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Federal Fiscal Policy, 1965-72

The Federal budget for the fiscal year beginning in July signals a shift in fiscal policy, characterized by a determined effort to limit the growth in Federal expenditures. In addition, during the past year various reforms designed to improve legislative control over total appropriations and outlays have been actively considered by the Congress.

This article reviews recent experience in fiscal policy covering the period beginning with 1965. The first part of the article briefly examines the over-all trends in expenditures and receipts for the entire period with particular emphasis on composition. In the second part Federal fiscal changes in the 1965-72 period are discussed in the context of economic stabilization. (For a detailed analysis of developments in the 1960-68 period, see the BULLETIN for September 1968, pages 701-18.)

TRENDS IN BUDGET ACTIVITY

In the past decade the Federal Government has taken on many new responsibilities that have resulted in sharp changes in the size and composition of budget spending. At the same time a large number of tax changes have been implemented. These changes, which have included two major reforms of personal and corporate income taxes, as well as numerous increases in payroll taxes to finance social security, have led to a significant redistribution of tax burdens. The modifications in budget composition have generally reflected the evolution of national priorities, in particular the concern for the international situation and for the development of domestic social programs. In some instances the rapid changes in budget priorities were at odds with the needs of economic stabilization; this was particularly evident in the unanticipated increase in defense spending related to the Vietnam war. However, much more often than in the past, Federal budget proposals were deliberately designed to stabilize economic activity.

On a unified budget basis a Federal deficit was realized in all but one fiscal year (1969) in the 1965–73 period and in three of those years the deficit exceeded \$20 billion. For the most part the deficits in this period came about because of the rapid growth in outlays, averaging 10.1 per cent a year in the 1965–72 period, and because of a series of tax cuts beginning in 1962. However, the considerable deficits recorded in 1971 and 1972 were attributable largely to the sluggish recovery from the 1970 recession. In the official full-employment budget (unified basis), which abstracts from cyclical changes in income, there was a surplus or a near-balance in 4 years during the 1965–72 period.

The Federal debt. As shown in Table 1, the unified budget deficit is the principal determinant of net Treasury borrowing, although some differences arise from the change in the Treasury cash balance and other technical factors. However, the total debt outstanding (line G of Table 1) increased more than Treasury borrowing from the public because of Federal trust fund surpluses that were invested in Federal debt instruments. The trust funds, which are included in the unified budget, recorded surpluses each year in the 1965–73 period; these surpluses greatly reduced the size of the over-all budget deficits and of Treasury net borrowing from the public, and they were the major factor in the near-doubling of Federal debt held by Federal Government accounts.

TABLE 1

UNIFIED BUDGET TOTALS

Fiscal year figures, in billions of dollars

Line	Item	1965	1966	1967	1968	1969	1970	1971	1972	1973[e]	1974[e]
A	Total receipts	116.8	130.9	149.6	153.7	187.8	193.7	188.4	208.6	232.0	266.0
B	Total outlays	118.4	134.7	158.3	178.8	184.5	196.6	211.4	231.9	249.8	268.7
C	Surplus, or deficit ( )	1.6	3.8	8.7	25.2	3.2	2.8	23.0	23.2	17.8	2.7
D	Treasury net borrowing from the public	4.1	3.1	2.8	23.1	11.1	5.4	19.4	19.4	19.2	5.5
	Composition of surplus, or deficit ( ):										
E	Federal funds deficit	3.9	5.1	15.0	28.4	5.5	13.1	29.9	29.2	27.9	18.8
F	Trust fund surplus	2.2	1.3	6.2	3.2	8.7	10.3	6.8	5.9	10.1	16.1
	Federal debt [1]										
G	Total	326.6	333.3	344.7	372.0	368.0	383.4	410.3	438.2	[2]470.0	[2]490.5
	(change)	(6.3)	(6.7)	(11.4)	(27.3)	(4.0)	(15.4)	(26.9)	(27.9)	(31.8)	(20.5)
	Major holders:										
H	Federal Govt. accounts	61.5	64.8	73.8	79.1	87.7	97.7	105.1	113.6	[3]120.0	n.a.
I	Federal Reserve	39.1	42.2	46.7	52.2	54.1	57.7	65.5	71.5	[3]74.4	n.a.
J	Foreign and international accounts	15.7	15.4	14.7	12.9	11.1	14.8	32.7	50.0	[3]63.1	n.a.
K	Other publicly held debt	210.3	210.9	209.5	227.8	215.1	213.2	207.0	203.1	[3]212.9	n.a.

[1] End of year figures: includes both public debt securities and budget agency issues.

[2] Excludes non-interest bearing public debt securities issued to the International Monetary Fund and international lending organizations (\$825 million in 1972), which are included in figures for previous years.

[3] Amount outstanding, Mar. 31, 1973.

[e] Estimates from *Mid-Session Review of the 1974 Budget*, issued on June 1, 1973.

n.a. Not available.

Another part of the Treasury debt is held by the Federal Reserve System, but this portion is conventionally included in debt held by the public. Also, during this period the proportion of the Federal debt held by foreign accounts increased greatly. Due to the rapid accumulation of Federal debt held by Federal Government accounts, by the Federal Reserve, and by foreign accounts, there has been very little increase over this period in the holdings of private domestic economic units, including State and local governments.

Treasury borrowing established new post-World War II records in fiscal years 1968, 1971, and 1972, but a large proportion of the debt in the two latter years was absorbed by Federal trust funds and by foreign central banks, which accumulated dollar reserves resulting from large deficits in the U.S. balance of payments. At the end of March 1973 more than 22 per cent of the outstanding publicly held debt (other than that held by the Federal Reserve) was in the hands of foreigners.

Size of Federal sector. One of the most controversial issues in recent years involves control of total Federal spending. The changing composition of the budget has tended to increase the importance of "relatively uncontrollable" budget items—those open-ended spending programs with permanent authorization (such as veterans' benefits, interest, social security, and medicare) and spending under prior-year contracts and obligations. About 75 per cent of all outlays are classified as "relatively uncontrollable" in the budget for fiscal 1974, and about two-thirds of the controllable portion is for national defense. This situation leaves little scope for cutbacks. Thus when a special situation such as the Vietnam war arises or when new initiatives are proposed, the result tends to be an acceleration in the growth of spending and an increase in the relative size of the Federal sector.

The unified budget concept adopted in 1968 includes (net) lending of budget agencies in total outlays. However, a number of lending agencies have since sold stock to the public and have become Government-sponsored agencies. As a result their lending activities are no longer reflected in the budget. An analysis of the growth of the Federal sector in the 1965-72 period should take into account the increased importance of operations of these non-budget agencies, figures for which are shown in Table 2.

There has also been a considerable increase in a related nonbudget activity—Federal guarantee of private loans. In addition to increases in nonbudget activities, year-to-year growth in outlays has been affected by variations in asset sales and proprietary receipts, which are recorded as negative items in unified budget outlays. The planned increase in these transactions in fiscal year 1973 (Table 2) is particularly noteworthy. Agency lending and most

TABLE 2

BUDGET AND NONBUDGET ACTIVITIES—NET LENDING AND TRANSACTIONS IN ASSETS

Fiscal year totals, in billions of dollars

Item	1965	1966	1967	1968	1969	1970	1971	1972	1973e	1974e
Budget outlay activity:										
Net lending total	1.2	3.8	5.1	6.0	1.5	2.1	1.1	1.1	(1)	(1)
Financial asset sales[2]	.9	.7	.9	.9	.9	1.3	2.2	2.3	5.5	4.0
Proprietary receipts including real asset sales[2]	n.a.	n.a.	4.9	4.7	4.2	3.8	4.9	4.5	10.8	8.3
Nonbudget activity:										
Direct loans, sponsored agencies[3]					4.3	10.6	1.3	4.4	10.7	12.2
Increase in outstanding guaranteed and insured loans	4.9	5.6	3.7	8.6	9.7	8.5	15.0	18.8	20.0	17.6

[1] The separate lending account for budget agencies has been dropped from the budget.

[2] Recorded as negative items in the unified budget outlay account.

