VOLUME 70 □ NUMBER 12 □ DECEMBER 1984

FEDERAL RESERVE BULLETIN

Board of Governors of the Federal Reserve System
Washington, D.C.

The FEDERAL RESERVE BULLETIN is issued monthly under the direction of the staff publications committee. This committee is responsible for opinions expressed except in official statements and signed articles. It is assisted by the Economic Editing Unit headed by Mendelle T. Berenson, the Graphic Communications Section under the direction of Peter G. Thomas, and Publications Services supervised by Helen L. Hulen.

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Union Settlements and Aggregate Wage Behavior in the 1980s

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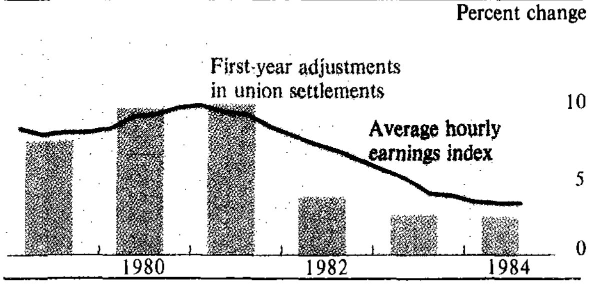
Since 1979, at least 3 million union members in the United States, one out of every six, have accepted labor contracts that freeze or reduce wages and fringe benefits or alter work rules. Initially, such deviations from traditional union wage practices were confined to a few financially troubled firms. But as the economy went through back-to-back recessions during the early 1980s and unemployment climbed to postwar record levels, deviations from customary practices appeared with increasing frequency in union contracts and often were negotiated on an industry-wide basis. By 1982, wage freezes and pay cuts had become as commonplace as wage increases in major collective bargaining settlements. Moreover, despite the rebound in economic activity and in profits since late 1982, managements have continued to press for cost-reduction measures, and wage cuts and freezes remained prominent features of union negotiations in 1984.

These developments coincided with an unusually large reduction in aggregate wage inflation. As recently as mid-1981, the rate of wage increase averaged close to double digits, whereas just three years later, wage adjustments had dropped on balance to less than 4 percent—the smallest rate of increase since the mid-1960s. The change in the size of union settlements has been even more dramatic. Average wage adjustments exclusive of cost-of-living payments during the first year of new union contracts dropped from about 10 percent in 1981 to 2½ percent during 1983 and the first nine months of 1984 (chart 1).

In summarizing recent union wage developments, the discussion will focus on three issues. First, what were the nature and extent of nontraditional bargaining and how much did it contribute to the unusually sharp reduction in wage inflation during the past several years? Similar contract modifications have occurred with some regularity in the past, but the recent episode clearly involved unprecedented numbers of workers and industries. Under some conservative assumptions, aggregate wage inflation would have been at least ½ percentage point higher in 1983 and 1984 in the absence of pay cuts and freezes. This estimate could be substantially larger if nontraditional bargaining had a major influence on other wage decisions. For the most part, however, the evidence suggests that spillovers outside of traditional channels have not been widespread. In industries that were less severely affected by the recession, both unionized and nonunionized, wage changes generally have shown fairly typical cyclical responses to rising unemployment and lower inflation.

Second, what factors contributed to the recent changes in union wage practices? Exceptionally large and prolonged declines in output and employment in many unionized industries often precipitated unscheduled reopenings of contracts and modifications to traditional wage formulas. That adversity was not solely cyclical. It stemmed also from longer-term influences, such

1. Union settlements and aggregate wage change



Hourly earnings index is the change from four quarters earlier; first-year adjustments are annual data, except 1984, which represents the first nine months.

SOURCE. Bureau of Labor Statistics.

as the secular rise in the relative wage of union workers and intensified competition from domestic nonunion or foreign firms, and from the relaxation of barriers to entry under deregulation of the transportation and communications industries.

Third, what aspects of recent settlements may reflect permanent changes in union wage determination and what aspects may prove transitory? Unions have shown no tendency to abandon certain key features of traditional contracts—multiyear settlements and escalator clauses. However, many union workers appear to have scaled back their expectations for annual improvements in real wages and have shown a willingness to experiment with profit-sharing and various cooperative labor-management programs to enhance productivity. These innovations may endure if competitive pressures persist.

UNION WAGE PRACTICES AND DISINFLATION

By the 1970s, the basic institutional features of union wage determination were well established. Multiyear contracts had become the predominant format for labor negotiations, and formal cost-of-living adjustment (COLA) provisions had spread to cover a majority of union workers. Prospective wage settlements were fairly predictable as many large unions adhered to a policy of negotiating identical fixed increases in each contract year—often referred to as the annual improvement factor—plus COLAs. When annual improvement factors were established during the 1950s and 1960s, they were perceived as paralleling productivity trends, but by the 1970s they had become more a matter of custom than a projection of current or future productivity performance. To the extent that COLA formulas did not pass the full increase in prices through to wage increases, first-year wage increases in succeeding contracts were adjusted to make up the difference—a so-called catch-up adjustment. In contracts without escalator provisions, negotiators had to build into future adjustments their expectations for inflation over the course of the contract or include contingency clauses for reopening the agreement.

These wage-setting practices often were cited as a major factor underlying the persistence of wage inflation in the United States. In particular, three-year contracts with staggered expiration dates, often buttressed by escalator clauses, were viewed as building inertia into the wage-determination process, thereby limiting the response of inflation to aggregate demand policies designed to reduce it. Some observers extended the inertia argument beyond union agreements by noting contract-like regularities in nonunion wage practices.

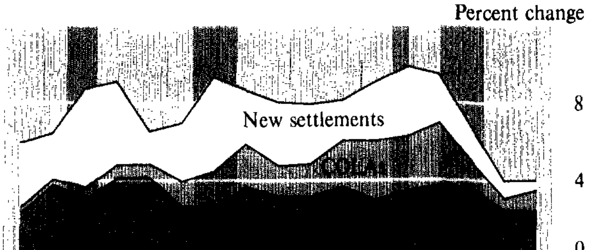
One rationale for attributing a central role in the inflation adjustment process to overlapping, multiyear contracts rests on the presumed importance of wage comparisons. In this view, workers' notions of an equitable wage have a major influence on wage-setting practices. Such notions may be based on wages paid to other, similar workers or on expectations of real wage gains that have been ingrained by experience. Given workers' perceptions of equity, union leaders feel pressure to emulate other settlements or to retain traditional guaranteed wage increases in escalated contracts; otherwise, they risk a rejection of the contract by their memberships. Thus key contracts reached in a bargaining round often appeared to set the tone for subsequent settlements, especially in related industries, even if economic conditions had changed in the interim.

Factors other than wage comparisons also influence union settlements. Negotiators ultimately must take into account current and prospective macroeconomic conditions as well as longer-run trends in their own industries. Evidence from the postwar period up to the 1980s indicated an asymmetric sensitivity to macroeconomic conditions: union wages were highly responsive to inflation but relatively insensitive to slack demand.

A closer look at the traditional features of multiyear contracts discussed above reveals why union wages were not very responsive to cyclical fluctuations in demand. First-year negotiated wage changes under new settlements, which dictate only a portion of all union wage adjustments in any given year, are fairly sensitive to unemployment. But that cyclical responsiveness is overwhelmed by the rigidities introduced by fixed wage increases that were scheduled under contracts negotiated in previous years, when economic conditions may have been decidedly different. In contrast, COLA clauses generate far less wage inertia than deferred adjustments. Many COLA formulas call for frequent reviews, making union wages highly responsive to price changes. Thus to the extent that macroeconomic policies designed to curb inflation in fact do so, COLAs help to moderate wage adjustments with only a brief delay.

Important aspects of the cyclical response of union wages have changed in the 1980s. To illustrate the changes that have occurred, chart 2 displays data on the components of union wage changes—first-year adjustments, deferred adjustments, and COLAs. For most of the period since 1968, the data relate the traditional story told above. First-year adjustments under new settlements show the greatest cyclical variance, albeit with some delay, while the deferred component displays relatively little variance. The inertia generated by deferred increases under earlier settlements can be seen most vividly in the years when total effective wage change decelerated sharply, as it did in 1972 and 1982; in those years, deferred increases accounted for an unusually large proportion of the average change in union wages. The contribution of COLAs rose dramatically during the 1970s—from only 5 percent of wage changes received by union workers in the late 1960s to about one-third in 1977–78. Part of that secular trend was attributable to a higher average inflation rate during the 1970s; but, more important, COLA provisions were added to many contracts early in the decade so that the proportion of union workers covered by such provisions rose from about 25 percent to around 60 percent.

2. Effective union wage change and its components



Annual data; 1984 represents first nine months at annual rates. Shaded areas denote recessions.

SOURCE. Bureau of Labor Statistics.

EMERGENCE OF NONTRADITIONAL BARGAINING

The deceleration in union wage changes since 1980 has differed from past patterns in two key respects. First, the reduction in the size of first-year adjustments was exceptionally large after 1981, primarily because an unprecedented number of union workers accepted freezes on base wage rates or pay cuts. Second, the COLA component also declined sharply. Most of the reduction in COLAs can be traced to the general deceleration in price increases rather than to deferred or forgone payments under some union contracts.

Even though a contraction in activity in some unionized industries began as early as mid-1979, relatively few workers agreed to contract reopenings or deviations from traditional patterns until late 1981. According to data from the Bureau of Labor Statistics on major settlements that cover only bargaining units of 1,000 or more workers, about 35,000 workers took wage cuts or freezes in 1980. A separate tally from press reports and other published sources that was made by the Federal Reserve Board staff put the figure at 67,000 workers; this estimate includes salaried employees who agreed to terms similar to those granted by their union coworkers and other workers at nonunion firms. Often these early contract modifications took the form of a temporary deferral of scheduled wage adjustments or COLAs, and they generally were confined to financially troubled firms with recent records of poorer profitability than other companies in their industries. As the period of slack demand lengthened, however, wage cuts and freezes not only became pervasive but also were frequently negotiated on an industry-wide basis and extended over the life of multiyear contracts.

In 1981, roughly 190,000 union workers, or 8 percent of those reaching new settlements in the private sector, accepted first-year wage cuts or freezes, according to the data from the Bureau of Labor Statistics shown in table 1. By 1982, that figure had climbed to almost 1.5 million. The corresponding figures from the tally by the Federal Reserve Board staff were 365,000 workers in 1981 and 2.3 million workers in 1982. Many of the larger agreements broke with traditional wage-setting practices by eliminating guaranteed

1. Distribution of workers by first-year wage adjustment in major collective bargaining settlements, 1980–84
Percent except as noted

Wage adjustment	1980	1981	1982	1983	1984 (first nine months)
Decrease	0	5	2	15	6
No change	0	3	42	22	21
Increase					
0–4 percent	4	3	9	14	33
4–8 percent	25	9	23	39	37
8 percent and over	71	81	24	10	3
MEMO:					
Mean adjustment (percentage change)	9.5	9.8	3.8	2.6	2.5
Number of workers (thousands)	3,790	2,382	3,257	3,089	1,447

SOURCE. Bureau of Labor Statistics, *Current Wage Developments*, various issues.

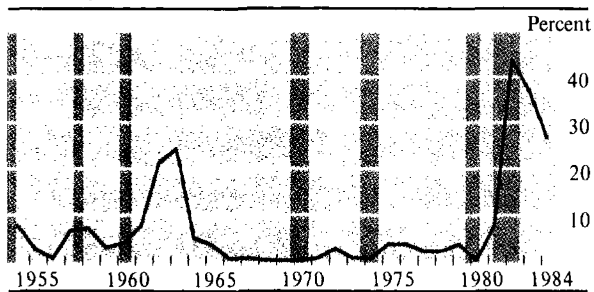
annual increases over the life of the contracts. This new format became the standard for union workers in the automobile, trucking, and rubber industries in 1982, and was adopted in 1983 by the aluminum, metal container, shipbuilding, copper mining, and farm machinery industries. Significant deviations from the industry standard were negotiated at companies with particularly acute financial problems. All told, more than two-fifths of workers covered by large new settlements accepted first-year wage freezes in 1982, and in manufacturing the proportion was one-half.

In 1983, the distribution of first-year union settlements shifted even more dramatically toward wage cuts. Settlements in the steel, airline, and meatpacking industries called for initial wage reductions ranging from 10 to 20 percent. In addition, half of unionized construction workers signed new agreements calling for pay reductions or freezes. Altogether, about 1.1 million workers under large union contracts in the private sector accepted wage cuts or freezes in 1983. The tally by the Board staff found that at least 1.3 million employees were subject to new wage cuts or freezes in 1983. Modifications to past wage practices continued to be a prominent feature of union negotiations during the first nine months of 1984, despite the strong rebound in overall economic activity and profits over the preceding year. About one-fourth of the 1.5 million workers negotiating new contracts accepted initial wage cuts or freezes. In the construction industry, the average wage adjustment was about 1 percent, the lowest figure recorded for the industry since the Bureau of Labor Statistics began publishing these data in 1968.

Chart 3 puts the recent period in historical perspective. Although wage cuts were common during the Great Depression, the experience with distressed bargaining after World War II is more instructive because by that time modern institutions of collective bargaining were well established. Two other episodes of distressed bargaining occurred during the postwar era: one during the 1953–54 recession and another in the late 1950s and early 1960s. Both episodes were highlighted by the spread of wage cuts or freezes to a substantial portion of the unionized workforce in a few select industries. Usually, these industries were undergoing extensive structural change at the same time.

In the early 1950s, the textile industry faced considerable excess capacity, largely as a result of foreign competition, technological advances, and the introduction of synthetic fibers. To forestall plant closings, union workers accepted pay cuts. Despite these revisions to pay scales, industry employment continued to decline over the next two decades. During the late 1950s and early 1960s, the meatpacking industry also experienced structural upheaval. Nonunion firms

3. Union workers receiving no wage increase or a wage cut



Annual data for collective bargaining agreements covering 1,000 or more workers; 1984 represents first nine months. Shaded areas denote recessions.

SOURCE. Bureau of Labor Statistics, *Current Wage Developments*, various issues.

paying wages below the union scale had entered the market by building highly efficient production facilities. Unionized companies, which had once dominated the market, generally failed to keep abreast of technological and marketing advances, and cost disadvantages threatened their long-term viability. Contracts eventually were reopened in 1962 and 1963, and pay and work rules were changed.

Wage cuts were rare outside the meatpacking industry in the early 1960s, but decisions not to increase negotiated rates for base wages were fairly common. Some observers viewed the prevalence of moderate settlements at that time as evidence of success of the wage–price guideposts program or attributed it to a tougher stance taken by management after a period when unions had extracted fairly generous wage increases. Concern arose among union workers about the impact of automation and the employment problems caused by closures of outmoded plants. Despite all the factors restraining wage adjustments, the extent of pay cuts and freezes in union settlements did not approach that recorded during the past three years.

Apart from a few instances, most situations of distressed bargaining during the postwar period before 1982 were specific to individual firms or plants. Almost invariably, these situations involved financially weak firms, and managements were able to convince workers that changes in labor contracts were necessary to assure the firm's survival or to avoid plant closure. Cyclical layoffs even on a large scale generally did not provoke extensive modifications to traditional wage formulas. A prime example is the experience during the 1974–75 recession. Negotiations for most major multiyear settlements were completed before the severity of the recession was evident. Yet, although employment and output fell sharply in many industries, existing contracts were not reopened, as they have been recently. The reason for the sharp contrast between the experiences of 1974–75 and 1980–84 apparently was that in the earlier period, union workers did not perceive job losses to be permanent.

As discussed earlier, the COLA component of effective union wage changes also has declined precipitously since 1981 after a decade of increase. The observed contributions of COLAs to total effective union wage changes are the product of three factors: (1) the proportion of union workers covered by COLAs; (2) the recovery rate—the extent to which COLA formulas pass

2. Factors affecting COLA components of effective union wage changes, 1968–84

Percent, except as noted

Year	Portion of total due to COLAs (percentage points)	Proportion of union workers covered by COLAs	Recovery rate[1]	Price change[2]
1968	.3	23.6	34	4.7
1969	.3	25.0	26	6.1
1970	.6	25.9	67	5.5
1971	.7	27.8	92	3.4
1972	.7	40.6	59	3.4
1973	1.3	39.4	47	8.8
1974	1.9	39.2	48	12.2
1975	2.2	51.5	68	7.0
1976	1.6	59.4	73	4.8
1977	1.7	61.2	58	6.8
1978	2.4	60.4	55	9.0
1979	3.1	58.9	51	13.4
1980	2.8	58.1	58	12.5
1981	3.2	58.2	67	8.7
1982	1.4	56.7	70	3.9
1983	.6	57.6	53	3.3
1984: first nine months[3]	1.1	57.3	53	4.1

1. The data for 1968–80 are Federal Reserve Board staff estimates of the passthrough of price changes into wage adjustments under COLA clauses based on data on the average size of cost-of-living adjustments for workers who actually received payments during the calendar year as a percent of the December-to-December change in the consumer price for urban wage earners and clerical workers (CPI-W). After 1980, the data are estimates by the Bureau of Labor Statistics, which are based on the change in consumer prices over the actual period of the COLA review.

2. December-to-December change in the CPI-W.

3. Nine-month change at a compound annual rate.

SOURCES. COLA contribution and recovery rates after 1980 are from *Current Wage Developments*, various issues; COLA coverage is from *Monthly Labor Review*, vol. 107 (January 1984), p. 31, and previous January issues; price change data are from the Department of Labor.

the change in consumer prices through into wage increases; and (3) the rate of change in consumer prices. Historical data on these factors affecting the COLA contribution are presented in table 2. Note that the diminished role of COLAs in total union wage adjustments recently cannot be attributed to union workers giving up COLA provisions in their collective bargaining agreements. COLA coverage has remained fairly stable at just under 60 percent since 1976. Even in distressed situations, union workers showed little willingness to eliminate entirely contractual provisions indexing wages to movements in the general price level. The only major exceptions to this generalization have appeared in contracts negotiated for airline and food store workers, in which abandonment of escalator clauses has reduced COLA coverage from around 70 percent of the union workforce in these industries to less than 20 percent over the past four years.

Instead of abandoning COLA provisions altogether, some unions agreed to defer or forgo some payments (as in the auto and steel contracts), or to divert payments to help defray the rising costs of fringe benefits (as in the Master Freight Agreement), or to lengthen the period between reviews, which in effect reduces employers' total costs. In addition, some settlements, notably in the steel industry, set limitations on COLAs so that payments are based only on increases in consumer prices in excess of a threshold inflation rate. Most of the alterations to COLAs appear to be temporary and are often scheduled to terminate before the expiration of the contracts.

All of these modifications to COLA provisions should affect the recovery rate. Estimates of the recovery rate are shown in column 4 of table 2. In the early 1980s, COLA formulas on average compensated workers for roughly two-thirds of the rise in consumer prices. Modifications to COLA formulas lowered the recovery rate to around one-half in 1983. These data suggest that modifications to COLAs accounted for perhaps ½ percentage point, or one-fifth of the deceleration in the COLA component of total effective union wage changes. The remainder was attributable to the general slowdown in price increases.

Impact of Contract Modifications on Aggregate Wage Inflation

The unprecedented number of wage cuts and freezes after 1981 coincided with a halving of the

3. The deceleration of wages, 1979–84

Percentage change

Measure	1979	1980	1981	1982	1983	1984 (first nine months)
Employment cost index, wages and salaries[1]						
Private nonfarm	8.7	9.0	8.8	6.3	5.0	3.9
Union	9.0	10.9	9.6	6.5	4.6	3.3
Nonunion	8.5	8.0	8.5	6.1	5.2	4.2
Manufacturing	8.6	9.4	8.7	5.6	4.3	4.1
Union	9.4	11.0	8.9	5.8	3.6	3.9
Nonunion	7.9	7.9	8.3	5.6	4.7	4.3
Nonmanufacturing	8.8	8.8	9.0	6.5	5.5	3.9
Union	8.5	10.8	10.2	7.1	5.5	2.7
Nonunion	8.8	8.1	8.6	6.2	5.5	4.2
Hourly earnings index[2]						
Private nonfarm	8.0	9.6	8.3	6.1	3.9	3.1
Manufacturing	8.7	10.9	8.8	6.0	2.7	3.3
Construction	6.9	7.7	8.3	5.4	1.5	1.2
Transportation and public utilities	9.0	9.3	8.5	6.1	4.3	3.1
Trade	7.5	8.7	6.9	5.4	4.7	2.4
Services	7.6	9.3	9.1	7.0	4.9	4.1
Finance, insurance, and real estate	7.7	10.1	8.0	7.7	6.0	3.9
Major collective bargaining agreements[3]						
Total effective wage change, private sector	9.1	9.9	9.5	6.8	4.0	4.0
First-year adjustments under new settlements, private sector	7.4	9.5	9.8	3.8	2.6	2.5

1. December to December; data for 1984 are from December 1983 to September 1984 at a compound annual rate, not seasonally adjusted.

2. Fourth quarter to fourth quarter; data for 1984 are from 1983:4 to 1984:3 at a compound annual rate.

3. Wage adjustments put in place during the calendar year, except for 1984, which covers only the first nine months.

average rate of wage inflation from 9 percent in that year to around 4 percent recently (table 3). At least two aspects of this wage deceleration contrast with the experience in previous postwar downturns. First, union wage change actually began to decelerate long before there was any sign of a slowdown in nonunion wages. Second, wage inflation fell more rapidly in the union sector than elsewhere—from 11 percent in 1980 to about 3¼ percent thus far in 1984.

As indicated by the data from the employment cost index, the slowdown in union wage inflation began in 1981. Even so, wage adjustments for union workers on balance exceeded those received by nonunion workers, as they had throughout most of the past decade. By 1982, however, union wages on average were rising at about the same rate as nonunion wages. Much of this early deceleration probably was attributable to smaller COLAs in contracts with escalator clauses, as consumer price increases slowed from 12½ percent in 1980 to just 4 percent in 1982. Not until mid-1982 did a substantial number of union workers actually forgo scheduled wage adjustments or COLAs. As the cumulative total of workers negotiating wage cuts and freezes rose, the average change in union wages fell below that for nonunion workers and has remained below it over the first three quarters of 1984. During the past two years, changes in union wages have averaged about ½ to 1 percentage point less than those in nonunion wages.

The direct influence of distressed bargaining also can be seen in wage data by industry. Wage cuts and freezes were particularly prevalent in manufacturing, construction, and transportation; and these industries also showed the greatest deceleration in average wage changes, especially after 1981. According to the hourly earnings index, wage adjustments in manufacturing fell from 11 percent in 1980 to around 3 percent during the past two years. In construction, where wage cuts and freezes in union contracts were widespread in 1983 and 1984, wage changes have averaged only 1 percent lately, compared with about 8 percent in 1981. The direct influence of distressed bargaining is less noticeable in the aggregate wage index for transportation, communications, and public utilities—probably because wage settlements at public utilities were well above average in recent years while wage cuts and freezes were confined largely to trucking firms and airlines.

Distressed bargaining also appeared to have some limited influence on other wage decisions. For example, many union contracts contained provisions requiring "equality of sacrifice" from nonunion counterparts at the same firm. Also, once wage cuts or freezes were negotiated in certain key contracts, other, similar settlements soon spread to industries in the same "sphere" of union wage setting, in a pattern that has been evident for many years. The automobile settlements set precedents for revised agreements in automotive parts, truck manufacturing, and farm and construction equipment; the master steel settlement influenced negotiations in nonferrous metals and metal containers; and intercity trucking settlements were imitated in local trucking agreements, by truckers at retail food stores, and at bus companies.

Even in these examples, it is difficult to distinguish whether the behavior followed a pattern set by one industry or was the independent responses of the individual industries to acute financial problems all of them faced. The contracts negotiated within traditional spheres of influence clearly were tailored to fit the economic conditions of each industry. The steel contracts, for example, cut pay substantially (although the reductions are to be restored over the contract term) and limited COLAs for two and a half years, whereas related settlements merely froze base wage rates. Settlements for truck and bus drivers also have varied widely according to market conditions and companies' fortunes. In short, even within traditional spheres of imitation, there has been considerably greater diversity of wage settlements than in the past.

Outside distressed industries, union settlements also moderated after 1981, but the deceleration appeared to be no greater than might be expected during a period when inflation dropped sharply and unemployment rose. For those workers who received wage increases, first-year adjustments under new settlements exclusive of COLAs dropped from 11 percent in 1981 to 4.2 percent in the first nine months of 1984. This slowdown can be explained largely by reduced inflationary pressures, which mitigated demands for catch-up increases and moderated expectations of future inflation. With consumer prices rising less than 4 percent annually during the past two and a half years, union workers who received wage increases enjoyed, on balance, fairly substantial gains in real wages. Indeed, the rise in real wages over the life of contracts expiring recently is a key factor in the virtual disappearance of initial wage increases in excess of 8 percent in 1984. Thus the unionized workforce divided into two camps during the early 1980s: in industries afflicted by sweeping changes in product market conditions, heightened competition spurred employers and unions to reduce labor costs; in industries facing less stringent product market pressures, negotiators stuck with traditional wage-setting practices.

Wage decisions in unrelated, nonunionized industries also did not appear to be influenced greatly by the extraordinary developments in the union sector. Nonunion wages rose less rapidly than union wages in 1980 and 1981, as was the case throughout most of the 1970s. If strong spillovers from union to nonunion wages existed, the persistent widening of union–nonunion wage differentials over more than a decade could not have occurred. After 1981, when pay cuts and freezes became widespread for union workers, increases in nonunion wages declined, but the reduction was far less than that for union workers. Apparently, nonunionized employers did not feel that product market conditions warranted drastic measures to cut costs; indeed, employment in many nonunionized industries in the service-producing sector continued to rise during the back-to-back recessions of the early 1980s.

A crude calculation may be made of the impact of distressed bargaining on aggregate wage inflation. Roughly 3 million union workers were directly covered by wage cuts or freezes. Spillovers to nonunion workers might double the number of workers affected to 6 million, or about 8 percent of private nonfarm payroll employment in 1983. A realistic assumption is that these workers received no increase in wages on balance. (Small wage adjustments generated by COLAs in many contracts that froze base wage rates probably were counterbalanced by steep wage cuts in some other contracts.) If, instead of having their wages frozen, these workers had received wage increases of 5¼ percent, commensurate with traditional formulas (a 3 percent annual improvement factor plus COLAs), the average wage change for all workers reported in the employment cost index would have been 5½ percent rather than 5 percent in 1983. In other words, recent modifications to traditional wage formulas may have held down overall wage inflation since 1982 at least ½ percentage point per year. This estimate understates the impact on aggregate wage inflation because the definition of contract modifications used here is confined to freezes on base wage rates and pay cuts.

Factors Influencing Recent Settlements

Developments leading up to the recent wave of wage cuts and freezes were complex in their origins and varied across industries, but many of these situations had common characteristics. Frequently, the affected industries were among those hardest hit, in terms of sales and profits, by the prolonged slump in economic activity. Yet the problems facing financially troubled firms were not solely cyclical in nature. At least three developments that evolved during the 1970s probably would have forced unions to modify their traditional wage formulas even in the absence of the back-to-back recessions during the early 1980s.

First, wage dispersion across industries widened dramatically over the past decade as average union wage increases consistently exceeded average nonunion wage increases. By the early 1980s, the union–nonunion wage differential had reached a historic high. Second, productivity trends deteriorated markedly across a wide range of industries, particularly after 1973. As a result, real wage increases for many union workers tended to outstrip productivity gains, exacerbating cost pressures on prices. Third, new competition emerged. For heavily unionized "smokestack" industries, the challenge came from foreign suppliers that made dramatic inroads into U.S. markets. In several highly unionized industries less subject to import competition, domestic nonunion firms paying lower wages captured an increasing share of the market. For the airline and trucking industries, the new competition has been the result of deregulation, which effectively removed barriers to entry into basically competitive markets. The twin recessions of the early

1980s and the strengthening value of the dollar relative to foreign currencies clearly added to these burgeoning market pressures on unions and hastened modifications to traditional wage practices.

Layoffs and Plant Closings

Almost invariably, unions have accepted major contract modifications only when bankruptcy, extensive plant closings, or massive layoffs were an immediate threat. Job losses were particularly widespread among union workers during the early 1980s. Table 4 shows cumulative declines in employment from peak levels (usually in 1979) to the recession lows for numerous heavily unionized industries in which wage cuts and freezes became widespread. In many cases, including automobiles and steel, more than one-third of the prerecession workforce was laid off. In the meatpacking, trucking, and airline industries, the overall declines in employment undoubtedly understate the adversity faced by union workers, because the number of nonunion jobs expanded or at least contracted less than the number of union jobs. By 1982, many union workers had been separated from their former jobs for nearly three years, and prospects for regaining them were highly unfavorable. Indeed, by mid-1984, after one and one-half years of economic recovery, employment in these industries generally was still well below prerecession levels.

4. Job losses in selected industries receiving wage concessions

Percent

Industry	Cumulative change in employment	
	Prerecession peak to recession trough[1]	Prerecession peak to July 1984
Copper ores	−50.4	−51.3
Construction	−29.8	−4.6
Metal cans	−28.8	−27.1
Primary aluminum	−37.7	−24.1
Fabricated structural metal	−29.5	−23.5
Farm machinery	−48.4	−43.2
Construction machinery	−59.6	−44.0
Metalworking machinery	−28.6	−19.0
Motor vehicles and equipment	−35.7	−17.4
Blast furnace and basic steel products	−43.7	−41.2
Meat packing plants	−17.2	−12.0
Tires and inner tubes	−27.9	−20.7
Trucking and trucking terminals	−17.3	−4.8
Air transportation	−5.4	4.7
Food stores	...[2]	13.5
Ship and boatbuilding	−20.7	−10.9
Total private nonfarm	−4.4	4.9

1. Peaks and troughs are specific to the individual industries. The absolute decline in employment totaled about 4 million in the industries listed; private nonfarm employment fell 1.9 million between February 1980 and December 1982.

2. There was no trough for this industry.

SOURCE. U.S. Department of Labor, *Supplement to Employment and Earnings* (July 1984), and recent monthly issues of *Employment and Earnings*.

A puzzling question is why crisis situations must develop before unions are willing to modify traditional wage practices. One possible explanation is that unions do not perceive the wage–employment tradeoff, especially in the short run. Under some circumstances, this lack of perception is understandable. If the short-run elasticity of demand for union labor is low, as some evidence suggests, employed workers must sacrifice a lot in wages to generate a small gain in employment for their unemployed counterparts. Elasticities of labor demand tend to be low when unions effectively control their jurisdictions and when the ratio of labor costs to total costs is low. For many of the industries in which wage formulas ultimately were altered, including steel, autos, meatpacking, and tires, the ratio of labor costs to total costs is one-third or less. A sizable wage cut, even if fully passed through into prices, would translate into only a moderate reduction in product prices, which in turn would stimulate output and employment only a little in the near term. Thus low short-run elasticities of labor demand may account in part for the reluctance of unions to accept cost-reduction measures until they saw clear signs of a long-term crisis.

Institutional considerations also can forestall or even preclude contract modifications during recessions. Workers often distrust their companies' claims of financial distress. Lacking membership support, union leaders are reluctant to recommend pay cuts that would alienate their members and threaten their leadership within the union. Moreover, revisions to customary wage formulas in even one firm often are viewed by union leaders as undermining union strength because they can subject the union to demands for equal treatment by other organized firms.

A key role in union decisionmaking is played by senior workers, who generally constitute a majority and whom seniority systems insulate to some extent from layoffs. Unless the job security of senior workers is threatened, a consensus in favor of contract reopenings and revised settlements is unlikely to emerge. The jobs of senior workers rarely were threatened during the postwar period before the 1980s, and the responsiveness of wages under multiyear contracts to cyclical changes in economic conditions was sharply limited. By contrast, crisis situations that threatened senior workers—imminent threats of bankruptcy or permanent plant closings—extended far beyond marginal firms during the early 1980s and afflicted a much greater number of industries.

Long-Run Influences

Although massive layoffs were the catalyst for recent changes in collective bargaining, a confluence of developments during the 1970s had added to market pressures on unions and probably would have forced modifications to traditional wage formulas in any event. These difficulties included high domestic labor costs, a narrowing or even the elimination of the U.S. productivity advantage, and the failure of some unionized industries to adapt quickly to changes in technology and in consumer preferences. As these problems evolved, numerous unionized industries became increasingly vulnerable to import and nonunion competition, which in turn eroded union bargaining power.

In key manufacturing industries, the new competition came from imports. During the 1970s, foreign suppliers made steady inroads into U.S. markets formerly dominated by domestic firms. For example, by 1982, foreign cars accounted for 28 percent of total U.S. auto sales, compared with only 9 percent in 1968. The import share for steel almost doubled over the same period to 22 percent (table 5). Likewise, imports of apparel, tires, leather goods, and machine tools rose sharply as a share of domestic sales. The sharp increase in the foreign exchange value of the dollar beginning in late 1980 put added pressure on domestic producers by reducing the relative price of imported goods. Since late 1982, the strong recovery of aggregate demand has bolstered sales of domestic producers but has not stemmed the tide of imports. Indeed, the U.S. merchandise trade deficit reached record levels during the first three quarters of 1984.

In a number of industries in which imports are not a factor, the emergence of nonunion competition eroded union bargaining power. Unionization in construction, meatpacking, and retail food stores shrunk during the 1970s, and the deterioration appeared to accelerate during the early 1980s. For the highly unionized airline and trucking industries, deregulation effectively removed barriers to entry into basically competitive markets, and new low-cost nonunion firms offering discount rates have thrived. Whatever its source, the heightened competition exacer-

5. Import penetration ratios

Percent

Industry	1968	1981
Food and kindred products	1.0	4.2
Tobacco manufacturers	.3	2.0
Textile mill products	5.2	5.9
Apparel and related products	4.2	13.7
Lumber and wood products, except furniture	8.3	8.7
Furniture and fixtures	1.6	4.8
Paper and allied products	5.8	6.4
Printing, publishing, and allied products	.6	1.0
Chemicals and allied products	2.3	4.4
Petroleum and coal products	3.9	6.8
Rubber and miscellaneous plastic products	3.0	7.7
Tires and inner tubes[2]	2.3	11.7
Leather and leather products	8.9	24.7
Stone, clay, and glass products	3.0	5.1
Primary metal products	8.8	14.5
Steel[3]	12.2	21.8
Fabricated metal products, except machinery and transportation equipment	1.7	3.9
Machinery, except electrical	4.0	3.9
Metalworking machinery[2]	4.8	16.3
Machine tools[2]	14.6	29.4
Electrical machinery, equipment, and supplies	4.0	8.0
Transportation equipment	5.7	14.8
Motor vehicles and parts[2]	5.7	21.7
Measuring, analyzing, and controlling instruments; photographic and optical goods; watches and clocks	4.9	11.3
Miscellaneous manufactured commodities	10.6	23.6
All manufacturing industries	4.3	8.4

1. Import penetration ratios are defined as imports divided by total industry shipments plus imports. Changes in industry classifications as of 1972 affected import penetration ratios in a few industries, notably petroleum; basic trends for most two-digit industries, however, are not distorted by comparing figures for 1968 and 1981.

2. Data are from the Census of Manufactures, 1967 and 1982.

3. Data are from the American Iron and Steel Institute, 1967 and 1982. Exports are netted out in this volume-based data.

SOURCE. Bureau of Labor Statistics, except as noted.

6. Ratio of hourly earnings in selected industries to average for private nonfarm production workers

Industry	1969	1973	1977	1981	1983
Trucking[1] (Master Freight Agreement)	1.31	1.59	1.63	1.73	1.63
Autos[2]	1.39	1.45	1.57	1.70	1.67
Steel[3]	1.34	1.42	1.64	1.81	1.67
Rubber[4]	1.38	1.33	1.38	1.53	1.54

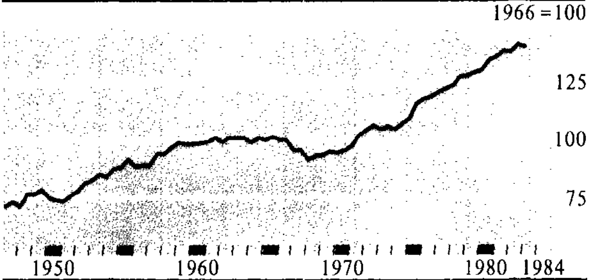
1. Straight-time hourly wage rates are specified in Master Freight Agreements.
2. SIC 3711, motor vehicles and car bodies.
3. SIC 3312, blast farmers and steel mills.
4. SIC 301, tires and inner tubes.

SOURCE. U.S. Department of Labor and Master Freight Agreements for various years.

bated the cyclical decline in union employment and undoubtedly was a major influence on workers' perceptions of their firm's long-term prospects. More important, greater competition in product markets made it more difficult for businesses to pass on higher costs into prices.

Underlying these fundamental changes in product markets were marked cost differences between union firms and their competitors. During the 1970s, wage increases varied considerably across industries, and the dispersion of wage rates widened dramatically after a decade of relative stability (chart 4). The causes of the increased dispersion in wages are open to debate, but it is clear that many of the union workers granting wage cuts or freezes in the early 1980s were among those who had received the largest wage increases during the 1970s. For

4. Dispersion of average hourly earnings across industries



The summary statistic plotted is the coefficient of variation for average hourly earnings in 44 three-digit industries for which data are available since 1947; data are indexed to equal 100 in 1966. A similar widening in interindustry wage differentials during the 1970s was evident for a larger sample of 120 three-digit industries for which data are available since 1958. Weighting the earnings data by industry employment also did not change the basic pattern of dispersion.

SOURCE. U.S. Department of Labor.

7. Productivity growth in selected industries, selected periods

Average annual percentage change

Industry	Productivity growth[1]		
	Earlier period		1973–81
	Change	Years covered[2]	
Motor vehicles and equipment	3.7	1957–73	1.9
Steel	1.8	1947–73	.8
Tires and inner tubes	4.0	1947–73	2.9
Primary aluminum	4.4	1947–73	−.3
Farm and garden machinery	2.5	1958–73	.5
Intercity trucking	2.7	1954–73	.3
Air transportation	7.5	1947–73	2.6
Metal cans	2.3	1947–73	3.8
Copper mining, crude ore	3.7	1955–73	2.2
Retail food stores	2.8	1958–73	−.6
Construction machinery	2.1	1958–73	.1
Machine tools	1.5	1958–73	−.7
Meatpacking	3.2	1967–73	3.2
Fabricated structural metal	2.3	1958–73	−.4
Total private nonfarm	2.5	1947–73	.6

1. Output per employee hour.
2. The period covered was determined by the availability of data.

SOURCE. *Productivity Measures for Selected Industries, 1954–81*, Bureau of Labor Statistics Bulletin 2155 (December 1982).

example, union wage scales in autos, steel, rubber, and trucking—industries recently marked by wage cuts and freezes—climbed from a level 30 to 40 percent higher than the average wage for all private nonfarm production workers in the late 1960s to a level 50 to 80 percent higher in 1981 (table 6). In the meatpacking industry, older unionized plants paid substantially higher wages than the new nonunion plants with advanced technology, and large settlements in the construction industry during the early 1980s undoubtedly widened the wage gap between union and nonunion workers.

Many industries in which labor contracts were modified recently also experienced a slowdown in productivity growth after 1973 (table 7). One consequence of that slowdown was a compounding of cost disadvantages for unionized firms in these industries relative to foreign or domestic nonunion competitors. Before the 1970s, strong productivity gains appeared to warrant annual increases in real wages of 2 to 3 percent that were embedded in union wage formulas. For nearly a decade after 1973, however, few heavily unionized industries experienced productivity gains of that magnitude, yet traditional annual improvement factors remained largely intact. At the same time, foreign producers, particularly in Japan, were able to raise productivity substantially, thereby narrowing or even eliminating the U.S. advantage in production efficiency.

LONG-RUN PROSPECTS FOR COLLECTIVE BARGAINING

Traditional union practices governing wage determination and other key outcomes of collective bargaining underwent sweeping changes during the early 1980s in response to heightened competition in many unionized markets. This response was the inevitable result of the significant widening of union–nonunion wage differentials or, in the case of import-sensitive industries, the worsening of labor cost disadvantages vis-à-vis foreign producers during the 1970s. Union wage-setting practices remained stable as long as trend productivity growth matched the annual improvement factor built into traditional wage formulas. But when productivity gains slowed, the use of mechanistic formulas resulted in settlements that were at odds with the market conditions facing individual firms or industries. After the longer-term consequences became evident in the form of declining market shares, affected unions began to modify traditional wage formulas and to experiment with alternate approaches to wage administration in an effort to lower costs. Which modifications in recently negotiated contracts are likely to be enduring features of union settlements during the remainder of the 1980s? What are the implications for union wage behavior?

If the only change in union wage determination were that workers did not recoup traditional wage adjustments that were forgone, then the moderation in wage inflation would be transitory. Wage *levels* would be indefinitely lower than they would have been without the recent wage cuts and freezes, but future wage *changes* would be indistinguishable from those in the past; that is, the past relationship between union wage behavior and its basic determinants—inflation and unemployment—would reemerge as modified contracts expire. There are some indications, however, that the structural upheaval in many unionized markets has redirected the attention of union workers to the long-run adverse consequences that higher labor costs have for employment—a development that could presage longlasting changes in traditional union wage practices.

One fundamental change could be the scaling back of annual improvement factors. The absence of this factor from so many contracts during the past several years suggests that workers no longer automatically expect real wage improvements of 3 percent annually and will accept more modest goals in order to preserve jobs. Other joint efforts by labor and management to curb costs can be seen in recent contract provisions that diminish the economic impact of published wage scales. Such cost-saving provisions include two-tier wage systems under which new hires are paid less than incumbent employees for doing the same job, measures to hold down the rapid rise in benefit costs, and the elimination of costly work rules.

A survey by the Bureau of National Affairs found that nearly 6 percent of the 1,800 nonconstruction agreements reached between January and July 1984 specified some sort of dual pay plan. The potential savings from lower pay for new hires will vary depending on the size of the wage differential, on labor turnover rates, and on the extent to which new hires remain at the lower pay scales. Some observers of industrial relations fear that two-tier schemes could affect morale and productivity adversely if they create animosity between new hires and incumbents. Perhaps for that reason, many of these plans are temporary or graduated systems that allow new employees to progress to top-tier or regular wage scales over a specified period of time.

Negotiators also have sought to curtail the rapid rise in benefit costs, particularly the costs of medical plans. Union contract provisions covering medical plans often are specified in terms of benefit coverage rather than benefit costs. As medical costs rose, they were absorbed automatically by employers in addition to any negotiated improvements in benefit coverage. To curb rising costs, negotiators have turned to such measures as employee-paid deductibles and so-called cafeteria plans, under which employees are offered a choice of medical plans varying in cost and coverage while employers pay for a fixed dollar amount of their cost. These provisions are meant to encourage workers to avoid unnecessary medical expenditures and excessive insurance coverage. Improvements in benefits also have been scaled back or eliminated, and in some contracts a portion of COLAs has been diverted to help cover benefit costs.

A potentially more far-reaching change may be found in union agreements to lift work rules that have evolved over the past five decades. There is a growing consensus that many contractual rules governing the performance of work are no longer appropriate, particularly for industries faced with rapid technological change or increased competition.

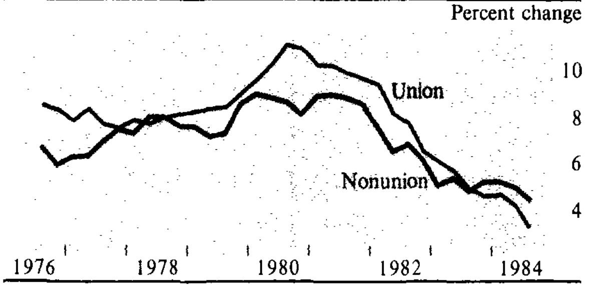
Two major types of work-rule changes are being negotiated. One type leaves the existing organization of work intact but makes it more efficient. Examples include allowing management greater flexibility in scheduling work, relaxing the use of seniority in job assignments, and reducing the number of separate job classifications by combining duties and eliminating superfluous jobs. Generally, work-rule changes of this type give only a one-time boost to the level of productivity, unless they signal an ongoing effort to increase flexibility in the workplace. More fundamental changes involve revamping the organization of work entirely. An example is the introduction of team work, whereby workers learn all of the jobs in their work areas rather than perform narrow job functions, the usual practice. These developments may mark an emerging trend away from the traditionally adversarial atmosphere of U.S. labor–management relations toward a more cooperative framework with a long-term commitment to enhancing productivity.

Other innovations negotiated recently include profit-sharing arrangements and new job security provisions. Both of these innovations may be viewed as evidence of the new emphasis that unions are placing on preserving jobs. Because profits are heavily influenced by cyclical fluctuations in demand, profit-sharing plans tend to make labor compensation more sensitive to the ups and downs of the business cycle. Greater flexibility in compensation and prices could tend to smooth out cyclical fluctuations in sales, production, and employment. More stable employment in turn could reduce the costs of job security provisions such as lifetime employment guarantees or income maintenance plans for workers who are laid off because of plant closings. Over the longer term, preserving jobs will depend on remaining competitive; so managements often have offered new job security provisions in return for union commitments to negotiate improvements in productivity.

Whether profit-sharing plans will have a major influence on the cyclical behavior of union wages depends on (1) the proportion of the union workforce covered by profit sharing; (2) the size of bonuses as a share of total compensation; and (3) the extent to which bonuses replace other features of union settlements such as guaranteed wage increases and COLAs, which contributed to wage inertia in the past. Although the number of plans indexing compensation for union workers to company performance has increased sharply since 1980, overall coverage under these plans is still fairly low. Only about 10 percent of the workers in large bargaining units were covered by profit-sharing plans as of late 1983. Moreover, the size of bonuses under existing plans has yet to become a substantial proportion of total compensation. Thus, unless more unionized industries adopt profit-sharing plans and unions continue to accept bonuses in lieu of guaranteed wage increases, the impact of such plans on the cyclical behavior of aggregate union wages will be limited.

Although unions and management may continue to experiment with alternative forms of wage administration, there is no evidence of either a permanent move toward shorter contracts or a willingness to abandon COLA clauses. A recent survey found that management would strongly oppose any legal restrictions on the duration of collective bargaining agreements. The disadvantages of short-term contracts cited by management include an increase in the time and money spent on negotiations, an increase in the incidence of strikes, and adverse consequences on employee morale and productivity. Some of these objections may not be warranted, but it is clear that U.S. employers still feel that multiyear contracts are extremely important to maintaining stability in labor–management relations. At the same time, unions have been very reluctant to eliminate COLA provisions, even during a period of duress. Thus wage changes under multiyear agreements probably will remain highly sensitive to inflation.

5. Wage changes



Change from four quarters earlier.
SOURCE. Employment cost index, Bureau of Labor Statistics.

Nevertheless, the secular developments that led to the unprecedented wave of wage cuts and freezes recently may keep downward pressure on union wage changes. Apart from a few cases of steep wage cuts, recent modifications to traditional wage formulas have not yet substantially narrowed labor cost disadvantages. During the past two years, the rise in union wages on balance has averaged only ½ to 1 percentage point less than the rise in nonunion wages. That compares with a widening of the overall union–nonunion wage differential of perhaps 10 percentage points during the 1970s (chart 5). Given remaining cost disadvantages, the highly competitive conditions in many product markets are likely to persist. In unionized markets subject to foreign competition, domestic firms still have incentives to shift production abroad. In other unionized industries, recent inroads by nonunion firms have reduced the ability of unions to maintain wage premiums for their members. Barring any concerted actions to raise protectionist barriers or toward the reimposition of regulation, which merely would postpone market adjustments, these factors imply a sustained moderation in the rise of union labor costs in the years ahead and perhaps some reversal of the widening in union–nonunion wage differentials that took place during the 1970s. □

Survey of Consumer Finances, 1983: A Second Report

This article was prepared by Robert B. Avery, Gregory E. Elliehausen, and Glenn B. Canner, of the Board's Division of Research and Statistics, and Thomas A. Gustafson, of the U.S. Department of Health and Human Services. Neil Briskman, Bryan Davis, Julie Rochlin, Robert Seifert, and Julia Springer helped prepare the data. This article is the second in a series of three reports on the 1983 Survey of Consumer Finances. The first article appeared in the FEDERAL RESERVE BULLETIN *for September 1984.*

Information on the financial position of American households is available from a variety of sources. Few of these sources, however, provide information on the distribution of assets and liabilities among families with various characteristics. Surveys of consumers, such as the 1983 Survey of Consumer Finances, are a source of these data.[1] The 1983 Survey of Consumer Finances, jointly sponsored by the Board of Governors of the Federal Reserve System, the United States Department of Health and Human Services, and five other federal agencies, collected a comprehensive inventory of the assets and liabilities of 3,824 randomly selected American households.[2] The survey also obtained information on the use by consumers of financial services, on their reactions to consumer credit regulations, and on consumer pension rights and benefits.

Results from the income and asset sections of the 1983 Survey of Consumer Finances were described in the FEDERAL RESERVE BULLETIN for September 1984. This article presents highlights from the survey covering family debts, net worth, and the selection and use of financial services. Where appropriate, comparisons are made between results obtained from the 1983 survey and similar surveys conducted in 1970 and 1977.[3] The appendix describes the 1983 survey design and data preparation.

MORTGAGE AND CONSUMER CREDIT OUTSTANDING

Changing economic conditions and rapid developments in financial markets since 1970 have substantially influenced both the magnitude and the composition of the outstanding debt of American families. In view of these changes, the 1983 Survey of Consumer Finances collected detailed information on all types of debts owed by families. This section presents survey results on mortgage and consumer debt outstanding. Mortgage debt includes both first and second mortgages.[4] Consumer credit includes credit card and other open-end debt, installment debt, and noninstallment credit from all sources. Family debts associated with businesses and with real estate other than primary residences are not included in either of these categories. For installment credit, respondents were asked to report the terms of their outstanding debts. The responses on pay-

1. Copies of the questionnaire, code book, and data tape containing responses to the survey may be obtained from Robert Chamberlin, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

2. The five other agencies are the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Trade Commission, the U.S. Department of Labor, and the U.S. Treasury, Office of Tax Analysis.

3. George Katona, Lewis Mandell, and Jay Schmiedeskamp, *1970 Survey of Consumer Finances* (University of Michigan, Institute for Social Research, 1971) (2,317 respondents); and Thomas A. Durkin and Gregory E. Elliehausen, *1977 Consumer Credit Survey* (Board of Governors of the Federal Reserve System, 1977) (2,563 respondents).

4. Data on mortgage debt reported in this article include farm families and owners of mobile homes, which are often not included in mortgage debt figures.

1. Distribution of mortgage debt outstanding for homeowners, selected years

Percentage distribution of homeowners with such debt except as noted[1]

Amount of mortgage debt outstanding (dollars)[2]	Current dollars			Constant (1983) dollars		
	1970	1977	1983	1970	1977	19(
None	45	44	43	45	44	
1–14,999	42	28	22	16	16	
15,000–24,999	10	15	12	11	13	
25,000–49,999	3	12	15	22	20	
50,000–74,999	*	1	6	6	6	
75,000 and more	*	*	2	1	1	
Total	**100**	**100**	**100**	**100**	**100**	**1**
MEMO (dollars)[3]						
Mean	10,480	17,523	27,147	26,862	28,732	27,1
Median	10,000	15,080	21,010	25,632	24,727	21,(

1. Includes farm families and owners of mobile homes.
2. Consists of first and second mortgage debt outstanding. First mortgages include land contracts.
3. Mean and median values are for families with outstanding mortgage debt, including mobile home debt.
*Less than 0.5 percent.

SOURCES. George Katona, Lewis Mandell, and Jay Schmie kamp, *1970 Survey of Consumer Finances* (University of Michi Institute for Social Research, 1971), and Thomas A. Durkin Gregory E. Elliehausen, *1977 Consumer Credit Survey* (Boar Governors of the Federal Reserve System, 1977).

ment size, maturity, and amount borrowed were used to calculate the amounts still outstanding on each loan. For credit card and other noninstallment credit, respondents were asked to report outstanding balances.

Mortgage debt continues to be the largest financial obligation of many American families. In 1983, 64 percent of families were homeowners; of these homeowning families, 57 percent owed mortgage debt. The mean mortgage debt of homeowners in 1983 was $27,147 and the median was $21,010.

The amount of mortgage debt outstanding per homeowning family, measured in current dollars, increased substantially from 1970 to 1983 (table 1). In 1983, 23 percent of homeowners owed $25,000 or more on mortgages (both first and second mortgages); the proportion was 13 percent in 1977 and only 3 percent in 1970. However, when mortgage debts in 1970 and 1977 are expressed in 1983 dollars (using the consumer price index), the proportion of homeowning families whose mortgage obligations were $25,000 or more was 29 percent and 27 percent in 1970 and 1977 respectively, and then decreased to the 23 percent in 1983 noted above. These data are also presented in table 1. Both mean and median real mortgage debt were lower in 1983 than in 1977: the mean dropped 6 percent and the median 15 percent.

According to the 1983 survey, a large proportion of American families had outstanding consumer credit obligations in 1983 (table 2 somewhat higher fraction of families had debt in 1983 (62 percent) than in 1977 (59 cent).[5] The proportion of families with at $2,000 in outstanding consumer debt rose 1 28 percent in 1977 to 34 percent in 1983. after the data are adjusted for price changes proportion of families owing more than $2 was about the same in both years. Mean consumer debt outstanding for families with debt increased from $4,450 in 1977 to $5,4(1983, while median real consumer debt decl from $2,622 to $2,382.

Table 3 presents the proportion of fam owing debt and the mean and median amo outstanding for mortgage and consumer del 1983 according to certain family characteris The 1983 results reveal that as in previous y(the proportion of homeowning families o mortgage debt increases steadily from the lo to the highest income groups, as do both n and median mortgage debt. Of the homeow

5. The data on 1970 consumer debt are not entirely cc rable because the survey for that year asked only about card and installment debt outstanding and not about standing noninstallment consumer debt. As a consequ information in table 2 on outstanding consumer debt in understates the proportion of families owing and the amount of consumer debt outstanding in that year. In 19(percent of families had credit card or installment debt standing, compared with 56 percent in 1977 and 54 perc 1970.

2. Distribution of consumer debt outstanding, selected years

Percentage distribution of families with such debt except as noted

Amount of consumer credit outstanding (dollars)[1]	Current dollars			Constant (1983) dollars		
	1970	1977	1983	1970	1977	1983
None	46	37	38	46	37	38
1–499	20	15	13	11	12	13
500–999	9	10	6	5	6	6
1,000–1,999	12	11	9	9	10	9
2,000–2,999	6	8	6	5	6	6
3,000–4,999	5	11	9	9	10	9
5,000–7,400	2	5	7	6	9	7
7,500 and more	1	4	12	8	11	12
Total	**100**	**100**	**100**	**100**	**100**	**100**
MEMO (dollars)[2]						
Mean	1,438	2,713	5,400	3,686	4,450	5,400
Median	858	1,599	2,382	2,199	2,622	2,382

1. Consists of credit card and other open-end debt, installment debt, and noninstallment consumer debt from all sources (except 1970, which does not include noninstallment consumer debt).

2. Mean and median values are for families with outstanding consumer debt.

SOURCES. Katona and others, *1970 Survey*, and Durkin and Elliehausen, *1977 Survey*.

3. Mean and median mortgage and consumer debt outstanding of families owing such debts, by selected family characteristics, 1983

Characteristic	Mortgage debt outstanding (dollars)[1]				Consumer debt outstanding (dollars)[2]		
	Percent of families	Percent of home-owners	Mean (dollars)	Median (dollars)	Percent of families	Mean (dollars)	Median (dollars)
Family income (dollars)							
Less than 5,000	7	18	18,611	11,925	33	2,834	677
5,000–7,499	12	27	14,751	8,620	40	1,919	573
7,500–9,999	12	27	17,173	13,488	48	4,152	1,006
10,000–14,999	22	40	17,201	13,470	54	3,452	1,451
15,000–19,999	32	53	17,375	12,943	66	4,295	1,639
20,000–24,999	36	57	18,606	16,097	72	4,149	2,336
25,000–29,999	48	70	23,690	21,095	72	4,632	2,929
30,000–39,999	59	72	27,836	24,041	77	5,138	3,594
40,000–49,999	68	76	30,031	25,242	80	7,079	4,365
50,000 and more	69	78	45,233	36,411	75	12,772	5,529
Age of family head (years)							
Under 25	12	61	24,577	20,049	64	3,584	2,263
25–34	40	87	32,266	27,137	77	4,781	2,265
35–44	58	84	31,871	25,268	79	6,673	3,030
45–54	52	67	23,767	16,167	71	5,780	3,152
55–64	34	43	18,334	12,100	57	6,325	1,700
65–74	16	20	14,703	10,067	31	3,537	943
75 and over	3	5	11,029	9,981	15	1,117	308
Race of family head							
Caucasian	39	57	28,116	22,162	63	5,577	2,503
Nonwhite and Hispanic	27	60	20,838	13,839	60	4,578	1,830
Life-cycle stage of family head							
Under 45 years							
Unmarried, no children	17	69	34,304	25,540	64	4,864	1,900
Married, no children	46	86	34,448	30,143	86	4,877	2,949
Married, with children	60	87	32,039	26,079	83	5,922	3,076
45 years and over							
Head in labor force	45	56	21,828	13,780	66	6,403	2,949
Head retired	14	18	15,787	9,981	27	2,967	677
All ages							
Unmarried, with children	27	68	22,304	17,308	65	4,433	1,135
All families	**37**	**57**	**27,147**	**21,010**	**62**	**5,400**	**2,382**

1. Consists of first and second mortgage debt outstanding. Includes farm families and owners of mobile homes.

2. Consists of credit card and other open-end debt, installment debt, and noninstallment consumer debt from all sources for all families.

4. Ratio of monthly mortgage and installment debt payments in 1983 to family income in 1982, by selected family characteristics[1]

Percentage distribution, selected groups

Characteristic	Ratio of mortgage debt to income[2]					Ratio of installment debt to income[2]				
	No debt	1–9 percent	10–19 percent	20 percent or more	Total	No debt	1–9 percent	10–19 percent	20 percent or more	Tot
Family income (dollars)										
Less than 5,000	83	3	3	12	100	84	3	3	10	10
5,000–7,499	73	3	6	17	100	79	7	4	10	10
7,500–9,999	73	2	10	14	100	65	14	12	9	10
10,000–14,999	60	10	16	14	100	66	14	13	7	10
15,000–19,999	48	21	19	13	100	56	21	17	6	10
20,000–24,999	43	28	21	7	100	51	27	18	5	10
25,000–29,999	31	33	25	12	100	50	31	16	3	10
30,000–39,999	28	41	24	7	100	44	45	10	1	10
40,000–49,999	24	50	21	6	100	42	47	9	2	10
50,000 and more	23	56	17	5	100	53	39	8	1	10
Age of family head (years)										
Under 25	38	18	26	17	100	55	21	16	9	10
25–34	13	31	38	19	100	45	34	15	7	10
35–44	16	42	27	14	100	45	36	14	6	10
45–54	33	42	16	9	100	51	31	12	5	10
55–64	57	29	8	6	100	68	18	9	4	10
65–74	80	10	6	3	100	86	7	4	3	10
75 and over	96	3	1	1	100	94	2	2	2	10
Race of family head										
Caucasian	43	29	18	9	100	59	26	11	5	10
Nonwhite and Hispanic	40	33	16	11	100	57	21	13	9	10
All families	**43**	**29**	**18**	**10**	**100**	**59**	**25**	**11**	**5**	**10**

1. Family income before taxes.

2. Covers homeowners with regular monthly payments incl farm families and owners of mobile homes.

families whose head is under 25, 61 percent owe mortgage debt; the proportion rises to 87 percent for those whose head is 25 to 34, but then declines for the older groups, reaching 5 percent for the group with a head of 75 and over. Of those who owe mortgage debt, the mean and median amounts outstanding are highest for families whose head is under 45. Homeowning white families are less likely to owe mortgage debt but have larger debt than homeowning nonwhite and Hispanic families.

More families owe consumer debt than mortgage debt, but the distribution and dollar amounts of the two types of debt generally follow the same income and life-cycle patterns. Up to an income of $20,000 to $24,999, the higher the income, the higher the proportion of families that owe consumer debt; above that income the proportion remains relatively stable. However, above that level, as income rises so do mean and median dollar amounts of consumer debt outstanding. Outstanding consumer debt generally increases with the age of the family head until 44, but then begins to decline; in 1983, only percent of families whose head was over ag had outstanding consumer debt compared v 79 percent of families whose head was 35 to

Because repayments of debts are gener made out of current income, the ratio of mon debt payments to monthly income is a us indicator of the debt burden. To estimate c burdens, scheduled monthly mortgage and n mortgage installment payments in 1983 w divided by 1982 monthly family income, whic the family's total before-tax income from sources. Table 4 presents the ratios of mon mortgage payments to monthly income anc monthly payments on nonmortgage installm debt to monthly income for various far groups. It reveals that although homeowr with lower incomes were less likely than th with higher incomes to owe mortgage debt, t were more likely to have higher mortgage p ment ratios when they owed debt. Homeowr families with younger heads were more lik than those with older heads to owe mortg debt, and they had higher ratios of mortgage payments to income. Table 4 also shows that mortgage debt burdens were substantially similar for white and nonwhite and Hispanic families.

Differences among groups in the proportion of families owing installment debt are similar to those for all types of consumer debt although the levels are somewhat lower. Ratios of monthly installment payments to monthly income decrease as family income rises and as the family head ages. Installment payment ratios were generally higher for nonwhites and Hispanics than for whites.

NET WORTH

Like income, consumers' wealth or net worth is important both because it influences savings, consumption, and financial behavior and because it serves as an indicator of economic well-being. Gathering current information on net worth was one of the major objectives of the 1983 Survey of Consumer Finances. Collecting accurate data on net worth and its components for any population is a substantial challenge. Only a few other nationally representative surveys have attempted it.

Net worth is the difference between gross assets and liabilities. The 1983 Survey of Consumer Finances contains a highly detailed inventory of components on both sides of consumers' balance sheets; these components have been summed to produce estimates of net worth for each family. The estimates discussed here account for all financial assets, and equity in homes and in other real property, as well as all financial liabilities such as consumer credit and other debts. These estimates exclude the value of consumer durables such as automobiles and home furnishings, the cash value of life insurance, equity in small businesses and farms, and the present value of expected future benefits from pensions or social security.[6]

As defined above, net worth, measured in current dollars, increased substantially between 1970 and 1983 (table 5).[7] For example, the proportion of families with net worth of more than $25,000 expanded from 22 percent in 1970, to 38 percent in 1977, and then to 50 percent in 1983. Adjusted for price changes, the net worth figures still show significant, if smaller, increases. Real mean and median net worth rose 30 percent and 18 percent respectively from 1977 to 1983; from 1970 to 1977, in contrast, median real net worth rose only 12 percent and mean real net worth fell. The proportions of families having various amounts of net worth were substantially the same in the three survey years after accounting for price changes.

The growth in real net worth between 1977 and 1983 reflects the net effects of the economic expansion in the late 1970s—which had a particularly heavy impact on home equity, a large component of consumers' balance sheets—and of the recession in the early 1980s. The stability of the distribution of net worth is particularly striking in light of major changes in family composition over these years. The number of one- and two-person families increased at almost twice the rate for all families: such families are predominantly young (with heads under 35) or old (with heads over 65).[8] As noted in the earlier article, these demographic changes contributed to the decline in real family income. The effect of these shifts on net worth is different, however. Older families tend to have relatively high net worth, and the expansion in this group has counterbalanced that of young families, who tend to have relatively low levels of net worth.

6. Expectations of future retirement benefits can be a significant element of consumers' economic situation because the benefits are potentially very large relative to other assets. The 1983 Survey of Consumer Finances included questions on these expectations, and a special supplement—not yet complete—addressed to pension providers should afford better measurement of these notoriously elusive assets. They are excluded from the estimates of net worth presented here because of the independent interest in this concept of net worth and to facilitate comparisons with earlier surveys that did not investigate this area. Results on pensions and social security will be reported elsewhere.

7. In these surveys, net worth was measured as of the date of the survey, in contrast to income amounts, which referred to the previous calendar year. In the 1977 survey, asset values were measured with an interval scale rather than as exact amounts. To aggregate assets, interval midpoints were used for bounded intervals, and the lower limit ($200,000) of the open interval was used. This technique may have yielded underestimates of the value of the largest assets and consequently underestimates of average net worth.

8. U.S. Department of Commerce, Bureau of the Census, *Current Population Reports*, Series P-20, various issues, 1970–83.

5. Distribution of families by net worth, selected years

Percent except as noted

Net worth (dollars)[1]	Current dollars			Constant (1983) dollars		
	1970	1977	1983	1970	1977	198:
Less than 5,000	45	39	33	36	35	:
5,000–9,999	11	7	5	6	5	
10,000–24,999	23	17	12	14	12	:
25,000–49,999	11	17	16	17	15	:
50,000–99,999	7	13	17	14	16	
100,000–249,999	3	7	12	9	12	
250,000–499,999	1	1	3	2	2	
500,000 and above	*	*	2	1	*	
Total[2]	**100**	**100**	**100**	**100**	**100**	**1(**
MEMO (dollars)						
Mean	22,154	31,039	66,050	56,781	50,895	66,0:
Median	7,189	12,656	24,574	18,425	20,752	24,5:

1. Excludes major consumer durables such as automobiles and home furnishings, and other items mentioned in the text.
2. Detail may not add to totals because of rounding.

*Less than 0.5 percent.

SOURCES. Katona and others, *1970 Survey*, and Durkin and El hausen, *1977 Survey*.

6. Alternative measures of net worth, selected years

Percentage distribution

Net worth category[1]	Survey of Consumer Finances, 1983	Flow of funds accounts, 1982[2]	Survey of Consumer Finances, 1977	Flow of funds accounts, 1977[2]	Survey of Consumer Finances, 1970	Flow fund accoun 1969
Assets						
Liquid	19	26	24	29	17	24
Bonds	4	6	2	6	4	6
Equities	12	19	12	19	18	36
Home value plus land	63	47	62	45	61	32
Mortgages and notes	2	2	n.a.	1	n.a.	1
Total assets	**100**	**100**	**100**	**100**	**100**	**100**
Liabilities						
Home mortgages	15	16	18	16	17	13
Other credit[3]	5	9	4	9	4	8
Net worth	80	75	78	75	79	79
Total liabilities and net worth	**100**	**100**	**100**	**100**	**100**	**100**

1. For the purposes of this table, asset and liability components from both sources have been computed on as comparable a basis as possible. Consequently, the concept of net worth employed here is somewhat narrower than that used elsewhere in this article.
2. Includes assets and liabilities of personal trusts and nonprofit organizations. Flow of funds figures for 1969 and 1982 were chosen for comparison with the 1970 and 1983 surveys respectively because the flow of funds data are end-of-year estimates and hence closer in t to the surveys, which started in January 1970 and February 1 respectively.
3. Includes consumer credit, securities credit, bank loans elsewhere classified, and other loans (U.S. government and insurance policy loans), and excludes mortgages on multifamily commercial property.

n.a. Not available.

Aggregate figures on components of net worth derived from the flow of funds accounts furnish an interesting comparison with these data. But direct comparison is difficult for two reasons. First, the household sector of the flow of funds accounts includes personal trusts and nonprofit organizations; it is not possible to fully separate the activities of these units from those of consumers. Second, survey-based measures of net worth generally suffer from reporting errors, which may be substantial for some categories of assets and liabilities. Several reasons may un lie this problem: lack of knowledge of a values, intentional misreporting, and failur secure interviews with wealthy families.[9] W this limitation may reduce the reliability of vey-based wealth measures, aggregate meas

9. To address this problem, the 1983 survey includ special sample of high-income families. Results from ana of this sample will be presented in a forthcoming issue c FEDERAL RESERVE BULLETIN.

also have flaws. In particular, many of the components reported in the household sector of the flow of funds accounts are not direct observations but are residuals derived from deducting the activity of other sectors from national totals. Consequently, the household sector of the flow of funds accounts shows large and volatile statistical discrepancies.

Table 6 compares the distributions of components of net worth revealed by Surveys of Consumer Finances in 1983, 1977, and 1970 and recorded in comparable flow of funds accounts. The asset and liability distributions are reasonably similar. Figures from the two sources are generally close at each point in time, and intertemporal movements are also similar. The major differences between the results of the two sources are in the valuation of home equity and other major asset categories: the surveys estimate more home equity in consumers' asset portfolios and less liquid assets, bonds, and equities than do the flow of funds accounts.[10] The explanation of these divergences is likely to lie partly in the inclusion of nonprofit institutions in the flow of funds accounts. The portfolios of those institutions include large holdings of stocks and bonds but naturally not owner-occupied housing.

The survey data indicate that wealth is more heavily concentrated in a small number of families than is family income (this information is not shown in the tables). For example, 28 percent of the total net worth of the survey sample is held by the 2 percent of families with the highest net worth and 57 percent by the top 10 percent. Moreover, almost 20 percent of survey families had a zero or negative net worth. This distribution is in marked contrast with that for income: only 14 percent of the total income of the survey sample is received by the 2 percent of families with the highest income and 33 percent by the top 10 percent.

Excluding real assets from net worth, one can examine the overall financial position of families. Real assets—homes and other real estate—contribute heavily to the net worth of many families and tend to reduce the inequality in the distribution of wealth. But often this contribution is offset by the debt people incur to acquire such assets. Thus financial wealth is more highly concentrated than is net worth. In 1983, 54 percent of the total net financial assets were held by the 2 percent of families with the greatest amount of such assets and 86 percent by the top

10. If the effect of different valuation of housing is removed, however, the two sources report substantially the same distribution of the other categories of assets.

7. Mean and median net worth, by selected family characteristics, 1983

Characteristic	Percent of families	Net worth (dollars)	
		Mean	Median
Family income (dollars)			
Less than 5,000	9	12,051	514
5,000–7,499	8	20,146	2,725
7,500–9,999	7	27,832	2,140
10,000–14,999	14	36,277	11,575
15,000–19,999	13	36,816	15,383
20,000–24,999	11	45,564	22,820
25,000–29,999	9	60,513	28,876
30,000–39,999	13	69,083	45,981
40,000–49,999	7	95,658	63,941
50,000 and more	10	262,254	130,851
Age of family head (years)			
Under 25	8	4,218	5
25–34	23	20,391	3,654
35–44	19	51,893	28,721
45–54	16	81,350	43,797
55–64	15	119,714	55,587
65–74	12	125,284	50,181
75 and over	7	72,985	35,939
Education of family head			
0–8 grades	16	37,419	16,152
9–11 grades	13	40,791	12,489
High school diploma	32	52,968	23,671
Some college	20	71,754	20,418
College degree	19	122,842	54,805
Occupation of family head			
Professional, technical	14	81,094	40,079
Manager	11	109,147	57,129
Self-employed manager	5	231,773	87,399
Clerical or sales	13	65,321	24,452
Craftsman or foreman	18	48,928	26,402
Operative, labor, or service worker	29	26,574	8,338
Farmer or farm manager	2	121,710	69,735
Miscellaneous	8	52,044	4,027
Housing status			
Own	64	97,239	50,125
Rent or other	36	10,603	15
Race of family head			
Caucasian	82	74,743	31,904
Nonwhite and Hispanic	18	27,605	1,353
Life-cycle stage of family head			
Under 45 years			
Unmarried, no children	12	16,289	1,075
Married, no children	7	24,948	7,540
Married, with children	23	41,371	17,864
45 years and over			
Head in labor force	26	107,124	54,527
Head retired	22	103,041	43,213
All ages			
Unmarried, with children	9	22,765	477
All families	**100**	**66,050**	**24,574**

8. Selected characteristics of families, by net worth, 1983

Net worth (dollars)	Mean age of family head in 1982 (years)	Mean family income in 1982 (dollars)	Percent nonwhite and Hispanic	Percent homeowners	Mean mortgage debt outstanding (dollars)[1]	Mean consume credit outstanding (dollars)
Less than 5,000	39	14,584	31	13	2,457	2,928
5,000–9,999	41	19,352	19	65	11,593	3,011
10,000–24,999	47	20,663	20	83	12,682	3,079
25,000–49,999	49	24,232	14	91	13,695	2,876
50,000–99,999	52	29,682	9	94	14,268	3,092
100,000–249,999	56	39,237	6	95	14,325	4,085
250,000–499,999	58	63,652	8	95	15,508	5,048
500,000 and more...	61	125,652	6	95	15,790	13,875

1. Mean debt for all families.

10 percent; 55 percent of the families in the sample had zero or negative net worth. Viewed from another perspective, these data imply that fewer than 10 percent of families provided more than 85 percent of the net lending by consumers, and more than half of all families were net borrowers.

Tables 7 and 8 reveal how net worth varies according to the characteristics of families.[11] Net worth increases with family income, with later stages in the life cycle, and with the education and age of the family head, though it dips for the oldest age group. Whites have substantially larger net worth than nonwhites and Hispanics (table 7): while the latter two groups account for 18 percent of the families, they account for 31 percent of those with net worth of less than $5,000 and no more than 9 percent of families with net worth over $50,000 (table 8). Homeownership is nearly universal for families with net worth of more than $50,000, but it is much less common among those with lower net worth. Conversely, mean consumer debt outstanding has no strong relationship to net worth, though mean home mortgage debt outstanding is highest for families with the highest net worth. Finally, those who are retired or nearing retirement have the greatest wealth, while unmarried persons, of whatever age, have the least (table 7).

SELECTION AND USE OF FINANCIAL SERVICES

The 1983 Survey of Consumer Finances is useful for developing a profile of the characteristics of families that use different financial institutic and services. Sources of loans and the insti tions at which the families hold their financ assets were identified. Information on the b ance sheets for each family provides a basis : much of this analysis. Detailed information w also collected on the use the family made of t financial institution where it had its main che ing account. For example, did the families ha access to an automatic teller machine, and if : how frequently did they use it? How often (they visit the institution? What other services the institution did they use? Why did they sel the institution? In addition, all families w asked a series of questions about their attituc toward credit, their knowledge of credit tern and their attitudes toward investment risk a liquidity.

The principal, regular contact with financ institutions of most families is through their m: checking account (that is, the account on wh: they make the most transactions). Table 9 p sents responses to the question on the reasc for choosing an institution for the main checki account. Whatever the family income, con nience of location was mentioned most freque ly as the most important reason for the choi Availability of many services at one locati came in second as the most important reason

11. The estimates of net worth shown here exclude the value of consumer durables such as automobiles, which form a substantial proportion of many families' assets. De incurred to purchase these durables, however, are incluc as liabilities. These assets are likely to account for especially large share of the assets of families that do not o homes and of those of other groups of families with relativ low net worth.

12. Similar results were found in the 1977 Consumer Cre Survey, in relation to savings accounts; see Durkin ε Elliehausen, *1977 Consumer Credit Survey*.

9. Reason for selecting institution where main checking account is held, by family income, 1983
Percent of families

Most important reason	Family income (dollars)				
	Less than 10,000	10,000–19,999	20,000–29,999	30,000–49,999	50,000 and more
Convenient location	47	40	39	38	41
Availability of multiple services	11	17	19	20	20
Low service charges or low minimum balance requirements	10	14	14	13	10
High deposit interest rates	6	9	9	9	6
Safety	17	15	15	17	18
Other[1]	9	5	4	3	5
Total	**100**	**100**	**100**	**100**	**100**

1. For example, access to automatic teller machine and personal or friendly service.

10. Other services obtained at institution where main checking account is held, by family income, 1983
Percent of families

Service	Family income (dollars)				
	Less than 10,000	10,000–19,999	20,000–29,999	30,000–49,999	50,000 and more
Other checking accounts	4	8	11	16	27
Individual retirement or Keogh accounts	1	3	6	9	17
Certificates of deposit	11	14	14	15	18
Money market or savings accounts	22	34	34	37	34
Credit cards	11	18	21	27	34
Mortgage loans	2	5	10	14	13
Other loans	7	14	16	20	13
Brokerage or trust accounts	1	1	*	1	5

*Less than 0.5 percent.

