

DECONTROLLED AFTER SIX MONTHS

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May 7, 1973

MAY 9 1973

# CAPITAL MARKET DEVELOPMENTS

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

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**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 <sup>2</sup>		
		NEW ISSUE <sup>1</sup>	MOODY'S SEASONED Aaa	GROSS OFFERINGS	PER CENT SOLD BY END OF WEEK	BONDS SCHEDULED WITHIN 28 DAYS
1973 - Apr.	6	7.51	7.27	139	90	n.a.
	13	--	7.25	83	100	n.a.
	20	--	7.25	70	100	n.a.
	27	7.45	7.27	492	98	n.a.
May	4	7.40	7.26	205	93	n.a.
	11	n.a.	n.a.	40	n.a.	n.a.
WEEK ENDING:		MUNICIPAL BOND MARKET				
		YIELDS		VOLUME <sup>2</sup>		
		MOODY'S NEW ISSUE Aaa	BOND BUYER SEASONED 20 BOND INDEX	GROSS OFFERINGS	PER CENT SOLD BY END OF WEEK	BONDS SCHEDULED WITHIN 28 DAYS
1973 - Apr.	6	5.05	5.22	304	90	701
	13	4.85	5.07	657	93	519
	20	4.90	5.17	286	67	433
	27	5.00	5.14	286	77	618
May	4	4.85	5.10	354e	88	602
	11	n.a.	n.a.	355e	n.a.	n.a.

1 New series derived by adjusting to a Aaa utility basis, new issues of publicly-offered corporate bonds with call protection, rated A, Aa, or Aaa bond 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	
4/26	75.0	Ford Motor Credit	7.25	7.13	-- 5 yrs	90%	
5/1	15.0	Gulf Power	7.50	7.48	Aa 5 yrs	85%	
5/2	40.0	Hartford Elect	7.50	7.45	Aa 5 yrs	75%	

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							
4/25	5/2	50.0	Bell Tele of Pa.	7.00	7.07	+11	Aaa 5 yrs	25%

INVENTORIES <sup>1</sup>				
DATE	MUNICIPALS		CORPORATES	
	BLUE LIST	IN SYNDICATE	IN SYNDICATE	
1973 - April	6	554	55	4
	13	618	56	0
	20	701	105	0
	27	661r	76	45
May	4	653	72	25e

N.C. - No call protection.

<sup>1</sup> 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 <sup>1</sup>	MOODY'S SEASONED CORPORATE Aaa <sup>2</sup>	U.S. GOVERNMENT 20-YEAR CONSTANT MATURITIES <sup>3</sup>	BOND BUYER'S SEASONED MUNICIPALS <sup>4</sup>
1971 - High	8.26 (7/30)	7.71 (8/12)	6.51 (6/18)	6.23 (6/23)
Low	7.02 (2/5)	7.06 (2/12)	5.69 (3/23)	4.97 (10/21)
1972 - High	7.60 (4/21)	7.36 (4/28)	6.19 (4/14)	5.54 (4/13)
Low	6.99 (11/24)	7.05 (12/8)	5.74 (11/17)	4.96 (10/21)
1973 - High	7.52 (3/16)	7.31 (3/30)	6.93 (3/16)	5.35 (3/22)
Low	7.29 (1/21)	7.11 (1.5)	6.42 (1/5)	5.03 (1/12)
1973 Apr. 6	7.51	7.27	6.87	5.22
13	--	7.25	6.84	5.07
20	--	7.25	6.84	5.17
27	7.45	7.27	6.88	5.14
May 4	7.40	7.26	6.94	5.10

1 New issue, Aaa utility, 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 <sup>1</sup>			STATE AND LOCAL <sup>2</sup>		
	1973	1972	1971	1973	1972	1971
January	2,384	3,205	3,115	1,902	1,776	2,732
February	1,894	3,369	3,000	1,445	2,005	1,851
March	4,050e	3,229	6,075	2,270	2,239	2,258
April		3,275	4,042		1,989	1,891
May		3,598	3,300		2,017	2,167
June		4,341	4,375		2,270	2,013
July		3,582	4,147		1,805	1,989
August		2,893	2,532		1,966	1,903
September		2,720	3,768		1,726	2,098
October		3,791	3,387		2,200	1,728
November		3,377	3,704		1,861	2,264
December		3,396	3,673		1,794	2,068
1st Quarter	8,328e	9,803	12,190	5,617	6,020	6,841
2nd Quarter		11,214	11,688		6,276	6,081
3rd Quarter		9,195	10,447		5,494	5,990
4th Quarter		10,564	10,764		5,855	6,060
1st half		21,017	23,844		12,296	12,812
Three quarters		30,212	34,325		17,790	18,902
Year		40,776	45,089		23,645	24,962

<sup>1</sup> Securities and Exchange Commission estimates of gross proceeds.