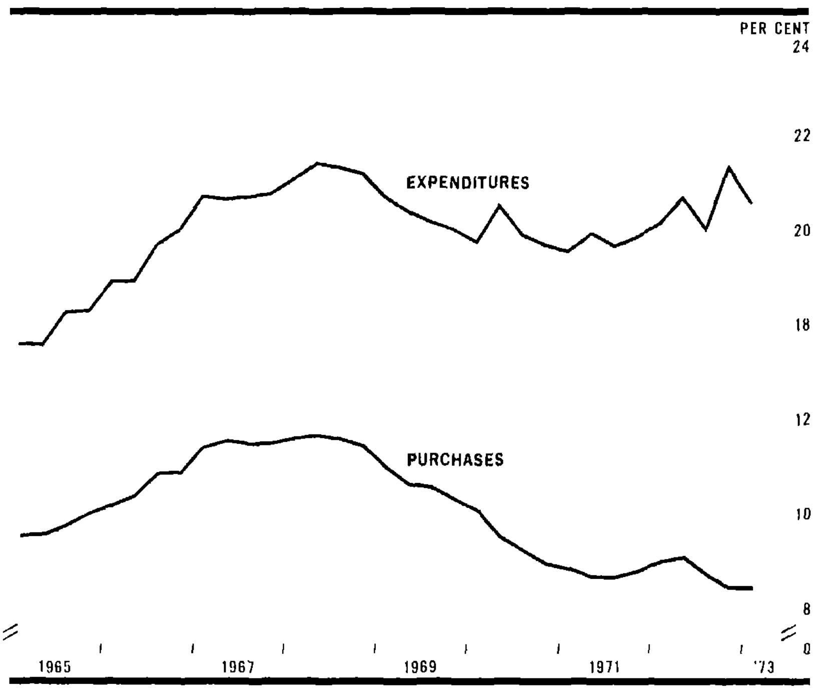
[3] Represents loans by the Federal National Mortgage Association, Federal home loan banks, Federal intermediate credit banks, banks for cooperatives, Federal land banks, the Federal Home Loan Mortgage Corporation (beginning fiscal year 1970) and the Export-Import Bank (beginning fiscal year 1972). Activities of the Export-Import Bank have been removed from budget outlays by statute even though this institution is Federally owned.

[e] Estimate from *The Budget of the United States Government, Fiscal Year 1974*, issued in January 1973.

n.a. Not available.

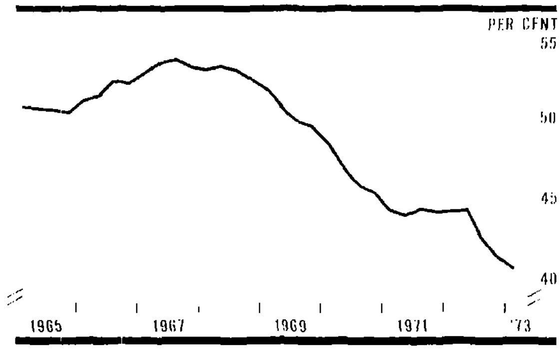
asset transactions are excluded from the national income accounts (NIA) measure of Federal activity. Discussions of the size of the Federal sector usually relate the government sector to various components of gross national product and therefore employ NIA concepts.

1 How changes in size of FEDERAL ACTIVITY relate to total economic activity



"Expenditures" are total Federal expenditures as a per cent of full-employment GNP; "Purchases" are Federal purchases of goods and services as a per cent of full-employment GNP. NIA data.

2 Federal proportion of GOVERNMENT PURCHASES declines in recent years



Purchases of goods and services (Federal, State, and local) as shown in NIA, 1958 dollars

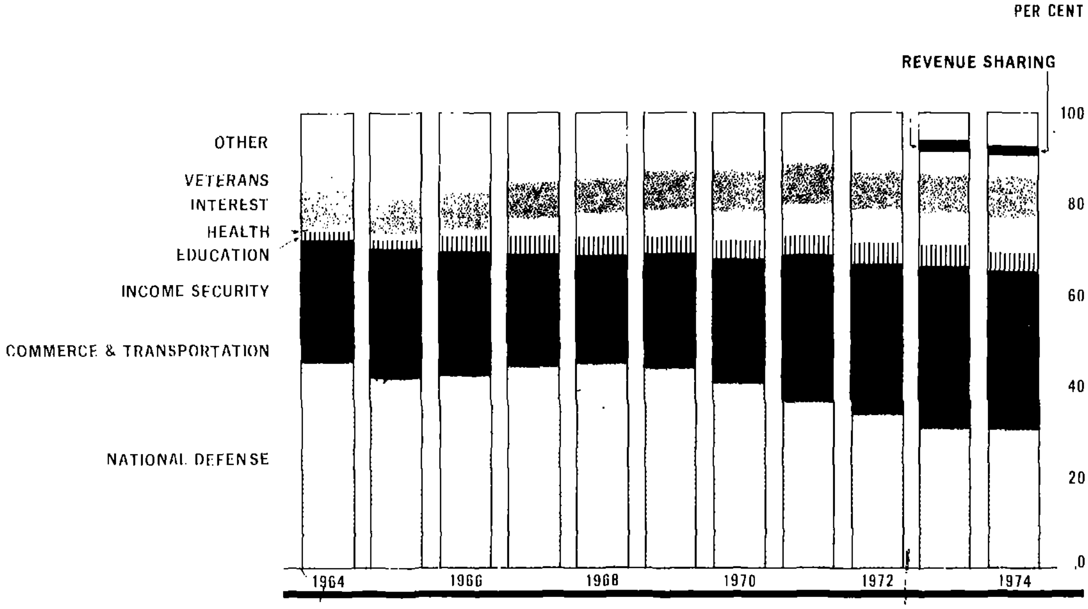
In the 1965 72 period the size of the Federal sector increased rapidly. Federal expenditures including transfers and grants (NIA basis) as a percentage of full employment GNP rose from about 17.5 per cent in the first half of 1965 to about 20.3 per cent in calendar year 1972. During 1968, at the height of the Vietnam war build-up, Federal spending exceeded 21 per cent of GNP (Chart 1). The recently proposed program (fiscal 1974 budget) of the administration to restrict growth in spending should reduce this ratio in 1973 but not to the level that existed prior to the Vietnam war build up.

Total resources absorbed *directly* by the Federal sector reflected in purchases of goods and services have declined relative to full employment GNP. The proportion for defense purchases has been declining since the peak of the Vietnam activity, and this ratio is now at a lower level than in 1965. Thus Federal Government activity increasingly reflects transfers of funds to individuals and State and local governments rather than the direct purchase of goods and services in the marketplace. It is interesting to note that Federal purchases of goods and services have declined as a proportion of *total government purchases* (Federal, State, and local) from 50.5 per cent in 1965 to 43.1 per cent in 1972 (Chart 2).

Functional classification of outlays. The *functional classification* of Federal unified budget outlays shown in Chart 3 indicates significant changes in the composition of spending in the 1965 74 period. As already mentioned, the proportion of outlays for national defense has declined sharply since 1968 and this ratio is now significantly less than in the pre-Vietnam period; however, in absolute terms outlays for defense were nearly $29 billion higher in fiscal year 1972 than in fiscal year 1965.

The most important relative gains during this period were in outlays for *income security*, mainly social security and public assistance, and for health, which includes the medicare program that went into effect in July 1966. Outlays for income security,

3 Functional classification of budget outlays shows increasing importance of SOCIAL PROGRAMS



Fiscal year data from The Budget of the United States Government, Fiscal Year 1974 (Jan. 1973).

which increased from 21.7 per cent of the total in fiscal year 1965 to 30.4 per cent (budget estimate) in fiscal 1973, are expected to exceed outlays for national defense for the first time in the fiscal year beginning this July. Another large relative increase, shown in the chart, was for education and manpower, which increased from 1.9 per cent of outlays in fiscal year 1965 to 4.2 per cent in fiscal year 1972.

The largest component of the income security category—social security benefit payments—has risen very rapidly since 1965 because of statutory increases in benefits, expanded coverage, and growth in the number of eligible beneficiaries. In the past, social security benefits did not keep pace with inflation, but in the 1965–72 period increases in benefits greatly exceeded increases in the consumer price index. A unique feature of the latest social security legislation is that it provides automatic cost-of-living benefit increases, beginning in 1975.

These changes in composition reflect the higher priority placed by the Government on social programs. And in turn there is some evidence that they have important stabilization consequences. Economic theory, supported by most large econometric models, indicates that Federal expenditures that directly absorb resources, such as procurement of defense goods, have a larger impact on aggregate economic activity than do Federal transfers. For example, according to a recent simulation using the Social Science Research Council Massachusetts Institute of Technology University of Pennsylvania (SMP) quarterly econometric model, alternative $5 billion expenditure cuts would affect GNP by the amounts shown in Table 3 below.