For all family income groups, a money market or savings account was the most frequently used service offered by the financial institution at which they maintained their main checking accounts (table 10). In all but the lowest income group, roughly the same proportion of families had certificates of deposit, money market deposit accounts, and savings accounts at that institution. On the other hand, higher-income consumers were more likely than lower-income consumers to obtain credit cards and loan services where they have their main checking accounts. Eighty percent of families who earned more than $50,000 in 1982 had bank credit cards, but only about one-third received them from the institutions where they maintained their main checking accounts.[13] Similarly, 55 percent of these high-income families had individual retirement or Keogh accounts, yet only 17 percent of them kept these accounts at the institution at which they had their main checking account.[14]

The survey data reveal the kinds of families that use various financial services. Table 11 presents selected characteristics for the following groups: (1) families with main checking accounts at banks, savings and loan associations and savings banks, and credit unions; (2) families with low and high balances in their main checking account (defined as less than and more than $2,500 respectively); (3) families with money market deposit, money market mutual fund, and brokerage accounts; (4) families with stocks or bonds; (5) families who seek investment advice from professionals; (6) families who hold differ-

13. Bank credit cards include Mastercard, Visa, and other credit cards issued through a financial institution.

14. For a description of asset holdings by selected family characteristics, see Robert B. Avery and others, "Survey of Consumer Finances, 1983," FEDERAL RESERVE BULLETIN, vol. 70 (September 1984), table 10, p. 686.

11. Selected characteristics of families using financial services, 1983

Percent of families using services except as noted

Item	Percent of all families	Holders of selected credit cards: Bank	Holders of selected credit cards: Travel and entertainment	Homeowners[1]	Credit union members	Have mortgage debt outstanding	Have consumer debt outstanding	Have money market deposit account	Have money market mutual fund account	Me age fam hea (yea
Institution where main checking account is held										
Commercial bank	64	51	12	73	20	42	65	10	7	48
Savings and loan or savings bank	11	50	13	67	22	43	69	12	8	46
Credit union	4	53	5	62	100	51	80	8	6	37
Average balance in main checking account										
Less than $2,500	71	50	11	70	25	44	69	9	6	46
$2,500 or more	8	56	21	84	14	29	39	17	15	58
Other financial characteristics of families										
Has money market deposit account	8	65	17	80	23	41	48	100	11	54
Has money market mutual fund account	6	80	30	75	24	49	70	14	100	4[illegible]
Has brokerage account	7	82	30	80	22	54	64	25	34	49
Has nonliquid financial assets	23	68	20	78	29	49	64	16	17	49
Obtains advice on what kinds of savings and investments to make	26	52	15	69	19	40	62	13	11	48
Type of credit card held										
Gasoline	28	77	22	78	27	51	74	13	13	49
Bank	42	100	18	77	29	53	77	13	11	4[illegible]
Travel and entertainment	10	80	100	74	23	62	80	14	19	4[illegible]
National retailer[6]	48	65	14	79	28	52	76	11	9	4[illegible]
Other retailer	37	69	18	74	28	50	75	13	11	4[illegible]
Other[7]	5	80	40	70	28	54	81	17	17	46
Source of outstanding credit										
Commercial bank	19	54	14	68	21	51	100	6	7	40
Savings and loan or savings bank	3	56	16	74	27	60	100	13	5	4
Credit union	7	60	13	74	100	63	100	8	5	39
Finance company	12	44	9	62	23	46	100	4	5	39
Store	7	37	9	56	21	40	100	3	4	4
All families	**100**	**42**	**10**	**64**	**21**	**37**	**62**	**8**	**6**	**4[illegible]**

For notes, see opposite page.

ent types of credit cards; and (7) families who have outstanding consumer debt from various institutional sources of credit.

The table reveals many similarities between families who had their main checking accounts at commercial banks and families who had them at savings and loan associations or savings banks. Income and financial asset holdings of these customer groups differed, however: commercial bank customers had lower median but higher mean values for family income and financial asset holdings than customers of savings and loan associations or savings banks.[15] These sults suggest that while all the various kinds institutions attracted customers from all inco groups, the families with the highest income ε the greatest wealth tended to patronize comm cial banks.

A comparison between the characteristics

15. Financial assets include liquid assets (checking counts, savings accounts, money market accounts, ce cates of deposit, individual retirement and Keogh accou and savings bonds), stocks, other bonds, nontaxable hold (municipal bonds and shares in other mutual funds), trusts.

11. Continued

Item	1982 family income (dollars)		Balance in main checking account (dollars)		Liquid assets (dollars)[2]		Financial assets (dollars)[3]		Consumer debt outstanding (dollars)[4]		Mean number of other financial services[5]
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median	
Institution where main checking account is held											
Commercial bank	30,178	22,600	1,251	500	16,061	3,478	31,513	4,355	6,144	2,905	1.13
Savings and loan or savings bank	28,515	23,152	825	495	14,351	4,128	21,069	5,231	5,253	2,262	1.05
Credit union	27,289	25,000	522	363	7,481	2,138	14,281	2,640	5,456	3,379	1.26
Average balance in main checking account											
Less than $2,500	26,932	22,070	558	400	10,621	2,614	17,567	3,200	5,466	2,751	1.10
$2,500 or more	55,979	30,800	6,697	4,500	58,664	28,248	134,653	39,375	14,305	4,011	1.36
Other financial characteristics of families											
Has money market deposit account	38,705	29,479	1,804	750	40,929	19,715	72,308	26,274	7,266	3,175	1.60
Has money market mutual fund account	59,860	40,000	1,980	1,000	44,306	19,900	94,526	31,300	12,370	4,000	1.30
Has brokerage account	66,950	47,627	2,577	1,000	42,493	20,686	145,757	50,320	10,635	4,000	3.09
Has nonliquid financial assets	43,317	32,000	1,665	616	28,628	10,765	76,452	21,400	8,047	3,648	2.70
Obtains advice on what kinds of savings and investments to make	35,011	23,737	1,455	500	21,357	5,858	47,617	7,935	7,525	2,614	2.32
Type of credit card held											
Gasoline	40,520	31,000	1,330	500	22,548	7,988	50,738	10,425	7,667	4,002	2.68
Bank	38,314	30,000	1,225	500	18,879	5,509	39,798	7,325	6,873	3,321	2.63
Travel and entertainment	58,053	40,000	1,904	800	27,086	9,711	80,008	11,975	11,147	5,345	2.97
National retailer[6]	33,493	27,000	1,096	500	15,700	4,253	27,546	5,380	5,778	3,100	2.50
Other retailer	36,394	28,000	1,222	500	18,719	5,613	36,498	7,913	6,164	3,000	2.62
Other[7]	61,743	39,500	2,289	618	31,732	8,605	73,545	10,706	9,436	3,391	3.01
Source of outstanding credit											
Commercial bank	30,160	24,200	653	300	7,445	1,398	14,622	1,800	7,869	4,430	2.46
Savings and loan or savings bank	32,389	26,800	579	300	10,991	3,863	17,612	4,300	6,409	4,365	2.82
Credit union	35,960	32,200	672	300	8,451	2,453	11,818	2,815	6,274	4,705	2.88
Finance company	29,099	23,080	544	200	6,322	950	11,983	1,000	6,927	4,183	2.09
Store	23,551	19,546	401	150	5,983	664	8,637	693	5,533	1,940	1.89
All families	**26,154**	**19,410**	**918**	**300**	**12,727**	**1,968**	**23,774**	**2,300**	**5,400**	**2,382**	**.90**

1. Includes owners of mobile homes and families residing on farms.
2. Includes checking accounts, savings accounts, money market accounts, certificates of deposits, IRA and Keogh accounts, and savings bonds.
3. Includes liquid assets plus stocks, other bonds, nontaxable holdings (municipal bonds and shares in certain mutual funds), and trusts.
4. Covers only families that have such debt.
5. Includes these services obtained at the institution where the main checking account is held, another checking account, an IRA or Keogh account, a money market certificate, certificates of deposit, any other money market or savings account, a credit card, a mortgage loan, any other loan, and a brokerage or a trust account.
6. Includes Sears, Roebuck and Co., J.C. Penney, and Montgomery Ward.
7. Includes airline and automobile rental cards.

holders of the two types of money market accounts reveals interesting differences. On average, holders of money market mutual fund accounts (in brokerage firms) were younger and had substantially higher incomes and financial assets than did owners of money market deposit accounts (in depository institutions); yet the groups appear to have very similar holdings of liquid assets. Perhaps because holders of money market mutual fund accounts had greater financial assets, they were more likely to have had relationships with brokers and therefore more likely to have opened that kind of money market account. Many money market deposit account holders, on the other hand, probably did not have relationships with brokers and transferred funds from savings accounts when money market deposit accounts became available. Families with stockbrokerage accounts had holdings of liquid assets similar to those of families with both kinds of money market accounts, yet—not surprisingly—substantially higher average levels of total financial assets than either of those groups.

Table 11 also shows, for example, that families holding travel and entertainment, and "other" credit cards (airline and automobile rental cards) are more likely to owe consumer debt, owe larger amounts of consumer debt, and have higher incomes and higher holdings of financial assets than their counterparts who held other types of credit cards. As expected, owners of these cr cards were also more likely to hold other typc credit cards, such as bank cards.

More families obtained credit from comn cial banks and finance companies than fi other sources.[16] Borrowers from credit uni had higher mean family incomes than borrov from other sources, but borrowers from comn cial banks, savings and loan associations savings banks, and finance companies had hig holdings of mean financial assets.

16. Families appear in every category (commercial t savings and loan association or savings bank, credit u finance company, and store) from which they had an standing loan in 1983.

Appendix: Survey Design

The 1983 Survey of Consumer Finances was jointly sponsored by the Board of Governors of the Federal Reserve System, the United States Department of Health and Human Services, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Trade Commission, the United States Department of Labor, and the United States Department of the Treasury, Office of Tax Analysis. Interviewing for the 1983 survey was carried out by the Survey Research Center of the University of Michigan from February through July 1983.

The unit of observation for the survey is the family, which is defined to include all persons residing together in the same dwelling who are related by blood, marriage, or adoption. Families include one-person units as well as units of two or more persons. The sample for the survey was designed to be representative of all families residing in the coterminous United States, exclusive of those on military reservations. A total of 3,824 families voluntarily participated and completed personal interviews during the survey. Within each family the individual selected as respondent was either the head of the family or, in the case of a married couple, the person most knowledgeable about the family finances. Respondents were encouraged to consult other f ily members and financial records in an effoı obtain complete and accurate responses. ance-sheet items reported in the article are a the date of the interview; income is reported the previous calendar year.

Data presented in this article are appropria weighted so that they represent estimates fo families and for each of the various grc shown. A series of statistical procedures employed to impute missing values in instaı in which respondents failed to provide comp responses on dollar values of either asset liabilities. Altogether, 3,665 families, weighte account for any nonrandomness, were use the preparation of the tables. A detailed dis sion of the imputation techniques will appear forthcoming, comprehensive report on the sults of the 1983 Survey of Consumer Finan

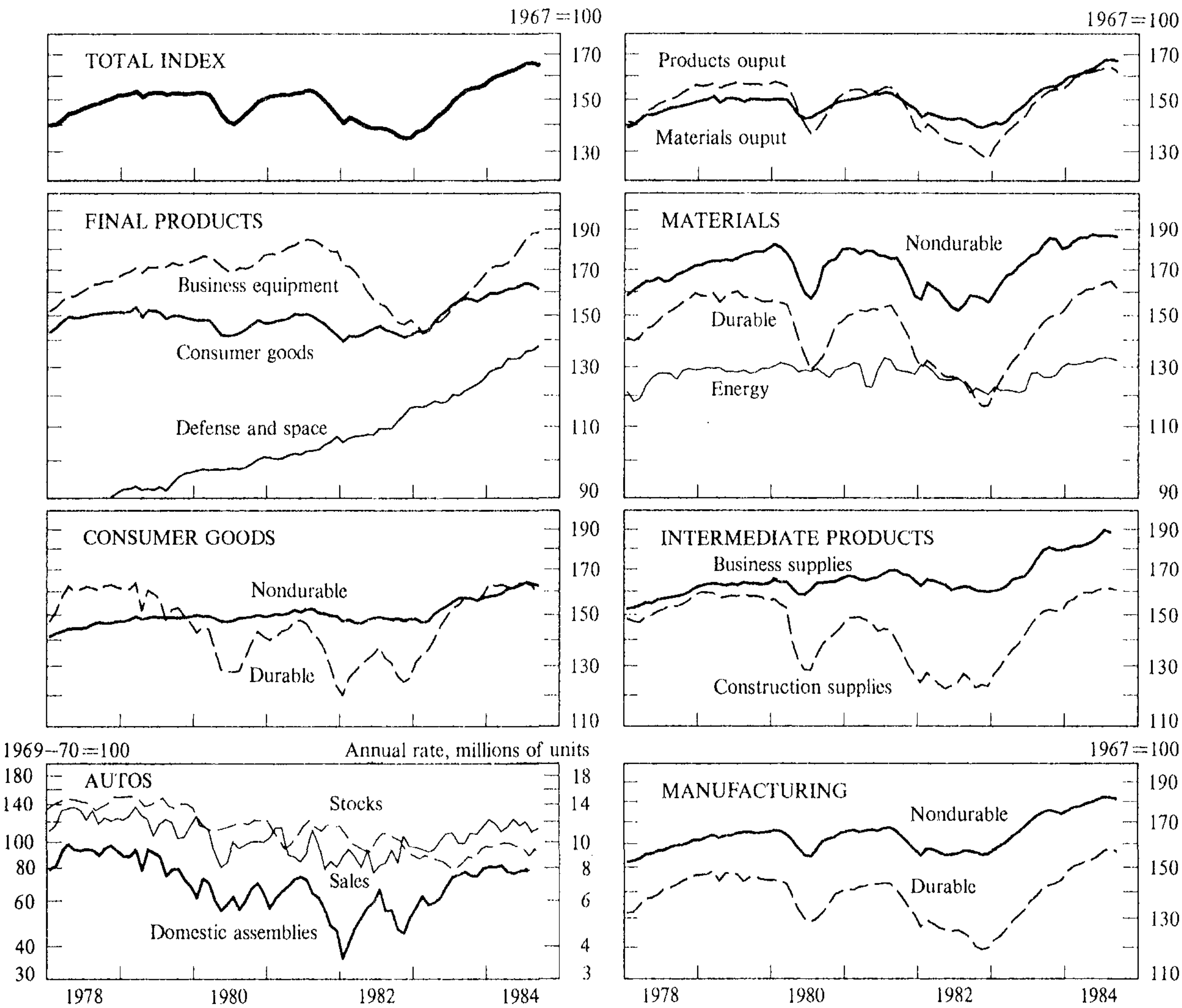
Because the data in this article are based sample, rather than a census of the entire pop tion, they are subject to sampling variabi Consequently, care should be exercised in interpretation of figures based on relatively sı numbers of cases in some subgroups as wel small differences between data items. Like surveys, the figures reported are also subjec errors of response and nonresponse.

Industrial Production

Released for publication October 16

Industrial production declined an estimated 0.6 percent in September following a revised gain of 0.1 percent in August. Production of business and defense equipment increased during the month. Reductions in output occurred in various groupings but were concentrated in metals and motor vehicles. At 165.1 percent of the 1967 average, the index for September was 7.3 percent higher than a year earlier. The average for the third quarter was 1.6 percent higher than the second quarter.

In market groupings, output of total consumer goods decreased 1.0 percent. Production of autos and lightweight trucks was reduced sharply by a one-week strike and by inadequate supplies of quality parts. The combined effect—about equal-



All series are seasonally adjusted and are plotted on a ratio scale.

Auto sales and stocks include imports. Latest figures: September.

Grouping	1967 = 100		Percentage change from preceding month					Perce chai Sept. to S 19
	1984		1984					
	Aug.	Sept.	May	June	July	Aug.	Sept.	
	Major market groupings							
Total industrial production	**166.1**	**165.1**	**.4**	**1.0**	**.9**	**.1**	**–.6**	**7**
Products, total	167.5	167.0	.5	1.2	1.3	.1	–.3	7
Final products	165.6	164.9	.6	1.2	1.3	.2	–.4	8
Consumer goods	163.2	161.6	.2	.8	.6	–.5	–1.0	2
Durable	162.6	159.0	–.5	1.4	.1	–.7	–2.2	1
Nondurable	163.5	162.6	.4	.6	.9	–.4	–.6	3
Business equipment	188.0	188.5	1.7	2.6	2.3	1.5	.3	18
Defense and space	136.4	137.7	–.1	.3	1.8	.4	1.0	13
Intermediate products	174.9	174.7	.4	1.1	1.2	–.4	–.1	5
Construction supplies	161.3	160.7	–.1	.9	.3	–.1	–.4	6
Materials	163.9	162.1	.3	.6	.4	.2	–1.1	6
	Major industry groupings							
Manufacturing	167.8	166.7	.5	.9	1.0	.2	–.7	7
Durable	157.8	156.5	.5	1.0	1.4	.5	–.8	10
Nondurable	182.2	181.5	.4	.8	.6	–.1	–.4	4
Mining	128.7	128.7	1.4	1.6	2.0	–.7	.0	9
Utilities	182.3	181.7	–.2	1.1	–1.3	.2	–.3	1

NOTE. Indexes are seasonally adjusted.

ly shared by the strike and other production shortfalls—was to reduce assemblies almost 1 million units to an annual rate of 6.9 million units. October assemblies are scheduled by the industry at a rate of 7.9 million units. Among other consumer products, output of nondurable goods was down 0.6 percent, but production of goods for the home changed little. Business equipment continued to expand in September although at a slower rate than during the past five months. Defense equipment output also grew further in September. Production of construction supplies declined following little change in August.

Output of materials fell 1.1 percent follow small gain in August. Reflecting the conti production cutbacks in metals, such as steel the temporary effect of the auto strike on for consumer durables, output of durable m als was reduced sharply during September. durable materials output edged down 0.3 pe further, and production of energy materials reduced again.

In industry groupings, manufacturing o declined 0.7 percent, with durables down percent and nondurables down 0.4 percent. mining output was unchanged during the m but output by utilities was reduced 0.3 perc

Announcements

Amendments to Regulation E

The Federal Reserve Board has adopted amendments to Regulation E (Electronic Fund Transfers) to expand the regulation's coverage, modify its error resolution requirements, and provide additional flexibility in the disclosure of charges for electronic fund transfer services. The amendments become effective on November 16, 1984. Financial institutions have until April 16, 1985, however, to comply with certain requirements relating to transfers resulting from debit card transactions that do not involve electronic terminals.

The amendments make the following provisions:

- Expand coverage to all transfers resulting from debit card transactions, including transactions that do not involve an electronic terminal at the point of sale.
- Extend time periods for resolution of errors resulting from point-of-sale debit card transactions.
- Exempt consumer asset accounts, subject to the Board's Regulation T, from provisional recrediting requirements.
- Provide more flexibility for the disclosure of charges for electronic fund transfers on periodic statements.

A debit card is one that allows consumers to purchase goods or services and to have the amount debited directly to a checking or other transaction account (as distinguished from the use of a credit card, which results in a promise by the consumer to pay for a purchase at a future time).

The Board has also published an update of the official staff commentary on Regulation E.

Changes in Official Commentary on Regulation Z

The Federal Reserve Board has published, in final form, changes in the official staff commentary on Regulation Z (Truth in Lending) regarding the disclosure of fees for the use of automated teller machines. The Board withdrew a proposed change to the official staff commentary that pertains to the application of the securities transaction exemption.

Revised List of OTC Margin Stocks

The Federal Reserve Board has published a revised list of over-the-counter (OTC) stocks, effective November 13, 1984, that are subject to its margin regulations.

The list includes, for the first time, all securities qualified for trading in the National Market System (NMS) portion of NASDAQ (National Association of Securities Dealers Automated Quotations) as well as other over-the-counter securities designated by the Board pursuant to its established criteria.

On September 5, 1984, the Board adopted an amendment to its margin regulations (G, T, and U) that would automatically permit brokers and dealers to lend on any security designated as an NMS security. After November 13, 1984, any addition to the NMS group will be immediately marginable upon designation by the National Association of Securities Dealers. For the convenience of the public, however, the additions to the NMS group will be incorporated into the Board's list, which will be published hereafter on a quarterly basis.

This List of Marginable OTC Stocks supersedes the revised List of OTC Margin Stocks that was effective on June 18, 1984. Changes that have been made in the list, which now includes 2,071 OTC stocks, are as follows: 265 stocks have been included for the first time, 127 under NMS designation; 34 stocks previously on the list have been removed for substantially failing to meet the requirements for continued listing; 57 stocks have been removed for reasons such as listing on a national securities exchange or involvement in an acquisition.

In addition to securities in the NMS group, the Board will continue to monitor the market activity of other OTC stocks to determine which stocks meet the requirements for inclusion and continued inclusion on the list.

Margin regulations generally limit the amount of credit a person or firm may obtain to buy or carry stock. Stocks on the List of Marginable OTC Stocks are subject to the same margin requirements (currently 50 percent) as stocks listed on national securities exchanges. This means a person or firm buying a stock on credit must make a downpayment equal to at least 50 percent of the purchase price of the stock and may obtain credit for the remaining 50 percent. These margin requirements are only applicable to credit extended on OTC stocks after they are placed on the list and the list has become effective, or after they are designated as NMS securities. No credit may be extended by broker–dealers on OTC stocks not on the list or in the NMS group. Credit extended by banks and other lenders on the remaining OTC stocks need only conform to the good faith lending limitation contained in Regulations G and U.

It is unlawful for any person to cause any representation to be made that inclusion of a stock on this list indicates that the Board or the Securities and Exchange Commission has in any way passed upon the merits of any such stock or transaction therein. Any references to the Board in connection with the list or any stocks the in any advertisement or similar communicati unlawful.

The list is published by the Board for information of lenders and the general publi

CHANGE IN BOARD STAFF

The Board of Governors has announced appointment of Annette P. Fribourg as Sp Assistant to the Board for Congressional Lia in the Office of Board Members, effective C ber 15, 1984.

Ms. Fribourg came to the Board in Febr 1984 as Congressional Liaison Assistant fol ing three years as Legislative Counsel to Sen John H. Chafee. Ms. Fribourg has a B.A. 1 Tufts University and a J.D. from George W ington University.

SYSTEM MEMBERSHIP: ADMISSION OF STATE BANKS

The following banks were admitted to mem ship in the Federal Reserve System during period October 5 through November 1, 198

Virginia
Norfolk .... First Virginia Bank of Tidew
Oklahoma
Weatherford .... Security State E

Legal Developments

AMENDMENTS TO REGULATION E

The Board is adopting amendments to Regulation E (Electronic Fund Transfers) to: (1) cover, within the definition of electronic fund transfer, all transfers resulting from debit card transactions, including transactions that do not involve an electronic terminal at the time of the transaction; (2) extend the time periods for error resolution with respect to transfers resulting from point-of-sale transactions; (3) provide an exception from the provisional recrediting requirement when a consumer asset account is subject to the Board's Regulation T; and (4) provide more flexibility for the disclosure of charges for electronic fund transfers on periodic statements.

Effective October 16, 1984, the Board amends sections 205.1(a), 205.9(b)(3), 205.11(c)(3), and 205.11(c)(4); effective November 16, 1984, sections 205.2(g), 205.6, and 205.5 are amended; and April 16, 1985, is the effective date for purposes of all other requirements of the regulation that are applicable to transfers resulting from debit card transactions that do not involve electronic terminals at the time of transaction; as set forth below:

Electronic Fund Transfers

Part 205

Section 205.1—Authority, Purpose, and Scope

(a) *Authority.* This regulation, issued by the Board of Governors of the Federal Reserve System, implements title IX (Electronic Fund Transfer Act) of the Consumer Credit Protection Act, as amended (15 U.S.C. 1601 *et seq.*). Information collection requirements contained in this regulation have been approved by the Office of Management and Budget under the provisions of 44 U.S.C. 3501 *et seq.* and have been assigned OMB No. 7100–0200.

* * * * *

Section 205.2—Definitions and Rules of Construction

* * * * *

(g) "Electronic fund transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephone, or computer or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an account. The term includes, but is not limited to, point-of-sale transfers, automated teller machine transfers, direct deposits or withdrawals of funds, and transfers initiated by telephone. It includes all transfers resulting from debit card transactions, including those that do not involve an electronic terminal at the time of the transaction. The term does not include payments made by check, draft, or similar paper instrument at an electronic terminal.

* * * * *

Section 205.9—Documentation of Transfers

* * * * *

(b) *Periodic statements*

(3) The amount of any fees or charges, other than a finance charge under 12 C.F.R. 226.7(f), assessed against the account during the statement period for electronic fund transfers or the right to make such transfers, or for account maintenance.

* * * * *

Section 205.11—Procedures for Resolving Errors

* * * * *

(c) *Investigation of errors*

(3) A financial institution shall comply with all requirements of this section except that it need not provisionally recredit the consumer's account if—

(i) It requires but does not receive timely written confirmation of oral notice of an error; or

(ii) The notice of an error involves an account that is subject to the margin requirements or other aspects of Regulation T (12 C.F.R. Part 220).

(4) If a notice of an error involves an electronic fund transfer that was not initiated in a state as defined in section 205.2(k), or involves an electronic fund transfer resulting from a point-of-sale debit card

transaction, the applicable time periods for action in subsections (c), (e), and (f) shall be 20 business days in place of 10 business days, and 90 calendar days in place of 45 calendar days.

* * * * *

BANK HOLDING COMPANY, BANK MERGER, AND BANK SERVICE CORPORATION ORDERS ISSUED BY THE BOARD OF GOVERNORS

Orders Issued under Section 3 of Bank Holding Company Act

Bank South Corporation
Atlanta, Georgia

Order Approving the Merger of Bank Holding Companies

Bank South Corporation, Atlanta, Georgia, a bank holding company within the meaning of the Bank Holding Company Act of 1956, as amended (12 U.S.C. §§ 1841 *et seq.*) ("Act"), has applied for the Board's approval pursuant to section 3(a)(5) of the Act (12 U.S.C. § 1842(a)(5)), to merge with Georgia Bancshares, Inc., Macon, Georgia ("Bancshares"), and thereby indirectly to acquire Bancshares' four subsidiary banks.

Notice of the application, affording interested persons an opportunity to submit comments, has been given in accordance with section 3(b) of the Act. The time for filing comments has expired, and the Board has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act.

Applicant, the fifth largest commercial banking organization in Georgia, controls five subsidiary banks with total deposits of $1.3 billion, representing 5.0 percent of the total deposits in commercial banks in the state.[1] Bancshares, the tenth largest commercial banking organization in Georgia, controls five banks with total deposits of $238.2 million, representing 0.9 percent of the total deposits in commercial banks in the state. Upon consummation of the proposed transaction, Applicant would remain the fifth largest commercial banking organization in the state and would control 5.9 percent of the total deposits in comme banks in Georgia. The proposed merger thus w not have a significantly adverse effect on the con tration of banking resources in Georgia. In addit because Applicant and Bancshares do not com directly in any market, consummation of this prop would not eliminate existing competition in any vant market.

The Board has considered the effects of the posed merger upon probable future competition in relevant markets in light of the Board's prop Market Extension Guidelines.[2] In evaluating the fects of a proposed merger or acquisition upon pr ble future competition, the Board considers ma concentration, the number of probable future entr into the market, the size and market position of firm to be acquired, and the attractiveness of market for *de novo* or foothold entry.

Bancshares' subsidiary banks operate in four b ing markets in which Applicant is not represented: Macon market and the Houston County, Ben County, and Jasper County markets.[3] The Hou County, Ben Hill County, and Jasper County ban markets have total deposits of less than $250 mill and thus are not considered attractive for entry and not subject to intensive analysis under the Boa Guidelines. In addition, neither the Ben Hill Co nor the Jasper County market is located with Metropolitan Statistical Area.

In the Macon market, Bancshares is the third lar of 8 commercial banking organizations and holds posits of $118 million, representing 19 percent of deposits in commercial banks in the market.[4] market is highly concentrated, with the three lar commercial banking organizations controlling 87 cent of the total deposits in commercial banks in market. In addition, the market is considered att tive for entry, and there are only four other Geo banking organizations with assets of over $1 bi

1. Banking data are as of December 31, 1983, unless otherwise indicated.

2. "Policy Statement of the Board of Governors of the Fe Reserve System for Assessing Competitive Factors Under the Merger Act and the Bank Holding Company Act." 47 *Fe Register* 9017 (March 3, 1982). Although the proposed policy ment has not been adopted by the Board, the Board is using the guidelines in its analysis of the effects of a proposal on probable f competition.

3. The Board does not view Bancshares as a potential entran the four markets in which Applicant's banking subsidiaries op (the Atlanta, Savannah, Columbus, and Forsyth County ba markets) because of Bancshares' relatively small size. The notes, however, that if Bancshares were regarded as a pot entrant into these markets, none of the four markets would meet the criteria necessary to trigger intensive analysis under the Bo Market Extension Guidelines.

4. Deposit data for the Macon market are as of June 30, 198

that do not operate in the Macon banking market. In light of these factors, the Board has carefully examined the proposed merger to determine its effects on probable future competition in the Macon market.

Two factors mitigate the anticompetitive impact of Applicant's entry into the Macon market by means of the acquisition of Bancshares. First, the Board has considered the effect of thrift institution competition in the market. The Board has previously indicated that, as a result of the Garn–St Germain Depository Institutions Act of 1982, which expanded the commercial lending powers of federal thrift institutions, and various state statutes, thrift institutions have become, or at least have the potential to become, major competitors of banks.[5] The four thrift institutions that operate in the Macon market control $447 million in deposits, representing approximately 45 percent of the total deposits in the market. The market's largest depository institution is a thrift institution, and the other three thrifts represented in the market are the first, second, and fourth largest thrift institutions in Georgia. In addition, all four thrift institutions offer NOW accounts and are active in consumer lending. Furthermore, two of these institutions are preparing to offer commercial loans and to take commercial deposits in the Macon market. In this connection, the second and fourth largest thrift institutions in the market have converted to federal savings banks and hold themselves out as full service banks. Based upon this and other evidence of record, the Board believes that substantial weight should be given thrift institutions as competitors or potential competitors in the Macon banking market.[6]

Limitations imposed by Georgia law on bank holding company expansion are a second factor mitigating the anticompetitive effects of this proposal in the Macon market. Applicant is precluded by state law from expansion into the Macon market except by acquisition of a bank that has been in operation 5 years or more.[7] In Bibb County (the only urban county in the Macon market), there are five commercial banks that have been in operation 5 years or more. All except Bancshares' subsidiary bank, however, are already subsidiaries of the four largest bank holding companies in Georgia. With respect to the possibility of an acquisition by Applicant elsewhere in the Macon market, Applicant could, under Georgia law, acquire any of the three banks that operate in Twiggs County and Jones County, rural counties on the periphery of the market. These banks, however, hold a total of approximately $21 million in deposits, representing less than 5 percent of the deposits in commercial banks in the Macon market. Because of their location and size and the fact that they are precluded from branching into Bibb County,[8] these banks are not regarded as attractive vehicles for entry into the Macon market.

Accordingly, based on the importance of thrift institutions as competitors or potential competitors of banks in the Macon market and on the limitations of state law on bank holding company entry into the market, the Board concludes that consummation of the proposed merger would not have such adverse effects on probable future competition in the Macon market as to warrant denial of this application.

The financial and managerial resources and future prospects of Applicant, Bancshares, and their subsidiary banks are satisfactory and consistent with approval of this application. Considerations relating to the convenience and needs of the communities to be served also are consistent with approval. Based on these and other facts of record, it is the Board's judgment that consummation of the proposed transaction would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated before the thirtieth day following the effective date of this Order or later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

By order of the Board of Governors, effective October 10, 1984.

Voting for this action: Chairman Volcker and Governors Wallich, Partee, Rice, Gramley, and Seger. Absent and not voting: Governor Martin.

JAMES MCAFEE
[SEAL] *Associate Secretary of the Board*

5. *See, e.g., First Railroad and Banking Company*, 70 FEDERAL RESERVE BULLETIN 436 (1984); *NCNB Corporation*, 70 FEDERAL RESERVE BULLETIN 225 (1984); *General Bancshares Corporation*, 69 FEDERAL RESERVE BULLETIN 802 (1983).

6. If 50 percent of the deposits held by thrift institutions are included in the calculation of concentration in the market, the market's three largest depository institutions would control 65 percent of the total deposits in the market.

7. Ga. Code Ann. § 7-1-608 bars bank holding companies from acquiring any bank, whatever its location, that has been in operation less than 5 years. In addition, Ga. Code Ann. § 7-1-602 prohibits a bank from branching across country lines.

8. *See* n.7, *supra*.

BT Financial Corporation
Johnstown, Pennsylvania

Order Approving Acquisition of Bank

BT Financial Corporation, Johnstown, Pennsylvania, a bank holding company within the meaning of the Bank Holding Company Act ("Act") (12 U.S.C. § 1841 *et seq.*), has applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to acquire the successor by merger to Laurel National Bank, Ebensburg, Pennsylvania.

Notice of the application, affording opportunity for interested persons to submit comments, has been given in accordance with section 3(b) of the Act. The time for filing comments has expired and the Board has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act (12 U.S.C. § 1842(c)).

Applicant is the 46th largest banking organization in the State of Pennsylvania, controlling one bank with deposits of $319.2 million, representing 0.41 percent of deposits in commercial banks in the state.[1] Bank is the 70th largest bank in Pennsylvania, controlling $171.1 million in deposits, representing 0.22 percent of deposits in commercial banks in the state. Accordingly, consummation of this proposal would not result in any significant adverse effects on the concentration of banking resources in Pennsylvania.

Applicant and Bank both operate in the Johnstown banking market[2] and respectively control 16.3 percent and 9.1 percent of the total deposits in commercial banks in the market.[3] Applicant ranks second in the market; Bank ranks third. After consummation of this proposal, Applicant would continue to rank second in the market with a combined market share of 25.4 percent, and the Herfindahl–Hirschman Index ("HHI") would increase 297 points to 1533. Thus, the market would appear to be moderately concentrated following consummation of this proposal.

Although consummation of the proposal would eliminate some existing competition between Applicant and Bank, the Board considers the presence of thrifts in the market as a mitigating factor. Eight thrifts operate in the market and hold 30 percent of market deposits. Several of the thrifts are competing aggressively with commercial banks in several product lines, including the making of commercial and indu loans.[4] In addition, a total of 26 other banks and t would remain in the Johnstown market after con mation of the proposed transaction. On the basis facts of record, the Board concludes that consur tion of the proposed transaction would not substa ly lessen competition in the Johnstown bar market.

The Board has also considered the effects o proposal upon probable future competition in relevant markets in light of the Board's prop Market Extension Guidelines.[5] As a result of proposal, both Applicant and Bank will be elimir as potential entrants into markets where one curr operates but the other does not.

Under the Board's guidelines for market exte mergers, Bank is too small to be considered a pro future entrant into Applicant's markets. The two kets in which Bank is located but Applicant is n not satisfy the criteria for intensive examination u the guidelines because in neither market is Ba market leader and a large number of potential ent exist. Based on these and other facts of record Board concludes that consummation of this pro would not have any significant adverse effect probable future competition in any relevant marl

The financial and managerial resources and f prospects of Applicant and Bank are consistent approval. Considerations relating to the conveni and needs of the community to be served are consistent with approval.

Based on the foregoing and other facts of recor Board has determined that consummation of the t action would be in the public interest and tha application should be approved. On the basis o record, the application is approved for the rea summarized above. The transaction shall not be summated before the thirtieth calendar day follo the effective date of this Order or later than t months after the effective date of this Order u such period is extended by the Board or by the Fe Reserve Bank of Philadelphia, acting pursuar delegated authority.

1. All banking data are as of March 31, 1984.
2. The Johnstown banking market is approximated by the Johnstown MSA, which consists of Cambria and Somerset Counties in Pennsylvania.
3. Bank also operates in two other markets, the Altoona MSA banking market, which consists of Blair County, Pennsylvania, and the Indiana County banking market, consisting of Indiana County, Pennsylvania.
4. The Board has determined that thrift institutions have be or at least have the potential to become, major competitors of t *e.g.*, *NCNB Corporation*, 70 FEDERAL RESERVE BULLETI (1984). If 50 percent of the deposits held by thrift institutions included in the calculation of market concentration, Applicant hold 13.4 percent of market deposits, Bank would have 7.4 perc total deposits, and their combined market share would be percent. The HHI would rise by 198 points to 1156.
5. "Proposed Policy Statement of the Board of Governors Federal Reserve System for Assessing Competitive Factors Unc Bank Merger Act and the Bank Holding Company Act," 47 *F. Register* 9017 (March 3, 1982).

By order of the Board of Governors, effective October 29, 1984.

Voting for this action: Vice Chairman Martin and Governors Wallich, Partee, Rice, Gramley, and Seger. Absent and not voting: Chairman Volcker.

JAMES MCAFEE
[SEAL] *Associate Secretary of the Board*

Central Minnesota Bancshares, Inc.
Cold Spring, Minnesota

Order Denying Formation of Bank Holding Company

Central Minnesota Bancshares, Inc., Cold Spring, Minnesota, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act of 1956, as amended (12 U.S.C. § 1842(a)(1)) ("Act"), to become a bank holding company by acquiring all of the voting shares of First National Bank of Cold Spring, Cold Spring, Minnesota ("Bank").

Notice of the application, affording opportunity for interested persons to submit comments, has been given in accordance with section 3(b) of the Act. The time for filing comments has expired, and the Board has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act (12 U.S.C. § 1842(c)).

Applicant, a nonoperating Minnesota corporation with no subsidiaries, was organized for the purpose of becoming a bank holding company by acquiring Bank, which holds deposits of $25.3 million.[1] Upon acquisition of Bank, Applicant would control the 160th largest commercial bank in Minnesota, holding 0.09 percent of deposits in commercial banks in the state.

Bank is the 10th largest of 27 commercial banking organizations in the St. Cloud banking market and holds 2.9 percent of total deposits in commercial banks in the market.[2] Applicant's principals are not affiliated with any other banking organization in the relevant market, and consummation of the proposed transaction would not result in any adverse effects upon competition or increase in the concentration of banking resources in any relevant area. Accordingly, the Board concludes that competitive considerations are consistent with approval.

The Board has indicated on previous occasions that a bank holding company should serve as a source of financial and managerial strength to its subsidiary bank and that the Board would closely examine the condition of an applicant in each case with this consideration in mind. In connection with this proposal, Applicant would incur a sizeable amount of debt. Applicant projects that it will reduce its acquisition debt to below 30 percent of equity within 12 years, while maintaining adequate capital in the Bank. In light of Bank's condition and performance in recent years and the absence of sufficient evidence indicating a significant improvement in that performance, Applicant's projections appear to be overly optimistic. Using less optimistic projections based upon Bank's historic record of performance, the Board concludes that Applicant does not have sufficient financial flexibility to be able to reduce its indebtedness to 30 percent within a reasonable period while maintaining adequate capital levels at Bank.[3] Based on these and other facts of record, the Board concludes that financial considerations with respect to this application are adverse and weigh against approval of this application. The Board's conclusions are based upon the present facts of record. Should Bank's operations continue to improve, however, the Board would be receptive to consideration of an application at some time in the future.

Because one of Applicant's principals has been involved with management of Bank for only a brief period of time, there is not enough of a record upon which the Board can assess Applicant's managerial resources with regard to Bank, particularly in light of Applicant's principal's financial and management record at other depository institutions.[4] As a result, the Board is unable at this time to conclude that managerial considerations are sufficiently favorable to outweigh the adverse financial factors connected with this proposal.

No significant changes in Bank's operations or in the services offered to customers are anticipated to follow from consummation of the proposed acquisition. Consequently, convenience and needs factors lend no weight toward approval of this application.

1. Deposit data are as of September 30, 1983.
2. The St. Cloud banking market is approximated by Benton and Stearns Counties and the western three-fifths of Sherburn County, all in Minnesota.

3. The Board's Policy Statement for Formation of Certain One-Bank Holding Companies, 66 FEDERAL RESERVE BULLETIN 320 (1980), which is designed to facilitate the change of ownership of small banks, permits a higher level of acquisition debt than would be permitted for larger holding companies. In addition, the policy statement provides, among other things, that the holding company's debt-to-equity ratio be reduced to no more than 30 percent within 12 years.
4. The Board has previously stated that it is reasonable to expect an applicant to demonstrate a record of satisfactory managerial performance. *See, e.g., American National Sidney Corp.*, 66 FEDERAL RESERVE BULLETIN 159 (1980).

On the basis of the circumstances concerning this application, the Board concludes that the banking considerations involved in this proposal are adverse and are not outweighed by any relevant competitive or convenience and needs considerations. Accordingly, it is the Board's judgment that approval of the application would not be in the public interest and the application should be denied.

On the basis of the facts of record, the application is denied for the reasons summarized above.

By order of the Board of Governors, effective October 24, 1984.

Voting for this action: Governors Wallich, Partee, Rice, Gramley, and Seger. Absent and not voting: Chairman Volcker and Governor Martin.

JAMES MCAFEE
[SEAL] *Associate Secretary of the Board*

First Florida Banks, Inc.
Tampa, Florida

7L Corporation
Tampa, Florida

Order Approving Acquisition of Bank Holding Company

First Florida Banks, Inc. ("Applicant"), and 7L Corporation ("7L"),[1] both of Tampa, Florida, and both bank holding companies within the meaning of the Bank Holding Company Act of 1956, as amended ("Act")(12 U.S.C. § 1841 *et seq.*), have applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to acquire 85 percent of Financial Growth Systems Incorporated, Inverness, Florida ("Company"), a bank holding company, and thereby to acquire indirectly Company's four subsidiary banks, Citizens 1st National Bank of Citrus County, Inverness, Florida; Citizens 1st National Bank of Crystal River, Crystal River, Florida; Lake County Bank, Leesburg, Florida; and Citizens 1st National Bank of Hernando County, Spring Hill, Florida. Company also has a wholly owned subsidiary that provides data processing services exclusively for its subsidiary banks.

1. 7L is a party to this application only because it owns 35 percent of the voting shares of First Florida. Its assets consist of investments in three bank holding companies and an investment in a company, the sole activity of which is to lease an office building to a subsidiary bank of First Florida. 7L's investment in First Florida represents 98.6 percent of its banking investments and 85.4 percent of its total assets.

Notice of the applications, affording opportuni interested persons to submit comments, has given in accordance with section 3(b) of the Act time for filing comments has expired, and the I has considered the applications and all comr received in light of the factors set forth in sectioı of the Act (12 U.S.C. § 1842(c)).

Applicant is the seventh largest commercial ba organization in Florida, having eleven subsi banks that control $2.6 billion in deposits, v represents 4.5 percent of total deposits in comm banks in the state.[2] Company is one of the sr commercial banking organizations in the state, trolling $154 million in deposits, representing 0.: cent of total deposits in commercial banks in the : Upon consummation of the proposed acquisition plicant would remain the seventh largest comm banking organization statewide, controlling 4.7 cent of total deposits in commercial banks in the The Board has considered the effect of the propo: the structure of banking in Florida and has conc that consummation of this transaction would not a significant adverse effect on the concentrati banking resources in the state.

Applicant and Company compete directly in one market, the Hernando County banking ma Applicant is the second largest of three comm banking organizations in the market, controlling percent of total market deposits in commercial b Company, which opened a *de novo* bank in the m in December, 1983, is the smallest commercial ba organization in the market, controlling 0.4 perce total deposits in commercial banks. Upon consu tion of the proposal, Applicant would remaiı second largest commercial banking organization : market controlling 44.2 percent of total depos commercial banks in the market.

While consummation of the proposal would nate some existing competition in the Hernando C ty banking market, the Board believes that this petitive effect is not significant. The Board notes although the market is highly concentrated and v remain so upon consummation, the Herfin Hirschman Index ("HHI") would increase by or points to 5057 after consummation of the acquisiı

2. All banking data are as of December 31, 1983.

3. The Hernando County banking market is approximated limits of Hernando County.

4. Under the U.S. Department of Justice Merger Gui (June 14, 1982), a market in which a post-merger HHI is over highly concentrated. Although any additional concentration in market would be of significant competitive concern, general Department of Justice has stated that it would not be lil challenge any merger producing an increase of less than 50 pc the HHI.

The Board also has considered the influence of thrift institutions in evaluating the competitive effects of this proposal.[5] The substantial presence of thrift institutions in the market and the similarity of the portfolios and services of the banks and thrifts mitigate the Board's concern about the elimination of existing competition. Seven thrift institutions operate in the Hernando County banking market, controlling over 37 percent of total market deposits. These thrifts are significant competitors of commercial banks in this market as reflected in the similar asset and liability composition of their portfolios.[6]

On the basis of these factors, the Board believes it appropriate to take thrifts into account in evaluating the competitive effects of the proposed acquisition. In view of the competition afforded by thrifts in this market and the other facts of record, the Board has determined that consummation of this proposal would not have a significant adverse effect on existing competition in the Hernando County banking market.[7]

The Board has considered the effects of the proposed acquisition upon probable future competition in the relevant markets in light of the Board's proposed Market Extension Guidelines.[8] Company's subsidiary banks operate in two markets in which Applicant is not represented: the Citrus County banking market and the North Lake County banking market.[9] Because of the large number of potential entrants into each of these markets, the Board concludes that consummation of this proposal would not have any significant adverse effect on probable future competition in any relevant market.

The financial and managerial resources of Applicant, Company and their subsidiaries are satisfactory and their prospects appear favorable. Thus, banking factors are consistent with approval of these applications. Applicant proposes to introduce improvements and additional services in the market to improve service to present and potential customers of Company's subsidiary banks. For example, through Applicant, Company will be able to expand the lending activities of its subsidiary banks and provide expertise in real estate lending transactions, industrial development credits and leasing services. Applicant also originates and packages residential mortgages for resale in the secondary market, a product that is in demand in Company's service area. Other services to be offered that Company does not now offer are trust services, a statewide ATM network through the HONOR system, and specialized financing assistance to local governments. Accordingly, convenience and needs considerations are consistent with, and lend some weight toward, approval.

Based upon the foregoing and all the facts of record, it is the Board's judgment that the proposed transaction should be, and hereby is, approved. The transaction shall not be consummated before the thirtieth calendar day following the effective date of the Board's Order or later than three months after the effective date of the Board's Order, unless such period extended for good cause by the Board or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

By order of the Board of Governors, effective October 25, 1984.

Voting for this action: Governors Wallich, Partee, Rice, Gramley, and Seger. Absent and not voting: Chairman Volcker and Governor Martin.

JAMES MCAFEE
[SEAL] *Associate Secretary of the Board*

5. The Board has previously determined that thrift institutions have become, or at least have the potential to become, major competitors of commercial banks. *E.g.*, *NCNB Corporation*, (Ellis), 70 FEDERAL RESERVE BULLETIN 225 (1984); *Comerica* (Pontiac State Bank), 69 FEDERAL RESERVE BULLETIN 911 (1983); *First Tennessee National Corporation* 69 FEDERAL RESERVE BULLETIN 298 (1983).

6. For example, the commercial banks make relatively few commercial loans. The largest bank in the market devotes only 3 percent of its portfolio to commercial loans, and Applicant's subsidiary bank devotes less than 9 percent. The thrifts are competing for the small amount of commercial business that exists in the market. Four of the seven thrifts make commercial loans, and five offer commercial NOW accounts.

7. If the deposits of thrift institutions were taken into account in computing market shares, Applicant's market share would be 28 percent, Company's would be 0.2 percent and the HHI would fall to 2441 from 5030. Upon consummation, First Florida's share would increase a *de minimis* amount and the HHI would increase by only 11 points.

8. "Policy Statement of the Board of Governors of the Federal Reserve System for Assessing Competitive Factors Under the Bank Merger Act and the Bank Holding Company Act." 47 *Federal Register* 9017 (March 3, 1982). Although the proposed policy statement has not been adopted by the Board, the Board is using the policy guidelines in its analysis of the effects of a proposal on probable future competition.

9. The Board does not view Company as a potential entrant into any of the markets in which Applicant's subsidiaries operate because of Company's relatively small size.

First Illini Bancorp, Inc.
Galesburg, Illinois

Order Approving Acquisition of a Bank

First Illini Bancorp, Inc., Galesburg, Illinois, a bank holding company within the meaning of the Bank Holding Company Act ("Act")(12 U.S.C. § 1841 *et seq.*), has applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to become a bank holding company by acquiring all of the voting shares of Abingdon Bank and Trust Company, Abingdon, Illinois ("Bank").

Notice of the application, affording an opportunity for interested persons to submit comments, has been given in accordance with section 3(b) of the Act. The time for filing comments has expired, and the Board has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act (12 U.S.C. § 1842(c)).

Applicant controls one bank, First Galesburg National Bank, Galesburg, Illinois ("Galesburg Bank"), which is the 128th largest commercial bank in Illinois with total deposits of $122 million, representing approximately 0.1 percent of total deposits in commercial banks in the state.[1] Bank is one of the smallest banks in Illinois with total deposits of $10.8 million. Consummation of this proposal would not result in any increase in concentration of banking resources in Illinois.

Both Galesburg Bank and Bank operate in the Knox County banking market.[2] Galesburg Bank is the largest of eight commercial banking organizations in the market controlling 38.7 percent of total deposits in commercial banks. Bank is the sixth largest commercial banking organization in the market controlling 3.4 percent of total deposits in commercial banks. Upon consummation of this proposal, Applicant would control 42.1 percent of the total deposits in commercial banks.

The Knox County banking market is considered to be highly concentrated with a four firm concentration ratio of 87.7 percent and a Herfindahl-Hirschman Index ("HHI") of 2534. Upon consummation of this proposal, the four firm concentration ratio would increase to 91.1 percent and the HHI would increase by 263 points to 2797. While consummation of this proposal would eliminate existing competition between Galesburg Bank and Bank, the Board has concluded that the anticompetitive effects of this proposal are mitigated by the extent of competition afforded by thrift institutions in this market and by Applicant's commitment to improve Bank's lending record.[3]

Two thrift institutions in the market hold total deposits of $301 million, representing 48.8 percent of total deposits in commercial banks and savings and loan associations, and rank as the largest and second largest depository organizations in the market.[4] thrift institutions operate statewide and are aggre competitors. The thrift institutions offer a full ra transaction accounts (including NOW account commercial transaction accounts) and offer both mercial and consumer lending services. In vi these facts, the Board considers the presence of institutions a significant factor in assessing the petitive effects of this proposal and has deteri that consummation of the proposal will not h significant adverse effect on existing competiti the relevant banking market.[5]

The financial and managerial resources of cant, Galesburg Bank, and Bank are satisfactor their future prospects appear favorable. Bank's volume has decreased dramatically over the pas years and its loan-to-deposits ratio is the lowest financial institution in the market. Acquisition of by Applicant should improve Bank's lending per ance and make it an improved competitor. App plans to offer new services to Bank's custo including business cash management accounts, purchase agreement services, personal credit overdraft protection services, estate planning ar tate and trust administration services, and emp benefit plan services. Accordingly, the Boar concluded that factors relating to the convenienc needs of the communities to be served lend subst weight toward approval of this proposal and out any adverse competitive effects of this proposal

Based on the foregoing and other facts of recor Board has determined that approval of the applic would be consistent with the public interest an the application should be and hereby is approved transaction shall not be consummated before the tieth calendar day following the effective date o Order, or later than three months after the eff date of this Order, unless such period is extend good cause by the Board or the Federal Reserve of Chicago, acting pursuant to delegated authori

By order of the Board of Governors, eff October 17, 1984.

Voting for this action: Chairman Volcker and Gov Martin, Wallich, Partee, Rice, Gramley, and Seger.

JAMES MC

[SEAL] *Associate Secretary of the I*

1. Banking data are as of December 31, 1983.
2. The Knox County banking market is defined as Knox County, Illinois.
3. The Board has previously determined that thrift institutions have become, or at least have the potential to become, major competitors of banks. *NCNB Corporation*, 70 FEDERAL RESERVE BULLETIN 225 (1984); *Sun Banks, Inc.*, 69 FEDERAL RESERVE BULLETIN 934 (1983); *Merchants Bancorp, Inc.*, 69 FEDERAL RESERVE BULLETIN 865 (1983); *First Tennessee National Corporation*, 69 FEDERAL RESERVE BULLETIN 298 (1983).

4. Savings and loan data are as of June 30, 1984.
5. If 50 percent of the deposits held by thrift institution included in the calculation of market concentration, the pre-a tion four firm concentration ratio would decrease to 76.1 perc the HHI would decrease to 1688. Upon consummation of this p al, the four firm concentration ratio would increase to 78.4 perc the HHI would increase by 121 points to 1809. The resulting share of Applicant would decrease to 28.5 percent.

Fleet Financial Group, Inc.
Providence, Rhode Island

Order Approving Acquisition of Banks

Fleet Financial Group, Inc., Providence, Rhode Island, a bank holding company within the meaning of the Bank Holding Company Act of 1956, as amended (12 U.S.C. § 1841 *et seq.*) ("Act"), has applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)) to acquire all of the voting shares of Fleet National Bank of Boston, Boston, Massachusetts ("Fleet Boston"), and Fleet National Bank of Connecticut, Hartford, Connecticut ("Fleet Connecticut"), both proposed new banks.

Notice of the applications, affording opportunity for interested persons to submit comments, has been given in accordance with section 3(b) of the Act. The time for filing comments has expired, and the Board has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act (12 U.S.C. § 1842(c)), including the comments of Citicorp, New York, New York, challenging the constitutionality of the Massachusetts and Connecticut statutes under which the proposed acquisitions are to be made.

Applicant, the largest banking organization in Rhode Island, has one banking subsidiary with total deposits of $3.3 billion, representing 39.7 percent of the total deposits in commercial banks in Rhode Island.[1] Both Fleet Boston, which will compete in the Boston banking market,[2] and Fleet Connecticut, which will compete in the Hartford banking market,[3] are proposed new banks. Applicant currently competes in neither the Boston nor the Hartford banking market. In light of the *de novo* nature of these proposals, consummation of the proposed transactions would have no adverse effects on competition or the concentration of banking resources in any relevant area.

The financial and managerial resources and future prospects of Applicant, Fleet Boston, and Fleet Connecticut are consistent with approval of the applications. As *de novo* institutions, the two proposed banks will provide additional full service banking facilities, and thus considerations relating to convenience and needs of the community to be served lend weight toward approval.

1. Banking data are as of March 31, 1984.

2. The Boston banking market includes all of Suffolk and Essex Counties, most of Middlesex, Norfolk, and Plymouth Counties, and part of Worcester and Bristol Counties, Massachusetts. It also includes 13 towns in southern New Hampshire.

3. The Hartford banking market is defined as Hartford County, Connecticut.

Section 3(d) of the Act prohibits the Board from approving any application by a bank holding company to acquire any bank located outside of the state in which the operations of the bank holding company's banking subsidiaries are principally conducted, unless such acquisition is "specifically authorized by the statute laws of the State in which such bank is located, by language to that effect and not merely by implication." (12 U.S.C. § 1842(d)). Based upon its review of the Massachusetts and Connecticut interstate banking statutes,[4] the Board concludes that Massachusetts and Connecticut have by statute expressly authorized, within the meaning of section 3(d) of the Act, a Rhode Island bank holding company, such as Applicant, to acquire a bank or bank holding company in the authorizing state.[5]

These applications raise a question under the United States Constitution concerning the constitutionality of provisions of the Massachusetts and Connecticut interstate banking statutes that bar bank holding companies located outside of New England from acquiring banks in Massachusetts or Connecticut.[6] The Board has addressed the constitutionality of the Connecticut and Massachusetts statutes in its Orders concerning three previous interstate acquisitions under these statutes.[7] In its Bank of New England Corporation Order, the Board concluded that, while the issue was not free from doubt, there was no clear and unequivocal basis for a determination that the Connecticut statute is inconsistent with the Constitution.[8]

Subsequent to the Board's approval of the three prior applications under the Connecticut and Massachusetts interstate banking laws, protestants in each case sought judicial review of the Board's Orders on the sole ground that the Connecticut and Massachusetts interstate banking laws are unconstitutional. Following review of the issues, the United States Court of Appeals for the Second Circuit issued an opinion

4. Mass. Ann. Laws Ch. 167A, § 2; 1983 Conn. Acts 411, § 2.

5. *See Hartford National Corporation*, 70 FEDERAL RESERVE BULLETIN 353, 354 (1984) (Massachusetts statute); *Bank of New England Corporation*, 70 FEDERAL RESERVE BULLETIN 374, 375 (1984) (Connecticut statute); and *Bank of Boston Corporation* (Colonial Bancorp, Inc.), 70 FEDERAL RESERVE BULLETIN 524, 525 (1984).

6. New England bank holding companies include those located in Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.

7. *Hartford National Corporation, supra; Bank of New England Corporation, supra;* and *Bank of Boston Corporation* (Colonial Bancorp, Inc.), *supra*.

8. *Bank of New England Corporation*, 70 FEDERAL RESERVE BULLETIN at 376. It is the Board's policy that it will not hold a state law unconstitutional in the absence of clear and unequivocal evidence of the inconsistency of the state law with the United States Constitution. *See NCNB Corp.*, 68 FEDERAL RESERVE BULLETIN 54, 56 (1982). The Board repeated these constitutional findings with respect to the Massachusetts statute in *Hartford National Corporation*, 70 FEDERAL RESERVE BULLETIN at 354, and with respect to the closely parallel Rhode Island statute in *Bank of Boston Corporation* (RIHT Financial Corporation), 70 FEDERAL RESERVE BULLETIN 737 (1984).

rejecting the petitioners' constitutional challenges to the New England statutes and affirming the Board's Orders.[9] The constitutional issues involved in Fleet's current applications are the same as those involved in the Second Circuit decision.

Based on the foregoing and other facts of record, the Board has determined that the applications should be and hereby are approved. The transactions shall not be consummated before the thirtieth day after the effective date of the Order, or later than three months after the effective date of this Order, and the banks to be acquired shall be opened for business not later than six months after the effective date of this Order, unless such latter periods are extended for good cause by the Board, or by the Federal Reserve Bank of Boston pursuant to delegated authority.

By order of the Board of Governors, effective October 4, 1984.

Voting for this action: Chairman Volcker and Governors Wallich, Partee, Rice, and Gramley. Abstaining from this action: Governor Martin. Absent and not voting: Governor Seger.

JAMES MCAFEE
[SEAL] *Associate Secretary of the Board*

9. *Northeast Bancorp, Inc. v. Board of Governors of the Federal Reserve System*, Nos. 84-4047, 84-4051, 84-4053, and 84-4081 (2d Cir. Aug. 1, 1984), *petition for cert. filed*, 52 U.S.L.W. 3189 (U.S. Sept. 6, 1984) (No. 84-363).

The Maybaco Company
Baltimore, Maryland

Order Approving Acquisition of Control of Additional Shares of a Bank Holding Company

The Maybaco Company, Baltimore, Maryland, a bank holding company within the meaning of the Bank Holding Company Act (the "Act") (12 U.S.C. § 1841 *et seq.*), has applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)), to acquire control of additional voting shares of Equitable Bancorporation, Baltimore, Maryland ("Equitable"), and its banking subsidiaries.

Notice of the application, affording an opportunity for interested persons to submit comments and views, has been given in accordance with section 3(b) of the Act. The time for filing comments has expired and the Board has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act (12 U.S.C. § 1842(c)).

Applicant, a limited partnership, is a bank holding company by virtue of its ownership of 38.9 percent of the voting shares of Equitable, the third largest b ing organization in Maryland, with assets of billion.[1] Applicant proposes to acquire additional ing shares of Equitable as a result of a stock divi plan initiated by Applicant.[2] The shares to be di uted through the stock dividend would be a new of shares ("Class B shares") with substantially gr voting rights than Equitable common stock,[3] bu new shares would be subordinate to common s with respect to dividends.[4] Existing shareho would receive as a dividend one share of Class I every ten shares of common stock.

Immediately following the distribution of the s dividend, the holders of Class B shares will be id cal to and will hold shares in exactly the same pr tion as holders of common stock. Subsequently, l ers of Class B shares may convert these share common stock on the basis of one share of com stock for two shares of Class B stock. Applican stated that it does not intend to convert its Cla shares. Other stockholders may be inclined to co the new shares to common stock in order to re dividends on these shares. In that event, Applic control of voting shares of Equitable would increa as much as 85 percent. This plan was devise Equitable's board of directors to maintain contr existing stockholders even if large amounts of tional shares of common stock are issued.

The Board has previously indicated that an ap tion to acquire additional shares through a s dividend does not require the Board's prior app where the stock dividend does not alter the holding company's proportional share of any cla voting securities.[5] The record indicates that as a r of the stock dividend plan, Applicant's proporti share will increase to more than its current percent share. Accordingly, the Board has determ that the prior approval requirement of section 3(of the Act applies to Applicant's acquisition of sh through the proposed stock dividend.

1. Banking data are as of June 30, 1984.
2. In addition to controlling 38.9 percent of the voting sha Equitable, Applicant's general partner is the chairman of the bo Equitable.
3. Each share of Class B stock entitles the holder to 100 votes matters coming before the shareholders, while a share of co stock gives the holder one vote.
4. Equitable's board of directors does not presently inte declare any dividends on the Class B shares. Holders will be e to receive dividends if and when such dividends are declared board of directors. Such dividends as may be declared may not e 50 percent of the dividends per share declared on common reflecting the conversion rate of one share of common stock fc shares of Class B stock.
5. Section 225.11(c) of Regulation Y, 12 C.F.R. § 225.11. *Se* 1957 FEDERAL RESERVE BULLETIN 1131 (12 C.F.R. § 225.103).

The financial and managerial resources and future propects of Applicant and Equitable are consistent with approval, particularly in light of certain commitments made in connection with this application. Although the proposal will not affect the existing services offered by Equitable's subsidiaries, considerations relating to the convenience and needs of the communities to be served are also consistent with approval of the application.

The Board has determined that consummation of the proposal is consistent with the public interest and should be approved. On the basis of record, the application is approved for the reasons summarized above. The transaction shall not be consummated before the thirtieth calendar day following the effective date of this Order or later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Richmond, acting pursuant to delegated authority.

By order of the Board of Governors, effective October 15, 1984.

Voting for this action: Chairman Volcker and Governors Martin, Wallich, Partee, Rice, Gramley, and Seger.

JAMES MCAFEE
[SEAL] *Associate Secretary of the Board*

Singer & Associates, Inc.
Mattoon, Illinois

Order Denying Acquisition of a Bank Holding Company

Singer & Associates, Inc., Mattoon, Illinois, a bank holding company within the meaning of the Bank Holding Company Act ("Act")(12 U.S.C. § 1841 *et seq.*), has applied for the Board's approval pursuant to section 3(a)(3) of the Act (12 U.S.C. § 1842(a)(3)), to acquire 50.16 percent of the voting shares of Millikin Bancshares, Inc., Decatur, Illinois, and thereby indirectly to acquire The Millikin National Bank of Decatur, Decatur, Illinois ("Bank").

Notice of the application, affording opportunity for interested persons to submit comments, has been given in accordance with section 3(b) of the Act. The time for filing comments has expired and the Board has considered the application and all comments received, including comments from the Office of the Comptroller of the Currency, in light of the factors set forth in section 3(c) of the Act (12 U.S.C. § 1842(c)).

Applicant controls one bank with total deposits of $79.6 million, representing less than 0.1 percent of total deposits in commercial banks in Illinois.[1] Bank is the 46th largest commercial bank in Illinois, with total deposits of $191.5 million, representing less than 0.2 percent of total deposits in commercial banks in the state. Upon consummation of this proposal, Applicant would control total deposits of $271.1 million, representing less than 0.3 percent of total deposits in commercial banks in the state. Accordingly, consummation of this proposal would have no significant effect on the concentration of banking resources in Illinois.

Bank operates in the Decatur banking market,[2] where it is the largest of 17 commercial banking organizations, controlling 23.5 percent of the total deposits in commercial banks in the market. Applicant does not operate in the Decatur banking market; thus, this proposal would have no significant effect upon existing competition. The Board has considered the effects of this proposal upon probable future competition in this market in light of its proposed market-extension Guidelines.[3] The Decatur banking market is not considered to be highly concentrated, nor is Applicant considered a probable future entrant into this market absent this proposal. Accordingly, the Board has concluded that consummation of this proposal would have no significant adverse effect on potential competition in this market.

The Board has stated on previous occasions that a bank holding company should serve as a source of financial and managerial strength to its subsidiary banks, and that the Board would closely examine the condition of an applicant and its subsidiaries in each case with this consideration in mind.[4] The Board has cautioned against the assumption of substantial amounts of debt by a bank holding company because of concern that the holding company would no longer have the financial flexibility to meet any unexpected problems at its subsidiary banks and could be forced to place substantial demands on its subsidiary banks to meet its debt servicing requirements.

The Board notes that Applicant is attempting to acquire a company more than twice its size in terms of assets. Applicant proposes to fund this proposal most-

1. Banking data are as of June 30, 1984.
2. The Decatur banking market is defined as Macon County plus the township of Moweaqua in Shelby County, Illinois.
3. 47 *Federal Register* 9017 (March 3, 1982). Although the proposed policy statement setting forth these Guidelines has not been adopted by the Board, the Board is using the Guidelines in its analysis of the effects of a proposal on probable future competition.
4. *Corporation for International Agricultural Production Limited*, 70 FEDERAL RESERVE BULLETIN 39 (1984); *Holcomb Bancshares, Inc.*, 69 FEDERAL RESERVE BULLETIN 804 (1983).

ly through debt. As a result, its initial pro forma debt-to-equity ratio would more than double to a level substantially above that considered prudent for a banking organization of Applicant's size, thereby immediately reducing Applicant's ability to serve as a source of strength to its subsidiaries. Applicant projects that it would be able to reduce this ratio to a more manageable level within four years, relying primarily upon Bank's earnings. In light of the facts of record, however, Applicant's earnings projections appear overly optimistic and do not provide Applicant with the necessary financial flexibility. The high initial debt level, in combination with Applicant's questionable ability to service the debt, would strain the ability of Applicant's subsidiary banks to provide adequate income to meet Applicant's debt servicing requirements and would bring into question Applicant's ability to serve as a source of strength. Based upon the above and other facts of record, the Board concludes that financial factors associated with the proposal are so adverse as to warrant denial.[5]

Applicant has proposed no new services for Bank. However, there is no evidence in the record that the banking needs of the community to be served are not being met. Accordingly, considerations relating to the convenience and needs of the community to be served are consistent with, but lend no weight toward, approval of the application.

Based on the foregoing and other facts of record, the Board believes that approval of this application is not in the public interest, and that this application should be, and hereby is, denied.

By order of the Board of Governors, effective October 24, 1984.

Voting for this action: Governors Wallich, Partee, Rice, Gramley, and Seger. Absent and not voting: Chairman Volcker and Governor Martin.

JAMES MCAFEE
[SEAL] *Associate Secretary of the Board*

5. The Board received one protest during the processing of this application. The protestant questioned Applicant's ability to finance this acquisition.

SparBank, Incorporated McHenry, Illinois

Order Approving Formation of a Bank Holding Company

SparBank, Incorporated, McHenry, Illinois, has applied for the Board's approval, pursuant to section 3(a)(1) of the Bank Holding Company Act ("A (12 U.S.C. § 1842(a)(1)), to become a bank ho company by acquiring all of the voting share McHenry State Bank, McHenry, Illinois.

Notice of the application, affording an opport for interested persons to submit comments, has given in accordance with section 3(b) of the Act. time for filing comments has expired, and the B has considered the application and all comment ceived in light of the factors set forth in section 3(the Act (12 U.S.C. § 1842(c)).

Applicant is a nonoperating corporation forme the purpose of acquiring Bank. This proposal inv a restructuring of Bank's ownership from indivi to a corporation owned by the same individuals. B with total deposits of $174.3 million, representing than 0.1 percent of total deposits in commercial b in Illinois, is one of the smaller banks in the st Consummation of this proposal would not result i concentration of banking resources in Illinois.

Bank operates in the Woodstock banking mar where it is the largest of nine commercial b controlling 36.3 percent of total deposits in com cial banks.[3] Consummation of this proposal woul result in any significant effects on competition in relevant market.

In evaluating the financial factors in this case Board notes that as a result of consummation o proposal, Applicant's pro forma consolidated pri and total capital ratios would be below the level forth in the Board's current Capital Adequacy G lines.[4] Further, if the Board were to exclude intan assets from Applicant's primary and total ca Applicant's primary and total capital ratios woul below both the Board's current and proposed Ca Adequacy Guidelines.

The Board views with concern any proposa which an applicant's pro forma capital will be clo or below the level specified in the Board's Ca Adequacy Guidelines, or where intangibles will significant factor in an applicant's capital base.[5]

In response to the Board's concerns, Applican committed that it will cause its primary capit

1. Banking data are as of June 30, 1984, unless otherwise indi
2. The Woodstock banking market is defined as the norther half (Chenung, Alden, Hebron, Richmond, Burton, Durham McHenry townships) of McHenry County, Illinois, including the of Woodstock.
3. Competitive data are as of June 30, 1982.
4. *Capital Adequacy Guidelines*, 12 C.F.R., Part 225, Appen *Proposed Minimum Capital Guidelines for Bank Holding Comp.* 49 *Federal Register* 30322 (July 30, 1984).
5. *National City Corporation*, 70 FEDERAL RESERVE BULLET (1984); *Eagle Bancorporation* 70 FEDERAL RESERVE BULLET (1984).

assets ratio to meet or exceed the Board's current and proposed Capital Adequacy Guidelines, respectively, on or before consummation of this proposal. Applicant has also committed that its primary capital-to-assets ratio on a tangible basis will meet the Board's proposed Capital Adequacy Guidelines on or before consummation of this proposal. Based on the foregoing, and other commitments made by Applicant in connection with this application, the managerial and financial resources of Applicant and Bank are considered generally satisfactory and their future prospects appear favorable.

Applicant has proposed no new services for Bank. However, there is no evidence that the banking needs of the community to be served are not being met. Accordingly, considerations relating to the convenience and needs of the community to be served are consistent with approval.

Based on the foregoing and other facts of record, the Board has determined that approval of the application would be consistent with the public interest and that the application should be and hereby is approved. The transaction shall not be consummated before the thirtieth calendar day following the effective date of this Order, or later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or the Federal Reserve Bank of Chicago, acting pursuant to delegated authority.

By order of the Board of Governors, effective October 17, 1984.

Voting for this action: Chairman Volcker and Governors Martin, Wallich, Partee, Rice, Gramley, and Seger.

JAMES MCAFEE
[SEAL] *Associate Secretary of the Board*

Orders Issued under Section 4 of Bank Holding Company Act

BankAmerica Corporation San Francisco, California

Order Approving Application to Engage in Certain Futures Commission Merchant Advisory Activities

BankAmerica Corporation, San Francisco, California, a bank holding company within the meaning of the Bank Holding Company Act, has applied pursuant to section 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)) and section 225.21(a) of the Board's Regulation Y (12 C.F.R. § 225.21(a)), to provide investment advisory services with respect to certain financial futures and options on those futures to nonaffiliated customers throughout the world. Applicant proposes to offer such services through its wholly owned subsidiary, BA Futures, Incorporated ("BAFI"), San Francisco, California.

Notice of the application, affording interested persons an opportunity to submit comments on the relation of the proposed activities to banking and on the balance of the public interest factors, has been duly published (49 *Federal Register* 30,243 (1984)). The time for filing comments has expired, and the Board has considered the application and all comments received in light of the public interest factors set forth in section 4(c)(8) of the Act.

Applicant, with consolidated assets of $121.5 billion, is a bank holding company by virtue of its control of Bank of America, N.T. and S.A., San Francisco, California, the largest banking organization in California, and Seafirst Corporation, Seattle, Washington, the largest banking organization in Washington.[1] BAFI is a futures commission merchant ("FCM") that engages in the execution and clearance of futures contracts in bullion, foreign exchange, government securities, and money market instruments, and options on such futures contracts on major commodities exchanges for nonaffiliated persons. Applicant proposes to provide advisory services through BAFI both as an independent service on a separate fee basis and as a package of FCM services on a non-fee basis.

The advisory services would consist of general research and advice on market conditions, trading, hedging and investment strategies, client account information, reconciliation of trades, and communication linkage between clients and commodity exchange floors. The advisory services may also involve the development and marketing of computer software applications for use by clients in designing or measuring hedging performance and generating related accounting entries.

The proposed advisory services are substantially similar to those previously approved by the Board by order.[2] In addition, the Board has previously determined by order that the provision of such investment advice, both as a separate service for a fee and as part of an integrated package of FCM services on a nonfee basis, is closely related to banking.[3]

In order to approve this application, the Board is also required to determine that the performance of the

1. Banking data are as of March 31, 1984.
2. *Manufacturers Hanover Corporation*, 70 FEDERAL RESERVE BULLETIN 369 (1984).
3. *J. P. Morgan & Co., Incorporated*, 70 FEDERAL RESERVE BULLETIN 780 (1984).

proposed activities by Applicant "can reasonably be expected to produce benefits to the public . . . that outweigh possible adverse effects . . . ." (12 U.S.C. § 1843(c)(8)). The Board concludes that Applicant's proposal can reasonably be expected to produce benefits to the public in that it would provide an additional service to corporations and financial institutions that may wish to utilize futures markets in their operations. There is no evidence in the record that consummation of the proposal would result in any effects that would be adverse to the public interest.

Based upon a consideration of all the relevant facts, the Board concludes that the balance of the public interest factors it is required to consider under section 4(c)(8) is favorable. Accordingly, the application is hereby approved. This determination is subject to all of the conditions set forth in Regulation Y and the Board's authority to require such modification or termination of the activities of a bank holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder,, or to prevent evasion thereof.

The transaction shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of San Francisco pursuant to delegated authority.

By order of the Board of Governors, effective October 26, 1984.

Voting for this action: Governors Wallich, Partee, Rice, Gramley, and Seger. Absent and not voting: Chairman Volcker and Governor Martin.

WILLIAM W. WILES
Secretary of the Board

[SEAL]

First Interstate Bancorp
Los Angeles, California

Order Approving Acquisition of Company Engaged in Commercial Finance and Leasing Activities

First Interstate Bancorp, Los Angeles, California, a bank holding company within the meaning of the Bank Holding Company Act ("Act"), has applied for the Board's approval pursuant to section 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)) and section 225.21(a) of the Board's Regulation Y (12 U.S.C. § 225.21(a)), to acquire 95.1 percent of the voting shares of Commercial Alliance Corporation, New York, New York ("Company").[1] Applicant would operate Comp under the name First Interstate Commercial Alli Corporation. Company is engaged in installment financing and full-payout leasing of commercial, in trial, office, and professional equipment and mac ery, primarily through two subsidiaries, Credit ance Corporation and Leasing Service Corpora Another of Company's subsidiaries, C-A Fina Corporation, provides corporate financing secure various types of collateral.[2] Each of these activ has been determined by the Board to be closely rel to banking. 12 C.F.R. § 225.25(b)(1) and (5).

Notice of the application, affording interested sons an opportunity to submit comments, has duly published (49 *Federal Register* 33,171 (19 The time for filing comments has expired, and Board has considered the application and all ments received in light of the public interest factor forth in section 4(c)(8) of the Act.

Applicant is a multi-bank holding company wit subsidiary banks holding total domestic deposit approximately $29.6 billion.[3] Applicant's lead b First Interstate Bank of California, is the fifth la banking organization in California with total dom deposits of approximately $12.6 billion, represe 7.4 percent of the total deposits in commercial b in the state. Applicant is also engaged in va nonbanking activities, including leasing and com cial finance, through nonbank subsidiaries.