<sup>2</sup> Investment Bankers Association of America estimates of principal amounts.

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 <sup>1</sup>
		PUBLICLY OFFERED	PRIVATELY PLACED		ISSUES INCLUDED					
					FOREIGN	CONVERTIBLE				
1972 - II	11,214	4,634	2,781	3,798	245	449	2,109	3,495	1,369	4,240
III	9,195	4,192	1,867	3,136	57	836	1,629	2,680	856	4,030
IV	10,564	4,158	3,147	3,258	245	428	1,398	2,934	1,079	5,151
1973 - I	8,328	2,730	1,626	3,971	n. a.	113	612	2,443	1,158	4,115
1972 - Jan.	3,205	1,767	604	834	59	195	392	533	752	1,529
Feb.	3,369	1,907	412	1,041	12	83	529	988	498	1,354
Mar.	3,229	1,677	577	976	3	233	604	740	227	1,658
Apr.	3,275	1,622	789	864	15	92	581	1,219	178	1,297
May	3,598	1,676	744	1,148	100	226	761	738	391	1,708
June	4,341	1,336	1,218	1,786	130	131	767	1,538	800	1,235
July	3,582	1,807	657	1,118	3	450	574	798	586	1,624
Aug.	2,893	1,523	421	948	17	183	452	635	237	1,568
Sept.	2,720	863	789	1,070	37	203	603	1,247	33	838
Oct.	3,791	1,773	564	1,454	28	162	383	1,280	371	1,757
Nov.	3,377	1,361	982	1,034	124	171	426	794	658	1,499
Dec.	3,396	1,024	1,601	770	93	95	589	860	50	1,895
1973 - Jan.	2,384	989	344	1,050	14	81	173	897	33	1,280
Feb.	1,894	641	282	971	27	27	204	596	140	955
Mar. e	4,050	1,100	1,000	1,950	n. a.	5	235	950	985	1,880

<sup>1</sup> 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 (continued)  
 (Other than U.S. Treasury)<sup>1</sup>

May 1, 1973 through May 4, 1973

8

ISSUER	TYPE <sup>2</sup>	AMOUNT (MILLIONS OF DOLLARS)	MATURITY	COUPON RATE OR NET INTER- EST COST	OFFER- ING YIELD	MOODY'S RATING
Gulf Power	Bonds	25.0	2003	7 1/2	7.48	Aa
Toledo Edison	Com stk	22.3	--	--	--	--
Hartford Elect Co.	Bonds	40.0	2003	7 1/2	7.45	Aa
Jones & Laughlin Steel Corp	1st mtge	40.0	1998	8.00	8.07	Baa
Seaboard Coastline RR Co.	1st mtge	75.0	1998	7 3/4	7.78	A
Excelsior Income Shares, Inc.	Com stk	55.0	--	--	--	--
Great American Mortgage Invest.	Bonds	25.0	1983	8 3/4	8.75	--



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

May 1 through May 4, 1973

ISSUER	TYPE <sup>2</sup>	AMOUNT (MILLIONS OF DOLLARS)	MATURITY	COUPON RATE OR NET INTER- EST COST	OFFER- ING YIELD	MOODY'S RATING
California	G.O.	25.0	1974-1993	4.64	3.90-4.85	Aaa
New Jersey Turnpike Authority	Rev.	210.0	2013	5.76	--	A
Pinellas Co., Fla		13.0	1974-2003	5.30	4.00-5.04	A
Detroit, Mich.	G.O.	17.5	1974-1988	5.31	4.10-5.40	Baa

\* Rights offering.

