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July 19, 1971

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FEDERAL RESERVE BANK
OF RICHMOND

DECONTROLLED AFTER SIX MONTHS

CAPITAL MARKET DEVELOPMENTS

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

INDEX

Developments in the Corporate and Municipal Bond Markets
Capital Market Yields
Capital Market Volume
Stock Market
Mortgage Market

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 - June 4	7.79	7.70	220	92	n.a.
11	7.93	7.66	355	79	n.a.
18	8.05	7.63	839	98	n.a.
25	7.84	7.62	634	76	n.a.
July 2	7.89	7.63	310	88	n.a.
9	7.87	7.65	99	86	n.a.
16	7.82	7.64	238	58	n.a.
23	n.a.	n.a.	450e	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 - June 4	5.50	5.70	320	80	806
11	5.60	5.87	429	70	851
18	5.70	6.00	486	73	918
25	5.80	6.23	405	71	1,351
July 2	5.90	6.19	331	88	1,219
9	5.70	6.06	633	86	916
16	5.70	6.03	347	76	1,059
23	n.a.	n.a.	562e	n.a.	n.a.

¹ 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.)

² 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 YIELD	RATING AND CALL PROTECTION	ESTIMATED PRO-PORTION SOLD	
7/15	50.0	Columbia Broad Sys.	7.80	7.85	Aa 10 yrs.	95%	
7/13	15.0	Indiana Gas	8.25	8.30	A 5 yrs.	95%	
7/13	150.0	N.Y. Tel.	8.00	7.90	Aaa 5 yrs.	35%	
7/8	30.0	Carrier Corp.	8-1/8	8.25	A 10 yrs.	90%	
7/7	15.0	Wash. Gas Lt.	8-3/8	8.25	A 5 yrs.	45%	
6/29	20.0	ACE Ind.	8.40	8.40	A n.c.	85%	

CORPORATE BONDS RELEASED FROM SYNDICATE DURING LATEST WEEK								
DATE		AMOUNT	ISSUER	COUPON	ORIGINAL YIELD	INCREASE IN YIELD	RATING AND CALL PROT.	ESTIMATED PRO-PORTION RELEASED
OFFERED	RELEASED							
None								

INVENTORIES ¹			
DATE	MUNICIPALS		CORPORATES
	BLUE LIST	IN SYNDICATE	IN SYNDICATE
1971 - June 18	656	226	20
25	603	203	149
July 2	495	91	113
9	499*	129	27
16	n.a.	115	116

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
1969 - High	8.85 (12/5)	7.84 (12/26)	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 - High	8.23 (5/21)	7.69 (6/4)	6.51 (6/18)	6.23 (6/24)
Low	6.76 (1/29)	7.06 (2/12)	5.69 (3/23)	5.00 (3/18)
1971 - June 11	7.93	7.66	6.32	5.87
18	8.05	7.63	6.51	6.00
25	7.84	7.62	6.44	6.23
July 2	7.89	7.63	6.44	6.19
9	7.87	7.65	6.38	6.06
16	7.82	7.64	6.30	6.03

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	3,115	2,636	2,075	2,702	1,340	1,262
February	3,000	1,802	2,045	1,833	1,214	987
March	6,075	3,539	2,098	2,107	1,555	538
April	4,007	3,170	2,748	1,888	1,647	1,801
May	3,174	3,909	2,076	2,106	996	1,110
June	4,100e	3,389	2,530	1,900e	1,085	737
July		2,768	2,478		1,348	1,097
August		2,274	1,427		1,359	808
September		3,518	2,427		1,758	559
October		3,777	1,933		1,924	1,280
November		4,182	2,375		1,748	886
December		3,980	2,532		2,190	816
1st Quarter	12,190	7,977	6,218	6,642	4,109	2,787
2nd Quarter	11,281e	10,468	7,354	5,894e	3,728	3,648
3rd Quarter		8,560	6,332		4,465	2,464
4th Quarter		11,939	6,840		5,862	2,982
1st half		18,445	13,572		7,837	6,435
Three quarters		27,005	19,904		12,302	8,899
Year		38,944	26,744		18,164	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 PFD. STOCK	MEMO:		MFG.	PUBLIC UTILITY	COMMUNI- CATIONS	OTHER ISSUERS ¹
		PUBLICLY OFFERED	PRIVATELY PLACED		ISSUES INCLUDED					
				FOREIGN	CONVERTIBLE					
1970 - 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
IV	11,938	7,827	1,421	2,690	226	737	3,169	3,406	1,346	4,020
1971 - I	12,190	8,369	1,516	2,306	84	824	3,794	3,197	1,606	3,594
II <u>e/</u>	11,281	6,515	1,618	3,145	n.a.	1,362	3,281	2,627	876	4,496
1970 - 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.	3,777	2,390	304	1,083	56	388	1,006	1,101	371	1,300
Nov.	4,181	3,001	283	898	11	184	1,107	1,350	693	1,033
Dec.	3,979	2,436	834	709	159	165	1,056	955	282	1,687
1971 - Jan.	3,115	2,033	594	489	43	99	716	676	391	1,332
Feb.	3,000	2,201	275	524	3	168	661	1,069	683	587
Mar.	6,075	4,135	647	1,293	38	557	2,417	1,452	532	1,675
Apr.	4,007	2,118	473	1,415	113	384	1,115	1,265	269	1,358
May	3,174	2,097	445	630	35	253	766	587	407	1,413
<u>g/</u> June	4,100	2,300	700	1,100	n.a.	725	1,400	775	200	1,725