TABLE 3

CUMULATIVE EFFECTS ON NOMINAL GNP OF ALTERNATIVE $5 BILLION CUT IN FEDERAL SPENDING

Type of expenditure	*GNP impact, in billions of dollars*			
	Q2	Q4	Q6	Q8
Nondefense goods	6.9	9.4	10.3	10.1
Military prime contracts[1]	2.7	6.3	9.1	10.0
Federal employment	9.0	9.9	10.2	10.6
Federal compensation	7.5	8.4	8.6	8.5
Transfers to persons[2]	2.8	4.4	5.4	6.0
Categorical grants	5.2	9.2	11.9	13.4

[1] In order to calculate the impact of the change in military prime contracts, it was necessary to assume a relationship describing the rate at which prime contract awards resulted in Federal purchases

[2] Excludes unemployment insurance payments, which are endogenous in the model

NOTE. Initial conditions affect the measured multiplier in the model. This simulation, undertaken in December 1972, began with the first quarter of 1973, with actual values for the fourth quarter of 1972 as they were then perceived. In estimating these effects, monetary policy was assumed to be managed in such a way that the money stock was unaffected by changes in Federal expenditures

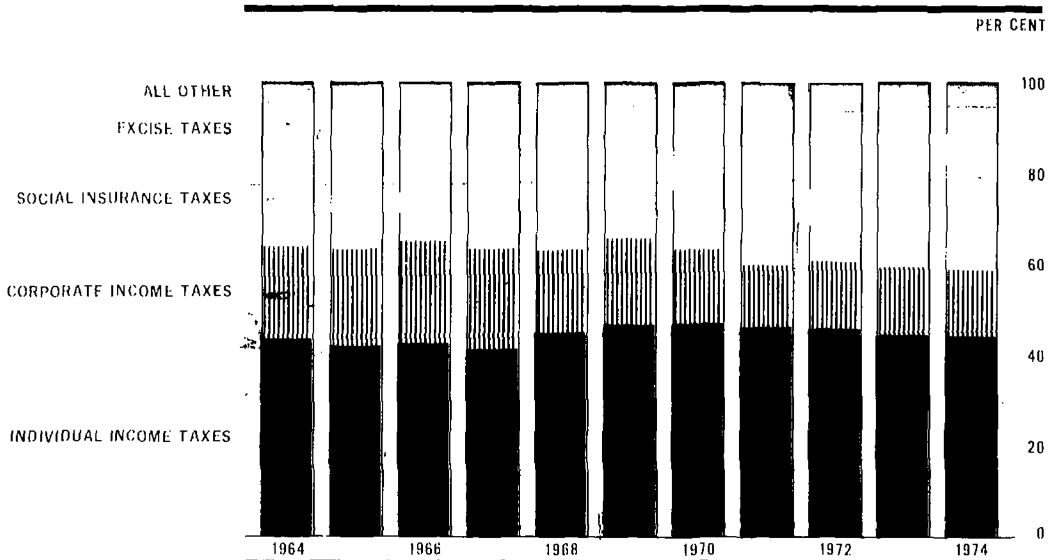
In this simulation the six-quarter expenditure multipliers (GNP effect ÷ $5 billion) ranged from about 1.0 to nearly 2.5. It should be emphasized that the results are conjectural in that they depend on the particular structure of the model and on experience during its period of estimation. The high multiplier for categorical grants reflects in part the importance of matching highway grants during the period when the equation was estimated. The effects of general revenue sharing would clearly be lower than those of categorical grants, since general revenue sharing does not involve matching requirements, nor is the Federal payment directly related to the disbursing activity of the State or local authority as is the general case with categorical grants. The smaller impact of transfers is especially noteworthy, since transfers have become a much larger component of spending. In the model's consumption equations, transfer payments enter as a component of disposable personal income and have the same savings rate as other types of disposable income. If savings out of transfer payments are less than savings out of other income, the transfer expenditure multiplier would be higher. Assuming that the relative impacts reflected in these expenditure-multiplier estimates are roughly applicable for the 1965–72 period, it appears that the altered composition of Federal spending has resulted in a significant reduction in the impact on GNP of a (representative) dollar change in Federal spending.

Composition of receipts. The composition of Federal receipts, shown in Chart 4, has also changed markedly since 1965. Excise taxes have become less significant. Taxes on corporate profits have also declined in relative importance, in part because of accelerated depreciation and reductions in tax rates and in part because of a reduction in the corporate share of total income. At the same time, the proportion of total receipts accounted for by social insurance taxes has greatly increased. The proportion of taxes derived from personal income taxes rose sharply with the imposition of the surcharge in 1968; it reached a peak of 46.7 per cent in fiscal year 1970 and has gradually declined since enactment of the tax law changes in 1969 and 1971. Despite the huge individual income tax cuts since 1964, which are estimated to reduce 1973 tax liabilities by about $36 billion, individual income taxes still produce a larger proportion of revenues than in 1965.

Because of the progressive feature of personal income taxes, the growth of personal tax receipts generally outpaces economic growth unless tax rates are reduced. Most of the recent changes in the income tax law are now fully effective; thus—assuming no further changes—personal tax receipts are expected to rise more rapidly than aggregate personal income in coming years. Chronological listings of selected tax law changes since 1965 appear in Tables 6 and 7 on pages 401–02.

It is difficult to judge whether the net result of these tax changes has increased or reduced the automatic stabilizing effect of the budget. The conventional view would be that the increased reliance

4 Components of TOTAL RECEIPTS vary in importance



Fiscal year data from The Budget of the United States Government, Fiscal Year 1974 (Jan. 1973).

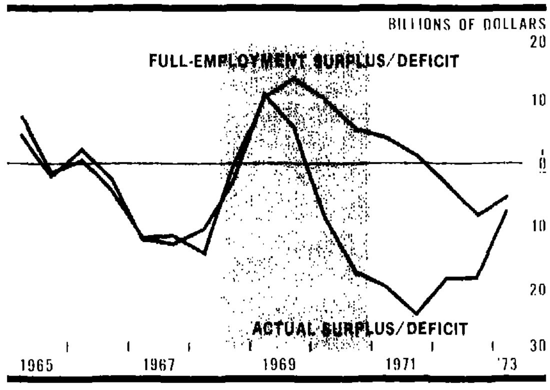
on social insurance taxes and the decreased reliance on corporate profits taxes have reduced the automatic stabilizing effect of the budget. Equally difficult to determine is the distributional impact of these tax changes. Increased reliance on social insurance taxes is generally viewed as placing more burden on regressive taxes, but the large increases in the social security wage base during the period may have moderated this effect. And, of course, the distribution of benefit payments also needs to be considered in evaluating the progressivity of the entire social security system.

FISCAL POLICY AND ECONOMIC STABILIZATION

Change in the net surplus or deficit of the full-employment budget provides a convenient summary indicator of the extent to which discretionary fiscal policy is moving toward contraction or expansion. The difference between the full-employment budget position and the actual budget position reflects the additional automatic stabilizing effect of the budget associated with cyclical developments. Although the full employment measure, like most summary measures, has a number of shortcomings that will be discussed later, it provides a starting point for analyzing the effects of fiscal policy on economic stabilization. The behavior of the actual and full employment surplus or deficit (NIA basis) is sketched in Chart 5. Generally speaking, NIA accounts are preferred in measuring fiscal stimulus. Furthermore, the full-employment budget on a unified basis is available only by fiscal years.

The years from 1965 to 1972 contain three successive periods that, in a rough way, mark turning points in realized fiscal stimulus. In the 1965 68 period the full-employment budget shifted from a surplus of $7.2 billion (at annual rates, NIA basis) in the first half of 1965 to a deficit of nearly $15 billion by the first half of 1968. This highly stimulative period of fiscal policy was followed

5 | FISCAL STIMULUS is recorded in two budget concepts



"Full employment" is as computed by the Federal Reserve Bank of St. Louis. "Actual" is Federal sector NIA account by a period of restriction. The full-employment budget shifted toward surplus by more than $27 billion from the first half of 1968 to the second half of 1969. During 1970, the full-employment surplus, while shifting towards deficit, still averaged a sizable $7.6 billion surplus. The third period, from 1971 to mid-1973, continued and enlarged the shift toward stimulus. Fiscal year 1974 could mark the beginning of a new period; the budget calls for fiscal policy to move toward restriction as expenditures are planned to increase much more slowly than in the two preceding years (Chart 6).

While these large shifts in the full-employment budget probably give a correct general indication of the underlying influence of fiscal policy on the economy, it should be realized that the full-employment measure cannot tell the full story regarding shifts in fiscal stimulus or restrictiveness.

In the 1965–68 period, for example, the shift toward fiscal stimulus probably occurred earlier than shown by the course of the full-employment deficit because Federal defense spending was *rising rapidly and the actual stimulus often began when orders were* placed rather than when Federal spending was recorded. This shortcoming arises in part from the practice of recording procurement of national defense goods in NIA expenditures at the time the goods are delivered rather than at the time the goods are ordered and produced. Prior to delivery, output of such goods is included in the business inventories component of GNP and is not identified as production of the Government sector.

Clearly this consideration is important in identifying the timing of fiscal stimulus during the Vietnam war build-up, and it may account, in part, for the failure in 1965 to recognize the degree of stimulus stemming from the war effort. The Department of Commerce series on "Defense Department military prime contract awards for work performed in the United States" records a sharp rise in 1965, two or three quarters before the increase became evident in defense purchases.

Another shortcoming of the full-employment budget is that it gives equal weight to each dollar of change in revenues and expenditures regardless of the source of the change. In the 1965–68 period, substantial changes occurred in the composition of spending. There is evidence that some fiscal indicators, such as the full-employment budget, underestimated the change in fiscal stimulus during the Vietnam war build-up because of the increased share of *defense spending in total Federal outlays*. The *simulation* results shown in Table 3 suggested that a shift in spending composition toward a greater share of direct Federal purchases would have a more stimulative effect than the same amount of spending if transfer payments and direct Federal purchases were expanding evenly.

To assess this situation, a SMP model simulation was used to approximate a fiscal situation in which the levels of *total* Federal spending and all other exogenous variables were those that actually occurred from mid-1965 to the end of 1968, but the ratios of major components of spending to the total were held at the initial values existing in the third quarter of 1965. The results were compared with a control simulation in which all the exogenous variables, including the components of Federal spending, were entered at their actual values.