- 1 Includes corporate and other security offerings of \$15 million and over; State and local security offerings of \$10 million and over.
- 2 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.
- 3 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)<sup>1</sup>  
(continued)

As of May 4, 1973

ISSUER	TYPE	AMOUNT (MILLIONS OF DOLLARS)	APPROXIMATE DATE OF OFFERING
Baltimore Gas & Electric	Com stk	45.0	May 8
Dayton Power & Light	Pref stk	25.0	May 9
Investors Realty Trust	Bonds	15.0	May 10
*Beneficial Fin	Bonds	100.0	May 15
Mississippi Pwr	Bonds	15.0	May 15
Columbus & Southern Ohio Elect	Com st	25.0	May 16
Columbia Gas	Bonds	50.0	May 16
Orange & Rockland	1st mtge	25.0	May 21
General Public Utilities	com stk (rts)	83.0	May 22
Carolina Pwr & Lt.	Bonds	100.0	May 22
Con Edison	Com stk	120.0	May 23
GTE of Kentucky	Bonds	14.0	May 24
*Pacific Tele & Tele	Com stk (rts)	30.0	May 25
*First Penn Corp	Bonds	60.0	May 29
Fla. Pwr	Bonds	60.0	May 30
Pacific Tele & Tele	Bonds	200.0	May 31
Pacific Tele & Tele	Bonds	100.0	May 31
*Potomac Elect Pwr	Com stk	59.5	June 5
*Louisiana Pwr & Lt.	Bonds	45.0	June 5
*Georgia Pwr	Bonds	115.0	June 6
Fla Pwr	Com stk	50.0	June 7
Continental Illinois Corp	Bonds	100.0	INDEF
Walter Kidde & Co	Debs	65.0	INDEF

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

May 4, 1973

ISSUER State and Local	TYPE	AMOUNT (MILLIONS OF DOLLARS)	APPROXIMATE DATE OF OFFERING	
Tucson, Ariz	G.O.	14.1	May	8
Clacasiou Parish Ind Dev Bd., La	Rev	21.0	May	8
St. Paul, Minn	G.O.	10.9	May	9
New York State Dormitory Auth	Rev	11.5	May	9
Hawaii, State of	G.O.	75.0	May	9
Massachusetts	G.O.	10.4	May	10
Alaska	G.O.	27.0	May	15
Philadelphia, Pa.	G.O.	53.2	May	15
Massachusetts Health & Ed Fac Auth	G.O.	10.4	May	16
New Orleans, La	G.O.	18.0	May	16
*Dallas, Texas	G.O.	21.0	May	16
*New York St Urban Dev Corp	G.O.	200.0	May	16
*Puerto Rico Industrial Dev Co	Rev	35.0	May	16
San Jose USD, Cal	G.O.	13.0	May	16
Ohio Pub Fac Comm	Rev	40.0	May	22
*Indiana Univ of Akron, Ohio	Rev	10.0	May	22
Monroe Co., Mich	Rev	51.0	May	22
*Waterbury, Conn	G.O.	10.0	May	23
*Penn State Pub Sch Bldg Auth	G.O.	18.6	May	24
Austin, Texas	Rev	17.5	May	31
Los Angeles Reg Arpts Corp., Cal	Rev	25.5	May	
Prince George's Co., Md	Poll cont rev	25.0	May	
Gulf Coast Waste Disposal Auth, Tex	Rev	25.0	May	
Pensacola, Fla	Rev	12.5	May	
Lacygne, Kan	Rev	30.0	May	
Los Angeles Cal Dept of Wtr & Pwr	Rev	47.0	June	6

\* 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 <sup>1</sup>			TRADING VOLUME <sup>2</sup>	
	NYSE INDEX <sup>3</sup>	D.J. INDUSTRIALS	AMEX <sup>4</sup>	NYSE	AMEX
1971 - High	57.76(4/18)	950.82(4/28)	26.68(4/28)	22.1(2/12)	6.7(2/5)
Low	48.73(1/4)	797.97(11/23)	222.72(1/4)	11.0(9/17)	2.7(8/13)
1972 - High	65.14(12/11)	1036.27(12/11)	28.53(4/14)	21.8(11/10)	7.4(3/10)
Low	56.23(1/3)	889.30(1/3)	25.61(1/3)	11.2(9.8)	2.6(9/8)
1973 - High	65.48(1/11)	1051.70(1/11)	26.70(1/8)	20.4(1.12)	4.8(1/12)
Low	56.73(4/30)	921.21(4/30)	23.42(5/1)	12.4(4/6)	2.7(3/16)
1973 - Apr. 6	58.23	931.07	24.06	12.4	2.9
13	59.65	959.36	24.18	15.2	3.1
20	59.59	963.20	24.07	13.2	2.7
27	56.86	922.17	23.57	14.5	3.2
May 4	58.77	953.87	23.67	14.5	3.0