In acting on Applicant's proposal to acquire Co ny, the Board must, in addition to determining wh er Company's activities are closely related to bank consider whether the performance of the prop activities by Company can reasonably be expecte produce benefits to the public that outweigh pos adverse effects. 12 U.S.C. § 1843(c)(8).

1. Applicant currently owns 4.9 percent of Company's shares and, therefore, would own 100 percent of Company's upon consummation of this proposal.

2. Incidental to its leasing and commercial finance activities, pany offers financial, advisory and administrative services to parties, such as manufacturers, leasing companies, and depo institutions, solely as a marketing technique through which Con purchases the receivables that are generated by these other c nies. Company does not enter into written agreements or receiv fee in connection with any of these incidental services. All purchased by Company conform to the requirements of s 225.25(b)(5) of Regulation Y.

Company owns a number of inactive corporations, includin insurance companies which have offered, but currently ar offering, credit indemnity insurance policies covering installment contracts and equipment leases. Should Applicant desire to reac any of Company's inactive operations, the Board's prior ap must first be obtained pursuant to section 4(c)(8) of the Act.

3. Banking data are as of December 31, 1983.

Applicant engages in commercial finance activities through its subsidiary, First Interstate Commercial Corp. ("FICC"), which maintains offices in Portland, Oregon; Denver, Colorado; Chicago, Illinois; and St. Louis, Missouri. As of June 30, 1984, FICC had $129 million in receivables outstanding. Company engages in commercial finance activities principally through Credit Alliance Corporation from offices in Anaheim and Emeryville, California; Atlanta, Georgia; Des Plaines, Illinois; Glen Burnie, Maryland; Houston, Texas; Orangeburg, New York; Altamonte Springs, Florida; Pittsburgh, Pennsylvania; and Portland, Oregon. As of April 30, 1984, Company had total commercial finance receivables of approximately $429 million. The market for commercial finance has been designated as either regional or nationwide in scope. In this case, it appears that Company and Applicant, through FICC, compete in a national market. On this basis, Applicant and Company would control less than 1.0 percent of the commercial finance market upon consummation of this acquisition.

Applicant engages in leasing activities through First Interstate Leasing Company ("FILC") from offices in Pasadena, Mission Viejo, and San Francisco, California, and New York, New York. As of June 30, 1984, FILC had net lease receivables of approximately $236,000. Company engages in leasing activities principally through Leasing Service Corporation from the same offices at which it engages in commercial finance activities. As of April 30, 1984, Company had net lease receivables of approximately $265 million. The market for commercial leasing activities has been designated as nationwide. On this basis, Applicant and Company would control less than 1.0 percent of the leasing market upon consummation of this proposal.

There are numerous firms engaged in both commercial finance and leasing activities, and the markets for these activities are unconcentrated. In view of the number of commercial finance and leasing firms competing nationwide and the small market shares that would result from consummation of this proposal, the Board concludes that consummation of the proposal would not have a significantly adverse effect on existing competition.

In evaluating this case, the Board has carefully considered the financial and managerial resources of Applicant, including its capital position, and the effect the proposed acquisition would have on these resources. As the Board has previously stated, capital adequacy is an especially important factor in the analysis of bank holding company expansion proposals, particularly, as in this case, where a significant acquisition is proposed. Applicant's primary and total capital ratios significantly exceed the minimum levels specified in the Board's proposed Capital Adequacy Guidelines. Applicant's tangible primary capital ratio alone, while declining somewhat after this acquisition will still be at a level consistent with the Board's current and proposed Capital Adequacy Guidelines. Based upon these and other facts of record, the Board concludes that financial factors are consistent with approval of this application.

Applicant's acquisition of Company would be likely to result in the strengthening of Company's competitive position both geographically and with respect to product lines. In addition, the acquisition will enable Applicant and Company to benefit from economies from the elimination of duplicative systems and facilities. On the basis of these and other facts of record the Board concludes that the benefits to the public that would result from Applicant's acquisition of Company lend some weight toward approval. Moreover, there is no evidence in the record to indicate that consummation of the proposal would result in any undue concentration of resources, decreased or unfair competition conflicts of interests, unsound banking practices, or other adverse effects.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors it is required to consider under section 4(c)(8) is favorable. Accordingly, the application is hereby approved. This determination is subject to all the conditions set forth in the Board's Regulation Y, including those in sections 225.4(d) and 225.23(b), and to the Board's authority to require such modification or termination of the activities of a bank holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

The transaction shall be consummated not later than three months after the effective date of this Order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of San Francisco, acting pursuant to delegated authority.

By order of the Board of Governors, effective October 25, 1984.

Voting for this action: Governors Wallich, Partee, Rice Gramley, and Seger. Absent and not voting: Chairman Volcker and Governor Martin.

JAMES MCAFEE
[SEAL] *Associate Secretary of the Board*

4. *Capital Adequacy Guidelines*, 12 C.F.R., Part 225, Appendix A *Capital Adequacy Guidelines for Bank Holding Companies*, 49 *Federal Register* 30,322 (July 30, 1984).

First Moore Bancshares, Inc.
Moore, Oklahoma

Order Approving Application to Engage in Insurance Activities

First Moore Bancshares, Inc., Moore, Oklahoma, a bank holding company within the meaning of the Bank Holding Company Act ("Act"), has applied for the Board's approval under section 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)) and section 225.25 of the Board's Regulation Y (12 C.F.R. § 225.25), to engage *de novo,* through a proposed indirect subsidiary, First Property and Casualty Insurance Agency of Moore, Inc., Moore, Oklahoma, in general insurance agency activities (except the sale of life insurance and annuities) in a community with a population greater than 5,000. Applicant, as a bank holding company with total assets under $50 million, relies on the statutory language contained in section 601(F) of the Garn-St Germain Depository Institutions Act of 1982 as authorization for this activity.[1]

Notice of the application, affording interested persons an opportunity to submit comments on the proposal, has been duly published. (49 *Federal Register* 31,493 (August 7, 1984)). The time for filing comments has expired, and the Board has considered the application and all comments received in light of the public interest factors set forth in section 4(c)(8) of the Act.

Applicant, with total assets of approximately $32 million as of June 30, 1984, proposes to engage in general insurance agency activities in Moore, Oklahoma, a community with a population of approximately 35,000 as of the 1980 census. Applicant states that the activities would be conducted from offices to be located in Applicant's subsidiary bank, The First National Bank of Moore (total deposits of $28 million as of June 30, 1984), and that its service area would be the city of Moore and the surrounding north-central portion of Cleveland County, Oklahoma.

In order to approve an application under section 4(c)(8) of the Act, the Board is required to determine that a proposed activity is "so closely related to banking or managing or controlling banks as to be a proper incident thereto. . ." 12 U.S.C. § 1843(c)(8). In this regard, the Board has previously found that the sale of general insurance by bank holding companies with total assets of $50 million or less is an activity closely related to banking within the meaning of se tion 4(c)(8) of the Act.[2]

However, while the activity as proposed by App cant is closely related to banking, the Board must al determine that the performance of the proposed acti ty by Applicant "can reasonably be expected to pr duce benefits to the public, such as greater conv nience, increased competition, or gains in efficienc that outweigh possible adverse effects, such as und concentration of resources, decreased or unfair co petition, conflicts of interests, or unsound banki practices." 12 U.S.C. § 1843(c)(8). Upon a review the record of this application, the Board views App cant's proposal as procompetitive and in the pub interest because *de novo* entry will provide great convenience to the public and increased competiti in the provision of insurance services in the geograp area to be served. Furthermore, there is no evidence the record to indicate that consummation of th proposal would result in undue concentration of r sources, unfair competition, conflicts of interest unsound banking practices, or other adverse effects

Based upon the foregoing and all the facts of recor the Board has determined that the public benef associated with consummation of this proposal c reasonably be expected to outweigh possible adver effects, and that the balance of the public intere factors favors approval of this application. Accor ingly, the application is hereby approved.

This determination is subject to all of the conditio set forth in Regulation Y, including sections 225.4(and 225.23(b), and to the Board's authority to requi such modification or termination of the activities o bank holding company or any of its subsidiaries as t Board finds necessary to assure compliance with t provisions and purposes of the Act and the Board regulations and orders issued thereunder, or to pr vent evasion thereof.

The proposed activities shall commence not lat than three months after the effective date of th Order, unless such period is extended for good cau by the Board or by the Federal Reserve Bank Kansas City, acting pursuant to delegated authority

By order of the Board of Governors, effecti October 26, 1984.

Voting for this action: Governors Partee, Rice, Gramle and Seger. Abstaining from this action: Governor Wallic Absent and not voting: Chairman Volcker and Govern Martin.

[SEAL]

WILLIAM W. WIL
Secretary of the Boa

1. Section 601(F) is now codified as section 4(c)(8)(F) of the Bank Holding Company Act. The legislative history of that section states that insurance activities authorized on the basis of section 601(F) must be terminated if the bank holding company's assets exceed $50 million. *See* Senate Report 97-536, at 41-42. In this regard, Applicant has committed to divest itself of such activities if its assets exceed $50 million.

2. *Whitewater Bancorp, Inc.*, 69 FEDERAL RESERVE BULLETIN 8 (1983); *A.S.B. Bancshares, Inc.*, 70 FEDERAL RESERVE BULLETIN 3 (1984).

First National Cincinnati Corporation
Cincinnati, Ohio

BancOhio Corporation
Columbus, Ohio

Society Corporation
Cleveland, Ohio

National City Corporation
Cleveland, Ohio

Fifth Third Bancorp
Cincinnati, Ohio

Order Approving Joint Venture to Engage in Data Processing and Related Activities

First National Cincinnati Corporation, Cincinnati, Ohio ("First Cincinnati"), BancOhio Corporation, Columbus, Ohio ("BancOhio"), Society Corporation, Cleveland, Ohio ("Society"), and National City Corporation, Cleveland, Ohio ("National City"), all bank holding companies within the meaning of the Bank Holding Company Act (12 U.S.C. § 1841 *et seq.*) ("Act"), have applied for the Board's approval under section 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)) and section 225.23 of the Board's Regulation Y (12 C.F.R. § 225.23), to acquire shares of Money Station, Inc., Cincinnati, Ohio ("MSI"), a joint venture to engage in data processing and related activities. Fifth Third Bancorp, Cincinnati, Ohio ("Fifth Third"), which currently operates MSI as a wholly owned operating subsidiary, has applied to participate in the joint venture through retention of its shares.[1]

MSI, established in 1983, operates an electronic funds transfer ("EFT") system for interchanging financial transactions of depository institutions that contract for MSI's services. MSI's interchange system (the "Switch") operates as a neutral clearing house for electronic funds transfer, payment, and withdrawal transactions at automated teller machines ("ATMs") operated by any participating institution, and enables customers of participating institutions to complete such EFT transactions at ATMs operated by any member of the system. These ATMs are and will continue to be owned (or leased) and operated, not by MSI, but by the participating institutions. The participating institutions, not MSI, issue the cards used for access to ATMs in the Switch.

MSI also proposes to offer, through the Switch, data transmission and processing services in connection with point-of-sale ("POS") transactions. Such POS transactions would involve the transfer of funds from the checking, savings, or credit card account of a participating institution's customer to a merchant's account. The proposed POS services would be the subject of agreements between merchants and participating institutions, and the POS terminals would be owned and operated by merchants or participating institutions, not by MSI.

MSI currently provides switching services for financial institutions located in Ohio, Indiana, Kentucky, Michigan, Pennsylvania, and West Virginia. It proposes to expand into other states in its region and plans eventually to offer its services to institutions throughout the United States.

The proposed data processing and related activities have been determined by the Board to be closely related to banking and are permissible under section 225.25(b)(7) of Regulation Y (12 C.F.R. § 225.25(b)(7)(i) and (ii)). Notice of these applications, affording opportunity for interested persons to submit comments, has been duly published. 49 *Federal Register* 29,848 (July 24, 1984). The time for filing comments has expired, and the Board has considered the applications and all comments received in light of the public interest factors set forth in section 4(c)(8) of the Act.

The co-venturers represent the second, fourth, fifth, ninth, and twelfth largest commercial banking organizations in Ohio.[2] Each of the co-venturers presently operates a proprietary ATM network for its affiliated banks. In addition, four of the co-venturers—Fifth Third, BancOhio, First Cincinnati, and Society—operate shared proprietary ATM networks for non-affiliated as well as affiliated institutions. Following consummation of this proposal, MSI's Switch would provide interchange services for transactions within each of

1. Upon consummation of this proposal, Fifth Third, First Cincinnati, Society, and BancOhio each would hold 24 shares in MSI and National City would hold 28 shares. As provided in BancOhio's agreement to subscribe to shares of MSI, MSI will repurchase BancOhio's shares upon the consummation of the recently-approved merger of BancOhio with National City (*National City Corporation*, 70 FEDERAL RESERVE BULLETIN 743 (1984)). If that merger takes place before consummation of this proposal, MSI will not issue any shares to BancOhio.

2. BancOhio, with aggregate deposits of $4.9 billion, controls 9.4 percent of commercial bank deposits in the state. National City controls aggregate deposits of $4.3 billion, representing 8.3 percent of commercial bank deposits in Ohio. Upon the merger of BancOhio into National City, National City would be the state's largest commercial banking organization with approximately 17.2 percent of the deposits in commercial banks in Ohio. Society, with aggregate deposits of $4.3 billion, controls 8.2 percent of commercial bank deposits in the state. First Cincinnati, with total deposits of $1.6 billion, controls 3.2 percent of commercial bank deposits in Ohio. Fifth Third holds total deposits of $1.3 billion, representing 2.5 percent of deposits in commercial banks in Ohio.

these networks[3] as well as acting as the central switch among the individual networks. In addition, MSI would offer its switching services to institutions not currently affiliated with any of the co-venturers' ATM networks.

Inasmuch as the co-venturers would no longer provide EFT switching services for unaffiliated financial institutions after consummation of this proposal, some existing competition among the co-venturers in providing data processing services would be eliminated. The anticompetitive effects of this proposal are, however, mitigated by the fact that the co-venturers' existing proprietary ATM networks would all continue to operate, as MSI will merely interface between those systems. Each co-venturer will retain complete control over expansion of its own ATM networks, pricing and selection of ATM services, and placement of terminals, and thus will continue to compete with the other co-venturers in the operation of ATM networks. Furthermore, the terms of the agreements between MSI and the participating institutions permit the co-venturers and all other participating institutions to join other switching networks. In light of these and other facts of record, the Board concludes that consummation of this proposal would not have a significant adverse effect on existing competition in the provision of ATM services in any relevant market.

The Board also has considered the effects of consummation of this proposal on probable future competition in the provision of EFT switching services, particularly in light of the fact that this application involves the use of a joint venture to engage in the relevant activities. As noted above, the co-venturers are five of the largest bank holding companies in Ohio and four of the co-venturers currently operate EFT switches for unaffiliated institutions. The joint venture significantly reduces the possibility that these four switches would expand on a regional basis or that National City would form its own switching network.

Upon consummation of the joint venture proposal, however, two other large Ohio-based EFT switches and at least two national networks would remain as competitors of MSI. Moreover, since numerous Ohio financial institutions, including three with deposits in excess of $1 billion, do not participate in a shared ATM network, it appears likely that additional national or regional EFT switches will enter MSI's market area. The existence of these current and potential entrants mitigates concerns that the MSI interchange system may represent so large a proportion of possible ATM terminals in local markets that no other switcl could successfully compete. Furthermore, as noı above, MSI's participating institutions will not prohibited from simultaneous membership in otl switching networks, and each participating instituti may cancel its membership contract with MSI with 1 days prior written notice. In light of this and otl evidence of record, the elimination of the co-ventur as potential operators of regional switching netwoı does not raise any serious concern. Accordingly, ı Board concludes that consummation of the propos joint venture would not have a significant adve effect on probable future competition.

The Board has reviewed this proposal to ensure tl no unfair competitive practices, violations of law, other substantially adverse effects would result fr consummation of the proposal. In this regard, ı Board notes that all depository institutions would hε equal access to membership in MSI, and that the ter of the proposed contracts between MSI and particip ing institutions are non-restrictive.[4] After review the application and other facts of record, the Bo concludes that consummation of this proposal woı not result in unfair competition, conflicts of intere or unsound banking practices.

The Board also has considered the effect of consu mation of this proposal in light of state and fede laws governing the establishment of branches and ı use of ATMs in a network. As described above, ı MSI network would only provide data process services for the interchange and would neither o nor operate ATMs. Moreover, Applicant has stal that it will comply with all applicable state and fede laws in offering its switching services to deposit institutions.

It is the Board's view that approval of these appli tions can reasonably be expected to produce subst tial benefits to the public. Consummation of t proposal would give individuals in Ohio and the s rounding region access to a larger number of A] terminals and would increase the availability of P services to consumers. In addition, the economies scale that would result from the expanded netwc would accrue to all participating institutions. Final the greatly expanded resources provided by the jo venture would enable MSI to improve and expand EFT services to compete effectively with other regic al and national switches.

3. At present, the co-venturers contract with MSI for switching services for their affiliated institutions, but provide switching services independently for their shared proprietary networks.

4. These contracts impose no restrictions on the geographic lc tion of an institution's ATMs and give participating institutions option of keeping 20 percent of their ATMs outside the netwc Furthermore, the membership contracts are written for a term of year and, as noted above, may be cancelled with 120 days pı written notice.

Based upon the foregoing and other facts of record, the Board has determined that the balance of public interest factors it is required to consider under section 4(c)(8) favors approval of these applications. In addition, the financial and managerial resources and future prospects of the Applicants and MSI are considered consistent with approval. Accordingly, these applications are hereby approved. This determination is subject to all of the conditions set forth in Regulation Y, including those in sections 225.4(d) and 225.23(b), and to the Board's authority to require such modification or termination of the activities of a bank holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

This transaction shall not be consummated later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Cleveland pursuant to delegated authority.

By order of the Board of Governors, effective October 15, 1984.

Voting for this action: Chairman Volcker and Governors Martin, Partee, Rice, and Seger. Abstaining from this action: Governors Wallich and Gramley.

JAMES MCAFEE
[SEAL] *Associate Secretary of the Board*

Orders Issued under Sections 3 and 4 of Bank Holding Company Act

C.C.B., Inc.
Denver, Colorado

New Central Colorado Company
Denver, Colorado

Order Approving the Acquisition of a Bank Holding Company

C.C.B., Inc., Denver, Colorado, and New Central Colorado Company, Denver, Colorado, have applied for the Board's approval under section 3 of the Bank Holding Company Act ("Act") to acquire Central Bancorporation, Inc., Denver, Colorado ("Bancorporation"), a registered bank holding company. Bancorporation owns the following bank subsidiaries: Central Bank of Denver, Denver, Colorado; Central Bank of Academy Boulevard, Colorado Springs, Colorado; Central Bank of Colorado Springs, Colorado Springs, Colorado; Central Bank of Aurora, Aurora, Colorado; Central Bank of Broomfield, Broomfield, Colorado; Central Bank of Chapel Hills, N.A., Colorado Springs, Colorado; Central Bank of Chatfield, Littleton, Colorado; Central Bank of Greeley, Greeley, Colorado; Central Bank of Inverness, N.A., Englewood, Colorado; Central Bank of North Denver, Denver, Colorado; Central Bank of Pueblo, N.A., Pueblo, Colorado; Central Bank of Stapleton, N.A., Denver, Colorado; First National Bank in Aspen, Aspen, Colorado; First National Bank in Battlement Mesa, Battlement Mesa, Colorado; First National Bank in Craig, Craig, Colorado; First National Bank of Glenwood Springs, Glenwood Springs, Colorado; First National Bank of Grand Junction, Grand Junction, Colorado; First National Bank-North in Grand Junction, Grand Junction, Colorado; and Rocky Ford National Bank, Rocky Ford, Colorado; and the following banks in organization: Central Bank of East Aurora, N.A., Aurora, Colorado; Central Bank of Centennial, N.A., Littleton, Colorado; Central Bank of Garden of the Gods, N.A., Colorado Springs, Colorado; and, Central Bank of Westminster, N.A., Westminster, Colorado. C.C.B., Inc. and New Central Colorado Company have also applied for the Board's approval under section 4(c)(8) of the Act to acquire indirectly Central Bancorp Life Insurance Company, Denver, Colorado, a wholly owned subsidiary of Bancorporation that reinsures credit life and accident and health insurance related to extensions of credit made by Bancorporation's subsidiary banks.

Notice of the applications, affording an opportunity for interested persons to submit comments, has been given in accordance with section 3(b) of the Act. The time for filing comments has expired, and the Board has considered all comments received in light of the factors set forth in section 3(c) of the Act.

In 1980, the Board approved a divestiture proposal involving shares of Bancorporation in which D. H. Baldwin Company, Cincinnati, Ohio ("Baldwin"), transferred its ownership of voting shares of Bancorporation to a limited partnership for the purpose of removing the control and economic benefits of ownership of Bancorporation from Baldwin and providing for the orderly sale of Baldwin's interest. C.C.B., Inc., which is owned and controlled primarily by the management of the bank subsidiaries of Bancorporation, became the general partner of the limited partnership formed by Baldwin. As part of the proposal, Baldwin was permitted to retain a class 2 limited partnership interest that was under all circumstances nonvoting. The proposal also involved the sale of the voting shares of Bancorporation and dissolution of the partnership through the exercise of warrants sold to independent investors at the time of the implementation of the divestiture plan, or through a sale conducted by an independent trustee.[1] The Board was persuaded by the particular facts and circumstances of that case, including numerous commitments made by Baldwin, that the arrangements under the original divestiture plan by Baldwin were appropriate to effect the divestiture by Baldwin of its interest in Bancorporation.

Baldwin is currently the subject of Chapter XI bankruptcy proceedings. The instant proposal represents an effort on the part of various participants in the original Baldwin divestiture plan to resolve a number of issues raised in the Baldwin bankruptcy proceeding related to the continued implementation of the divestiture plan. The proposal involves a reorganization of the original partnership formed under the Baldwin divestiture plan into New Central Colorado Company. Under the proposal, AmeriTrust Corporation, Cleveland, Ohio, which acquired debentures issued by Baldwin under the original divestiture plan, would replace Baldwin as owner of the nonvoting class 2 limited partnership interest under substantially the same terms and conditions as in the original Baldwin divestiture plan approved by the Board. AmeriTrust itself cannot convert or transfer the class 2 interest it proposes to acquire. Instead, the proposal provides that the voting shares of Bancorporation acquired by New Central Colorado Company must be sold by an independent trustee in a public offering or auction. This public auction, as in the original divestiture plan approved by the Board, must be completed no later than December 31, 2000. As in the original divestiture plan approved by the Board, C.C.B., Inc., would be the sole general partner of New Central Colorado Company.

The Board would not ordinarily approve a limited partnership arrangement such as proposed here because of the problems that such a device raises regarding consistency with the policies and objectives of the BHC Act. The Board has considered, however, that this case raises unique facts and circumstances arising out of a divestiture plan originally approved by the Board in 1980. This proposal is now before the Board because of doubts that have been raised by the Baldwin bankruptcy proceeding regarding continued implementation of the Board's previously approved divestiture plan. In addition, the Board has considered that the proposed transaction involves substantially the replacement of Baldwin with AmeriTrust under substantially the same terms and conditions as in the original divestiture plan approved in 1980, as well as the limitations imposed on the class 2 shares that AmeriTrust proposes to acquire, and the commitr offered by AmeriTrust not to exercise or attem exercise a controlling influence over the New C Colorado Company, Bancorporation, or its subsi banks. The Board has also taken into accoun uncertainties engendered by the Baldwin bankr proceedings with respect to the prospects for Ba poration and its subsidiary banks. In light of thes all of the other facts of this case, the Boar determined that AmeriTrust is not required at thi to file an application for Board approval under th as a result of its proposed acquisition of an inter New Central Colorado Company.

New Central Colorado Company, a nonope limited partnership with no subsidiaries, was nized for the purpose of acquiring the voting sha Bancorporation. C.C.B., Inc., the general partr New Central Colorado Company, is a nonope corporation with no subsidiaries and is a regis bank holding company with respect to Bancorpo and its subsidiary banks under the original dives plan approved by the Board for Baldwin. Bancor tion, with consolidated assets of $1.8 billion, i fifth largest commercial banking organization in rado.[2] Based on the record it appears that consu tion of this proposal would not result in any ad effects upon competition or the concentration of ing resources in any relevant market. Accordingl Board concludes that competitive consideration consistent with approval of the applications.

The financial and managerial resources and f prospects of Applicants and Bancorporation a subsidiary banks are generally satisfactory. Ac ingly, the Board has determined that consider relating to banking factors are consistent with ap al. While Applicants do not expect any imm changes in Bancorporation's operations or ser the proposed transaction is expected to termina affiliation of Bancorporation and its subsidiary l with Baldwin and to resolve the issues of their o ship and operation raised in the Baldwin bankr proceeding. Accordingly, the Board has deter that consummation of the proposed transaction v be consistent with the public interest.

Applicants have also applied pursuant to se 4(c)(8) of the Act to acquire indirectly the C Bancorp Life Insurance Company, which enga permissible credit-related insurance activities section 4(c)(8)(A) of the Act and section 225.25(b) the Board's Regulation Y (12 C.F.R. § 225.25(t Applicants do not propose to engage in any nonl

1. *See Central Colorado Company and C.C.B., Inc.*, 66 FEDERAL RESERVE BULLETIN 655 (1980).

2. All banking data are as of June 30, 1984.

ing activities directly and seek approval to conduct the proposed activity only to the extent previously approved by the Board for Bancorporation and Central Bancorp Life Insurance Company. There is no evidence in the record to indicate that approval of this proposal would result in any undue concentration of resources, decreased or unfair competition, conflicts of interest, unsound banking practices, or other effects adverse to the public interest. Accordingly, the Board has determined that considerations relating to the public interest factors under section 4 of the Act are consistent with approval of this application.

Based on the foregoing and all of the facts of record and commitments by AmeriTrust, the Board has determined that the applications under sections 3 and 4 of the Act should be and hereby are approved.

The transaction shall not be consummated before the thirtieth day following the effective date of the Board's Order or later than three months after the effective date of the Board's Order, unless such period is extended by the Board or by the Federal Reserve Bank of Kansas City, pursuant to delegated authority. The determinations herein regarding nonbank activities are subject to the conditions stated herein as well as all of the conditions set forth in Regulation Y, including sections 225.4(d) and 225.23(b), and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with, or to prevent evasion of, the provisions and purposes of the Act and the Board's regulations and orders issued thereunder.

By order of the Board of Governors, effective October 12, 1984.

Voting for this action: Chairman Volcker and Governors Martin, Wallich, Partee, Rice, Gramley, and Seger. Governor Wallich abstained from the insurance portion of this action.

JAMES MCAFEE
[SEAL] *Associate Secretary of the Board*

Orders Issued under Section 18 of Bank Merger Act

Citizens Bank and Trust Co.
Jeffersonville, Indiana

Order Approving the Merger of Banks

Citizens Bank and Trust Co., Jeffersonville, Indiana has applied for the Board's approval under the Bank Merger Act (12 U.S.C. § 1828(c)) to merge with The Clark County State Bank, Jeffersonville, Indiana ("Bank"), under the charter of Applicant and under the new title of Commerce America Banking Company.[1]

Notice of this application, affording interested persons an opportunity to submit comments, has been given in accordance with the Bank Merger Act and the Board's Rules of Procedure (12 C.F.R. § 262.3(b)). As required by the Bank Merger Act, reports of the competitive effects of the merger were requested from the United States Attorney General, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation. The time for filing comments has expired, and the Board has considered the application and all comments received, including those submitted by the First National Bank of Clark County and Ms. Linda K. Dornbush ("Protestants"), in light of the factors set forth in section 18(c) of the Act.[2]

Applicant is the 41st largest commercial bank in Indiana, with total deposits of $144.2 million, representing approximately 0.5 percent of the total deposits in commercial banks in the state.[3] Bank is the 91st largest commercial bank in Indiana, controlling $80 million in total deposits, which represent approximately 0.3 percent of the total deposits in commercial banks in the state. Upon consummation of the proposed merger, Applicant's share of total statewide deposits would increase to approximately 0.8 percent and Applicant would become the 23rd largest commercial banking institution in the state. Accordingly, consummation of the proposed merger would not have an appreciable effect upon the concentration of commercial banking resources in Indiana.

Applicant is located in Clark County, Indiana, and operates 10 banking offices therein: five offices in Jeffersonville, four offices in Clarksville, and one office in Hamburg, Indiana. Bank is also located in Clark County and operates four offices in Jeffersonville and one office in Clarksville, Indiana. Clark County is located directly across the Ohio River from Louisville, Kentucky; the southern portion of Clark County, including the communities of Jeffersonville, Clarksville, and Hamburg, is included in the Louisville Ranally Metro Area. The Federal Reserve Bank of St.

1. Applicant has also applied under section 9 of the Federal Reserve Act for permission to establish branches at the five locations in Clark County, Indiana, where Bank has its main office and its four branches. In acting to approve the application under the Bank Merger Act, the Board also hereby approves Applicant's application under section 9 of the Federal Reserve Act.

2. First National Bank of Clark County is a bank operating in Clark County, Indiana. Ms. Dornbush is a shareholder of Clark Financial Corporation, Bank's parent.

3. Unless otherwise noted, all banking data are as of September 30, 1983.

Louis has previously determined that the southern portion of Clark County, where Applicant and Bank are located, is part of a banking market that is closely approximated by the Louisville Ranally Metro Area.[4]

Protestants claim that the relevant banking market in this case consists solely of Clark County, Indiana. On the basis of this definition, Protestants argue that the proposed merger would have a significantly adverse effect on competition, and that the Board therefore should deny this application. Protestants base their contention on several factors, including general assertions that Applicant and Bank derive "substantially all" of their customers from Clark County, and that there is little significant primary service area overlap between banking institutions located in Clark County, Indiana, and those located outside of Clark County.[5]

The Board has previously indicated that the relevant banking market must reflect the commercial and banking realities and should consist of the localized area where the banks involved offer their services and where local customers can practicably turn for alternatives.[6] As the Supreme Court has stated, the proper question "is not where the parties to the merger do business or even where they compete, but where, within the area of competitive overlap, the effect of the merger on competition will be direct and immediate."[7] This area "must be charted by careful selection of the market area in which the seller operates and to which the purchaser can practicably turn for supplies." *Philadelphia National* at 359.

Applying these principles to the facts of this case, and after carefully considering the submissions by the Protestants and the facts of record, the Board concludes that the relevant banking market within which to evaluate the competitive effects of this prc includes Jefferson County, Kentucky; portions o litt County and Oldham County, Kentucky; Floyd County, Indiana; and, portions of Clark C and Harrison County, Indiana. This area closel proximates the Louisville, Kentucky, RMA, ' includes that part of Clark County in which App and Bank are located.

The Board believes that the Protestants' defi of the relevant banking market as Clark Cc Indiana, is unduly narrow and disregards the s cant commercial interaction that exists between J sonville, Clarksville, and Hamburg, Indiana, \ Applicant and Bank are located, and Louisville, tucky, and the surrounding area. Jeffersonvill Louisville are located directly across the Ohio from one another and are connected by an accessible bridge with a span of about one Clarksville is only about two miles from Jeffersoı while Hamburg is approximately seven miles Clarksville and ten miles from Louisville.

The close proximity of Jeffersonville, Clark: and Louisville and the surrounding commercia industrial area has resulted in a substantial amoı commuting across counties in this area. Data fro 1980 Census indicate that approximately 34.5 pc of the working population of Clark County comm work in Louisville, Kentucky, or Jefferson Cc the county in which Louisville is located.[8]

Based upon these commuting patterns, the ε mentioned counties, or portions of counties, in In and Kentucky are included in a single Ranally I Area. An RMA is defined generally as a compac with relatively high population density that is link commuting and retail and wholesale trade patt By definition, an RMA includes a central city or and all adjacent continuously built-up areas. In tion, the RMA includes those areas from wh minimum of 20 percent of the labor force of the aı 8 percent of the total population of the area corr to the central city and its adjacent built-up areε the Board's judgment, an RMA usually designε defined geographic locality that is demograph and commercially integrated. On this basis, the I has in many cases used RMA's as guides in de relevant geographic banking markets.[10]

4. *See*, Federal Reserve Bank of St. Louis News Release No. 82-33 (April 12, 1982).

The relevant banking market is comprised of Jefferson County, Kentucky; portions of Bullitt County, Kentucky; portions of Oldham County, Kentucky; all of Floyd County, Indiana; portions of Clark County, Indiana; and portions of Harrison County, Indiana.

5. Protestants also requested a hearing on the application. The Board notes that there is no statutory requirement in the Bank Merger Act that the Board conduct such a hearing. Moreover, the Board has examined the written submissions by Protestants and is unable to conclude that a hearing would significantly supplement the record or resolve issues that are already discussed in the written submissions. Thus, the Board concludes that the record in this case is sufficiently complete to render a decision and, on this basis, denies the request for a hearing.

6. *See, Dacotah Bank Holding Company*, 70 FEDERAL RESERVE BULLETIN 347 (1984); *Wyoming Bancorporation*, 68 FEDERAL RESERVE BULLETIN 313 (1982); *aff'd sub nom., Wyoming Bancorporation v. Board of Governors*, 729 F.2d 687 (10th Cir., 1984); *Independent Bank Corporation*, 67 FEDERAL RESERVE BULLETIN 436 (1981).

7. *United States v. Philadelphia National Bank* 374 U.S. 321, 357 (1963); *United States v. Phillipsburg National Bank*, 399 U.S. 350, 364-65 (1970).

8. These data reveal that about 34 percent of the working ı tion of Floyd County, Indiana, and 28.9 percent of Harrison C Indiana's, working population commute to work in Louis\ Jefferson County, Kentucky.

9. Rand McNally and Company, *1981 Commercial Atlas & A ing Guide*, p. 2 (1981).

10. *See, e.g., Ellis Banking Corporation* 64 FEDERAL RI BULLETIN 884 (1978); *St. Joseph Valley Bank*, 68 FEDERAL RI BULLETIN 673 (1982).

Available data on shopping patterns also support the Board's delineation of the relevant banking market in this case. According to information submitted by Applicant, customers of Greentree Mall, located in Clark County, Indiana, are almost as likely to live in Jefferson County, Kentucky (24 percent), as in Clark County (27 percent). Similarly, the major Jefferson County, Kentucky, shopping centers draw anywhere from 10 percent to 37 percent of their traffic from the same customers who shop at Greentree Mall. Applicant has also pointed out that the area's television stations, dominant radio stations, and major newspapers are located in Louisville, Kentucky, and that Indiana banks advertise in the Louisville newspapers, as well as in the local newspapers.

The Board has also considered the areas from which Applicant derives its business. Applicant has indicated that it derives 6.2 percent, 4.4 percent, and 3.0 percent of the total dollar amount of its demand deposits, certificates of deposit, and savings deposits, respectively, from Louisville and surrounding areas in Kentucky. Moreover, 34 percent of Applicant's installment loans originate from Louisville, Kentucky. These statistics demonstrate that some customers in the Louisville, Kentucky, area have found it practicable to do banking business in Jeffersonville, Indiana, and that there is existing competition between banks located in the two areas.

Accordingly, on the basis of the facts of record, including the demographic and commercial integration of the Louisville, Kentucky, RMA, the proximity and easy accessibility of Clarksville, Jeffersonville, Hamburg, and Louisville and other towns in the RMA, the substantial commuting patterns throughout the area, the employment of area-wide marketing techniques, and the evidence of record regarding shopping patterns by customers in the RMA, the Board has determined that the relevant geographic market in this case is approximated by the Louisville, Kentucky, RMA.

Within the relevant banking market, Applicant is the fifth largest of 25 commercial banking organizations, controlling approximately 2.5 percent of the total deposits in commercial banks in the market. Bank ranks as the market's ninth largest commercial banking organization and holds approximately 1.5 percent of the total deposits in commercial banks in the market. Upon consummation of the proposed merger, Applicant would remain the market's fifth largest commercial banking organization and would control about 4.0 percent of the total deposits in commercial banks in the market.

While consummation of the proposed merger would eliminate some existing competition in the relevant banking market, the Board believes that certain factors substantially mitigate the anticompetitive effects of the proposal. Upon consummation, Applicant's share of the total deposits in commercial banks in the market would increase by only 1.5 percentage points to 4.0 percent, the share of deposits held by the four largest commercial banking organizations in the market would remain unchanged at 83.6 percent, and the Herfindahl–Hirschman Index ("HHI") would increase by only seven points to 2152.[11] Twenty-three commercial banking alternatives would remain in the market after consummation of the transaction.

Finally, in its evaluation in previous cases of the competitive effects of a proposal, the Board has indicated that thrift institutions have become, or at least have the potential to become, major competitors of commercial banks.[12] In this case, the small increase in concentration in the Louisville banking market is further alleviated by the presence of eight thrift institutions in the market, controlling approximately $2.: billion in deposits, which represents 27.6 percent of the total deposits in commercial banks and thrift institutions in the market. Accordingly, the Board concludes that consummation of the proposed merger would not have a significantly adverse effect on existing competition in the Louisville, Kentucky, RMA.

The financial and managerial resources of Applicant, Bank, and their respective parents are regarded as satisfactory and their future prospects appear favorable. As a result, considerations relating to banking factors are consistent with approval. Although no new banking services would be introduced to the relevant banking market as a result of the proposed transaction the customers of Applicant and Bank would benefit from a greater selection of branch locations and automatic teller machines. Thus, considerations relating to the convenience and needs of the community to be served are consistent with approval. Based upon the foregoing and other considerations reflected in the record, it is the Board's judgment that consummation of the transaction would be consistent with the public interest.

On the basis of the record and for the reasons discussed above, the application is hereby approved. The transaction shall not be consummated before the thirtieth calendar day following the effective date o

11. Under the United States Department of Justice Merger Guidelines (June 14, 1982), a market in which the post-merger HHI is above 1800 is considered highly concentrated. In such markets, the Department is unlikely to challenge a merger that produces an increase in the HHI of less than 50, as in this case.

12. *Comerica Inc.* (Bank of the Commonwealth), 69 FEDERAL RESERVE BULLETIN 797 (1983); *General Bancshares Corporation*, 6 FEDERAL RESERVE BULLETIN 802 (1983); *First Tennessee National Corporation*, 69 FEDERAL RESERVE BULLETIN 298 (1983).

this Order, or later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of St. Louis, acting pursuant to delegated authority.

By order of the Board of Governors, effective October 25, 1984.

Voting for this action: Governors Wallich, Partee, Rice, Gramley, and Seger. Absent and not voting: Chairman Volcker and Governor Martin.

JAMES MCAFEE

[SEAL] *Associate Secretary to the Board*

Orders Issued under Section 5 of Bank Service Corporation Act

Citibank, N.A.
New York, New York

Citicorp (BSC), Inc.
Wilmington, Delaware

Order Approving Investment in a Bank Service Corporation

Citibank, N.A., New York, New York, has applied for the Board's approval under section 5(b) of the Bank Service Corporation Act, as amended ("BSCA") (12 U.S.C. § 1861 *et seq.*), to acquire all of the capital stock of a bank service corporation, Citicorp (BSC), Inc., Wilmington, Delaware, ("Company").[1]

In addition, Company has applied under section 5(b) of the BSCA for permission to engage in an activity that would be permissible for a bank holding company under section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. § 1841 *et seq.*) and section 225.25 of Regulation Y (12 C.F.R. § 225.25). Company proposes to provide data processing services, including electronic funds switching and processing, throughout the United States. In connection with this proposal, Company would acquire certain assets and liabilities of Quadstar Corporation, Dallas, Texas, which is currently engaged in various data processing and oth information businesses. Among the assets to be a quired is a proprietary switching software syste ("MiniHost") that was developed by Quadstar Co poration.

Section 4(f) of the BSCA, 12 U.S.C. § 1864(f provides that a bank service corporation may perfor at any geographic location any service, other tha deposit taking, that the Board has determined, b regulation, to be permissible for a bank holding com pany under section 4(c)(8) of the Bank Holding Com pany Act.[2] Company would provide data processir services only to the extent permissible for bank hol ing companies under the Board's Regulation Y 12 C.F.R. § 225.25(b)(7).

Section 5(c) of the BSCA, 12 U.S.C. § 1865(c authorizes the Board, in acting upon applications invest in or provide services as a bank service corpor tion, to consider the financial and managerial r sources of the institutions involved, their prospect and possible adverse effects, such as undue concentr tion of resources, unfair or decreased competitio conflicts of interest, or unsafe or unsound bankir practices. The Board finds that considerations relatir to these factors are consistent with approval and th there is no evidence of adverse effects.

Accordingly, on the basis of the record, the applic tions are approved for the reasons summarized abov This determination is subject to the Board's authori to require such modification or termination of th activities of a bank service corporation as the Boa finds necessary to assure compliance with the BSC or to prevent evasions thereof. The transactions sha be consummated within three months after the date this Order, unless such period is extended for goo cause by the Board or the Federal Reserve Bank New York.

By order of the Board of Governors, effecti October 17, 1984.

Voting for this action: Chairman Volcker and Governo Martin, Partee, Rice, and Seger. Abstaining from this actio Governors Wallich and Gramley.

JAMES MCAFE

[SEAL] *Associate Secretary of the Boa*

1. The BSCA defines a "bank service corporation" as a corporation organized to perform services authorized by this Act, all of the capital stock of which is owned by one or more insured banks.

2. Under section 4(c)(8) of the Bank Holding Company A 12 U.S.C. § 1843(c)(8), a bank holding company may engage activities determined by the Board to be closely related to banking a a proper incident thereto.

Orders Approved under Bank Holding Company Act

By the Board of Governors

During October 1984 the Board of Governors approved the applications listed below. Copies are available upo request to Publications Services, Division of Support Services, Board of Governors of the Federal Reserv System, Washington, D.C. 20551

Section 3

Applicant	Bank(s)	Board action (effective date)
Triad Bancshares, Inc., Tulsa, Oklahoma	Triad Bank, N.A., Tulsa, Oklahoma	October 22, 1984

By Federal Reserve Banks

Recent applications have been approved by the Federal Reserve Banks as listed below. Copies of the orders ar available upon request to the Reserve Banks.

Section 3

Applicant	Bank(s)	Reserve Bank	Effective date
American Bancshares, Inc., Cookeville, Tennessee	Peoples Bank of Crossville, Crossville, Tennessee	Atlanta	October 15, 1984
B.M.J. Financial Corp., Bordentown, New Jersey	Mount Holly State Bank, Mount Holly, New Jersey	Philadelphia	October 17, 1984
Banque of Maringouin Holding Company, Maringouin, Louisiana	Bank of Maringouin, Maringouin, Louisiana	Atlanta	October 19, 1984
Bartow Bancshares, Inc., Cartersville, Georgia	CBA Bancshares, Inc., Americus, Georgia	Atlanta	October 19, 1984
Biltmore Bank Corp., Phoenix, Arizona	Biltmore National Bank, Phoenix, Arizona	San Francisco	October 16, 1984
Carlos Bancshares, Inc., Carlos, Minnesota	First State Bank of Carlos, Carlos, Minnesota	Minneapolis	October 12, 1984
Citizens of Hardeman County Financial Services, Inc., Whiteville, Tennessee	Whiteville Savings Bank, Whiteville, Tennessee	St. Louis	October 11, 1984
Citadel Bancorp, Inc., Burleson, Texas	First National Bank of Burleson, Burleson, Texas	Dallas	October 19, 1984
Civic Bancorp, Walnut Oak, California	CivicBank of Commerce, Walnut Oak, California	San Francisco	October 12, 1984
Coastal Bend Bancshares, Inc., Corpus Christi, Texas	Coastal Bend National Bank, Corpus Christi, Texas	Dallas	October 5, 1984
Comfort Bancshares, Inc., Comfort, Texas	Comfort State Bank, Comfort, Texas	Dallas	October 5, 1984
Cottonport Bancshares, Inc., Cottonport, Louisiana	The Cottonport Bank, Cottonport, Louisiana	Atlanta	October 19, 1984

Section 3—Continued

Applicant	Bank(s)	Reserve Bank	Effective date
Crown Bancorp, Coronado, California	Capital Bank of Carlsbad, Carlsbad, California	San Francisco	October 18, 1984
Cumberland Valley Financial Corporation, London, Kentucky	Corbin Deposit Bank & Trust Company, Corbin, Kentucky	Cleveland	October 11, 1984
Dundas Holding Company, Inc., Dundas, Minnesota	Dundas State Bank, Dundas, Minnesota	Minneapolis	October 12, 1984
Edmonton Bancshares, Inc., Edmonton, Kentucky	Peoples Bank of Tompkinsville, Tompkinsville, Kentucky	St. Louis	October 22, 1984
Fairmont Farmers State Company, Fairmont, Nebraska	Farmers State Bank, Fairmont, Nebraska	Kansas City	October 19, 1984
First/Martha's Vineyard Bancorporation, Vineyard Haven, Massachusetts	The Martha's Vineyard National Bank, Vineyard Haven, Massachusetts	Boston	October 5, 1984
First Mazon Bancorp, Inc., Mazon, Illinois	Mazon State Bank, Mazon, Illinois	Chicago	October 5, 1984
FNB Bancorp, Fenton, Michigan	First National Bank of Fenton, Fenton, Michigan	Chicago	October 5, 1984
First Holdings, Inc., Omaha, Nebraska	First National Bank of Macomb, Macomb, Illinois	Chicago	October 5, 1984
Frankson Investment Corporation, Waseca, Minnesota	The First National Bank of Waseca, Waseca, Minnesota	Minneapolis	October 15, 1984
Garden State Bancshares, Inc., Jackson, New Jersey	Garden State Bank, Jackson, New Jersey	Philadelphia	October 19, 1984
Golden Pacific Bancorp, New York City, New York	Golden Pacific National Bank, New York City, New York	New York	October 12, 1984
Golden Sands Bankshares, Inc., Neshkoro, Wisconsin	Farmers Exchange Bank of Neshkoro, Neshkoro, Wisconsin	Chicago	October 5, 1984
Hartwick Bancshares, Inc., Hartwick, Iowa	Hartwick State Bank, Hartwick, Iowa	Chicago	October 17, 1984
Harvard Bancshares, Inc., Tulsa, Oklahoma	Harvard Tower Holding Corporation, Tulsa, Oklahoma Harvard Bank, Tulsa, Oklahoma	Kansas City	October 18, 1984
Hibernia Corporation, New Orleans, Louisiana	Metro Shares, Inc., Metairie, Louisiana	Atlanta	October 17, 1984
Landmark Financial Group, Inc., Belvidere, Illinois	The Belvidere National Bank and Trust Company, Belvidere, Illinois The State Bank of Kirkland, Kirkland, Illinois	Chicago	October 24, 1984
Missouri Valley Financial Services, Inc., Council Bluffs, Iowa	Peoples State Bank, Missouri Valley, Iowa	Chicago	October 18, 1984

Section 3—Continued

Applicant	Bank(s)	Reserve Bank	Effective date
Meade Bancorp, Inc., Brandenburg, Kentucky	Meade County Bank, Brandenburg, Kentucky	St. Louis	October 12, 1984
New Ulm Financial Corporation, New Ulm, Texas	Lexington State Bank, Lexington, Texas	Dallas	October 17, 1984
Norstar Bancorp Inc., Albany, New York	Discount Brokerage Corporation of America, New York, New York Tweedy Browne Clearing Corporation, New York, New York	New York	October 10, 1984
Oak Park Bancshares, Inc., Overland Park, Kansas	Oak Park National Bank, Overland Park, Kansas	Kansas City	October 19, 1984
Pontiac Bancorp, Inc., Pontiac, Illinois	Odell State Bank, Odell, Illinois	Chicago	October 11, 1984
Ralston Bancshares, Inc., Kansas City, Missouri	Ralston Bank, Ralston, Nebraska	Kansas City	October 18, 1984
Rigler Investment Co., New Hampton, Iowa	Security State Bank, New Hampton, Iowa	Chicago	October 11, 1984
Salem Bancorp, Inc., Salem, Kentucky	Salem Bank, Inc., Salem, Kentucky	St. Louis	October 9, 1984
Standard Bancshares, Inc., Evergreen Park, Illinois	Heritage Standard Bank and Trust Company, Evergreen Park, Illinois	Chicago	October 4, 1984
The Sylvania BanCorp, Inc., Sylvania, Ohio	The Sylvania Savings Bank Company, Sylvania, Ohio	Cleveland	October 15, 1984
Tarpon Financial Corporation, Tarpon Springs, Florida	First National Bank, Tarpon Springs, Florida	Atlanta	October 9, 1984
TPB Bancorp, Brownstown, Indiana	The Peoples Bank, Brownstown, Indiana	St. Louis	October 10, 1984
Union Central Corporation, Temple, Texas	The First State Bank, Granger, Texas	Dallas	October 23, 1984
United Bankers, Inc., Waco, Texas	Texas Southwest Bancorp, Inc., Waco, Texas	Dallas	October 9, 1984
United Banks of Colorado, Inc., Denver, Colorado	Garden of the Gods Bank, Colorado Springs, Colorado	Kansas City	October 5, 1984
Village Financial Corporation, Gilford, New Hampshire	Village Bank & Trust Company, Gilford, New Hampshire	Boston	October 18, 1984
Volunteer Bancshares, Inc., Jackson, Tennessee	First Selmer Bancshares, Inc., Selmer, Tennessee	St. Louis	October 15, 1984
Waldorf Bancshares, Inc., Waldorf, Minnesota	Waldorf State Bank, Waldorf, Minnesota	Minneapolis	October 10, 1984
Williamson County Bancorp, Inc., Franklin, Tennessee	Citizens Central Bank, Murfreesboro, Tennessee	Atlanta	October 4, 1984

Section 4

Applicant	Nonbanking company	Reserve Bank	Effective date
Fairbank Bancshares, Inc., Fairbank, Iowa	Bellis Insurance Agency, Inc., Fairbank, Iowa	Chicago	October 11, 1984
First Bank System, Inc., Minneapolis, Minnesota	Mouw Enterprises, Inc., Vermillion, South Dakota	Minneapolis	October 18, 1984
First Charter Corporation, Concord, North Carolina	Carolina Finance Company, Charlotte, North Carolina	Richmond	October 12, 1984

Sections 3 and 4

Applicant	Bank(s)/Nonbanking Company	Reserve Bank	Effective date
Community Bancorp, Inc., Manchester, Missouri	First Missouri Banks, Inc., Manchester, Missouri First Data Service, Creve Coeur, Missouri First Missouri Insurance Group, Inc., Phoenix, Arizona	St. Louis	October 10, 1984

ORDERS APPROVED UNDER BANK MERGER ACT

By Federal Reserve Banks

Applicant	Bank(s)	Reserve Bank	Effective date
The Citizens Bank, Oneonta, Alabama	First Citizens Bank of Etowah, Glencoe, Alabama	Atlanta	October 12, 1984
Norstar Bank of Long Island, Hempstead, New York	Bank of Long Island, N.A., East Islip, New York	New York	October 12, 1984

PENDING CASES INVOLVING THE BOARD OF GOVERNORS

This list of pending cases does not include suits against the Federal Reserve Banks in which the Board of Governors is not named a party.

Seattle Bancorporation v. Board of Governors, No. 84-7535 (9th Cir., filed Aug. 15, 1984).

Old Stone Corp. v. Board of Governors, No. 84-1498 (1st Cir., filed June 20, 1984).

Citicorp v. Board of Governors, No. 84-4081 (2d Cir., filed May 22, 1984).

Lamb v. Pioneer First Federal Savings and Loan Association, No. C84-702 (D. Wash., filed May 8, 1984).

Girard Bank v. Board of Governors, No. 84-3262 (3rd Cir., filed May 2, 1984).

Melcher v. Federal Open Market Committee, No. 84-1335 (D.D.C., filed, Apr. 30, 1984).

Florida Bankers Association v. Board of Governors, No. 84-3269 and No. 84-3270 (11th Cir., filed Apr. 20, 1984).

Northeast Bancorp, Inc. v. Board of Governors, No. 84-4047, No. 84-4051, No. 84-4053 (2d Cir., filed Mar. 27, 1984).

Huston v. Board of Governors, No. 84-1361 (8th Cir., filed Mar. 20, 1984); and No. 84-1084 (8th Cir. filed Jan. 17, 1984).

De Young v. Owens, No. SC 9782-20-6 (Iowa Dist. Ct., filed Mar. 8, 1984).

First Tennessee National Corp. v. Board of Governors, No. 84-3201 (6th Cir., filed Mar. 6, 1984).

State of Ohio v. Board of Governors, No. 84-1270 (10th Cir., filed Jan. 30, 1984).

Ohio Deposit Guarantee Fund v. Board of Governors, No. 84-1257 (10th Cir., filed Jan. 28, 1984).

Colorado Industrial Bankers Association v. Board of Governors, No. 84-1122 (10th Cir., filed Jan. 27, 1984).

Financial Institutions Assurance Corp. v. Board of Governors, No. 84-1101 (4th Cir., filed Jan. 27, 1984).

First Bancorporation v. Board of Governors, No. 84-1011 (10th Cir., filed Jan. 5, 1984).

Dimension Financial Corporation v. Board of Governors, No. 83-2696 (10th Cir., filed Dec. 30, 1983).

Oklahoma Bankers Association v. Federal Reserve Board, No. 83-2591 (10th Cir., filed Dec. 13, 1983).

The Committee for Monetary Reform v. Board of Governors, No. 84-5067 (D.C. Cir., filed June 16, 1983).

Association of Data Processing Service Organizations v. Board of Governors, No. 82-1910 (D.C. Cir., filed Aug. 16, 1982); and No. 82-2108 (D.C. Cir., filed Aug. 16, 1982).

First Bancorporation v. Board of Governors, No. 82-1401 (10th Cir., filed Apr. 9, 1982).

Wolfson v. Board of Governors, No. 83-3570 (11th Cir., filed Sept. 28, 1981).

First Bank & Trust Company v. Board of Governors, No. 81-38 (E.D. Ky., filed Feb. 24, 1981).

9 to 5 Organization for Women Office Workers v. Board of Governors, No. 83-1171 (1st Cir., filed Dec. 30, 1980).

Securities Industry Association v. Board of Governors, No. 80-2614 (D.C. Cir., filed Oct. 24, 1980), and No. 80-2730 (D.C. Cir., filed Oct. 24, 1980).

A. G. Becker, Inc. v. Board of Governors, No. 80-2614 (D.C. Cir., filed Oct. 14, 1980), and No. 80-2730 (D.C. Cir., filed Oct. 14, 1980).

A. G. Becker, Inc. v. Board of Governors, No. 81-1493 (D.C. Cir., filed Aug. 25, 1980).

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FINANCIAL MARKETS

FEDERAL FINANCE

1.10 RESERVES, MONEY STOCK, LIQUID ASSETS, AND DEBT MEASURES

Item	Monetary and credit aggregates (annual rates of change, seasonally adjusted in percent)[1]								
	1983	1984			1984				
	Q4	Q1	Q2	Q3	May	June	July	Aug.	Sept.
Reserves of depository institutions[2]									
1 Total	.8[r]	7.6[r]	8.5[r]	6.6[r]	11.0[r]	26.7[r]	−1.5[r]	4.6[r]	−8.9
2 Required	.3[r]	5.2[r]	10.3[r]	6.5	8.3[r]	21.0[r]	3.5[r]	2.3[r]	−7.1
3 Nonborrowed	8.2[r]	8.9[r]	−10.8[r]	−44.7[r]	−47.2[r]	18.2[r]	−91.5[r]	−72.1[r]	−19.4
4 Monetary base[3]	7.8	9.3[r]	7.1[r]	7.3[r]	10.3[r]	11.8[r]	5.5[r]	7.6[r]	−.3
Concepts of money, liquid assets, and debt[4]									
5 M1	4.8	7.2	6.1	4.6	12.8	11.5	−1.3	1.5[r]	5.9
6 M2	8.5	6.9	6.8	6.1	8.4	7.2	4.9	4.7[r]	7.9
7 M3	9.8	8.9	10.4	8.0	11.1[r]	9.0	8.4	4.6[r]	7.7
8 L	8.8	11.2[r]	10.2[r]	n.a.	11.3[r]	14.8[r]	12.4	n.a.	n.a.
9 Debt	10.8	12.8	12.1[r]	12.9	13.6	11.4	13.3[r]	13.9	n.a.
Nontransaction components									
10 In M2[5]	9.7	6.8	7.1	6.6	7.0	5.9[r]	7.0[r]	5.6[r]	8.5
11 In M3 only[6]	15.8	17.5[r]	24.6[r]	15.5	22.2[r]	16.6	22.5[r]	4.4[r]	6.9
Time and savings deposits									
Commercial banks									
12 Savings[7]	−6.4	−16.2	−6.4	−5.6	−3.7	−1.9	−5.6	−10.4[r]	−3.8
13 Small-denomination time[8]	19.3	4.4	8.6	18.4	15.2	17.3	20.0	19.4	14.0
14 Large-denomination time[9,10]	−.2	10.0	24.2	21.2	37.6	29.0	26.0[r]	1.9[r]	11.7
Thrift institutions									
15 Savings[7]	−4.4	−5.1	.5	−5.4	2.7	−.7	−8.1	−12.3	−2.1
16 Small-denomination time	18.8	11.8	9.0[r]	22.6	9.8	18.9	25.6	27.1[r]	20.6
17 Large-denomination time[9]	58.1	59.0	46.4	35.1	43.2	54.3	42.7	20.6	−12.3
Debt components[4]									
18 Federal	14.3	16.7	12.7	14.7[r]	15.5	7.4	15.8	21.1[r]	n.a.
19 Nonfederal	9.8[r]	11.7[r]	12.9	12.4[r]	13.0	12.6	12.5[r]	11.8[r]	n.a.
20 Total loans and securities at commercial banks[11]	10.2	14.0	10.0	7.5	13.9	1.7	8.7	8.2	7.2

1. Unless otherwise noted, rates of change are calculated from average amounts outstanding in preceding month or quarter.

2. Figures incorporate adjustments for discontinuities associated with the implementation of the Monetary Control Act and other regulatory changes to reserve requirements. To adjust for discontinuities due to changes in reserve requirements on reservable nondeposit liabilities, the sum of such required reserves is subtracted from the actual series. Similarly, in adjusting for discontinuities in the monetary base, required clearing balances and adjustments to compensate for float also are subtracted from the actual series.

3. The monetary base not adjusted for discontinuities consists of total reserves plus required clearing balances and adjustments to compensate for float at Federal Reserve Banks plus the currency component of the money stock less the amount of vault cash holdings of thrift institutions that is included in the currency component of the money stock plus, for institutions not having required reserve balances, the excess of current vault cash over the amount applied to satisfy current reserve requirements. After the introduction of contemporaneous reserve requirements (CRR), currency and vault cash figures are measured over the weekly computation period ending Monday.

Before CRR, all components of the monetary base other than excess reserves are seasonally adjusted as a whole, rather than by component, and excess reserves are added on a not seasonally adjusted basis. After CRR, the seasonally adjusted series consists of seasonally adjusted total reserves, which include excess reserves on a not seasonally adjusted basis, plus the seasonally adjusted currency component of the money stock plus the remaining items seasonally adjusted as a whole.

4. Composition of the money stock measures and debt is as follows:

M1: (1) currency outside the Treasury, Federal Reserve Banks, and the vaults of commercial banks; (2) travelers checks of nonbank issuers; (3) demand deposits at all commercial banks other than those due to domestic banks, the U.S. government, and foreign banks and official institutions less cash items in the process of collection and Federal Reserve float; and (4) other checkable deposits (OCD) consisting of negotiable order of withdrawal (NOW) and automatic transfer service (ATS) accounts at depository institutions, credit union share draft accounts, and demand deposits at thrift institutions. The currency and demand deposit components exclude the estimated amount of vault cash and demand deposits respectively held by thrift institutions to service their OCD liabilities.

M2: M1 plus overnight (and continuing contract) repurchase agreements (RPs) issued by all commercial banks and overnight Eurodollars issued to U.S. residents by foreign branches of U.S. banks worldwide, MMDAs, savings and small-denomination time deposits (time deposits—including retail RPs—in amounts of less than $100,000), and balances in both taxable and tax-exempt general purpose and broker/dealer money market mutual funds. Excludes individual retirement accounts (IRA) and Keogh balances at depository institutions and money market funds. Also excludes all balances held by U.S. commercial banks, money market funds (general purpose and broker/dealer), foreign governments and commercial banks, and the U.S. government. Also subtracted is a consolidation adjustment that represents the estimated amount of demand deposits and vault cash held by thrift institutions to service their time and savings deposits.

M3: M2 plus large-denomination time deposits and term RP liabilities (in amounts of $100,000 or more) issued by commercial banks and thrift institutions, term Eurodollars held by U.S. residents at foreign branches of U.S. banks worldwide and at all banking offices in the United Kingdom and Canada, and balances in both taxable and tax-exempt, institution-only money market mutual funds. Excludes amounts held by depository institutions, the U.S. government, money market funds, and foreign banks and official institutions. Also subtracted is a consolidation adjustment that represents the estimated amount of overnight RPs and Eurodollars held by institution-only money market mutual funds.

L: M3 plus the nonbank public holdings of U.S. savings bonds, short-term Treasury securities, commercial paper and bankers acceptances, net of money market mutual fund holdings of these assets.

Debt: Debt of domestic nonfinancial sectors consists of outstanding credit market debt of the U.S. government, state and local governments, and private nonfinancial sectors. Private debt consists of corporate bonds, mortgages, consumer credit (including bank loans), other bank loans, commercial paper, bankers acceptances, and other debt instruments. The source of data on domestic nonfinancial debt is the Federal Reserve Board's flow of funds accounts. Debt data are on an end-of-month basis. Growth rates for debt reflect adjustments for discontinuities over time in the levels of debt presented in other tables.

5. Sum of overnight RPs and Eurodollars, money market fund balances (general purpose and broker/dealer), MMDAs, and savings and small time deposits less the estimated amount of demand deposits and vault cash held by thrift institutions to service their time and savings deposit liabilities.

6. Sum of large time deposits, term RPs, and Eurodollars of U.S. residents, money market fund balances (institution-only), less a consolidation adjustment that represents the estimated amount of overnight RPs and Eurodollars held by institution-only money market mutual funds.

7. Excludes MMDAs.

8. Small-denomination time deposits—including retail RPs—are those issued in amounts of less than $100,000. All IRA and Keogh accounts at commercial banks and thrifts are subtracted from small time deposits.

9. Large-denomination time deposits are those issued in amounts of $100,000 or more, excluding those booked at international banking facilities.

10. Large-denomination time deposits at commercial banks less those held by money market mutual funds, depository institutions, and foreign banks and official institutions.

11. Changes calculated from figures shown in table 1.23. Beginning December 1981, growth rates reflect shifts of foreign loans and securities from U.S. banking offices to international banking facilities.

1.11 RESERVES OF DEPOSITORY INSTITUTIONS AND RESERVE BANK CREDIT

Millions of dollars

Factors	Monthly averages of daily figures			Weekly averages of daily figures for week ending						
	1984			1984						
	July	Aug.	Sept.	Aug. 15	Aug. 22	Aug. 29	Sept. 5	Sept. 12	Sept. 19	Sept. 2
SUPPLYING RESERVE FUNDS										
1 **Reserve Bank credit**	**176,910**	**175,604**	**179,643**	**176,122**	**174,924**	**174,371**	**178,243**	**178,304**	**178,922**	**180,9**
2 U.S. government securities[1]	152,628	150,145	154,137	149,443	150,378	149,332	152,830	153,058	153,650	156,1
3 Bought outright	152,050	149,890	152,532	149,443	150,378	149,332	148,815	152,195	152,579	154,0
4 Held under repurchase agreements	578	255	1,605	0	0	0	4,015	863	1,071	2,0
5 Federal agency obligations	8,540	8,512	8,674	8,494	8,494	8,494	8,805	8,622	8,679	8,7
6 Bought outright	8,500	8,494	8,493	8,494	8,494	8,494	8,494	8,494	8,493	8,4
7 Held under repurchase agreements	40	18	181	0	0	0	311	128	186	2
8 Acceptances	0	0	0	0	0	0	0	0	0	
9 Loans	6,023	8,095	7,251	8,692	7,935	8,356	8,007	7,503	7,323	6,8
10 Float	822	417	462	583	286	106	382	714	779	−1
11 Other Federal Reserve assets	8,897	8,435	9,119	8,910	7,831	8,083	8,219	8,407	8,491	9,3
12 Gold stock	11,099	11,099	11,098	11,099	11,099	11,099	11,098	11,098	11,098	11,0
13 *Special drawing rights certificate account*	4,618	4,618	4,618	4,618	4,618	4,618	4,618	4,618	4,618	4,6
14 Treasury currency outstanding	16,147	16,186	16,251	16,177	16,192	16,207	16,222	16,237	16,252	16,2
ABSORBING RESERVE FUNDS										
15 Currency in circulation	176,358	176,182	176,468	176,767	176,117	175,468	177,057	177,521	176,590	175,3
16 *Treasury cash holdings*	514	475	465	476	475	472	465	466	465	4
Deposits, other than reserve balances, with Federal Reserve Banks										
17 Treasury	3,966	3,528	6,117	3,120	3,348	3,615	4,140	3,933	5,602	8,4
18 Foreign	227	214	234	205	208	206	252	210	252	2
19 Service-related balances and adjustments	1,526	1,462	1,339	1,378	1,452	1,504	1,392	1,258	1,346	1,3
20 Other	329	339	476	275	322	436	435	495	580	4
21 Other Federal Reserve liabilities and capital	6,128	5,986	6,253	6,067	6,039	5,979	6,114	6,339	6,269	6,3
22 Reserve balances with Federal Reserve Banks[2]	19,726	19,321	20,258	19,728	18,871	18,614	20,327	20,036	19,786	20,3
	End-of-month figures			Wednesday figures						
	1984			1984						
	July	Aug.	Sept.	Aug. 15	Aug. 22	Aug. 29	Sept. 5	Sept. 12	Sept. 19	Sept. 2
SUPPLYING RESERVE FUNDS										
23 **Reserve Bank credit**	**176,127**	**178,938**	**182,641**	**174,186**	**174,939**	**173,944**	**176,442**	**179,849**	**182,600**	**179,7**
24 U.S. government securities[1]	150,705	153,183	155,018	144,689	150,392	149,054	151,118	153,936	156,630	153,7
25 Bought outright	150,705	148,356	155,018	144,689	150,392	149,054	151,118	153,936	152,332	153,4
26 Held under repurchase agreements	0	4,827	0	0	0	0	0	0	4,298	2
27 Federal agency obligations	8,499	8,863	8,493	8,494	8,494	8,494	8,494	8,493	9,042	8,5
28 Bought outright	8,499	8,494	8,493	8,494	8,494	8,494	8,494	8,493	8,493	8,4
29 Held under repurchase agreements	0	369	0	0	0	0	0	0	549	[illegible]
30 Acceptances	0	0	0	0	0	0	0	0	0	
31 Loans	7,238	8,276	6,633	12,787	7,826	8,166	7,500	7,409	7,683	4,7
32 Float	671	326	289	264	38	−24	595	1,525	465	1
33 Other Federal Reserve assets	9,014	8,290	12,208	7,952	8,189	8,254	8,735	8,486	8,780	12,5
34 Gold stock	11,099	11,098	11,097	11,099	11,099	11,098	11,098	11,098	11,098	11,0
35 Special drawing rights certificate account	4,618	4,618	4,618	4,618	4,618	4,618	4,618	4,618	4,618	4,6
36 Treasury currency outstanding	16,145	16,220	16,280	16,190	16,205	16,220	16,235	16,250	16,265	16,2
ABSORBING RESERVE FUNDS										
37 Currency in circulation	175,606	176,852	175,383	176,667	175,837	176,005	177,823	177,429	176,152	175,4
38 Treasury cash holdings	497	465	465	475	473	465	463	465	465	4
Deposits, other than reserve balances with Federal Reserve Banks										
39 Treasury	3,972	4,029	8,514	4,393	3,358	3,783	4,533	3,521	11,710	8,8
40 Foreign	215	242	206	205	233	215	254	198	261	1
41 Service-related balances and adjustments	1,158	1,147	1,139	1,145	1,141	1,142	1,147	1,148r	1,155	1,1
42 Other	309	413	383	289	485	428	435	407	490	4
43 Other Federal Reserve liabilities and capital	6,035	6,140	6,073	5,842	5,863	5,792	5,850	6,060	6,213	6,0
44 Reserve balances with Federal Reserve Banks[2]	20,197	21,586	22,473	17,077	19,470	18,051	17,888	22,587	18,135	19,1

1. *Includes* securities loaned—fully guaranteed by U.S government securities pledged with Federal Reserve Banks—and *excludes* (if any) securities sold and scheduled to be bought back under matched sale-purchase transactions.

2. Excludes required clearing balances and adjustments to compensate f float.

NOTE. For amounts of currency and coin held as reserves, see table 1.12.

1.12 RESERVES AND BORROWINGS Depository Institutions

Millions of dollars

Reserve classification	Monthly averages[8]									
	1981	1982	1983	1984						
	Dec.	Dec.	Dec.	Mar.	Apr.	May	June	July	Aug.	Sept.
1 Reserve balances with Reserve Banks[1]	26,163	24,804	20,986	19,484	20,351	19,560	20,210	19,885	19,263r	20,141
2 Total vault cash[2]	19,538	20,392	20,755	20,396	20,152	20,446	20,770	21,134	21,688	21,232
3 Vault cash used to satisfy reserve requirements[3]	15,755	17,049	17,908	16,794	16,802	16,960	17,308	17,579	17,995	17,897
4 Surplus vault cash[4]	3,783	3,343	2,847	3,602	3,349	3,486	3,461	3,555	3,694	3,336
5 Total reserves[5]	41,918	41,853	38,894	36,278	37,154	36,519	37,518	37,464	37,258r	38,038
6 Required reserves	41,606	41,353	38,333	35,569	36,664	35,942	36,752	36,858	36,575	37,414
7 Excess reserve balances at Reserve Banks[6]	312	500	561	709	490	577	767	607	683r	624
8 Total borrowings at Reserve Banks	642	697	774	952	1,234	2,988	3,300	5,924	8,017	7,242
9 Seasonal borrowings at Reserve Banks	53	33	96	133	139	196	264	308	346	319
10 Extended credit at Reserve Banks[7]	149	187	2	27	44	37	1,873	5,008	7,043	6,459
	Biweekly averages of daily figures for weeks ending									
	1984									
	June 6	June 20	July 4	July 18	Aug. 1	Aug. 15	Aug. 29	Sept. 12	Sept. 26	Oct. 10p
11 Reserve balances with Reserve Banks[1]	19,329	20,603	20,189	20,546	19,079	19,690	18,722	20,158r	20,038	20,451
12 Total vault cash[2]	20,570	20,604	21,121	20,708	21,597	21,533	21,981	20,782	21,522	21,571
13 Vault cash used to satisfy reserve requirements[3]	17,023	17,284	17,513	17,404	17,789	17,923	18,166	17,405	18,232	18,198
14 Surplus vault cash[4]	3,547	3,320	3,608	3,304	3,808	3,610	3,815	3,377	3,290	3,373
15 Total reserves[5]	36,352	37,887	37,702	37,950	36,868	37,613	36,887	37,563r	38,270	38,649
16 Required reserves	35,865	37,208	36,645	37,499	36,233	36,914	36,211	36,929r	37,744	37,715
17 Excess reserve balances at Reserve Banks[6]	487	679	1,058	451	635	699	677	634r	527	934
18 Total borrowings at Reserve Banks	3,070	2,965	3,909	5,358	7,155	7,987	8,146	7,755	7,110	6,165
19 Seasonal borrowings at Reserve Banks	239	257	289	284	340	338	360	309	328	315
20 Extended credit at Reserve Banks[7]	16	1,974	2,846	4,614	6,098	6,976	7,184	7,001	6,369	5,147

1. Excludes required clearing balances and adjustments to compensate for float.

2. Dates refer to the maintenance periods in which the vault cash can be used to satisfy reserve requirements. Under contemporaneous reserve requirements, maintenance periods end 30 days after the lagged computation periods in which the balances are held.

3. Equal to all vault cash held during the lagged computation period by institutions having required reserve balances at Federal Reserve Banks plus the amount of vault cash equal to required reserves during the maintenance period at institutions having no required reserve balances.

4. Total vault cash at institutions having no required reserve balances less the amount of vault cash equal to their required reserves during the maintenance period.

5. Total reserves not adjusted for discontinuities consist of reserve balances with Federal Reserve Banks, which exclude required clearing balances and adjustments to compensate for float, plus vault cash used to satisfy reserve requirements. Such vault cash consists of all vault cash held during the lagged computation period by institutions having required reserve balances at Federal Reserve Banks plus the amount of vault cash equal to required reserves during the maintenance period at institutions having no required reserve balances.

6. Reserve balances with Federal Reserve Banks plus vault cash used to satisfy reserve requirements less required reserves.

7. Extended credit consists of borrowing at the discount window under the terms and conditions established for the extended credit program to help depository institutions deal with sustained liquidity pressures. Because there is not the same need to repay such borrowing promptly as there is with traditional short-term adjustment credit, the money market impact of extended credit is similar to that of nonborrowed reserves.

8. Before February 1984, data are prorated monthly averages of weekly averages; beginning February 1984, data are prorated monthly averages of biweekly averages.

NOTE. These data also appear in the Board's H.3 (502) release. For address, see inside front cover.