TABLE 4

RESULTS OF MODEL SIMULATION HOLDING CONSTANT THE RELATIVE SHARE OF MAJOR EXPENDITURE COMPONENTS BEGINNING IN 1965 Q3[1]

Categories affected	Billions of dollars, selected quarters					
	1966		1967		1968	
	Q2	Q4	Q2	Q4	Q2	Q4
	Constant share simulation less actual share simulation					
GNP						
Current dollars	8.0	9.1	15.5	20.1	23.1	28.1
1958 dollars	2.6	3.7	5.3	3.8	2.4	3.7
3-month Treasury bill rate	.2	.1	.1	.6	.8	.9
Unemployment rate	.2	.3	1.5	1.5	1.3	1.2
	Selected values used in constant share simulation less actual values					
Purchases of goods and services[3]	1.4	1.2	3.3	2.8	1.5	[illegible]
Armed Forces[4]	.3	.6	[illegible]	.8	.8	.8
Military prime contracts	2.4	4.3	4.4	2.1	1.7	2.3
Transfers to persons	3.2	1.6	1.0	1.8	.6	1.0
Employee compensation	.6	.2	.2	.1	1.3	1.1

[1] The ratio of defense to total expenditures reached a low point in 1965 Q3.
[2] The ratio of defense to total spending reached a peak in 1967 Q3 and declined thereafter.
[3] Includes defense and nondefense purchases.
[4] Millions of persons.

As shown in Table 4, the simulation indicated that GNP and price inflation would have been substantially smaller given an unchanged composition of expenditures. Initially, compositional changes have a purely fiscal effect on GNP because Treasury borrowing and the Federal deficit are not directly affected. Of course, the impact of the compositional change on income does have a feed-back effect on budget revenues and Treasury borrowing. While the simulation results should be viewed with caution, they do furnish a reminder that misleading signals are possible if too much reliance is placed on a single indicator when changes in major programs are occurring.

A more general problem of simple measures of net fiscal stimulus is that, depending on the particular type of fiscal action taken, different lags may occur between a policy change and its resulting effect on revenues (or expenditures) as compared with its resulting effect on the over-all economy. In the case of changes in tax legislation and some spending programs such as general revenue sharing, for example, the policy actions are likely to have their major impact on private spending at a later period than the one indicated by the recorded change in Federal receipts and outlays.

With large structural models, estimates can be made of the lagged effect of a variety of changes in fiscal policy. If the model is a reasonable interpretation of the structure of the economy, these estimates can be quite useful. Examples of such measured lags are shown in Table 5. The timing of the computed economic effects on ultimate economic activity is compared with the timing of revenue effects recorded in the full-employment budget. The comparison shows that for both the 1968 surtax and the 1969 repeal of the investment tax credit the timing of the revenue effects (column 1) is fairly similar to the estimated timing of constant-

TABLE 5

SELECTED TAX CHANGES[1]

Estimated Revenue Effects Compared with Estimated Economic Effects

In billions of dollars

Quarter		Effect on				
		Full employment revenues	Nominal GNP	Real GNP	Producers' durable equipment	Unemployment rate
		(1)	(2)	(3)	(4)	(5)
		Of repeal of investment tax credit in December 1969[2]				
1970	Q2	1.9	9.4	5.6	3.5	.3
	Q4	1.9	13.0	6.7	4.7	.3
1971	Q2	2.4	17.1	7.9	7.8	.4
	Q4	2.4	19.4	7.6	9.7	.5
		Of temporary surcharge on individual and corporate taxes enacted June 1968				
1968	Q4	14.9	14.2	9.6	n.e.	.6
1969	Q2	14.9	22.0	11.5	n.e.	.8
	Q4	11.3	28.0	10.7	n.e.	.8
1970	Q2	[3]6.5	26.3	4.7	n.e.	.5
	Q4	[3]1.0	16.6	5.4	n.e.	.1

[1] The model assumes that these tax changes are permanent and unforeseen by those being taxed. Because the surcharge was announced as a temporary tax change, the simulation probably overstates the impact of the change.

[2] Repealed retroactively to April 1969.

[3] Reflects decrease and expiration of surcharge.

n.e. Not estimated.

dollar GNP effects (column 3) in the simulation. Revenue effects and real GNP effects of the investment credit, for example, are about 25 per cent greater in 1971 than in 1970. However, in both instances simulated price effects that show up in nominal GNP occur much later than the revenue effects.

The investment tax credit applies to production of all equipment, not simply to the change in output resulting from the tax adjustment. Thus the impact on output of producers' durable equipment (column 4) lags far behind the revenue effect. Full-employment revenue effects do not increase greatly after the second quarter of 1971, but the simulation indicates that the impact on output of producers' durable equipment was largest in the fourth quarter of 1972 (not shown in table), 12 quarters after repeal of the credit.

While this simulated impact must be viewed with some skepticism, it does suggest that certain tax changes have very long-lagged impacts not reflected in such indicators as the full-employment budget. It also suggests that the reinstitution of the investment tax credit in December 1971 was a contributing factor to the fast economic growth that was experienced in 1972.

Ideally, the full-employment budget would measure only the budget effect of discretionary fiscal policy actions. It should be noted, however, that full-employment receipts are calculated on the basis of the inflation rate that actually occurred. When prices rise, full-employment revenues increase immediately and the resulting full-employment deficit is smaller. Generally, the effect of rising prices on Government expenditures occurs with a considerable lag. Thus, given a rapid upward price movement, as in early 1973, the full-employment budget moves rapidly toward surplus. This price effect causes the full-employment budget to overstate the amount of restriction that is being exerted independently by policy actions.

Finally, another uncertainty regarding the measurement of fiscal stimulus should be mentioned. In general, measures affecting full-employment tax receipts have been recorded at about the same time they are entered in the actual NIA (or budget) accounts. However, an exception was made for some measures pertaining to overwithholding of individual income taxes in calendar 1972. At the beginning of 1972 new withholding schedules were introduced that, among other things, redefined the representative household as one in which there are two jobholders. Many other households were expected to change their declared exemptions to avoid having too much tax withheld. The failure of taxpayers to make the expected adjustments in exemptions resulted in an estimated \$7 billion to \$9 billion of overwithholding in calendar year 1972, and personal tax refunds increased sharply in the spring of 1973 to reach an estimated \$22 billion for fiscal year 1973, \$8 billion more than in the preceding year. In its presentation of the full-employment budget, the Office of Management and Budget excluded overwithholding in 1972. One reason for doing this is that consumption is thought to depend mainly on permanent income and to that extent temporary changes in the timing of individual income tax collections do not reflect a change in fiscal stimulus.

CONCLUSION

Changes in national priorities during recent years have resulted in frequent adjustments in Federal spending and tax programs. The 1965–72 experience points out the need for careful analysis of the implications of these adjustments for the over-all posture of fiscal policy. Simple indicators such as the full-employment budget are useful, but because of compositional shifts in spending and variations in lagged economic effects such indicators have not always properly reflected the degree and timing of fiscal stimulus. Shifts in priorities and the rather rapid changes in the general economic outlook and economic activity that have characterized recent years highlight the need for increased flexibility in fiscal policy that will permit timely changes in expenditure and tax programs.

■ ■ ■ ■ ■

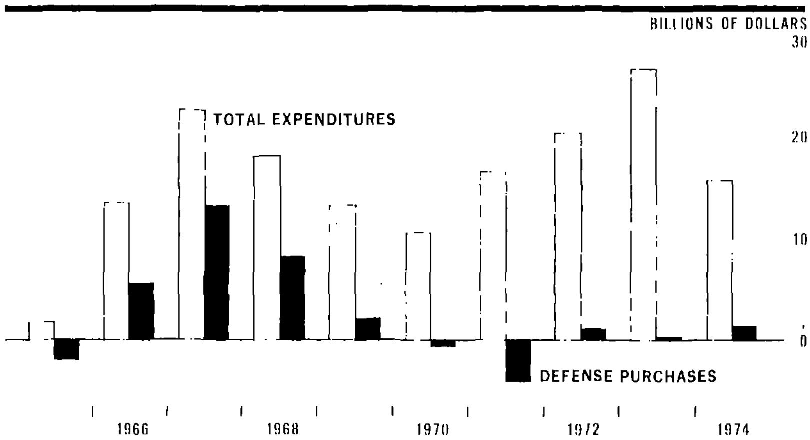
ADDITIONAL NOTES ON FISCAL POLICY ACTIONS

The preceding analysis has considered the policy implications of a number of broad trends evident in Federal fiscal experience since 1965. While it distinguishes three subperiods of policy change—fiscal stimulus from 1965 to 1968, restraint in 1969 and 1970, and stimulus again from 1971 to mid-1973—specific measures introduced in these periods have not been identified. For those interested in such a review this section provides a chronology of the principal fiscal actions taken in each subperiod.