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

July 5 thru July 16, 1971

ISSUER	TYPE ²	AMOUNT (MILLIONS OF DOLLARS)	MATURITY	COUPON RATE OR NET INTER- EST COST	OFFER- ING YIELD	MOODY'S RATING
<u>Corporates</u>						
Penna. Pwr. & Lt. Co.	Cum Pref. Stk.	40.0	--	--	--	--
Carrier Corp.	Sr.debs w/w	30.0	1996	8.13	8.25	A
Quaker St. Oil Refining Corp.	Cap. Stk.	16.6	--	--	--	--
Washington Gas Lt. Co.	1st. Mtg.	15.0	1996	8.38	8.25	A
Wisconsin Pwr. & Lt. Co.	1st. Mtg.	30.0	2001	8.00	8.00	Aa
American Century Mtg. Inv.	Debs.	25.0	1991	6.75	6.75	--
New York Telephone Co.	1st mtg	150.0	2008	7.96	7.90	Aaa
Indiana Gas Company	1st mtg	15.0	1996	8.20	8.30	A
*AT&T	Conv. pref	1,375.0	--	--	8.00	--
Duquesne Light Co.	Com. stk	35.1	--	--	--	--
Cartridge T.V. Inc.	Com. stk	22.0	--	--	--	--
Property Capital Trust	Benf int.	15.8	--	--	--	--
C.B.S.	Debs	50.0	2001	7.85	7.85	A

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

July 5 thru July 16, 1971

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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>						
Penna, State of	Bds.	70.0	1972-2001	5.79	3.30-6.40	Aa
New York	G.O.	357.1	2012	7.58	5.50-7.80	Baa-1
*Massachusetts	G.O.	125.0	1972-2019	5.43	3.40-6.20	Aa
Boston, Mass.	G.O.	25.0	1972-91	6.48	4.25-7.00	Baa
Delaware Co. Comm Coll Auth, Pa.	Rev.	17.0	1973-2000	6.18	-- --	--
Pueblo, Colo	G.O.	16.1	1972-1985	6.20	3.50-5.70	--
Port of Oakland, Calif.	Rev.	3.5	1974-1981	--	5.00-6.75	--
Port of Oakland, Calif.	Rev.	16.3	--	--	8.00	--
Santa Ana Unified S/D, Calif.	G.O.	15.0	1972-1995	5.58	3.40-5.90	--
Murray State University, Ky	G.O.	2.7	1973-2000	7.07	4.25-7.20	Baa
Gloucester, Mass.	Bds.	10.8	1972-1991	--	3.40-6.00	Aa
Chicago Bldg. Commission	Rev.	55.0	1973-1991	6.48	3.50-6.90	A
Houston ISD, Texas	G.O.	10.0	1972-1981	4.19	N.R.	A-1
Michigan St. Housing Dev Auth	Rev.	15.0	1973-2004	6.92	4,10-7,10	A
Michigan St. Housing Dev. Auth	Rev.	25.0	1974-2015	6.92	4,40-7,00	A
Murray State University Ky.	Rev.	12.5	1973-2000	7.08	4,25-7,20	Baa
Oklahoma City	G.O.	14.1	1974-1996	5.36	3,75-6,30	A
Muskegon Co., Mich.	G.O.	16.0	1972-1991	--	4,15-5,85	Aa
Texas	G.O.	12.5	1976-1991	--	3,90-5,50	Aaa
Gloucester Co Server Auth, N.J.	Rev.	20.0	--	--	4,75	--