**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 <sup>3</sup>
	BROKERS <sup>1</sup>	BANKS <sup>2</sup>	TOTAL			
<u>Outstanding:</u>						
1972 - Jan.	5,700	2,490	8,190	(4)	2,488	(4)
Feb.	6,180	2,510	8,690	(4)	2,542	(4)
Mar.	6,620	2,520	9,140	(4)	2,512	(4)
Apr.	7,010	2,530	9,540	(4)	2,459	(4)
May	7,200	2,560	9,760	(4)	2,300	(4)
June	7,510	2,650	10,160	(4)	2,231	(4)
July	7,600	2,690	10,350	(4)	2,245	(4)
Aug.	7,780	2,780	10,560	(4)	2,117	(4)
Sept.	7,800	2,830	10,630	(4)	2,056	(4)
Oct.	7,800	2,860	10,660	(4)	2,097	(4)
Nov.	7,890	2,860	10,750	(4)	2,218	(4)
Dec.	7,900	2,440	10,340	(4)	2,317	(4)
1973 - Jan.	7,700	2,910	10,610	--	2,296	--
<u>Outstanding Changes:</u>						
1972 - Jan.	300	50	350	--	268	--
Feb.	480	20	500	--	54	--
Mar.	440	10	450	--	-30	--
Apr.	390	10	400	--	-53	--
May	190	30	220	--	-129	--
June	310	90	400	--	-99	--
July	150	50	200	--	14	--
Aug.	120	90	210	--	-128	--
Sept.	20	50	70	--	-61	--
Oct.	--	30	20	--	41	--
Nov.	90	--	90	--	121	--
Dec.	10	-420	410	--	99	--
1973 - Jan.	-200	470	270	--	21	--

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.

4 Series discontinued

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

11

DATE	MUTUAL SAVINGS BANKS			SAVINGS & LOAN ASSOCIATIONS			TOTAL		
	REGULAR DEPOSITS <sup>3</sup>		NET NEW MONEY <sup>2</sup>	SHARE CAPITAL		NET NEW MONEY <sup>2</sup>	DEPOSITS		NET NEW MONEY <sup>2</sup>
	NET FLOW	ANNUAL GROWTH RATE <sup>1</sup>		NET FLOW	ANNUAL GROWTH RATE <sup>1</sup>		NET FLOW	ANNUAL GROWTH RATE <sup>1</sup>	
				Not Seasonally Adjusted					
1969	2,549	4.0	-763	4,068	3.1	-1,003	6,617	3.4	-1,766
1970	4,517	6.8	936	10,965	8.1	5,285	15,482	7.7	6,231
1971	9,621	13.5	5,678	28,230	19.3	20,653	37,851	17.5	26,331
1972	9,788	12.0	5,397	32,902	19.5	23,884	42,690	17.0	29,281
1972 - January	855	--	716	3,266	--	3,117	4,121	--	3,833
February	931	--	809	2,818	--	2,700	3,749	--	3,509
March	1,507	--	773	4,287	--	2,533	5,794	--	3,306
1973 - January	766	--	595	3,278	--	3,117	4,044	--	3,712
February <sup>e/</sup>	551	--	402	1,905	--	1,796	2,456	--	2,198
March <sup>e/</sup>	1,070	--	n.a.	3,731	--	n.a.	4,801	--	n.a.
				Seasonally Adjusted					
1972 - September	925	12.6	--	2,930	17.8	--	3,855	16.2	--
October	780	10.5	--	2,706	16.2	--	3,486	14.5	--
November	761	10.2	--	2,246	13.3	--	3,007	12.3	--
December	902	12.0	--	2,164	12.7	--	3,066	12.5	--
1973 - January <sup>p/</sup>	808	10.6	--	4,026	23.3	--	4,834	19.4	--
February <sup>e/</sup>	465	6.1	--	1,835	10.4	--	2,300	9.1	--
March <sup>e/</sup>	550	7.0	--	2,430	13.7	--	2,980	11.7	--