In the 1965–68 period, expenditures increased rapidly as a result of both the war build up in Vietnam and the sizable expansion in social outlays. A minor move toward fiscal restraint was made from the tax side in 1966 involving a one-time speed-up of tax collections and a rescinding of scheduled excise tax cuts. Then a major move was taken late that year when Congress voted a 15 month suspension of the 7 per cent investment tax credit on machinery and equipment and of the accelerated depreciation applicable to business structures. When a slowdown in economic expansion developed toward year-end 1966 and in early 1967, the administration asked for a quick restoration of the investment tax credit, and so the suspension actually lasted for only 5 months. Nevertheless, the temporary suspension of the investment tax credit appears to have contributed to the slowing of business investment in early 1967.

In January 1967, the administration requested a 6 per cent surtax on personal and corporate income taxes to become effective by

6 | FEDERAL EXPENDITURES and DEFENSE PURCHASES show varying growth



Fiscal year data. Total Federal expenditures and defense purchases component are as shown in NIA.

mid 1967. Fearing the renewal of inflationary pressures, the administration in August 1967 asked again for prompt action on its request, and at the same time it recommended that the surtax rate be increased from 6 to 10 per cent. However, enactment of the surtax was delayed until mid-1968 as congressional debate centered on the relative merits of an expenditure cut versus a tax increase.

As finally enacted, the Revenue and Expenditure Control Act of 1968 provided not only a 10 per cent surtax but also a ceiling of \$180.1 billion on budget outlays for fiscal year 1969 \$6 billion less than planned when the budget was issued in January 1968. The ceiling was flexible, however, in regard to spending above planned levels for interest, social security, veterans' benefits, and outlays for the Vietnam war; thus, spending for the fiscal year totaled \$184.5 billion.

The Revenue and Expenditure Control Act of 1968 marked the beginning of a shift toward fiscal restraint. The growth of Federal spending slowed markedly from 10.9 per cent in calendar year 1968 to 4.2 per cent in 1969 (NIA basis). While the restrictive effects of the policy shift on the general economy, and especially on consumption, were not immediately apparent, a considerable slowdown in economic activity was achieved by late 1969. A tight monetary policy in 1969 was also a factor in the slowdown. Although growth in Federal spending picked up considerably in calendar year 1970 (increasing by 8.1 per cent), defense spending declined by \$3.3 billion. The growth in 1970 was concentrated in the areas of transfer payments and grants, probably limiting the stimulative effect of the total increase in spending.

On the tax side the surtax, which had originally been scheduled to expire in mid-1969, was extended at the full 10 per cent rate until the end of 1969 and then at a 5 per cent rate until June 1970 when it expired. Meanwhile, on December 30, 1969, Congress enacted a major tax bill, the Tax Reform Act of 1969. In addition to extending the surtax, this bill responded to an administration request, of April 1969, for repeal of the investment tax credit on all property ordered or acquired after April 8, 1969.

The bill also contained a large number of tax relief and reform provisions affecting individual and corporate income taxes. The reform and relief provisions of the Act provided cuts in taxes, below levels that would otherwise have been received, of $0.4 billion in 1970 and $4.1 billion in 1971. Further cuts occurred in 1972 and 1973, resulting in a reduction in receipts of $9.5 billion by 1973. A gradual shift toward tax stimulus was thus legislated. This move toward stimulus later was reinforced by the reinstatement of the investment tax credit.

The over-all fiscal posture—considering expenditures as well as receipts—became more stimulative in calendar year 1971. Federal spending increased by about 8 per cent, the same rate as in 1970, although defense spending continued to decline. A greater portion of the tax cuts that had been legislated in late 1969 became effective in 1971 than in the previous year. In addition, the administration announced a new regulation involving a liberalization of depreciation for tax purposes. This regulation, known as the Asset Depreciation Range (ADR), allowed business the option of shorter guideline lives for assets.

Additional fiscal policy actions were recommended with the announcement of the new economic policy on August 15, 1971. This policy suspended convertibility of the dollar into gold, imposed a temporary 10 per cent surcharge on dutiable imports, and froze wages, prices, and rents for 90 days. The fiscal package embodied in the new economic policy provided added stimulus to the private sector of the economy while temporarily slowing the growth of Federal expenditures.

The tax changes recommended in the fiscal package included the following measures: (1) An investment tax credit, called the "Job Development Credit," on machinery and equipment acquired after August 15, 1971, was to be allowed at a 10 per cent rate until August 1972 and 5 per cent thereafter; it was not to apply to used nor initially to foreign-produced property; (2) the 7 per cent excise tax on domestic and foreign autos was to be repealed effective August 15, 1971; and (3) increases in the standard deduction and in the personal income tax exemption, previously scheduled to go into effect in 1973, were to be accelerated to January 1972. These tax measures, all requiring congressional approval, were expected to reduce revenues by $5.8 billion in fiscal year 1972. However, depending on its duration, the 10 per cent surcharge on imports, which did not require congressional approval, was expected to offset some of the revenue loss.

In December Congress enacted the Revenue Act of 1971. The acceleration of the scheduled increases in the standard deduction and in the personal exemption was enacted and the auto excise tax was repealed retroactively to August 15, 1971, as proposed. The investment tax credit was also enacted effective August 16, 1971, but at a permanent 7 per cent rate. The ADR system became law, although the incentive was reduced somewhat by elimination of certain technical provisions. These tax actions provided considerable stimulation in late 1971 and during 1972. A number of other tax law changes were included in the bill, some of which are shown in Table 6. Many households, however, may not have become aware of the cuts in individual income taxes because changes in withholding treatment were also made in early 1972, which resulted in large overwithholding.

The expenditure changes proposed on August 15 included postponement of general revenue sharing for 3 months and welfare reform for 1 year. A Federal pay raise scheduled for January 1972 was to be postponed for 6 months. In addition, there was to be a 5 per cent cut in Federal employment and a 10 per cent reduction in foreign aid. These proposed expenditure changes were expected to reduce fiscal 1972 outlays by \$4.9 billion.

Total Federal spending in fiscal year 1972 was about as projected in the August proposals, though many of the proposed changes were not made effective. The proposed welfare reform program was not enacted and general revenue sharing did not go into effect until the fourth quarter of 1972. Congress did not postpone the Federal pay raise scheduled for January 1972.

Federal spending increased rapidly during 1972—at an 11.7 per cent rate. Defense spending accelerated in 1972 as a result of a speed-up in spending in the first half of the year and of the military pay raises. But it declined thereafter and for the year as a whole showed a 6.7 per cent gain. Nondefense expenditures grew more rapidly in the second half of the year than in the first largely because of the 20 per cent increase in social security benefits and the beginning of current as well as retroactive payments for general revenue sharing.

Total receipts also increased rapidly during 1972. Part of the increase was a result of overwithholding of income taxes, which added an estimated \$7 billion to \$9 billion to Federal receipts during calendar year 1972. In early 1973 the overwithholding resulted in a large bulge of personal income tax refunds, but by this time the growth in Federal spending had begun to decelerate. As indicated earlier the budget document issued in January 1973 projected a slowdown in the growth of Federal expenditures in fiscal year

1974. The *Mid-Session Review of the 1974 Budget*, released on June 1, 1973, indicated some minor changes in the composition of spending but no change in the projection of total budget outlays made in January. However, the $17.8 billion and $2.7 billion budget deficits now projected for fiscal years 1973 and 1974, respectively, are $7 billion and $10 billion less than estimated in January due entirely to higher estimates for receipts.

NOTES TO TABLE 7:

[1] First full year of operation.

[2] This amount shows the increase in OASDI benefits beginning in October at an annual rate. In addition, a lump-sum retroactive payment was disbursed in September in the amount of $0.9 billion.

[3] Medicare benefit payments did not reach a normal level of operation until after the first quarter of 1967 due to start-up problems. Benefit payments for full year beginning April 1967 amounted to $4.9 billion.

[4] This amount shows the increase in OASDI benefits payments beginning April 1 at an annual rate. In addition, a lump-sum retroactive payment was disbursed in late April in the amount of $0.7 billion.

[5] This amount shows the increase in OASDI benefits beginning June 1 at an annual rate. In addition, a lump-sum retroactive payment was disbursed in late June in the amount of $1.1 billion.

[6] P.L. 92-336 also provided for automatic cost-of-living benefit increases, the first of which will be possible in January 1975.