* 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-guaranteed 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 July 16, 1971

ISSUER	TYPE	AMOUNT (MILLIONS OF DOLLARS)	APPROXIMATE DATE OF OFFERING	
<u>Corporate</u>				
Gulf Life Holding Co.	Debs	25.0	July	19
Guardian Mtge Investor	Debs	30.0	July	19
General Waterworks Corp.	1st mtg	25.0	July	19
Ford Motor Co.	Notes	100.0	July	19
Chrysler Financial Corp.	Notes (5 yrs)	100.0	July	19
Continental Can Co	Notes	60.0	July	20
Flintkote Co.	Debs	40.0	July	20
Commonwealth Edison Co.	1st mtg	100.0	July	20
Int'l Harvester Credit Co.	Debs	50.0	July	20
Alabama Pwr Co.	Bonds	85.0	July	21
Diamond State Tel. Co.	Debs	15.0	July	21
Philadelphia Elec. Co.	1st mtg	80.0	July	26
McDonald Corp	Debs	25.0	July	27
Gen'l Portland Cement Co.	Debs	22.0	July	28
Pepsico Inc.	Conv debs	50.0	July	
First Wisconsin Bkshares	Debs	50.0	July	
Valu Vend Credit Corp	Debs	25.0	July	
Cleveland Elec Ill	Com stk	50.0	July	
Monumental Corp	Notes	20.0	July	
Interlake Inc	Debs	60.0	July	
Beneficial Corp	Bonds	25.0	July	
Beneficial Corp	Bonds	50.0	July	
Microdot Inc.	Notes	20.0	July	
Central Tel & Util Corp	1st mtg	20.0	July	
General Tel Co of the S.E.	Bonds	40.0	July	
Consumer Power Co.	1st mtg	120.0	July	
Genstar Ltd	Debs	25.0	July	
Bank of California	Conv debs	20.0	July	
Equimark Corp	Debs	15.0	July	
Pub Serv Co of N. Mexico	1st mtg	20.0	July	
GAC Properties Credit Inc.	debs	50.0	July	
Indiana Bell Tel. Co.	Debs	100.0	August	3
Louisville Gas & Elec Co	Debs	100.0	August	3
Dayton Pwr & Light Co	1st mtg	45.0	August	5
Dayton Pwr & Light Co.	Pref stk	20.0	August	5
Jersey Central Pwr & Lt. Co.	1st mtg	25.0	August	10
Public Service Elec & Gas Co.	Debs	75.0	August	17
Public Service Elec & Gas Co.	Debs	85.0	August	17
*Cincinnati Bell Inc	Debs	50.0	August	17
Arkansas Pwr & Light Co.	Pfd stk	15.0	August	19
Penna Elec Co	Debs	20.0	August	19
Arkansas Elec Co.	1st mtg	30.0	August	19
Southern Bell Tele Co.	Debs	175.0	August	24
VEPCO	1st mtg	50.0	September	8
VEPCO	Com stk	80.0	September	8
Southwestern Bell Tel.	Debs	200.0	September	

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

As of July 16, 1971

ISSUER	TYPE	AMOUNT (MILLIONS OF DOLLARS)	APPROXIMATE DATE OF OFFERING	
<u>State and Local</u>				
Cook Co. HSD #214, Ill.	G.O.	10.5	July	19
Arlington Hgts & Mt. Prospect S/D #214, Ill.	G.O.	10.5	July	19
Florida, State of	Rev.	25.0	July	20
*Oregon, State of	G.O.	60.0	July	20
Indianapolis, Ind.	G.O.	12.0	July	20
Ohio Pub Fac Comm	Bonds	50.0	July	21
Maryland, State of	G.O.	79.3	July	21
Louisville & Jefferson Co Metro Sws Dist, Ky	Rev.	30.0	July	22
N. Y. State Dorm Authority	Rev.	26.9	July	26
Milwaukee, Wisc.	G.O.	15.0	July	27
Biloxi, Miss	Rev.	69.0	July	28
Baton Rouge, La.	G.O.	15.1	July	28
East Baton Rouge Parish, La	G.O.	15.0	July	28
Oakland Co., Mich.	Bonds	12.2	July	28
Houston, Texas	G.O.	26.5	August	4
Memphis, Tenn	G.O.	29.0	August	10
East Bay MUD, CAL	G.O.	12.0	August	10
Los Angeles DWAP	Rev.	39.0	August	11
Ohio, State of	G.O.	100.0	August	26
Kansas-Nebraska Nat. Gas Co.	S.F. debts	15.0	August	
South Carolina Pub Ser.	Rev.	100.0	August	

* 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.