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<sup>1</sup>

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) <u>r</u> /					
1971-Dec.	16.6	13.1	3.6	.09	-.06	.15
1972-Jan.	18.0	14.1	3.9	.24	.11	.13
Feb.	19.1	15.0	4.1	.67	.39	.28
March	19.7	15.4	4.3	.49	.38	.11
April	20.1	15.7	4.4	.42	.29	.13
May	20.6	16.2	4.4	.60	.55	.05
June	20.7	16.3	4.4	.53	.60	-.07
July	21.0	16.5	4.5	.36	.26	.10
Aug.	21.8	17.3	4.5	.83	.76	.07
Sept.	22.9	18.1	4.8	.99	.77	.22
Oct.	23.6	18.7	4.9	.73	.63	.10
Nov.	24.3	19.4	4.9	.73	.69	.04
Dec.	24.9	20.0	4.9	.68	.65	.03
1973-Jan.	25.9	20.8	5.1	.98	.81	.17
Feb.	26.5	21.5	5.0	.55	.65	-.10
Mar.	--	21.2	--	--	--	--

<sup>1</sup> 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<sup>1</sup>

DATE	TOTAL INCLUDING FNMA-GNMA	FINANCIAL INSTITUTIONS					LIFE INSURANCE COMPANIES	2/ FNMA-GNMA
		TOTAL	COMMERCIAL BANKS	MUTUAL SAVINGS BANKS	SAVINGS & LOAN ASSOC.			
<u>Not Seasonally Adjusted</u>								
1969	24,074	19,699	5,404	2,682	9,561	2,052	4,375	
1970	21,736	16,827	2,462	1,845	10,172	2,348	4,909	
1971	41,647	39,259	9,940	3,938	24,160	1,221	2,388	
1972 - July	4,872	4,717	1,500	438	2,758	79	164	
Aug	5,931	5,563	1,600	553	3,313	97	368	
Sept	5,286	4,918	1,400	502	2,926	90	137	
Oct	4,779	4,684	1,400	472	2,673	139	95	
Nov	5,114	4,984	1,500	517	2,712	255	130	
Dec	5,943	5,811	1,000	598	3,101	1,112	132	
1973 - Jan	3,460	3,265	900	458	1,745	162	195	
Feb	n.a.	n.a.	900	331	2,128	n.a.	66	
Mar	n.a.	n.a.	1,200	n.a.	3,003	n.a.	69	
<u>Seasonally Adjusted</u>								
1972 - Apr	4,363	4,327	1,361	400	2,481	85	36	
May	4,908	4,521	1,434	453	2,567	67	387	
June	5,176	5,060	1,489	516	2,959	96	116	
July	4,849	4,593	1,451	472	2,678	101	147	
Aug	5,471	5,179	1,477	515	3,108	79	292	
Sept	4,748	4,714	1,155	537	2,911	111	34	
Oct	4,714	4,738	1,393	484	2,726	135	-24	
Nov	5,282	5,212	1,524	513	2,876	299	70	
Dec	5,697	5,601	1,164	525	3,130	782	96	
1973 - Jan	4,201	3,973	1,112	475	2,167	219	228	
Feb	n.a.	n.a.	1,079	388	2,430	n.a.	112	
Mar	n.a.	n.a.	1,262	n.a.	3,071	n.a.	124	

<sup>1</sup> 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 87 per cent of the net increase estimated for all holders in 1967.

<sup>2</sup> Beginning January 1972 data reflect activity in limited amount of conventional mortgages.



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

QUARTER	TOTAL	RESIDENTIAL <sup>3</sup>	1- to 4- FAMILY	MULTI- FAMILY	COMMERCIAL	MULTI-AND COMMERCIAL	FARM
1968 - I	27.9	19.4	16.2	3.1	6.4	9.4	2.3
II	26.4	18.2	15.0	3.2	6.0	9.2	2.2
III	25.6	17.3	13.6	3.5	6.5	10.2	1.8
IV	29.9	20.4	16.5	3.9	7.4	11.2	1.9
1969 - I	31.7	23.8	19.4	4.4	6.0	10.4	2.2
II	29.1	21.5	16.8	4.6	5.4	10.1	2.2
III	25.7	18.7	14.0	4.7	5.3	10.0	1.7
IV	25.6	18.5	13.1	5.4	5.3	10.7	1.4
1970 - I	20.9	14.4	9.4	5.0	4.8	9.8	1.5
II	22.8	16.8	11.6	5.2	4.6	9.9	1.5
III	28.3	21.3	15.0	6.3	5.1	11.4	2.1
IV	32.2	22.8	16.2	6.6	6.8	13.4	2.2
1971 - I	37.7	27.3	19.2	8.0	8.1	16.0	2.2
II	47.4	36.0	26.5	9.4	9.5	19.0	2.3
III	52.3	38.9	30.1	8.8	11.1	19.9	2.3
IV	54.9	40.7	31.9	8.9	11.0	19.9	2.5
1972 - I	61.8	45.4	35.9	9.5	14.5	23.9	2.6
II	64.1	47.1	37.5	9.6	15.2	24.6	2.6
III	65.5	47.3	38.5	8.8	15.2	24.5	2.6
IV	69.1	50.3	40.1	10.1	15.4	25.2	2.3