1.13 FEDERAL FUNDS AND REPURCHASE AGREEMENTS Large Member Banks[1]

Averages of daily figures, in millions of dollars

By maturity and source	1984 week ending Monday								
	Aug. 27	Sept. 3	Sept. 10	Sept. 17	Sept. 24r	Oct. 1	Oct. 8	Oct. 15	Oct. 22
One day and continuing contract									
1 Commercial banks in United States	56,960	60,528	66,324	64,434	56,625	54,888	61,252	61,830	58,666
2 Other depository institutions, foreign banks and foreign official institutions, and U.S. government agencies	21,724	22,200	24,055	24.982r	24,865	23,998	24,649	25,128	26,160
3 Nonbank securities dealers	5,073	4,972	4,728	4,250	4,109	3,758	3,901	4,965	4,856
4 All other	27,710	26,723	26,446	26.768	27,082	26,926	26,210	25,751	26,481
All other maturities									
5 Commercial banks in United States	9,236	9,469	9,226	9,415	9,496	9,468	9,345	9,766	9,691
6 Other depository institutions, foreign banks and foreign official institutions, and U.S. government agencies	9,626	9,867	9,440	9,224	8,972	9,034	9,587	9,138	8,532
7 Nonbank securities dealers	6,117	6,246	5,969	5,960	6,732	6,576	6,841	6,762	7,187
8 All other	10,413	10,937	10,324	10,888	10,885	10,706	10,458	10,588	10,904
MEMO: Federal funds and resale agreement loans in maturities of one day or continuing contract									
9 Commercial banks in United States	24,220	27,189	28,407	28,540	26,809	26,947	28,013	28,777	28,598
10 Nonbank securities dealers	3,987	4,011	4,898	5,519	4,906	5,037	5,259	5,432	4,864

1. Banks with assets of $1 billion or more as of Dec. 31, 1977.

1.14 FEDERAL RESERVE BANK INTEREST RATES

Percent per annum

Current and previous levels

Federal Reserve Bank	Short-term adjustment credit and seasonal credit			Extended credit[1]						
				First 60 days of borrowing		Next 90 days of borrowing		After 150 days		Effective for current
	Rate on 10/31/84	Effective date	Previous rate	Rate on 10/31/84	Previous rate	Rate on 10/31/84	Previous rate	Rate on 10/31/84	Previous rate	
Boston	9	4/9/84	8½	9	8½	10	9½	11	10½	4/9/84
New York		4/9/84								4/9/84
Philadelphia		4/9/84								4/9/84
Cleveland		4/10/84								4/10/8
Richmond		4/9/84								4/9/84
Atlanta		4/10/84								4/10/8
Chicago		4/9/84								4/9/84
St. Louis		4/9/84								4/9/84
Minneapolis		4/9/84								4/9/84
Kansas City		4/13/84								4/13/8
Dallas		4/9/84								4/9/84
San Francisco	9	4/13/84	8½	9	8½	10	9½	11	10½	4/13/8

Range of rates in recent years[2]

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1973	7½	7½
1974— Apr. 25	7½–8	8
30	8	8
Dec. 9	7¾–8	7¾
16	7¾	7¾
1975— Jan. 6	7¼–7¾	7¾
10	7¼–7¾	7¼
24	7¼	7¼
Feb. 5	6¾–7¼	6¾
7	6¾	6¾
Mar. 10	6¼–6¾	6¼
14	6¼	6¼
May 16	6–6¼	6
23	6	6
1976— Jan. 19	5½–6	5½
23	5½	5½
Nov. 22	5¼–5½	5¼
26	5¼	5¼
1977— Aug. 30	5¼–5¾	5¼
31	5¼–5¾	5¾
Sept. 2	5¾	5¾
Oct. 26	6	6
1978— Jan. 9	6–6½	6½
20	6½	6½
May 11	6½–7	7
12	7	7

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
1978— July 3	7–7¼	7¼
10	7¼	7¼
Aug. 21	7¾	7¾
Sept. 22	8	8
Oct. 16	8–8½	8½
20	8½	8½
Nov. 1	8½–9½	9½
3	9½	9½
1979— July 20	10	10
Aug. 17	10–10½	10½
20	10½	10½
Sept. 19	10½–11	11
21	11	11
Oct. 8	11–12	12
10	12	12
1980— Feb. 15	12–13	13
19	13	13
May 29	12–13	13
30	12	12
June 13	11–12	11
16	11	11
July 28	10–11	10
29	10	10
Sept. 26	11	11
Nov. 17	12	12
Dec. 5	12–13	13
8	13	13

Effective date	Range (or level)—All F.R. Banks	F B N
1981— May 5	13–14	1
8	14	1
Nov. 2	13–14	1
6	13	1
Dec. 4	12	1
1982— July 20	11½–12	1
23	11½	1
Aug. 2	11–11½	1
3	11	1
16	10½	1
27	10–10½	1
30	10	1
Oct. 12	9½–10	
13	9½	
Nov. 22	9–9½	
26	9	
Dec. 14	8½–9	
15	8½–9	
17	8½	
1984— Apr. 9	8½–9	
13	9	
In effect Oct. 31, 1984	9	

1. *Applicable to advances when exceptional circumstances or practices involve* only a particular depository institution and to advances when an institution is under sustained liquidity pressures. Where credit provided to a particular depository institution is anticipated to be outstanding for an unusually prolonged period and in relatively large amounts, the time period in which each rate under this structure is applied may be shortened, and the rate may be established on a more flexible basis, taking into account rates on market sources of funds. See section 201.3(b)(2) of Regulation A.

2. Rates for short-term adjustment credit. For description and earlier data see the following publications of the Board of Governors: *Banking and Monetary Statistics, 1914–1941*, and *1941–1970; Annual Statistical Digest, 1970–1979, 1980, 1981*, and *1982*.

In 1980 and 1981, the Federal Reserve applied a surcharge to sho adjustment credit borrowings by institutions with deposits of $500 million o that had borrowed in successive weeks or in more than 4 weeks in a ca quarter. A 3 percent surcharge was in effect from Mar. 17, 1980, through i 1980. There was no surcharge until Nov. 17, 1980, when a 2 percent surchar adopted; the surcharge was subsequently raised to 3 percent on Dec. 5, 19 to 4 percent on May 5, 1981. The surcharge was reduced to 3 percent ef *Sept. 22, 1981, and to 2 percent effective Oct. 12. As of Oct. 1, the form* applying the surcharge was changed from a calendar quarter to a moving 1 period. The surcharge was eliminated on Nov. 17, 1981.

1.15 RESERVE REQUIREMENTS OF DEPOSITORY INSTITUTIONS[1]

Percent of deposits

Type of deposit, and deposit interval	Member bank requirements before implementation of the Monetary Control Act	
	Percent	Effective date
Net demand[2]		
\$0 million–\$2 million	7	12/30/76
\$2 million–\$10 million	9½	12/30/76
\$10 million–\$100 million	11¾	12/30/76
\$100 million–\$400 million	12¾	12/30/76
Over \$400 million	16¼	12/30/76
Time and savings[2,3]		
Savings	3	3/16/67
Time[4]		
\$0 million–\$5 million, by maturity		
30–179 days	3	3/16/67
180 days to 4 years	2½	1/8/76
4 years or more	1	10/30/75
Over \$5 million, by maturity		
30–179 days	6	12/12/74
180 days to 4 years	2½	1/8/76
4 years or more	1	10/30/75

Type of deposit, and deposit interval[5]	Depository institution requirements after implementation of the Monetary Control Act[6]	
	Percent	Effective date
Net transaction accounts[7,8]		
\$0–\$28.9 million	3	12/29/83
Over \$28.9 million	12	12/29/83
Nonpersonal time deposits[9]		
By original maturity		
Less than 1½ years	3	10/6/83
1½ years or more	0	10/6/83
Eurocurrency liabilities		
All types	3	11/13/80

1. For changes in reserve requirements beginning 1963, see Board's *Annual Statistical Digest, 1971–1975,* and for prior changes, see Board's *Annual Report* for 1976, table 13. Under provisions of the Monetary Control Act, depository institutions include commercial banks, mutual savings banks, savings and loan associations, credit unions, agencies and branches of foreign banks, and Edge Act corporations.

2. Requirement schedules are graduated, and each deposit interval applies to that part of the deposits of each bank. Demand deposits subject to reserve requirements were gross demand deposits minus cash items in process of collection and demand balances due from domestic banks.

The Federal Reserve Act as amended through 1978 specified different ranges of requirements for reserve city banks and for other banks. Reserve cities were designated under a criterion adopted effective Nov. 9, 1972, by which a bank having net demand deposits of more than \$400 million was considered to have the character of business of a reserve city bank. The presence of the head office of such a bank constituted designation of that place as a reserve city. Cities in which there were Federal Reserve Banks or branches were also reserve cities. Any banks having net demand deposits of \$400 million or less were considered to have the character of business of banks outside of reserve cities and were permitted to maintain reserves at ratios set for banks not in reserve cities.

Effective Aug. 24, 1978, the Regulation M reserve requirements on net balances due from domestic banks to their foreign branches and on deposits that foreign branches lend to U.S. residents were reduced to zero from 4 percent and 1 percent respectively. The Regulation D reserve requirement of borrowings from unrelated banks abroad was also reduced to zero from 4 percent.

Effective with the reserve computation period beginning Nov. 16, 1978, domestic deposits of Edge corporations were subject to the same reserve requirements as deposits of member banks.

3. Negotiable order of withdrawal (NOW) accounts and time deposits such as Christmas and vacation club accounts were subject to the same requirements as savings deposits.

The average reserve requirement on savings and other time deposits before implementation of the Monetary Control Act had to be at least 3 percent, the minimum specified by law.

4. Effective Nov. 2, 1978, a supplementary reserve requirement of 2 percent was imposed on large time deposits of \$100,000 or more, obligations of affiliates, and ineligible acceptances. This supplementary requirement was eliminated with the maintenance period beginning July 24, 1980.

Effective with the reserve maintenance period beginning Oct. 25, 1979, a marginal reserve requirement of 8 percent was added to managed liabilities in excess of a base amount. This marginal requirement was increased to 10 percent beginning Apr. 3, 1980, was decreased to 5 percent beginning June 12, 1980, and was eliminated beginning July 24, 1980. Managed liabilities are defined as large time deposits, Eurodollar borrowings, repurchase agreements against U.S. government and federal agency securities, federal funds borrowings from nonmember institutions, and certain other obligations. In general, the base for the marginal reserve requirement was originally the greater of (a) \$100 million or (b) the average amount of the managed liabilities held by a member bank, Edge corporation, or family of U.S. branches and agencies of a foreign bank for the two reserve computation periods ending Sept. 26, 1979. For the computation period beginning Mar. 20, 1980, the base was lowered by (a) 7 percent or (b) the decrease in an institution's U.S. office gross loans to foreigners and gross balances due from foreign offices of other institutions between the base period (Sept. 13–26, 1979) and the week ending Mar. 12, 1980, whichever was greater. For the computation period beginning May 29, 1980, the base was increased by 7½ percent above the base used to calculate the marginal reserve in the statement week of May 14–21, 1980. In addition, beginning Mar. 19, 1980, the base was reduced to the extent that foreign loans and balances declined.

5. The Garn–St Germain Depository Institutions Act of 1982 (Public Law 97–320) provides that \$2 million of reservable liabilities (transaction accounts, nonpersonal time deposits, and Eurocurrency liabilities) of each depository institution be subject to a zero percent reserve requirement. The Board is to adjust the amount of reservable liabilities subject to this zero percent reserve requirement each year for the next succeeding calendar year by 80 percent of the percentage increase in the total reservable liabilities of all depository institutions, measured on an annual basis as of June 30. No corresponding adjustment is to be made in the event of a decrease. Effective Dec. 9, 1982, the amount of the exemption was established at \$2.1 million. Effective with the reserve maintenance period beginning Jan. 12, 1984, the amount of the exemption is \$2.2 million. In determining the reserve requirements of a depository institution, the exemption shall apply in the following order: (1) nonpersonal money market deposit accounts (MMDAs) authorized under 12 CFR section 1204.122; (2) net NOW accounts (NOW accounts less allowable deductions); (3) net other transaction accounts; and (4) nonpersonal time deposits or Eurocurrency liabilities starting with those with the highest reserve ratio. With respect to NOW accounts and other transaction accounts, the exemption applies only to such accounts that would be subject to a 3 percent reserve requirement.

6. For nonmember banks and thrift institutions that were not members of the Federal Reserve System on or after July 1, 1979, a phase-in period ends Sept. 3, 1987. For banks that were members on or after July 1, 1979, but withdrew on or before Mar. 31, 1980, the phase-in period established by Public Law 97–320 ends on Oct. 24, 1985. For existing member banks the phase-in period of about three years was completed on Feb. 2, 1984. All new institutions will have a two-year phase-in beginning with the date that they open for business, except for those institutions that have total reservable liabilities of \$50 million or more.

7. Transaction accounts include all deposits on which the account holder is permitted to make withdrawals by negotiable or transferable instruments, payment orders of withdrawal, and telephone and preauthorized transfers (in excess of three per month) for the purpose of making payments to third persons or others. However, MMDAs and similar accounts offered by institutions not subject to the rules of the Depository Institutions Deregulation Committee (DIDC) that permit no more than six preauthorized, automatic, or other transfers per month of which no more than three can be checks—are not transaction accounts (such accounts are savings deposits subject to time deposit reserve requirements.)

8. The Monetary Control Act of 1980 requires that the amount of transaction accounts against which the 3 percent reserve requirement applies be modified annually by 80 percent of the percentage increase in transaction accounts held by all depository institutions determined as of June 30 each year. Effective Dec. 31, 1981, the amount was increased accordingly from \$25 million to \$26 million; and effective Dec. 30, 1982, to \$26.3 million; and effective Dec. 29, 1983, to \$28.9 million.

9. In general, nonpersonal time deposits are time deposits, including savings deposits, that are not transaction accounts and in which a beneficial interest is held by a depositor that is not a natural person. Also included are certain transferable time deposits held by natural persons, and certain obligations issued to depository institution offices located outside the United States. For details, see section 204.2 of Regulation D.

NOTE. Required reserves must be held in the form of deposits with Federal Reserve Banks or vault cash. Nonmembers may maintain reserve balances with a Federal Reserve Bank indirectly on a pass-through basis with certain approved institutions.

1.16 MAXIMUM INTEREST RATES PAYABLE on Time and Savings Deposits at Federally Insured Institutions[1]

Percent per annum

Type of deposit	Commercial banks		Savings and loan associations mutual savings banks (thrift instit	
	In effect Oct. 31, 1984		In effect Oct. 31, 1984	
	Percent	Effective date	Percent	Effective (
1 Savings	5½	1/1/84	5½	7/1/79
2 Negotiable order of withdrawal accounts	5¼	12/31/80	5¼	12/31/80
3 Negotiable order of withdrawal accounts of $2,500 or more[2]	....	1/5/83	....	1/5/83
4 Money market deposit account[2]	............[3]	12/14/82	............[3]	12/14/82
Time accounts by maturity				
5 7–31 days of less than $2,500[4]	5½	1/1/84	5½	9/1/82
6 7–31 days of $2,500 or more[2]	....	1/5/83	....	1/5/83
7 More than 31 days	....	10/1/83	....	10/1/83

1. Effective Oct. 1, 1983, restrictions on the maximum rates of interest payable by commercial banks and thrift institutions on various categories of deposits were removed. For information regarding previous interest rate ceilings on all categories of accounts see earlier issues of the FEDERAL RESERVE BULLETIN, the *Federal Home Loan Bank Board Journal*, and the *Annual Report of the Federal Deposit Insurance Corporation* before November 1983.

2. Effective Dec. 1, 1983, IRA/Keogh (HR10) Plan accounts are not subject to minimum deposit requirements.

3. Effective Dec. 14, 1982, depository institutions are authorized to offer a new account with a required initial balance of $2,500 and an average maintenance balance of $2,500 not subject to interest rate restrictions. No minimum maturity period is required for this account, but depository institutions must res(right to require seven days notice before withdrawals. When the average is less than $2,500, the account is subject to the maximum ceiling rate of for NOW accounts; compliance with the average balance requirement determined over a period of one month. Depository institutions may not g(a rate of interest for this account for a period longer than one month or c(the payment of a rate on a requirement that the funds remain on deposit fc than one month.

4. Deposits of less than $2,500 issued to governmental units contin(subject to an interest rate ceiling of 8 percent.

1.17 FEDERAL RESERVE OPEN MARKET TRANSACTIONS

Millions of dollars

Type of transaction	1981	1982	1983	1984						
				Feb.	Mar.	Apr.	May	June	July	Aug.
U.S. GOVERNMENT SECURITIES										
Outright transactions (excluding matched transactions)										
Treasury bills										
1 Gross purchases	13,899	17,067	18,888	368	3,159	3,283	610	801	0	187
2 Gross sales	6,746	8,369	3,420	828	0	0	2,003	0	897	1,491
3 Exchange	0	0	0	0	0	0	0	0	0	0
4 Redemptions	1,816	3,000	2,400	600	0	3,283	2,200	801	600	800
Others within 1 year										
5 Gross purchases	317	312	484	0	0	198	0	0	0	0
6 Gross sales	23	0	0	0	0	0	0	0	0	0
7 Maturity shift	13,794	17,295	18,887	−2,488	1,012	347	2,739	1,069	427	3,811
8 Exchange	−12,869	−14,164	−16,553	−4,574	0	−2,223	−1,807	0	−2,606	−2,274
9 Redemptions	0	0	87	0	0	0	0	0	0	0
1 to 5 years										
10 Gross purchases	1,702	1,797	1,896	0	0	808	0	0	0	0
11 Gross sales	0	0	0	0	0	0	0	0	0	0
12 Maturity shift	−10,299	−14,524	−15,533	2,488	−1,012	−273	−2,279	−1,069	−345	−3,811
13 Exchange	10,117	11,804	11,641	2,861	0	2,223	1,150	0	2,606	1,443
5 to 10 years										
14 Gross purchases	393	388	890	0	0	200	0	0	0	0
15 Gross sales	0	0	0	0	0	0	0	0	0	0
16 Maturity shift	−3,495	−2,172	−2,450	97	0	−75	−383	0	−83	52
17 Exchange	1,500	2,128	2,950	1,000	0	0	400	0	0	500
Over 10 years										
18 Gross purchases	379	307	383	0	0	277	0	0	0	0
19 Gross sales	0	0	0	0	0	0	0	0	0	0
20 Maturity shift	0	−601	−904	−97	0	0	−77	0	0	−52
21 Exchange	1,253	234	1,962	713	0	0	257	0	0	332
All maturities										
22 Gross purchases	16,690	19,870	22,540	368	3,159	1,484	610	801	0	0
23 Gross sales	6,769	8,369	3,420	828	0	0	2,003	0	897	187
24 Redemptions	1,816	3,000	2,487	600	0	0	2,200	0	600	800
Matched transactions										
25 Gross sales	589,312	543,804	578,591	55,656	66,827	72,293	79,313	61,017	81,799	79,087
26 Gross purchases	589,647	543,173	576,908	47,310	73,634	71,754	79,608	61,331	81,143	78,842
Repurchase agreements										
27 Gross purchases	79,920	130,774	105,971	0	4,996	15,313	8,267	23,298	14,830	4,992
28 Gross sales	78,733	130,286	108,291	0	4,996	8,220	12,199	26,460	14,830	166
29 Net change in U.S. government securities	9,626	8,358	12,631	−9,407	9,966	11,321	−7,228	−2,047	−2,154	2,478
FEDERAL AGENCY OBLIGATIONS										
Outright transactions										
30 Gross purchases	494	0	0	0	0	0	0	0	0	0
31 Gross sales	0	0	0	0	0	0	0	0	0	0
32 Redemptions	108	189	292	38	10	2	40	15	−1	5
Repurchase agreements										
33 Gross purchases	13,320	18,957	8,833	0	609	1,247	616	1,819	958	381
34 Gross sales	13,576	18,638	9,213	0	609	820	744	2,117	958	12
35 Net change in federal agency obligations	130	130	−672	−38	−10	424	−169	−313	−1	364
BANKERS ACCEPTANCES										
36 Repurchase agreements, net	−582	1,285	−1,062	0	0	305	122	−426	0	0
37 **Total net change in System Open Market Account**	**9,175**	**9,773**	**10,897**	**−9,444**	**9,956**	**12,050**	**−7,275**	**−2,786**	**−2,155**	**2,842**

NOTE: Sales, redemptions, and negative figures reduce holdings of the System Open Market Account; all other figures increase such holdings. Details may not add to totals because of rounding.

1.18 FEDERAL RESERVE BANKS Condition and Federal Reserve Note Statements

Millions of dollars

Account	Wednesday					End of month		
	1984					1984		
	Aug. 29	Sept. 5	Sept. 12	Sept. 19	Sept. 26	July	Aug.	Sept.
	Consolidated condition statement							
ASSETS								
1 Gold certificate account	11,098	11,098	11,098	11,098	11,097	11,099	11,098	11,0
2 Special drawing rights certificate account	4,618	4,618	4,618	4,618	4,618	4,618	4,618	4,6
3 Coin	462	444	451	464	477	444	454	4
Loans								
4 To depository institutions	8,166	7,500	7,409	7,683	4,786	7,238	8,276	6,6
5 Other	0	0	0	0	0	0	0	
Acceptances—Bought outright								
6 Held under repurchase agreements	0	0	0	0	0	0	0	
Federal agency obligations								
7 Bought outright	8,494	8,494	8,493	8,493	8,493	8,499	8,494	8,4
8 Held under repurchase agreements	0	0	0	549	26	0	369	
U.S. government securities								
Bought outright								
9 Bills	63,123	65,187	68,005	66,401	66,949	64,774	62,425	68,4
10 Notes	63,894	63,894	63,894	63,894	64,494	63,870	63,894	64,4
11 Bonds	22,037	22,037	22,037	22,037	22,037	22,061	22,037	22,0
12 Total bought outright[1]	149,054	151,118	153,936	152,332	153,480	150,705	148,356	155,0
13 Held under repurchase agreements	0	0	0	4,298	268	0	4,827	
14 Total U.S. government securities	149,054	151,118	153,936	156,630	153,748	150,705	153,183	155,0
15 Total loans and securities	**165,714**	**167,112**	**169,838**	**173,355**	**167,053**	**166,442**	**170,322**	**170,1**
16 Cash items in process of collection	6,130	10,231	9,105	6,090	6,700	9,747	6,808	7,0
17 Bank premises	556	555	555	563	564	555	554	5
Other assets								
18 Denominated in foreign currencies[2]	3,651	3,673	3,713	3,715	3,727	3,638	3,672	3,5
19 All other[3]	4,047	4,507	4,218	4,502	8,228	4,821	4,064	8,1
20 Total assets	**196,276**	**202,238**	**203,596**	**204,405**	**202,464**	**201,364**	**201,590**	**205,6**
LIABILITIES								
21 Federal Reserve notes	160,712	162,495	162,095	160,816	160,104	160,402	161,551	160,0
Deposits								
22 To depository institutions	19,192	19,035	23,735	19,290	20,345	21,355	22,733	23,6
23 U.S. Treasury—General account	3,783	4,533	3,521	11,710	8,814	3,972	4,029	8,5
24 Foreign—Official accounts	215	254	198	261	196	215	242	2
25 Other	428	435	407	490	402	309	413	3
26 Total deposits	**23,618**	**24,257**	**27,861**	**31,751**	**29,757**	**25,851**	**27,417**	**32,7**
27 Deferred availability cash items	6,154	9,636	7,580	5,625	6,535	9,076	6,482	6,7
28 Other liabilities and accrued dividends[4]	2,356	2,391	2,625	2,753	2,583	2,463	2,591	2,5
29 Total liabilities	**192,840**	**198,779**	**200,161**	**200,945**	**198,979**	**197,792**	**198,041**	**202,1**
CAPITAL ACCOUNTS								
30 Capital paid in	1,558	1,559	1,560	1,563	1,566	1,545	1,557	1,5
31 Surplus	1,465	1,465	1,465	1,465	1,465	1,465	1,465	1,4
32 Other capital accounts	413	435	410	432	454	562	527	4
33 Total liabilities and capital accounts	**196,276**	**202,238**	**203,596**	**204,405**	**202,464**	**201,364**	**201,590**	**205,6**
34 MEMO: Marketable U.S. government securities held in custody for foreign and international account	118,930	121,136	118,667	119,244	115,836	115,318	119,421	115,1
	Federal Reserve note statement							
35 Federal Reserve notes outstanding	189,348	189,209	189,455	189,866	189,991	188,428	189,217	189,8
36 LESS: Held by bank	28,636	26,714	27,360	29,050	29,887	28,026	27,666	29,8
37 Federal Reserve notes, net	160,712	162,495	162,095	160,816	160,104	160,402	161,551	160,0
Collateral held against notes net:								
38 Gold certificate account	11,098	11,098	11,098	11,098	11,097	11,099	11,098	11,0
39 Special drawing rights certificate account	4,618	4,618	4,618	4,618	4,618	4,618	4,618	4,6
40 Other eligible assets	0	0	0	0	0	0	0	
41 U.S. government and agency securities	144,996	146,779	146,379	145,100	144,389	144,685	145,835	144,3
42 Total collateral	**160,712**	**162,495**	**162,095**	**160,816**	**160,104**	**160,402**	**161,551**	**160,0**

1. *Includes* securities loaned—fully guaranteed by U.S. government securities pledged with Federal Reserve Banks—and *excludes* (if any) securities sold and scheduled to be bought back under matched sale-purchase transactions.
2. Assets shown in this line are revalued monthly at market exchange rates.
3. Includes special investment account at Chicago of Treasury bills maturing within 90 days.
4. Includes exchange-translation account reflecting the monthly revaluation market exchange rates of foreign-exchange commitments.

NOTE: Some of these data also appear in the Board's H.4.1 (503) release. F address, see inside front cover.

1.19 FEDERAL RESERVE BANKS Maturity Distribution of Loan and Security Holdings

Millions of dollars

Type and maturity groupings	Wednesday					End of month		
	1984					1984		
	Aug. 29	Sept. 5	Sept. 12	Sept. 19	Sept. 26	July 31	Aug. 31	Sept. 28
1 Loans—Total	8,166	7,500	7,409	7,683	4,786	7,238	8,276	6,633
2 Within 15 days	8,109	7,295	7,262	7,651	4,736	7,135	8,111	6,546
3 16 days to 90 days	57	205	147	32	50	103	165	87
4 91 days to 1 year	0	0	0	0	0	0	0	0
5 Acceptances—Total	0	0	0	0	0	0	0	0
6 Within 15 days	0	0	0	0	0	0	0	0
7 16 days to 90 days	0	0	0	0	0	0	0	0
8 91 days to 1 year	0	0	0	0	0	0	0	0
9 U.S. government securities—Total	149,054	151,118	153,936	156,630	153,748	150,705	153,183	155,018
10 Within 15 days[1]	7,293	7,901	7,489	12,499	8,223	3,013	8,544	7,125
11 16 days to 90 days	29,081	31,308	32,723	30,279	31,434	33,317	33,105	35,452
12 91 days to 1 year	44,519	43,773	45,588	45,716	45,955	44,702	44,040	44,305
13 Over 1 year to 5 years	33,985	33,960	33,960	33,960	33,960	36,329	33,318	33,960
14 Over 5 years to 10 years	14,808	14,808	14,808	14,808	14,808	14,256	14,808	14,808
15 Over 10 years	19,368	19,368	19,368	19,368	19,368	19,088	19,368	19,368
16 Federal agency obligations—Total	8,494	8,494	8,493	9,042	8,519	8,499	8,863	8,493
17 Within 15 days[1]	202	121	25	709	260	85	571	234
18 16 days to 90 days	523	591	724	589	490	613	523	563
19 91 days to 1 year	1,754	1,794	1,736	1,736	1,794	1,719	1,754	1,721
20 Over 1 year to 5 years	4,304	4,323	4,343	4,343	4,310	4,371	4,304	4,310
21 Over 5 years to 10 years	1,312	1,266	1,266	1,266	1,266	1,312	1,312	1,266
22 Over 10 years	399	399	399	399	399	399	399	399

1. Holdings under repurchase agreements are classified as maturing within 15 days in accordance with maximum maturity of the agreements.

1.20 AGGREGATE RESERVES OF DEPOSITORY INSTITUTIONS AND MONETARY BASE ▲

Billions of dollars, averages of daily figures

Item	1980 Dec.	1981 Dec.	1982 Dec.	1983 Dec.	1984 Feb.	Mar.	Apr.	May	June	July	Aug.
	Seasonally adjusted										
ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS[1]											
1 **Total reserves[2]**	**31.07**	**32.14**	**34.34**	**36.21**	**37.09**	**37.16**	**37.18**	**37.52**	**38.35**	**38.30**	**38.45**
2 Nonborrowed reserves	29.38	31.50	33.70	35.44	36.52	36.21	35.94	34.53	35.05	32.38	30.43
3 Nonborrowed reserves plus extended credit[3]	29.38	31.65	33.89	35.44	36.53	36.24	35.99	34.56	36.92	37.39	37.48
4 Required reserves	30.55	31.82	33.84	35.65	36.15	36.45	36.68	36.94	37.58	37.70	37.77
5 Monetary base[4]	150.38	158.15	170.21	185.57	189.38	189.50	190.44	192.06	193.94	194.84	196.07
	Not seasonally adjusted										
6 **Total reserves[2]**	**40.66**	**41.92**	**41.85**	**38.89**	**36.36**	**36.28**	**37.15**	**36.52**	**37.52**	**37.46**	**37.26**
7 Nonborrowed reserves	30.08	32.22	34.43	36.16	36.11	35.73	36.31	33.85	34.56	31.99	29.74
8 Nonborrowed reserves plus extended credit[3]	30.08	32.37	34.62	36.16	36.11	35.75	36.35	33.88	36.43	37.00	36.79
9 Required reserves	31.25	32.54	34.56	36.37	35.73	35.97	37.05	36.26	37.10	37.31	37.08
10 Monetary base[4]	153.08	161.00	173.24	188.84	186.94	188.21	190.73	191.40	194.31	195.98	196.20
NOT ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS[5]											
11 **Total reserves[2]**	**40.66**	**41.92**	**41.85**	**38.89**	**36.36**	**36.23**	**36.98**	**36.77**	**37.65**	**37.30**	**37.27**
12 Nonborrowed reserves	38.97	41.29	41.22	38.12	35.80	35.30	35.73	33.79	34.46	31.27	29.22
13 Nonborrowed reserves plus extended credit[3]	38.97	41.44	41.41	38.12	35.80	35.33	35.77	33.82	36.22	36.38	36.28
14 Required reserves	40.15	41.60	41.35	38.33	35.42	35.53	36.67	35.81	36.85	36.93	36.54
15 Monetary base[4]	163.00	170.47	180.52	192.36	186.67	187.66	190.10	191.39	194.15	195.44	195.66

▲ Figures have been revised from 1959 to date.

1. Figures incorporate adjustments for discontinuities associated with the implementation of the Monetary Control Act and other regulatory changes to reserve requirements. To adjust for discontinuities due to changes in reserve requirements on reservable nondeposit liabilities, the sum of such required reserves is subtracted from the actual series. Similarly, in adjusting for discontinuities in the monetary base, required clearing balances and adjustments to compensate for float also are subtracted from the actual series.

2. Total reserves not adjusted for discontinuities consist of reserve balances with Federal Reserve Banks, which exclude required clearing balances and adjustments to compensate for float, plus vault cash used to satisfy reserve requirements. Such vault cash consists of all vault cash held during the lagged computation period by institutions having required reserve balances at Federal Reserve Banks plus the amount of vault cash equal to required reserves during the maintenance period at institutions having no required reserve balances.

3. Extended credit consists of borrowing at the discount window under the terms and conditions established for the extended credit program to help depository institutions deal with sustained liquidity pressures. Because there is not the same need to repay such borrowing promptly as there is with traditional short-term adjustment credit, the money market impact of extended credit is similar to that of nonborrowed reserves.

4. The monetary base not adjusted for discontinuities consists of total reserves plus required clearing balances and adjustments to compensate for float at Federal Reserve Banks and the currency component of the money stock less the amount of vault cash holdings of thrift institutions that is included in the cu component of the money stock plus, for institutions not having required r balances, the excess of current vault cash over the amount applied to current reserve requirements. After the introduction of contemporaneous r requirements (CRR), currency and vault cash figures are measured o weekly computation period ending Monday.

Before CRR, all components of the monetary base other than excess re are seasonally adjusted as a whole, rather than by component, and reserves are added on a not seasonally adjusted basis. After CRR, the sea adjusted series consists of seasonally adjusted total reserves, which excess reserves on a not seasonally adjusted basis, plus the seasonally a currency component of the money stock and the remaining items sea adjusted as a whole.

5. Reflects actual reserve requirements, including those on nondeposi ities, *with no adjustments to eliminate the effects of discontinuities ass* with implementation of the Monetary Control Act or other regulatory cha reserve requirements.

NOTE. Latest monthly and biweekly figures are available from the F H.3(502) statistical release. Historical data and estimates of the imp required reserves of changes in reserve requirements are available fr Banking Section, Division of Research and Statistics, Board of Governor: Federal Reserve System, Washington, D.C. 20551.

1.21 MONEY STOCK, LIQUID ASSETS, AND DEBT MEASURES

Billions of dollars, averages of daily figures

Item[1]	1980 Dec.	1981 Dec.	1982 Dec.	1983 Dec.	1984 June	1984 July	1984 Aug.	1984 Sept.
	Seasonally adjusted							
1 M1	414.9	441.9	480.5	525.3	546.2	545.6	546.3	549.0
2 M2	1,632.6	1,796.6	1,965.3	2,196.2	2,272.0	2,281.3[r]	2,290.2[r]	2,305.3
3 M3	1,989.8	2,236.7	2,460.3	2,707.9[r]	2,836.5[r]	2,856.4[r]	2,867.4[r]	2,885.8
4 L	2,326.0	2,598.4	2,868.7	3,176.3[r]	3,366.9	3,403.2[r]	n.a.	n.a.
5 Debt[2]	3,946.9	4,323.8	4,710.1	5,224.8[r]	5,566.4	5,626.0	5,628.0[r]	n.a.
M1 components								
6 Currency[2]	116.7	124.0	134.1	148.0	154.2	155.0	156.0	156.6
7 Travelers checks[3]	4.2	4.3	4.3	4.9	5.1	5.2	5.2	5.1
8 Demand deposits[4]	266.5	236.2	239.7	243.7	248.2[r]	247.1	245.5	246.5
9 Other checkable deposits[5]	27.6	77.4	102.4	128.8	138.6	138.3	139.6	140.7
Nontransactions components								
10 In M2[6]	1,217.7	1,354.6	1,484.8	1,670.9	1,725.8	1,735.8	1,743.9[r]	1,756.3
11 In M3 only[7]	357.2	440.2	495.0	511.8	564.5[r]	575.1[r]	577.2[r]	580.5
Savings deposits[9]								
12 Commercial Banks	185.9	159.7	164.9	134.6	128.0	127.4	126.3	125.9
13 Thrift institutions	215.6	186.1	197.2	178.2	177.2	176.0	174.2	173.9
Small denomination time deposits[9]								
14 Commerical Banks	287.5	349.6	382.2	353.1	365.7	371.8	377.8	382.2
15 Thrift institutions	443.9	477.7	474.7	440.0	463.3	473.2	483.9[r]	492.2
Money market mutual funds								
16 General purpose and broker/dealer	61.6	150.6	185.2	138.2	148.9	150.5	150.5[r]	151.9
17 Institution-only	15.0	36.2	48.4	40.3	42.3	42.6	42.7	43.2
Large denomination time deposits[10]								
18 Commercial Banks[11]	213.9	247.3	261.8	225.5	249.7	255.1[r]	255.5[r]	258.0
19 Thrift institutions	44.6	54.3	66.1	100.4	129.4	134.0	136.3	134.9
Debt components								
20 Federal debt	742.8	830.1	991.4	1,173.1	1,260.2	1,276.8	1,299.3[r]	n.a.
21 Non-federal debt	3,204.1	3,493.7	3,718.7	4,052.1	4,306.3	4,351.2[r]	4,394.0[r]	n.a.
	Not seasonally adjusted							
22 M1	424.8	452.3	491.9	537.8	545.4[r]	547.3	542.4	546.4
23 M2	1,635.4	1,798.7	1,967.4	2,198.0	2,273.8[r]	2,286.4[r]	2,287.7[r]	2,298.9
24 M3	1,996.1	2,242.7	2,466.6	2,713.9[r]	2,835.2[r]	2,855.3[r]	2,865.5[r]	2,880.2
25 L	2,332.8	2,605.6	2,876.5	3,187.0[r]	3,364.6[r]	3,395.3[r]	n.a.	n.a.
26 Debt[2]	3,946.9	4,323.8	4,710.1	5,218.7[r]	5,544.4[r]	5,607.7[r]	5,674.9[r]	n.a.
M1 components								
27 Currency[2]	118.8	126.1	136.4	150.5	154.9	156.3	156.5	156.5
28 Travelers checks[3]	3.9	4.1	4.1	4.6	5.4	5.8	5.7	5.4
29 Demand deposits[4]	274.7	243.6	247.3	251.6	247.0	247.5	242.9	245.4
30 Other checkable deposits[5]	27.4	78.5	104.1	131.2	138.1	137.7	137.3	139.1
Nontransactions components								
31 M2[6]	1,210.6	1,346.3	1,475.5	1,660.2	1,728.3	1,739.1	1,745.3[r]	1,752.5
32 M3 only[7]	360.7	444.1	499.2	516.1	561.4[r]	568.9	577.9[r]	581.3
Money market deposit accounts								
33 Commercial banks	n.a.	n.a.	26.3	230.0	244.9	243.9	242.6	243.8
34 Thrift institutions	n.a.	n.a.	16.6	145.9	148.0	145.0	140.6	138.3
Savings deposits[8]								
35 Commercial Banks	183.8	157.5	162.1	132.0	129.7	128.9	126.4	124.7
36 Thrift institutions	214.4	184.7	195.5	176.5	178.9	178.1	174.1	172.8
Small denomination time deposits[9]								
37 Commercial Banks	286.0	347.7	380.1	351.0	365.4	370.7	377.5	381.5
38 Thrift institutions	442.3	475.6	472.4	437.6	463.6[r]	473.0	482.4[r]	490.2
Money market mutual funds								
39 General purpose and broker/dealer	61.6	150.6	185.2	138.2	148.9	150.5	150.5[r]	151.9
40 Institution-only	15.0	36.2	48.4	40.3	42.3	42.6	42.7	43.2
Large denomination time deposits[10]								
41 Commercial Banks[11]	218.5	252.1	266.2	229.0	247.3	251.8[r]	255.8[r]	259.0
42 Thrift institutions	44.3	54.3	66.2	100.7	128.2	132.8[r]	136.6	136.7
Debt components								
43 Federal debt	742.8	830.1	991.4	1,170.2	1,255.8	1,270.8	1,295.8[r]	n.a.
44 Non-federal debt	3,204.1	3,943.7	3,718.7	4,048.5[r]	4,288.6	4,336.9[r]	4,379.2[r]	n.a.

For notes see bottom of next page.

NOTES TO TABLE 1.21

1. Composition of the money stock measures and debt is as follows:

M1: (1) currency outside the Treasury, Federal Reserve Banks, and the vaults of commercial banks; (2) travelers checks of nonbank issuers; (3) demand deposits at all commercial banks other than those due to domestic banks, the U.S. government, and foreign banks and official institutions less cash items in the process of collection and Federal Reserve float; and (4) other checkable deposits (OCD) consisting of negotiable order of withdrawal (NOW) and automatic transfer service (ATS) accounts at depository institutions, credit union share draft accounts, and demand deposits at thrift institutions. The currency and demand deposit components exclude the estimated amount of vault cash and demand deposits respectively held by thrift institutions to service their OCD liabilities.

M2: M1 plus overnight (and continuing contract) repurchase agreements (RPs) issued by all commercial banks and overnight Eurodollars issued to U.S. residents by foreign branches of U.S. banks worldwide, MMDAs, savings and small-denomination time deposits (time deposits—including retail RPs—in amounts of less than $100,000), and balances in both taxable and tax-exempt general purpose and broker/dealer money market mutual funds. Excludes individual retirement accounts (IRA) and Keogh balances at depository institutions and money market funds. Also excludes all balances held by U.S. commercial banks, money market funds (general purpose and broker/dealer), foreign governments and commercial banks, and the U.S. government. Also subtracted is a consolidation adjustment that represents the estimated amount of demand deposits and vault cash held by thrift institutions to service their time and savings deposits.

M3: M2 plus large-denomination time deposits and term RP liabilities (in amounts of $100,000 or more) issued by commercial banks and thrift institutions, term Eurodollars held by U.S. residents at foreign branches of U.S. banks worldwide and at all banking offices in the United Kingdom and Canada, and balances in both taxable and tax-exempt, institution-only money market mutual funds. Excludes amounts held by depository institutions, the U.S. government, money market funds, and foreign banks and official institutions. Also subtracted is a consolidation adjustment that represents the estimated amount of overnight RPs and Eurodollars held by institution-only money market mutual funds.

L: M3 plus the nonbank public holdings of U.S. savings bonds, short-term Treasury securities, commercial paper and bankers acceptances, net of money market mutual fund holdings of these assets.

Debt: Debt of domestic nonfinancial sectors consists of outstanding credit market debt of the U.S. government, state and local governments, and private nonfinancial sectors. Private debt consists of corporate bonds, mortgages, consumer credit (including bank loans), other bank loans, commercial paper, bankers acceptances, and other debt instruments. The source of data on domestic nonfinancial debt is the Federal Reserve Board's flow of funds accounts. Debt data are on an end-of-month basis.

2. Currency outside the U.S. Treasury, Federal Reserve Banks, and vault commercial banks. Excludes the estimated amount of vault cash held by th institutions to service their OCD liabilities.

3. Outstanding amount of U.S. dollar-denominated travelers checks of n bank issuers. Travelers checks issued by depository institutions are include demand deposits.

4. Demand deposits at commercial banks and foreign-related institutions ot than those due to domestic banks, the U.S. government, and foreign banks official institutions less cash items in the process of collection and Fed Reserve float. Excludes the estimated amount of demand deposits held commercial banks by thrift institutions to service their OCD liabilities.

5. Consists of NOW and ATS balances at all depository institutions, cr union share draft balances, and demand deposits at thrift institutions. Ot checkable deposits seasonally adjusted equals the difference between the seas ally adjusted sum of demand deposits plus OCD and seasonally adjusted dem deposits. Included are all ceiling free "Super NOWs," authorized by Depository Institutions Deregulation committee to be offered beginning Jan 1983.

6. Sum of overnight RPs and overnight Eurodollars, money market f balances (general purpose and broker/dealer), MMDAs, and savings and sn time deposits, less the consolidation adjustment that represents the estima amount of demand deposits and vault cash held by thrift institutions to serv their time and savings deposits liabilities.

7. Sum of large time deposits, term RPs and term Eurodollars of U residents, money market fund balances (institution-only), less a consolidat adjustment that represents the estimated amount of overnight RPs and Euroc lars held by institution-only money market funds.

8. Savings deposits exclude MMDAs.

9. Small-denomination time deposits—including retail RPs— are those iss in amounts of less than $100,000. All individual retirement accounts (IRA) Keogh accounts at commercial banks and thrifts are subtracted from small t deposits.

10. Large-denomination time deposits are those issued in amounts of $100, or more, excluding those booked at international banking facilities.

11. Large-denomination time deposits at commercial banks less those held money market mutual funds, depository institutions, and foreign banks official institutions.

NOTE: Latest monthly and weekly figures are available from the Board's (508) release. Historical data are available from the Banking Section, Divisio Research and Statistics, Board of Governors of the Federal Reserve Syst Washington, D.C. 20551.

1.22 BANK DEBITS AND DEPOSIT TURNOVER

Debits are shown in billions of dollars, turnover as ratio of debits to deposits. Monthly data are at annual rates.

Bank group, or type of customer	1981[1]	1982[1]	1983[1]	1984 Apr.	May	June	July	Aug	Sept.
				Seasonally adjusted					
DEBITS TO									
Demand deposits[2]									
1 All insured banks	80,858.7	90,914.4	109,642.2	129,229.4	131,456.9	121,488.2	128,299.3	128,141.9	n.a.
2 Major New York City banks	34,108.1	37,932.8	47,769.4	57,868.3	60,351.3	53,147.7	55,340.6	57,096.5	n.a.
3 Other banks	46,966.5	52,981.5	61,873.1	71,361.1	71,105.6	68,340.4	72,958.7	71,045.4	n.a.
4 ATS-NOW accounts[3]	761.0	1,036.2	1,405.5	1,132.1	1,608.9	1,515.8	1,658.9	1,851.9	n.a.
5 Savings deposits[4]	679.6	720.3	741.4	606.5	688.8	677.9	682.4	694.5	n.a.
DEPOSIT TURNOVER									
Demand deposits[2]									
6 All insured banks	285.8	324.2	379.7	441.7	442.7	401.8	433.0	436.7	n.a.
7 Major New York City banks	1,116.7	1,287.6	1,528.0	2,012.5	1,938.7	1,665.2	1,774.3	1,834.6	n.a.
8 Other banks	185.9	211.1	240.9	270.5	267.5	252.7	275.2	270.9	n.a.
9 ATS-NOW accounts[3]	14.4	14.4	15.6	14.6	16.0	15.1	16.6	18.3	n.a.
10 Savings deposits[4]	4.1	4.5	5.4	4.8	5.5	5.4	5.5	5.6	n.a.
				Not seasonally adjusted					
DEBITS TO									
Demand deposits[2]									
11 All insured banks	81,197.9	91,031.8	109,517.6	121,514.4	132,521.7	128,522.3	124,604.3	133,844.2	n.a.
12 Major New York City banks	34,032.0	38,001.0	47,707.4	53,514.4	60,214.5	57,168.1	54,060.5	59,743.8	n.a.
13 Other banks	47,165.9	53,030.8	64,310.2	68,000.0	72,307.2	71,354.3	70,543.8	74,100.3	n.a.
14 ATS-NOW accounts[3]	737.6	1,027.1	1,397.0	1,670.1	1,599.0	1,621.7	1,598.5	1,629.4	n.a.
15 MMDA[5]	....	....	567.4	918.9	883.6	894.8	891.7	888.2	n.a.
16 Savings deposits[4]	672.9	720.0	742.0	665.7	673.8	686.2	686.3	680.3	n.a.
DEPOSIT TURNOVER									
Demand deposits[2]									
17 All insured banks	286.4	325.0	379.9	410.8	456.8	428.6	418.1	465.7	n.a.
18 Major New York City banks	1,114.2	1,295.7	1,510.0	1,770.2	1,997.1	1,792.0	1,738.1	2,008.0	n.a.
19 Other banks	186.2	211.5	240.5	256.0	278.1	266.3	264.3	287.6	n.a.
20 ATS-NOW accounts[3]	14.0	14.4	15.5	16.4	16.1	16.2	16.0	16.4	n.a.
21 MMDA[5]	....	....	2.8	3.8	3.6	3.7	3.7	3.7	n.a.
22 Savings deposits[4]	4.1	4.5	5.4	5.2	5.3	5.5	5.4	5.5	n.a.

1. Annual averages of monthly figures.
2. Represents accounts of individuals, partnerships, and corporations and of states and political subdivisions.
3. Accounts authorized for negotiable orders of withdrawal (NOW) and accounts authorized for automatic transfer to demand deposits (ATS). ATS data availability starts with December 1978.
4. Excludes ATS and NOW accounts, MMDA and special club accounts, such as Christmas and vacation clubs.
5. Money market deposit accounts.

NOTE. Historical data for demand deposits are available back to 1970 estimated in part from the debits series for 233 SMSAs that were available through June 1977. Historical data for ATS-NOW and savings deposits are available back to July 1977. Back data are available on request from the Banking Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

These data also appear on the Board's G.6 (406) release. For address, see inside front cover.

1.23 LOANS AND SECURITIES All Commercial Banks[1]

Billions of dollars; averages of Wednesday figures

Category	1982 Dec.	1983 Dec.	1984 June[r]	1984 July[r]	1984 Aug.[r]	1984 Sept.	1982 Dec.	1983 Dec.	1984 June[r]	1984 July[r]	1984 Aug.[r]	1984 Sept
	Seasonally adjusted						Not seasonally adjusted					
1 **Total loans and securities[3,4]**	**1,412.0**	**1,568.1**	**1,652.6**	**1,664.7**	**1,675.5**	**1,685.8**	**1,422.4**	**1,579.5**	**1,649.9**	**1,657.9**	**1,668.8**	**1,68**
2 U.S. Treasury securities	130.9	188.0	181.7	182.8	184.8	183.7	131.5	188.8	182.3	181.4	182.7	18
3 Other securities[4]	239.2	247.5	248.2	247.7	249.6	251.0	240.6	249.0	247.9	246.4	248.8	25
4 Total loans and leases[3,4]	1,042.0	1,132.6	1,222.7	1,234.2	1,241.1	1,251.1	1,050.3	1,141.7	1,219.8	1,230.0	1,237.3	1,25
5 Commercial and industrial loans[4]	392.3	413.7	453.2	456.6	459.7	462.4	394.5	416.1	452.4	455.2	457.0	46
6 Real estate loans[4]	303.1	334.6	359.3	362.7	366.2	369.5	304.0	335.5	357.5	361.6	365.8	37
7 Loans to individuals	191.9	219.7	244.0	248.3	251.2	253.0	193.2	221.2	243.0	247.1	251.5	25
8 Security loans	24.7	27.3	24.4	24.6	22.3	25.6	25.5	28.2	25.7	24.0	23.0	2
9 Loans to nonbank financial institutions	31.1	29.7	32.5	32.1	31.0	31.0	32.1	30.6	32.1	31.5	30.9	3
10 Agricultural loans	36.3	39.6	41.0	41.1	41.4	41.6	36.3	39.6	41.2	41.6	41.9	4
11 Lease financing receivables	13.1	13.1	13.7	13.8	14.1	14.3	13.1	13.1	13.7	13.8	14.1	1
12 All other loans	49.5	55.0	54.6	54.8	55.2	53.7	51.5	57.3	54.2	55.2	53.2	5
MEMO												
13 **Total loans and securities plus loans sold[3,4,5]**	**1,415.0**	**1,570.5**	**1,655.3**	**1,667.6**	**1,678.4**	**1,688.8**	**1,425.4**	**1,581.9**	**1,652.6**	**1,660.7**	**1,671.8**	**1,69**
14 Total loans plus loans sold[3,4,5]	1,044.9	1,135.0	1,225.3	1,237.0	1,244.1	1,254.1	1,053.3	1,144.1	1,222.4	1,232.9	1,240.3	1,25
15 Total loans sold to affiliates[3]	2.9	2.4	2.7	2.9	2.9	3.0	2.9	2.4	2.7	2.9	2.9	[illegible]
16 Commercial and industrial loans plus loans sold[4,5]	394.5	415.5	455.1	458.7	461.8	464.6	396.8	417.9	454.4	457.2	459.1	46
17 Commercial and industrial loans sold[5]	2.3	1.8	1.9	2.0	2.1	2.2	2.3	1.8	1.9	2.0	2.1	[illegible]
18 Acceptances held	8.5	8.3	9.6	10.0	10.0	9.4	9.5	9.1	9.6	10.0	9.7	[illegible]
19 Other commercial and industrial loans	383.7	405.4	443.6	446.6	449.7	453.0	385.1	407.0	442.8	445.2	447.3	45
20 To U.S. addressees[6]	373.4	395.2	430.6	434.1	437.3	440.9	372.6	394.4	431.2	433.2	435.2	44
21 To non-U.S. addressees	10.3	10.3	13.0	12.5	12.4	12.1	12.4	12.6	11.6	12.0	12.1	11
22 Loans to foreign banks	13.5	12.7	12.6	12.5	12.4	11.5	14.5	13.6	12.2	12.2	11.9	11

1. Includes domestically chartered banks; U.S. branches and agencies of foreign banks, New York investment companies majority owned by foreign banks, and Edge Act corporations owned by domestically chartered and foreign banks.
2. Beginning December 1981, shifts of foreign loans and securities from U.S. banking offices to international banking facilities (IBFs) reduced the levels of several items. Seasonally adjusted data that include adjustments for the amounts shifted from domestic offices to IBFs are available in the Board's G.7 (407) statistical release (available from Publications Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551).
3. Excludes loans to commercial banks in the United States.
4. Beginning Sept. 19, 1984, a reclassification of loans decreased commercial and industrial loans and increased real estate loans by $200 million. Beginning Sept. 26, 1984, a transfer of loans from Continental Illinois National Bank to the FDIC reduced total loans and investments and total loans $1.9 billion, commercial and industrial loans $1.4 billion, and real estate loans $.4 billion.
5. Loans sold are those sold outright to a bank's own foreign branch nonconsolidated nonbank affiliates of the bank, the bank's holding company not a bank), and nonconsolidated nonbank subsidiaries of the holding compar
6. United States includes the 50 states and the District of Columbia.

NOTE. Data are prorated averages of Wednesday estimates for domestica chartered banks, based on weekly reports of a sample of domestically charter banks and quarterly reports of all domestically chartered banks. For foreig related institutions, data are averages of month-end estimates based on week reports from large agencies and branches and quarterly reports from all agenci branches, investment companies, and Edge Act corporations engaged in bankir

These data also appear in the Board's G.7 (407) release. For address, see insi front cover.

1.24 MAJOR NONDEPOSIT FUNDS OF COMMERCIAL BANKS[1]

Monthly averages, billions of dollars

Source	1981	1982	1983		1984								
	Dec.	Dec.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
Total nondeposit funds													
1 Seasonally adjusted[2]	96.3	82.9	96.3	100.3	98.2	102.3	108.1	111.7	116.7	105.3	105.9	109.8	112.8
2 Not seasonally adjusted	98.1	84.9	99.6	102.5	99.3	103.8	109.5	112.9	121.0	108.2	106.3	112.4	113.6
Federal funds, RPs, and other borrowings from nonbanks[3]													
3 Seasonally adjusted	111.8	127.7	140.8	140.7	139.4	143.0	141.8	142.3	142.4	136.8	137.5	142.7[r]	145.0
4 Not seasonally adjusted	113.5	129.7	144.1	142.8	140.4	144.5	143.3	143.5	146.7	139.6	137.8[r]	145.3[r]	145.8
5 Net balances due to foreign-related institutions, not seasonally adjusted	−18.1	−47.7	−47.0	−42.7	−43.6	−43.2	−36.9	−33.8	−28.5	−34.1	−34.4	−35.8	−35.2
6 Loans sold to affiliates, not seasonally adjusted[4]	2.8	2.9	2.5	2.4	2.4	2.5	3.1	3.1	2.8	2.7	2.9	2.9	3.0
MEMO													
7 Domestically chartered banks' net positions with own foreign branches, not seasonally adjusted[5]	−22.4	−39.6	−43.0	−39.8	−38.8	−39.0	−34.9	−33.2	−29.9	−32.9	−33.1	−35.0	−35.1
8 Gross due from balances	54.9	72.2	76.5	75.3	73.2	74.7	73.8	73.6	73.5	73.8	71.2	72.8	71.4
9 Gross due to balances	32.4	32.6	33.6	35.5	34.5	35.7	38.8	40.3	43.6	40.8	38.1	37.8	36.3
10 Foreign-related institutions' net positions with directly related institutions, not seasonally adjusted[6]	4.3	−8.1	−4.0	−3.0	−4.8	−4.2	−1.9	−.6	1.4	−1.1	−1.3	−.8	−.1
11 Gross due from balances	48.1	54.7	53.5	54.1	53.4	53.0	50.2	49.7	50.0	51.0	52.2	52.0	51.9
12 Gross due to balances	52.4	46.6	49.5	51.1	48.6	48.8	48.3	49.2	51.4	49.8	50.9	51.1	51.9
Security RP borrowings													
13 Seasonally adjusted[7]	59.0	71.0	83.3	84.8	85.5	86.9	85.5	86.9	84.0	79.0	79.9	82.7[r]	84.2
14 Not seasonally adjusted	59.2	71.2	84.6	85.1	84.6	86.5	85.1	86.2	86.4	80.0	78.4	83.4[r]	83.0
U.S. Treasury demand balances[8]													
15 Seasonally adjusted	12.2	12.8	12.0	13.1	16.5	20.6	16.7	15.9	12.2	12.9	11.7	12.7	16.6
16 Not seasonally adjusted	11.1	10.8	7.5	10.8	19.6	22.3	17.5	16.5	12.8	12.4	11.8	10.3	17.5
Time deposits, $100,000 or more[9]													
17 Seasonally adjusted	325.4	347.9	280.7	283.1	284.4	283.8	289.2	292.4	302.9	312.8	315.7	313.2	312.5
18 Not seasonally adjusted	330.4	354.6	283.0	288.1	287.1	285.0	288.8	288.7	298.8	307.7	311.6	314.2	315.2

1. Commercial banks are those in the 50 states and the District of Columbia with national or state charters plus agencies and branches of foreign banks, New York investment companies majority owned by foreign banks, and Edge Act corporations owned by domestically chartered and foreign banks.
2. Includes seasonally adjusted federal funds, RPs, and other borrowings from nonbanks and not seasonally adjusted net Eurodollars and loans to affiliates. Includes averages of Wednesday data for domestically chartered banks and averages of current and previous month-end data for foreign-related institutions.
3. Other borrowings are borrowings on any instrument, such as a promissory note or due bill, given for the purpose of borrowing money for the banking business. This includes borrowings from Federal Reserve Banks and from foreign banks, term federal funds, overdrawn due from bank balances, loan RPs, and participations in pooled loans. Includes averages of daily figures for member banks and averages of current and previous month-end data for foreign-related institutions.
4. Loans initially booked by the bank and later sold to affiliates that are still held by affiliates. Averages of Wednesday data.
5. Averages of daily figures for member and nonmember banks.
6. Averages of daily data.
7. Based on daily average data reported by 122 large banks.
8. Includes U.S. Treasury demand deposits and Treasury tax-and-loan notes at commercial banks. Averages of daily data.
9. Averages of Wednesday figures.

NOTE. These data also appear in the Board's G.10 (411) release. For address see inside front cover.

1.25 ASSETS AND LIABILITIES OF COMMERCIAL BANKING INSTITUTIONS Last-Wednesday-of-Month S

Billions of dollars except for number of banks

Account	1982	1983								
	Dec.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.
DOMESTICALLY CHARTERED COMMERCIAL BANKS[1]										
1 Loans and securities, excluding interbank	1,370.3	1,392.2	1,403.8	1,411.9	1,435.1	1,437.4	1,457.0	1,466.1	1,483.0	1,502.3
2 Loans, excluding interbank	1,000.7	1,001.7	1,005.1	1,007.5	1,025.6	1,029.1	1,043.4	1,049.7	1,060.3	1,075.5
3 Commercial and industrial	356.7	358.0	357.9	356.7	360.1	361.1	363.0	364.0	367.0	372.8
4 Other	644.0	643.7	647.2	650.8	665.6	668.0	680.4	685.7	693.3	702.7
5 U.S. Treasury securities	129.0	150.6	155.5	160.9	166.0	165.1	167.5	171.2	176.8	180.4
6 Other securities	240.5	239.9	243.3	243.5	243.5	243.3	246.1	245.2	245.9	246.4
7 Cash assets, total	184.4	168.9	170.1	164.5	176.9	168.7	176.9	160.0	164.0	179.0
8 Currency and coin	23.0	19.9	20.4	20.3	21.3	20.7	21.0	20.8	20.5	22.3
9 Reserves with Federal Reserve Banks	25.4	20.5	23.9	22.4	18.8	20.6	22.5	15.4	19.7	17.6
10 Balances with depository institutions	67.6	67.1	66.1	65.6	69.7	67.1	69.0	66.7	67.1	70.9
11 Cash items in process of collection	68.4	61.5	59.6	56.3	67.1	60.3	64.4	56.9	56.6	69.0
12 Other assets[2]	265.3	257.9	252.4	248.3	253.2	254.5	257.2	252.3	253.0	261.9
13 Total assets/total liabilities and capital	**1,820.0**	**1,818.9**	**1,826.3**	**1,824.8**	**1,865.2**	**1,860.6**	**1,891.0**	**1,878.4**	**1,900.0**	**1,943.9**
14 Deposits	1,361.8	1,374.2	1,368.0	1,370.8	1,402.7	1,396.5	1,420.1	1,408.1	1,419.5	1,459.2
15 Demand	363.9	333.4	329.2	324.5	344.4	334.2	344.7	328.1	331.3	358.1
16 Savings	296.4	419.2	426.9	440.2	445.3	447.5	449.0	448.8	451.5	458.3
17 Time	701.5	621.6	611.9	606.1	613.1	614.8	626.4	631.2	636.8	642.8
18 Borrowings	215.1	211.3	224.0	214.1	221.2	217.5	217.2	217.8	226.8	219.7
19 Other liabilities	109.2	103.5	102.3	104.7	104.3	105.5	107.6	107.1	106.5	112.6
20 Residual (assets less liabilities)	133.8	130.0	132.0	135.1	137.0	141.0	146.1	145.4	147.2	152.4
MEMO										
21 U.S. Treasury note balances included in borrowing	10.7	9.6	17.8	2.7	19.3	19.3	14.8	20.8	22.5	2.8
22 Number of banks	14,787	14,819	14,823	14,817	14,826	14,785	14,795	14,804	14,800	14,799
ALL COMMERCIAL BANKING INSTITUTIONS[3]										
23 Loans and securities, excluding interbank	1,429.7	1,451.3	1,460.8	1,467.6	1,491.5	1,494.1	1,515.4	1,525.4	1,541.8	1,563.2
24 Loans, excluding interbank	1,054.8	1,054.5	1,055.7	1,056.4	1,075.2	1,078.8	1,094.9	1,102.5	1,112.2	1,129.2
25 Commercial and industrial	395.3	395.9	393.5	391.7	395.3	397.7	400.6	402.7	405.3	412.0
26 Other	659.5	658.6	662.2	664.7	679.9	681.2	694.3	699.8	706.8	717.2
27 U.S. Treasury securities	132.8	155.3	160.2	166.1	171.3	170.3	172.7	176.1	182.0	185.9
28 Other securities	242.1	241.5	244.9	245.2	245.1	245.0	247.8	246.9	247.7	248.1
29 Cash assets, total	200.7	185.5	186.3	180.3	193.5	185.2	193.3	174.7	178.4	195.0
30 Currency and coin	23.0	19.9	20.4	20.3	21.3	20.7	21.1	20.9	20.5	22.3
31 Reserves with Federal Reserve Banks	26.8	22.0	25.4	23.8	20.0	21.9	24.0	16.6	20.8	19.1
32 Balances with depository institutions	81.4	81.0	79.8	78.9	84.0	81.2	82.8	79.3	79.5	83.6
33 Cash items in process of collection	69.4	62.6	60.7	57.3	68.2	61.4	65.4	58.0	57.6	70.0
34 Other assets[2]	341.7	325.4	317.8	309.5	318.1	318.7	324.6	320.9	318.8	329.7
35 Total assets/total liabilities and capital	**1,972.1**	**1,962.2**	**1,964.9**	**1,957.4**	**2,003.2**	**1,998.0**	**2,033.3**	**2,021.0**	**2,039.1**	**2,088.0**
36 Deposits	1,409.7	1,419.5	1,411.0	1,413.1	1,443.8	1,438.1	1,461.4	1,448.9	1,459.0	1,499.4
37 Demand	376.2	345.7	341.1	336.4	356.4	346.4	356.6	340.0	343.2	369.9
38 Savings	296.7	419.7	427.3	440.7	445.7	448.0	449.5	449.3	452.0	458.8
39 Time	736.7	654.1	642.6	636.0	641.6	643.8	655.3	659.5	663.8	670.6
40 Borrowings	278.3	269.9	281.3	269.5	278.2	277.9	280.5	282.6	289.6	282.5
41 Other liabilities	148.4	141.1	138.6	137.9	142.3	139.1	143.4	142.3	141.5	151.9
42 Residual (assets less liabilities)	135.7	131.9	133.9	137.0	138.9	142.9	148.0	147.3	149.1	154.2
MEMO										
43 U.S. Treasury note balances included in borrowing	10.7	9.6	17.8	2.7	19.3	19.3	14.8	20.8	22.5	2.8
44 Number of banks	15,329	15,376	15,390	15,385	15,396	15,359	15,370	15,382	15,383	15,382

1. Domestically chartered commercial banks include all commercial banks in the United States except branches of foreign banks; included are member and nonmember banks, stock savings banks, and nondeposit trust companies.
2. Other assets include loans to U.S. commercial banks.
3. Commercial banking institutions include domestically chartered commercial banks, branches and agencies of foreign banks, Edge Act and Agreement corporations, and New York State foreign investment corporations.

NOTE. Figures are partly estimated. They include all bank-premises su ies and other significant majority-owned domestic subsidiaries. Data for d cally chartered commercial banks are for the last Wednesday of the mon for other banking institutions are estimates made on the last Wednesda month based on a weekly reporting sample of foreign-related instituti quarter-end condition report data.

1.26 ALL LARGE WEEKLY REPORTING COMMERCIAL BANKS with Domestic Assets of $1.4 Billion or More on December 31, 1982, Assets and Liabilities

Millions of dollars, Wednesday figures

Account	1984								
	Aug. 22	Aug. 29	Sept. 5r	Sept. 12	Sept. 19	Sept. 26r	Oct. 3	Oct. 10	Oct. 17
1 Cash and balances due from depository institutions	82,438	81,090	93,437	93,142r	85,682	83,870	89,629	93,025	88,155
2 **Total loans, leases and securities, net**	**765,327**	**767,771**	**779,288**	**780,814**	**780,956**	**779,441**	**779,901**	**786,892**	**779,448**
Securities									
3 U.S. Treasury and government agency	75,847	75,036	76,733	76,794	76,183	75,318	74,037	75,373	75,903
4 Trading account	12,440	11,612	13,281	13,340	12,961	12,031	11,148	12,499	12,663
5 Investment account, by maturity	63,408	63,423	63,452	63,454	63,222	63,287	62,889	62,874	63,239
6 One year or less	16,731r	16,732r	17,492	17,476r	17,181r	17,283	18,308	18,349	18,548
7 Over one through five years	34,582r	34,527r	33,784	33,864r	33,765r	33,788	32,421	32,397	32,678
8 Over five years	12,095	12,164	12,176	12,114	12,277	12,216	12,160	12,128	12,013
9 Other securities	47,918	48,090	47,834	48,096	48,367	49,083	47,745	47,344	47,555
10 Trading account	5,318	5,438	5,065	5,159	5,274	5,872	4,714	4,155	4,388
11 Investment account	42,600	42,652	42,768	42,937	43,093	43,211	43,031	43,190	43,167
12 States and political subdivisions, by maturity	38,912	38,971	38,995	39,144	39,300	39,368	39,123	39,226	39,213
13 One year or less	4,470	4,454	4,440	4,503	4,586	4,686	4,642	4,599	4,497
14 Over one year	34,443	34,517	34,555	34,641	34,714	34,682	34,482	34,628	34,715
15 Other bonds, corporate stocks, and securities	3,688	3,681	3,773	3,793	3,793	3,843	3,907	3,963	3,954
16 Other trading account assets	2,759	2,902	3,457	2,859	2,910	3,027	2,811	2,500	2,862
Loans and leases									
17 Federal funds sold[1]	42,631	44,774	48,546	49,803	47,820	47,733	47,463	52,620	45,826
18 To commercial banks	30,240	32,848	34,578	34,922	34,196	34,595	34,539	37,759	32,008
19 To nonbank brokers and dealers in securities	7,474	7,157	9,090	9,182	8,588	8,912	8,664	10,107	9,175
20 To others	4,916	4,769	4,878	5,698	5,036	4,226	4,260	4,755	4,642
21 Other loans and leases, gross[2]	611,662	612,512	618,352	618,970	621,412	619,505	623,200	624,430	622,741
22 Other loans, gross[2]	599,592r	600,386r	606,206	606,774r	609,202	607,290	610,925	612,175	610,459
23 Commercial and industrial[2]	242,930r	242,082r	243,992	244,381r	246,053r	244,030	246,290	246,476	245,490
24 Bankers acceptances and commercial paper	3,848	3,511	3,724	3,431	3,472	3,224	3,616	3,480	3,615
25 All other	239,082r	238,571r	240,268	240,950r	242,581r	240,806	242,674	242,996	241,875
26 U.S. addressees	232,648r	232,113r	233,725	234,477r	236,129r	234,283	236,018	236,391	235,323
27 Non-U.S. addressees	6,434r	6,458	6,543	6,474	6,452	6,523	6,655	6,604	6,552
28 Real estate loans[2]	153,081r	153,226r	153,366	154,203r	154,713r	154,842	154,983	155,402	156,032
29 To individuals for personal expenditures	102,265r	103,003r	103,281	103,692r	104,287r	104,736	105,126	105,205	105,738
30 To depository and financial institutions	40,066r	40,331r	41,260	41,509r	40,265r	39,874	39,843	39,813	39,791
31 Commercial banks in the United States	8,578	8,743	9,195	9,640	8,848	9,393	8,808	9,222	9,189
32 Banks in foreign countries	6,359	6,105	6,571	6,186	5,971	5,969	6,100	5,931	6,093
33 Nonbank depository and other financial institutions	25,129r	25,483r	25,494	25,683r	25,446r	24,513	24,935	24,660	24,509
34 For purchasing and carrying securities	11,398	11,485	13,295	12,497	12,921	13,321	13,354	14,546	12,842
35 To finance agricultural production	7,531	7,532	7,520	7,503	7,480	7,427	7,445	7,408	7,326
36 To states and political subdivisions	25,730	25,815	25,703	[illegible]	25,693	25,874	25,499	25,462	25,532
37 To foreign governments and official institutions	4,062r	4,190r	4,157	4,212r	4,344r	4,465	4,343	4,440	4,377
38 All other	12,527r	12,720r	13,632	13,186r	13,444r	12,721	14,042	13,421	13,329
39 Lease financing receivables	12,070r	12,126r	12,146	12,196r	12,210	12,214	12,274	12,255	12,281
40 LESS: Unearned income	5,158	5,178	5,147	5,167	5,191	5,161	5,126	5,130	5,148
41 Loan and lease reserve[2]	10,333	10,365	10,486	10,540	10,544	10,064	10,228	10,246	10,291
42 Other loans and leases, net[2]	596,171	596,969	602,718	603,262	605,676	604,280	607,845	609,053	607,302
43 All other assets	138,556	138,030	140,957	140,273r	139,598	138,328	139,388	138,096	134,644
44 **Total assets**	**986,321**	**986,891**	**1,013,682**	**1,014,229r**	**1,006,237**	**1,001,639**	**1,008,918**	**1,018,013**	**1,002,246**
Deposits									
45 Demand deposits	171,056r	172,388r	191,026	185,166r	179,456	176,251	185,925	192,072	179,306
46 Individuals, partnerships, and corporations	131,064	131,679	144,041	142,494r	135,135	132,639	139,054	145,127	137,505
47 States and political subdivisions	4,445r	4,360r	4,962	4,218r	4,822	4,490	4,855	4,571	4,964
48 U.S. government	2,089	2,151	1,393	2,393	4,119	2,253	3,942	1,465	1,138
49 Depository institutions in United States	19,886	19,166	25,025	21,727r	20,352	21,201	22,537	25,507	20,924
50 Banks in foreign countries	5,585	6,099	6,262	5,866	5,847	5,664	6,278	6,238	5,828
51 Foreign governments and official institutions	998	782	913	868	963	1,016	752	859	803
52 Certified and officers' checks	6,988	8,150	8,430	7,599	8,218	8,988	8,506	8,305	8,142
53 Transaction balances other than demand deposits (ATS, NOW, Super NOW, telephone transfers)	32,574r	32,242r	34,599	33,847r	32,832	31,800	33,857	33,703	33,052
54 Nontransaction balances	436,046	436,066	436,549	437,168r	436,966	439,731	440,679	441,544	442,469
55 Individuals, partnerships and corporations	403,528r	403,369r	404,168	404,528r	404,146r	405,950	407,433	407,911	408,458
56 States and political subdivisions	20,955r	21,159r	20,976	21,184r	21,398r	21,584	21,269	21,647	21,715
57 U.S. government	310r	327r	336	332r	331	332	338	356	371
58 Depository institutions in the United States	7,810r	7,779r	7,463	7,569r	7,569r	8,358	8,326	8,421	8,671
59 Foreign governments, official institutions and banks	3,444	3,432	3,606	3,556	3,522	3,507	3,312	3,209	3,254
60 Liabilities for borrowed money	183,221	185,222	190,717	195,897	195,335	192,758	188,381	189,938	184,495
61 Borrowings from Federal Reserve Banks	6,992	7,260	6,900	6,890	6,990	4,000	5,110	5,275	5,893
62 Treasury tax-and-loan notes	5,416	4,677	3,320	6,142r	14,446	16,569	7,973	2,925	2,440
63 All other liabilities for borrowed money[3]	170,814	173,285	180,497	182,865r	173,900	172,190	175,298	181,738	176,162
64 Other liabilities and subordinated note and debentures	96,126	93,805	92,969	94,374r	94,047	92,286	90,696	90,883	93,172
65 **Total liabilities**	**919,024**	**919,723**	**945,862**	**946,453r**	**938,637**	**932,827**	**939,538**	**948,140**	**932,494**
66 Residual (total assets minus total liabilities)[4]	67,298	67,168	67,820	67,776	67,600	68,812	69,380	69,873	69,752

1. Includes securities purchased under agreements to resell.
2. Levels of major loan items were affected by the Sept. 26, 1984 transaction between Continental Illinois National Bank and the Federal Deposit Insurance Corporation. For details see the H.4.2 statistical release dated Oct. 5, 1984.
3. Includes federal funds purchased and securities sold under agreements to repurchase; for information on these liabilities at banks with assets of $1 billion or more on Dec. 31, 1977, see table 1.13.
4. This is not a measure of equity capital for use in capital adequacy analysis or for other analytic uses.

NOTE. These data also appear in the Board's H.4.2 (504) release. For address, see inside front cover.

1.28 LARGE WEEKLY REPORTING COMMERCIAL BANKS IN NEW YORK CITY Assets and Liabilities

Millions of dollars, Wednesday figures

Account	1984							
	Aug. 22	Aug. 29	Sept. 5	Sept. 12	Sept. 19	Sept. 26	Oct. 3	Oct. 10
1 Cash and balances due from depository institutions	19,834	20,925	20,292	22,380	21,670	20,334	22,121	21,562
2 **Total loans, leases and securities, net**[1]	**159,552**	**159,983**	**164,473**	**165,493**	**165,256**	**164,874**[r]	**165,072**	**168,071**
Securities								
3 U.S. Treasury and government agency[2]	......	......	......	......	......	......	......	......
4 Trading account[2]	......	......	......	......	......	......	......	......
5 Investment account, by maturity	9,639	9,538	9,604	9,468	9,549	9,598	9,547	9,608
6 One year or less	1,734	1,733	1,794	1,674	1,671	1,667	1,592	1,593
7 Over one through five years	6,749	6,648	6,558	6,542	6,531	6,580	6,608	6,671
8 Over five years	1,157	1,157	1,252	1,252	1,346	1,351	1,348	1,344
9 Other securities[2]	......	......	......	......	......	......	......	......
10 Trading account[2]	......	......	......	......	......	......	......	......
11 Investment account	9,380	9,429	9,520	9,563	9,650	9,685	9,679	9,712
12 States and political subdivisions, by maturity	8,710	8,762	8,824	8,865	8,948	8,970	8,937	8,954
13 One year or less	1,342	1,366	1,371	1,398	1,465	1,485	1,455	1,470
14 Over one year	7,368	7,396	7,454	7,467	7,483	7,485	7,482	7,484
15 Other bonds, corporate stocks and securities	670	667	696	698	701	715	741	758
16 Other trading account assets[2]	......	......	......	......	......	......	......	......
Loans and leases								
17 Federal funds sold[3]	11,640	12,683	13,282	14,501	14,186	14,966	14,202	16,451
18 To commercial banks	6,440	7,372	7,098	7,750	7,798	8,811	8,094	9,311
19 To nonbank brokers and dealers in securities	2,652	2,585	3,589	3,688	3,605	3,701	3,869	4,596
20 To others	2,548	2,725	2,595	3,063	2,783	2,453	2,239	2,544
21 Other loans and leases, gross	133,469	132,935	136,736	136,652	136,598	135,260[r]	136,248	136,924
22 Other loans, gross	131,292	130,758	134,552	134,471	134,416	133,069[r]	134,055	134,744
23 Commercial and industrial	64,059	63,722	64,705	65,042	65,374	64,118	64,942	65,097
24 Bankers acceptances and commercial paper	909	700	809	665	637	511	590	550
25 All other	63,150	63,022	63,896	64,378	64,737	63,608	64,352	64,546
26 U.S. addressees	62,161	62,027	62,898	63,407	63,757	62,644	63,320	63,506
27 Non-U.S. addressees	990	995	998	971	980	964	1,032	1,040
28 Real estate loans	22,430	22,521	22,579	23,031	23,017	23,188	23,125	23,143
29 To individuals for personal expenditures	14,910	15,027	15,040	15,116	15,198	15,215	15,238	15,271
30 *To depository and financial institutions*	12,338	11,967	12,684	12,700	12,003	11,909[r]	11,746	11,703
31 Commercial banks in the United States	1,556	1,489	1,677	1,950	1,593	1,912[r]	1,487	1,486
32 Banks in foreign countries	2,372	2,037	2,473	2,148	1,987	2,063[r]	2,167	2,174
33 Nonbank depository and other financial institutions	8,410	8,440	8,534	8,601	8,422	7,935	8,092	8,043
34 For purchasing and carrying securities	5,338	5,056	6,871	6,115	6,242	6,365	6,323	7,226
35 To finance agricultural production	334	338	334	343	342	342	357	356
36 To states and political subdivisions	8,180	8,160	8,146	8,081	8,097	8,150	7,963	7,860
37 To foreign governments and official institutions	460[r]	572[r]	492[r]	522[r]	635[r]	776[r]	734	876
38 All other	3,242[r]	3,395[r]	3,701[r]	3,521[r]	3,508[r]	3,005[r]	3,627	3,212
39 Lease financing receivables	2,177	2,178	2,184	2,181	2,182	2,191	2,193	2,180
40 LESS: Unearned income	1,497	1,501	1,498	1,507	1,546	1,506	1,484	1,480
41 Loan and lease reserve	3,079	3,102	3,171	3,184	3,180	3,128	3,120	3,144
42 Other loans and leases, net	128,893	128,333	132,067	131,961	131,872	130,626[r]	131,644	132,300
43 All other assets[4]	67,380	67,264	70,206	68,621	67,787	67,624	67,013	67,305
44 **Total assets**	**246,766**	**248,172**	**254,972**	**256,494**	**254,712**	**252,832**[r]	**254,206**	**256,938**
Deposits								
45 Demand deposits	42,622	45,079	47,497	46,484	46,684	46,136[r]	46,223	48,347
46 Individuals, partnerships, and corporations	28,939	30,286	31,669	31,494[r]	31,099	29,686[r]	30,549	32,240
47 States and political subdivisions	534	512	553	575	620	658	838	725
48 U.S. government	403	460	211	539	785	452	850	225
49 Depository institutions in the United States	4,742	4,384	5,717	5,112[r]	4,805	5,406[r]	4,706	5,984
50 Banks in foreign countries	4,226	4,783	4,874	4,548	4,571	4,328[r]	4,910	4,790
51 Foreign governments and official institutions	790	573	678	635	743	744[r]	511	649
52 Certified and officers' checks	2,988	4,082	3,795	3,580	4,060	4,863	3,859	3,735
53 Transaction balances other than demand deposits ATS, NOW, Super NOW, telephone transfers)	3,491	3,453	3,685	3,632	3,565	3,418	3,599	3,626
54 Nontransaction balances	80,729	80,576	80,963	81,259	81,400	81,428	81,560	81,038
55 Individuals, partnerships and corporations	72,190	72,039	72,395	72,780	72,885	72,875	73,227	72,696
56 States and political subdivisions	3,959	4,026	4,011	4,050	4,107	4,139	4,258	4,325
57 U.S. government	35	35	25	25	25	24	23	27
58 Depository institutions in the United States	2,662	2,603	2,564	2,434	2,419	2,418	2,264	2,224
59 Foreign governments, official institutions and banks	1,882	1,873	1,968	1,969	1,965	1,972	1,788	1,765
60 Liabilities for borrowed money	58,338	59,040	61,991	64,048	61,963	61,362	61,935	62,752
61 Borrowings from Federal Reserve Banks	......	......	......	......	......	......	......	......
62 Treasury tax-and-loan notes	1,239	1,024	723	1,304	3,677	4,084	1,816	582
63 All other liabilities for borrowed money[5]	57,100	58,017	61,268	62,744	58,285	57,278	60,118	62,171
64 Other liabilities and subordinated note and debentures	39,210	37,711	38,372	38,590	38,768	38,162[r]	38,287	38,444
65 **Total liabilities**	**224,390**	**225,860**	**232,509**	**234,013**	**232,380**	**230,506**[r]	**231,604**	**234,206**
66 Residual (total assets minus total liabilities)[6]	22,376	22,312	22,463	22,481	22,333	22,326	22,602	22,732

1. Excludes trading account securities.
2. Not available due to confidentiality.
3. Includes securities purchased under agreements to resell.
4. Includes trading account securities.
5. Includes federal funds purchased and securities sold under agreements to repurchase.
6. Not a measure of equity capital for use in capital adequacy analys other analytic uses.

