46.5	1,013
Feb.	1,306	725	581	74.3	17.5	3.9	52.9	1,137
Mar.	1,392	708	684	114.7	25.2	4.8	84.7	1,099
Apr.	1,224	697	527	128.4	32.4	5.4	90.6	1,263
May	1,242	728	514	125.0	37.1	5.2	80.8	1,321
June	1,393	835	558	135.2	40.7	5.1	89.4	1,306
July	1,603	827	776	140.8	43.4	5.3	92.1	1,275
Aug. r	1,425	838	587	128.7	34.1	5.6	87.7	1,326
Sept. r	1,509	881	627	130.9	34.3	5.3	91.3	1,371
Oct. r	1,583	890	693	140.9	40.4	5.8	94.7	1,521
Nov. r	1,688	930	758	126.9	33.7	5.5	87.2	1,489
Dec.p	1,987	1,204	783	117.6	63.2	5.7	48.7	1,737

- 1 Total starts are Census estimates including farm for both permit-issuing and non-issuing areas. A dwelling unit is started when excavation begins; all units in an apartment structure are considered started at that time. FHA and VA starts are units started under commitments by these agencies to insure or guarantee the mortgages. As reported by FHA and VA, a unit is started when a field office receives the first compliance inspection report, which is made before footings are poured in some cases but normally after the foundations have been completed. Other starts are derived as a residual, although total and FHA and VA starts are not strictly comparable in concept or timing; other starts include both units financed by conventional mortgages and units without mortgages.
- 2 Building permits before January 1963 are Census estimates for about 10,000 areas identified as having a local building permit system in 1959. Estimates beginning January 1963 are for approximately 12,000 and beginning January 1967 13,000, or all known permit-issuing places. Unlike starts, seasonally adjusted building permits reflect direct adjustment for differences in the number of working days per month, as well as other differences in timing and coverage.

TABLE 16: Mortgage and Bond Yields ¹

DATE	FHA MORTGAGES ²		CONVENTIONAL MORTGAGES ³	SPREAD BETWEEN YIELDS ON CONV. & FHA MORTGAGES	NEW Aaa CORPORATE BONDS ⁴	SPREAD BETWEEN YIELDS ON NEW CORPORATE BONDS AND FHA MORTGAGES
	25-YEAR	30-YEAR				
1959-60 - High	6.26	n.a.	6.30	.23	5.25	1.69
1961-66 - Low	5.43	5.44	5.80	.25	4.41	.77
1966 - High	6.73	6.81	6.70	.30	5.82	1.16
1967 - High	n.a.	6.81	6.70	.11	6.51	1.28
- Low	n.a.	6.29	6.40	-.12	5.18	.27
1968 - High	n.a.	7.52	7.40	.12	6.79	1.20
- Low	n.a.	6.78	6.75	-.27	6.15	.26
1969 - High	n.a.	8.62	8.35	.40	8.75	1.08
- Low	n.a.	7.99	7.55	.13	6.91	-.13
1970 - Aug.	n.a.	9.07	8.60	-.47	8.48	.59
Sept.	n.a.	9.01	8.50	-.51	8.42	.59
Oct.	n.a.	8.97	8.50	-.47	8.63	.34
Nov.	n.a.	8.90	8.45	-.45	8.34	.56
Dec.	n.a.	8.40	8.30	-.10	7.80	.60

¹ Neither mortgage nor bond yields include allowance for servicing costs which are much higher for mortgages than for 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 See note for Table 1.

TABLE 17: Conventional Mortgage Terms ¹

DATE	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. (\$000)	CON-TRACT RATE (PER CENT)	FEES & CHARGES (PER CENT)	EFFEC-TIVE RATE	MATU-RITY (YEARS)	LOAN/PRICE RATIO (PER CENT)	LOAN AMT. (\$000)
	1	2	3			4	1	2	3		4	
<u>1969</u>												
Dec.	8.07	1.06	8.25	25.4	71.9	25.0	8.08	0.93	8.24	22.9	70.6	20.8
<u>1970</u>												
Jan.	8.16	1.08	8.34	25.0	69.3	25.1	8.13	0.94	8.29	22.4	70.3	20.5
Feb.	8.23	1.09	8.41	24.2	71.8	24.9	8.23	1.02	8.41	22.4	70.2	20.4
Mar.	8.29	1.11	8.47	25.0	71.1	25.1	8.26	0.98	8.43	22.6	70.4	20.6
Apr.	8.23	1.02	8.40	24.8	71.1	24.5	8.20	0.90	8.35	22.8	70.4	20.4
May	8.28	0.98	8.45	25.3	71.7	25.3	8.18	0.94	8.34	22.8	70.3	21.1
June	8.31	0.99	8.48	25.1	71.3	25.6	8.19	0.98	8.36	23.0	71.5	21.5
July	8.32	1.01	8.49	25.1	71.5	24.9	8.21	0.95	8.37	23.1	71.5	21.7
Aug.	8.35-	0.98	8.52	24.8	71.6	25.5	8.25	0.89	8.41	23.1	71.7	21.4
Sept.	8.31	1.03	8.48	25.2	72.7	25.3	8.27	0.88	8.42	22.8	71.7	21.0
Oct.	8.33	1.05	8.51	25.1	72.4	24.8	8.20	0.88	8.35	22.8	71.5	20.5
Nov. <u>1</u>	8.26	0.99	8.43	25.3	72.1	25.2	8.18	0.85	8.32	22.8	71.5	21.1
Dec.	8.20	1.07	8.37	25.9	74.0	25.7	8.12	0.84	8.26	23.3	71.9	21.8

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 permanent loans which are coupled with construction loans to owner-builders. Related series on conventional mortgage rates only, based on unweighted opinions of field-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 Table 16.
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.
4. Derived by FRB.