<sup>1</sup> 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.

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

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

TABLE 14: FNMA BIWEEKLY AUCTION RESULTS (FHA/VA LOANS)

	TOTAL OFFERS (MILLIONS \$)		YIELD TO FNMA (PER CENT)
	RECEIVED	ACCEPTED	
1972 - Oct. 16	271.2	224.9	7.73
30	186.4	162.7	7.74
Nov. 13	78.7	49.2	7.72
27	60.8	36.6	7.70
Dec. 11	82.2	42.4	7.68
26	108.7	66.3	7.69
1973 - Jan. 8	74.2	61.3	7.69
22	107.0	92.1	7.70
Feb. 5	128.7	65.4	7.71
19	110.3	71.6	7.73
Mar. 5	170.8	107.7	7.75
19	297.3	168.7	7.81
Apr. 2	234.6	145.9	7.86
16	216.6	190.7	7.89
30	261.2	185.9	7.92

Note: Average secondary market yields are gross--before deduction of 38 basis-point fee paid for mortgage servicing. They reflect the average accepted bid yield for home mortgages assuming a prepayment period of 12 years for 30-year loans, without special adjustment for FNMA commitment fees and FNMA stock purchase and holding requirements. Data are for short-term (4 month) commitments.

TABLE 15: Private Housing Starts and Permits

DATE	STARTS							BUILDING PERMITS (SEASONALLY ADJUSTED ANNUAL RATE) <sup>2</sup>
	SEASONALLY ADJUSTED ANNUAL RATE			UNADJUSTED				
				TOTAL	TYPE OF FINANCING			
	TOTAL	1-FAMILY	2 OR MORE		FHA	VA	OTHER	
1972 - January	2,439	1,395	1,044	150.9	36.1	7.5	107.3	2,204
February	2,540	1,281	1,260	153.6	27.8	8.0	117.8	2,056
March	2,313	1,310	1,003	205.8	37.7	10.5	155.7	2,007
April	2,204	1,215	989	213.2	29.1	8.5	172.9	1,991
May	2,318	1,308	1,011	227.9	32.4	9.4	186.1	1,955
June	2,315	1,283	1,032	226.3	31.9	9.6	184.8	2,121
July	2,244	1,319	925	207.5	26.2	9.4	171.9	2,108
August	2,424	1,373	1,051	231.0	30.3	9.9	190.8	2,237
September	2,426	1,382	1,045	204.4	28.2	8.9	167.3	2,265
October	2,446	1,315	1,131	218.2	25.4	8.5	184.3	2,216
November	2,395	1,324	1,071	187.1	21.3	8.0	157.8	2,139
December	2,369	1,207	1,162	150.5	42.3	5.8	102.4	2,377
1973 - January	2,497	1,450	1,047	147.1	12.0	6.8	126.3	2,218
February	2,457	1,377	1,080	138.8	--	6.8	--	2,191
March	2,259	1,239	1,020	--	--	--	--	2,093

- 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 Census estimates based on 13,000 or all known permit-issuing places. Unlike starts, seasonally adjusted building permits reflect direct adjustment for differences in the number of days per month, as well as other differences in timing and coverage.