NOTE. These data also appear in the Board's H.4.2 (504) release. For see inside front cover.

1.28 LARGE WEEKLY REPORTING COMMERCIAL BANKS IN NEW YORK CITY Assets and Liabilities

Millions of dollars, Wednesday figures

Account	1984								
	Aug. 22	Aug. 29	Sept. 5	Sept. 12	Sept. 19	Sept. 26	Oct. 3	Oct. 10	Oct. 17
1 Cash and balances due from depository institutions	19,834	20,925	20,292	22,380	21,670	20,334	22,121	21,562	22,345
2 **Total loans, leases and securities, net[1]**	**159,552**	**159,983**	**164,473**	**165,493**	**165,256**	**164,874r**	**165,072**	**168,071**	**164,272**
Securities									
3 U.S. Treasury and government agency[2]	......	......	......	......	......	......	......	......	......
4 Trading account[2]	......	......	......	......	......	......	......	......	......
5 Investment account, by maturity	9,639	9,538	9,604	9,468	9,549	9,598	9,547	9,608	9,584
6 One year or less	1,734	1,733	1,794	1,674	1,671	1,667	1,592	1,593	1,611
7 Over one through five years	6,749	6,648	6,558	6,542	6,531	6,580	6,608	6,671	6,706
8 Over five years	1,157	1,157	1,252	1,252	1,346	1,351	1,348	1,344	1,268
9 Other securities[2]	......	......	......	......	......	......	......	......	......
10 Trading account[2]	......	......	......	......	......	......	......	......	......
11 Investment account	9,380	9,429	9,520	9,563	9,650	9,685	9,679	9,712	9,642
12 States and political subdivisions, by maturity	8,710	8,762	8,824	8,865	8,948	8,970	8,937	8,954	8,856
13 One year or less	1,342	1,366	1,371	1,398	1,465	1,485	1,455	1,470	1,342
14 Over one year	7,368	7,396	7,454	7,467	7,483	7,485	7,482	7,484	7,514
15 Other bonds, corporate stocks and securities	670	667	696	698	701	715	741	758	786
16 Other trading account assets[2]	......	......	......	......	......	......	......	......	......
Loans and leases									
17 Federal funds sold[3]	11,640	12,683	13,282	14,501	14,186	14,966	14,202	16,451	15,075
18 To commercial banks	6,440	7,372	7,098	7,750	7,798	8,811	8,094	9,311	8,313
19 To nonbank brokers and dealers in securities	2,652	2,585	3,589	3,688	3,605	3,701	3,869	4,596	3,980
20 To others	2,548	2,725	2,595	3,063	2,783	2,453	2,239	2,544	2,782
21 Other loans and leases, gross	133,469	132,935	136,736	136,652	136,598	135,260r	136,248	136,924	134,606
22 Other loans, gross	131,292	130,758	134,552	134,471	134,416	133,069r	134,055	134,744	132,424
23 Commercial and industrial	64,059	63,722	64,705	65,042	65,374	64,118	64,942	65,097	64,115
24 Bankers acceptances and commercial paper	909	700	809	665	637	511	590	550	622
25 All other	63,150	63,022	63,896	64,378	64,737	63,608	64,352	64,546	63,493
26 U.S. addressees	62,161	62,027	62,898	63,407	63,757	62,644	63,320	63,506	62,512
27 Non-U.S. addressees	990	995	998	971	980	964	1,032	1,040	982
28 Real estate loans	22,430	22,521	22,579	23,031	23,017	23,188	23,125	23,143	23,242
29 To individuals for personal expenditures	14,910	15,027	15,040	15,116	15,198	15,215	15,238	15,271	15,313
30 *To depository and financial institutions*	12,338	11,967	12,684	12,700	12,003	11,909r	11,746	11,703	11,734
31 Commercial banks in the United States	1,556	1,489	1,677	1,950	1,593	1,912r	1,487	1,486	1,521
32 Banks in foreign countries	2,372	2,037	2,473	2,148	1,987	2,063r	2,167	2,174	2,187
33 Nonbank depository and other financial institutions	8,410	8,440	8,534	8,601	8,422	7,935	8,092	8,043	8,026
34 For purchasing and carrying securities	5,338	5,056	6,871	6,115	6,242	6,365	6,323	7,226	5,691
35 To finance agricultural production	334	338	334	343	342	342	357	356	379
36 To states and political subdivisions	8,180	8,160	8,146	8,081	8,097	8,150	7,963	7,860	7,843
37 To foreign governments and official institutions	460r	572r	492r	522r	635r	776r	734	876	849
38 All other	3,242r	3,395r	3,701r	3,521r	3,508r	3,005r	3,627	3,212	3,258
39 Lease financing receivables	2,177	2,178	2,184	2,181	2,182	2,191	2,193	2,180	2,182
40 LESS: Unearned income	1,497	1,501	1,498	1,507	1,546	1,506	1,484	1,480	1,485
41 Loan and lease reserve	3,079	3,102	3,171	3,184	3,180	3,128	3,120	3,144	3,151
42 Other loans and leases, net	128,893	128,333	132,067	131,961	131,872	130,626r	131,644	132,300	129,970
43 All other assets[4]	67,380	67,264	70,206	68,621	67,787	67,624	67,013	67,305	65,691
44 **Total assets**	**246,766**	**248,172**	**254,972**	**256,494**	**254,712**	**252,832r**	**254,206**	**256,938**	**252,308**
Deposits									
45 Demand deposits	42,622	45,079	47,497	46,484	46,684	46,136r	46,223	48,347	45,496
46 Individuals, partnerships, and corporations	28,939	30,286	31,669	31,494r	31,099	29,686r	30,549	32,240	30,990
47 States and political subdivisions	534	512	553	575	620	658	838	725	657
48 U.S. government	403	460	211	539	785	452	850	225	135
49 Depository institutions in the United States	4,742	4,384	5,717	5,112r	4,805	5,406r	4,706	5,984	4,862
50 Banks in foreign countries	4,226	4,783	4,874	4,548	4,571	4,328r	4,910	4,790	4,471
51 Foreign governments and official institutions	790	573	678	635	743	744r	511	649	586
52 Certified and officers' checks	2,988	4,082	3,795	3,580	4,060	4,863	3,859	3,735	3,794
53 Transaction balances other than demand deposits ATS, NOW, Super NOW, telephone transfers)	3,491	3,453	3,685	3,632	3,565	3,418	3,599	3,626	3,513
54 Nontransaction balances	80,729	80,576	80,963	81,259	81,400	81,428	81,560	81,038	81,480
55 Individuals, partnerships and corporations	72,190	72,039	72,395	72,780	72,885	72,875	73,227	72,696	72,944
56 States and political subdivisions	3,959	4,026	4,011	4,050	4,107	4,139	4,258	4,325	4,371
57 U.S. government	35	35	25	25	25	24	23	27	29
58 Depository institutions in the United States	2,662	2,603	2,564	2,434	2,419	2,418	2,264	2,224	2,325
59 Foreign governments, official institutions and banks	1,882	1,873	1,968	1,969	1,965	1,972	1,788	1,765	1,811
60 Liabilities for borrowed money	58,338	59,040	61,991	64,048	61,963	61,362	61,935	62,752	59,033
61 Borrowings from Federal Reserve Banks	......	......	......	......	......	......	......	......	......
62 Treasury tax-and-loan notes	1,239	1,024	723	1,304	3,677	4,084	1,816	582	484
63 All other liabilities for borrowed money[5]	57,100	58,017	61,268	62,744	58,285	57,278	60,118	62,171	58,548
64 Other liabilities and subordinated note and debentures	39,210	37,711	38,372	38,590	38,768	38,162r	38,287	38,444	40,092
65 **Total liabilities**	**224,390**	**225,860**	**232,509**	**234,013**	**232,380**	**230,506r**	**231,604**	**234,206**	**229,613**
66 Residual (total assets minus total liabilities)[6]	22,376	22,312	22,463	22,481	22,333	22,326	22,602	22,732	22,695

1. Excludes trading account securities.
2. Not available due to confidentiality.
3. Includes securities purchased under agreements to resell.
4. Includes trading account securities.
5. Includes federal funds purchased and securities sold under agreements to repurchase.
6. Not a measure of equity capital for use in capital adequacy analysis or for other analytic uses.

NOTE. These data also appear in the Board's H.4.2 (504) release. For address, see inside front cover.

1.29 LARGE WEEKLY REPORTING COMMERCIAL BANKS Balance Sheet Memoranda

Millions of dollars, Wednesday figures

Account	1984								
	Aug. 22	Aug. 29	Sept. 5	Sept. 12	Sept. 19	Sept. 26r	Oct. 3	Oct. 10	Oct. 17
BANKS WITH ASSETS OF $1.4 BILLION OR MORE									
1 Total loans and leases (gross) and investments adjusted[1]	741,998	741,724	751,149r	751,960	753,648	750,679	751,909	755,288	753,690
2 Total loans and leases (gross) adjusted[1,2]	615,474	615,695	623,125r	624,211	626,188	623,250	627,316	630,070	627,370
3 Time deposits in amounts of $100,000 or more	157,783r	157,948r	156,474r	156,926r	157,098	159,700	159,180	159,416	160,065
4 Loans sold outright to affiliates—total[3]	2,945	3,015	3,024	2,996	3,042	2,972	2,992	2,961	2,982
5 *Commercial and industrial*	2,102	2,150	2,153	2,139	2,179	2,148	2,160	2,105	2,128
6 Other	842	864	871	857	863	824	832	855	853
7 Nontransaction savings deposits (including MMDAs)	151,434	151,176	152,234	152,157	151,442	151,689	152,686	153,434	154,090
BANKS IN NEW YORK CITY									
8 *Total loans and leases (gross) and investments adjusted*[1,4]	156,132	155,724	160,367	160,484	160,590	158,785	160,096	161,898	159,074
9 Total loans and leases (gross) adjusted[1]	137,112	136,756	141,242	141,453	141,392	139,502	140,870	142,578	139,847
10 Time deposits in amounts of $100,000 or more	35,146	35,094	35,020	35,106	35,313	34,924	34,868	34,319	34,416

1. Exclusive of loans and federal funds transactions with domestic commercial banks.
2. Levels of major loan items were affected by the Sept. 26, 1984 transaction between Continental Illinois National Bank and the Federal Deposit Insurance Corporation. For details see the H.4.2 statistical release dated Oct. 5, 1984.
3. Loans sold are those sold outright to a bank's own foreign branches, nonconsolidated nonbank affiliates of the bank, the bank's holding company (if not a bank), and nonconsolidated nonbank subsidiaries of the holding company.
4. Excludes trading account securities.

1.30 LARGE WEEKLY REPORTING U.S. BRANCHES AND AGENCIES OF FOREIGN BANKS WITH ASSETS OF $750 MILLION OR MORE ON JUNE 30, 1980 Assets and Liabilities

Millions of dollars, Wednesday figures

Account	1984								
	Aug. 22	Aug. 29	Sept. 5	Sept. 12	Sept. 19	Sept. 26r	Oct. 3	Oct. 10	Oct. 17
1 Cash and due from depository institutions	6,165	6,327	6,347	6,728	6,280	6,670	6,082	6,854	5,984
2 Total loans and securities	46,539	48,313	45,718	47,228	45,417	46,654	46,206	46,448	46,862
3 U.S. Treasury and govt. agency securities	4,300	4,292	4,335	4,408	4,330	4,281	4,141	4,229	4,080
4 Other securities	1,048	1,083	1,156	1,147	1,050	1,258	1,257	1,269	1,279
5 Federal funds sold[1]	3,985	5,680	2,299	3,484	2,262	3,358	2,780	2,938	3,436
6 To commercial banks in the United States	3,840	5,457	2,047	3,192	2,036	2,999	2,399	2,642	3,126
7 To others	145	223	252	292	225	359	381	296	310
8 Other loans, gross	37,206	37,258	37,928	38,189	37,775	37,758	38,028	38,011	38,067
9 Commercial and industrial	20,350	20,702	21,103	21,141	21,041	21,080	21,464	21,362	21,332
10 Bankers acceptances and commercial paper	3,271	3,417	3,498	3,590	3,354	3,264	3,213	3,178	3,019
11 All other	17,079	17,285	17,606	17,550	17,687	17,816	18,251	18,184	18,313
12 U.S. addressees	15,317	15,404	15,762	15,895	16,138	16,190	16,642	16,532	16,679
13 Non-U.S. addressees	1,762	1,881	1,843	1,656	1,550	1,625	1,608	1,651	1,634
14 To financial institutions	13,670	13,260r	13,274	13,668	13,111	13,227	13,018	13,169	12,934
15 Commercial banks in the United States	11,361	11,066	10,814	11,165	10,644	10,673	10,536	10,584	10,409
16 Banks in foreign countries	1,603	1,488r	1,530	1,531	1,584	1,602	1,523	1,541	1,504
17 Nonbank financial institutions	707	705	930	971	882	951	959	1,044	1,022
18 To foreign govts. and official institutions	752	752r	732	720	725	721	699	709	716
19 For purchasing and carrying securities	589	655	899	806	1,067	857	934	791	1,103
20 All other	1,845	1,889	1,920	1,854	1,830	1,872	1,913	1,979	1,981
21 Other assets (claims on nonrelated parties)	16,892	17,136	17,273	18,329	18,702	18,725	18,530	18,647	18,800
22 Net due from related institutions	10,518	10,298	11,068	10,665	11,074	10,667	10,336	10,791	9,717
23 Total assets	80,113	82,075	80,406	82,950	81,473	82,717	81,154	82,740	81,362
24 Deposits or credit balances due to other than directly related institutions	21,010r	21,089r	20,829r	21,040	21,103	21,462	21,320	21,378	21,131
25 Credit balances	113	132	123	117	119	123	128	164	126
26 Demand deposits	1,564	1,707	1,833r	2,054	1,742	1,769	1,616	1,964	1,632
27 Individuals, partnerships, and corporations	808	811	808r	900	859	834	833	878	880
28 Other	757	897	1,024	1,154	883	935	783	1,086	752
29 Time and savings deposits	19,332r	19,250r	18,873r	18,868	19,242	19,570	19,577	19,250	19,373
30 Individuals, partnerships, and corporations	15,826	15,713	15,400	15,434	15,752	16,100	15,998	15,831	15,999
31 Other	3,506r	3,537r	3,473r	3,435	3,490	3,470	3,579	3,419	3,374
32 Borrowings from other than directly related institutions	33,764r	35,050r	33,844r	34,089	34,150	34,290	33,407	34,680	33,286
33 Federal funds purchased[2]	9,342	10,371	9,588	9,955	10,067	10,418	9,856	11,198	10,148
34 From commercial banks in the United States	6,344	7,233	6,888	7,208	7,668	7,697	7,487	8,760	7,103
35 From others	2,998	3,137r	2,700	2,747	2,398	2,720	2,369	2,438	3,045
36 Other liabilities for borrowed money	24,422r	24,680r	24,256r	24,134	24,084	23,872	23,551	23,481	23,138
37 To commercial banks in the United States	20,072	20,292	19,783	20,278	20,302	20,122	20,028	19,884	19,598
38 To others	4,350	4,388r	4,473r	3,856	3,782	3,750	3,522	3,597	3,540
39 Other liabilities to nonrelated parties	17,522	18,024	18,042	19,145	19,470	19,433	19,196	19,440	19,368
40 Net due to related institutions	7,817	7,911	7,691	8,675	6,750	7,532	7,231	7,242	7,577
41 Total liabilities	80,113	82,075	80,406	82,950	81,473	82,717	81,154	82,740	81,362
MEMO									
42 Total loans (gross) and securities adjusted[3]	31,338	31,790	32,857	32,871	32,736	32,981	33,271	33,221	33,327
43 Total loans (gross) adjusted[3]	25,990	26,415	25,366	27,316	27,355	27,443	27,873	27,723	27,968

1. Includes securities purchased under agreements to resell.
2. Includes securities sold under agreements to repurchase.
3. Exclusive of loans to and federal funds sold to commercial banks in the United States.

NOTE. Data from tables 1.29 and 1.30 also appear in the Board's H.4.2 (504) release. For address, see inside front cover.

1.31 GROSS DEMAND DEPOSITS Individuals, Partnerships, and Corporations[1]

Billions of dollars, estimated daily-average balances

Type of holder	Commercial banks									
	1979[2] Dec.	1980 Dec.	1981 Dec.	1982 Dec.	1983				1984	
					Mar.	June	Sept.	Dec.	Mar.	June
1 **All holders—Individuals, partnerships, and corporations**	**302.3**	**315.5**	**288.9**	**291.8**	**272.0**	**281.9**	**280.3**	**293.5**	**279.3**	**285.8**
2 Financial business	27.1	29.8	28.0	35.4	32.7	34.6	32.1	32.8	31.7	31.7
3 Nonfinancial business	157.7	162.8	154.8	150.5	139.9	146.9	150.2	161.1	150.3	154.9
4 Consumer	99.2	102.4	86.6	85.9	79.4	80.3	77.9	78.5	78.1	78.2
5 Foreign	3.1	3.3	2.8	3.0	3.1	3.0	2.9	3.3	3.3	3.4
6 Other	15.1	17.2	16.7	17.0	16.9	17.2	17.1	17.8	15.9	17.4
	Weekly reporting banks									
	1979[3] Dec.	1980 Dec.	1981 Dec.	1982 Dec.	1983				1984	
					Mar.	June	Sept.	Dec.[4]	Mar.	June
7 **All holders—Individuals, partnerships, and corporations**	**139.2**	**147.4**	**137.5**	**144.2**	**133.0**	**139.6**	**136.3**	**146.2**	**139.2**	**145.3**
8 Financial business	20.1	21.8	21.0	26.7	24.3	26.1	23.6	24.2	23.4	23.6
9 Nonfinancial business	74.1	78.3	75.2	74.3	68.9	72.8	72.9	79.8	76.4	79.7
10 Consumer	34.3	35.6	30.4	31.9	28.7	28.5	28.1	29.7	28.4	29.9
11 Foreign	3.0	3.1	2.8	2.9	3.0	2.8	2.8	3.1	3.2	3.2
12 Other	7.8	8.6	8.0	8.4	8.1	9.3	8.9	9.3	7.7	8.9

1. Figures include cash items in process of collection. Estimates of gross deposits are based on reports supplied by a sample of commercial banks. Types of depositors in each category are described in the June 1971 BULLETIN, p. 466.

2. Beginning with the March 1979 survey, the demand deposit ownership survey sample was reduced to 232 banks from 349 banks, and the estimation procedure was modified slightly. To aid in comparing estimates based on the old and new reporting sample, the following estimates in billions of dollars for December 1978 have been constructed using the new smaller sample; financial business, 27.0; nonfinancial business, 146.9; consumer, 98.3; foreign, 2.8; and other, 15.1.

3. After the end of 1978 the large weekly reporting bank panel was changed to 170 large commercial banks, each of which had total assets in domestic offices exceeding $750 million as of Dec. 31, 1977. Beginning in March 1979, demand deposit ownership estimates for these large banks are constructed quarterly on the basis of 97 sample banks and are not comparable with earlier data. The following estimates in billions of dollars for December 1978 have been constructed for the new large-bank panel; financial business, 18.2; nonfinancial business, 67.2; consumer, 32.8; foreign, 2.5; other, 6.8.

4. In January 1984 the weekly reporting panel was revised; it now includes 168 banks. Beginning with March 1984, estimates are constructed on the basis of 92 sample banks and are not comparable with earlier data. Estimates in billions of dollars for December 1983 based on the newly weekly reporting panel are: financial business, 24.4; nonfinancial business, 80.9; consumer, 30.1; foreign, 3.1; other, 9.5.

1.32 COMMERCIAL PAPER AND BANKERS DOLLAR ACCEPTANCES OUTSTANDING

Millions of dollars, end of period

Instrument	1979[1] Dec.	1980 Dec.	1981 Dec.	1982 Dec.[2]	1983 Dec.	1984[3] Apr.	May	June	July	Aug.	Sept.
	Commercial paper (seasonally adjusted unless noted otherwise)										
1 **All issuers**	**112,803**	**124,374**	**165,829**	**166,670**	**188,057**	**210,865**	**214,431[r]**	**218,898[r]**	**221,431[r]**	**222,448[r]**	**226,474**
Financial companies[4]											
Dealer-placed paper[5]											
2 Total	17,359	19,599	30,333	34,634	44,943	48,277	50,355[r]	51,101[r]	51,157[r]	52,695	54,283
3 Bank-related (not seasonally adjusted)	2,784	3,561	6,045	2,516	2,441	1,865	1,696	1,944	1,799	2,010	1,959
Directly placed paper[6]											
4 Total	64,757	67,854	81,660	84,130	96,548	109,376	110,791	109,026[r]	109,076[r]	108,109[r]	107,206
5 Bank-related (not seasonally adjusted)	17,598	22,382	26,914	32,034	35,566	41,881	46,338	43,960	45,090	43,665	41,066
6 Nonfinancial companies[7]	30,687	36,921	53,836	47,906	46,566	53,212	53,285[r]	58,771	61,198[r]	61,644	64,985
	Bankers dollar acceptances (not seasonally adjusted)										
7 **Total**	**45,321**	**54,744**	**69,226**	**79,543**	**78,309**	**78,457**	**79,530**	**82,067**	**80,957**	**79,779**	**77,928**
Holder											
8 Accepting banks	9,865	10,564	10,857	10,910	9,355	11,160	9,927	10,877	10,708	10,743	11,065
9 Own bills	8,327	8,963	9,743	9,471	8,125	9,028	8,422	9,354	8,854	8,823	8,729
10 Bills bought	1,538	1,601	1,115	1,439	1,230	2,131	1,504	1,523	1,853	1,920	2,336
Federal Reserve Banks											
11 Own account	704	776	195	1,480	418	305[r]	426	0	0	0	0
12 Foreign correspondents	1,382	1,791	1,442	949	729	834	679	697	611	632	686
13 Others	33,370	41,614	56,731	66,204	68,225	68,924	68,924	70,493	69,639	68,404	66,177
Basis											
14 Imports into United States	10,270	11,776	14,765	17,683	15,649	16,579	16,687	17,301	17,947	17,647	17,196
15 Exports from United States	9,640	12,712	15,400	16,328	16,880	17,025[r]	15,938	16,421	15,485	15,871	15,985
16 All other	25,411	30,257	39,060	45,531	45,781	44,853[r]	46,906	48,345	47,525	46,260	44,747

1. A change in reporting instructions results in offsetting shifts in the dealer-placed and directly placed financial company paper in October 1979.
2. Effective Dec. 1, 1982, there was a break in the commercial paper series. The key changes in the content of the data involved additions to the reporting panel, the exclusion of broker or dealer placed borrowings under any master note agreements from the reported data, and the reclassification of a large portion of bank-related paper from dealer-placed to directly placed.
3. Correction of a previous misclassification of paper by a reporter has created a break in the series beginning December 1983. The correction adds some paper to nonfinancial and to dealer-placed financial paper.
4. Institutions engaged primarily in activities such as, but not limited to, commercial, savings, and mortgage banking; sales, personal, and mortgage financing; factoring, finance leasing, and other business lending; insurance underwriting; and other investment activities.
5. Includes all financial company paper sold by dealers in the open market.
6. As reported by financial companies that place their paper directly with investors.
7. Includes public utilities and firms engaged primarily in such activities as communications, construction, manufacturing, mining, wholesale and retail trade, transportation, and services.

1.33 PRIME RATE CHARGED BY BANKS on Short-Term Business Loans

Percent per annum

Effective date	Rate	Effective Date	Rate	Month	Average rate	Month	Average rate
1981—Nov. 24	16.00	1982—Nov. 22	11.50	1982—Jan.	15.75	1983—June	10.50
Dec. 1	15.75			Feb.	16.56	July	10.50
				Mar.	16.50	Aug.	10.89
		1983—Jan. 11	11.00	Apr.	16.50	Sept.	11.00
1982—Feb. 2	16.50	Feb. 28	10.50	May	16.50	Oct.	11.00
18	17.00	Aug. 8	11.00	June	16.50	Nov.	11.00
23	16.50			July	16.26	Dec.	11.00
July 20	16.00	1984—Mar. 19	11.50	Aug.	14.39		
29	15.50	Apr. 5	12.00	Sept.	13.50	1984—Jan.	11.00
Aug. 2	15.00	May 8	12.50	Oct.	12.52	Feb.	11.00
16	14.50	June 25	13.00	Nov.	11.85	Mar.	11.21
18	14.00	Sept. 27	12.75	Dec.	11.50	Apr.	11.93
23	13.50	Oct. 17	12.50			May	12.39
Oct. 7	13.00	29	12.00	1983—Jan.	11.16	June	12.60
Oct. 14	12.00			Feb.	10.98	July	13.00
				Mar.	10.50	Aug.	13.00
				Apr.	10.50	Sept.	12.97
				May	10.50	Oct.	12.58

NOTE. These data also appear in the Board's H.15 (519) release. For address, see inside front cover.

1.34 TERMS OF LENDING AT COMMERCIAL BANKS Survey of Loans Made, August 6–10, 1984

Item	All sizes	Size of loan (in thousands of dollars)					
		1–24	25–49	50–99	100–499	500–999	1,000 and over
SHORT-TERM COMMERCIAL AND INDUSTRIAL LOANS							
1 Amount of loans (thousands of dollars)	36,985,734	951,772	646,703	956,171	2,222,353	1,002,098	31,206,636
2 Number of loans	171,018	119,869	19,238	15,095	11,083	1,501	4,233
3 Weighted-average maturity (months)	1.2	4.0	4.4	3.9	3.6	4.3	.8
4 With fixed rates	.9	3.6	4.3	3.3	1.7	2.5	.6
5 With floating rates	1.8	5.1	4.7	4.8	4.9	5.5	1.2
6 Weighted-average interest rate (percent per annum)	13.29	15.41	15.40	14.81	14.65	14.14	13.01
7 Interquartile range[1]	12.72–13.47	14.65–16.15	14.37–16.08	13.96–15.43	13.80–15.11	13.65–14.86	12.69–13.17
8 *With fixed rates*	13.18	15.26	15.29	14.51	14.70	13.65	12.96
9 With floating rates	13.46	15.69	15.54	15.14	14.61	14.35	13.09
Percentage of amount of loans							
10 With floating rate	40.4	34.4	45.2	48.2	60.7	70.1	37.9
11 Made under commitment	69.4	30.4	45.0	40.5	50.8	67.8	73.4
12 With no stated maturity	9.7	10.3	19.4	15.3	37.4	34.0	6.5
13 With one-day maturity	38.7	.1	.1	.1	1.0	1.0	45.7
LONG-TERM COMMERCIAL AND INDUSTRIAL LOANS		1–99					
14 Amount of loans (thousands of dollars)	3,982,434	471,238			350,926	213,024	2,947,246
15 Number of loans	26,744	24,143			1,679	322	601
16 Weighted-average maturity (months)	49.4	35.3			41.7	52.9	52.4
17 With fixed rates	41.6	29.5			45.4	60.9	46.9
18 With floating rates	51.2	41.4			40.8	51.3	53.2
19 Weighted-average interest rate (percent per annum)	13.81	16.05			14.68	14.01	13.33
20 Interquartile range[1]	12.89–14.48	14.75–16.65			13.80–15.50	13.65–14.75	12.82–13.80
21 With fixed rates	14.27	16.16			14.59	14.55	13.01
22 With floating rates	13.70	15.92			14.70	13.91	13.38
Percentage of amount of loans							
23 With floating rate	81.5	48.0			80.8	84.0	86.7
24 Made under commitment	79.5	47.7			59.0	67.3	88.0
CONSTRUCTION AND LAND DEVELOPMENT LOANS		1–24	25–49	50–99		500 and over	
25 Amount of loans (thousands of dollars)	3,049,989	221,702	188,964	141,543	1,018,190	1,479,589	
26 Number of loans	33,300	21,475	5,296	2,230	3,941	358	
27 Weighted-average maturity (months)	9.2	8.8	8.7	18.1	10.1	7.8	
28 With fixed rates	8.0	9.8	9.9	30.7	10.6	5.6	
29 With floating rates	11.1	5.8	6.7	11.1	9.8	14.9	
30 Weighted-average interest rate (percent per annum)	14.56	15.35	15.38	15.23	15.05	13.93	
31 Interquartile range[1]	13.24–15.50	14.93–16.09	14.20–15.98	15.00–15.67	13.72–15.52	12.93–14.79	
32 With fixed rates	13.96	15.12	14.89	15.52	14.05	13.58	
33 With floating rates	15.44	15.97	16.39	15.08	15.68	14.91	
Percentage of amount of loans							
34 With floating rate	40.4	27.2	32.8	66.2	61.1	26.6	
35 Secured by real estate	73.3	88.9	83.0	95.0	98.0	50.6	
36 Made under commitment	71.6	61.0	37.7	91.1	82.4	68.3	
37 With no stated maturity	4.0	61.8	83.0	79.0	6.3	5.1	
38 With one-day maturity	.2	.5	1.0	2.9	2.9	2.1	
Type of construction							
39 1- to 4-family	17.9	37.7	16.1	18.1	90.8	92.8	
40 Multifamily	2.2	2.3	18.0	5.9	2.5	3.4	
41 Nonresidential	79.9	.0	.0	.0	.0	.4	
LOANS TO FARMERS	All sizes	1–9	10–24	25–49	50–99	100–249	250 and over
42 Amount of loans (thousands of dollars)	998,347	186,662	122,404	146,481	125,457	152,701	264,643
43 Number of loans	67,803	51,876	8,086	4,675	1,793	929	445
44 Weighted-average maturity (months)	6.6	6.1	6.2	6.3	5.6	5.2	9.1
45 Weighted-average interest rate (percent per annum)	14.87	15.05	14.69	14.98	15.10	15.06	14.54
46 Interquartile range[1]	14.35–15.45	14.49–15.53	14.23–15.03	14.56–15.27	14.65–15.58	14.76–15.56	13.86–15.45
By purpose of loan							
47 Feeder livestock	14.63	14.72	14.57	14.87	14.47	14.85	14.52
48 Other livestock	15.17	15.12	14.16	15.22	(2)	(2)	(2)
49 Other current operating expenses	14.99	14.88	14.75	15.01	15.41	15.32	14.66
50 Farm machinery and equipment	14.96	15.24	14.54	14.57	(2)	(2)	(2)
51 Other	14.38	16.77	15.11	14.90	14.50	14.50	13.84

1. Interest rate range that covers the middle 50 percent of the total dollar amount of loans made.
2. Fewer than 10 sample loans.

NOTE. For more detail, see the Board's E.2 (111) statistical release.

1.35 INTEREST RATES Money and Capital Markets

Averages, percent per annum; weekly and monthly figures are averages of business day data unless otherwise noted.

Instrument	1981	1982	1983	1984				1984, week ending				
				July	Aug.	Sept.	Oct.	Sept. 28	Oct. 5	Oct. 12	Oct. 19	Oct. 26
MONEY MARKET RATES												
1 Federal funds[1,2]	16.38	12.26	9.09	11.23	11.64	11.30		10.73				
2 Discount window borrowing[1,2,3]	13.42	11.02	8.50	9.00	9.00	9.00		9.00				
Commercial paper[4,5]												
3 1-month	15.69	11.83	8.87	11.06	11.19	11.11		10.77				
4 3-month	15.32	11.89	8.88	11.19	11.18	11.04		10.75				
5 6-month	14.76	11.89	8.89	11.34	11.16	10.94		10.70				
Finance paper, directly placed[4,5]												
6 1-month	15.30	11.64	8.80	10.99	11.16	10.98		10.45				
7 3-month	14.08	11.23	8.70	10.54	10.61	10.62		10.45				
8 6-month	13.73	11.20	8.69	10.42	10.52	10.56		10.41				
Bankers acceptances[5,6]												
9 3-month	15.32	11.89	8.90	11.30	11.23	11.04		10.78				
10 6-month	14.66	11.83	8.91	11.44	11.13	10.91		10.71				
Certificates of deposit, secondary market[7]												
11 1-month	15.91	12.04	8.96	11.28	11.32	11.20		10.90				
12 3-month	15.91	12.27	9.07	11.56	11.47	11.29		11.00				
13 6-month	15.77	12.57	9.27	12.08	11.71	11.47		11.22				
14 Eurodollar deposits, 3-month[8]	16.79	13.12	9.56	12.02	11.81	11.67		11.40				
U.S. Treasury bills[5]												
Secondary market[9]												
15 3-month	14.03	10.61	8.61	10.12	10.47	10.37		10.24				
16 6-month	13.80	11.07	8.73	10.53	10.61	10.47		10.34				
17 1-year	13.14	11.07	8.80	10.89	10.71	10.51	n.a.	10.38	n.a.	n.a.	n.a.	n.a.
Auction average[10]												
18 3-month	14.029	10.686	8.63	10.13	10.49	10.41		10.27				
19 6-month	13.776	11.084	8.75	10.58	10.65	10.51		10.39				
20 1-year	13.159	11.099	8.86	10.99	10.79	10.84		....				
CAPITAL MARKET RATES												
U.S. Treasury notes and bonds[11]												
Constant maturities[12]												
21 1-year	14.78	12.27	9.57	12.03	11.82	11.58		11.42				
22 2-year	14.56	12.80	10.21	12.88	12.43	12.21		12.06				
23 2-½-year[13]	....	....	....	....	....	....		12.10				
24 3-year	14.44	12.92	10.45	13.08	12.50	12.34		12.27				
25 5-year	14.24	13.01	10.80	13.28	12.69	12.53		12.46				
26 7-year	14.06	13.06	11.02	13.35	12.75	12.60		12.53				
27 10-year	13.91	13.00	11.10	13.36	12.72	12.52		12.46				
28 20-year	13.72	12.92	11.34	13.36	12.71	12.42		12.36				
29 30-year	13.44	12.76	11.18	13.21	12.54	12.29		12.26				
Composite[14]												
30 Over 10 years (long-term)	12.87	12.23	10.84	12.82	12.23	11.97		11.93				
State and local notes and bonds												
Moody's series[15]												
31 Aaa	10.43	10.88	8.80	10.10	9.58	9.58	9.72	9.55	9.70	9.80	9.80	9.60
32 Baa	11.76	12.48	10.17	10.61	10.30	10.40	10.51	10.40	10.60	10.65	10.50	10.30
33 *Bond Buyer* series[16]	11.33	11.66	9.51	10.42	9.99	10.10	10.25	10.15	10.34	10.36	10.24	10.05
Corporate bonds												
Seasoned issues[17]												
34 All industries	15.06	14.94	12.78	14.32	13.78	13.56		13.46	13.47	13.40	13.32	13.15
35 Aaa	14.17	13.79	12.04	13.44	12.87	12.66		12.56	12.62	12.52	12.51	12.54
36 Aa	14.75	14.41	12.42	14.12	13.47	13.27		13.19	13.23	13.21	13.20	12.95
37 A	15.29	15.43	13.10	14.57	14.13	13.94	n.a.	13.84	13.83	13.78	13.63	13.38
38 Baa	16.04	16.11	13.55	15.15	14.63	14.35		14.24	14.21	14.09	13.94	13.72
39 A-rated, recently-offered utility bonds[18]	16.63	15.49	12.73	14.93	14.12	13.86		13.84	13.81	13.70	13.29	13.24
MEMO: Dividend/price ratio[19]												
40 Preferred stocks	12.36	12.53	11.02	12.13	11.77	11.65	11.64p	11.57	11.66	11.76	11.56	11.57
41 Common stocks	5.20	5.81	4.40	4.93	4.62	4.54	4.63p	4.53	4.67	4.68	4.62	4.54

1. Weekly and monthly figures are averages of all calendar days, where the rate for a weekend or holiday is taken to be the rate prevailing on the preceding business day. The daily rate is the average of the rates on a given day weighted by the volume of transactions at these rates.
2. Weekly figures are averages for statement week ending Wednesday.
3. Rate for the Federal Reserve Bank of New York.
4. Unweighted average of offering rates quoted by at least five dealers (in the case of commercial paper), or finance companies (in the case of finance paper). Before November 1979, maturities for data shown are 30–59 days, 90–119 days, and 120–179 days for commercial paper; and 30–59 days, 90–119 days, and 150–179 days for finance paper.
5. Yields are quoted on a bank-discount basis, rather than an investment yield basis (which would give a higher figure).
6. Dealer closing offered rates for top-rated banks. Most representative rate (which may be, but need not be, the average of the rates quoted by the dealers).
7. Unweighted average of offered rates quoted by at least five dealers early in the day.
8. Calendar week average. For indication purposes only.
9. Unweighted average of closing bid rates quoted by at least five dealers.
10. Rates are recorded in the week in which bills are issued. Beginning with the Treasury bill auction held on Apr. 18, 1983, bidders were required to state the percentage yield (on a bank discount basis) that they would accept to two decimal places. Thus, average issuing rates in bill auctions will be reported using two rather than three decimal places.
11. Yields are based on closing bid prices quoted by at least five dealers.
12. Yields adjusted to constant maturities by the U.S. Treasury. That is, yields are read from a yield curve at fixed maturities. Based on only recently issued, actively traded securities.
13. Each biweekly figure is the average of five business days ending on the Monday following the date indicated. Until Mar. 31, 1983, the biweekly rate determined the maximum interest rate payable in the following two-week period on 2-½-year small saver certificates. (See table 1.16.)
14. Averages (to maturity or call) for all outstanding bonds neither due nor callable in less than 10 years, including several very low yielding "flower" bonds.
15. General obligations based on Thursday figures; Moody's Investors Service.
16. General obligations only, with 20 years to maturity, issued by 20 state and local governmental units of mixed quality. Based on figures for Thursday.
17. Daily figures from Moody's Investors Service. Based on yields to maturity on selected long-term bonds.
18. Compilation of the Federal Reserve. This series is an estimate of the yield on recently-offered, A-rated utility bonds with a 30-year maturity and 5 years of call protection. Weekly data are based on Friday quotations.
19. Standard and Poor's corporate series. Preferred stock ratio based on a sample of ten issues: four public utilities, four industrials, one financial, and one transportation. Common stock ratios on the 500 stocks in the price index.

NOTE. These data also appear in the Board's H.15 (519) and G.13 (415) releases. For address, see inside front cover.

1.36 STOCK MARKET Selected Statistics

Indicator	1981	1982	1983	1984 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
	Prices and trading (averages of daily figures)											
Common stock prices												
1 New York Stock Exchange (Dec. 31, 1965 = 50)	74.02	68.93	92.63	96.16	90.60	90.66	90.67	90.07	88.28	87.08	94.49	95.68
2 Industrial	85.44	78.18	107.45	112.16	105.44	105.92	106.56	105.94	104.04	102.29	111.20	112.18
3 Transportation	72.61	60.41	89.36	97.98	86.33	86.10	83.61	81.62	79.29	76.72	86.86	86.88
4 Utility	38.90	39.75	47.00	47.43	45.67	44.83	43.86	44.22	43.65	44.17	46.69	47.47
5 Finance	73.52	71.99	95.34	95.79	89.95	89.50	88.22	85.06	80.75	79.03	87.92	91.59
6 Standard & Poor's Corporation (1941–43 = 10)[1]	128.05	119.71	160.41	166.39	157.70	157.44	157.60	156.55	153.12	151.08	164.42	166.11
7 American Stock Exchange[2] (Aug. 31, 1973 = 100)	171.79	141.31	216.48	224.83	207.95	210.09	207.66	206.39	201.24	192.82	207.90	214.50
Volume of trading (thousands of shares)												
8 New York Stock Exchange	46,967	64,617	85,418	105,518	96,641	84,328	85,874	88,170	85,920	79,156	109,892	93,108
9 American Stock Exchange	5,346	5,283	8,215	7,167	6,431	5,382	5,863	5,935	5,071	5,141	7,477	5,967
	Customer financing (end-of-period balances, in millions of dollars)											
10 Margin credit at broker-dealers[3]	**14,411**	**13,325**	**23,000**	**23,132**	**22,557**	**22,668**	**22,830**	**22,360**	**23,450**	**22,980**	**22,810**	**22,800**
11 Margin stock	14,150	12,980	22,720	22,870	22,330	22,460						
12 Convertible bonds	259	344	279	261	226	208	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
13 Subscription issues	2	1	1	1	1	*						
Free credit balances at brokers[4]												
14 Margin-account	3,515	5,735	6,620	6,510	6,420	6,520	6,450	6,685	6,430	6,430	6,855r	6,689
15 Cash-account	7,150	8,390	8,430	8,230	8,420	8,265	7,910	8,115	8,305r	8,125r	8,185r	8,315
	Margin-account debt at brokers (percentage distribution, end of period)											
16 Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
By equity class (in percent)[5]												
17 Under 40	37.0	21.0	41.0	43.0	48.0	46.0	47.0	53.0	50.0	52.0	40.0	42.0
18 40–49	24.0	24.0	22.0	21.0	20.0	20.0	20.0	18.0	19.0	17.0	22.0	22.0
19 50–59	17.0	24.0	16.0	15.0	13.0	14.0	13.0	12.0	12.0	12.0	16.0	15.0
20 60–69	10.0	14.0	9.0	9.0	8.0	9.0	8.0	7.0	8.0	8.0	9.0	9.0
21 70–79	6.0	9.0	6.0	6.0	6.0	6.0	6.0	5.0	6.0	5.0	6.0	6.0
22 80 or more	6.0	8.0	6.0	6.0	5.0	5.0	6.0	5.0	5.0	6.0	7.0	6.0
	Special miscellaneous-account balances at brokers (end of period)											
23 Total balances (millions of dollars)[6]	**25,870**	**35,598**	**58,329**	**62,670**	**63,410**	**65,860**	**66,340**	**70,110**	**69,410**	**70,588**	**71,840**	**72,350**
Distribution by equity status (percent)												
24 Net credit status	58.0	62.0	63.0	61.0	59.0	61.0	60.0	60.0	56.0	57.0	58.0	58.0
Debt status, equity of												
25 60 percent or more	31.0	29.0	28.0	29.0	29.0	28.0	29.0	27.0	30.0	30.0	31.0	31.0
26 Less than 60 percent	11.0	9.0	9.0	10.0	12.0	11.0	11.0	13.0	14.0	13.0	11.0	11.0

Margin requirements (percent of market value and effective date)[7]

Indicator	Mar. 11, 1968	June 8, 1968	May 6, 1970	Dec. 6, 1971	Nov. 24, 1972	Jan. 3, 1974
27 Margin stocks	70	80	65	55	65	50
28 Convertible bonds	50	60	50	50	50	50
29 Short sales	70	80	65	55	65	50

1. Effective July 1976, includes a new financial group, banks and insurance companies. With this change the index includes 400 industrial stocks (formerly 425), 20 transportation (formerly 15 rail), 40 public utility (formerly 60), and 40 financial.
2. Beginning July 5, 1983, the American Stock Exchange rebased its index effectively cutting previous readings in half.
3. Beginning July 1983, under the revised Regulation T, margin credit at broker-dealers includes credit extended against stocks, convertible bonds, stocks acquired through exercise of subscription rights, corporate bonds, and government securities. Separate reporting of data for margin stocks, convertible bonds, and subscription issues was discontinued in April 1984, and margin credit at broker-dealers became the total that is distributed by equity class and shown on lines 17–22.
4. Free credit balances are in accounts with no unfulfilled commitments to the brokers and are subject to withdrawal by customers on demand.
5. Each customer's equity in his collateral (market value of collateral less net debit balance) is expressed as a percentage of current collateral values.
6. Balances that may be used by customers as the margin deposit required for additional purchases. Balances may arise as transfers based on loan values of other collateral in the customer's margin account or deposits of cash (usually sales proceeds) occur.
7. Regulations G, T, and U of the Federal Reserve Board of Governors, prescribed in accordance with the Securities Exchange Act of 1934, limit the amount of credit to purchase and carry margin stocks that may be extended on securities as collateral by prescribing a maximum loan value, which is a specified percentage of the market value of the collateral at the time the credit is extended. Margin requirements are the difference between the market value (100 percent) and the maximum loan value. The term "margin stocks" is defined in the corresponding regulation.

1.37 SELECTED FINANCIAL INSTITUTIONS Selected Assets and Liabilities

Millions of dollars, end of period

Account	1980	1981	1983		1984								
			Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.[p]
	Savings and loan associations												
1 **Assets**	......	**664,167**	**763,365**	**771,705**	**772,723**	**780,107**	**796,095**	**806,482**	**823,737**	**838,825**	**848,890**	**858,172**	**869,276**
2 Mortgages	......	518,547	489,720	493,432	494,682	497,987	502,143	509,283	518,214	526,732	534,345	539,157	544,280
3 Cash and investment securities[1]	......	63,123	101,553	103,395	101,883	103,917	108,565	105,950	109,102	108,809	107,502	107,855	110,681
4 Other	......	82,497	172,259	174,878	176,158	178,203	185,387	191,249	196,421	203,284	207,043	211,160	214,315
5 **Liabilities and net worth**	......	**664,167**	**763,365**	**771,705**	**772,723**	**780,107**	**796,095**	**806,482**	**823,737**	**838,825**	**848,890**	**858,172**	**869,276**
6 Savings capital	......	525,061	625,013	634,076	639,694	644,588	656,252	660,262	670,259	681,532	687,396	691,279	699,405
7 Borrowed money	......	88,782	89,235	91,443	86,322	86,526	93,321	97,468	102,281	107,554	109,355	113,845	119,067
8 FHLBB	......	62,794	51,735	52,626	50,880	50,465	50,663	51,951	53,485	56,558	57,115	60,178	62,323
9 Other	......	25,988	37,500	38,817	35,442	36,061	42,658	45,517	48,796	50,996	52,240	53,667	56,744
10 Loans in process[2]	......	6,385	19,728	21,117	21,498	21,939	22,929	23,898	24,717	25,680	26,076	26,725	26,725
11 Other	......	15,544	19,179	15,275	15,777	17,520	14,938	16,904	19,207	16,957	19,332	19,957	17,419
12 Net worth[3]	......	28,395	29,938	30,911	30,930	31,473	31,584	31,848	31,990	32,782	32,807	33,091	33,385
13 MEMO: Mortgage loan commitments outstanding[4]	......	15,225	34,780	32,996	33,504	36,150	39,813	41,672	45,207	44,811	43,814	41,125	38,711
	Mutual savings banks[5]												
14 **Assets**	......	**175,728**	**189,149**	**193,535**	**194,217**	**195,168**	**197,178**	**198,000**	**200,087**	**198,864[r]**	**199,128[r]**	**200,722**	
Loans													
15 Mortgage	......	99,997	95,600	97,356	97,703	97,895	98,472	99,017	99,881	99,433[r]	100,091	101,211	
16 Other	......	14,753	19,675	19,129	20,463	21,694	21,971	22,531	22,907	23,198[r]	23,213[r]	24,068	
Securities													
17 U.S. government[6]	......	9,810	15,092	15,360	15,167	15,667	15,772	15,913	16,404	15,448[r]	15,457	15,019	
18 State and local government	......	2,288	2,195	2,177	2,180	2,054	2,067	2,033	2,024	2,037[r]	2,037[r]	2,055	
19 Corporate and other[7]	......	37,791	42,629	43,580	43,542	43,439	43,547	43,122	43,200	42,479[r]	42,682	42,632	
20 Cash	......	5,442	4,983	6,263	4,788	4,580	5,040	5,008	5,031	5,452[r]	4,896	4,981	
21 Other assets	......	5,649	8,975	9,670	10,374	9,839	10,309	10,376	10,640	10,817[r]	10,752	10,756	
22 **Liabilities**	......	**175,728**	**189,149**	**193,535**	**194,217**	**195,168**	**197,178**	**198,000**	**200,087**	**198,864[r]**	**199,128[r]**	**200,722**	**n.a.**
23 Deposits	......	155,110	169,356	172,665	173,636	174,370	176,044	175,875	176,253	174,972[r]	174,823	176,085	
24 Regular[8]	......	153,003	167,006	170,135	171,099	171,957	173,385	173,010	173,310	171,858[r]	171,740	172,990	
25 Ordinary savings	......	49,425	38,448	38,554	37,992	37,642	37,866	37,329	37,147	36,322[r]	35,511	34,787	
26 Time	......	103,578	93,073	95,129	96,519	96,005	97,339	96,920	97,236	97,168[r]	98,410	101,270	
27 Other	......	2,108	2,350	2,530	2,537	2,413	2,659	2,865	2,943	3,114[r]	3,083	3,095	
28 Other liabilities	......	10,632	9,185	10,154	9,917	10,019	10,390	11,211	12,861	12,999[r]	13,269[r]	13,604	
29 General reserve accounts	......	9,986	10,210	10,368	10,350	10,492	10,373	10,466	10,554	10,404[r]	10,495[r]	10,498	
30 MEMO: Mortgage loan commitments outstanding[9]	......	1,293	2,418	2,387	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
	Life insurance companies[r]												
31 **Assets**	......	**525,803**	**649,081**	**654,948**	**658,504**	**660,901**	**665,836**	**671,259**	**673,518**	**679,449**	**684,573**		
Securities													
32 Government	......	25,209	48,341	50,752	51,328	51,762	52,504	52,828	53,422	53,970	54,688		
33 United States[10]	......	8,167	26,293	28,636	29,179	30,130	31,056	31,358	31,706	32,066	32,654		
34 State and local	......	7,151	9,925	9,986	9,995	9,426	9,259	9,192	9,239	9,213	9,236		
35 Foreign[11]	......	9,891	12,123	12,130	12,154	12,206	12,189	12,278	12,477	12,691	12,798		
36 Business	......	255,769	323,714	322,854	328,075	328,235	331,631	334,634	334,151	338,508	341,802	n.a.	n.a.
37 Bonds	......	208,099	258,757	257,986	263,207	265,798	268,446	271,296	273,212	276,902	281,113		
38 Stocks	......	47,670	64,957	64,868	64,868	62,437	63,185	63,338	60,939	61,606	60,689		
39 Mortgages	......	137,747	148,487	150,999	151,085	151,020	151,445	152,373	152,968	153,845	154,299		
40 Real estate	......	18,278	21,864	22,234	22,500	22,591	23,034	23,237	23,517	23,792	24,019		
41 Policy loans	......	48,706	53,979	54,063	54,089	54,170	54,254	54,365	54,399	54,430	54,441		
42 Other assets	......	40,094	52,696	54,046	51,939	53,123	52,968	53,822	55,061	54,904	55,324		
	Credit unions[12]												
43 **Total assets/liabilities and capital**	......	**60,611**	**81,203**	**81,961**	**82,496**	**83,726**	**85,789**	**86,594**	**88,350**	**90,276**	**90,145**	**90,503**	
44 Federal	......	39,181	53,801	54,482	54,770	55,753	57,569	58,127	59,636	61,316	61,163	61,500	
45 State	......	21,430	27,402	27,479	27,726	27,973	28,220	28,467	28,714	28,960	28,982	29,003	
46 Loans outstanding	......	42,333	49,235	50,083	50,625	51,435	52,269	53,247	54,437	55,915	57,286	58,802	
47 Federal	......	27,096	32,304	32,930	33,270	33,878	34,510	35,286	36,274	37,547	38,490	39,578	n.a.
48 State	......	15,237	16,931	17,153	17,355	17,557	17,759	17,961	18,163	18,368	18,796	19,224	
49 Savings	......	54,152	74,202	74,739	75,532	76,556	78,487	79,413	80,702	82,578	82,402	82,135	
50 Federal (shares)	......	35,250	49,400	49,889	50,438	51,218	52,905	53,587	54,632	56,261	56,278	56,205	
51 State (shares and deposits)	......	18,902	24,802	24,850	25,094	25,338	25,582	25,826	26,070	26,317	26,124	25,930	

1.37 Continued

Account	1980	1981	1983 Nov.	1983 Dec.	1984 Jan.	1984 Feb.	1984 Mar.	1984 Apr.	1984 May	1984 June	1984 July	1984 Aug.	1984 Sept.[p]
	FSLIC-insured federal savings banks												
52 **Assets**	......	......	**61,717**	**64,969**	**69,835**	**72,143**	**75,555**	**77,374**	**78,952**	**81,310**	**83,989**	**87,209**	**88,599**
53 Mortgages	......	......	37,166	38,698	41,754	43,371	44,708	45,900	46,791	48,084	49,996	52,039	53,054
54 Cash and investment securities[1]	......	......	9,653	10,436	11,243	11,662	12,552	12,762	12,814	13,071	13,184	13,331	13,393
55 Other	......	......	14,898	15,835	16,838	17,110	18,295	18,712	19,347	20,155	20,809	21,839	22,152
56 **Liabilities and net worth**	......	......	**61,717**	**64,969**	**69,835**	**72,143**	**75,555**	**77,374**	**78,952**	**81,310**	**83,989**	**87,209**	**88,599**
57 Savings and capital	......	......	50,384	53,227	57,195	59,107	61,433	62,495	63,026	64,364	66,227	68,443	69,567
58 Borrowed money	......	......	6,981	7,477	8,048	8,088	9,213	9,707	10,475	11,489	12,060	12,863	13,219
59 FHLBB	......	......	4,381	4,640	4,751	4,884	5,232	5,491	5.900	6,538	6,897	7,654	7,784
60 Other	......	......	2,600	2,837	3,297	3,204	3,981	4,216	4,575	4,951	5,163	5,209	5,435
61 Other	......	......	1,428	1,157	1,347	1,545	1,360	1,548	1,747	1,646	1,807	1,912	1,777
62 Net worth[3]	......	......	2,924	3,108	3,245	3,403	3,549	3,624	3,704	3,811	3,895	3,991	4,036
MEMO													
63 Loans in process[2]	......	......	1,222	1,264	1,387	1,531	1,669	1,716	1,787	1,839	1,901	1,895	1,866
64 Mortgage loan commitments outstanding[4]	......	......	2,230	2,151	2,974	2,704	3,253	3,714	3,763	3,583	3,988	3,860	3,827

1. Holdings of stock of the Federal Home Loan Banks are in "other assets."
2. Beginning in 1982, loans in process are classified as contra-assets and are not included in total liabilities and net worth. Total assets are net of loans in process.
3. Includes net undistributed income accrued by most associations.
4. Excludes figures for loans in process.
5. The National Council reports data on member mutual savings banks and on savings banks that have converted to stock institutions, and to federal savings banks.
6. Beginning April 1979, includes obligations of U.S. government agencies. Before that date, this item was included in "Corporate and other."
7. Includes securities of foreign governments and international organizations and, before April 1979, nonguaranteed issues of U.S. government agencies.
8. Excludes checking, club, and school accounts.
9. Commitments outstanding (including loans in process) of banks in New York State as reported to the Savings Banks Association of the State of New York.
10. Direct and guaranteed obligations. Excludes federal agency issues not guaranteed, which are shown in the table under "Business" securities.
11. Issues of foreign governments and their subdivisions and bonds of the International Bank for Reconstruction and Development.
12. As of June 1982, data include only federal or federally insured state credit unions serving natural perons.

NOTE. *Savings and loan associations:* Estimates by the FHLBB for all associations in the United States. Data are based on monthly reports of federally insured associations and annual reports of other associations. Even when revised, data for current and preceding year are subject to further revision.

Mutual savings banks: Estimates of National Council of Savings Institutions for all savings banks in the United States.

Life insurance companies: Estimates of the American Council of Life Insurance for all life insurance companies in the United States. Annual figures are annual-statement asset values, with bonds carried on an amortized basis and stocks at year-end market value. Adjustments for interest due and accrued and for differences between market and book values are not made on each item separately but are included, in total, in "other assets."

Credit unions: Estimates by the National Credit Union Administration for a group of federal and federally insured state credit unions serving natural persons. Figures are preliminary and revised annually to incorporate recent data.

1.38 FEDERAL FISCAL AND FINANCING OPERATIONS

Millions of dollars

Type of account or operation	Fiscal year 1982	Fiscal year 1983	Fiscal year 1984	Calendar year 1983 H1	1983 H2	1984 H1	1984 July	1984 Aug.	1984 Sept.
U.S. budget									
1 Receipts[1]	617,766	600,562	666,457	306,331	306,584	341,808	52,017	55,209	68,019
2 Outlays[1]	728,375	795,917	841,800	396,477	406,849	420,700	68,433	88,707	51,234
3 Surplus, or deficit (−)	−110,609	−195,355	−175,343	−90,146	−100,265	−78,892	16,416	−33,498	16,785
4 Trust funds	5,456	23,056	30,565	22,680	7,745	18,080	441	−11,045	23,861
5 Federal funds[2,3]	−116,065	−218,410	−205,908	−112,822	−108,005	−96,971	−16,857	−22,453	−7,077
Off-budget entities (surplus, or deficit (−))									
6 Federal Financing Bank outlays	−14,142	−10,404	−7,277	−5,418	−3,199	−2,813	−1,406	−755	−467
7 Other[3,4]	−3,190	−1,953	−2,719	−528	−1,206	−838	−330r	−419	−1,507
U.S. budget plus off-budget, including Federal Financing Bank									
8 Surplus, or deficit (−)	−127,940	−207,711	−185,339	−96,094	−104,670	−84,884	−18,128	−34,673	−14,811
Source of financing									
9 Borrowing from the public	134,993	212,425	170,817	102,538	84,020	80,592	24,540	25,340	4,167
10 Cash and monetary assets (decrease, or increase (−))[4]	−11,911	−9,889	5,636	−9,664	−16,294	−3,127	−3,264	−6,295	−18,978
11 Other[5]	4,858	5,176	8,885	3,222	4,358	7,418	−3,148	3,038	−1
MEMO									
12 Treasury operating balance (level, end of period)	29,164	37,057	37,057	100,243	121,302	126,309	16,312	11,327	30,426
13 Federal Reserve Banks	10,975	16,557	16,557	19,442	35,959	40,044	3,972	4,029	8,514
14 Tax and loan accounts	18,189	20,500	20,500	72,037	85,343	86,263	12,340	7,298	21,913

1. Effective Feb. 8, 1982, supplemental medical insurance premiums and voluntary hospital insurance premiums, previously included in other insurance receipts, have been reclassified as offsetting receipts in the health function.
2. Half-year figures are calculated as a residual (total surplus/deficit less trust fund surplus/deficit).
3. Other off-budget includes Postal Service Fund; Rural Electrification and Telephone Revolving Fund; Rural Telephone Bank; and petroleum acquisition and transportation and strategic petroleum reserve effective November 1981.
4. Includes U.S. Treasury operating cash accounts; SDRs; gold tranche drawing rights; loans to International Monetary Fund; and other cash and monetary assets.
5. Includes accrued interest payable to the public; allocations of special drawing rights; deposit funds; miscellaneous liability (including checks outstanding) and asset accounts; seigniorage; increment on gold; net gain/loss for U.S. currency valuation adjustment; net gain/loss for IMF valuation adjustment; and profit on the sale of gold.

SOURCE. "Monthly Treasury Statement of Receipts and Outlays of the U.S. Government" *Treasury Bulletin*, and the *Budget of the U.S. Government, Fiscal Year 1985*.

1.39 U.S. BUDGET RECEIPTS AND OUTLAYS

Millions of dollars

Source or type	Fiscal year 1983	Fiscal year 1984	Calendar year						
			1982	1983		1984			
			H2	H1	H2	H1	July	Aug.	Sept.
RECEIPTS									
1 **All sources**	**600,563**	**666,457**	**286,337**	**306,331**	**305,122**	**341,808**	**52,017**	**55,209**	**68,019**
2 Individual income taxes, net	288,938	295,955	145,676	144,551	147,663	144,691	22,398	25,820	31,541
3 Withheld	266,010	279,345	131,567	135,531	133,768	140,657	23,013	25,072	21,852
4 Presidential Election Campaign Fund	36	35	5	30	6	29	3	1	1
5 Nonwithheld	83,586	81,346	20,041	63,014	20,703	61,463	789	2,396	11,716
6 Refunds	60,692	64,771	5,938	54,024	6,815	57,458	1,407	1,649	2,027
Corporation income taxes									
7 Gross receipts	61,780	74,179	25,660	33,522	31,064	40,328	3,376	1,936	12,332
8 Refunds	24,758	17,286	11,467	13,809	8,921	10,045	1,313	1,136	441
9 Social insurance taxes and contributions, net	209,001	241,902	94,277	110,520	100,832	131,372	21,361	21,932	18,639
10 Payroll employment taxes and contributions[1]	179,010	203,476	85,064	90,912	88,388	106,436	18,858	17,547	16,781
11 Self-employment taxes and contributions[2]	6,756	8,709	177	6,427	398	7,667	0	-269	1,209
12 Unemployment insurance	18,799	25,138	6,856	10,984	8,714	14,942	2,093	4,252	295
13 Other net receipts[3]	4,436	4,580	2,180	2,197	2,290	2,329	410	401	354
14 Excise taxes	35,300	37,361	16,555	16,904	19,586	18,304	3,298	3,221	3,120
15 Customs deposits	8,655	11,370	4,299	4,010	5,079	5,576	1,088	1,241	939
16 Estate and gift taxes	6,053	6,010	3,444	2,883	3,050	3,102	476	558	449
17 Miscellaneous receipts[4]	15,594	16,965	7,890	7,751	7,811	8,481	1,333	1,637	1,440
OUTLAYS									
18 **All types**	**795,917**	**841,800**	**390,847**	**396,477**	**406,849**	**420,700**	**68,433**	**88,707**	**51,234**
19 National defense	210,461	227,405	100,419	105,072	108,967	114,639	18,870	20,059	18,942
20 International affairs	8,927	13,313	4,406	4,705	6,117	5,426	1,117	1,020	1,698
21 General science, space, and technology	7,777	8,271	3,903	3,486	4,216	3,981	745	762	646
22 Energy	4,035	2,464	2,058	2,073	1,533	1,080	309	213	-266
23 Natural resources and environment	12,676	12,677	6,941	5,892	6,933	5,463	1,232	1,247	1,293
24 Agriculture	22,173	12,215	13,259	10,154	5,278	7,129	503	507	145
25 Commerce and housing credit	4,721	5,198	2,244	2,164	2,648	2,572	559	-161	103
26 Transportation	21,231	24,705	10,686	9,918	13,323	10,616	2,322	2,272	2,331
27 Community and regional development	7,302	7,803	4,187	3,124	4,327	3,154	682	698	850
28 Education, training, employment, social services	25,726	26,616	12,186	12,801	13,246	13,445	2,075	2,710	1,839
29 Health	28,655	30,435	39,072	41,206	42,150	15,748	2,536	2,736	2,337
30 Social security and medicare	223,311	235,764	133,779	143,001			19,656	34,145	4,084
31 Income security	106,211	96,714			135,579	65,212	7,047	8,271	7,615
32 Veterans benefits and services	24,845	25,640	13,240	11,334	13,621	12,849	1,243	3,287	936
33 Administration of justice	5,014	5,616	2,373	2,522	2,628	2,807	543	553	396
34 General government	4,991	4,836	2,323	2,434	2,479	2,462	290	546	468
35 General-purpose fiscal assistance	6,287	6,577	3,153	3,124	3,290	2,943	1,256	91	236
36 Net interest[6]	89,774	111,007	44,948	42,358	47,674	53,729	8,743	11,106	9,742
37 Undistributed offsetting receipts[7]	-21,424	-15,454	-8,332	-8,887	-7,262	-7,333	-1,296	-1,356	-2,160

1. Old-age, disability, and hospital insurance, and railroad retirement accounts.
2. Old-age, disability, and hospital insurance.
3. Federal employee retirement contributions and civil service retirement and disability fund.
4. Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.
5. In accordance with the Social Security Amendments Act of 1983, the Treasury now provides social security and medicare outlays as a separate function. Before February 1984, these outlays were included in the income security and health functions.
6. Net interest function includes interest received by trust funds.
7. Consists of rents and royalties on the outer continental shelf and U.S. government contributions for employee retirement.

SOURCE. "Monthly Treasury Statement of Receipts and Outlays of the U.S. Government" and the *Budget of the U.S. Government, Fiscal Year 1985*.

1.40 FEDERAL DEBT SUBJECT TO STATUTORY LIMITATION

Billions of dollars

Item	1982		1983				1984		
	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30	Dec. 31	Mar. 31	June 30	Sept. 30
1 **Federal debt outstanding**	**1,147.0**	**1,201.9**	**1,249.3**	**1,324.3**	**1,381.9**	**1,415.3**	**1,468.3**	**1,517.2**	**n.a.**
2 Public debt securities	1,142.0	1,197.1	1,244.5	1,319.6	1,377.2	1,410.7	1,463.7	1,512.7	1,572.3
3 Held by public	925.6	987.7	1,043.3	1,090.3	1,138.2	1,174.4	1,223.9	1,255.1	
4 Held by agencies	216.4	209.4	201.2	229.3	239.0	236.3	239.8	257.6	
5 Agency securities	5.0	4.8	4.8	4.7	4.7	4.6	4.6	4.5	n.a.
6 Held by public	3.7	3.7	3.7	3.6	3.6	3.5	3.5	3.4	
7 Held by agencies	1.2	1.2	1.1	1.1	1.1	1.1	1.1	1.1	
8 **Debt subject to statutory limit**	**1,142.9**	**1,197.9**	**1,245.3**	**1,320.4**	**1,378.0**	**1,411.4**	**1,464.4**	**1,513.4**	**1,573.0**
9 Public debt securities	1,141.4	1,196.5	1,243.9	1,319.0	1,376.6	1,410.1	1,463.1	1,512.1	1,571.7
10 Other debt[1]	1.5	1.4	1.4	1.4	1.3	1.3	1.3	1.3	1.3
11 MEMO: Statutory debt limit	1,143.1	1,290.2	1,290.2	1,389.0	1,389.0	1,490.0	1,490.0	1,520.0	1,573.0

1. Includes guaranteed debt of government agencies, specified participation certificates, notes to international lending organizations, and District of Columbia stadium bonds.

NOTE. Data from *Treasury Bulletin* (U.S. Treasury Department).

1.41 GROSS PUBLIC DEBT OF U.S. TREASURY Types and Ownership

Billions of dollars, end of period

Type and holder	1979	1980	1981	1982	1983	1984		
					Q4	Q1	Q2	Q3
1 **Total gross public debt**	**845.1**	**930.2**	**1,028.7**	**1,197.1**	**1,410.7**	**1,463.7**	**1,512.7**	**1,572.3**
By type								
2 Interest-bearing debt	844.0	928.9	1,027.3	1,195.5	1,400.9	1,452.1	1,501.1	1,559.6
3 Marketable	530.7	623.2	720.3	881.5	1,050.9	1,097.7	1,126.6	1,176.6
4 Bills	172.6	216.1	245.0	311.8	343.8	350.2	343.3	356.8
5 Notes	283.4	321.6	375.3	465.0	573.4	604.9	632.1	661.7
6 Bonds	74.7	85.4	99.9	104.6	133.7	142.6	151.2	158.1
7 Nonmarketable[1]	313.2	305.7	307.0	314.0	350.0	354.4	374.5	383.0
8 State and local government series	24.6	23.8	23.0	25.7	36.7	38.1	39.9	41.4
9 Foreign issues[2]	28.8	24.0	19.0	14.7	10.4	9.9	8.8	8.8
10 Government	23.6	17.6	14.9	13.0	10.4	9.9	8.8	8.8
11 Public	5.3	6.4	4.1	1.7	0.0	0.0	0.0	0.0
12 Savings bonds and notes	79.9	72.5	68.1	68.0	70.7	71.6	72.3	73.1
13 Government account series[3]	177.4	185.1	196.7	205.4	231.9	234.6	253.2	259.5
14 Non-interest-bearing debt	1.2	1.3	1.4	1.6	9.8	11.6	11.6	12.7
By holder[4]								
15 U.S. government agencies and trust funds	187.1	192.5	203.3	209.4	236.3	239.8	257.6	
16 Federal Reserve Banks	117.5	121.3	131.0	139.3	151.9	150.8	152.9	
17 Private investors	540.5	616.4	694.5	848.4	1,022.6	1,073.0	1,093.7	
18 Commercial banks	88.1	112.1	111.4	131.4	188.8	189.8	183.8	
19 Money market funds	5.6	3.5	21.5	42.6	22.8	19.4	14.9	
20 Insurance companies	21.4	24.0	29.0	39.1	48.9	n.a.	n.a.	n.a.
21 Other companies	17.0	19.3	17.9	24.5	39.7	45.4	47.9	
22 State and local governments	69.9	84.4	85.6	113.4	n.a.	n.a.	n.a.	
Individuals								
23 Savings bonds	79.9	72.5	68.1	68.3	71.5	72.2	72.9	
24 Other securities	38.1	44.6	42.7	48.2	61.9	64.7	69.3	
25 Foreign and international[5]	119.0	129.7	136.6	149.5	168.9	166.3	170.9	160.1
26 Other miscellaneous investors[6]	99.6	126.3	167.8	231.4	n.a.	n.a.	n.a.	n.a.

1. Includes (not shown separately): Securities issued to the Rural Electrification Administration; depository bonds, retirement plan bonds, and individual retirement bonds.
2. Nonmarketable dollar-denominated and foreign currency-denominated series held by foreigners.
3. Held almost entirely by U.S. government agencies and trust funds.
4. Data for Federal Reserve Banks and U.S. government agencies and trust funds are actual holdings; data for other groups are Treasury estimates.
5. Consists of investments of foreign and international accounts. Excludes non-interest-bearing notes issued to the International Monetary Fund.
6. Includes savings and loan associations, nonprofit institutions, credit unions, mutual savings banks, corporate pension trust funds, dealers and brokers, certain U.S. government deposit accounts, and U.S. government-sponsored agencies.

SOURCES. Data by type of security, U.S. Treasury Department, *Monthly Statement of the Public Debt of the United States;* data by holder, *Treasury Bulletin*.

1.42 U.S. GOVERNMENT SECURITIES DEALERS Transactions

Par value; averages of daily figures, in millions of dollars

	Item	1981	1982	1983	1984			1984 week ending Wednesday					
					July	Aug.	Sept.	Aug. 22	Aug. 29	Sept. 5	Sept. 12	Sept. 19	Sept. 26
	Immediate delivery[1]												
1	U.S. government securities	24,728	32,271	42,134	47,328	44,537	50,317	37,354	35,585	38,793	49,390	52,341	51,055
	By maturity												
2	Bills	14,768	18.398	22,393	23,368	21,373	25,668	17,836	18,424	21,991	25,110	26,434	24,548
3	Other within 1 year	621	810	708	1,197	940	1,059	887	734	672	854	1,398	1,142
4	1-5 years	4,360	6,272	8,758	9,859	9,462	10,478	8,597	8,037	5,232	9,333	10,657	12,836
5	5-10 years	2,451	3,557	5,279	7,680	6.739	7,975	5,262	5,038	7,810	8,992	8,574	7,179
6	Over 10 years	2,528	3,234	4,997	5,224	6,023	5,138	4,773	3,352	3,088	5,101	5,278	5,350
	By type of customer												
7	U.S. government securities dealers	1,640	1,769	2,257	2,404	2,669	2,648	1,888	2,647	2,569	2,311	2,929	2,397
8	U.S. government securities brokers	11,750	15,659	21,045	23,521	21,499	24,448	19,388	16,547	17,688	24,622	25,287	24,791
9	All others[2]	11,337	15,344	18,832	21,403	20,370	23,220	16,078	16,391	18,536	22,456	24,124	23,867
10	Federal agency securities	3,306	4,142	5,576	7,962	7,039	8,966	5,146	5,192	6,177	8,839	11,517	8,122
11	Certificates of deposit	4,477	5,001	4,334	4,512	3,006	4,451	2,735	2,633	2,853	3,984	4,640	5,056
12	Bankers acceptances	1,807	2,502	2,642	3,185	2,533	3,792	2,359	2,250	2,725	3,522	4,104	3,829
13	Commercial paper	6,128	7,595	8,036	11,580	10,528	11,663	10,514	10,615	12,168	11,608	12,061	10,853
	Futures transactions[3]												
14	Treasury bills	3,523	5,031	6,655	7,126	5,523	5,097	4,092	4,179	3,467	5,347	5,407	5,751
15	Treasury coupons	1,330	1,490	2,501	4,235	4,385	5,144	4,467	3,427	3,090	4,979	6,639	4,128
16	Federal agency securities	234	259	265	221	284	254	381	311	103	206	494	243
	Forward transactions[4]												
17	U.S. government securities	365	835	1,492	1,138	1,443	1,092	1,671	1,181	1.091	673	1,417	1,410
18	Federal agency securities	1,370	982	1,646	2,711	3,176	2,454	2,489	1,590	2,381	2,305	3,314	1,900

1. Before 1981, data for immediate transactions include forward transactions.
2. Includes, among others, all other dealers and brokers in commodities and securities, nondealer departments of commercial banks, foreign banking agencies, and the Federal Reserve System.
3. Futures contracts are standardized agreements arranged on an organized exchange in which parties commit to purchase or sell securities for delivery at a future date.
4. Forward transactions are agreements arranged in the over-the-counter market in which securities are purchased (sold) for delivery after 5 business days from the date of the transaction for government securities (Treasury bills, notes, and bonds) or after 30 days for mortgage-backed agency issues.