TABLE 6

MAJOR REVENUE ACTIONS BEGINNING IN 1965[2]

Measure	Date recommended	Date enacted	Nature of change
Excise Tax Reduction Act of 1965	January 1965	June 1965	Repealed Federal excise taxes on appliances, radios, television sets, jewelry, furs, and certain other items. Provided for systematic reductions in the rates on transportation equipment and communication services. Rate on automobiles was to be reduced from 10 to 7 per cent immediately and to 1 per cent by January 1969, that on telephone services from 10 to 3 per cent immediately and to 1 per cent by January 1969.
Tax Adjustment Act of 1966	January 1966	March 1966	Restored excise tax rates on transportation equipment and telephone services to the rates in effect prior to January 1966. Introduced graduated withholding rates in an effort to put personal tax collections on a "pay as you go" basis.
Temporary Suspension of the Investment Tax Credit	September 1966	November 1966	As of October 10, 1966, temporarily suspended the 7 per cent investment tax credit.
Restoration of the Investment Tax Credit	March 1967	June 1967	As of March 10, 1967, restored the 7 per cent investment tax credit. Raised permissible ceiling on the credit from 25 to 50 per cent of the tax liability in excess of $25,000, as provided in the November 1966 legislation.
Revenue and Expenditure Control Act of 1968	January 1967	June 1968	Levied 10 per cent surtax on personal income taxes effective April 1, 1968, and on corporate income effective January 1, 1968. The surtax was scheduled to expire on June 30, 1969. Postponed reduction in the respective 7 and 10 per cent excise tax rates on automobiles and telephone services, previously scheduled for April 1, 1968, until January 1970.
Extension of Surtax	April 1969	August 1969	Extended the 10 per cent surtax on personal incomes, previously scheduled to expire on June 30, 1969, to December 31, 1969.
Tax Reform Act of 1969	January 1969	December 1969	Increased the personal exemption from $600 to $625 in 1970, to $650 in 1971, to $700 in 1972, and to $750 in 1973 and thereafter. The standard deduction was increased from 10 to 15 per cent over a 3 year period beginning in 1971. Introduced a maximum marginal rate of 50 per cent on earned income. The maximum rate on unearned income remained at 70 per cent. Extended the surtax from January 1, 1970, to June 30, 1970, at a 5 per cent rate. Postponed scheduled reductions in the excise tax rates on automobiles and telephone services until January 1, 1971. Generally repealed the investment tax credit for corporations for property constructed, reconstructed, or acquired after April 18, 1969.
Excise, Estate and Gift Tax Adjustment Act of 1970	May 1970	December 1970	Extended the excise tax rates on automobiles and telephone services, previously scheduled for repeal, at their respective 7 and 10 per cent levels until January 1972. Sped up collections of estate and gift taxes.
Treasury's Asset Depreciation Range Guidelines	January 1971	June 1971[1]	Gave firms the option of raising or lowering the "guideline lives" of depreciable assets by up to 20 per cent. The reserve ratio test was abandoned.
Revenue Act of 1971	August 1971	December 1971	Accelerated by 1 year scheduled increases in personal exemptions and the standard deduction. Repealed 7 per cent automobile excise tax retroactive to August 15, 1971, and the excise tax on small trucks and transit buses retroactive to September 22, 1971. Reinstated the 7 per cent investment tax credit. Defined and granted the Domestic International Sales Corporation the option of indefinite deferral of the Federal tax due on "export related operations."

[1] This administrative action was, in large part, incorporated in legislation when the Revenue Act of 1971 was enacted.
[2] Excludes changes in social security tax rates shown in Table 7.

TABLE 7

MAJOR CHANGES IN BENEFIT SCHEDULES OF, AND TAX RATES FOR, SOCIAL SECURITY TRUST FUNDS
January 1965 to January 1974

Effective	Increased benefits	Increased tax rates	Billions of dollars[1]
September 1965	7 per cent old-age, survivors, and disability insurance (OASDI) benefit increase and other liberalization		[2]1.3
January 1966		Combined rate increased from 7.25 to 8.40 per cent and maximum earnings base raised from $4,800 to $6,600	5.3
July 1966	Medicare health benefits began		[3]3.1
July 1966		Supplementary medicare insurance premiums ($3.00 per month) initiated on voluntary basis	.6
January 1967		Combined rate increased to 8.80 per cent	1.5
January 1968		Maximum earnings subject to tax lifted to $7,800	2.0
March 1968	13 per cent OASDI benefit increase and other liberalization		3.5
April 1968		Voluntary supplementary medicare insurance premiums increased to $4.00 monthly	.2
January 1969		Combined tax rate increased to 9.60 per cent	3.0
April 1970	15 per cent OASDI benefit increase and other liberalization		[4]4.4
July 1970		Voluntary supplementary medicare insurance premiums increased to $5.30 per month	.3
January 1971		Combined tax rate increased to 10.40 per cent	3.3
June 1971	10 per cent OASDI benefit increase		[5]3.6
July 1971		Supplementary medicare premiums increased to $5.60 per month	1
January 1972		Amount of earnings subject to tax was increased to $9,000	3.0
July 1972		Supplementary medicare insurance premiums increased to $5.80 monthly	.1
October 1972	20 per cent OASDI benefit increase[6]		8.4
January 1973	Substantial liberalization of social security benefits, especially for widows and widowers		2.3
January 1973		Maximum earnings subject to tax increased to $10,800 and combined rate increased to 11.70 per cent	11.0
July 1973	Medicare benefits increased, including liberalization of benefits		2.0
January 1974		Maximum earnings subject to tax scheduled to increase to $12,000	2.5

For notes, see page 400.

Staff Economic Studies

The research staffs of the Board of Governors of the Federal Reserve System and of the Federal Reserve Banks undertake studies that cover a wide range of economic and financial subjects, and other staff members prepare papers related to such subjects. In some instances the Federal Reserve System finances similar studies by members of the academic profession.

From time to time the results of studies that are of general interest to the economics profession and to others are summarized — or they may be printed in full — in this section of the Federal Reserve BULLETIN.

In all cases the analyses and conclusions set forth are those of the authors and do not necessarily indicate concurrence by the Board of Governors, by the Federal Reserve Banks, or by the members of their staffs.

Single copies of the full text of each of the studies or papers summarized in the BULLETIN *are available in mimeographed form. The list of Federal Reserve Board publications at the back of each* BULLETIN *includes a separate section entitled "Staff Economic Studies" that enumerates the studies for which copies are currently available in that form.*

Study Summary

THE DETERMINANTS OF A DIRECT INVESTMENT OUTFLOW WITH EMPHASIS ON THE SUPPLY OF FUNDS

Frederic Brill Ruckdeschel — Staff, Board of Governors

Prepared as a dissertation and submitted to the University of Pennsylvania in 1971 in partial fulfillment of the requirements for the degree of Doctor of Philosophy

Whether capital outflows of U.S. direct investors abroad increase or decrease as the U.S. economy expands or contracts is the general problem addressed in the study. Presumably, faster growth in the United States not only increases rates of return on domestic investment relative to rates of return abroad but also increases the cash flow of U.S. parent companies. Thus, the net impact of economic growth on direct investment outflows depends on whether the dominant factor is the increased demand for funds to finance domestic investments or the increased supply of funds available to finance investments at home and abroad.

In the study, an aggregative two-country theoretical model is derived formally from a static, two-country microeconomic model of a firm. The microeconomic model places a direct investment outflow in an optimizing framework. Two alternative identities define the outflow as the difference between the firm's sources and its uses of funds in either country. For example, if sources abroad are less than uses abroad, an outflow results. The firm's single profit function includes costs of all domestic and foreign sources and uses of funds. Variables determining those costs are specified in supply-function constraints.

Econometric tests of the aggregative model, using data from 1952 through 1962, do not successfully identify the various demand and supply parameters, apparently owing to severe multicollinearity and the high degree of aggregation. A truncated model is then developed.

The independent variables of the estimated truncated model are quarterly cash flows of U.S. corporations and two dummy variables representing identifiable outflows of such large mag *nitude that they may be considered as not part* of the population under study. Cash flow enters through a first degree Almon-lag transformation. It represents "permanent" cash flow. The first-degree structure is justified by the fact that the outflow is a financial, not a real, flow and by its empirical superiority.

The estimated quarterly truncated model had good statistical properties and projected very well the cumulative outflow for 2 years beyond the estimation period of 1954–62 and before the Government's voluntary control programs in 1965. The model indicated that U.S. outflows would increase by about $55 million for each $1 billion increase in corporate cash flow.

The truncated model provides an explanation of why U.S. direct investment outflows rose by 75 per cent between 1963 and 1965; the rise occurred in spite of U.S. Government programs *in the early 1960's that had been designed to* increase the rate of growth in the United States but, as it turned out, had an important secondary effect of *inhibiting* direct *investment* outflows *by increasing rates of return in the United States* relative to those abroad.

An alternative hypothesis explaining the rise in direct investment outflows during the early 1960's is that rates of return abroad rose relative to those in the United States. Neither the full model nor the truncated model could be used to confirm or reject this second hypothesis; however, examination of realized rates of return and of price movements of common stocks at home and abroad for the period 1960–64 suggests that it would not be confirmed.

The few other quantitative-analytical studies of direct outflows are reviewed analytically and related to the complete theoretical model. To the extent that the empirical findings in these studies are comparable, they are less convincing theoretically and empirically than those of the truncated model.

*In conclusion, in theoretical work on interna-*tional adjustment, income-sensitive U.S. capital flows should be assumed to be positively related to changes *in* U.S. income. □

Open Market Operations in 1972

This article is adapted from a report submitted to the Federal Open Market Committee by Alan R. Holmes, Manager of the System Open Market Account and Senior Vice President of the Federal Reserve Bank of New York.