STOCK PRICES AND VOLUME

DATE	STOCK PRICES ¹			TRADING VOLUME ²	
	NYSE INDEX ³	D.J. INDUSTRIALS	AMEX ⁴	NYSE	AMEX
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 (11/21)
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 - High	57.76 (4/28)	950.82 (4/28)	26.68 (4/28)	22.1 (2/12)	6.7 (2/12)
Low	49.73 (1/4)	830.57 (1/4)	22.72 (1/4)	12.5 (7/2)	2.9 (7/2)
June 4	55.95	922.15	26.07	15.7	4.3
11	55.80	916.47	25.90	13.3	3.3
18	54.63	889.16	25.38	13.7	3.4
25	54.10	876.68	25.18	13.3	3.2
July 2	55.18	890.19	25.52	12.5	2.9
9	55.76	901.80	25.83	12.9	3.4
16	54.97	888.51	25.61	13.4	3.2

NOTES:

- Figures other than highs and lows are Fridays only. Highs and lows are for the year and are not necessarily for Fridays.
- 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:

From	Through:	Hours/ Day	Days/ Week	Hours/ Week
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

- 12/31/65 = 50
- 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:						
1970 - May	4,160	2,290	6,450	5,433	2,222	3,211
June	3,860	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)
1971 - Jan.	4,000	2,300	6,300	(4)	2,452	(4)
Feb.	4,090	2,330	6,420	(4)	2,743	(4)
Mar.	4,300	2,360	6,660	(4)	2,798	(4)
Apr.	4,530	2,340	6,870	(4)	2,660	(4)
May	4,620	2,340	6,960	(4)	2,550	(4)
Change in Outstanding:						
1970 - May	-200	- 40	-240	-552	- 26	-513
June	-300	- -	-300	-152	-213	- 61
July	- 60	- -	- 60	- -	171	- -
Aug.	10	10	20	- -	97	- -
Sept.	110	30	140	- -	153	- -
Oct.	90	- 60	30	- -	- 73	- -
Nov.	- -	50	50	- -	34	- -
Dec.	20	10	30	- -	89	- -
1971 - Jan.	- 30	- 30	- 60	- -	166	- -
Feb.	90	30	120	- -	291	- -
Mar.	210	30	240	- -	55	- -
Apr.	230	- 20	210	- -	-138	- -
May	90	- -	90	- -	-110	- -

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	
				Not Seasonally Adjusted					
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	4,200	3.2	-1,003	6,749	3.4	-1,766
1970	4,466	6.7	936	11,173	8.2	5,295	15,639	7.7	6,231
1970 - April	6	--	-136	207	--	188	213	--	52
May	326	--	224	753	--	705	1,079	--	929
June	504	--	-133	1,801	--	280	2,305	--	147
1971 - April <u>r/</u>	801	--	651	2,211	--	2,092	3,012	--	2,743
May <u>p/</u>	800	--	680	2,162	--	2,069	2,962	--	2,749
June <u>p/</u>	900	--	174	3,028	--	1,344	3,928	--	1,518
				Seasonally Adjusted					
1971 - January	885	15.5	--	3,619	29.8	--	4,504	25.1	--
February	939	15.8	--	2,472	19.8	--	3,411	18.5	--
March	1,287	21.2	--	3,376	26.7	--	4,663	24.9	--
April <u>r/</u>	1,176	19.0	--	2,996	23.1	--	4,173	21.8	--
May <u>p/</u>	776	12.4	--	1,998	15.1	--	2,774	14.2	--
June <u>p/</u>	783	12.4	--	2,088	15.6	--	2,871	14.6	--