NOTE. Averages for transactions are based on number of trading days in the period.

Transactions are market purchases and sales of U.S. government securities dealers reporting to the Federal Reserve Bank of New York. The figures exclude allotments of, and exchanges for, new U.S. government securities, redemptions of called or matured securities, purchases or sales of securities under repurchase agreement, reverse repurchase (resale), or similar contracts.

1.43 U.S. GOVERNMENT SECURITIES DEALERS Positions and Financing

Averages of daily figures, in millions of dollars

	Item	1981	1982	1983	1984 June	1984 July	1984 Aug.	1984 week ending Wednesday Aug. 1	Aug. 8	Aug. 15	Aug. 22	Aug. 29
					Positions							
	Net immediate[1]											
1	U.S. government securities	9,033	9,328	6,263	−6,387	−6,121	3,363	−1,513	50	4,634	3,679	4,378
2	Bills	6,485	4,837	4,282	−2,628	−2,362	4,546	0	2,696	4,487	5,258	5,282
3	Other within 1 year	−1,526	−199	−177	−596	−604	−89	−275	18	−101	−252	−42
4	1–5 years	1,488	2,932	1,709	343	331	2,471	2,431	1,503	2,733	2,072	3,498
5	5–10 years	292	−341	−78	−1,341	−860	−1,167	−1,265	−1,436	−753	−945	−1,729
6	Over 10 years	2,294	2,001	528	−2,250	−2,715	−2,490	−2,496	−2,825	−1,826	−2,550	−2,717
7	Federal agency securities	2,277	3,712	7,172	15,996	16,040	16,098	15,791	17,338	15,841	14,498	16,423
8	Certificates of deposit	3,435	5,531	5,839	6,990	7,407	6,708	7,128	6,565	6,647	6,554	6,898
9	Bankers acceptances	1,746	2,832	3,332	3,498		4,693	4,371	4,826	4,349	4,653	4,804
10	Commercial paper	2,658	3,317	3,159	3,969	3,161	4,158	3,174	4,135	4,471	4,360	3,802
	Futures positions											
11	Treasury bills	−8,934	−2,508	−4,125	2,613	−1,383	−7,158	−2,422	−2,614	−7,959	−9,903	−8,492
12	Treasury coupons	−2,733	−2,361	−1,032	1,863	3,368	2,826	3,650	3,464	2,541	2,103	2,998
13	Federal agency securities	522	−224	170	826	622	610	632	675	735	588	469
	Forward positions											
14	U.S. government securities	−603	−788	−1,935	−836	−1,794	−673	−1,138	−909	−1,249	−415	−124
15	Federal agency securities	−451	−1,190	−3,561	−10,763	−10,272	−9,682	−9,702	−10,533	−9,142	−9,071	−9,734
					Financing[2]							
	Reverse repurchase agreements[3]											
16	Overnight and continuing	14,568	26,754	29,099	44,990	42,412	41,845	41,542	40,639	43,152	41,707	41,103
17	Term agreements	32,048	48,247	52,493	65,225	69,221	71,733	70,975	71,176	70,889	73,347	72,272
	Repurchase agreements[4]											
18	Overnight and continuing	35,919	49,695	57,946	70,133	69,928	74,018	71,503	71,999	76,155	74,537	71,369
19	Term agreements	29,449	43,410	44,410	54,761	55,217	53,545	54,235	53,553	52,456	54,463	54,969

1. Immediate positions are net amounts (in terms of par values) of securities owned by nonbank dealer firms and dealer departments of commercial banks on a commitment, that is, trade-date basis, including any such securities that have been sold under agreements to repurchase (RPs). The maturities of some repurchase agreements are sufficiently long, however, to suggest that the securities involved are not available for trading purposes. Prior to 1984, securities owned, and hence dealer positions, do not include all securities acquired under reverse RPs. After January 1984, immediate positions include reverses to maturity, which are securities that were sold after having been obtained under reverse repurchase agreements that mature on the same day as the securities. Before 1981, data for immediate positions include forward positions.

2. Figures cover financing involving U.S. government and federal agency securities, negotiable CDs, bankers acceptances, and commercial paper.

3. Includes all reverse repurchase agreements, including those that have been arranged to make delivery on short sales and those for which the securities obtained have been used as collateral on borrowings, that is, matched agreements.

4. Includes both repurchase agreements undertaken to finance positions and "matched book" repurchase agreements.

NOTE. Data for positions are averages of daily figures, in terms of par value, based on the number of trading days in the period. Positions are shown net and are on a commitment basis. Data for financing are based on Wednesday figures, in terms of actual money borrowed or lent.

1.44 FEDERAL AND FEDERALLY SPONSORED CREDIT AGENCIES Debt Outstanding

Millions of dollars, end of period

Agency	1981	1982	1983	1984					
				Mar.	Apr.	May	June	July	Aug.
1 **Federal and federally sponsored agencies**	**221,946**	**237,085**	**239,716**	**244,691**	**247,148**	**252,044**	**255,376**	**258,957**	**251,918**
2 Federal agencies	31,806	33,055	33,940	32,800	34,273	34,231	34,473	34,560	34,497
3 Defense Department[1]	484	354	243	206	197	188	181	172	162
4 Export-Import Bank[2,3]	13,339	14,218	14,853	15,347	15,344	15,344	15,604	15,611	15,606
5 Federal Housing Administration[4]	413	288	194	166	162	156	155	154	146
6 Government National Mortgage Association participation certificates[5]	2,715	2,165	2,165	2,165	2,165	2,165	2,165	2,165	2,165
7 Postal Service[6]	1,538	1,471	1,404	1,404	1,404	1,337	1,337	1,337	1,337
8 Tennessee Valley Authority	13,115	14,365	14,970	14,805	14,890	14,930	14,980	15,070	15,030
9 United States Railway Association[6]	202	194	111	111	111	111	51	51	51
10 Federally sponsored agencies[7]	190,140	204,030	205,776	211,891	212,872	217,813	220,903	224,397	217,421
11 Federal Home Loan Banks	54,131	55,967	48,930	48,594	49,786	52,281	54,799	57,965	62,116
12 Federal Home Loan Mortgage Corporation	5,480	4,524	6,793	8,633	8,134	9,131	8,988	7,822	9,068
13 Federal National Mortgage Association	58,749	70,052	74,594	77,966	78,073	79,267	79,871	80,706	79,921
14 Farm Credit Banks	71,359	71,896	72,409	73,180	73,130	73,138	73,061	73,297	61,628
15 Student Loan Marketing Association	421	1,591	3,050	3,518	3,749	3,996	4,184	4,607	4,688
MEMO									
16 **Federal Financing Bank debt[9]**	**110,698**	**126,424**	**135,791**	**137,707**	**138,769**	**139,936**	**141,734**	**143,322**	**144,063**
Lending to federal and federally sponsored agencies									
17 Export-Import Bank[3]	12,741	14,177	14,789	15,296	15,296	15,296	15,556	15,563	15,563
18 Postal Service[6]	1,288	1,221	1,154	1,154	1,154	1,087	1,087	1,087	1,087
19 Student Loan Marketing Association	5,400	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
20 Tennessee Valley Authority	11,390	12,640	13,245	13,080	13,165	13,205	13,255	13,345	13,305
21 United States Railway Association[6]	202	194	111	111	111	111	51	51	51
Other Lending[10]									
22 Farmers Home Administration	48,821	53,261	55,266	55,186	55,691	56,476	57,701	58,856	59,196
23 Rural Electrification Administration	13,516	17,157	19,766	20,186	20,413	20,456	20,611	20,671	20,742
24 Other	12,740	22,774	26,460	27,694	27,939	28,305	28,473	28,749	29,119

1. Consists of mortgages assumed by the Defense Department between 1957 and 1963 under family housing and homeowners assistance programs.
2. Includes participation certificates reclassified as debt beginning Oct. 1, 1976.
3. Off-budget Aug. 17, 1974, through Sept. 30, 1976; on-budget thereafter.
4. Consists of debentures issued in payment of Federal Housing Administration insurance claims. Once issued, these securities may be sold privately on the securities market.
5. Certificates of participation issued before fiscal 1969 by the Government National Mortgage Association acting as trustee for the Farmers Home Administration; Department of Health, Education, and Welfare; Department of Housing and Urban Development; Small Business Administration; and the Veterans Administration.
6. Off-budget.
7. Includes outstanding noncontingent liabilities: Notes, bonds, and debentures.
8. Before late 1981, the Association obtained financing through the Federal Financing Bank.
9. The FFB, which began operations in 1974, is authorized to purchase or sell obligations issued, sold, or guaranteed by other federal agencies. Since FFB incurs debt solely for the purpose of lending to other agencies, its debt is not included in the main portion of the table in order to avoid double counting.
10. Includes FFB purchases of agency assets and guaranteed loans; the latter contain loans guaranteed by numerous agencies with the guarantees of any particular agency being generally small. The Farmers Home Administration item consists exclusively of agency assets, while the Rural Electrification Administration entry contains both agency assets and guaranteed loans.

1.44 FEDERAL AND FEDERALLY SPONSORED CREDIT AGENCIES Debt Outstanding

Millions of dollars, end of period

Agency	1981	1982	1983	1984					
				Mar.	Apr.	May	June	July	Aug.
1 **Federal and federally sponsored agencies**	**221,946**	**237,085**	**239,716**	**244,691**	**247,148**	**252,044**	**255,376**	**258,957**	**251,918**
2 Federal agencies	31,806	33,055	33,940	32,800	34,273	34,231	34,473	34,560	34,497
3 Defense Department[1]	484	354	243	206	197	188	181	172	162
4 Export-Import Bank[2,3]	13,339	14,218	14,853	15,347	15,344	15,344	15,604	15,611	15,606
5 Federal Housing Administration[4]	413	288	194	166	162	156	155	154	146
6 Government National Mortgage Association participation certificates[5]	2,715	2,165	2,165	2,165	2,165	2,165	2,165	2,165	2,165
7 Postal Service[6]	1,538	1,471	1,404	1,404	1,404	1,337	1,337	1,337	1,337
8 Tennessee Valley Authority	13,115	14,365	14,970	14,805	14,890	14,930	14,980	15,070	15,030
9 United States Railway Association[6]	202	194	111	111	111	111	51	51	51
10 Federally sponsored agencies[7]	190,140	204,030	205,776	211,891	212,872	217,813	220,903	224,397	217,421
11 Federal Home Loan Banks	54,131	55,967	48,930	48,594	49,786	52,281	54,799	57,965	62,116
12 Federal Home Loan Mortgage Corporation	5,480	4,524	6,793	8,633	8,134	9,131	8,988	7,822	9,068
13 Federal National Mortgage Association	58,749	70,052	74,594	77,966	78,073	79,267	79,871	80,706	79,921
14 Farm Credit Banks	71,359	71,896	72,409	73,180	73,130	73,138	73,061	73,297	61,628
15 Student Loan Marketing Association	421	1,591	3,050	3,518	3,749	3,996	4,184	4,607	4,688
MEMO									
16 **Federal Financing Bank debt**[9]	**110,698**	**126,424**	**135,791**	**137,707**	**138,769**	**139,936**	**141,734**	**143,322**	**144,063**
Lending to federal and federally sponsored agencies									
17 Export-Import Bank[3]	12,741	14,177	14,789	15,296	15,296	15,296	15,556	15,563	15,563
18 Postal Service[6]	1,288	1,221	1,154	1,154	1,154	1,087	1,087	1,087	1,087
19 Student Loan Marketing Association	5,400	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
20 Tennessee Valley Authority	11,390	12,640	13,245	13,080	13,165	13,205	13,255	13,345	13,305
21 United States Railway Association[6]	202	194	111	111	111	111	51	51	51
Other Lending[10]									
22 Farmers Home Administration	48,821	53,261	55,266	55,186	55,691	56,476	57,701	58,856	59,196
23 Rural Electrification Administration	13,516	17,157	19,766	20,186	20,413	20,456	20,611	20,671	20,742
24 Other	12,740	22,774	26,460	27,694	27,939	28,305	28,473	28,749	29,119

1. Consists of mortgages assumed by the Defense Department between 1957 and 1963 under family housing and homeowners assistance programs.
2. Includes participation certificates reclassified as debt beginning Oct. 1, 1976.
3. Off-budget Aug. 17, 1974, through Sept. 30, 1976; on-budget thereafter.
4. Consists of debentures issued in payment of Federal Housing Administration insurance claims. Once issued, these securities may be sold privately on the securities market.
5. Certificates of participation issued before fiscal 1969 by the Government National Mortgage Association acting as trustee for the Farmers Home Administration; Department of Health, Education, and Welfare; Department of Housing and Urban Development; Small Business Administration; and the Veterans Administration.
6. Off-budget.
7. Includes outstanding noncontingent liabilities: Notes, bonds, and debentures.
8. Before late 1981, the Association obtained financing through the Federal Financing Bank.
9. The FFB, which began operations in 1974, is authorized to purchase or sell obligations issued, sold, or guaranteed by other federal agencies. Since FFB incurs debt solely for the purpose of lending to other agencies, its debt is not included in the main portion of the table in order to avoid double counting.
10. Includes FFB purchases of agency assets and guaranteed loans; the latter contain loans guaranteed by numerous agencies with the guarantees of any particular agency being generally small. The Farmers Home Administration item consists exclusively of agency assets, while the Rural Electrification Administration entry contains both agency assets and guaranteed loans.

1.45 NEW SECURITY ISSUES State and Local Governments

Millions of dollars

Type of issue or issuer, or use	1981	1982	1983	1984 Jan.	Feb.	Mar.	Apr.[r]	May[r]	June[r]	July[r]	Aug.
1 **All issues, new and refunding**[1]	**47,732**	**79,138**	**86,421**	**5,048**	**4,588**[r]	**5,492**[r]	**5,583**	**7,146**	**6,403**	**6,783**	**9,890**
Type of issue											
2 General obligation	12,394	21,094	21,566	1,121	1,847[r]	2,498	2,313	2,356	1,827	1,784	1,813
3 U.S. government loans[2]	34	225	96	0	2	2	3	3	3	3	5
4 Revenue	35,338	58,044	64,855	3,947	2,741	2,994[r]	3,270	4,790	4,576	4,999	8,077
5 U.S. government loans[2]	55	461	253	1	2	4	8	13	15	18	21
Type of issuer											
6 State	5,288	8,438	7,140	327	935	584	886	497	447	452	691
7 Special district and statutory authority	27,499	45,060	51,297	3,502	2,139	3,015[r]	2,833	3,762	3,817	4,664	7,173
8 Municipalities, counties, townships, school districts	14,945	25,640	27,984	1,219	1,514[r]	1,893	1,864	2,887	2,139	1,667	2,026
9 **Issues for new capital, total**	**46,530**	**74,804**	**72,441**	**4,045**	**4,001**[r]	**4,685**[r]	**4,451**	**6,047**	**5,835**	**5,899**	**8,916**
Use of proceeds											
10 Education	4,547	6,482	8,099	368	352[r]	592[r]	475	893	713	470	582
11 Transportation	3,447	6,256	4,387	126	336	56	517	403	655	88	391
12 Utilities and conservation	10,037	14,259	13,588	1,915	739	1,279	670	1,417	1,173	306	971
13 Social welfare	12,729	26,635	26,910	831	1,134	1,100	1,158	1,383	1,974	3,519	4,513
14 Industrial aid	7,651	8,349	7,821	128	288	79	358	477	335	746	854
15 Other purposes	8,119	12,822	11,637	677	1,152	1,579	1,273	1,474	985	770	1,605

1. Par amounts of long-term issues based on date of sale.
2. Consists of tax-exempt issues guaranteed by the Farmers Home Administration.

SOURCE. Public Securities Association.

1.46 NEW SECURITY ISSUES Corporations

Millions of dollars

Type of issue or issuer, or use	1981	1982	1983	1984 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
1 **All issues**[1,2]	**70,441**	**84,638**	**98,550**	**7,690**	**7,629**	**5,442**	**6,047**	**4,048**	**7,266**	**7,565**	**10,852**
2 **Bonds**	**45,092**	**54,076**	**46,971**	**5,647**	**5,250**	**3,346**	**4,262**	**2,239**	**5,045**	**6,233**	**8,798**
Type of offering											
3 Public	38,103	44,278	46,971	5,647	5,250	3,346	4,262	2,239	5,045	6,233	8,798[r]
4 Private placement	6,989	9,798	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Industry group											
5 Manufacturing	12,325	12,822	7,842	179	452	68	691	383	1,440	950	2,484
6 Commercial and miscellaneous	5,229	5,442	5,158	976	626	258	1,096	221	531	865	776
7 Transportation	2,052	1,491	1,038	10	75	180	69	0	225	40	183
8 Public utility	8,963	12,327	7,241	325	385	521	495	100	475	650	765
9 Communication	4,280	2,390	3,159	210	0	200	94	0	0	31	0
10 Real estate and financial	12,243	19,604	22,531	3,947	3,712	2,119	1,911	1,535	2,375	3,697	4,590[r]
11 **Stocks**[3]	**25,349**	**30,562**	**51,579**	**2,043**	**2,379**	**2,096**	**1,785**	**1,809**	**2,221**	**1,332**	**2,054**
Type											
12 Preferred	1,797	5,113	7,213	305	425	227	339	579	244	209	334
13 Common	23,552	25,449	44,366	1,738	1,954	1,869	1,446	1,230	1,977	1,123	1,720
Industry group											
14 Manufacturing	5,074	5,649	14,135	427	299	387	165	442	584	204	258
15 Commercial and miscellaneous	7,557	7,770	13,112	465	616	486	732	718	316	382	558
16 Transportation	779	709	2,729	54	15	105	62	84	1	28	0
17 Public utility	5,577	7,517	5,001	225	45	134	188	116	282	136	44
18 Communication	1,778	2,227	1,822	30	20	18	94	16	11	0	123
19 Real estate and financial	4,584	6,690	14,780	842	1,384	966	544	433	1,027	582	1,071

1. Figures, which represent gross proceeds of issues maturing in more than one year, sold for cash in the United States, are principal amount or number of units multiplied by offering price. Excludes offerings of less than $100,000, secondary offerings, undefined or exempted issues as defined in the Securities Act of 1933, employee stock plans, investment companies other than closed-end, intracorporate transactions, and sales to foreigners.
2. Data for 1983 include only public offerings.
3. Beginning in August 1981, gross stock offerings include new equity volume from swaps of debt for equity.

SOURCE. Securities and Exchange Commission and the Board of Governors of the Federal Reserve System.

1.47 OPEN-END INVESTMENT COMPANIES Net Sales and Asset Position

Millions of dollars

Item	1982	1983	1984 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
INVESTMENT COMPANIES[1]										
1 Sales of own shares[2]	45,675	84,793	10,274	8,233	8,857	9,549	8,657	8,397	7,550	9,024
2 Redemptions of own shares[3]	30,078	57,120	5,544	5,162	5,339	7,451	5,993	6,156	5,777	6,499
3 Net sales	15,597	27,673	4,730	3,071	3,518	2,098	2,664	2,241	1,773	2,525
4 Assets[4]	76,841	113,599	114,839	111,068	114,537	116,812	111,071	115,034	115,481	128,208
5 Cash position[5]	6,040	8,343	8,963	9,140	10,406	10,941	10,847	11,907	11,620	12,677
6 Other	70,801	105,256	105,876	101,928	104,131	105,871	100,224	103,127	103,861	115,531

1. Excluding money market funds.
2. Includes reinvestment of investment income dividends. Excludes reinvestment of capital gains distributions and share issue of conversions from one fund to another in the same group.
3. Excludes share redemption resulting from conversions from one fund to another in the same group.
4. Market value at end of period, less current liabilities.
5. Also includes all U.S. government securities and other short-term debt securities.

NOTE. Investment Company Institute data based on reports of members, which comprise substantially all open-end investment companies registered with the Securities and Exchange Commission. Data reflect newly formed companies after their initial offering of securities.

1.48 CORPORATE PROFITS AND THEIR DISTRIBUTION

Billions of dollars; quarterly data are at seasonally adjusted annual rates.

Account	1981	1982	1983	1982 Q3	1982 Q4	1983 Q1	1983 Q2	1983 Q3	1983 Q4	1984 Q1	1984 Q2
1 Corporate profits with inventory valuation and capital consumption adjustment	189.9	159.1	225.2	163.3	151.6	179.1	216.7	245.0	260.0	277.4	291.1
2 Profits before tax	221.1	165.5	203.2	168.9	155.8	161.7	198.2	227.4	225.5	243.3	246.0
3 Profits tax liability	81.1	60.7	75.8	61.9	55.0	59.1	74.8	84.7	84.5	92.7	95.8
4 Profits after tax	140.0	104.8	127.4	107.0	100.8	102.6	123.4	142.6	141.1	150.6	150.2
5 Dividends	66.5	69.2	72.9	69.0	70.2	71.1	71.7	73.3	75.4	77.7	79.9
6 Undistributed profits	73.5	35.6	54.5	38.1	30.6	31.4	51.7	69.3	65.6	72.9	70.2
7 Inventory valuation	-23.6	-9.5	-11.2	-10.1	-12.6	-4.3	-12.1	-19.3	-9.2	-13.5	-7.3
8 Capital consumption adjustment	-7.6	3.1	33.2	4.5	8.4	21.7	30.6	36.9	43.6	47.6	52.3

SOURCE. *Survey of Current Business* (Department of Commerce).

1.49 NONFINANCIAL CORPORATIONS Assets and Liabilities

Billions of dollars, except for ratio

Account	1978	1979	1980	1981	1982	1983 Q2	1983 Q3	1983 Q4	1984 Q1[r]	1984 Q2
1 **Current assets**	**1,043.7**	**1,214.8**	**1,327.0**	**1,418.4**	**1,432.7**	**1,468.0**	**1,522.8**	**1,557.3**	**1,600.6**	**1,630.8**
2 Cash	105.5	118.0	126.9	135.5	147.0	147.9	150.5	165.8	159.3	155.5
3 U.S. government securities	17.2	16.7	18.7	17.6	22.8	28.2	27.0	30.6	35.1	36.8
4 Notes and accounts receivable	388.0	459.0	506.8	532.0	519.2	539.3	565.0	577.8	596.9	612.6
5 Inventories	431.8	505.1	542.8	583.7	578.6	576.2	597.3	599.3	623.1	633.3
6 Other	101.1	116.0	131.8	149.5	165.2	176.4	183.0	183.7	186.3	192.5
7 **Current liabilities**	**669.5**	**807.3**	**889.3**	**970.0**	**976.8**	**990.2**	**1,026.6**	**1,043.0**	**1,079.0**	**1,111.5**
8 Notes and accounts payable	383.0	460.8	513.6	546.3	543.0	536.6	559.4	577.9	584.1	606.0
9 Other	286.5	346.5	375.7	423.7	433.8	453.6	467.2	465.2	495.0	505.5
10 **Net working capital**	**374.3**	**407.5**	**437.8**	**448.4**	**455.9**	**477.8**	**496.3**	**514.3**	**521.6**	**519.3**
11 MEMO: Current ratio[1]	1.559	1.505	1.492	1.462	1.467	1.483	1.483	1.493	1.483	1.467

1. Ratio of total current assets to total current liabilities.

NOTE. For a description of this series, see "Working Capital of Nonfinancial Corporations" in the July 1978 BULLETIN, pp. 533-37.

All data in this table reflect the most current benchmarks. Complete data are available upon request from the Flow of Funds Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

SOURCE. Federal Trade Commission and Bureau of the Census.

1.50 TOTAL NONFARM BUSINESS EXPENDITURES on New Plant and Equipment ▲

Billions of dollars; quarterly data are at seasonally adjusted annual rates.

Industry[1]	1982	1983	1984[1]	1983				1984			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3[1]	Q4[1]
1 **Total nonfarm business**	**282.71**	**269.22**	**307.60**	**261.71**	**261.16**	**270.05**	**283.96**	**293.15**	**302.70**	**316.22**	**318.33**
Manufacturing											
2 Durable goods industries	56.44	51.78	62.73	50.74	48.48	53.06	54.85	58.94	60.20	64.82	66.98
3 Nondurable goods industries	63.23	59.75	67.66	59.12	60.31	58.06	61.50	63.84	67.46	69.64	69.69
Nonmanufacturing											
4 Mining	15.45	11.83	13.11	12.03	10.91	11.93	12.43	13.95	12.13	13.24	13.14
Transportation											
5 Railroad	4.38	3.92	5.19	3.35	3.64	4.07	4.63	4.41	5.64	5.31	5.41
6 Air	3.93	3.77	2.91	4.09	4.10	3.57	3.32	2.77	2.98	3.19	2.70
7 Other	3.64	3.50	4.36	3.60	3.14	3.36	3.91	4.28	4.33	4.36	4.47
Public utilities											
8 Electric	33.40	34.99	34.78	33.97	34.86	35.84	35.31	35.74	35.30	34.20	33.88
9 Gas and other	8.55	7.00	9.55	7.64	6.62	6.38	7.37	7.87	9.30	9.86	11.15
10 Commercial and other[2]	93.68	92.67	107.30	87.17	89.10	93.79	100.62	101.35	105.35	111.60	110.92

▲Trade and services are no longer being reported separately. They are included in *Commercial and other*, line 10.
1. Anticipated by business.
2. "Other" consists of construction; wholesale and retail trade; finance and insurance; personal and business services; and communication.
SOURCE. *Survey of Current Business* (Department of Commerce).

1.51 DOMESTIC FINANCE COMPANIES Assets and Liabilities

Billions of dollars, end of period

Account	1978	1979	1980	1981	1982	1983			1984	
						Q2	Q3	Q4	Q1	Q2
ASSETS										
Accounts receivable, gross										
1 Consumer	52.6	65.7	73.6	85.5	89.5	91.3	92.3	92.8	96.9	99.6
2 Business	63.3	70.3	72.3	80.6	81.0	84.9	86.8	95.2	101.1	104.2
3 Total	116.0	136.0	145.9	166.1	170.4	176.2	179.0	188.0	198.0	203.8
4 LESS: Reserves for unearned income and losses	15.6	20.0	23.3	28.9	30.5	30.4	30.1	30.6	31.9	33.4
5 Accounts receivable, net	100.4	116.0	122.6	137.2	139.8	145.8	148.9	157.4	166.1	170.4
6 Cash and bank deposits	3.5									
7 Securities	1.3	24.9[1]	27.5	34.2	39.7	44.3	45.0	45.3	47.1	48.1
8 All other	17.3									
9 **Total assets**	**122.4**	**140.9**	**150.1**	**171.4**	**179.5**	**190.2**	**193.9**	**202.7**	**213.2**	**218.5**
LIABILITIES										
10 Bank loans	6.5	8.5	13.2	15.4	18.6	16.3	17.0	19.1	14.7	15.3
11 Commercial paper	34.5	43.3	43.4	51.2	45.8	49.0	49.7	53.6	58.4	62.0
Debt										
12 Short-term, n.e.c.	8.1	8.2	7.5	9.6	8.7	9.6	8.7	11.3	12.2	15.0
13 Long-term, n.e.c.	43.6	46.7	52.4	54.8	63.5	64.5	66.2	65.4	68.7	67.6
14 Other	12.6	14.2	14.3	17.8	18.7	24.0	24.4	27.1	29.8	29.0
15 Capital, surplus, and undivided profits	17.2	19.9	19.4	22.8	24.2	26.7	27.9	26.2	29.4	29.6
16 **Total liabilities and capital**	**122.4**	**140.9**	**150.1**	**171.4**	**179.5**	**190.2**	**193.9**	**202.7**	**213.2**	**218.5**

1. Beginning Q1 1979, asset items on lines 6, 7, and 8 are combined.
NOTE. Components may not add to totals due to rounding.
These data also appear in the Board's G.20 (422) release. For address, see inside front cover.

1.52 DOMESTIC FINANCE COMPANIES Business Credit

Millions of dollars, seasonally adjusted except as noted

Type	Accounts receivable outstanding Aug. 31, 1984[1]	Changes in accounts receivable			Extensions			Repayments		
		1984			1984			1984		
		June	July	Aug.	June	July	Aug.	June	July	Aug.
1 **Total**	**103,012**	**973**	**544**	**3,032**	**24,412**	**25,961**	**30,274**	**23,439**	**25,417**	**27,242**
2 Retail automotive (commercial vehicles)	26,234	660	452	489	2,336	2,108	2,232	1,676	1,656	1,743
3 Wholesale automotive	14,085	−587	−287	2,533	7,542	8,042	10,803	8,129	8,329	8,270
4 Retail paper on business, industrial, and farm equipment	30,518	634	−34	7	1,406	1,143	1,589	772	1,177	1,582
5 Loans on commercial accounts receivable and factored commercial accounts receivable	11,028	−79	197	107	10,776	12,036	13,168	10,855	11,839	13,061
6 All other business credit	21,147	345	216	−104	2,352	2,632	2,482	2,007	2,416	2,586

1. Not seasonally adjusted.
NOTE. These data also appear in the Board's G.20 (422) release. For address, see inside front cover.

1.53 MORTGAGE MARKETS

Millions of dollars; exceptions noted.

Item	1981	1982	1983	1984 Mar.	Apr.	May	June	July	Aug.	Sept.
	Terms and yields in primary and secondary markets									
PRIMARY MARKETS										
Conventional mortgages on new homes										
Terms[1]										
1 Purchase price (thousands of dollars)	90.4	94.6	92.8	94.0	92.4	93.9	93.4	98.3	94.3 r	96.3
2 Amount of loan (thousands of dollars)	65.3	69.8	69.6	73.4	71.1	72.8	72.5	74.6	71.8 r	71.8
3 Loan/price ratio (percent)	74.8	76.6	77.1	80.4	79.2	79.8	79.9	78.4	78.1 r	77.6
4 Maturity (years)	27.7	27.6	26.7	27.9	28.0	27.6	28.1	28.2	28.0	27.6
5 Fees and charges (percent of loan amount)[2]	2.67	2.95	2.40	2.52	2.63	2.63	2.58	3.07	2.82r	2.64
6 Contract rate (percent per annum)	14.16	14.47	12.20	11.56	11.55	11.68	11.61	11.91	11.89	12.03
Yield (percent per annum)										
7 FHLBB series[3]	14.74	15.12	12.66	12.02	12.04	12.18	12.10	12.50	12.43r	12.52
8 HUD series[4]	16.52	15.79	13.43	13.57	13.77	14.38	14.65	14.53	14.24	13.98
SECONDARY MARKETS										
Yield (percent per annum)										
9 FHA mortgages (HUD series)[5]	16.31	15.31	13.11	13.68	13.80	15.01	14.91	14.58	14.21	13.99
10 GNMA securities[6]	15.29	14.68	12.26	12.70	13.01	13.67	14.14	13.86	13.34	13.08
	Activity in secondary markets									
FEDERAL NATIONAL MORTGAGE ASSOCIATION										
Mortgage holdings (end of period)										
11 Total	58,675	66,031	74,847	80,974	81,956	82,697	83,243	83,858	84,193	84,851
12 FHA/VA-insured	39,341	39,718	37,393	35,329	35,438	35,309	35,153	35,049	34,938	34,844
13 Conventional	19,334	26,312	37,454	45,645	46,518	47,388	48,090	48,809	49,255	50,006
Mortgage transactions (during period)										
14 Purchases	6,112	15,116	17,554	2,030	1,775	1,379	1,209	1,226	820	1,145
15 Sales	2	2	3,528	0	235	0	0	0	0	0
Mortgage commitments[7]										
16 Contracted (during period)	9,331	22,105	18,607	1,626	1,561	1,233	1,995	1,976	1,227	1,142
17 Outstanding (end of period)	3,717	7,606	5,461	5,333	5,135	4,981	5,640	6,281	6,332	6,235
FEDERAL HOME LOAN MORTGAGE CORPORATION										
Mortgage holdings (end of period)[8]										
18 Total	5,231	5,131	5,996	8,980	9,143	9,224	9,478	9,154	9,331	
19 FHA/VA	1,065	1,027	974	929	924	918	912	906	901	
20 Conventional	4,166	4,102	5,022	8,050	8,219	8,306	8,566	8,248	8,431	
Mortgage transactions (during period)										
21 Purchases	3,800	23,673	23,089	1,291	983	987	2,204	1,288	1,821	n.a.
22 Sales	3,531	24,170	19,686	863	717	829	1,854	1,573	1,570	
Mortgage commitments[9]										
23 Contracted (during period)	6,896	28,179	32,852	1,874	1,701	1,966	2,712	3,929	3,130	
24 Outstanding (end of period)	3,518	7,549	16,964	17,514	18,183	19,139	19,649	22,311	23,639	

1. Weighted averages based on sample surveys of mortgages originated by major institutional lender groups; compiled by the Federal Home Loan Bank Board in cooperation with the Federal Deposit Insurance Corporation.
2. Includes all fees, commissions, discounts, and "points" paid (by the borrower or the seller) to obtain a loan.
3. Average effective interest rates on loans closed, assuming prepayment at the end of 10 years.
4. Average contract rates on new commitments for conventional first mortgages; from Department of Housing and Urban Development.
5. Average gross yields on 30-year, minimum-downpayment, Federal Housing Administration-insured first mortgages for immediate delivery in the private secondary market. Any gaps in data are due to periods of adjustment to changes in maximum permissible contract rates.
6. Average net yields to investors on Government National Mortgage Association guaranteed, mortgage-backed, fully modified pass-through securities, assuming prepayment in 12 years on pools of 30-year FHA/VA mortgages carrying the prevailing ceiling rate. Monthly figures are unweighted averages of Monday quotations for the month.
7. Includes some multifamily and nonprofit hospital loan commitments in addition to 1- to 4-family loan commitments accepted in FNMA's free market auction system, and through the FNMA-GNMA tandem plans.
8. Includes participation as well as whole loans.
9. Includes conventional and government-underwritten loans. FHLMC's mortgage commitments and mortgage transactions include activity under mortgage/securities swap programs, while the corresponding data for FNMA exclude swap activity.

1.54 MORTGAGE DEBT OUTSTANDING

Millions of dollars, end of period

	Type of holder, and type of property	1981	1982	1983	1983		1984		
					Q3	Q4	Q1	Q2	Q3
1	**All holders**	**1,583,264**	**1,655,036**	**1,826,395**	**1,775,117**	**1,826,395**	**1,869,442**	**1,927,668**	
2	1- to 4-family	1,065,294	1,105,717	1,214,592	1,182,356	1,214,592	1,244,157	1,281,922	
3	Multifamily	136,354	140,551	150,949	147,052	150,949	154,338	159,494	
4	Commercial	279,889	302,055	351,287	336,697	351,287	360,888	375,275	
5	Farm	101,727	106,713	109,567	109,012	109,567	110,059	110,977	
6	Major financial institutions	1,040,827	1,023,611	1,109,963	1,079,605	1,109,963	1,136,168	1,180,558	
7	Commercial banks[1]	284,536	300,203	328,878	320,299	328,878	338,877	351,246	
8	1- to 4-family	170,013	173,157	181,672	178,054	181,672	184,925	190,727	
9	Multifamily	15,132	16,421	18,023	17,424	18,023	19,689	20,548	
10	Commercial	91,026	102,219	119,843	115,692	119,843	124,571	129,961	
11	Farm	8,365	8,406	9,340	9,129	9,340	9,692	10,010	
12	Mutual savings banks	99,997	97,805	136,054	129,645	136,054	143,180	148,756	
13	1- to 4-family	68,187	66,777	96,569	92,467	96,569	101,868	105,985	
14	Multifamily	15,960	15,305	17,785	17,588	17,785	18,441	18,928	
15	Commercial	15,810	15,694	21,671	19,562	21,671	22,841	23,813	
16	Farm	40	29	29	28	29	30	30	
17	Savings and loan associations	518,547	483,614	493,432	482,305	493,432	502,143	526,838	
18	1- to 4-family	433,142	393,323	389,811	381,744	389,811	395,940	413,831	
19	Multifamily	37,699	38,979	42,435	41,334	42,435	43,435	45,308	
20	Commercial	47,706	51,312	61,186	59,227	61,186	62,768	67,699	
21	Life insurance companies	137,747	141,989	151,599	147,356	151,599	151,968	153,718	
22	1- to 4-family	17,201	16,751	15,385	15,534	15,385	14,971	14,982	
23	Multifamily	19,283	18,856	19,189	18,857	19,189	19,153	19,312	
24	Commercial	88,163	93,547	104,279	100,209	104,279	105,270	106,774	
25	Farm	13,100	12,835	12,746	12,756	12,746	12,574	12,650	
26	Federal and related agencies	126,094	138,138	147,370	142,224	147,370	150,784	152,687	
27	Government National Mortgage Association	4,765	4,227	3,395	3,475	3,395	2,900	2,715	
28	1- to 4-family	693	676	630	639	630	618	605	
29	Multifamily	4,072	3,551	2,765	2,836	2,765	2,282	2,110	
30	Farmers Home Administration	2,235	1,786	2,141	600	2,141	2,094	1,344	
31	1- to 4-family	914	783	1,159	211	1,159	1,005	281	
32	Multifamily	473	218	173	32	173	303	463	
33	Commercial	506	377	409	113	409	319	81	
34	Farm	342	408	400	244	400	467	519	n.a.
35	Federal Housing and Veterans Administration	5,999	5,228	4,894	5,050	4,894	4,832	4,771	
36	1- to 4-family	2,289	1,980	1,893	2,061	1,893	1,956	1,846	
37	Multifamily	3,710	3,248	3,001	2,989	3,001	2,876	2,925	
38	Federal National Mortgage Association	61,412	71,814	78,256	75,174	78,256	80,975	83,243	
39	1- to 4-family	55,986	66,500	73,045	69,938	73,045	75,770	77,633	
40	Multifamily	5,426	5,314	5,211	5,236	5,211	5,205	5,610	
41	Federal Land Banks	46,446	50,350	51,052	51,069	51,052	51,004	51,136	
42	1- to 4-family	2,788	3,068	3,000	3,008	3,000	2,982	2,958	
43	Farm	43,658	47,282	48,052	48,061	48,052	48,022	48,178	
44	Federal Home Loan Mortgage Corporation	5,237	4,733	7,632	6,856	7,632	8,979	9,478	
45	1- to 4-family	5,181	4,686	7,559	6,799	7,559	8,847	8,931	
46	Multifamily	56	47	73	57	73	132	547	
47	Mortgage pools or trusts[2]	163,000	216,654	285,073	272,611	285,073	296,481	305,051	
48	Government National Mortgage Association	105,790	118,940	159,850	151,597	159,850	166,261	170,893	
49	1- to 4-family	103,007	115,831	155,801	147,761	155,801	161,943	166,415	
50	Multifamily	2,783	3,109	4,049	3,836	4,049	4,318	4,478	
51	Federal Home Loan Mortgage Corporation	19,853	42,964	57,895	54,152	57,895	59,376	61,267	
52	1- to 4-family	19,501	42,560	57,273	53,539	57,273	58,776	60,636	
53	Multifamily	352	404	622	613	622	600	631	
54	Federal National Mortgage Association[3]	717	14,450	25,121	23,819	25,121	28,354	29,256	
55	1- to 4-family	717	14,450	25,121	23,819	25,121	28,354	29,256	
56	Farmers Home Administration	36,640	40,300	42,207	43,043	42,207	42,490	43,635	
57	1- to 4-family	18,378	20,005	20,404	21,083	20,404	20,573	21,331	
58	Multifamily	3,426	4,344	5,090	5,042	5,090	5,081	5,081	
59	Commercial	6,161	7,011	7,351	7,542	7,351	7,456	7,764	
60	Farm	8,675	8,940	9,362	9,376	9,362	9,380	9,459	
61	Individual and others[4]	253,343	276,633	283,989	280,677	283,989	286,009	289,372	
62	1- to 4-family[5]	167,297	185,170	185,270	185,699	185,270	185,629	186,505	
63	Multifamily	27,982	30,755	32,533	31,208	32,533	32,823	33,553	
64	Commercial	30,517	31,895	36,548	34,352	36,548	37,663	39,183	
65	Farm	27,547	28,813	29,638	29,418	29,638	29,894	30,131	

1. Includes loans held by nondeposit trust companies but not bank trust departments.
2. Outstanding principal balances of mortgages backing securities insured or guaranteed by the agency indicated.
3. Outstanding balances on FNMA's issues of securities backed by pools of conventional mortgages held in trust. Implemented by FNMA in October 1981.
4. Other holders include mortgage companies, real estate investment trusts, state and local credit agencies, state and local retirement funds, noninsured pension funds, credit unions, and U.S. agencies for which amounts are small or for which separate data are not readily available.
5. Includes estimate of residential mortgage credit provided by individuals.

NOTE. Based on data from various institutional and governmental sources, with some quarters estimated in part by the Federal Reserve in conjunction with the Federal Home Loan Bank Board and the Department of Commerce. Separation of nonfarm mortgage debt by type of property, if not reported directly, and interpolations and extrapolations when required, are estimated mainly by the Federal Reserve. Multifamily debt refers to loans on structures of five or more units.

1.55 CONSUMER INSTALLMENT CREDIT[1] Total Outstanding, and Net Change▲

Millions of dollars

Holder, and type of credit	1981	1982	1983	1984 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.
	Amounts outstanding (end of period)										
1 **Total**	**335,691**	**355,849**	**396,082**	**394,922**	**399,177**	**402,466**	**407,671**	**418,080**	**427,565**	**435,367**	**443,537**
By major holder											
2 Commercial banks	147,622	152,490	171,978	171,934	175,941	177,625	181,022	186,668	191,519	195,265	199,654
3 Finance companies	89,818	98,693	102,862	101,680	101,702	101,619	101,119	102,967	104,460	106,219	106,881
4 Credit unions	45,953	47,253	53,471	53,882	54,851	55,892	56,962	58,517	59,893	61,151	62,679
5 Retailers[2]	31,348	32,735	35,911	34.505	33,455	33,208	33,327	33,730	34,206	34,022	34,294
6 Savings and loans	12,410	15,823	21,615	21,823	22,269	23,071	23,957	24,915	25,837	26,767	27,918
7 Gasoline companies	4,403	4,063	4,131	4,300	4,025	3,944	3,955	4,020	4,289	4,472	4,452
8 Mutual savings banks	4,137	4,792	6,114	6,798	6,934	7,107	7,329	7,263	7,361	7,471	7,659
By major type of credit											
9 Automobile	125,331	131,086	142,449	143,186	146,047	146,047	147,944	152,225	155,937	159,649	162,038
10 Commercial banks	58,081	59,555	67,557	68,747	71,327	71,237	73,016	75,787	78,018	80,103	81,786
11 Indirect paper	34,375	34,755	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
12 Direct loans	23,706	23,472	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
13 Credit unions	21,974	22,596	25,574	25,771	26,234	26,732	27,244	27,988	28,646	29,248	29,979
14 Finance companies	45,275	48,935	49,318	48,668	48,486	48,078	47,684	48,450	49,273	50,298	50,273
15 Revolving	64,500	69,998	80,823	78,566	77,671	79,110	80,184	82,436	84,598	85,588	87,788
16 Commercial banks	32,880	36,666	44,184	43,118	43,506	45,235	46,149	47,936	49,374	50,358	52,313
17 Retailers	27,217	29,269	32,508	31,148	30,140	29,931	30,080	30,480	30,935	30,758	31,023
18 Gasoline companies	4,403	4,063	4,131	4,300	4,025	3,944	3,955	4,020	4,289	4,472	4,452
19 Mobile home	17,958	22,254	23,680	23,668	23,571	23,661	23,850	24,104	24,427	24,751	25,178
20 Commercial banks	10,187	9,605	9,842	9,829	9,663	9,589	9,580	9,573	9,621	9,681	9,711
21 Finance companies	4,494	9,003	9,365	9,345	9,324	9,333	9,361	9,434	9,528	9,612	9,786
22 Savings and loans	2,788	3,143	3,906	3,923	4,003	4,147	4,306	4,478	4,644	4,811	5,018
23 Credit unions	489	503	567	571	581	592	603	619	634	647	663
24 Other	127,903	132,511	149,130	149,502	151,888	153,648	155,693	159,315	162,603	165,379	168,533
25 Commercial banks	46,474	46,664	50,395	50,240	51,445	51,564	52,277	53,372	54,506	55,123	55,844
26 Finance companies	40,049	40,755	44,179	43,667	43,892	44,208	44,074	45,083	45,659	46,309	46,822
27 Credit unions	23,490	24,154	27,330	27,540	28,036	28,568	29,115	29,910	30,613	31,256	32,037
28 Retailers	4,131	3,466	3,403	3,357	3,315	3,277	3,247	3,250	3,271	3,264	3,271
29 Savings and loans	9,622	12,680	17,709	17,900	18,266	18,924	19,651	20,437	21,193	21,956	22,900
30 Mutual savings banks	4,137	4,792	6,114	6,798	6,934	7,107	7,329	7,263	7,361	7,471	7,659
	Net change (during period)[4]										
31 **Total**	**18,217**	**17,886**	**40,233**	**4,469**	**6,608**	**5,870**	**6,408**	**10,233**	**7,825**	**7,106**	**5,998**
By major holder											
32 Commercial banks	607	4,442	19,488	2,029	4,914	3,422	4,015	6,065	3,835	3,192	2,631
33 Finance companies	13,062	4,504	4,169	-66	258	-193	-350	1,304	1,353	1,402	1,111
34 Credit unions	1,913	1,298	6,218	916	712	1,230	1,529	1,453	962	1,566	844
35 Retailers[2]	1,103	651	3,176	422	325	355	278	476	471	-101	206
36 Savings and loans	1,682	2,290	5,792	364	414	813	868	979	1,069	847	1,124
37 Gasoline companies	-65	-340	68	72	-172	2	2	46	89	-40	-51
38 Mutual savings banks	-85	251	1,322	731	156	242	66	-90	46	240	133
By major type of credit											
39 Automobile	8,495	4,898	11,363	2,106	2,799	326	2,158	3,689	2,897	3,422	1,777
40 Commercial banks	-3,455	-9	8,002	1,722	2,635	432	1,766	2,807	1,907	1,852	1,150
41 Indirect paper	-858	225	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
42 Direct loans	-2,597	-234	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
43 Credit unions	914	622	2,978	428	276	660	734	695	461	750	405
44 Finance companies	11,033	3,505	329	-44	-112	-766	-342	187	529	820	222
45 Revolving	4,467	4,365	10,825	505	1,273	2,962	1,868	2,817	1,569	640	1,314
46 Commercial banks	3,115	3,808	7,518	18	1,127	2,613	1,568	2,298	1,047	764	1,159
47 Retailers	1,417	897	3,239	414	318	347	298	473	433	-84	206
48 Gasoline companies	-65	-340	68	72	-172	2	2	46	89	-40	-51
49 Mobile home	1,049	609	1,426	-92	-127	285	285	302	454	462	573
50 Commercial banks	-186	-508	237	-15	-112	-85	27	-50	10	31	4
51 Finance companies	749	471	430	-104	-93	218	110	156	258	185	346
52 Savings and loans	466	633	763	18	68	141	132	183	174	230	214
53 Credit unions	20	14	64	9	10	10	16	13	12	16	9
54 Other	4,206	3,224	16,619	1,950	2,662	2,298	2,097	3,425	2,905	2,582	2,334
55 Commercial banks	1,133	372	3,731	304	1,264	463	653	1,010	871	545	318
56 Finance companies	1,280	528	3,424	82	463	355	-118	961	566	397	543
57 Credit unions	975	662	3,176	479	426	558	780	745	489	800	430
58 Retailers	-314	-246	-63	8	7	8	-20	3	38	-17	0
59 Savings and loans	1,217	1,657	5,029	346	346	673	735	796	895	617	910
60 Mutual savings banks	-85	251	1,322	731	156	242	66	-90	46	240	133

▲ These data have been revised from July 1979 through February 1984.

1. The Board's series cover most short- and intermediate-term credit extended to individuals through regular business channels, usually to finance the purchase of consumer goods and services or to refinance debts incurred for such purposes, and scheduled to be repaid (or with the option of repayment) in two or more installments.

2. Includes auto dealers and excludes 30-day charge credit held by travel and entertainment companies.

3. Not reported after December 1982.

4. For 1982 and earlier, net change equals extensions, seasonally adjusted less liquidations, seasonally adjusted. Beginning 1983, net change equals outstandings, seasonally adjusted less outstandings of the previous period, seasonally adjusted.

NOTE. Total consumer noninstallment credit outstanding—credit scheduled to be repaid in a lump sum, including single-payment loans, charge accounts, and service credit—amounted to, not seasonally adjusted, $80.7 billion at the end of 1981, $85.9 billion at the end of 1982, and $96.9 billion at the end of 1983.

These data also appear in the Board's G.19 (421) release. For address, see inside front cover.

1.56 TERMS OF CONSUMER INSTALLMENT CREDIT

Percent unless noted otherwise

	Item	1981	1982	1983	1984 Feb.	Mar.	Apr.	May	June	July	Aug.
	INTEREST RATES										
	Commercial banks[1]										
1	48-month new car[2]	16.54	16.83	13.92	13.32	....	....	13.53	....	....	14.08
2	24-month personal	18.09	18.65	16.68	16.16	....	....	16.35	....	....	16.75
3	120-month mobile home[2]	17.45	18.05	15.91	15.45	....	....	15.54	....	....	15.72
4	Credit card	17.78	18.51	18.73	18.73	....	....	18.71	....	....	18.81
	Auto finance companies										
5	New car	16.17	16.15	12.58	14.11	14.05	14.06	14.17	14.33	14.68	15.01
6	Used car	20.00	20.75	18.74	17.59	17.52	17.59	17.60	17.64	17.77	17.99
	OTHER TERMS[3]										
	Maturity (months)										
7	New car	45.4	46.0	45.9	46.4	46.7	47.1	47.7	48.2	48.6	49.2
8	Used car	35.8	34.0	37.9	39.4	39.4	39.5	39.7	39.8	39.8	39.8
	Loan-to-value ratio										
9	New car	86.1	85.3	86.0	87	87	88	88	88	88	88
10	Used car	91.8	90.3	92.0	91	92	92	92	92	92	93
	Amount financed (dollars)										
11	New car	7,339	8,178	8,787	9,072	9,139	9,190	9,262	9,311	9,377	9,409
12	Used car	4,343	4,746	5,033	5,418	5,474	5,547	5,675	5,774	5,763	5,753

1. Data for midmonth of quarter only.
2. Before 1983 the maturity for new car loans was 36 months, and for mobile home loans was 84 months.
3. At auto finance companies.

NOTE. These data also appear in the Board's G.19 (421) release. For address, see inside front cover.

1.57 FUNDS RAISED IN U.S. CREDIT MARKETS

Billions of dollars; half-yearly data are at seasonally adjusted annual rates.

Transaction category, sector	1978	1979	1980	1981	1982	1983	1981 H2	1982 H1	1982 H2	1983 H1	1983 H2	1984 H1
	Nonfinancial sectors											
1 **Total net borrowing by domestic nonfinancial sectors**	**369.8**	**386.0**	**344.6**	**380.4**	**404.1**	**526.4**	**368.0**	**358.1**	**450.1**	**448.9**	**563.8**	**673.9**
By sector and instrument												
2 U.S. government	53.7	37.4	79.2	87.4	161.3	186.6	88.1	104.1	218.4	222.0	151.1	173.0
3 Treasury securities	55.1	38.8	79.8	87.8	162.1	186.7	88.5	105.5	218.8	222.1	151.2	173.2
4 Agency issues and mortgages	−1.4	−1.4	−.6	−.5	−.9	−.1	−.4	−1.4	−.4	−.1	−.1	−.2
5 Private domestic nonfinancial sectors	316.2	348.6	265.4	293.1	242.8	339.8	279.9	254.0	231.7	266.9	412.7	500.9
6 Debt capital instruments	199.7	211.2	192.0	159.1	158.9	239.3	140.3	140.7	177.2	214.4	264.2	265.1
7 Tax-exempt obligations	28.4	30.3	30.3	22.7	53.8	56.3	24.7	43.9	63.7	62.8	49.7	35.2
8 Corporate bonds	21.1	17.3	26.7	21.8	18.7	15.7	16.8	12.0	25.3	23.0	8.4	24.0
9 Mortgages	150.2	163.6	135.1	114.6	86.5	167.3	98.8	84.8	88.2	128.6	206.0	205.8
10 Home mortgages	112.2	120.0	96.7	76.0	52.5	108.7	62.3	53.6	51.3	83.8	133.6	139.2
11 Multifamily residential	9.2	7.8	8.8	4.3	5.5	8.4	3.8	5.1	5.8	2.8	13.9	16.8
12 Commercial	21.7	23.9	20.2	24.6	23.6	47.3	22.9	19.7	27.5	40.3	54.3	47.7
13 Farm	7.2	11.8	9.3	9.7	5.0	2.9	9.8	6.5	3.5	1.6	4.1	2.1
14 Other debt instruments	116.5	137.5	73.4	134.0	83.9	100.5	139.6	113.2	54.6	52.5	148.5	235.9
15 Consumer credit	48.8	45.4	6.3	26.7	21.0	51.3	21.9	20.6	21.4	35.9	66.6	104.3
16 Bank loans n.e.c.	37.4	51.2	36.7	54.7	55.5	27.3	65.1	69.0	42.0	13.3	41.2	79.6
17 Open market paper	5.2	11.1	5.7	19.2	−4.1	−1.2	24.1	10.0	−18.2	−10.6	8.3	27.4
18 Other	25.1	29.7	24.8	33.4	11.5	23.1	28.6	13.6	9.4	13.9	32.3	24.6
19 By borrowing sector	316.2	348.6	265.4	293.1	242.8	339.8	279.9	254.0	231.7	266.9	412.7	500.9
20 State and local governments	16.5	17.6	17.2	6.2	31.3	36.7	7.3	24.1	38.5	41.9	31.6	16.6
21 Households	172.0	179.3	122.1	127.5	94.5	175.4	113.1	94.7	94.3	134.8	216.0	253.0
22 Farm	14.6	21.4	14.4	16.3	7.6	4.3	12.2	9.6	5.6	.8	7.9	−.8
23 Nonfarm noncorporate	32.4	34.4	33.7	40.2	39.5	63.9	38.7	36.6	42.3	50.1	77.6	73.5
24 Corporate	80.6	96.0	78.1	102.9	70.0	59.5	108.7	89.0	51.0	39.3	79.6	158.7
25 Foreign net borrowing in United States	33.8	20.2	27.2	27.2	15.7	18.9	24.4	10.2	21.2	15.3	22.5	22.1
26 Bonds	4.2	3.9	.8	5.4	6.7	3.8	7.6	2.4	11.0	4.6	2.9	2.0
27 Bank loans n.e.c.	19.1	2.3	11.5	3.7	−6.2	4.9	6.2	−7.6	−4.7	11.3	−1.5	−5.8
28 Open market paper	6.6	11.2	10.1	13.9	10.7	6.0	7.1	12.5	9.0	−4.6	16.5	20.1
29 U.S. government loans	3.9	2.9	4.7	4.2	4.5	4.3	3.5	3.0	6.0	3.9	4.6	5.9
30 **Total domestic plus foreign**	**403.6**	**406.2**	**371.8**	**407.6**	**419.8**	**545.3**	**392.4**	**368.3**	**471.4**	**504.2**	**586.3**	**696.0**
	Financial sectors											
31 **Total net borrowing by financial sectors**	**74.1**	**82.4**	**62.9**	**84.1**	**69.0**	**90.7**	**83.9**	**84.2**	**53.8**	**74.0**	**107.3**	**116.3**
By instrument												
32 U.S. government related	37.1	47.9	44.8	47.4	64.9	67.8	50.9	60.0	69.7	66.2	69.4	69.4
33 Sponsored credit agency securities	23.1	24.3	24.4	30.5	14.9	1.4	33.2	22.4	7.5	−4.1	6.9	31.1
34 Mortgage pool securities	13.6	23.1	19.2	15.0	49.5	66.4	15.3	36.8	62.2	70.3	62.5	38.3
35 Loans from U.S. government	.4	.6	1.2	1.9	.4	......	2.4	.8	......	......	......	......
36 Private financial sectors	37.0	34.5	18.1	36.7	4.1	22.9	33.0	24.2	−16.0	7.8	38.0	46.9
37 Corporate bonds	7.5	7.8	7.1	−.8	2.5	17.1	−1.2	−2.5	7.6	15.2	18.9	10.2
38 Mortgages	.1	*	−.1	−.5	.1	*	−.2	.1	.1	*	*	*
39 Bank loans n.e.c.	2.3	−.5	−.9	.9	1.9	−.2	−.1	3.2	.6	−2.5	2.2	−4.3
40 Open market paper	14.6	18.0	4.8	20.9	−1.2	13.0	19.5	12.3	−14.7	7.2	18.8	25.3
41 Loans from Federal Home Loan Banks	12.5	9.2	7.1	16.2	.8	−7.0	15.1	11.1	−9.5	−12.1	−2.0	15.7
By sector												
42 Sponsored credit agencies	23.5	24.8	25.6	32.4	15.3	1.4	35.6	23.2	7.5	−4.1	6.9	31.1
43 Mortgage pools	13.6	23.1	19.2	15.0	49.5	66.4	15.3	36.8	62.2	70.3	62.5	38.3
44 Private financial sectors	37.0	34.5	18.1	36.7	4.1	22.9	33.0	24.2	−16.0	7.8	38.0	46.9
45 Commercial banks	1.3	1.6	.5	.4	1.2	.5	.5	.7	1.7	.8	.2	*
46 Bank affiliates	7.2	6.5	6.9	8.3	1.9	8.6	9.7	9.7	−5.8	6.1	11.1	20.0
47 Savings and loan associations	13.5	12.6	7.4	15.5	2.5	−2.7	13.7	14.3	−9.3	−10.0	4.5	16.6
48 Finance companies	17.6	16.5	5.8	12.8	−.9	17.0	9.4	*	−1.9	11.4	22.7	10.8
49 REITs	−1.4	−1.3	−2.2	.2	.1	.2	.2	.1	.1	.2	.2	.1
	All sectors											
50 **Total net borrowing**	**477.7**	**488.7**	**434.7**	**491.8**	**488.8**	**635.9**	**476.3**	**452.5**	**525.1**	**578.2**	**693.6**	**812.3**
51 U.S. government securities	90.5	84.8	122.9	133.0	225.9	254.4	136.7	163.5	288.3	288.4	220.5	242.5
52 State and local obligations	28.4	30.3	30.3	22.7	53.8	56.3	24.7	43.9	63.7	62.8	49.7	35.2
53 Corporate and foreign bonds	32.8	29.0	34.6	26.4	27.8	36.5	23.2	11.8	43.8	42.8	30.3	36.2
54 Mortgages	150.2	163.5	134.9	113.9	86.5	167.2	98.5	84.8	88.2	128.5	206.0	205.7
55 Consumer credit	48.8	45.4	6.3	26.7	21.0	51.3	21.9	20.6	21.4	35.9	66.6	104.3
56 Bank loans n.e.c.	58.8	52.9	47.3	59.3	51.2	32.0	71.2	64.6	37.9	22.1	41.9	69.4
57 Open market paper	26.4	40.3	20.6	54.0	5.4	17.8	50.7	34.8	−23.9	−8.0	43.6	72.8
58 Other loans	41.9	42.4	37.8	55.8	17.2	20.3	49.5	28.5	5.9	5.7	35.0	46.2
	External corporate equity funds raised in United States											
59 **Total new share issues**	**1.9**	**−3.8**	**22.2**	**−4.1**	**35.3**	**67.8**	**−17.4**	**23.3**	**47.2**	**83.5**	**52.0**	**−37.4**
60 Mutual funds	−.1	.1	5.2	6.3	18.4	32.8	5.7	12.5	24.3	36.8	28.9	44.8
61 All other	1.9	−3.9	17.1	−10.4	16.9	34.9	−23.0	10.9	22.9	46.8	23.1	−82.3
62 Nonfinancial corporations	−.1	−7.8	12.9	−11.5	11.4	28.3	−23.8	7.0	15.8	38.2	18.4	−84.5
63 Financial corporations	2.5	3.2	2.1	.8	4.0	2.7	1.1	3.9	4.1	2.8	2.5	2.9
64 Foreign shares purchased in United States	−.5	.8	2.1	.3	1.5	4.0	−.4	−.1	3.0	5.7	2.2	−.7

1.58 DIRECT AND INDIRECT SOURCES OF FUNDS TO CREDIT MARKETS

Billions of dollars, except as noted; half-yearly data are at seasonally adjusted annual rates.

Transaction category, or sector	1978	1979	1980	1981	1982	1983	1981	1982		1983		1984
							H2	H1	H2	H1	H2	H1
1 **Total funds advanced in credit markets to domestic nonfinancial sectors**	**369.8**	**386.0**	**344.6**	**380.4**	**404.1**	**526.4**	**368.0**	**358.1**	**450.1**	**488.9**	**563.8**	**673.9**
By public agencies and foreign												
2 Total net advances	102.3	75.2	97.0	97.7	109.1	117.1	90.3	100.8	117.3	119.7	114.6	121.9
3 U.S. government securities	36.1	−6.3	15.7	17.2	18.0	27.6	12.4	9.7	26.2	40.5	14.6	32.0
4 Residential mortgages	25.7	35.8	31.7	23.5	61.0	76.1	25.5	47.6	74.4	80.1	72.0	52.0
5 FHLB advances to savings and loans	12.5	9.2	7.1	16.2	.8	−7.0	15.1	11.1	−9.5	−12.1	−2.0	15.7
6 Other loans and securities	28.0	36.5	42.4	40.9	29.3	20.5	37.3	32.4	26.2	11.1	29.9	22.2
Total advanced, by sector												
7 U.S. government	17.1	19.0	23.7	24.1	16.0	9.7	19.8	14.8	17.1	9.1	10.3	8.4
8 Sponsored credit agencies	40.3	53.0	45.6	48.2	65.3	69.5	50.1	61.8	68.7	68.2	70.7	72.9
9 Monetary authorities	7.0	7.7	4.5	9.2	9.8	10.9	14.1	3.8	15.7	15.6	6.2	17.2
10 Foreign	38.0	−4.6	23.2	16.3	18.1	27.1	6.3	20.4	15.8	26.8	27.4	23.4
Agency and foreign borrowing not in line 1												
11 Sponsored credit agencies and mortgage pools	37.1	47.9	44.8	47.4	64.9	67.8	50.9	60.0	69.7	66.2	69.4	69.4
12 Foreign	33.8	20.2	27.2	27.2	15.7	18.9	24.4	10.2	21.2	15.3	22.5	22.1
Private domestic funds advanced												
13 Total net advances	338.4	379.0	319.6	357.3	375.6	495.9	353.0	327.5	423.8	450.8	541.1	643.6
14 U.S. government securities	54.3	91.1	107.2	115.8	207.9	226.9	124.3	153.7	262.0	247.8	205.9	210.5
15 State and local obligations	28.4	30.3	30.3	22.7	53.8	56.3	24.7	43.9	63.7	62.8	49.7	35.2
16 Corporate and foreign bonds	23.4	18.5	19.3	18.8	14.8	14.6	15.9	−.1	29.6	22.9	6.3	21.5
17 Residential mortgages	95.6	91.9	73.7	56.7	−3.2	40.9	40.6	11.0	−17.4	6.4	75.5	103.8
18 Other mortgages and loans	149.3	156.3	96.2	159.5	103.2	150.2	162.7	130.2	76.3	98.7	201.7	288.2
19 LESS: Federal Home Loan Bank advances	12.5	9.2	7.1	16.2	.8	−7.0	15.1	11.1	−9.5	−12.1	−2.0	15.7
Private financial intermediation												
20 Credit market funds advanced by private financial institutions	315.7	313.9	281.5	323.4	285.6	377.1	323.2	274.4	296.7	323.2	430.9	505.6
21 Commercial banking	128.5	123.1	100.6	102.3	107.2	136.1	112.7	99.9	114.5	121.6	150.6	171.7
22 Savings institutions	72.3	56.5	54.5	27.8	31.3	136.8	18.4	25.2	37.4	128.9	144.6	155.9
23 Insurance and pension funds	89.5	85.9	94.3	97.4	108.8	99.2	101.4	111.4	106.3	89.5	108.9	108.5
24 Other finance	25.5	48.5	32.1	96.0	38.3	5.0	90.8	37.9	38.6	−16.8	26.8	69.6
25 Sources of funds	315.7	313.9	281.5	323.4	285.6	377.1	323.2	274.4	296.7	323.2	430.9	505.6
26 Private domestic deposits and RPs	142.7	137.4	169.6	211.9	174.7	203.2	217.9	147.6	201.9	192.7	213.7	281.0
27 Credit market borrowing	37.0	34.5	18.1	36.7	4.1	22.9	33.0	24.2	−16.0	7.8	38.0	46.9
28 Other sources	136.1	142.0	93.9	74.8	106.7	151.0	72.3	102.6	110.8	122.8	179.2	177.7
29 Foreign funds	6.5	27.6	−21.7	−8.7	−26.7	22.1	−9.8	−28.3	−25.1	−14.2	58.5	6.6
30 Treasury balances	6.8	.4	−2.6	−1.1	6.1	−5.3	−10.2	−2.0	14.1	10.1	−20.8	5.3
31 Insurance and pension reserves	74.9	72.8	83.9	90.4	104.6	98.4	101.0	111.4	97.8	87.7	109.1	108.1
32 Other, net	47.9	41.2	34.2	−5.9	22.8	35.8	−8.7	21.5	24.1	39.1	32.4	57.7
Private domestic nonfinancial investors												
33 Direct lending in credit markets	59.6	99.6	56.1	70.6	94.2	141.7	62.8	77.3	111.0	135.3	148.1	184.9
34 U.S. government securities	33.5	52.5	24.6	29.3	37.4	88.9	24.5	35.3	39.5	95.9	82.0	132.2
35 State and local obligations	3.6	9.9	7.0	10.5	34.4	42.6	12.5	30.1	38.7	52.7	32.6	21.9
36 Corporate and foreign bonds	−6.3	−1.4	−5.7	−8.1	−5.2	1.2	−10.7	−17.7	7.3	−1.7	4.1	7.3
37 Open market paper	8.3	8.6	−3.1	2.7	−.1	3.9	8.2	3.5	−3.7	−8.1	15.9	1.9
38 Other	20.5	30.0	33.3	36.3	27.8	5.0	28.4	26.2	29.3	−3.4	13.5	21.6
39 Deposits and currency	153.9	146.8	181.1	221.9	181.9	222.4	229.3	152.1	211.7	214.5	230.2	301.2
40 Currency	9.3	8.0	10.3	9.5	9.7	14.3	11.2	6.7	12.7	14.8	13.8	17.6
41 Checkable deposits	16.2	18.3	5.2	18.0	15.7	21.4	13.3	1.9	29.5	48.0	−5.2	27.4
42 Small time and savings accounts	65.9	59.3	82.9	47.0	138.2	219.1	71.8	83.2	193.1	278.6	159.7	110.0
43 Money market fund shares	6.9	34.4	29.2	107.5	24.7	−44.1	110.8	39.4	10.0	−84.0	−4.2	30.2
44 Large time deposits	46.3	18.8	45.8	36.9	−7.7	−7.5	24.6	21.9	−37.3	−61.0	45.9	92.1
45 Security RPs	7.5	6.6	6.5	2.5	3.8	14.3	−2.6	1.1	6.6	11.0	17.5	21.3
46 Deposits in foreign countries	2.0	1.5	1.1	.5	−2.5	4.8	.2	−2.2	−2.9	7.0	2.7	2.6
47 **Total of credit market instruments, deposits and currency**	**213.6**	**246.5**	**237.2**	**292.5**	**276.1**	**364.1**	**292.1**	**229.4**	**322.7**	**349.8**	**378.4**	**486.1**
48 Public holdings as percent of total	25.3	18.5	26.1	24.0	26.0	21.5	23.0	27.4	24.9	23.7	19.5	17.5
49 Private financial intermediation (in percent)	93.3	82.8	88.1	90.5	76.0	76.0	91.6	83.8	70.0	71.7	79.6	78.6
50 Total foreign funds	44.6	23.0	1.5	7.6	−8.6	49.2	−3.5	−7.9	−9.3	12.6	85.9	30.0
MEMO: Corporate equities not included above												
51 **Total net issues**	**1.9**	**−3.8**	**22.2**	**−4.1**	**35.3**	**67.8**	**−17.4**	23.3	**47.2**	**83.5**	**52.0**	**−37.4**
52 Mutual fund shares	−.1	.1	5.2	6.3	18.4	32.8	5.7	12.5	24.3	36.8	28.9	44.8
53 Other equities	1.9	−3.9	17.1	−10.4	16.9	34.9	−23.0	10.9	22.9	46.8	23.1	−82.3
54 Acquisitions by financial institutions	4.7	12.9	24.9	20.1	39.2	58.4	22.6	11.0	67.3	78.2	38.5	24.3
55 Other net purchases	−2.8	−16.7	−2.7	−24.2	−3.9	9.4	−40.0	12.3	−20.1	5.3	13.5	−61.7

NOTES BY LINE NUMBER.
1. Line 1 of table 1.58.
2. Sum of lines 3–6 or 7–10.
6. Includes farm and commercial mortgages.
11. Credit market funds raised by federally sponsored credit agencies, and net issues of federally related mortgage pool securities.
13. Line 1 less line 2 plus line 11 and 12. Also line 20 less line 27 plus line 33. Also sum of lines 28 and 47 less lines 40 and 46.
18. Includes farm and commercial mortgages.
26. Line 39 less lines 40 and 46.
27. Excludes equity issues and investment company shares. Includes line 19.
29. Foreign deposits at commercial banks, bank borrowings from foreign branches, and liabilities of foreign banking agencies to foreign affiliates.
30. Demand deposits at commercial banks.
31. Excludes net investment of these reserves in corporate equities.
32. Mainly retained earnings and net miscellaneous liabilities.
33. Line 12 less line 20 plus line 27.
34–38. Lines 14–18 less amounts acquired by private finance. Line 38 includes mortgages.
40. Mainly an offset to line 9.
47. Lines 33 plus 39, or line 13 less line 28 plus 40 and 46.
48. Line 2/line 1.
49. Line 20/line 13.
50. Sum of lines 10 and 29.
51, 53. Includes issues by financial institutions.

NOTE. Full statements for sectors and transaction types in flows and in amounts outstanding may be obtained from Flow of Funds Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

2.10 NONFINANCIAL BUSINESS ACTIVITY Selected Measures

1967 = 100; monthly and quarterly data are seasonally adjusted. Exceptions noted.

Measure	1981	1982	1983	1984								
				Jan.	Feb.	Mar.	Apr.	May	June	July r	Aug. r	Sept.
1 **Industrial production**	**151.0**	**138.6**	**147.6**	**158.5**	**160.0**	**160.8**	**162.1**	**162.8**	**164.4r**	**165.9**	**166.1**	**165.1**
Market groupings												
2 Products, total	150.6	141.8	149.2	159.7	160.4	161.1	162.5	163.3	165.3r	167.4	167.5	167.0
3 Final, total	149.5	141.5	147.1	157.5	158.0	158.6	160.2	161.1	163.1r	165.2	165.6	164.9
4 Consumer goods	147.9	142.6	151.7	159.5	159.4	160.2	161.4	161.7	163.0r	164.0	163.2	161.6
5 Equipment	151.5	139.8	140.8	154.9	156.1	156.4	158.5	160.3	163.3r	166.8	168.8	169.5
6 Intermediate	154.4	143.3	156.6	167.8	169.0	170.2	171.0	171.6	173.5r	175.6	174.9	174.7
7 Materials	151.6	133.7	145.2	156.6	159.4	160.4	161.5	162.0	162.9r	163.6	163.9	162.1
Industry groupings												
8 Manufacturing	150.4	137.6	148.2	159.5	161.4	162.1	163.4	164.2	165.7r	167.4	167.8	166.7
Capacity utilization (percent)[1]												
9 Manufacturing	79.4	71.1	75.2	80.1	80.9	81.0	81.5	81.7	82.2r	82.9	82.8	82.1
10 Industrial materials industries	80.7	70.1	75.2	80.6	81.9	82.2	82.5	82.7	82.9r	83.1	83.1	82.0
11 Construction contracts (1977 = 100)[2]	111.0	111.0	138.0	150.0	150.0	144.0	145.0	165.0	148.0	152.0	151.0	144.0
12 Nonagricultural employment, total[3]	138.5	136.1r	137.0r	140.4	141.1	141.4	142.0	142.5	143.1	143.4	143.7	143.9
13 Goods-producing, total	109.4	102.2r	100.4r	104.6	105.4	105.5	106.2	106.6	107.1	107.5	107.6	107.2
14 Manufacturing, total	103.7	96.6r	95.1r	99.0	99.6	100.1	100.4	100.6	100.9	101.3	101.4	100.8
15 Manufacturing, production-worker	98.0	89.4r	88.7r	92.5	93.1	93.6	94.0	94.1	94.3	94.6	94.8	94.0
16 Service-producing	154.4	154.7r	157.1r	160.0	160.7	161.1	161.6	162.2	162.8	163.1	163.4	164.0
17 Personal income, total	386.5	410.3r	435.6r	459.9	464.0	466.8	471.2r	472.8r	477.2r	480.4	483.0	↑
18 Wages and salary disbursements	349.7	367.4	388.6r	409.3	411.0	413.3	418.1	419.2r	422.6r	424.6	425.5	n.a.
19 Manufacturing	287.5r	285.5	294.7r	314.0	317.1	318.8	322.0	321.9r	323.1r	324.4	325.9	↓
20 Disposable personal income[4]	372.6	398.0	427.1	453.0	457.1	459.9	464.2r	465.3r	469.1r	472.1	475.1	479.0
21 Retail sales[5]	330.6	326.0	373.0	407.3	403.0	396.9	410.8	413.6	417.7	410.5	408.1	414.7
Prices[6]												
22 Consumer	272.4	289.1	298.4	305.2	306.6	307.3	308.8	309.7	310.7	311.7	313.0	n.a.
23 Producer finished goods	269.8	280.7	285.2	289.5	290.6	291.4	291.2	291.5	291.2	292.6	291.8	n.a.

1. Ratios of indexes of production to indexes of capacity. Based on data from Federal Reserve, McGraw-Hill Economics Department, Department of Commerce, and other sources.
2. Index of dollar value of total construction contracts, including residential, nonresidential and heavy engineering, from McGraw-Hill Information Systems Company, F. W. Dodge Division.
3. Based on data in *Employment and Earnings* (U.S. Department of Labor). Series covers employees only, excluding personnel in the Armed Forces.
4. Based on data in *Survey of Current Business* (U.S. Department of Commerce).
5. Based on Bureau of Census data published in *Survey of Current Business*.
6. Data without seasonal adjustment, as published in *Monthly Labor Review*. Seasonally adjusted data for changes in the price indexes may be obtained from the Bureau of Labor Statistics, U.S. Department of Labor.

NOTE. Basic data (not index numbers) for series mentioned in notes 4, 5, and 6, and indexes for series mentioned in notes 3 and 7 may also be found in the *Survey of Current Business*.

Figures for industrial production for the last two months are preliminary and estimated, respectively.

2.11 LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

Thousands of persons; monthly data are seasonally adjusted. Exceptions noted.