Federal Reserve policy during 1972 sought to promote the moderate monetary growth deemed essential to a strong economic expansion and to continued progress in dampening inflation. As in 1970 and 1971, the Federal Open Market Committee (FOMC) included the rate of growth of the money stock—private demand deposits plus currency in the hands of the public—as one of its important policy objectives. Once again M_1 proved an elusive target. It grew at the relatively rapid rate of 8.3 per cent over the year, well above the rate of other recent years. M_2—M_1 plus time and savings deposits exclusive of large negotiable certificates of deposit (CD's)—also grew rapidly, expanding at a 10.8 per cent rate over the same period. The adjusted bank credit proxy—a close approximation of total member bank liabilities, exclusive of capital—grew at an 11.6 per cent rate.[1]

The Committee adopted in February a reserve-targeting procedure for guiding open market operations. Under this procedure, which is described more fully below, the Committee formulated its operating instructions to the Trading Desk in terms of tolerance ranges for the growth of reserves available to support private nonbank deposits (RPD's). Typically, the Committee specified an expansion of this measure over a 2-month period that the staff believed would mesh with the growth desired for the monetary aggregates. If RPD growth appeared likely to exceed its prescribed tolerance range, for example, the instructions called for the Desk to provide nonborrowed reserves more grudgingly to the banking system so long as the average Federal funds rate did not move out of the tolerance range established by the Committee. In consequence, nonborrowed reserves grew at a 6.0 per cent rate over the year, compared with growth rates of 9.7 per cent and 9.5 per cent recorded for RPD's and total reserves, respectively.

The economic recovery, which had seemed sluggish through much of 1971, gathered steam in 1972, reducing unemployment and the margin of unused capacity in the process. In 1970 and 1971 open market operations had pressed reserves on the banks to spark the monetary and credit creation needed to improve liquidity and to spur the credit-financed spending essential to economic revival. But in 1972 the quickening pace of the economy itself augmented the demands for money and credit falling on the banking system. The Federal Reserve's role shifted to resisting the banking system's demand for reserves as the banks sought to satisfy strong loan demands from the housing, business, and consumer sectors while continuing to add to their investment in securities.

Open market operations began the year on an expansive note as the Committee sought to make up for the sluggishness of M_1 in the latter part of 1971. By early February the ready availability of nonborrowed reserves had pushed the Federal funds rate down to 3¼ per cent from 4¾ per cent in early December. In the latter part of February, however, both RPD's and the money stock began to grow rapidly. Under the new RPD procedures, the Desk promptly held back on the provision of nonborrowed reserves relative to the growth of reserve requirements, and the Federal funds rate rose within 3 weeks to the upper limit of the Committee's prescribed tolerance range. Subsequent periods of strength in RPD's and M_1 led to a further moderate shift

[1] Since the FOMC sought in early 1972 to make up for the slow M_1 growth of the fourth quarter of 1971, the 15 months ending in December 1972 provide perhaps a more appropriate time period for judging the behavior of the aggregates. Over this interval, M_1, M_2, and the credit proxy grew at rates of 7.0 per cent, 10.6 per cent, and 11.4 per cent, respectively.

in operations, bringing the Federal funds rate about in line with the 4½ per cent Federal Reserve discount rate at midyear. The growth in M_1, in fact, slowed to 6.1 per cent in the second quarter from 9.2 per cent in the first.[2]

By midyear, the economy was clearly moving ahead strongly while a resurgence of speculative international currency flows to Europe and Japan provided cause for concern. A burst of M_1 growth in July elicited further System efforts to damp down the provision of nonborrowed reserves, and the Federal funds rate rose to about 5⅛ per cent near the end of the third quarter. However, a sharp reaction in market interest rates from mid-August to mid-September required the Manager of the System Account, under the FOMC's instructions, to avoid further reserve pressure. At about this point the growth of both RPD's and M_1 began to moderate so that no further adjustments in reserve strategy were required under the RPD procedure for a number of weeks. About mid-November M_1 and RPD's again began to grow rapidly and open market operations again resisted the demand for reserves. The Federal funds rate rose to around 5⅝ per cent at the year end, compared with 4 per cent a year earlier.

System efforts to restrain the growth of nonborrowed reserves over the year were reflected in the rise of member bank borrowings at the Reserve Banks from a minimal level of $33 million in February to $1,050 million in December. The Federal funds rate rose in parallel fashion from 3¼ per cent to 5⅝ per cent. Other short-term interest rates followed suit. The banks aggressively expanded their negotiable CD's to meet their loan demands—with the rate on 60- to 89-day CD's rising to 5⅞ per cent in December, up 1⅝ percentage points over the year. Treasury bill rates increased as well, although there were several times during the year when foreign central bank demand depressed bill rates relative to rates on other instruments. At the year-end, the 3-month bill rate was bid about 5⅛ per cent, 146 basis points above the level 1 year earlier.

In contrast, interest rates in the capital markets were comparatively stable over the year, as inflationary expectations diminished and demands for long-term credit proved moderate. Corporate borrowing in the long-term bond markets declined appreciably from the previous year. Municipal borrowing also receded somewhat toward the end of the year, as tax collections and Federal revenue sharing helped rebuild liquidity at the State and local government levels. Mortgage credit grew at a record clip, but a good savings inflow, thrift industry liquidity, and the growth of real estate investment trusts sustained the high volume of activity with little increase in yields. U.S. Government coupon issues traded in a narrower range of yields than in many years, although heavy Treasury financing in the fourth quarter contributed to a rise near the end of the year.

THE COMMITTEE'S RESERVE-TARGETING STRATEGY

The Committee's choice of a reserve strategy for open market operations in February continued the evolutionary search for more effective means of pursuing the Committee's long-term objectives for the monetary and credit aggregates. As the year progressed, the Desk developed new operational procedures, and the Committee modified its own formulation of instructions to the Desk. For the Manager of the Open Market Account the reserve approach necessitated formulating the Trading Desk's weekly operational targets explicitly in terms of reserves and changing the weekly reserve targets in accordance with the FOMC's new instructions.

The FOMC's instructions to the Manager. The Committee embodied its reserve strategy in a set of interlocking instructions that together specified how the Manager should respond to incoming information on reserves and the aggregates between FOMC meetings. The Committee expressed its primary instruction in terms of RPD's—that is, total reserves less reserves required for U.S. Government and interbank deposits. Drawing on alternative

[2] These data on the aggregates reflect the revisions of early 1973. The data used later in describing operations during the year are those available at the time.

specifications, prepared by its staff for each meeting, the Committee established a tolerance range for the growth of RPD's from the calendar month before the FOMC meeting to the calendar month after the meeting. This corresponded approximately to the deposit behavior required in the 4 weeks after the FOMC meeting to move in the direction of the Committee's longer-term goals for the aggregates.

During much of 1972 the Committee was concerned primarily with overly rapid growth of the money stock (M_1) and other aggregates. The Committee's reserve instruction ensured that, if the projected growth of RPD's rose toward the top of its tolerance range, or above it, between meetings, the Manager was to retard the growth of nonborrowed reserves relative to deposit growth. This process would bring upward pressure on the Federal funds rate and member bank borrowings at the Reserve Banks. In time the portfolio adjustments set in motion by higher short-term interest rates would be expected, *ceteris paribus*, to dampen the growth of private deposits and RPD's.

The Committee also stipulated, however, that it wished to avoid both sharp short-run fluctuations in money market conditions and undesirably large cumulative deviations in money market conditions in either direction in the interval between meetings. To this end, it chose a tolerance range within which the Manager could move the Federal funds rate between meetings. The Committee also indicated that—even if RPD's were on target—allowance should be made for any significant deviations that developed between the actual rates of growth in the aggregates (mainly M_1) and the growth rates desired because of a shift of the multiplier from that expected by the staff. Finally, it was understood that the Chairman might call upon the Committee to consider the need for supplementary instructions if serious problems arose in the attempt to achieve the Committee's multiple objectives.

These specifications of a response function for the Desk differed in a number of ways from those that had prevailed in 1971. In that year the FOMC had called for the Desk to respond by varying the Federal funds rate promptly when the most recent information on M_1, M_2, and the credit proxy indicated a significant deviation from their respective tracking paths. The FOMC had prescribed generally modest changes in the Federal funds rate, giving considerably more weight to M_1 than to the other two aggregates.[3]

The intent of the new approach was to attempt to achieve better control of the aggregates through focusing on reserves as a handle for those aggregates. At the same time use of the 2-month growth rate provided a procedure for smoothing out swings in weekly data, whereas this had previously been done judgmentally by the Manager. It also appeared to be part of the Committee's intent to permit greater changes in the Federal funds rate than had been allowed previously.

The Manager's operational strategy. In evolving practice the Manager and his staff formulated each week's reserve targets on Friday morning in the light of new information on RPD's and the other aggregates. At that time the staffs of both the Board of Governors and the New York Bank presented new estimates of how RPD's might grow over the prescribed 2-month interval at current interest rates. Subordinate detail on expected weekly behavior of RPD's was included. The two staffs also presented their projections of the behavior of M_1, M_2, and the credit proxy for the remainder of the calendar quarter, and—near the end of the quarter—for the following quarter as well. Again there was subordinate weekly detail for the period leading up to the next FOMC meeting.