TABLE 16: Mortgage and Bond Yields <sup>1</sup>

DATE	FHA MORTGAGES <sup>2</sup>	CONVENTIONAL MORTGAGES <sup>3</sup>	SPREAD BETWEEN YIELDS ON CONV. & FHA MORTGAGES <sup>5</sup>	NEW ISSUE Aaa UTILITY <sup>4</sup>	SPREAD BETWEEN YIELDS ON NEW CORPORATE BONDS AND FHA MORTGAGES <sup>6</sup>
	30-year				
1971 - High	7.97	7.95	.28	8.26	.52
Low	7.32	7.55	-.19	7.02	-.36
1972 - High	7.57	7.70	.14	7.40	.61
Low	7.45	7.55	.06	7.09	.05
1972 - Jan.	7.49	7.60	.11	7.21	.28
Feb.	7.46	7.60	.14	7.34	.12
Mar.	7.45	7.55	.10	7.24	.21
Apr.	7.50	7.60	.10	7.45	.05
May	7.53	7.60	.07	7.38	.15
June	7.54	7.60	.06	7.32	.22
July	7.54	7.65	.11	7.38	.16
August	7.55	7.65	.10	7.37	.18
September	7.56	7.70	.14	7.40	.16
October	7.57	7.70	.13	7.38	.19
November	7.57	7.70	.13	7.09	.61
December	7.56	7.70	.14	7.15	.55
1973 - Jan.	7.55	7.70	.15	7.38	.32
Feb.	7.56	7.75	.19	7.40	.35
Mar.	7.63	7.80	.17	7.49	.31

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.

3 Based on FHA-field-office opinion on typical contract interest rates (rounded) on conventional first mortgages prevailing in the market areas of insuring offices.

4 See note for Table 1.

5 Yield spread equals conventional mortgage rate less FHA secondary market yield.

6 Yield spread equals FHA secondary market yield less new Aaa corporate bond yield.

TABLE 17: Conventional Mortgage Terms<sup>1</sup>

DATE	NEW HOMES						EXISTING HOMES					
	CON-TRACT RATE (PER CENT)	FEES & CHARGES (PER CENT) 2	EFFECTIVE RATE 3	MATURITY (YEARS)	LOAN/PRICE RATIO (PER CENT)	LOAN AMT. (\$000)	CON-TRACT RATE (PER CENT)	FEES & CHARGES (PER CENT) 2	EFFECTIVE RATE 3	MATURITY (YEARS)	LOAN/PRICE RATIO (PER CENT)	LOAN AMT. (\$000)
<u>1972</u>												
Jan.	7.62	0.95	7.78	26.5	75.0	27.6	7.45	0.82	7.58	24.7	74.7	24.1
Feb.	7.45	1.02	7.61	27.0	76.5	27.8	7.35	0.79	7.48	25.4	75.8	24.8
Mar.	7.38	0.84	7.52	27.2	76.2	28.2	7.31	0.77	7.44	25.1	75.6	24.4
Apr.	7.38	0.83	7.51	27.2	76.0	28.5	7.30	0.78	7.42	25.2	75.3	24.9
May	7.40	0.84	7.53	27.2	76.2	28.5	7.33	0.77	7.46	25.2	75.4	24.6
June	7.41	0.85	7.55	27.2	76.5	27.8	7.36	0.78	7.49	25.5	76.1	25.2
July	7.43	0.83	7.56	27.2	77.0	28.2	7.37	0.83	7.50	25.6	76.2	25.2
Aug.	7.45	0.86	7.59	27.5	77.5	27.9	7.39	0.81	7.52	26.3	76.5	25.4
Sept.	7.43	0.86	7.57	27.3	77.5	27.9	7.42	0.83	7.55	26.2	76.5	24.8
Oct.	7.48	0.88	7.62	27.2	77.3	27.4	7.43	0.84	7.57	26.1	76.3	25.0
Nov.	7.50	0.91	7.65	27.5	77.3	28.0	7.44	0.84	7.58	26.3	76.8	25.4
Dec.	7.51	0.92	7.66	27.5	78.0	29.1	7.45	0.86	7.59	26.4	76.8	25.7
<u>1973 4/</u>												
Jan.	7.52	1.03	7.68	25.7	76.6	27.0	7.53	0.94	7.68	23.2	75.2	22.6
Feb.	7.52	1.15	7.70	26.8	78.6	27.6	7.55	1.03	7.72	23.6	77.5	22.0
Mar.	7.52	1.09	7.69	26.9	78.5	27.5	7.53	1.00	7.69	23.9	77.2	22.4

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. Beginning January 1973, series revised. Date before January 1973 not comparable to data on or after that data.