Category	1981	1982r	1983r	1984							
				Feb.	Mar.	Apr.	May	June	July r	Aug. r	Sept.
HOUSEHOLD SURVEY DATA											
1 **Noninstitutional population**[1]	**172,272**	**174,450**	**176,414**	**177,882**	**178,033**	**178,185**	**178,337**	**178,501**	**178,669**	**178,821**	**179,005**
2 Labor force (including Armed Forces)[1]	110,812	112,383	113,749	114,896	115,121	115,461	116,017	116,094	116,167	115,732	115,941
3 Civilian labor force	108,670	110,204	111,550	112,693	112,912	113,245	113,803	113,877	113,938	113,494	113,699
Employment											
4 Nonagricultural industries[2]	97,030	96,125	97,450	100,496	100,859	101,009	101,899	102,344	102,050	101,744	101,923
5 Agriculture	3,368	3,401	3,383	3,395	3,281	3,393	3,389	3,403	3,345	3,224	3,315
Unemployment											
6 Number	8,273	10,678	10,717	8,801	8,772	8,843	8,514	8,130	8,543	8,526	8,460
7 Rate (percent of civilian labor force)	7.6	9.7	9.6	7.8	7.8	7.8	7.5	7.1	7.5	7.5	7.4
8 Not in labor force	61,460	62,067	62,665	62,986	62,912	62,724	62,320	62,407	62,502	63,089	63,064
ESTABLISHMENT SURVEY DATA											
9 **Nonagricultural payroll employment**[3]	**91,156**	**89,566r**	**90,138r**	**92,846**	**93,058**	**93,449**	**93,786r**	**94,135r**	**94,350**	**94,532**	**94,671**
10 Manufacturing	20,170	18,781r	18,497r	19,373	19,466	19,530	19,570	19,629r	19,696	19,725	19,601
11 Mining	1,132	1,128r	957r	978	978	984	995	1,002r	1,007	1,017	1,024
12 Contract construction	4,176	3,903r	3,940r	4,226	4,151	4,246	4,286	4,343r	4,356	4,344	4,371
13 Transportation and public utilities	5,157	5,082r	4,958r	5,105	5,112	5,129	5,144	5,163r	5,175	5,196	5,175
14 Trade	20,551	20,457r	20,804r	21,418	21,493	21,568	21,658	21,747r	21,811	21,856	21,956
15 Finance	5,301	5,341r	5,467r	5,593	5,613	5,640	5,662	5,676	5,676	5,682	5,682
16 Service	20,547	19,036r	19,665r	20,278	20,378	20,449	20,549	20,681r	20,701	20,746	20,829
17 Government	16,024	15,837r	15,851r	15,875	15,873	15,903	15,922r	15,894r	15,928	15,966	16,033

1. Persons 16 years of age and over. Monthly figures, which are based on sample data, relate to the calendar week that contains the 12th day; annual data are averages of monthly figures. By definition, seasonality does not exist in population figures. Based on data from *Employment and Earnings* (U.S. Department of Labor).
2. Includes self-employed, unpaid family, and domestic service workers.
3. Data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th day of the month, and exclude proprietors, self-employed persons, domestic servants, unpaid family workers, and members of the Armed Forces. Data are adjusted to the March 1983 benchmark and only seasonally adjusted data are available at this time. Based on data from *Employment and Earnings* (U.S. Department of Labor).

2.12 OUTPUT, CAPACITY, AND CAPACITY UTILIZATION

Seasonally adjusted

Series	Output (1967 = 100)				Capacity (percent of 1967 output)				Utilization rate (percent)			
	1983	1984			1983	1984			1983	1984		
	Q4	Q1	Q2[r]	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1 **Total industry**	**155.5**	**159.8**	**163.1**	**165.7**	**197.3**	**198.4**	**199.7**	**201.1**	**78.8**	**80.5**	**81.7[r]**	**82.4**
2 Mining	121.0	124.2	125.1	129.0	165.5	165.7	165.9	166.1	73.1	75.0	75.4	77.7
3 Utilities	178.4	179.2	183.1	282.0	212.4	213.8	215.3	216.8	84.0	83.8	85.0	83.9
4 **Manufacturing**	**156.5**	**161.0**	**164.4**	**167.3**	**198.4**	**199.5**	**201.0**	**202.5**	**78.9**	**80.7**	**81.8**	**82.6**
5 Primary processing	156.4	160.5	162.5	162.3	195.8	196.5	197.2	198.0	79.9	81.7	82.4[r]	82.0
6 Advanced processing	156.1	161.7	165.2	169.9	199.7	201.1	203.0	204.9	78.2	80.3	81.4	82.9
7 **Materials**	**154.3**	**158.8**	**162.1**	**163.2**	**194.0**	**194.7**	**195.9**	**197.2**	**79.6**	**81.6**	**82.7**	**82.8**
8 Durable goods	150.3	157.6	162.0	163.7	196.5	197.1	198.3	199.5	76.5	79.9	81.7[r]	82.0
9 Metal materials	93.8	97.3	100.3	96.0	139.6	139.1	138.5	137.9	67.2	70.0	72.4	69.6
10 Nondurable goods	183.5	183.7	186.6	186.6	220.6	221.8	223.4	225.2	83.2	82.8	83.5	82.9
11 Textile, paper, and chemical	193.2	193.2	195.9	196.2	232.7	234.2	236.2	238.2	83.0	82.5	82.9[r]	82.4
12 Paper	167.4	165.8	168.5	169.7	167.7	168.5	169.5	170.5	99.8	98.4	99.4	99.5
13 Chemical	235.0	236.7	240.4	241.1	300.1	302.3	305.2	308.0	78.3	78.3	78.8[r]	78.3
14 Energy materials	127.8	131.2	132.4	133.1	155.3	155.8	156.4	157.0	82.3	84.2	84.6	84.8

Series	Previous cycle[1]		Latest cycle[2]		1983	1984								
	High	Low	High	Low	Sept.	Jan.	Feb.	Mar.	Apr.	May	June[r]	July	Aug.	Sept.
	Capacity utilization rate (percent)													
15 **Total industry**	**88.4**	**71.1**	**87.3**	**69.6**	**78.2**	**80.1**	**80.7**	**80.9**	**81.3**	**81.5**	**82.1**	**82.7**	**82.6**	**81.9**
16 Mining	91.8	86.0	88.5	69.6	70.8	75.4	74.9	74.7	74.3	75.4	76.6	78.1	77.5	77.4
17 Utilities	94.9	82.0	86.7	79.0	84.8	84.8	82.5	84.0	85.0	84.7	85.4	84.1	84.1	83.6
18 **Manufacturing**	**87.9**	**69.0**	**87.5**	**68.8**	**78.4**	**80.1**	**80.9**	**81.0**	**81.5**	**81.7**	**82.2**	**82.9**	**82.8**	**82.1**
19 Primary processing	93.7	68.2	91.4	66.2	79.7	80.6	82.2	82.2	82.2	82.4	82.6	82.4	81.9	81.2
20 Advanced processing	85.5	69.4	85.9	70.0	77.8	80.0	80.4	80.6	81.0	81.2	81.9	83.1	83.2	82.5
21 **Materials**	**92.6**	**69.3**	**88.9**	**66.6**	**78.6**	**80.6**	**81.9**	**82.2**	**82.5**	**82.7**	**82.9**	**83.1**	**83.1**	**82.0**
22 Durable goods	91.4	63.5	88.4	59.8	75.2	78.5	80.5	80.7	81.5	81.5	82.0	82.5	82.7	81.0
23 Metal materials	97.8	68.0	95.4	46.2	65.5	67.3	71.1	71.5	73.0	72.2	72.1	70.8	70.4	67.6
24 Nondurable goods	94.4	67.4	91.7	70.7	82.9	81.9	83.0	83.6	83.2	83.9	83.3	83.2	82.9	82.5
25 Textile, paper, and chemical	95.1	65.4	92.3	68.6	82.6	81.5	82.8	83.1	82.7	83.3	82.6	82.7	82.5	82.0
26 Paper	99.4	72.4	97.9	86.3	99.0	99.3	99.0	96.8	98.5	99.8	99.8	101.1	98.7	98.7
27 Chemical	95.5	64.2	91.3	64.0	77.8	76.7	78.6	79.5	78.9	79.0	78.4	78.4	78.4	78.0
28 Energy materials	94.5	84.4	88.9	78.5	81.6	84.4	84.1	84.1	84.5	84.3	85.0	85.2	84.9	84.3

1. Monthly high 1973; monthly low 1975.
2. Monthly highs 1978 through 1980; monthly lows 1982.

NOTE. These data also appear in the Board's G.3 (402) release. For address, see inside front cover.

2.13 INDUSTRIAL PRODUCTION Indexes and Gross Value

Monthly data are seasonally adjusted

Grouping	1967 proportion	1983 avg.	1983 Sept.	1983 Oct.	1983 Nov.	1983 Dec.	1984 Jan.	1984 Feb.	1984 Mar.	1984 Apr.	1984 May	1984 June^r	1984 July	1984 Aug.^p	1984 Sept.^e
			Index (1967 = 100)												
MAJOR MARKET															
1 **Total index**	**100.00**	**147.6**	**153.8**	**155.0**	**155.3**	**156.2**	**158.5**	**160.0**	**160.8**	**162.1**	**162.8**	**164.4**	**165.9**	**166.1**	**165.1**
2 Products	60.71	149.2	154.9	155.6	155.8	157.4	159.7	160.4	161.1	162.5	163.3	165.3	167.4	167.5	167.0
3 Final products	47.82	147.1	152.1	152.7	153.2	155.2	157.5	158.0	158.6	160.2	161.1	163.1	165.2	165.6	164.9
4 Consumer goods	27.68	151.7	157.4	156.9	156.1	157.7	159.5	159.4	160.2	161.4	161.7	163.0	164.0	163.2	161.6
5 Equipment	20.14	140.8	144.9	147.0	149.1	151.8	154.9	156.1	156.4	158.5	160.3	163.3	166.8	168.8	169.5
6 Intermediate products	12.89	156.6	165.3	166.5	165.5	165.4	167.8	169.0	170.2	171.0	171.6	173.5	175.6	174.9	174.7
7 Materials	39.29	145.2	152.3	154.0	154.5	154.5	156.6	159.4	160.4	161.5	162.0	162.9	163.6	163.9	162.1
Consumer goods															
8 Durable consumer goods	7.89	147.5	157.4	156.7	155.9	158.6	163.4	162.5	163.1	162.2	161.4	163.6	163.8	162.6	159.0
9 Automotive products	2.83	158.2	172.9	171.3	171.5	178.4	184.5	182.1	184.1	180.9	179.8	184.3	184.9	182.6	172.3
10 Autos and utility vehicles	2.03	134.0	153.1	149.2	149.2	157.8	163.3	162.2	164.1	158.4	155.9	158.7	161.0	159.4	145.4
11 Autos	1.90	117.4	135.0	129.6	129.4	137.4	140.7	140.4	142.4	134.5	132.9	136.2	138.7	134.3	121.1
12 Auto parts and allied goods	.80	219.6	223.1	227.4	228.2	230.7	238.4	232.6	234.7	238.0	240.6	249.3	245.8	241.3	240.8
13 Home goods	5.06	141.4	148.7	148.4	147.2	147.5	151.5	151.5	151.3	151.7	151.1	152.0	151.9	151.4	151.5
14 Appliances, A/C, and TV	1.40	116.4	125.2	129.2	127.0	126.3	136.4	135.1	134.4	136.1	134.0	134.9	133.9	131.9	134.7
15 Appliances and TV	1.33	120.1	129.7	133.3	131.3	130.2	140.0	138.6	138.0	138.8	136.7	138.0	137.4	135.5	.....
16 Carpeting and furniture	1.07	178.1	186.3	185.5	182.7	184.0	183.1	178.7	180.2	181.0	179.6	179.4	179.5	180.2	.....
17 Miscellaneous home goods	2.59	139.9	145.9	143.6	143.4	143.9	146.7	149.1	148.5	148.0	148.6	150.0	150.3	150.1	148.8
18 Nondurable consumer goods	19.79	153.4	157.5	157.1	156.1	157.3	157.9	158.2	159.1	161.1	161.8	162.7	164.1	163.5	162.6
19 Clothing	4.29	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
20 Consumer staples	15.50	163.7	168.0	167.2	165.4	166.0	166.5	166.9	168.0	170.2	171.6	173.2	174.7	174.2	173.4
21 Consumer foods and tobacco	8.33	153.5	154.9	156.0	154.5	155.4	156.5	156.8	157.6	160.4	161.0	161.9	163.4	.....	.....
22 Nonfood staples	7.17	175.4	183.2	180.3	178.1	178.3	178.2	178.7	180.1	181.6	183.9	186.3	187.9	187.7	187.4
23 Consumer chemical products	2.63	231.0	241.5	238.7	232.4	229.9	231.6	231.9	231.3	233.4	235.9	241.5	246.9	244.9	.....
24 Consumer paper products	1.92	132.7	138.2	137.6	136.6	137.2	138.8	140.3	141.8	144.0	145.6	147.9	151.5	151.8	.....
25 Consumer energy products	2.62	150.9	157.7	153.0	154.1	156.5	153.4	153.3	156.8	157.1	159.8	159.0	155.3	156.7	.....
26 Residential utilities	1.45	173.4	182.8	174.5	175.8	185.2	180.0	172.8	177.7	177.4	181.1	182.4	178.6	.....	.....
Equipment															
27 Business	12.63	153.3	158.8	161.3	164.1	167.3	170.7	171.9	172.1	173.5	176.5	181.1	185.2	188.0	188.5
28 Industrial	6.77	120.4	125.6	126.6	128.6	130.8	133.7	134.6	134.8	135.9	138.5	140.4	143.0	144.5	143.8
29 Building and mining	1.44	159.3	160.8	166.9	175.8	185.3	185.1	182.0	175.2	173.6	182.9	185.8	190.0	190.9	188.1
30 Manufacturing	3.85	107.1	115.0	114.6	114.3	115.1	119.7	120.9	124.2	126.2	127.4	128.6	130.1	131.5	131.1
31 Power	1.47	117.1	118.8	118.5	119.4	118.4	120.0	123.8	122.7	124.1	124.1	126.7	130.9	132.9	133.4
32 Commercial transit, farm	5.86	191.3	196.7	201.3	205.1	209.6	213.3	215.1	215.3	217.0	220.5	228.1	233.8	238.4	240.1
33 Commercial	3.26	273.2	281.2	288.1	292.5	298.9	303.2	305.9	306.9	309.6	315.5	326.3	332.2	337.3	341.7
34 Transit	1.93	95.2	97.6	100.0	103.2	106.0	110.1	110.1	109.2	108.9	109.7	115.1	120.4	125.4	124.6
35 Farm	.67	69.5	71.0	70.9	73.5	73.5	73.6	75.7	75.0	78.0	77.1	76.1	82.0	82.6	.....
36 Defense and space	7.51	119.9	121.8	122.9	124.0	125.7	128.3	129.5	130.1	133.2	133.1	133.5	135.9	136.4	137.7
Intermediate products															
37 Construction supplies	6.42	142.5	151.1	152.3	151.6	151.5	155.5	156.6	159.1	159.6	159.5	160.9	161.4	161.3	160.7
38 Business supplies	6.47	170.7	179.3	180.6	179.4	179.3	180.1	181.3	181.3	182.3	183.5	186.1	189.6	188.4	.....
39 Commercial energy products	1.14	184.3	190.2	187.0	187.6	188.0	192.1	191.6	187.0	190.0	190.8	195.3	194.9	192.2	.....
Materials															
40 Durable goods materials	20.35	138.6	147.2	149.4	150.3	151.3	154.6	158.6	159.5	161.3	161.6	163.0	164.2	164.9	162.0
41 Durable consumer parts	4.58	113.6	123.1	124.9	125.0	127.9	131.6	133.1	133.0	133.2	132.6	134.7	135.1	136.5	131.0
42 Equipment parts	5.44	176.4	186.0	188.3	192.5	193.4	198.2	204.0	206.7	210.9	210.6	214.0	218.8	220.6	219.2
43 Durable materials n.e.c.	10.34	129.9	137.4	139.8	139.3	139.5	141.8	146.0	146.3	147.7	148.6	148.7	148.3	148.2	145.6
44 Basic metal materials	5.57	90.2	94.5	98.0	97.1	96.9	97.7	103.0	103.0	105.7	104.5	104.1	103.4	101.7	.....
45 Nondurable goods materials	10.47	174.5	183.4	185.3	184.8	180.3	181.2	184.1	185.9	185.7	187.4	186.7	186.9	186.7	186.2
46 Textile, paper, and chemical materials	7.62	182.6	192.0	195.4	194.7	189.6	190.5	193.9	195.3	195.0	196.8	195.8	196.5	196.4	195.8
47 Textile materials	1.85	116.2	123.1	124.0	121.9	121.3	119.9	119.9	120.6	118.9	121.9	119.6	118.8	120.2	.....
48 Paper materials	1.62	158.2	165.4	166.3	169.8	166.0	167.0	166.8	163.5	166.7	169.2	169.5	172.1	168.3	.....
49 Chemical materials	4.15	221.7	233.1	238.7	237.0	229.3	231.3	237.6	241.1	240.0	241.1	240.2	240.7	241.5	.....
50 Containers, nondurable	1.70	167.9	179.1	175.9	176.6	173.0	173.5	173.0	176.0	175.7	176.6	176.7	176.1	175.3	.....
51 Nondurable materials n.e.c.	1.14	130.5	132.6	131.9	130.6	129.5	130.5	135.2	137.7	138.6	140.5	140.5	139.1	138.6	.....
52 Energy materials	8.48	124.8	126.4	126.3	127.1	130.0	131.3	131.0	131.3	132.1	131.9	133.2	133.5	133.2	132.5
53 Primary energy	4.65	114.7	112.8	114.1	115.5	117.6	119.3	121.3	119.6	119.5	119.8	120.1	122.3	122.4	.....
54 Converted fuel materials	3.82	137.0	142.8	141.2	141.1	145.1	145.8	142.8	145.4	147.3	146.5	149.0	147.2	146.4	.....
Supplementary groups															
55 Home goods and clothing	9.35	129.9	135.2	135.5	135.9	137.6	140.1	140.3	140.1	141.0	139.8	139.6	139.8	139.3	138.7
56 Energy, total	12.23	135.9	139.0	137.7	138.5	141.1	141.6	141.4	141.9	142.8	143.3	144.5	143.9	143.7	143.2
57 Products	3.76	161.0	167.5	163.3	164.3	166.0	165.1	164.9	166.0	167.1	169.2	170.0	167.3	167.5	.....
58 Materials	8.48	124.8	126.4	126.3	127.1	130.0	131.3	131.0	131.3	132.1	131.9	133.2	133.5	133.2	132.5

NOTE. These data also appear in the Board's G.12.3 (414) release. For address see inside front cover.

2.13 INDUSTRIAL PRODUCTION Indexes and Gross Value—Continued

Grouping	SIC code	1967 proportion	1983 avg.	1983 Sept.	1983 Oct.	1983 Nov.	1983 Dec.	1984 Jan.	1984 Feb.	1984 Mar.	1984 Apr.	1984 May	1984 June[r]	1984 July	1984 Aug.[p]	1984 Sept.[e]
				Index (1967 = 100)												
MAJOR INDUSTRY																
1 Mining and utilities	......	12.05	142.9	146.5	145.8	147.2	151.5	151.4	148.9	150.4	151.3	152.1	154.1	154.3	154.0	153.7
2 Mining	......	6.36	116.6	117.1	118.3	121.1	123.7	124.8	124.1	123.8	123.3	125.0	127.0	129.6	128.7	128.7
3 Utilities	......	5.69	172.4	179.3	176.5	176.3	182.5	181.0	176.5	180.0	182.7	182.3	184.3	181.9	182.3	181.7
4 Electric	......	3.88	196.0	204.5	200.7	200.2	208.0	206.8	200.0	204.6	207.7	206.8	209.6	205.9	206.3	205.5
5 Manufacturing	......	87.95	148.2	155.1	156.2	156.4	156.8	159.5	161.4	162.1	163.4	164.2	165.7	167.4	167.8	166.7
6 Nondurable	......	35.97	168.1	174.6	175.6	174.8	173.9	175.2	177.2	177.6	179.1	179.9	181.3	182.4	182.2	181.5
7 Durable	......	51.98	134.5	141.6	142.8	143.6	145.0	148.6	150.5	151.4	152.6	153.3	154.9	157.0	157.8	156.5
Mining																
8 Metal	10	.51	80.9	78.7	81.0	84.6	82.3	89.4	97.4	100.0	98.5	98.0	96.8	96.4	90.9	.....
9 Coal	11.12	.69	136.3	140.5	142.7	144.8	145.2	151.5	163.2	164.0	151.4	153.9	161.5	176.5	171.7	174.3
10 Oil and gas extraction	13	4.40	116.6	116.3	117.3	119.8	123.4	123.1	119.6	118.2	118.8	120.4	121.6	122.4	122.5	122.3
11 Stone and earth minerals	14	.75	122.8	126.5	127.4	132.2	133.9	134.8	133.0	135.8	140.4	144.0	147.9	151.9	151.7	.....
Nondurable manufactures																
12 Foods	20	8.75	156.4	158.2	157.6	157.1	157.7	159.4	160.0	161.2	163.1	164.2	165.1	166.1	.....	.....
13 Tobacco products	21	.67	112.1	112.7	109.1	109.5	112.3	116.4	110.9	111.8	113.3	112.8	118.3	117.1	.....	.....
14 Textile mill products	22	2.68	140.8	148.7	148.7	145.8	145.0	143.9	142.3	143.5	140.0	140.5	140.7	139.8	140.5	.....
15 Apparel products	23	3.31	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
16 Paper and products	26	3.21	164.3	170.4	171.5	172.1	170.1	172.3	176.6	173.8	172.4	174.1	174.6	176.3	174.4	174.5
17 Printing and publishing	27	4.72	152.5	161.7	162.7	162.0	161.7	163.4	164.8	165.2	166.3	167.5	169.0	173.6	174.2	175.4
18 Chemicals and products	28	7.74	215.0	224.1	228.4	225.6	221.1	221.5	224.8	225.0	228.3	227.9	231.0	233.0	233.6	.....
19 Petroleum products	29	1.79	120.3	125.1	123.6	125.4	114.4	118.8	127.6	127.0	126.8	127.9	127.5	124.7	125.0	123.8
20 Rubber and plastic products	30	2.24	291.9	310.9	310.8	309.1	314.4	317.2	318.5	323.8	328.0	334.1	341.0	341.4	340.9	.....
21 Leather and products	31	.86	61.9	64.2	64.0	63.2	66.0	61.4	63.9	63.9	63.5	61.4	60.0	60.6	62.3	.....
Durable manufactures																
22 Ordnance, private and government	19.91	3.64	95.4	98.0	98.8	99.3	99.8	99.7	99.6	100.6	101.4	100.8	101.7	101.7	105.5	106.6
23 Lumber and products	24	1.64	137.2	142.3	141.7	141.0	143.8	146.0	145.6	149.3	151.2	146.3	148.5	146.0	148.5	.....
24 Furniture and fixtures	25	1.37	170.5	180.7	181.0	177.5	177.9	183.8	185.6	184.6	186.6	190.5	191.9	192.6	195.1	.....
25 Clay, glass, stone products	32	2.74	143.4	151.7	151.9	152.7	153.8	157.8	160.4	160.2	160.0	160.6	159.7	160.9	160.2	.....
26 Primary metals	33	6.57	85.4	90.6	95.3	92.2	90.4	93.2	98.4	97.5	99.3	98.2	97.9	94.5	92.6	89.5
27 Iron and steel	331.2	4.21	71.5	78.2	84.3	79.2	74.1	80.7	86.0	84.4	84.0	83.5	83.5	76.5	75.3	.....
28 Fabricated metal products	34	5.93	120.2	127.4	26.9	128.5	129.2	131.7	132.8	134.9	135.5	136.5	138.7	140.6	140.0	138.7
29 Nonelectrical machinery	35	9.15	150.6	158.3	159.2	161.8	164.3	169.5	170.9	171.9	174.9	178.8	182.0	186.1	189.5	188.0
30 Electrical machinery	36	8.05	185.5	195.8	198.4	200.1	201.5	206.2	209.9	212.0	214.6	214.5	216.0	221.5	222.4	223.5
31 Transportation equipment	37	9.27	117.8	124.7	125.5	127.3	130.8	134.9	135.2	135.8	134.5	135.0	137.2	140.6	141.0	136.7
32 Motor vehicles and parts	371	4.50	137.1	150.9	150.9	152.9	158.9	166.3	164.4	165.8	161.9	163.0	165.3	169.0	170.3	160.3
33 Aerospace and miscellaneous transportation equipment	372–9	4.77	99.6	100.0	101.6	103.2	104.3	105.3	107.7	107.5	108.8	108.6	110.8	113.8	113.3	114.5
34 Instruments	38	2.11	158.7	163.6	163.0	163.0	164.6	167.8	168.6	169.7	171.0	171.8	174.5	177.1	177.3	178.0
35 Miscellaneous manufactures	39	1.51	146.2	151.7	149.1	148.9	149.3	151.1	152.0	152.3	152.1	151.5	150.8	152.4	149.1	148.2
		Gross value (billions of 1972 dollars, annual rates)														
MAJOR MARKET																
36 **Products, total**	......	**507.4**	**612.6**	**637.0**	**637.8**	**638.4**	**645.4**	**655.1**	**656.9**	**661.8**	**661.1**	**665.9**	**671.5**	**678.1**	**680.7**	**675.3**
37 Final	......	390.9	472.6	489.9	490.7	490.8	497.8	505.3	505.0	509.6	509.0	514.0	518.1	522.4	524.8	520.5
38 Consumer goods	......	277.5	328.7	341.6	340.2	338.3	341.9	345.3	345.3	347.7	347.8	349.5	350.9	350.0	349.9	345.3
39 Equipment	......	113.4	144.0	148.4	150.5	152.5	155.9	160.0	159.7	161.9	161.2	164.4	167.2	172.4	175.0	175.2
40 Intermediate	......	116.6	140.0	147.1	147.1	147.6	147.6	149.8	151.9	152.2	152.2	151.9	153.4	155.7	155.9	154.8

1. 1972 dollar value.

NOTE. These data also appear in the Board's G.12.3 (414) release. For address, see inside front cover.

2.14 HOUSING AND CONSTRUCTION

Monthly figures are at seasonally adjusted annual rates except as noted.

Item	1981	1982	1983	1983	1984								
				Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July^{r}	Aug.^{r}	Sept.
	Private residential real estate activity (thousands of units)												
NEW UNITS													
1 Permits authorized	986	1,001	1,605	1,602	1,799	1,902	1,727	1,758	1,745	1,768	1,565	1,506	1,424
2 1-family	564	546	902	913	989	1,083	974	957	913	916	823	803	834
3 2-or-more-family	421	454	703	689	810	819	753	801	832	852	742	703	590
4 Started	1,084	1,062	1,703	1,694	1,980	2,262	1,662	2,015	1,794	1,877	1,754	1,539	1,676
5 1-family	705	663	1,068	1,021	1,301	1,463	1,071	1,196	1,131	1,084	990	932	1,009
6 2-or-more-family	379	400	636	673	679	799	591	819	663	793	764	607	667
7 Under construction, end of period[1]	682	720	1,003	1,020	1,032	1,033	1,065	1,091	1,094	1,101^{r}	1,106	1,096	
8 1-family	382	400	524	542	552	557	571	582	589	589^{r}	586	577	
9 2-or-more-family	301	320	479	478	480	477	494	509	506	512^{r}	519	520	
10 Completed	1,266	1,006	1,391	1,489	1,606	1,565	1,590	1,654	1,756	1,739^{r}	1,720	1,681	n.a.
11 1-family	818	631	924	986	1,014	1,034	1,031	974	1,081	1,051^{r}	1,075	1,030	
12 2-or-more-family	447	374	466	503	592	531	559	680	675	688^{r}	645	651	
13 Mobile homes shipped	241	240	295	310	314	293	287	287	295	301^{r}	301	303	
Merchant builder activity in 1-family units													
14 Number sold	436	413	622	755	681	712	682	649	616	635^{r}	611	557	679
15 Number for sale, end of period[1]	278	255	303	300	302	303	320	328	333	339^{r}	342	346	345
Price (thousands of dollars)[2]													
Median													
16 Units sold	68.8	69.3	75.5	75.9	76.2	79.2	78.4	79.6	81.4	80.5^{r}	80.9	79.7	80.0
Average													
17 Units sold	83.1	83.8	89.9	91.7	92.2	94.4	97.7	96.2	101.9	98.8^{r}	97.5	95.4	101.0
EXISTING UNITS (1-family)													
18 Number sold	2,418	1,991	2,719	2,850	2,890	2,910	3,020	3,090	3,060	2,960^{r}	2,770	2,700	2,670
Price of units sold (thousands of dollars)[2]													
19 Median	66.1	67.7	69.8	69.9	71.3	71.8	72.2	72.5	73.1	73.8^{r}	74.5	73.7	72.6
20 Average	78.0	80.4	82.5	82.9	84.8	84.9	85.1	86.1	86.2	87.7^{r}	88.2	87.8	86.1
	Value of new construction[3] (millions of dollars)												
CONSTRUCTION													
21 Total put in place	**239,112**	**230,068**	**262,167**	**263,867**	**280,897**	**300,355**	**309,744**	**308,596^{r}**	**316,398**	**315,279**	**310,978**	**311,945**	**315,287**
22 Private	185,761	179,090	211,369	213,272	229,972	248,104	254,958	254,057^{r}	261,182	257,789	254,778	255,334	257,794
23 Residential	86,564	74,808	111,727	109,706	121,931	137,403	141,087	136,577^{r}	138,401	136,418	135,288	133,986	132,815
24 Nonresidential, total	99,197	104,282	99,642	103,566	108,041	110,701	113,871	117,480^{r}	122,781	121,371	119,490	121,348	124,979
Buildings													
25 *Industrial*	17,031	17,346	12,863	12,208	12,872	13,969	14,363	13,633^{r}	15,170	14,065	13,585	14,958	15,557
26 Commercial	34,243	37,281	35,787	37,364	41,057	42,076	45,280	47,353^{r}	49,719	48,947	48,259	49,664	52,648
27 Other	9,543	10,507	11,660	11,854	12,742	12,999	13,190	13,271^{r}	13,821	13,327	12,861	12,037	12,708
28 Public utilities and other	38,380	39,148	39,332	42,140	41,370	41,657	41,038	43,223^{r}	44,071	45,032	44,785	44,689	44,066
29 Public	53,346	50,977	50,798	50,596	50,925	52,251	54,786	54,539^{r}	55,216	57,490	56,200	56,612	57,494
30 Military	1,966	2,205	2,544	2,898	2,608	2,474	2,872	2,827^{r}	2,649	2,703	2,429	2,649	2,700
31 Highway	13,599	13,428	14,225	14,666	14,240	14,993	16,205	16,781^{r}	16,949	16,824	17,161	17,151	17,709
32 Conservation and development	5,300	5,029	4,822	4,984	4,319	4,608	4,531	4,518^{r}	4,356	4,492	4,537	4,558	4,923
33 Other	32,481	30,315	29,207	28,048	29,758	30,176	31,178	30,413^{r}	31,262	33,471	32,073	32,254	32,162

1. Not at annual rates.
2. Not seasonally adjusted.
3. Value of new construction data in recent periods may not be strictly comparable with data in prior periods because of changes by the Bureau of the Census in its estimating techniques. For a description of these changes see *Construction Reports* (C-30-76-5), issued by the Bureau in July 1976.

NOTE. Census Bureau estimates for all series except (a) mobile homes, which are private, domestic shipments as reported by the Manufactured Housing Institute and seasonally adjusted by the Census Bureau, and (b) sales and prices of existing units, which are published by the National Association of Realtors. All back and current figures are available from originating agency. Permit authorizations are those reported to the Census Bureau from 16,000 jurisdictions beginning with 1978.

2.15 CONSUMER AND PRODUCER PRICES

Percentage changes based on seasonally adjusted data, except as noted

Item	Change from 12 months earlier		Change from 3 months earlier (at annual rate)				Change from 1 month earlier					Index level Sept. 1984 (1967 = 100)[1]
	1983 Sept.	1984 Sept.	1983	1984			1984					
			Dec.	Mar.	June	Sept.	May[r]	June[r]	July	Aug.	Sept.	
CONSUMER PRICES[2]												
1 **All items**	**2.9**	**4.2**	**4.0**	**5.0**	**3.3**	**4.5**	**.2**	**.2**	**.3**	**.5**	**.4**	**314.5**
2 Food	1.7	4.0	4.3	9.0	−.7	3.4	−.3	.1	.3	.6	−.1	304.2
3 Energy items	1.2	−.1	−1.7	−1.4	.8	1.7	.2	−.7	−.3	.1	.6	429.0
4 All items less food and energy	3.5	5.1	4.9	5.1	4.7	5.4	.3	.3	.4	.5	.4	304.9
5 Commodities	5.2	4.0	4.6	3.4	3.7	4.0	.2	.1	.2	.4	.5	256.0
6 Services	2.2	5.7	5.3	5.9	5.3	6.2	.4	.4	.6	.5	.4	361.0
PRODUCER PRICES												
7 Finished goods	1.4	1.6	1.1	5.7	.0	.0	−.1	.1	.3	−.1	−.2	289.8
8 Consumer foods	1.2	4.0	5.8	16.9	−8.5	3.3	−1.1	−.4	1.4	−.1	−.4	273.4
9 Consumer energy	−5.7	−7.4	−10.4	−8.1	9.6	−18.3	1.5	.3	−1.7	−2.5	−.8	737.1
10 Other consumer goods	3.0	2.5	1.5	4.5	1.3	2.5	.0	.2	.2	.4	.0	244.8
11 Capital equipment	2.3	2.7	1.8	3.8	2.8	2.5	−.1	.2	.2	.3	.0	292.9
12 Intermediate materials[3]	1.1	1.9	2.5	2.9	3.4	−1.1	.3	.5	−.1	−.1	.0	325.7
13 Excluding energy	2.2	2.6	4.1	3.8	1.9	.5	.1	.3	.0	.1	.0	304.2
Crude materials												
14 Foods	5.9	−1.6	12.1	12.5	−21.3	−5.4	−2.8	−2.0	.4	−1.8	.0	253.1
15 Energy	−2.6	.2	−2.3	−1.6	4.2	.8	.4	.2	.3	.7	−.8	789.7
16 Other	12.0	1.1	2.4	−9.7	30.6	−13.4	2.8	1.0	−1.6	−3.1	1.2	264.1

1. Not seasonally adjusted.
2. Figures for consumer prices are those for all urban consumers and reflect a rental equivalence measure of homeownership after 1982.
3. Excludes intermediate materials for food manufacturing and manufactured animal feeds.

SOURCE. Bureau of Labor Statistics.

2.16 GROSS NATIONAL PRODUCT AND INCOME

Billions of current dollars except as noted; quarterly data are at seasonally adjusted annual rates.

Account	1981	1982	1983	1983		1984		
				Q3	Q4	Q1	Q2	Q3
GROSS NATIONAL PRODUCT								
1 **Total**	**2,957.8**	**3,069.2**	**3,304.8**	**3,346.6**	**3,431.7**	**3,553.3**	**3,644.7**	**3,701.2**
By source								
2 Personal consumption expenditures	1,849.1	1,984.9	2,155.9	2,181.4	2,230.2	2,276.5	2,332.7	2,359.3
3 Durable goods	235.4	245.1	279.8	284.1	299.8	310.9	320.7	317.3
4 Nondurable goods	730.7	757.5	801.7	811.7	823.0	841.3	858.3	863.3
5 Services	883.0	982.2	1,074.4	1,085.7	1,107.5	1,124.4	1,153.7	1,178.7
6 Gross private domestic investment	484.2	414.8	471.6	491.9	540.0	623.8	627.0	660.5
7 Fixed investment	458.1	441.0	485.1	496.2	527.3	550.0	576.4	588.1
8 Nonresidential	353.9	349.6	352.9	353.9	383.9	398.8	420.8	431.5
9 Structures	135.3	142.1	129.7	126.2	136.6	142.2	150.0	151.6
10 Producers' durable equipment	218.6	207.5	223.2	227.8	247.3	256.7	270.7	279.9
11 Residential structures	104.2	91.4	132.2	142.3	143.4	151.2	155.6	156.6
12 Nonfarm	99.8	86.6	127.6	137.7	138.7	146.4	150.5	151.3
13 Change in business inventories	26.0	−26.1	−13.5	−4.3	12.7	73.8	50.6	72.4
14 Nonfarm	18.2	−24.0	−3.1	11.6	14.1	60.6	47.0	63.2
15 Net exports of goods and services	28.0	19.0	−8.3	−16.4	−29.8	−51.5	−58.7	−85.5
16 Exports	369.9	348.4	336.2	342.0	346.1	358.9	362.4	375.5
17 Imports	341.9	329.4	344.4	358.4	375.9	410.4	421.1	461.0
18 Government purchases of goods and services	596.5	650.5	685.5	689.8	691.4	704.4	743.7	766.9
19 Federal	228.9	258.9	269.7	269.2	266.3	267.6	296.4	307.7
20 State and local	367.6	391.5	415.8	420.6	425.1	436.8	447.4	459.2
By major type of product								
21 Final sales, total	2,931.7	3,095.4	3,318.3	3,350.9	3,419.0	3,479.5	3,594.1	3,628.8
22 Goods	1,294.8	1,276.7	1,355.7	1,373.1	1,423.9	1,498.0	1,544.8	1,557.1
23 Durable	530.4	499.9	555.3	576.9	607.4	632.3	647.9	657.4
24 Nondurable	764.3	776.9	800.4	796.2	816.5	865.7	896.9	899.7
25 Services	1,373.0	1,510.8	1,639.3	1,654.5	1,681.3	1,713.7	1,742.6	1,780.5
26 Structures	289.9	281.7	309.8	319.0	326.5	341.6	357.2	363.5
27 Change in business inventories	26.0	−26.1	−13.5	−4.3	12.7	73.8	50.6	72.4
28 Durable goods	7.3	−18.0	−2.1	12.5	14.5	34.9	18.2	39.9
29 Nondurable goods	18.8	−8.1	−11.3	−16.8	−1.7	38.9	32.4	32.5
30 MEMO: **Total GNP in 1972 dollars**	1,512.2	1,480.0	1,534.7	1,550.2	1,572.7	1,610.9	1,638.8	1,649.6
NATIONAL INCOME								
31 **Total**	**2,363.8**	**2,446.8**	**2,646.7**	**2,684.4**	**2,766.5**	**2,873.5**	**2,944.8**	**n.a.**
32 Compensation of employees	1,765.4	1,864.2	1,984.9	2,000.7	2,055.4	2,113.4	2,159.2	2,191.2
33 Wages and salaries	1,493.2	1,568.7	1,658.8	1,670.8	1,715.4	1,755.9	1,793.3	1,818.4
34 Government and government enterprises	284.6	306.6	328.2	330.6	335.0	342.9	347.5	351.9
35 Other	1,208.6	1,262.2	1,331.1	1,340.3	1,380.4	1,413.0	1,445.8	1,466.5
36 Supplement to wages and salaries	272.2	295.5	326.2	329.9	340.0	357.4	365.9	372.8
37 Employer contributions for social insurance	132.3	140.0	153.1	153.9	157.9	169.4	172.4	174.7
38 Other labor income	140.0	155.5	173.1	175.9	182.1	188.1	193.5	198.1
39 Proprietors' income[1]	125.1	111.1	121.7	123.3	131.9	154.9	149.8	155.9
40 Business and professional[1]	93.6	89.2	107.9	112.1	114.6	122.5	126.3	127.5
41 Farm[1]	31.5	21.8	13.8	11.2	17.3	32.5	23.4	28.4
42 Rental income of persons[2]	42.3	51.5	58.3	56.2	60.4	61.0	62.0	63.0
43 Corporate profits[1]	189.9	159.1	225.2	245.0	260.0	277.4	291.1	n.a.
44 Profits before tax[3]	221.2	165.5	203.2	227.4	225.5	243.3	246.0	n.a.
45 Inventory valuation adjustment	−23.6	−9.5	−11.2	−19.3	−9.2	−13.5	−7.3	−.5
46 Capital consumption adjustment	−7.6	3.1	33.2	36.9	43.6	47.6	52.3	58.9
47 Net interest	241.0	260.9	256.6	259.2	258.9	266.8	282.8	292.5

1. With inventory valuation and capital consumption adjustments.
2. With capital consumption adjustment.
3. For after-tax profits, dividends, and the like, see table 1.48.

SOURCE. *Survey of Current Business* (Department of Commerce).

2.17 PERSONAL INCOME AND SAVING

Billions of current dollars; quarterly data are at seasonally adjusted annual rates. Exceptions noted.

Account	1981	1982	1983	1983		1984		
				Q3	Q4	Q1	Q2	Q3
PERSONAL INCOME AND SAVING								
1 **Total personal income**	**2,429.4**	**2,584.6**	**2,744.2**	**2,763.3**	**2,836.5**	**2,920.5**	**2,984.6**	**3,047.7**
2 Wage and salary disbursements	1,493.1	1,568.7	1,659.2	1,671.3	1,715.4	1,755.7	1,793.1	1,818.8
3 Commodity-producing industries	509.3	509.3	519.3	523.5	539.0	555.9	567.0	572.7
4 Manufacturing	385.5	382.9	395.2	399.1	411.9	424.6	432.2	435.9
5 Distributive industries	361.6	378.6	398.6	399.7	413.2	419.2	429.5	436.1
6 Service industries	337.7	374.3	413.1	417.0	428.2	437.9	449.3	457.6
7 Government and government enterprises	284.6	306.6	328.2	331.0	335.0	342.8	347.3	352.3
8 Other labor income	140.0	155.5	173.1	175.9	182.1	188.1	193.5	198.1
9 Proprietors' income[1]	125.1	111.1	121.7	123.3	131.9	154.9	149.8	155.9
10 Business and professional[1]	93.6	89.2	107.9	112.1	114.6	122.5	126.3	127.5
11 Farm[1]	31.5	21.8	13.8	11.2	17.3	32.5	23.4	28.4
12 Rental income of persons[2]	42.3	51.5	58.3	56.2	60.4	61.0	62.0	63.0
13 Dividends	64.3	66.5	70.3	70.7	72.8	75.0	77.2	78.5
14 Personal interest income	331.8	366.6	376.3	382.3	388.2	403.9	425.6	447.2
15 Transfer payments	337.2	376.0	405.0	403.9	408.8	411.3	415.2	419.5
16 Old-age survivors, disability, and health insurance benefits	182.0	204.5	221.6	222.4	227.7	232.1	235.2	238.9
17 LESS: Personal contributions for social insurance	104.5	111.4	119.6	120.4	123.2	129.6	131.8	133.4
18 EQUALS: Personal income	2,429.4	2,584.6	2,744.2	2,763.3	2,836.5	2,920.5	2,984.6	3,047.7
19 LESS: Personal tax and nontax payments	387.7	404.1	404.2	395.8	407.9	418.3	430.3	442.9
20 EQUALS: Disposable personal income	2,041.7	2,180.5	2,340.1	2,367.4	2,428.6	2,502.2	2,554.3	2,604.8
21 LESS: Personal outlays	1,904.3	2,044.5	2,222.0	2,248.4	2,300.0	2,349.6	2,409.5	2,440.1
22 EQUALS: Personal saving	137.4	136.0	118.1	119.0	128.7	152.5	144.8	164.7
MEMO								
Per capita (1972 dollars)								
23 Gross national product	6,572.8	6,369.6	6,543.4	6,601.9	6,681.4	6,829.4	6,933.2	6,962.1
24 Personal consumption expenditures	4,131.4	4,145.9	4,302.8	4,325.2	4,386.0	4,426.5	4,502.3	4,493.1
25 Disposable personal income	4,561.0	4,555.0	4,670.0	4,694.0	4,776.0	4,865.0	4,930.0	4,961.0
26 Saving rate (percent)	6.7	6.2	5.0	5.0	5.3	6.1	5.7	6.3
GROSS SAVING								
27 **Gross saving**	**484.3**	**408.8**	**437.2**	**455.2**	**485.7**	**543.9**	**551.0**	**n.a.**
28 Gross private saving	509.9	524.0	571.7	588.6	615.0	651.3	660.2	n.a.
29 Personal saving	137.4	136.0	118.1	119.0	128.7	152.5	144.8	164.7
30 Undistributed corporate profits[1]	42.3	29.2	76.5	86.9	100.0	107.0	115.3	n.a.
31 Corporate inventory valuation adjustment	−23.6	−9.5	−11.2	−19.3	−9.2	−13.5	−7.3	−.5
Capital consumption allowances								
32 Corporate	202.6	221.8	231.2	233.4	236.4	239.9	244.1	248.1
33 Noncorporate	127.6	137.1	145.9	149.4	150.0	151.8	156.0	157.9
34 Wage accruals less disbursements	.0	.0	.0	.0	.0	.0	.0	.0
35 Government surplus, or deficit (−), national income and product accounts	−26.7	−115.2	−134.5	−133.5	−129.3	−107.4	−109.2	n.a.
36 Federal	−64.3	−148.2	−178.6	−180.9	−180.5	−161.3	−163.7	n.a.
37 State and local	37.6	32.9	44.1	47.4	51.2	53.9	54.5	n.a.
38 Capital grants received by the United States, net	1.1	.0	.0	.0	.0	.0	.0	.0
39 **Gross investment**	490.0	408.3	437.7	450.3	480.9	546.1	542.0	548.5
40 Gross private domestic	484.2	414.8	471.6	491.9	540.0	623.8	627.0	660.5
41 Net foreign	5.8	−6.6	−33.9	−41.5	−59.1	−77.7	−85.0	−112.0
42 **Statistical discrepancy**	5.6	−.5	.5	−4.8	−4.8	2.2	−9.0	n.a.

1. With inventory valuation and capital consumption adjustments.
2. With capital consumption adjustment.

SOURCE. *Survey of Current Business* (Department of Commerce).

3.10 U.S. INTERNATIONAL TRANSACTIONS Summary

Millions of dollars; quarterly data are seasonally adjusted except as noted.[1]

Item credits or debits	1981	1982	1983	1983			1984	
				Q2	Q3	Q4	Q1	Q2[p]
1 Balance on current account	6,294	−9,199	−41,563	−9,560	−11,846	−17,213	−19,673	−24,402
2 Not seasonally adjusted	....	....	....	−8,769	−14,498	−15,964	−18,616	−24,123
3 Merchandise trade balance[2]	−28,001	−36,469	−61,055	−14,870	−17,501	−19,407	−25,855	−25,736
4 Merchandise exports	237,085	211,198	200,257	48,745	50,437	51,829	53,935	54,597
5 Merchandise imports	−265,086	−247,667	−261,312	−63,615	−67,938	−71,236	−79,790	−80,333
6 Military transactions, net	−1,116	195	515	53	−55	−273	−370	−282
7 Investment income, net[3]	34,053	27,802	23,508	5,978	7,172	5,119	7,748	3,662
8 Other service transactions, net	8,191	7,331	4,121	1,127	681	434	951	55
9 Remittances, pensions, and other transfers	−2,382	−2,635	−2,590	−638	−665	−688	−717	−712
10 U.S. government grants (excluding military)	−4,451	−5,423	−6,060	−1,210	−1,478	−2,398	−1,430	−1,389
11 Change in U.S. government assets, other than official reserve assets, net (increase, −)	−5,107	−6,143	−5,013	−1,251	−1,204	−1,429	−2,037	−1,222
12 Change in U.S. official reserve assets (increase, −)	−5,175	−4,965	−1,196	16	529	−953	−657	−565
13 Gold	0	0	0	0	0	0	0	0
14 Special drawing rights (SDRs)	−1,823	−1,371	−66	−303	−209	545	−226	−288
15 Reserve position in International Monetary Fund	−2,491	−2,552	−4,434	−212	−88	−1,996	−200	−321
16 Foreign currencies	−861	−1,041	3,304	531	826	498	−231	44
17 Change in U.S. private assets abroad (increase, −)[3]	−100,694	−107,790	−43,281	175	−8,548	−12,461	705	−23,073
18 Bank-reported claims	−84,175	−111,070	−25,391	3,894	−2,871	−8,239	1,955	−24,167
19 Nonbank-reported claims	−1,181	6,626	−5,333	−230	−233	−1,671	1,659	n.a.
20 U.S. purchase of foreign securities, net	−5,714	−8,102	−7,676	−3,257	−1,571	−983	637	−791
21 U.S. direct investments abroad, net[3]	−9,624	4,756	−4,881	−232	−3,873	−1,568	−3,546	1,885
22 *Change in foreign official assets in the United States (increase, +)*	5,003	3,318	5,339	1,739	−2,703	6,555	−2,784	−571
23 U.S. Treasury securities	5,019	5,728	6,989	1,985	−611	2,603	−288	−314
24 Other U.S. government obligations	1,289	−694	−487	−170	−363	417	−8	126
25 Other U.S. government liabilities[4]	−300	382	199	434	137	161	242	378
26 Other U.S. liabilities reported by U.S. banks	−3,670	−1,747	433	316	−1,403	3,498	−2,131	216
27 Other foreign official assets[5]	2,665	−351	−1,795	−826	−463	−124	−599	−977
28 Change in foreign private assets in the United States (increase, +)[3]	76,310	91,863	76,383	10,714	22,281	27,249	18,444	36,505
29 U.S. bank-reported liabilities	42,128	65,922	49,059	1,698	14,792	22,325	8,775	21,708
30 U.S. nonbank-reported liabilities	917	−2,383	−1,318	−64	1,311	−228	4,404	n.a.
31 Foreign private purchases of U.S. Treasury securities, net	2,946	7,062	8,731	3,139	995	1,673	1,358	6,522
32 Foreign purchases of other U.S. securities, net	7,171	6,396	8,612	2,614	1,861	1,134	1,516	610
33 Foreign direct investments in the United States, net[3]	23,148	14,865	11,299	3,327	3,322	2,345	2,391	7,665
34 Allocation of SDRs	1,093	0	0	0	0	0	0	0
35 Discrepancy	22,275	32,916	9,331	−1,833	1,491	−1,748	6,002	13,328
36 Owing to seasonal adjustments	....	....	....	439	−2,518	2,657	−154	−91
37 Statistical discrepancy in recorded data before seasonal *adjustment*	22,275	32,916	9,331	−2,272	4,009	−4,405	6,156	13,419
MEMO								
Changes in official assets								
38 U.S. official reserve assets (increase, −)	−5,175	−4,965	−1,196	16	529	−953	−657	−566
39 Foreign official assets in the United States (increase, +)	5,303	2,936	5,140	1,305	−2,840	6,394	−3,026	−949
40 Change in Organization of Petroleum Exporting Countries official assets in the United States (part of line 22 above)	13,581	7,291	−8,639	−3,482	−2,051	−1,040	−2,447	−2,206
41 Transfers under military grant programs (excluded from lines 4, 6, and 10 above)	675	593	205	30	49	84	41	40

1. Seasonal factors are no longer calculated for lines 6, 10, 12–16, 18–20, 22–34, and 38–41.
2. Data are on an international accounts (IA) basis. Differs from the Census basis data, shown in table 3.11, for reasons of coverage and timing; military exports are excluded from merchandise data and are included in line 6.
3. Includes reinvested earnings.
4. Primarily associated with military sales contracts and other transactions arranged with or through foreign official agencies.
5. Consists of investments in U.S. corporate stocks and in debt securities of private corporations and state and local governments.

NOTE. Data are from Bureau of Economic Analysis, *Survey of Current Business* (Department of Commerce).

3.11 U.S. FOREIGN TRADE

Millions of dollars; monthly data are seasonally adjusted.

Item	1981	1982	1983	1984 Mar.	Apr.	May	June	July	Aug.	Sept.
1 EXPORTS of domestic and foreign merchandise excluding grant-aid shipments	233,677	212,193	200,486	17,727	17,521	17,950	17,633	19,442	18,036	18,177
2 GENERAL IMPORTS including merchandise for immediate consumption plus entries into bonded warehouses	261,305	243,952	258,048	26,771	28,368	25,569	25,356	31,883	26,567	29,429.9
3 **Trade balance**	**−27,628**	**−31,759**	**−57,562**	**−9,044**	**−10,846**	**−7,619**	**−7,723**	**−12,440**	**−8,531**	**−11,252.8**

NOTE. The data through 1981 in this table are reported by the Bureau of Census data of a free-alongside-ship (f.a.s.) value basis—that is, value at the port of export. Beginning in 1981, foreign trade of the U.S. Virgin Islands is included in the Census basis trade data; this adjustment has been made for all data shown in the table. Beginning with 1982 data, the value of imports are on a customs valuation basis.

The Census basis data differ from merchandise trade data shown in table 3.10, U.S. International Transactions Summary, for reasons of coverage and timing. On the *export side*, the largest adjustments are: (1) the addition of exports to Canada not covered in Census statistics, and (2) the exclusion of military sales (which are combined with other military transactions and reported separately in the "service account" in table 3.10, line 6). On the *import side*, additions are made for gold, ship purchases, imports of electricity from Canada, and other transactions; military payments are excluded and shown separately as indicated above.

SOURCE. FT900 "Summary of U.S. Export and Import Merchandise Trade" (Department of Commerce, Bureau of the Census).

3.12 U.S. RESERVE ASSETS

Millions of dollars, end of period

Type	1981	1982	1983	1984 Mar.	Apr.	May	June	July	Aug.	Sept.
1 **Total**	**30,075**	**33,958**	**33,747**	**34,975**	**34,585**	**34,713**	**34,547**	**34,392**	**34,760**	**34,306**
2 Gold stock, including Exchange Stabilization Fund[1]	*11,151*	*11,148*	*11,121*	*11,111*	*11,107*	*11,104*	11,100	*11,099*	*11,098*	*11,097*
3 Special drawing rights[2,3]	4,095	5,250	5,025	5,341	5,266	5,513	5,459	5,453	5,652	5,554
4 Reserve position in International Monetary Fund[2]	5,055	7,348	11,312	11,706	11,618	11,666	11,659	11,735	11,820	11,619
5 Foreign currencies[4]	9,774	10,212	6,289	6,817	6,594	6,430	6,329	6,105	6,190	6,036

1. Gold held under earmark at Federal Reserve Banks for foreign and international accounts is not included in the gold stock of the United States; see table 3.13. Gold stock is valued at $42.22 per fine troy ounce.
2. Beginning July 1974, the IMF adopted a technique for valuing the SDR based on a weighted average of exchange rates for the currencies of member countries. From July 1974 through December 1980, 16 currencies were used; from January 1981, 5 currencies have been used. The U.S. SDR holdings and reserve position in the IMF also are valued on this basis beginning July 1974.
3. Includes allocations by the International Monetary Fund of SDRs as follows: $867 million on Jan. 1, 1970; $717 million on Jan. 1, 1971; $710 million on Jan. 1, 1972; $1,139 million on Jan. 1, 1979; $1,152 million on Jan. 1, 1980; and $1,093 million on Jan. 1, 1981; plus transactions in SDRs.
4. Valued at current market exchange rates.

3.13 FOREIGN OFFICIAL ASSETS HELD AT FEDERAL RESERVE BANKS

Millions of dollars, end of period

Assets	1981	1982	1983	1984 Mar.	Apr.	May	June	July	Aug.	Sept.
1 Deposits	505	328	190	222	345	295	238	215	242	206
Assets held in custody										
2 U.S. Treasury securities[1]	104,680	112,544	117,670	116,768	117,808	114,562	117,143	115,760	117,130	115,678
3 Earmarked gold[2]	14,804	14,716	14,414	14,278	14,278	14,268	14,266	14,270	14,258	14,256

1. Marketable U.S. Treasury bills, notes, and bonds; and nonmarketable U.S. Treasury securities payable in dollars and in foreign currencies.
2. Earmarked gold is valued at $42.22 per fine troy ounce.

NOTE. Excludes deposits and U.S. Treasury securities held for international and regional organizations. Earmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

3.14 FOREIGN BRANCHES OF U.S. BANKS Balance Sheet Data

Millions of dollars, end of period

Asset account	1981	1982	1983	1984						
			Dec.	Feb.	Mar.	Apr.	May	June	July	Aug.[p]
	All foreign countries[r]									
1 **Total, all currencies**	**462,847**	**469,712**	**476,539**	**466,242**	**481,418**	**474,882**	**485,739**	**477,524**	**465,487**	**461,142**
2 Claims on United States	63,743	91,805	115,065	112,960	122,021	121,081	126,100	125,325	118,344	116,813
3 Parent bank	43,267	61,666	81,113	79,429	86,379	85,150	89,031	89,862	82,320	81,984
4 Other banks in United States[1]	20,476	30,139	33,952	33,531	35,642	35,931	37,069	14,516	14,248	13,544
5 Nonbanks[1]								20,947	21,776	21,285
6 Claims on foreigners	378,954	358,493	342,609	332,928	339,289	333,701	339,029	332,181	327,031	323,344
7 Other branches of parent bank	87,821	91,168	92,718	85,754	91,259	92,842	95,095	95,773	91,145	93,375
8 Banks	150,763	133,752	117,593	111,391	114,761	107,540	112,626	105,531	107,272	102,586
9 Public borrowers	28,197	24,131	24,508	25,721	24,777	24,775	24,345	23,381	23,436	22,736
10 Nonbank foreigners	112,173	109,442	107,790	110,062	109,048	108,544	106,965	107,496	105,178	104,647
11 Other assets	20,150	19,414	18,865	20,354	20,108	20,100	20,610	20,018	20,112	20,985
12 **Total payable in U.S. dollars**	**350,735**	**361,982**	**370,958**	**351,050**	**365,380**	**359,385**	**372,452**	**367,748**	**357,243**	**351,727**
13 Claims on United States	62,142	90,085	112,959	110,725	119,644	118,602	123,725	123,130	115,999	114,497
14 Parent bank	42,721	61,010	80,018	78,200	85,067	83,729	87,851	88,750	81,082	80,838
15 Other banks in United States[1]	19,421	29,075	32,941	32,525	34,577	34,873	35,874	14,274	13,921	13,203
16 Nonbanks[1]								20,106	20,996	20,456
17 Claims on foreigners	276,937	259,871	247,327	229,786	235,778	230,386	237,860	234,018	230,565	226,170
18 Other branches of parent bank	69,398	73,537	75,207	66,792	71,496	70,100	75,503	77,326	73,420	75,837
19 Banks	122,110	106,447	93,257	84,773	88,325	83,194	86,567	81,153	82,277	76,622
20 Public borrowers	22,877	18,413	17,881	18,129	18,106	17,957	17,613	17,007	17,149	16,876
21 Nonbank foreigners	62,552	61,474	60,982	60,092	58,407	59,135	58,177	58,532	57,719	56,835
22 Other assets	11,656	12,026	10,672	10,539	9,958	10,397	10,867	10,600	10,679	11,060
	United Kingdom									
23 **Total, all currencies**	**157,229**	**161,067**	**158,732**	**157,972**	**161,007**	**161,109**	**159,059**	**158,724**	**155,625**	**154,045**
24 Claims on United States	11,823	27,354	34,433	36,646	38,072	38,428	36,148	36,309	33,679	31,675
25 Parent bank	7,885	23,017	29,111	30,875	32,201	32,855	30,266	30,621	27,872	26,054
26 Other banks in United States[1]	3,938	4,337	5,322	5,771	5,871	5,573	5,882	1,223	1,273	1,071
27 Nonbanks[1]								4,465	4,534	4,550
28 Claims on foreigners	138,888	127,734	119,280	116,055	118,200	117,713	117,808	117,212	116,740	117,066
29 Other branches of parent bank	41,367	37,000	36,565	33,296	34,617	38,571	36,804	38,518	37,728	39,270
30 Banks	56,315	50,767	43,352	42,300	43,804	39,779	42,084	39,892	40,980	39,760
31 Public borrowers	7,490	6,240	5,898	6,213	6,076	6,072	5,992	5,876	5,786	5,510
32 Nonbank foreigners	33,716	33,727	33,465	34,246	33,703	33,291	32,928	32,926	32,246	32,526
33 Other assets	6,518	5,979	5,019	5,271	4,735	4,968	5,103	5,203	5,206	5,304
34 **Total payable in U.S. dollars**	**115,188**	**123,740**	**126,012**	**121,944**	**124,501**	**123,174**	**122,215**	**123,628**	**120,470**	**118,141**
35 Claims on United States	11,246	26,761	33,756	35,934	37,282	37,598	35,210	35,358	32,569	30,633
36 Parent bank	7,721	22,756	28,756	30,515	31,789	32,453	29,876	30,181	27,248	25,509
37 Other banks in United States[1]	3,525	4,005	5,000	5,419	5,493	5,145	5,334	1,115	1,149	942
38 Nonbanks[1]								4,062	4,172	4,182
39 Claims on foreigners	99,850	92,228	88,917	83,067	84,599	82,769	83,925	85,176	84,729	84,365
40 Other branches of parent bank	35,439	31,648	31,838	28,103	28,723	29,247	30,278	32,765	31,762	33,580
41 Banks	40,703	36,717	32,188	30,158	31,613	29,135	30,036	28,610	29,444	27,816
42 Public borrowers	5,595	4,329	4,194	4,414	4,390	4,408	4,296	4,284	4,288	3,983
43 Nonbank foreigners	18,113	19,534	20,697	20,392	19,873	19,979	19,315	19,517	19,235	18,986
44 Other assets	4,092	4,751	3,339	2,943	2,620	2,807	3,080	3,094	3,172	3,143
	Bahamas and Caymans[r]									
45 **Total, all currencies**	**149,108**	**145,156**	**151,532**	**140,942**	**149,953**	**145,281**	**156,656**	**153,836**	**147,730**	**147,060**
46 Claims on United States	46,546	59,403	74,832	70,888	78,015	75,690	83,620	81,635	78,064	78,623
47 Parent bank	31,643	34,653	47,807	44,474	50,146	47,566	54,122	53,650	49,673	51,125
48 Other banks in United States[1]	14,903	24,750	27,025	26,414	27,869	28,124	29,498	12,380	12,070	11,540
49 Nonbanks[1]								15,605	16,321	15,958
50 Claims on foreigners	98,057	81,450	72,788	66,154	67,985	65,666	68,960	68,325	65,620	64,263
51 Other branches of parent bank	12,951	18,720	17,340	14,657	15,821	14,811	16,931	18,057	15,434	16,079
52 Banks	55,151	42,699	36,767	33,068	34,856	32,723	33,755	31,827	32,140	30,519
53 Public borrowers	10,010	6,413	6,084	5,958	6,030	6,005	5,922	5,993	6,000	5,978
54 Nonbank foreigners	19,945	13,618	12,597	12,471	11,834	12,127	12,352	12,448	12,046	11,687
55 Other assets	4,505	4,303	3,912	3,900	3,953	3,925	4,076	3,876	4,046	4,174
56 **Total payable in U.S. dollars**	**143,743**	**139,605**	**145,091**	**134,580**	**143,466**	**138,881**	**150,191**	**147,681**	**141,770**	**140,882**

1. Data for assets vis-a-vis other banks in the United States and vis-a-vis nonbanks are combined for dates prior to June 1984.

3.14 Continued

Liability account	1981	1982	1983 Dec.	1984 Feb.	1984 Mar.	1984 Apr.	1984 May	1984 June	1984 July	1984 Aug.[p]
	All foreign countries[r]									
57 **Total, all currencies**	**462,847**	**469,712**	**476,539**	**466,242**	**481,418**	**474,882**	**485,739**	**477,524**	**465,487**	**461,142**
58 Negotiable CDs[2]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	43,337	41,311	41,556
59 To United States	137,767	179,015	187,602	185,220	188,214	184,451	191,072	162,786	155,299	152,373
60 Parent bank	56,344	75,621	80,537	81,489	77,651	75,594	80,353	81,091	77,979	76,991
61 Other banks in United States	19,197	33,405	29,107	25,942	29,037	27,151	27,845	22,790	22,055	19,693
62 Nonbanks	62,226	69,989	77,958	77,789	81,526	81,706	82,874	58,905	55,265	55,689
63 To foreigners	305,630	270,853	269,602	261,522	273,159	270,242	274,840	251,828	248,304	245,884
64 Other branches of parent bank	86,396	90,191	89,055	81,684	87,229	90,937	92,254	92,572	88,725	90,268
65 Banks	124,906	96,860	92,882	89,538	95,690	90,166	94,041	83,027	80,035	78,667
66 Official institutions	25,997	19,614	18,893	20,549	18,250	17,882	19,608	19,123	21,219	20,206
67 Nonbank foreigners	68,331	64,188	68,772	69,751	71,982	71,257	68,937	57,106	58,325	56,743
68 Other liabilities	19,450	19,844	19,335	19,500	20,045	20,189	19,827	19,573	20,573	21,329
69 **Total payable in U.S. dollars**	**364,447**	**379,270**	**387,740**	**369,900**	**382,765**	**375,443**	**390,534**	**385,070**	**374,438**	**369,222**
70 Negotiable CDs[2]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	40,768	39,004	39,510
71 To United States	134,700	175,528	183,837	180,899	183,926	180,149	186,793	158,244	150,842	147,869
72 Parent bank	54,492	73,295	78,328	78,889	75,068	73,168	77,894	78,406	75,270	74,413
73 Other banks in United States	18,883	33,040	28,573	25,375	28,451	26,564	27,192	22,196	21,422	19,019
74 Nonbanks	61,325	69,193	76,936	76,635	80,407	80,417	81,707	57,642	54,150	54,437
75 To foreigners	217,602	192,510	194,056	179,884	189,612	185,165	193,763	176,157	174,243	171,594
76 Other branches of parent bank	69,299	72,921	72,002	63,480	68,557	69,096	73,380	74,548	71,237	72,972
77 Banks	79,594	57,463	57,015	50,683	56,202	50,874	54,932	46,993	44,811	42,620
78 Official institutions	20,288	15,055	13,852	15,835	13,161	13,347	14,835	13,799	16,099	15,455
79 Nonbank foreigners	48,421	47,071	51,187	49,886	51,692	51,848	50,616	40,817	42,096	40,547
80 Other liabilities	12,145	11,232	9,847	9,117	9,227	10,129	9,978	9,901	10,349	10,249
	United Kingdom									
81 **Total, all currencies**	**157,229**	**161,067**	**158,732**	**157,972**	**161,007**	**161,109**	**159,059**	**158,724**	**155,625**	**154,045**
82 Negotiable CDs[2]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	39,740	37,928	38,172
83 To United States	38,022	53,954	55,799	56,550	56,228	56,526	55,353	31,948	29,664	29,667
84 Parent bank	5,444	13,091	14,021	18,307	15,850	16,311	17,820	18,532	16,712	18,127
85 Other banks in United States	7,502	12,205	11,328	10,570	11,440	10,542	9,487	4,701	4,277	3,548
86 Nonbanks	25,076	28,658	30,450	27,673	28,938	29,673	28,046	8,715	8,675	7,992
87 To foreigners	112,255	99,567	95,847	93,734	97,109	97,064	96,339	79,589	80,261	78,357
88 Other branches of parent bank	16,545	18,361	19,038	17,741	21,477	21,939	20,617	21,668	21,459	21,868
89 Banks	51,336	44,020	41,624	39,548	42,073	40,751	41,597	32,950	31,435	31,035
90 Official institutions	16,517	11,504	10,151	11,531	8,833	9,403	10,377	9,533	11,301	10,480
91 Nonbank foreigners	27,857	25,682	25,034	24,914	24,726	24,971	23,748	15,438	16,066	14,974
92 Other liabilities	6,952	7,546	7,086	7,688	7,670	7,519	7,367	7,447	7,702	7,849
93 **Total payable in U.S. dollars**	**120,277**	**130,261**	**131,167**	**127,622**	**130,985**	**128,369**	**128,255**	**128,612**	**126,276**	**124,064**
94 Negotiable CDs[2]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	38,363	36,757	37,126
95 To United States	37,332	53,029	54,691	55,105	55,031	55,201	54,094	30,602	28,331	28,027
96 Parent bank	5,350	12,814	13,839	17,900	15,606	16,127	17,624	18,244	16,372	17,701
97 Other banks in United States	7,249	12,026	11,044	10,247	11,204	10,292	9,200	4,486	4,018	3,244
98 Nonbanks	24,733	28,189	29,808	26,958	28,221	28,782	27,270	7,872	7,941	7,082
99 To foreigners	79,034	73,477	73,279	69,438	72,892	69,739	70,764	56,064	57,495	55,234
100 Other branches of parent bank	12,048	14,300	15,403	13,956	17,559	14,801	15,733	17,646	17,472	18,002
101 Banks	32,298	28,810	29,320	26,229	28,833	27,286	27,308	19,574	18,197	17,290
102 Official institutions	13,612	9,668	8,279	9,777	6,910	7,650	8,760	7,639	9,610	8,920
103 Nonbank foreigners	21,076	20,699	20,277	19,476	19,590	20,002	18,963	11,205	12,216	11,022
104 Other liabilities	3,911	3,755	3,197	3,079	3,062	3,429	3,397	3,583	3,693	3,677
	Bahamas and Caymans[r]									
105 **Total, all currencies**	**149,108**	**145,156**	**151,532**	**140,942**	**149,953**	**145,281**	**156,656**	**153,836**	**147,730**	**147,060**
106 Negotiable CDs[2]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1,081	979	898
107 To United States	85,759	104,425	110,831	105,290	110,753	107,432	114,747	110,896	106,225	103,663
108 Parent bank	39,451	47,081	50,256	44,563	45,571	43,523	46,313	45,734	44,827	42,114
109 Other banks in United States	10,474	18,466	15,711	13,842	15,979	15,208	16,924	16,642	16,188	14,742
110 Nonbanks	35,834	38,878	44,864	46,885	49,203	48,701	51,510	48,520	45,210	46,807
111 To foreigners	60,012	38,274	38,362	33,409	36,836	35,502	39,390	39,277	37,744	39,598
112 Other branches of parent bank	20,641	15,796	13,376	11,790	11,987	12,858	14,031	13,771	12,274	14,403
113 Banks	23,202	10,166	11,869	9,351	11,405	9,859	12,106	12,497	12,657	12,198
114 Official institutions	3,498	1,967	1,916	1,870	2,395	1,869	2,197	2,662	2,408	2,674
115 Nonbank foreigners	12,671	10,345	11,201	10,398	11,049	10,916	11,056	10,347	10,405	10,323
116 Other liabilities	3,337	2,457	2,339	2,243	2,364	2,347	2,519	2,582	2,782	2,901
117 **Total payable in U.S. dollars**	**145,284**	**141,908**	**147,727**	**137,261**	**145,917**	**141,040**	**152,515**	**149,760**	**143,779**	**143,056**

2. Before June 1984, liabilities on negotiable CDs were included in liabilities to the United States or liabilities to foreigners, according to the address of the initial purchaser.

3.15 SELECTED U.S. LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS

Millions of dollars, end of period

Item	1982	1983	1984						
			Feb.	Mar.	Apr.	May	June	July	Aug.[p]
1 **Total**[1]	**172,718**	**177,922**	**176,461**	**174,906**	**175,319**	**171,932**	**174,126**	**174,601**	**177,107**
By type									
2 Liabilities reported by banks in the United States[2]	24,989	25,503	23,169	23,373	23,834	23,124	23,737	25,934	26,166
3 U.S. Treasury bills and certificates[3]	46,658	54,341	56,084	53,681	53,171	51,035	53,977	51,974	54,022
U.S. Treasury bonds and notes									
4 Marketable	67,733	68,514	69,061	69,545	70,167	69,809	68,938	69,116	70,481
5 Nonmarketable[4]	8,750	7,250	6,600	6,600	6,600	6,600	6,600	6,600	5,800
6 U.S. securities other than U.S. Treasury securities[5]	24,588	22,314	21,907	21,707	21,547	21,364	20,874	20,977	20,638
By area									
7 Western Europe[1]	61,298	67,645	67,903	67,714	69,928	69,898	70,176	68,646	70,229
8 Canada	2,070	2,438	2,329	1,944	1,557	1,247	994	1,250	1,434
9 Latin America and Caribbean	6,057	6,248	7,605	6,460	7,468	6,474	7,073	7,289	8,162
10 Asia	96,034	92,544	90,547	90,610	88,517	86,505	88,411	90,305	90,461
11 Africa	1,350	958	1,067	1,038	941	1,179	996	970	836
12 Other countries[6]	5,909	8,089	7,370	7,140	6,908	6,629	6,476	6,141	5,985

1. Includes the Bank for International Settlements.
2. Principally demand deposits, time deposits, bankers acceptances, commercial paper, negotiable time certificates of deposit, and borrowings under repurchase agreements.
3. Includes nonmarketable certificates of indebtedness (including those payable in foreign currencies through 1974) and Treasury bills issued to official institutions of foreign countries.
4. Excludes notes issued to foreign official nonreserve agencies. Includes bonds and notes payable in foreign currencies.
5. Debt securities of U.S. government corporations and federally sponsored agencies, and U.S. corporate stocks and bonds.
6. Includes countries in Oceania and Eastern Europe.

NOTE. Based on Treasury Department data and on data reported to the Treasury Department by banks (including Federal Reserve Banks) and securities dealers in the United States.

3.16 LIABILITIES TO AND CLAIMS ON FOREIGNERS Reported by Banks in the United States Payable in Foreign Currencies

Millions of dollars, end of period

Item	1980	1981	1982	1983		1984	
				Sept.	Dec.	Mar.	June
1 Banks' own liabilities	3,748	3,523	4,844	5,976	5,310	6,168	6,402
2 Banks' own claims	4,206	4,980	7,707	7,998	7,231	8,992	9,623
3 Deposits	2,507	3,398	4,251	3,045	2,731	4,000	4,280
4 Other claims	1,699	1,582	3,456	4,953	4,501	4,992	5,344
5 Claims of banks' domestic customers[1]	962	971	676	717	1,059	361	227

1. Assets owned by customers of the reporting bank located in the United States that represent claims on foreigners held by reporting banks for the accounts of their domestic customers.

NOTE. Data on claims exclude foreign currencies held by U.S. monetary authorities.