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 Institutions¹

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/						
1970 - April	7.8	5.4	2.4	-.08	.21	-.13
May	8.0	5.8	2.2	.20	.34	-.14
June	8.2	6.1	2.1	.17	.26	-.09
July	8.6	6.5	2.0	.37	.41	-.04
Aug.	9.8	6.8	2.0	.21	.29	-.08
Sept.	8.9	7.1	1.8	.25	.36	-.11
Oct.	9.3	7.5	1.8	.30	.37	-.07
Nov.	9.6	7.8	1.8	.35	.34	.01
Dec.	10.1	8.1	2.0	.51	.28	.23
1971 - Jan.	10.4	8.3	2.1	.25	.20	.05
Feb.	11.2	8.9	2.3	.80	.60	.20
Mar.	12.6	10.1	2.5	1.36	1.16	.20
April	13.8	11.1	2.8	1.30	1.01	.29
May	15.4	12.3	3.1	1.54	1.22	.32

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. All 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 Holdings¹

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>							
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	24,189	19,814	5,404	2,682	9,676	2,052	4,375
1970 p/	21,822	16,913	2,462	1,845	10,288	2,318	4,909
1970 - Mar.	1,154	625	49	153	198	225	529
Apr.	1,421	944	125	160	486	173	477
May	1,621	1,243	187	144	723	189	378
1971 - Mar.	2,690	2,690	500	346	1,765	79	0
Apr.	2,810	2,920	500	256	2,144	20	-110
May	n.a.	n.a.	300	315	2,182	n.a.	-50
<u>Seasonally Adjusted</u>							
1970 - Apr.	1,347	840	76	157	416	191	507
May	1,485	1,050	65	155	631	199	435
June	1,749	1,281	81	189	789	222	468
July	2,083	1,575	165	142	1,055	213	508
Aug.	1,917	1,509	268	175	983	83	408
Sept.	2,192	1,828	328	245	1,104	151	364
Oct.	2,128	1,808	295	138	1,175	200	320
Nov.	2,049	1,820	224	176	1,289	131	229
Dec.	2,604	2,504	312	250	1,710	232	100
1971 - Jan.	1,860	1,893	383	175	1,311	24	-33
Feb.	1,997	2,084	345	217	1,425	97	-87
Mar.	2,888	2,896	588	380	1,774	154	-8
Apr.	2,739	2,818	453	283	2,044	38	-79
May	n.a.	n.a.	240	325	2,092	n.a.	7

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 84 per cent of the net increase estimated for all holders in 1970.

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	27.7	19.0	15.8	3.1	6.4	9.4	2.3
II	26.2	18.2	15.0	3.2	5.9	9.2	2.2
III	26.0	17.7	14.1	3.4	6.5	10.2	1.8
IV	29.6	20.2	16.4	3.8	7.5	11.1	1.8
1969 - I	31.3	25.0	18.6	4.4	6.2	10.4	2.2
II	28.9	21.5	16.8	4.7	5.2	10.1	2.2
III	26.5	19.3	14.6	4.7	5.3	10.0	1.8
IV	25.1	18.3	13.0	5.3	5.4	10.7	1.4
1970 - I	20.2	13.8	8.8	5.0	4.9	9.9	1.5
II	22.7	16.9	11.5	5.4	4.3	9.7	1.5
III	28.5	21.2	14.9	6.3	5.2	11.5	2.1
IV	30.5	21.6	15.1	6.4	6.9	13.3	2.1
1971 - Ip	32.9	22.6	15.6	7.0	8.3	15.3	2.0

- 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			
1971 - Apr. 12	126.9	54.5	39.8	9.4	5.4	7.32	7.45	7.53
	26 687.2	313.9	154.0	126.6	33.4	7.43	7.54	7.57
May 10	1,168.0	236.8	145.8	71.3	19.7	7.57	7.68	7.74
	24 785.7	151.6	44.6	84.4	22.6	7.95	7.97	8.03
June 1	322.4	146.6	77.1	57.8	11.6	8.05	8.18	8.16
	14 664.4	191.2	133.7	47.3	10.2	7.91	8.15	8.22
	28 539.3	262.2	191.8	60.3	10.4	7.92	8.22	8.28
July 12	606.0	241.1	161.8	58.2	21.1	7.98	8.23	8.31

Note: Under the FNMA auction system, approved sellers of Government-underwritten mortgages bid for FNMA forward purchase commitments. Bids are subject to an overall 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.