3.17 LIABILITIES TO FOREIGNERS Reported by Banks in the United States
Payable in U.S. dollars

Millions of dollars, end of period

Holder and type of liability	1981▲	1982	1983	1984						
				Feb.	Mar.	Apr.	May	June[r]	July	Aug.[p]
1 **All foreigners**	**243,889**	**307,056**	**369,560**	**368,902**	**377,173**	**379,806**	**393,784**	**400,492**	**396,338**	**393,421**
2 Banks' own liabilities	163,817	227,089	278,977	271,858	284,926	286,601	301,382	303,779	300,732	294,039
3 Demand deposits	19,631	15,889	17,602	16,639	17,466	17,162	17,200	17,621	16,368	16,423
4 Time deposits[1]	29,039	68,035	89,977	91,220	96,462	96,629	103,403	105,347	109,314	107,279
5 Other[2]	17,647	23,946	26,406	24,012	24,485	24,082	23,733	23,100	25,539	23,337
6 Own foreign offices[3]	97,500	119,219	144,993	139,988	146,513	148,728	157,047	157,711	149,511	147,001
7 Banks' custody liabilities[4]	80,072	79,967	90,582	97,043	92,247	93,205	92,402	96,713	95,606	99,381
8 U.S. Treasury bills and certificates[5]	55,315	55,628	68,669	74,277	69,666	69,893	68,511	72,191	71,204	74,126
9 Other negotiable and readily transferable instruments[6]	18,788	20,636	17,529	17,864	18,075	18,703	18,780	19,518	19,411	20,128
10 Other	5,970	3,702	4,385	4,903	4,506	4,608	5,112	5,003	4,990	5,127
11 **Nonmonetary international and regional organizations[7]**	**2,721**	**4,922**	**5,957**	**6,831**	**6,243**	**6,356**	**5,316**	**5,055**	**5,344**	**5,342**
12 Banks' own liabilities	638	1,909	4,632	2,317	4,047	3,528	2,229	2,920	2,612	1,958
13 Demand deposits	262	106	297	347	414	194	255	182	142	324
14 Time deposits[1]	58	1,664	3,584	1,611	2,656	2,468	1,640	2,209	2,213	1,446
15 Other[2]	318	139	750	360	977	866	335	529	257	189
16 Banks' custody liabilities[4]	2,083	3,013	1,325	4,514	2,196	2,827	3,087	2,135	2,732	3,384
17 U.S. Treasury bills and certificates	541	1,621	463	3,416	1,224	1,759	2,057	887	1,709	2,722
18 Other negotiable and readily transferable instruments[6]	1,542	1,392	862	1,098	971	1,068	1,030	1,248	1,023	662
19 Other	0	0	0	0	0	0	0	0	0	0
20 **Official institutions[8]**	**79,126**	**71,647**	**79,844**	**79,253**	**77,053**	**77,005**	**74,160**	**77,714**	**77,908**	**80,188**
21 Banks' own liabilities	17,109	16,640	19,396	17,512	17,105	17,532	16,779	16,616	18,660	18,068
22 Demand deposits	2,564	1,899	1,837	1,663	1,955	1,761	1,733	1,898	1,875	2,142
23 Time deposits[1]	4,230	5,528	7,320	7,638	6,698	7,489	7,168	7,548	8,236	7,774
24 Other[2]	10,315	9,212	10,239	8,211	8,452	8,282	7,878	7,169	8,549	8,152
25 Banks' custody liabilities[4]	62,018	55,008	60,448	61,741	59,948	59,473	57,380	61,098	59,248	62,120
26 U.S. Treasury bills and certificates[5]	52,389	46,658	54,341	56,084	53,681	53,171	51,035	53,977	51,974	54,022
27 Other negotiable and readily transferable instruments[6]	9,581	8,321	6,082	5,623	6,249	6,287	6,307	7,030	7,265	8,088
28 Other	47	28	25	34	19	15	38	91	9	10
29 **Banks[9]**	**136,008**	**185,881**	**226,886**	**222,995**	**233,424**	**234,285**	**249,289**	**251,783**	**247,510**	**241,272**
30 Banks' own liabilities	124,312	169,449	205,347	200,477	211,040	211,812	226,139	227,195	222,228	215,873
31 Unaffiliated foreign banks	26,812	50,230	60,354	60,489	64,527	63,083	69,092	69,484	72,717	68,873
32 Demand deposits	11,614	8,675	8,787	8,394	8,328	8,797	8,879	9,074	8,203	7,949
33 Time deposits[1]	8,720	28,386	36,964	37,538	41,905	40,055	45,369	45,699	48,453	46,954
34 Other[2]	6,477	13,169	14,603	14,557	14,294	14,230	14,845	14,711	16,060	13,970
35 Own foreign offices[3]	97,500	119,219	144,993	139,988	146,513	148,728	157,047	157,711	149,511	147,001
36 Banks' custody liabilities[4]	11,696	16,432	21,540	22,519	22,384	22,473	23,150	24,588	25,282	25,399
37 U.S. Treasury bills and certificates	1,685	5,809	10,178	10,756	10,760	10,795	11,182	12,771	12,989	12,766
38 Other negotiable and readily transferable instruments[6]	4,400	7,857	7,485	7,378	7,447	7,586	7,523	7,446	7,867	8,100
39 Other	5,611	2,766	3,877	4,385	4,177	4,092	4,445	4,371	4,426	4,534
40 **Other foreigners**	**26,035**	**44,606**	**56,872**	**59,822**	**60,454**	**62,160**	**65,020**	**65,940**	**65,577**	**66,619**
41 Banks' own liabilities	21,759	39,092	49,603	51,552	52,734	53,728	56,235	57,048	57,232	58,140
42 Demand deposits	5,191	5,209	6,681	6,234	6,770	6,409	6,333	6,466	6,147	6,009
43 Time deposits	16,030	32,457	42,109	44,434	45,203	46,617	49,226	49,891	50,412	51,104
44 Other[2]	537	1,426	813	884	761	703	675	691	672	1,027
45 Banks' custody liabilities[4]	4,276	5,514	7,269	8,270	7,719	8,431	8,785	8,892	8,344	8,478
46 U.S. Treasury bills and certificates	699	1,540	3,686	4,021	4,001	4,168	4,238	4,556	4,533	4,617
47 Other negotiable and readily transferable instruments[6]	3,265	3,065	3,100	3,764	3,408	3,763	3,919	3,795	3,255	3,279
48 Other	312	908	483	484	311	501	628	541	556	582
49 MEMO: Negotiable time certificates of deposit in custody for foreigners	10,747	14,307	10,407	9,416	9,688	10,128	10,630	10,986	10,917	11,169

1. Excludes negotiable time certificates of deposit, which are included in "Other negotiable and readily transferable instruments."
2. Includes borrowing under repurchase agreements.
3. U.S. banks: includes amounts due to own foreign branches and foreign subsidiaries consolidated in "Consolidated Report of Condition" filed with bank regulatory agencies. Agencies, branches, and majority-owned subsidiaries of foreign banks: principally amounts due to head office or parent foreign bank, and foreign branches, agencies or wholly owned subsidiaries of head office or parent foreign bank.
4. Financial claims on residents of the United States, other than long-term securities, held by or through reporting banks.
5. Includes nonmarketable certificates of indebtedness and Treasury bills issued to official institutions of foreign countries.
6. Principally bankers acceptances, commercial paper, and negotiable time certificates of deposit.
7. Principally the International Bank for Reconstruction and Development, and the Inter-American and Asian Development Banks.
8. *Foreign central banks and foreign central governments, and the Bank for International Settlements.*
9. Excludes central banks, which are included in "Official institutions."

▲ Liabilities and claims of banks in the United States were increased, beginning in December 1981, by the shift from foreign branches to international banking facilities in the United States of liabilities to, and claims on, foreign residents.

3.17 Continued

Area and country	1981▲	1982	1983	1984 Feb.	Mar.	Apr.	May	June[r]	July	Aug.[p]
1 **Total**	**243,889**	**307,056**	**369,560**	**368,902**	**377,173**	**379,806**	**393,784**	**400,492[r]**	**396,338**	**393,421**
2 **Foreign countries**	**241,168**	**302,134**	**363,603**	**362,070**	**370,931**	**373,450**	**388,469**	**395,437[r]**	**390,995**	**388,079**
3 Europe	91,275	117,756	138,045	140,061	142,406	147,724	151,532	156,041[r]	152,621	150,371
4 Austria	596	519	585	756	861	883	867	770	720	758
5 Belgium-Luxembourg	4,117	2,517	2,709	3,218	3,367	3,585	4,680	5,138	4,775	4,746
6 Denmark	333	509	466	355	285	307	378	291	429	408
7 Finland	296	748	531	398	287	485	405	1,248[r]	947	489
8 France	8,486	8,171	9,441	10,098	10,728	10,730	12,119	11,670	12,023	11,480
9 Germany	7,645	5,351	3,599	4,586	4,878	5,205	3,990	3,663	3,958	3,724
10 Greece	463	537	520	513	503	528	594	596	600	566
11 Italy	7,267	5,626	8,462	7,648	7,395	7,813	8,315	8,155[r]	6,960	8,368
12 Netherlands	2,823	3,362	4,290	4,210	4,444	5,036	5,030	5,735	5,617	5,118
13 Norway	1,457	1,567	1,673	1,452	1,285	1,847	1,536	2,084	1,624	2,025
14 Portugal	354	388	373	352	403	414	401	425	440	539
15 Spain	916	1,405	1,603	1,664	1,749	1,707	1,663	1,774	1,825	1,948
16 Sweden	1,545	1,390	1,799	1,755	1,838	1,673	1,962	1,486	1,833	2,114
17 Switzerland	18,716	29,066	32,219	32,241	32,237	32,765	32,784	35,137[r]	33,300	32,860
18 Turkey	518	296	467	400	318	335	444	315	340	365
19 United Kingdom	28,286	48,172	60,683	64,436	64,971	67,805	69,006	69,885[r]	69,869	67,754
20 Yugoslavia	375	499	562	477	479	448	511	556	525	435
21 Other Western Europe[1]	6,541	7,006	7,403	4,965	5,738	5,584	6,309	6,459[r]	6,349	6,045
22 U.S.S.R.	49	50	65	74	177	61	53	41	31	45
23 Other Eastern Europe[2]	493	576	596	464	464	510	484	612	458	585
24 Canada	10,250	12,232	16,026	17,679	17,182	16,707	17,455	17,572	19,195	18,266
25 Latin America and Caribbean	85,223	114,163	140,270	138,465	143,255	143,864	152,237	151,684[r]	147,947	148,899
26 Argentina	2,445	3,578	4,011	4,536	4,365	4,616	4,583	4,535	4,427	4,408
27 Bahamas	34,856	44,744	55,977	52,845	58,141	56,930	62,656	61,141[r]	58,419	58,038
28 Bermuda	765	1,572	2,328	3,165	2,886	3,097	3,276	2,598	2,544	2,743
29 Brazil	1,568	2,014	3,178	3,485	3,723	3,795	3,568	3,690	4,120	4,694
30 British West Indies	17,794	26,381	34,545	32,504	32,677	32,936	33,777	34,678[r]	33,953	33,869
31 Chile	664	1,626	1,842	1,935	1,876	1,972	1,887	1,970	2,176	2,061
32 Colombia	2,993	2,594	1,689	1,840	1,669	1,814	1,767	1,809	1,801	1,790
33 Cuba	9	9	8	13	8	8	10	9	7	7
34 Ecuador	434	455	1,047	826	825	970	885	908	845	950
35 Guatemala	479	670	788	812	815	850	842	825	811	831
36 Jamaica	87	126	109	131	132	131	131	157	116	126
37 Mexico	7,235	8,377	10,392	10,705	10,699	11,187	11,874	11,976	11,644	12,179
38 Netherlands Antilles	3,182	3,597	3,879	4,503	4,901	4,668	4,666	4,459	4,252	4,235
39 Panama	4,857	4,805	5,924	5,545	5,498	5,482	6,293	6,652	6,664	6,496
40 Peru	694	1,147	1,166	1,146	1,157	1,179	1,249	1,279	1,278	1,275
41 Uruguay	367	759	1,232	1,321	1,418	1,330	1,380	1,309	1,302	1,318
42 Venezuela	4,245	8,417	8,622	9,461	8,566	9,076	9,434	10,129	9,684	10,046
43 Other Latin America and Caribbean	2,548	3,291	3,533	3,693	3,899	3,823	3,958	3,559[r]	3,905	3,835
44 Asia	49,822	48,716	58,409	55,344	57,662	54,951	57,180	60,201[r]	61,698	61,363
China										
45 Mainland	158	203	249	168	272	302	400	469	644	603
46 Taiwan	2,082	2,761	3,997	4,291	4,193	4,388	4,364	4,578	4,781	4,799
47 Hong Kong	3,950	4,465	6,610	5,884	6,387	5,447	5,862	6,416	6,116	6,107
48 India	385	433	464	749	687	651	646	498	621	800
49 Indonesia	640	857	997	859	753	784	897	1,281	911	1,137
50 Israel	592	606	1,722	752	832	706	754	768	804	726
51 Japan	20,750	16,078	18,079	17,615	19,216	18,862	20,522	19,433	19,442	19,686
52 Korea	2,013	1,692	1,648	1,542	1,748	1,409	1,337	1,276	1,382	1,703
53 Philippines	874	770	1,234	1,280	1,264	1,015	1,130	1,032	976	1,084
54 Thailand	534	629	747	622	714	636	730	875	779	782
55 Middle-East oil-exporting countries[3]	12,992	13,433	12,970	11,587	12,197	12,269	11,615	12,341	14,748	13,142
56 Other Asia	4,853	6,789	9,693	9,994	9,398	8,482	8,924	11,234[r]	10,496	10,793
57 Africa	3,180	3,124	2,800	3,070	3,111	3,182	3,140	3,331[r]	3,145	3,027
58 Egypt	360	432	645	568	561	649	698	893	857	744
59 Morocco	32	81	84	138	122	127	132	133	128	119
60 South Africa	420	292	449	502	538	264	329	420	409	349
61 Zaire	26	23	87	66	77	119	124	136	99	101
62 Oil-exporting countries[4]	1,395	1,280	620	839	893	1,046	895	816	706	751
63 Other Africa	946	1,016	917	957	920	978	962	932	946	963
64 Other countries	1,419	6,143	8,053	7,451	7,315	7,023	6,925	6,609[r]	6,389	6,153
65 Australia	1,223	5,904	7,857	7,197	7,095	6,803	6,685	6,316	6,095	5,752
66 All other	196	239	196	255	220	220	240	293[r]	294	401
67 Nonmonetary international and regional organizations	2,721	4,922	5,957	6,831	6,243	6,356	5,316	5,055	5,344	5,342
68 International	1,661	4,049	5,273	6,189	5,426	5,641	4,741	4,436	5,130	4,972
69 Latin American regional	710	517	419	457	451	419	428	438	41	40
70 Other regional[5]	350	357	265	186	366	296	146	180	173	330

1. Includes the Bank for International Settlements. Beginning April 1978, also includes Eastern European countries not listed in line 23.

2. Beginning April 1978 comprises Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania.

3. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

4. Comprises Algeria, Gabon, Libya, and Nigeria.

5. Asian, African, Middle Eastern, and European regional organizations, except the Bank for International Settlements, which is included in "Other Western Europe."

▲ Liabilities and claims of banks in the United States were increased, beginning in December 1981, by the shift from foreign branches to international banking facilities in the United States of liabilities to, and claims on, foreign residents.

3.18 BANKS' OWN CLAIMS ON FOREIGNERS Reported by Banks in the United States Payable in U.S. Dollars

Millions of dollars, end of period

Area and country	1981▲	1982	1983	1984						
				Feb.	Mar.	Apr.	May	June	July	Aug.^{p}
1 **Total**	**251,589**	**355,705**	**389,329**	**377,732**	**385,029**	**387,429**	**399,049**	**408,073^r**	**405,745**	**395,630**
2 **Foreign countries**	**251,533**	**355,636**	**389,166**	**377,568**	**384,879**	**387,355**	**398,846**	**407,959^r**	**405,528**	**395,432**
3 Europe	49,262	85,584	91,416	91,496	91,836	95,959	97,994	104,011^r	102,256	99,486
4 Austria	121	229	401	414	449	679	456	632	646	609
5 Belgium-Luxembourg	2,849	5,138	5,639	6,182	5,970	6,238	6,626	6,734	6,063	6,126
6 Denmark	187	554	1,275	1,244	1,283	1,197	1,118	1,212	1,204	1,103
7 Finland	546	990	1,044	952	931	1,021	1,041	1,100	928	874
8 France	4,127	7,251	8,766	8,314	8,388	8,734	9,029	9,393	9,732	10,004
9 Germany	940	1,876	1,294	1,047	1,098	1,502	1,111	1,175	1,142	1,250
10 Greece	333	452	476	549	694	830	940	1,036	979	973
11 Italy	5,240	7,560	9,018	7,904	8,161	8,286	7,901	8,556	8,331	7,832
12 Netherlands	682	1,425	1,302	1,319	1,309	2,329	1,787	1,781	1,811	1,439
13 Norway	384	572	690	645	638	705	719	729	648	649
14 Portugal	529	950	939	944	908	1,079	1,146	1,463	1,506	1,432
15 Spain	2,095	3,744	3,583	3,280	3,347	3,719	3,700	3,792	3,955	3,700
16 Sweden	1,205	3,038	3,358	3,356	3,528	3,646	2,957	3,206	2,717	2,444
17 Switzerland	2,213	1,639	1,856	1,302	1,447	1,844	1,570	1,904	1,520	1,558
18 Turkey	424	560	812	933	958	1,019	1,002	1,160	1,210	1,145
19 United Kingdom	23,849	45,781	47,025	49,219	48,800	49,051	52,850	55,941^r	55,504	54,113
20 Yugoslavia	1,225	1,430	1,673	1,702	1,706	1,694	1,719	1,808	1,817	1,857
21 Other Western Europe[1]	211	368	477	547	499	651	565	571	800	732
22 U.S.S.R	377	263	192	169	181	174	154	175	172	175
23 Other Eastern Europe[2]	1,725	1,762	1,598	1,475	1,540	1,562	1,602	1,643^r	1,572	1,474
24 Canada	9,193	13,678	16,336	15,984	17,233	17,065	17,879	17,524	18,350	16,234
25 Latin America and Caribbean	138,347	187,969	204,053	197,398	201,810	201,573	209,822	208,990^r	209,734	203,988
26 Argentina	7,527	10,974	11,740	11,751	11,626	11,427	11,071	11,162	11,389	11,021
27 Bahamas	43,542	56,649	58,808	53,278	57,169	56,958	61,526	58,963^r	58,291	56,530
28 Bermuda	346	603	566	409	532	614	845	559	543	546
29 Brazil	16,926	23,271	24,482	24,928	25,697	25,926	25,865	26,226	26,145	25,927
30 British West Indies	21,981	29,101	35,232	33,188	33,157	33,893	36,788	37,490^r	38,589	34,799
31 Chile	3,690	5,513	6,038	6,286	6,131	6,085	6,146	6,490	6,648	7,049
32 Colombia	2,018	3,211	3,745	3,536	3,667	3,649	3,524	3,559	3,490	3,444
33 Cuba	3	3	0	0	0	4	0	21	0	0
34 Ecuador	1,531	2,062	2,307	2,350	2,334	2,335	2,332	2,373	2,396	2,374
35 Guatemala[3]	124	124	129	126	128	129	127	125	124	130
36 Jamaica[3]	62	181	215	219	210	227	242	216	219	216
37 Mexico	22,439	29,552	34,705	34,685	34,593	34,575	35,300	35,849^r	35,500	35,016
38 Netherlands Antilles	1,076	839	1,154	1,043	1,245	1,149	1,164	1,312	1,352	1,331
39 Panama	6,794	10,210	7,848	8,794	8,367	7,679	7,990	7,843	8,413	8,910
40 Peru	1,218	2,357	2,536	2,415	2,453	2,380	2,438	2,473	2,487	2,401
41 Uruguay	157	686	977	908	924	923	887	950	961	931
42 Venezuela	7,069	10,643	11,287	11,183	11,142	11,105	11,019	11,174	10,875	11,122
43 Other Latin America and Caribbean	1,844	1,991	2,283	2,298	2,436	2,514	2,557	2,205^r	2,313	2,242
44 Asia	49,851	60,952	67,802	62,746	64,347	63,004	63,546	67,597^r	65,107	65,412
China										
45 Mainland	107	214	292	337	364	428	348	554	638	639
46 Taiwan	2,461	2,288	1,908	1,710	1,657	1,654	1,585	2,202	2,011	1,569
47 Hong Kong	4,132	6,787	8,429	8,030	7,470	7,921	7,448	8,141^r	6,963	6,652
48 India	123	222	330	253	337	372	362	355	323	295
49 Indonesia	352	348	805	899	935	911	983	969	952	906
50 Israel	1,567	2,029	1,832	1,478	1,607	1,846	1,822	1,910	1,827	1,830
51 Japan	26,797	28,379	30,564	27,845	28,688	26,173	27,147	29,264^r	27,676	28,995
52 Korea	7,340	9,387	9,889	9,513	9,676	10,259	9,565	9,653^r	9,797	9,588
53 Philippines	1,819	2,625	2,099	2,357	2,371	2,359	2,404	2,495	2,650	2,756
54 Thailand	565	643	1,099	1,109	999	1,014	1,139	949	973	917
55 Middle East oil-exporting countries[4]	1,581	3,087	4,954	4,264	5,039	5,122	5,208	5,118^r	5,215	4,937
56 Other Asia	3,009	4,943	5,599	4,952	5,203	4,945	5,535	5,986	6,081	6,329
57 Africa	3,503	5,346	6,654	7,226	6,919	6,645	6,764	6,840	7,046	7,101
58 Egypt	238	322	747	712	744	698	666	734	638	613
59 Morocco	284	353	440	481	484	486	561	497	549	556
60 South Africa	1,011	2,012	2,634	2,928	2,989	2,908	2,974	3,065	3,307	3,281
61 Zaire	112	57	33	16	13	26	28	39	43	30
62 Oil-exporting countries[5]	657	801	1,073	1,124	1,029	1,000	967	1,004	1,025	996
63 Other	1,201	1,802	1,727	1,964	1,661	1,526	1,568	1,502	1,483	1,625
64 Other countries	1,376	2,107	2,904	2,718	2,734	3,109	2,942	2,996	3,036	3,210
65 Australia	1,203	1,713	2,276	2,048	2,007	2,489	2,345	2,435	2,481	2,582
66 All other	172	394	627	670	727	620	597	561	554	628
67 Nonmonetary international and regional organizations[6]	56	68	164	164	150	74	103	114	217	198

1. Includes the Bank for International Settlements. Beginning April 1978, also includes Eastern European countries not listed in line 23.
2. Beginning April 1978 comprises Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania.
3. Included in "Other Latin America and Caribbean" through March 1978.
4. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).
5. Comprises Algeria, Gabon, Libya, and Nigeria.
6. Excludes the Bank for International Settlements, which is included in "Other Western Europe."

NOTE. Data for period before April 1978 include claims of banks' domestic customers on foreigners.

▲ Liabilities and claims of banks in the United States were increased, beginning in December 1981, by the shift from foreign branches to international banking facilities in the United States of liabilities to, and claims on, foreign residents.

3.19 BANKS' OWN AND DOMESTIC CUSTOMERS' CLAIMS ON FOREIGNERS Reported by Banks in the United States Payable in U.S. Dollars

Millions of dollars, end of period

Type of claim	1981▲	1982	1983	1984						
				Feb.	Mar.	Apr.	May	June^r	July	Aug.^p
1 **Total**	**287,557**	**396,015**	**424,232**	....	**421,214**	....	....	**444,716**	....	....
2 Banks' own claims on foreigners	251,589	355,705	389,329	377,732	385,029	387,429	399,049	408,073	405,745	395,630
3 Foreign public borrowers	31,260	45,422	57,500	57,349	57,731	58,041	58,069	59,300	59,851	58,235
4 Own foreign offices[1]	96,653	127,293	144,964	141,717	146,467	145,865	155,694	157,539	156,458	153,179
5 Unaffiliated foreign banks	74,704	121,377	123,344	116,877	119,496	121,472	123,417	129,040	126,373	123,908
6 Deposits	23,381	44,223	47,005	44,742	45,364	45,068	47,066	49,724	48,539	46,549
7 Other	51,322	77,153	76,338	72,135	74,132	76,403	76,351	79,316	77,834	77,359
8 All other foreigners	48,972	61,614	63,522	61,788	61,335	62,051	61,869	62,194	63,063	60,308
9 Claims of banks' domestic customers[2]	35,968	40,310	34,903	....	36,185	....	....	36,643	....	....
10 Deposits	1,378	2,491	2,969	....	3,660	....	....	3,458	....	....
11 Negotiable and readily transferable instruments[3]	26,352	30,763	26,064	....	25,992	....	....	25,823	....	....
12 Outstanding collections and other claims	8,238	7,056	5,870	....	6,533	....	....	7,362	....	....
13 MEMO: Customer liability on acceptances	29,952	38,153	37,820	....	36,984	....	....	42,657	....	....
Dollar deposits in banks abroad, reported by nonbanking business enterprises in the United States[4]	40,369	42,499^r	45,790^r	48,033^r	47,035^r	48,528^r	47,570^r	43,806	42,538	n.a.

1. *U.S. banks:* includes amounts due from own foreign branches and foreign subsidiaries consolidated in "Consolidated Report of Condition" filed with bank regulatory agencies. *Agencies, branches, and majority-owned subsidiaries of foreign banks:* principally amounts due from head office or parent foreign bank, and foreign branches, agencies, or wholly owned subsidiaries of head office or parent foreign bank.
2. Assets owned by customers of the reporting bank located in the United States that represent claims on foreigners held by reporting banks for the account of their domestic customers.
3. Principally negotiable time certificates of deposit and bankers acceptances.
4. Includes demand and time deposits and negotiable and nonnegotiable certificates of deposit denominated in U.S. dollars issued by banks abroad. For description of changes in data reported by nonbanks, see July 1979 BULLETIN, p. 550.

▲ Liabilities and claims of banks in the United States were increased, beginning in December 1981, by the shift from foreign branches to international banking facilities in the United States of liabilities to, and claims on, foreign residents.

NOTE. Beginning April 1978, data for banks' own claims are given on a monthly basis, but the data for claims of banks' own domestic customers are available on a quarterly basis only.

3.20 BANKS' OWN CLAIMS ON UNAFFILIATED FOREIGNERS Reported by Banks in the United States Payable in U.S. Dollars

Millions of dollars, end of period

Maturity; by borrower and area	1980	1981▲	1982	1983		1984	
				Sept.	Dec.	Mar.	June
1 **Total**	**106,748**	**154,590**	**228,150**	**237,217**	**243,602**	**235,501**	**249,927**
By borrower							
2 Maturity of 1 year or less[1]	82,555	116,394	173,917	176,258	176,623	161,864	172,410
3 Foreign public borrowers	9,974	15,142	21,256	25,563	24,455	20,656	21,010
4 All other foreigners	72,581	101,252	152,661	150,695	152,168	141,208	151,400
5 Maturity of over 1 year[1]	24,193	38,197	54,233	60,958	66,979	73,637	77,517
6 Foreign public borrowers	10,152	15,589	23,137	28,284	32,478	35,825	37,768
7 All other foreigners	14,041	22,608	31,095	32,674	34,501	37,812	39,749
By area							
Maturity of 1 year or less[1]							
8 Europe	18,715	28,130	50,500	53,499	56,078	53,167	59,405
9 Canada	2,723	4,662	7,642	6,652	6,206	6,566	6,990
10 Latin America and Caribbean	32,034	48,717	73,291	76,396	73,974	65,082	64,780
11 Asia	26,686	31,485	37,578	33,686	34,569	31,238	34,793
12 Africa	1,757	2,457	3,680	4,570	4,206	4,472	4,790
13 All other[2]	640	943	1,226	1,454	1,589	1,340	1,652
Maturity of over 1 year[1]							
14 Europe	5,118	8,100	11,636	12,358	13,354	13,068	12,827
15 Canada	1,448	1,808	1,931	1,760	1,857	2,035	2,203
16 Latin America and Caribbean	15,075	25,209	35,247	39,150	43,561	49,907	54,278
17 Asia	1,865	1,907	3,185	4,735	4,828	5,131	5,107
18 Africa	507	900	1,494	1,819	2,278	2,291	1,865
19 All other[2]	179	272	740	1,136	1,101	1,206	1,237

1. Remaining time to maturity.
2. Includes nonmonetary international and regional organizations.

▲ Liabilities and claims of banks in the United States were increased, beginning in December 1981, by the shift from foreign branches to international banking facilities in the United States of liabilities to, and claims on, foreign residents.

3.21 CLAIMS ON FOREIGN COUNTRIES Held by U.S. Offices and Foreign Branches of U.S.-Chartered Banks[1]

Billions of dollars, end of period

Area or country	1979	1980	1981	1982		1983				1984	
				Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June[7p]
1 **Total**	**303.9**	**352.0**	**415.2**	**438.4**	**438.7**	**441.1**	**437.4**	**430.2**	**436.0**	**431.3**	**429.2**
2 G-10 countries and Switzerland	138.4	162.1	175.5	175.4	179.7	182.2	176.9	168.9	167.9	165.1	156.1
3 Belgium-Luxembourg	11.1	13.0	13.3	13.6	13.1	13.7	13.3	12.6	12.4	11.0	10.4
4 France	11.7	14.1	15.3	15.8	17.1	17.1	17.1	16.2	16.3	15.9	14.2
5 Germany	12.2	12.1	12.9	12.2	12.7	13.5	12.6	11.6	11.3	11.7	11.0
6 Italy	6.4	8.2	9.6	9.7	10.3	10.2	10.5	10.0	11.4	11.2	11.5
7 Netherlands	4.8	4.4	4.0	3.8	3.6	4.3	4.0	3.6	3.5	3.3	3.0
8 Sweden	2.4	2.9	3.7	4.7	5.0	4.3	4.7	4.9	5.1	5.2	4.3
9 Switzerland	4.7	5.0	5.5	5.1	5.0	4.6	4.8	4.2	4.3	4.2	4.2
10 United Kingdom	56.4	67.4	70.1	70.3	72.1	72.9	70.3	67.6	65.1	64.2	59.2
11 Canada	6.3	8.4	10.9	11.0	10.4	12.5	10.8	9.0	8.3	8.6	8.8
12 Japan	22.4	26.5	30.2	29.3	30.2	29.2	28.7	29.2	30.1	30.0	29.5
13 Other developed countries	19.9	21.6	28.4	32.7	33.7	34.0	34.4	34.2	35.9	35.5	37.1
14 Austria	2.0	1.9	1.9	2.0	1.9	2.1	2.1	1.9	1.9	2.0	2.0
15 Denmark	2.2	2.3	2.3	2.5	2.4	3.3	3.4	3.3	3.4	3.4	3.1
16 Finland	1.2	1.4	1.7	1.8	2.2	2.1	2.1	1.8	2.4	2.1	2.3
17 Greece	2.4	2.8	2.8	2.6	3.0	2.9	2.9	2.9	2.8	3.0	3.3
18 Norway	2.3	2.6	3.1	3.4	3.3	3.3	3.4	3.2	3.3	3.2	3.2
19 Portugal	.7	.6	1.1	1.6	1.5	1.4	1.4	1.3	1.3	1.1	1.7
20 Spain	3.5	4.4	6.6	7.7	7.5	7.1	7.2	7.2	7.1	7.1	7.3
21 Turkey	1.4	1.5	1.4	1.5	1.4	1.5	1.4	1.5	1.7	1.9	2.0
22 Other Western Europe	1.4	1.7	2.1	2.1	2.3	2.3	2.0	2.1	1.8	1.8	1.9
23 South Africa	1.3	1.1	2.8	3.6	3.7	3.6	3.9	4.7	4.7	4.8	4.7
24 Australia	1.3	1.3	2.5	4.0	4.4	4.6	4.6	4.4	5.5	5.2	5.7
25 OPEC countries[2]	22.9	22.7	24.8	27.3	27.4	28.5	28.3	27.2	28.9	28.6	26.7
26 Ecuador	1.7	2.1	2.2	2.3	2.2	2.2	2.2	2.1	2.2	2.1	2.1
27 Venezuela	8.7	9.1	9.9	10.4	10.5	10.4	10.4	9.8	9.9	9.7	9.5
28 Indonesia	1.9	1.8	2.6	2.9	3.2	3.5	3.2	3.4	3.8	4.0	4.1
29 Middle East countries	8.0	6.9	7.5	9.0	8.7	9.3	9.5	9.1	10.0	9.8	8.4
30 African countries	2.6	2.8	2.5	2.7	2.8	3.0	3.0	2.8	3.0	3.0	2.7
31 Non-OPEC developing countries	63.0	77.4	96.3	104.1	107.1	107.7	108.3	109.4	111.1	111.6	114.8
Latin America											
32 Argentina	5.0	7.9	9.4	9.2	8.9	9.0	9.4	9.5	9.5	9.5	9.2
33 Brazil	15.2	16.2	19.1	22.4	22.9	23.1	22.6	22.9	22.9	24.9	25.4
34 Chile	2.5	3.7	5.8	6.2	6.3	6.0	5.8	6.2	6.4	6.5	6.7
35 Colombia	2.2	2.6	2.6	2.8	3.1	2.9	3.2	3.2	3.2	3.1	3.0
36 Mexico	12.0	15.9	21.6	25.0	24.5	25.1	25.2	25.9	26.0	25.4	27.7
37 Peru	1.5	1.8	2.0	2.6	2.6	2.4	2.6	2.4	2.4	2.3	2.3
38 Other Latin America	3.7	3.9	4.1	4.3	4.0	4.2	4.3	4.2	4.2	4.4	4.1
Asia											
China											
39 Mainland	.1	.2	.2	.2	.2	.2	.2	.2	.3	.3	.6
40 Taiwan	3.4	4.2	5.1	4.9	5.3	5.1	5.1	5.2	5.3	4.9	5.8
41 India	.2	.3	.3	.5	.6	.4	.5	.8	1.0	1.0	1.0
42 Israel	1.3	1.5	2.1	1.9	2.3	2.0	2.3	1.7	1.9	1.6	1.9
43 Korea (South)	5.4	7.1	9.4	9.4	10.9	10.9	10.8	10.9	11.3	11.1	11.2
44 Malaysia	1.0	1.1	1.7	1.8	2.1	2.5	2.6	2.8	2.9	2.8	2.7
45 Philippines	4.2	5.1	6.0	6.1	6.3	6.6	6.4	6.2	6.2	6.6	6.3
46 Thailand	1.5	1.6	1.5	1.3	1.6	1.6	1.8	1.7	2.1	1.9	1.8
47 Other Asia	.5	.6	1.0	1.3	1.1	1.4	1.2	1.0	1.0	.9	1.1
Africa											
48 Egypt	.6	.8	1.1	1.3	1.2	1.1	1.3	1.4	1.5	1.5	1.4
49 Morocco	.6	.7	.7	.8	.7	.8	.8	.8	.8	.8	.8
50 Zaire	.2	.2	.2	.1	.1	.1	.1	.1	.1	.1	.1
51 Other Africa[3]	1.7	2.1	2.3	2.2	2.4	2.3	2.2	2.4	2.3	2.2	1.9
52 Eastern Europe	7.3	7.4	7.8	6.3	6.2	5.7	5.7	5.3	5.3	4.9	4.9
53 U.S.S.R.	.7	.4	.6	.3	.3	.3	.4	.2	.2	.2	.2
54 Yugoslavia	1.8	2.3	2.5	2.2	2.2	2.2	2.3	2.3	2.3	2.2	2.3
55 Other	4.8	4.6	4.7	3.8	3.7	3.2	3.0	2.8	2.8	2.5	2.5
56 Offshore banking centers	40.4	47.0	63.7	72.2	66.8	66.2	67.6	68.3	70.1	69.3	72.3
57 Bahamas	13.7	13.7	19.0	21.4	19.0	17.4	19.6	21.1	21.2	23.7	26.5
58 Bermuda	.8	.6	.7	.8	.9	1.0	.8	.8	.9	.7	.7
59 Cayman Islands and other British West Indies	9.4	10.6	12.4	13.6	12.9	12.0	12.2	10.7	12.4	11.0	11.7
60 Netherlands Antilles	1.2	2.1	3.2	3.3	3.3	3.1	2.6	4.1	4.2	3.3	3.3
61 Panama[4]	4.3	5.4	7.7	8.1	7.6	7.1	6.6	5.7	6.0	6.3	6.4
62 Lebanon	.2	.2	.2	.1	.1	.1	.1	.1	.1	.1	.1
63 Hong Kong	6.0	8.1	11.8	15.1	13.9	15.1	14.6	15.1	14.9	14.4	13.5
64 Singapore	4.5	5.9	8.7	9.8	9.2	10.3	11.0	10.5	10.3	9.9	10.1
65 Others[5]	.4	.3	.1	.0	.0	.0	.0	.1	.0	.0	.0
66 Miscellaneous and unallocated[6]	11.7	14.0	18.8	20.4	17.9	16.8	16.1	16.9	17.0	16.4	17.3

1. The banking offices covered by these data are the U.S. offices and foreign branches of U.S.-owned banks and of U.S. subsidiaries of foreign-owned banks. Offices *not* covered include (1) U.S. agencies and branches of foreign banks, and (2) foreign subsidiaries of U.S. banks. To minimize duplication, the data are adjusted to exclude the claims on foreign branches held by a U.S. office or another foreign branch of the same banking institution. The data in this table combine foreign branch claims in table 3.14 (the sum of lines 7 through 10) with the claims of U.S. offices in table 3.18 (excluding those held by agencies and branches of foreign banks and those constituting claims on own foreign branches).

2. Besides the Organization of Petroleum Exporting Countries shown individually, this group includes other members of OPEC (Algeria, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, and United Arab Emirates) as well as Bahrain and Oman (not formally members of OPEC).

3. Excludes Liberia.

4. Includes Canal Zone beginning December 1979.

5. Foreign branch claims only.

6. Includes New Zealand, Liberia, and international and regional organizations.

7. Beginning with June 1984 data, reported claims held by foreign branches have been reduced by an increase in the reporting threshold for "shell" branches from \$50 million to \$150 million equivalent in total assets, the threshold now applicable to all reporting branches.

3.22 LIABILITIES TO UNAFFILIATED FOREIGNERS Reported by Nonbanking Business Enterprises in the United States[1]

Millions of dollars, end of period

Type, and area or country	1980	1981	1982	1983				1984
				Mar.	June	Sept.	Dec.	Mar.p
1 **Total**	**29,434**	**28,618**	**25,772**	**23,567**	**22,886**	**24,864**	**23,763**	**27,958**
2 Payable in dollars	25,689	24,909	22,540	20,565	19,986	22,023	20,688	24,677
3 Payable in foreign currencies	3,745	3,709	3,232	3,003	2,900	2,841	3,076	3,282
By type								
4 Financial liabilities	11,330	12,157	11,066	11,063	11,179	10,961	10,477	14,129
5 Payable in dollars	8,528	9,499	8,858	9,008	9,144	9,025	8,619	12,037
6 Payable in foreign currencies	2,802	2,658	2,208	2,055	2,035	1,936	1,858	2,092
7 Commercial liabilities	18,104	16,461	14,706	12,505	11,707	13,903	13,286	13,829
8 Trade payables	12,201	10,818	7,747	5,674	6,064	7,139	6,615	6,758
9 Advance receipts and other liabilities	5,903	5,643	6,959	6,831	5,643	6,763	6,672	7,071
10 Payable in dollars	17,161	15,409	13,683	11,557	10,842	12,998	12,069	12,639
11 Payable in foreign currencies	943	1,052	1,023	948	865	904	1,218	1,190
By area or country								
Financial liabilities								
12 Europe	6,481	6,825	6,501	6,380	6,335	6,014	5,675	7,041
13 Belgium-Luxembourg	479	471	505	410	436	379	302	426
14 France	327	709	783	774	802	785	820	933
15 Germany	582	491	467	482	457	449	498	524
16 Netherlands	681	748	711	699	728	730	581	532
17 Switzerland	354	715	792	725	606	500	486	641
18 United Kingdom	3,923	3,565	3,102	3,148	3,132	3,014	2,839	3,835
19 Canada	964	963	746	733	876	788	768	798
20 Latin America and Caribbean	3,136	3,356	2,751	2,793	2,623	2,737	2,609	4,858
21 Bahamas	964	1,279	904	857	776	784	751	1,411
22 Bermuda	1	7	14	18	10	13	13	51
23 Brazil	23	22	28	39	34	32	32	37
24 British West Indies	1,452	1,241	1,027	1,059	1,033	1,095	1,018	2,595
25 Mexico	99	102	121	149	151	185	215	245
26 Venezuela	81	98	114	121	124	117	124	121
27 Asia	723	976	1,039	1,124	1,319	1,388	1,396	1,404
28 Japan	644	792	715	781	943	957	962	1,013
29 Middle East oil-exporting countries[2]	38	75	169	168	205	201	170	170
30 Africa	11	14	17	20	17	19	19	19
31 Oil-exporting countries[3]	1	0	0	0	0	0	0	0
32 All other[4]	15	24	12	13	9	15	10	9
Commercial liabilities								
33 Europe	4,402	3,770	3,682	3,474	3,395	3,426	3,153	3,354
34 Belgium-Luxembourg	90	71	52	45	41	47	62	40
35 France	582	573	598	579	618	523	437	481
36 Germany	679	545	468	455	439	462	427	416
37 Netherlands	219	220	346	351	342	243	268	259
38 Switzerland	499	424	364	354	357	449	241	413
39 United Kingdom	1,209	880	880	706	656	809	637	734
40 Canada	888	897	1,495	1,437	1,468	1,418	1,841	1,789
41 Latin America and Caribbean	1,300	1,044	1,012	1,070	1025	1,090	1,125	1,426
42 Bahamas	8	2	16	4	1	1	1	14
43 Bermuda	75	67	93	121	77	77	67	144
44 Brazil	111	67	60	51	49	48	44	68
45 British West Indies	35	2	32	4	22	14	6	33
46 Mexico	367	340	379	355	399	451	536	619
47 Venezuela	319	276	165	198	236	217	180	254
48 Asia	10,242	9,384	7,161	5,449	4,809	6,863	6,032	5,961
49 Japan	802	1,094	1,226	1,245	1,246	1,305	1,247	1,291
50 Middle East oil-exporting countries[2,5]	8,098	7,008	4,532	2,803	2,294	4,072	3,498	3,209
51 Africa	817	703	704	497	492	506	442	539
52 Oil-exporting countries[3]	517	344	277	158	167	204	157	243
53 All other[4]	456	664	651	578	518	600	692	760

1. For a description of the changes in the International Statistics tables, see July 1979 BULLETIN, p. 550.
2. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).
3. Comprises Algeria, Gabon, Libya, and Nigeria.
4. Includes nonmonetary international and regional organizations.
5. Revisions include a reclassification of transactions, which also affects the totals for Asia and the grand totals.

3.23 CLAIMS ON UNAFFILIATED FOREIGNERS Reported by Nonbanking Business Enterprises in the United States[1]

Millions of dollars, end of period

	Type, and area or country	1980	1981	1982	1983 Mar.	1983 June	1983 Sept.	1983 Dec.	1984 Mar.^{p}
1	**Total**	**34,482**	**36,185**	**28,637**	**31,581**	**33,310**	**32,652**	**34,210**	**32,426**
2	Payable in dollars	31,528	32,582	26,002	28,860	30,653	29,772	31,174	29,519
3	Payable in foreign currencies	2,955	3,603	2,635	2,721	2,657	2,880	3,036	2,908
	By type								
4	Financial claims	19,763	21,142	17,594	20,519	22,642	21,752	23,075	21,579
5	Deposits	14,166	15,081	13,058	15,868	17,819	16,907	17,954	16,495
6	Payable in dollars	13,381	14,456	12,628	15,388	17,379	16,463	17,457	16,066
7	Payable in foreign currencies	785	625	430	480	439	445	497	428
8	Other financial claims	5,597	6,061	4,536	4,651	4,824	4,845	5,121	5,084
9	Payable in dollars	3,914	3,599	2,895	3,006	3,226	3,019	3,219	3,277
10	Payable in foreign currencies	1,683	2,462	1,641	1,645	1,598	1,826	1,902	1,808
11	Commercial claims	14,720	15,043	11,042	11,062	10,668	10,899	11,135	10,847
12	Trade receivables	13,960	14,007	9,995	9,824	9,265	9,566	9,725	9,540
13	Advance payments and other claims	759	1,036	1,047	1,238	1,402	1,334	1,410	1,307
14	Payable in dollars	14,233	14,527	10,479	10,465	10,048	10,290	10,498	10,176
15	Payable in foreign currencies	487	516	563	597	620	609	637	671
	By area or country								
	Financial claims								
16	Europe	6,069	4,596	4,873	6,327	7,304	6,232	6,374	6,446
17	Belgium-Luxembourg	145	43	15	58	12	25	37	30
18	France	298	285	134	98	140	135	130	145
19	Germany	230	224	178	127	216	151	129	121
20	Netherlands	51	50	97	140	136	89	49	57
21	Switzerland	54	117	107	107	37	34	38	90
22	United Kingdom	4,987	3,546	4,064	5,532	6,514	5,577	5,768	5,783
23	Canada	5,036	6,755	4,287	4,613	4,885	4,958	5,836	5,577
24	Latin America and Caribbean	7,811	8,812	7,546	8,688	9,380	9,500	9,809	8,467
25	Bahamas	3,477	3,650	3,279	3,915	4,037	3,829	4,745	3,233
26	Bermuda	135	18	32	21	92	62	96	3
27	Brazil	96	30	62	50	48	49	53	87
28	British West Indies	2,755	3,971	3,255	3,479	4,065	4,457	3,830	4,243
29	Mexico	208	313	274	352	348	315	291	279
30	Venezuela	137	148	139	156	152	137	134	130
31	Asia	607	758	698	712	771	764	764	776
32	Japan	189	366	153	233	288	257	297	333
33	Middle East oil-exporting countries[2]	20	37	15	18	14	8	4	7
34	Africa	208	173	158	153	154	151	147	144
35	Oil-exporting countries[3]	26	46	48	45	48	45	55	42
36	All other[4]	32	48	31	25	149	148	145	169
	Commercial claims								
37	Europe	5,544	5,405	3,828	3,676	3,473	3,412	3,678	3,623
38	Belgium-Luxembourg	233	234	151	140	145	132	142	188
39	France	1,129	776	474	490	497	486	459	413
40	Germany	599	561	357	424	366	382	348	363
41	Netherlands	318	299	350	310	243	282	333	308
42	Switzerland	354	431	360	257	331	292	317	336
43	United Kingdom	929	985	811	758	734	738	809	786
44	Canada	914	967	633	650	711	792	829	1,052
45	Latin America and Caribbean	3,766	3,479	2,526	2,705	2,728	2,870	2,695	2,420
46	Bahamas	21	12	21	30	30	15	8	8
47	Bermuda	108	223	261	176	111	246	190	216
48	Brazil	861	668	258	403	512	611	493	357
49	British West Indies	34	12	12	21	21	12	7	7
50	Mexico	1,102	1,022	775	894	957	898	884	745
51	Venezuela	410	424	351	288	273	282	272	268
52	Asia	3,522	3,959	3,050	3,130	2,867	2,938	3,071	2,994
53	Japan	1,052	1,245	1,047	1,115	949	1,037	1,122	1,200
54	Middle East oil-exporting countries[2]	825	905	751	703	698	719	737	701
55	Africa	653	772	588	559	528	562	585	497
56	Oil-exporting countries[3]	153	152	140	131	130	131	139	133
57	All other[4]	321	461	417	342	361	326	277	261

1. For a description of the changes in the International Statistics tables, see July 1979 BULLETIN, p. 550.
2. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).
3. Comprises Algeria, Gabon, Libya, and Nigeria.
4. Includes nonmonetary international and regional organizations.

3.24 FOREIGN TRANSACTIONS IN SECURITIES

Millions of dollars

Transactions, and area or country	1982	1983	1984	1984						
			Jan.–Aug.	Feb.	Mar.	Apr.	May	June	July	Aug.[p]
	U.S. corporate securities									
STOCKS										
1 Foreign purchases	41,881	69,770	42,456	6,234	6,101	4,510	5,048	4,552	3,359	7,214
2 Foreign sales	37,981	64,360	43,069	5,823	5,599	4,189	5,494	4,899	3,915	7,350
3 **Net purchases, or sales (−)**	**3,901**	**5,410**	**−613**	**411**	**502**	**321**	**−446**	**−347**	**−556**	**−136**
4 **Foreign countries**	**3,816**	**5,312**	**−739**	**480**	**470**	**320**	**−454**	**−357**	**−565**	**−283**
5 Europe	2,530	3,979	−1,108	147	329	208	−281	−317	−606	−420
6 France	−143	−97	−111	−97	−4	38	100	−3	−45	−28
7 Germany	333	1,045	117	116	151	−43	−40	2	−38	−125
8 Netherlands	−63	−109	−169	1	32	−15	−47	−76	−34	−31
9 Switzerland	−579	1,325	−742	282	−3	90	−220	−120	−321	−358
10 United Kingdom	3,117	1,799	−253	−168	125	137	−80	−179	−141	148
11 Canada	222	1,151	1,194	323	300	73	−61	158	188	129
12 Latin America and Caribbean	317	529	482	43	14	25	82	38	−58	214
13 Middle East[1]	366	−807	−1,297	−44	−197	−58	−168	−215	−55	−198
14 Other Asia	247	394	−75	36	33	66	−28	−27	−49	−57
15 Africa	2	42	5	10	−7	5	−4	3	−2	−5
16 Other countries	131	24	60	−34	−1	2	6	2	16	54
17 **Nonmonetary international and regional organizations**	**85**	**98**	**126**	**−70**	**32**	**1**	**8**	**10**	**9**	**147**
BONDS[2]										
18 Foreign purchases	21,639	24,049	17,418	2,113	2,200	1,701	1,619	2,004	3,082	2,865
19 Foreign sales	20,188	23,092	15,417	1,943	2,074	1,857	1,442	1,795	2,503	2,030
20 **Net purchases, or sales (−)**	**1,451**	**957**	**2,001**	**170**	**126**	**−156**	**178**	**208**	**579**	**835**
21 **Foreign countries**	**1,479**	**942**	**1,915**	**82**	**183**	**−224**	**212**	**168**	**539**	**882**
22 Europe	2,082	961	1,342	−55	−15	21	85	272	480	483
23 France	305	−89	43	−5	−1	−5	0	4	33	17
24 Germany	2,110	347	782	−32	117	68	107	122	256	181
25 Netherlands	33	51	55	25	9	−12	−1	11	3	16
26 Switzerland	157	632	−53	−102	−45	−22	8	35	13	49
27 United Kingdom	−589	434	160	101	−58	−239	−59	77	−80	292
28 Canada	24	123	−55	−10	−23	−77	3	32	−35	54
29 Latin America and Caribbean	159	100	153	16	18	−8	13	15	14	76
30 Middle East[1]	−752	−1,159	−535	58	30	−263	11	−287	−60	1
31 Other Asia	−22	865	1,003	75	170	102	100	135	138	265
32 Africa	−19	0	2	0	0	1	0	0	0	1
33 Other countries	7	52	5	−2	3	1	0	0	1	3
34 **Nonmonetary international and regional organizations**	**−28**	**15**	**86**	**87**	**−57**	**67**	**−34**	**40**	**41**	**−48**
	Foreign securities									
35 Stocks, net purchases, or sales (−)	−1,341	−3,765	37	345	145	−18	70	−40	113	−464
36 Foreign purchases	7,163	13,281	9,915	1,487	1,575	1,242	1,163	1,110	895	1,229
37 Foreign sales	8,504	17,046	9,879	1,142	1,429	1,260	1,092	1,150	782	1,694
38 Bonds, net purchases, or sales (−)	−6,631	−3,651	−560	−72	77	−399	−641	241	184	−218
39 Foreign purchases	27,167	35,922	36,859	3,903	4,985	3,812	5,155	5,308	4,427	5,845
40 Foreign sales	33,798	39,572	37,419	3,975	4,907	4,211	5,797	5,066	4,243	6,062
41 **Net purchases, or sales (−), of stocks and bonds**	**−7,972**	**−7,416**	**−524**	**273**	**223**	**−417**	**−571**	**201**	**297**	**−682**
42 **Foreign countries**	**−6,806**	**−6,971**	**−656**	**241**	**138**	**−415**	**−646**	**187**	**235**	**−519**
43 Europe	−2,584	−5,866	−4,265	−404	−236	−537	−1,524	−471	−462	−598
44 Canada	−2,363	−1,344	455	185	117	−187	38	122	174	−7
45 Latin America and Caribbean	336	1,120	1,908	188	49	126	602	465	237	127
46 Asia	−1,822	−855	1,330	282	220	187	243	80	333	−48
47 Africa	−9	141	−61	−11	−10	−4	−16	4	−21	11
48 Other countries	−364	−166	−23	1	−3	0	12	−6	−25	−4
49 **Nonmonetary international and regional organizations**	**−1,165**	**−445**	**132**	**32**	**85**	**−2**	**74**	**15**	**62**	**−163**

1. Comprises oil-exporting countries as follows: Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

2. Includes state and local government securities, and securities of U.S. government agencies and corporations. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

3.25 *MARKETABLE U.S. TREASURY BONDS AND NOTES* Foreign Holdings and Transactions

Millions of dollars

Country or area	1982	1983	1984 Jan.–Aug.	1984 Feb.	Mar.	Apr.	May	June	July	Aug.[p]
	Holdings (end of period)[1]									
1 **Estimated total[2]**	**85,220**	**88,932**	....	**90,206**	**89,656**	**92,005**	**93,412**	**93,298[r]**	**94,897**	**101,495**
2 Foreign countries[2]	80,637	83,818	....	84,382	84,383	85,408	85,791	86,763[r]	87,935	93,513
3 Europe[2]	29,284	35,509	....	37,319	37,226	37,787	38,383	39,292[r]	40,380	44,368
4 Belgium-Luxembourg	447	16	....	50	57	91	61	135	138	171
5 Germany[2]	14,841	17,290	....	18,527	18,834	19,201	19,649	19,735	19,627	20,663
6 Netherlands	2,754	3,129	....	3,052	3,023	3,117	2,979	3,014	3,120	3,133
7 Sweden	677	847	....	898	945	949	954	940	957	905
8 Switzerland[2]	1,540	1,118	....	1,206	1,256	1,241	1,403	1,752	2,021	2,089
9 United Kingdom	6,549	8,515	....	8,587	8,406	8,411	8,647	9,191	9,435	12,290
10 Other Western Europe	2,476	4,594	....	5,000	4,707	4,776	4,691	4,525[r]	5,084	5,119
11 Eastern Europe	0	0	....	0	0	0	−1	−1	−1	−1
12 Canada	602	1,301	....	1,310	1,090	1,299	1,308	1,415	1,446	1,677
13 Latin America and Caribbean	1,076	863	....	840	563	572	962	861[r]	318	631
14 Venezuela	188	64	....	64	64	65	65	75	75	76
15 Other Latin America and Caribbean	656	716	....	574	504	453	546	489[r]	591	822
16 Netherlands Antilles	232	83	....	201	−6	53	351	297	−347	−267
17 Asia	49,543	46,026	....	44,811	45,401	45,610	44,973	45,030[r]	45,594	46,594
18 Japan	11,578	13,911	....	14,351	14,334	14,547	14,871	15,361	15,746	16,276
19 Africa	77	79	....	78	82	85	88	88	88	−11
20 All other	55	38	....	23	21	57	77	77	108	255
21 Nonmonetary international and regional organizations	4,583	5,114	....	5,824	5,273	6,597	7,621	6,535	6,962	7,982
22 International	4,186	4,404	....	5,139	4,614	5,936	6,946	5,860	6,241	7,340
23 Latin American regional	6	6	....	6	6	6	6	6	6	6
	Transactions (net purchases, or sales (−) during period)									
24 **Total[2]**	**14,972**	**3,711**	**12,564**	**561**	**−550**	**2,348**	**1,407**	**−114**	**1,599**	**6,598**
25 Foreign countries[2]	16,072	3,180	9,695	−152	1	1,025	382	972	1,172	5,579
26 Official institutions	14,550	779	1,960	8	476	622	−358	−871	177	1,366
27 Other foreign[2]	1,518	2,400	7,737	−159	−475	403	740	1,843	994	4,213
28 Nonmonetary international and regional organizations	−1,097	535	2,867	712	−551	1,322	1,026	−1,086	428	1,020
MEMO: Oil-exporting countries										
29 Middle East[3]	7,575	−5,419	−3,670	−829	46	−678	−1,037	67	−312	−411
30 Africa[4]	−552	−1	−100	0	0	0	0	0	0	−100

1. Estimated official and private holdings of marketable U.S. Treasury securities with an original maturity of more than 1 year. Data are based on a benchmark survey of holdings as of Jan. 31, 1971, and monthly transactions reports. Excludes nonmarketable U.S. Treasury bonds and notes held by official institutions of foreign countries.

2. Beginning December 1978, includes U.S. Treasury notes publicly issued to private foreign residents denominated in foreign currencies.

3. Comprises Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

4. Comprises Algeria, Gabon, Libya, and Nigeria.

3.26 DISCOUNT RATES OF FOREIGN CENTRAL BANKS

Percent per annum

Country	Rate on Oct. 31, 1984		Country	Rate on Oct. 31, 1984		Country	Rate on Oct. 31, 1984	
	Per-cent	Month effective		Per-cent	Month effective		Per-cent	Month effective
Austria	4.5	June 1984	France[1]	11.0	Aug. 1984	Norway	8.0	June 1979
Belgium	11.0	Feb. 1984	Germany, Fed. Rep. of	4.5	June 1984	Switzerland	4.0	Mar. 1983
Brazil	49.0	Mar. 1981	Italy	16.5	Sept. 1984	United Kingdom[2]	....	....
Canada	11.71	Oct. 1984	Japan	5.0	Oct. 1983	Venezuela	11.0	May 1983
Denmark	7.0	Oct. 1983	Netherlands	5.0	Sept. 1983			

1. As of the end of February 1981, the rate is that at which the Bank of France discounts Treasury bills for 7 to 10 days.
2. Minimum lending rate suspended as of Aug. 20, 1981.

NOTE. Rates shown are mainly those at which the central bank either discounts or makes advances against eligible commercial paper and/or government commercial banks or brokers. For countries with more than one rate applicable to such discounts or advances, the rate shown is the one at which it is understood the central bank transacts the largest proportion of its credit operations.

3.27 FOREIGN SHORT-TERM INTEREST RATES

Percent per annum, averages of daily figures

Country, or type	1981	1982	1983	1984 Apr.	May	June	July	Aug.	Sept.	Oct.
1 Eurodollars	16.79	12.24	9.57	10.83	11.53	11.68	12.02	11.81	11.67	10.77
2 United Kingdom	13.86	12.21	10.06	8.84	9.32	9.43	11.38	11.09	10.79	10.60
3 Canada	18.84	14.38	9.48	10.75	11.52	11.86	13.03	12.41	12.20	11.99
4 Germany	12.05	8.81	5.73	5.81	6.08	6.11	6.09	6.00	5.81	6.06
5 Switzerland	9.15	5.04	4.11	3.61	3.83	4.15	4.72	4.81	5.04	5.23
6 Netherlands	11.52	8.26	5.58	6.04	6.05	6.09	6.39	6.26	6.23	6.16
7 France	15.28	14.61	12.44	12.46	12.16	12.23	11.70	11.37	11.00	10.75
8 Italy	19.98	19.99	18.95	17.38	16.80	16.75	16.73	16.50	17.28	17.13
9 Belgium	15.28	14.10	10.51	11.66	11.80	11.90	11.90	11.73	11.16	11.00
10 Japan	7.58	6.84	6.49	6.26	6.24	6.35	6.31	6.35	6.33	6.31

NOTE. Rates are for 3-month interbank loans except for Canada, finance company paper; Belgium, 3-month Treasury bills; and Japan, Gensaki rate.

3.28 FOREIGN EXCHANGE RATES

Currency units per dollar

Country/currency	1981	1982	1983	1984 May	1984 June	1984 July	1984 Aug.	1984 Sept.	1984 Oct.
1 Australia/dollar[1]	114.95	101.65	90.14	90.61	88.26	83.42	84.73	83.08	83.64
2 Austria/schilling	15.948	17.060	17.968	19.316	19.226	19.998	20.268	21.293	21.557
3 Belgium/franc	37.194	45.780	51.121	55.925	55.840	57.714	58.282	61.132	62.048
4 Brazil/cruzeiro	92.374	179.22	573.27	1497.64	1,643.81	1,819.00	1994.30	2226.79	2453.64
5 Canada/dollar	1.1990	1.2344	1.2325	1.2944	1.3040	1.3238	1.3035	1.3145	1.3189
6 China, P.R./yuan	1.7031	1.8978	1.9809	2.1866	2.2178	2.2996	2.3718	2.5469	2.6488
7 Denmark/krone	7.1350	8.3443	9.1483	10.0618	10.050	10.4178	10.5174	10.9753	11.090
8 Finland/markka	4.3128	4.8086	5.5636	5.8115	5.8182	6.0187	6.0626	6.2783	6.3726
9 France/franc	5.4396	6.5793	7.6203	8.4435	8.4181	8.7438	8.8567	9.3041	9.4108
10 Germany/deutsche mark	2.2631	2.428	2.5539	2.7484	2.7397	2.8492	2.8856	3.0314	3.0678
11 Greece/drachma	n.a.	66.872	87.895	108.37	108.85	112.40	115.11	120.40	126.06
12 Hong Kong/dollar	5.5678	6.0697	7.2569	7.8159	7.8131	7.8519	7.8388	7.8430	7.8242
13 India/rupee	8.6807	9.4846	10.1040	11.017	11.064	11.371	11.556	11.858	12.027
14 Ireland/pound[1]	161.32	142.05	124.81	111.75	111.67	107.63	106.84	102.28	100.85
15 Israel/shekel	n.a.	24.407	55.865	191.56	215.06	253.14	n.a.	n.a.	n.a.
16 Italy/lira	1138.60	1354.00	1519.30	1696.32	1,694.80	1,751.18	1780.47	1870.79	1898.98
17 Japan/yen	220.63	249.06	237.55	230.48	233.57	243.07	242.26	245.46	246.75
18 Malaysia/ringgit	2.3048	2.3395	2.3204	2.3029	2.3109	2.3385	2.3331	2.3528	2.4076
19 Mexico/peso	24.547	72.990	155.01	198.35	196.54	196.63	196.98	197.71	203.33
20 Netherlands/guilder	2.4998	2.6719	2.8543	3.0926	3.0882	3.2155	3.2539	3.4188	3.4597
21 New Zealand/dollar[1]	86.848	75.101	66.790	64.892	64.205	55.631	49.912	48.953	48.614
22 Norway/krone	5.7430	6.4567	7.3012	7.8100	7.8162	8.2151	8.2991	8.6246	8.8721
23 Philippines/peso	7.8113	8.5324	11.0940	14.262	14.250	n.a.	n.a.	n.a.	n.a.
24 Portugal/escudo	61.739	80.101	111.610	139.85	141.83	152.17	151.02	158.45	163.36
25 Singapore/dollar	2.1053	2.1406	2.1136	2.1006	2.1122	2.1473	2.1472	2.1635	2.1667
26 South Africa/rand[1]	114.77	92.297	89.85	78.15	76.49	66.52	63.76	60.08	56.54
27 South Korea/won	n.a.	731.93	776.04	801.54	802.20	810.96	811.42	815.82	820.03
28 Spain/peseta	92.396	110.09	143.500	154.03	154.75	161.37	164.41	170.19	172.15
29 Sri Lanka/rupee	18.967	20.756	23.510	25.161	25.176	25.223	25.285	25.605	25.906
30 Sweden/krona	5.0659	6.2838	7.6717	8.0782	8.0993	8.3063	8.3489	8.5892	8.6887
31 Switzerland/franc	1.9674	2.0327	2.1006	2.2680	2.2832	2.4115	2.4150	2.5049	2.5245
32 Taiwan/Dollar	n.a.	n.a.	n.a.	39.716	39.843	39.477	39.092	39.159	39.226
33 Thailand/baht	21.731	23.014	22.991	23.010	23.010	23.020	23.018	23.013	23.020
34 United Kingdom/pound[1]	202.43	174.80	151.59	138.94	137.70	132.00	131.32	125.63	121.96
35 Venezuela/bolivar	4.2781	4.2981	10.6840	15.661	14.709	13.067	12.725	n.a.	n.a.
MEMO									
United States/dollar[2]	102.94	116.57	125.34	133.99	134.31	139.30	140.21	145.70	147.56

1. Value in U.S. cents.
2. Index of weighted-average exchange value of U.S. dollar against currencies of other G-10 countries plus Switzerland. March 1973 = 100. Weights are 1972–76 global trade of each of the 10 countries. Series revised as of August 1978. For description and back data, see "Index of the Weighted-Average Exchange Value of the U.S. Dollar: Revision" on p. 700 of the August 1978 BULLETIN.

NOTE. Averages of certified noon buying rates in New York for cable transfers. Data in this table also appear in the Board's G.5 (405) release. For address, see inside front cover.

Guide to Tabular Presentation, Statistical Releases, and Special Tables

GUIDE TO TABULAR PRESENTATION

Symbols and Abbreviations

c	Corrected
e	Estimated
p	Preliminary
r	Revised (Notation appears on column heading when about half of the figures in that column are changed.)
*	Amounts insignificant in terms of the last decimal place shown in the table (for example, less than 500,000 when the smallest unit given is millions)
0	Calculated to be zero
n.a.	Not available
n.e.c.	Not elsewhere classified
IPCs	Individuals, partnerships, and corporations
REITs	Real estate investment trusts
RPs	Repurchase agreements
SMSAs	Standard metropolitan statistical areas
. . . . .	Cell not applicable

General Information

Minus signs are used to indicate (1) a decrease, (2) a negative figure, or (3) an outflow.

"U.S. government securities" may include guaranteed issues of U.S. government agencies (the flow of funds figures also include not fully guaranteed issues) as well as direct obligations of the Treasury. "State and local government" also includes municipalities, special districts, and other political subdivisions.

In some of the tables details do not add to totals because of rounding.

STATISTICAL RELEASES

List Published Semiannually, with Latest Bulletin Reference

SPECIAL TABLES

Published Irregularly, with Latest Bulletin Reference

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Studies and papers on economic and financial subjects that are of general interest. Requests to obtain single copies of the full text or to be added to the mailing list for the series may be sent to Publications Services.

114. MULTIBANK HOLDING COMPANIES: RECENT EVIDENCE ON COMPETITION AND PERFORMANCE IN BANKING MARKETS, by Timothy J. Curry and John T. Rose. Jan. 1982. 9 pp.
115. COSTS, SCALE ECONOMIES, COMPETITION, AND PRODUCT MIX IN THE U.S. PAYMENTS MECHANISM, by David B. Humphrey. Apr. 1982. 18 pp.
116. DIVISIA MONETARY AGGREGATES: COMPILATION, DATA, AND HISTORICAL BEHAVIOR, by William A. Barnett and Paul A. Spindt. May 1982. 82 pp. Out of print.
117. THE COMMUNITY REINVESTMENT ACT AND CREDIT ALLOCATION, by Glenn Canner. June 1982. 8 pp.
118. INTEREST RATES AND TERMS ON CONSTRUCTION LOANS AT COMMERCIAL BANKS, by David F. Seiders. July 1982. 14 pp.
119. STRUCTURE–PERFORMANCE STUDIES IN BANKING: AN UPDATED SUMMARY AND EVALUATION, by Stephen A. Rhoades. Aug. 1982. 15 pp.
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*The availability of this study will be announced in a forthcoming BULLETIN.

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Most of the articles reprinted do not exceed 12 pages.

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Anticipated Schedule of Release Dates for Periodic Releases—Board of Governors of the Federal Reserve System[1]

Weekly Releases	*Approximate release days*	*Date or period to which data refer*
Aggregate Reserves of Depository Institutions and Monetary Base. H.3 (502) [1.20]	Thursday	Week ended previous Wednesday
Actions of the Board; Applications and Reports. H.2 (501)	Friday	Week ended previous Saturday
Assets and Liabilities of Domestically Chartered and Foreign Related Banking Institutions. H.8 (510) [1.25]	Wednesday	Wednesday, 2 weeks earlier
Changes in State Member Banks. K.3 (615)	Tuesday	Week ended previous Saturday
Factors Affecting Reserves of Depository Institutions and Condition Statement of Federal Reserve Banks. H.4.1 (503) [1.11]	Thursday	Week ended previous Wednesday
Foreign Exchange Rates. H.10 (512) [3.28]	Monday	Week ended previous Friday
Money Stock, Liquid Assets, and Debit Measures. H.6 (508) [1.21]	Thursday	Week ended Wednesday of previous week
Selected Borrowings in Immediately Available Funds of Large Member Banks. H.5 (507) [1.13]	Wednesday	Week ended Thursday of previous week
Selected Interest Rates. H.15 (519) [1.35]	Monday	Week ended previous Saturday
Weekly Consolidated Condition Report of Large Commercial Banks and Domestic Subsidiaries. H.4.2 (504) [1.26, 1.28, 1.29, 1.30]	Friday	Wednesday, 1 week earlier

Monthly Releases		
Capacity Utilization: Manufacturing, Mining, Utilities and Industrial Materials. G.3 (402) [2.11]	Midmonth	Previous month
Changes in Status of Banks and Branches. G.4.5 (404)	1st of month	Previous month
Commercial and Industrial Loan Commitments at Selected Large Commercial Banks. G.21 (423)	2nd week of month	2nd month previous
Consumer Installment Credit. G.19 (421) [1.55, 1.56]	Midmonth	2nd month previous
Debits and Deposit Turnover at Commercial Banks. G.6 (406) [1.22]	12th of month	Previous month
Finance Companies. G.20 (422) [1.51, 1.52]	5th working day of month	2nd month previous
Foreign Exchange Rates. G.5 (405) [3.28]	1st of month	Previous month
Industrial Production. G.12.3 (414) [2.13]	Midmonth	Previous month
Loans and Securities at all Commercial Banks. G.7 (407) [1.23]	3rd week of month	Previous month
Major Nondeposit Funds of Commercial Banks. G.10 (411) [1.24]	3rd week of month	Previous month
Maturity Distribution of Negotiable Time Certificates of Deposit at Large Commercial Banks. G.9 (410)	3rd week of month	Last Wednesday of previous month
Monthly Report of Assets and Liabilities of International Banking Facilities. G.14 (416)	2nd week of month	Wednesday, 2 weeks earlier
Research Library—Recent Acquisitions. G.15 (417)	1st of month	Previous month

1. Release dates are those anticipated or usually met. However, please note that for some releases there is normally a certain variability because of reporting or processing procedures. Moreover, for all series unusual circumstances may, from time to time, result in a release date being later than anticipated.

The BULLETIN table that reports these data is designated in brackets.

Monthly Releases—Continued	*Approximate release days*	*Date or period to which data refer*
Selected Interest Rates. G.13 (415) [1.35]	3rd working day of month	Previous month
Summary of Equity Security Transactions. G.16 (418)	3rd week of month	Release date

Quarterly Releases

Agricultural Finance Databook. E.15 (125)	End of March, June, September, and December	January, April, July, and October
Country Exposure Lending Survey. E.16 (1.26)	January, April, July, and October	Previous 3 months
Domestic Offices, Commercial Bank Assets and Liabilities Consolidated Report of Condition. E.3.4 (113) [1.26, 1.28]	March, June, September, and December	Previous 6 months
Flow of Funds: Seasonally adjusted and unadjusted. Z.1 (780) [1.58, 1.59]	23rd of February, May, August, and November	Previous quarter
Flow of Funds Summary Statistics. Z.7 (788) [1.57, 1.58]	15th of February, May, August, and November	Previous quarter
Geographical Distribution of Assets and Liabilities of Major Foreign Branches of U.S. Banks. E.11 (121)	15th of March, June, September, and December	Previous quarter
Survey of Terms of Bank Lending. E.2 (111) [1.34]	Midmonth of March, June, September, and December	February, May, August and November

Semiannual Releases

List of OTC Margin Stocks. E.7 (117)	February, June and October	Release date

Annual Releases

Aggregate Summaries of Annual Surveys of Security Credit Extension. C.2 (101)	February	End of previous June
Bank Holding Companies and Subsidiary Banks (Domestic and Foreign). C.6 (105)	March	Previous year
Bank Holding Companies and Subsidiary Banks (Domestic only). C.5 (104)	March	Previous year

Index to Statistical Tables

References are to pages A3 through A68 although the prefix "A" is omitted in this index

Index to Volume 70

GUIDE TO PAGE REFERENCES IN MONTHLY ISSUES

Issue	*Text*	*Other ("A" pages)*[1] *Total*	*Other ("A" pages)*[1] *Index to tables*	*Issue*	*Text*	*Other ("A" pages)*[1] *Total*	*Other ("A" pages)*[1] *Index to tables*
January	1–68	1–78	75–76	July	547–608	1–76	73–74
February	69–176	1–78	75–76	August	609–678	1–76	73–74
March	177–268	1–88	85–86	September	679–754	1–76	73–74
April	269–400	1–76	73–74	October	755–790	1–76	73–74
May	401–482	1–76	73–74	November	791–842	1–16	(2)
June	483–546	1–90	86–87	December	843–902	1–98	79–80

1. The "A" pages referred to in this index are in the December issue. For special tables published during 1984, see list on p. A69 of this issue.

2. No index was published in the November issue, in which only 4 pages of special tables appeared, because of a change in the release date for the BULLETIN.

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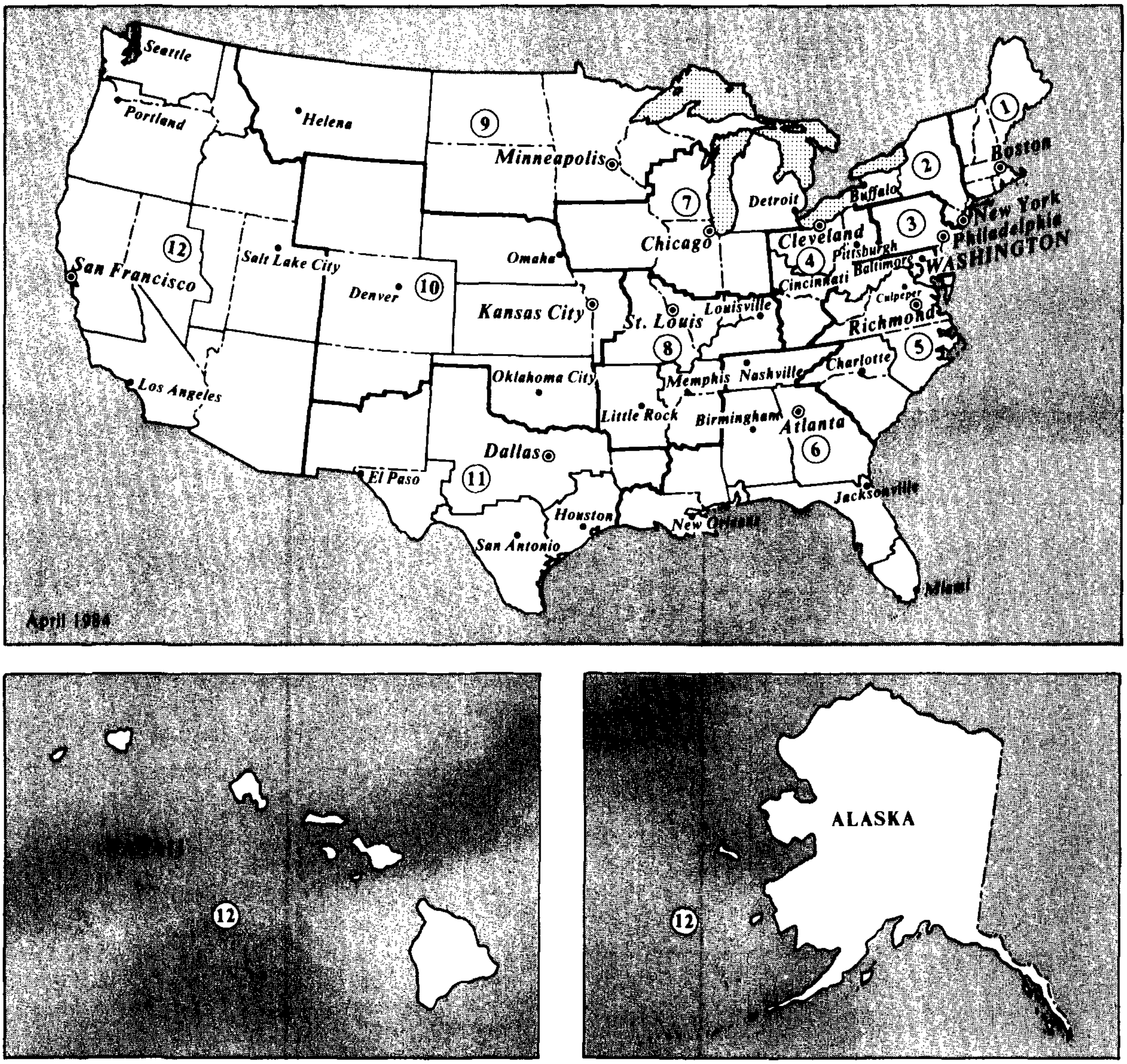
The Federal Reserve System

Boundaries of Federal Reserve Districts and Their Branch Territories



LEGEND

- Boundaries of Federal Reserve Districts
- Boundaries of Federal Reserve Branch Territories
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- Federal Reserve Bank Cities
- Federal Reserve Branch Cities
- Federal Reserve Bank Facility