TABLE 15: Private Housing Starts and Permits

DATE	STARTS						BUILDING PERMITS (SEASONALLY ADJUSTED ANNUAL RATE) ²	
	SEASONALLY ADJUSTED ANNUAL RATE			TOTAL	UNADJUSTED			
	TOTAL	1-FAMILY	2 OR MORE		TYPE OF FINANCING			
				FHA	VA	OTHER		
1970 - June	1,393	835	558	135.2	40.7	5.1	89.4	1,285
July	1,603	827	776	140.8	43.3	5.3	92.1	1,309
Aug.	1,425	838	587	128.7	34.1	5.6	87.7	1,378
Sept.	1,509	881	627	130.9	34.3	5.3	91.3	1,388
Oct.	1,583	890	693	140.9	40.4	5.8	94.7	1,523
Nov.	1,693	934	759	126.9	33.7	5.5	87.2	1,487
Dec.	2,054	1,240	814	121.4	63.2	5.7	52.5	1,768
1971 - Jan.	1,725	946	779	110.6	32.2	4.6	72.8	1,635
Feb.	1,754	985	769	102.2	27.3	4.7	68.4	1,563
Mar.	1,959	1,048	911	167.9	33.4	6.9	127.6	1,627
Apr.	1,912	1,098	809	201.1	44.6	8.4	148.1	1,638
May	1,959	1,120	839	196.9	40.7	8.3	147.9	1,927
June <u>p/</u>	1,982	1,165	817	192.3	--	--	--	1,817

- 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 are for 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	CONVEN- TIONAL MORT- GAGES ³	SPREAD BE- TWEEN YIELDS ON CONV. & FHA MORT- GAGES ⁵	NEW Aaa COR- PORATE BONDS ⁴	SPREAD BETWEEN YIELDS ON NEW CORPORATE BONDS AND FHA MORTGAGES ⁶
	30-year				
1968 - High	7.52	7.40	.02	6.79	1.20
Low	6.78	6.75	-.27	6.15	.26
1969 - High	8.62	8.35	-.13	8.75	1.08
Low	7.99	7.55	-.40	6.91	-.13
1970 - High	9.29	8.60	-.10	9.11	.99
Low	8.40	8.30	-.74	7.80	.01
1971 - Jan.	--	7.95	n.a.	7.24	n.a.
Feb.	--	7.75	n.a.	7.28	n.a.
Mar.	7.32	7.60	.28	7.46	-.14
Apr.	7.37	7.55	.18	7.57	-.20
May	7.75	7.65	-.10	8.01	-.26
June	7.89	7.70	-.19	7.90	-.01

- 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.
- Based on FHA-field-office opinions about average bid prices in the private secondary market for new-home mortgages for immediate delivery. Data shown are for 30-year mortgages with minimum downpayments, and weighted by probable volume of transactions. Yields computed by FHA, assuming prepayment period of 15 years for 30-year mortgages.
- Based on FHA-field-office opinion on typical interest rates (rounded) on conventional first mortgages prevailing in the market areas of insuring office cities.
- See note for Table 1.
- Yield spread equals conventional mortgage rate less FHA secondary market yield.
- Yield spread equals FHA secondary market yield less new Aaa corporate bond yield.

TABLE 17: Conventional Mortgage Terms ¹

DATE	NEW HOMES						EXISTING HOMES					
	CON-TRACT RATE (PER CENT)	FEE & CHARGES (PER CENT)	EFFECTIVE RATE	MATURITY (YEARS)	LOAN/PRICE RATIO (PER CENT)	LOAN AMT. (\$000)	CON-TRACT RATE (PER CENT)	FEE & CHARGES (PER CENT)	EFFECTIVE RATE	MATURITY (YEARS)	LOAN/PRICE RATIO (PER CENT)	LOAN AMT. (\$000)
	1	2	3			4	1	2	3			4
<u>1970</u>												
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	71.5	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.	8.26	0.99	8.43	25.3	72.1	25.2	8.18	0.85	8.32	22.7	71.5	21.1
Dec.	8.20	1.07	8.38	25.8	73.8	25.8	8.12	0.85	8.26	23.3	71.9	21.7
<u>1971</u>												
Jan.	8.03	0.92	8.18	25.8	73.3	26.4	7.94	0.82	8.08	23.5	72.5	22.0
Feb.	7.74	1.00	7.91	26.2	73.9	26.2	7.67	0.79	7.80	24.0	73.1	22.5
Mar.	7.52	0.83	7.66	25.9	73.7	26.0	7.47	0.77	7.60	24.1	73.5	23.0
Apr.	7.37	0.73	7.49	26.3	73.6	26.2	7.34	0.75	7.47	24.2	73.6	23.1
May ²	7.35	0.71	7.47	26.0	73.6	26.6	7.34	0.69	7.45	23.9	73.0	23.3

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.