The starting point for the weekly review of strategy was the behavior of RPD's themselves—both for the weeks on which hard data were available and for the 2-month interval. Suppose RPD's were running above their weekly path and were projected above the top of their 2-month tolerance range. The Manager would first examine whether this overrun resulted from such technical factors as higher excess reserves or a shift in the distribution of deposits toward banks with higher average reserve requirements, both relative to the as-

[3] Alan R. Holmes and Paul Meek, "Open Market Operations and the Monetary and Credit Aggregates—1971," *Monthly Review* (Federal Reserve Bank of New York, Apr. 1972), pp. 79-94.

sumptions made by the FOMC staff in drawing up the RPD path. If RPD strength persisted after allowance for these technical factors, the behavior of M_1 and the other aggregates relative to the Committee's desires had to be considered. If these aggregates were also in excess of the desired levels, then the Manager would set a weekly reserve target that involved scaling back the level of nonborrowed reserves relative to the behavior of deposits. (If, on the other hand, M_1 were on track, the Desk would tend to give less weight to RPD strength in setting its weekly targets.)

As noted earlier the FOMC's choice of a reserve-oriented strategy led to a recasting of the Desk's weekly operational targets. For the first statement week after the FOMC meeting, the Desk developed a reserve target that it believed was consistent with the FOMC's initial money market conditions. The Desk first estimated the volume of excess reserves expected for the week under the given initial conditions, allowing for historical patterns and the carry-in from the preceding week of reserve excesses or deficiencies by the banks. It then arrived at an estimate of total reserves for the week by adding its estimate of the likely level of excess reserves to required reserves, which were pre-established under lagged reserve accounting. The week's nonborrowed reserve target was then calculated by subtracting the member bank borrowing level associated with the initial Federal funds rate specified by the Committee.

The modification of weekly reserve targets in accordance with actual RPD behavior was quite straightforward under this procedure. If, for example, the behavior of RPD's and the aggregates suggested the need to hold back on nonborrowed reserves, the Desk would increase the borrowing level to be subtracted from estimated total reserves to give the week's nonborrowed reserve target. (Typically, the Desk tended to move in $50 million increments.) The Federal funds rate could be expected to rise, and this was appropriate as long as it had not reached the upper end of the FOMC's tolerance range. This procedure provided for an orderly week-to week progression in the Federal funds rate when RPD's and the aggregates so indicated, but avoided sharp fluctuations in the rate.

Reserve targeting in operation. The Desk's experience immediately after the February 15 meeting provides a case study of the new procedures in operation. The FOMC's instructions specified a 6 to 10 per cent range for the growth of RPD's from January to March. The Federal funds rate was expected initially to average around 3¼ per cent, well below the Federal Reserve discount rate of 4½ per cent.

On February 18 the Desk learned that RPD's for January had been revised downward sufficiently to add about 1 percentage point to the January–March growth rate. The Board staff's new estimate of that growth was 9 per cent — about the middle of the range, allowing for the January revision—but the New York estimate was about 12 per cent because of stronger expectations of growth in private nonbank deposits through mid-March. By February 25 incoming data showing pervasive deposit strength led both staffs to project RPD growth over the 2 months near the upper end of the FOMC's tolerance range. Moreover, the first-quarter growth rates of M_1, M_2, and the bank credit proxy appeared somewhat above what the Committee had expected. Some downward revision in weekly nonborrowed reserve targets was therefore indicated, carrying with it the likelihood that the Federal funds rate would rise.

The reserve outlook on February 25 for the March 1 statement week is shown in Table 1. With excess reserves estimated at $270 million, bank demand for total reserves for the week was expected to approximate a daily average of $31,795 million (line 3). Given the strength in RPD's, it appeared appropriate to scale the nonborrowed reserve target down to around $31,700 million (line 4) rather than to continue supplying sufficient nonborrowed reserves to hold the Federal funds rate near 3¼ per cent. Turning to prospective sources of reserves, a rise in float and a decline in Treasury balances at the Reserve Banks were expected to combine with other market factors to provide a $1,091 million rise in nonborrowed reserves (line 6). System open market operations undertaken prior to Friday would more than offset this, draining $1,148 million of reserves (line 7). Even so, projected nonborrowed reserves were still in excess of the targeted level (line 10). The re-

TABLE 1

RESERVE ESTIMATES AND DATA, 1972

Daily average; in millions of dollars, not seasonally adjusted

Line	Item	March 1 week as of		March 8 week as of		March 15 week as of	
		Feb. 25	Mar. 3	Mar. 3	Mar. 10	Mar. 10	Mar. 17
	Bank demand for reserves:						
1	Required reserves	31,525	31,525	31,323	31,323	31,713	31,713
2	Excess reserves	270[P]	213	200[P]	167	250[P]	405
3	Total reserves	31,795[P]	31,738	31,523[P]	31,490	31,963[P]	32,118
4	**Approximate Desk nonborrowed reserve target**	31,700	.	31,400		31,850	.
	Sources of nonborrowed reserves:						
5	Nonborrowed reserves for preceding week	31,855	31,855	31,668	31,668	31,387	31,387
	Change in nonborrowed reserves in current week:						
6	Market factors	1,091[P]	1,520	456[P]	431	128[P]	317
7	System operations	1,148	1,705	149	150	11	370
8	Total change	57[P]	185	307[P]	281	139[P]	717
9	Nonborrowed reserves[P] for current week (line 5 + line 8)	31,798[P]	31,670	31,361[P]	31,387	31,526[P]	32,104
10	**Nonborrowed reserve target less projected nonborrowed reserves (line 4 – line 9)**	98[P]	.	39[P]		324[P]	....

[P] Projected

NOTE. Reserve data are those employed at the time; data do not reflect revisions made subsequently.

serve projections indicated a need to absorb a moderate amount of reserves through open market operations.

In any event the Desk concluded that nonborrowed reserves were even more abundant than the statisticians were estimating because reserves appeared to be abundant in the Federal funds market. It acted on Friday, February 25, to lower the week's average nonborrowed reserves by $321 million. On Monday the reserve reports showed that market factors had supplied far more reserves than expected on Friday so that nonborrowed reserves still appeared above target. On Monday, Tuesday, and Wednesday, System operations absorbed an additional $1,380 million of reserves, or about $200 million on a daily-average basis for the statement week. Federal funds traded predominantly at 3¼ per cent on Tuesday and Wednesday, with some trading as high as 3⅝ per cent on the final day of the statement week. On balance, although nonborrowed reserves came out close to target, the average Federal funds rate of 3.18 per cent was below what was implied by Friday's decision that nonborrowed reserves should be kept under a tighter rein.

On Friday, March 3, RPD's continued to look on the high side for the weeks ahead, and the aggregates remained strong. The Desk again undertook to hold nonborrowed reserves below the estimated bank demand for total reserves, expecting that this would cause the Federal funds rate to rise to around 3½ per cent. The projections indicated that market factors and previous System operations would drain $307 million of nonborrowed reserves (line 8); so no further System action to absorb reserves was indicated. Upward pressure on the Federal funds rate on Thursday and Friday indicated that nonborrowed reserves appeared to be behaving as desired. No System action turned out to be required during the statement week. Federal funds traded chiefly at 3⅜ per cent before the weekend, and 3½ per cent thereafter. On the statement date, March 8, the banks bid up the rate as the extent of the cumulative reserve deficit became apparent. The rate rose as high as 4½ per cent and member banks borrowed $704 million that night at the Reserve Banks. In the afternoon, even though it was too late to affect reserves that day, the Desk bought $76 million of Treasury coupon issues for delivery the next day, using the only channel open to it to indicate resistance to the sharp rise in the Federal funds rate.

On Friday, March 10, the RPD estimates suggested a January to March growth rate of 10 to 11 per cent, of which 1 per cent still reflected the downward revision of January's data since the FOMC meeting. However, these estimates included lower excess reserves than assumed in the construction of the tolerance ranges and there had also been an unexpected shift of deposits toward country banks, which lowered the average required reserve ratio. Growth in M_1 for the first quarter was projected at 2 percentage points higher than had been expected at the February 15 meeting, and M_2 and the credit proxy were similarly strong. Accordingly, the Manager again planned to be a reluctant supplier of nonborrowed reserves.

The reserve outlook on March 10 was such that the interbank market for reserves—the Federal funds market—should have experienced considerable demand pressure. Member bank demand for total reserves in the March 15 statement week was expected to rise by \$473 million from the previous week by virtue of a \$390 million increase in required reserves for the week and the Desk's estimate that excess reserves would also rise. Since market factors and previous System action were expected to supply only a moderate amount of reserves, nonborrowed reserves were estimated to be more than \$300 million below target. In this situation the Federal funds rate opened on Friday, March 10, at 3¾ per cent and began to rise further. At this point the Desk stepped in to supply reserves, chiefly through repurchase agreements, adding \$252 million on average to weekly nonborrowed reserves. After the weekend strong bank demand for reserves pushed the Federal funds rate to 4 per cent. The Desk injected reserves on Monday and Tuesday, raising daily-average nonborrowed reserves for the week by an additional \$104 million. Market factors were also supplying an unexpectedly large volume of reserves (line 6). On Wednesday, March 15, member banks discovered belatedly that they had accumulated reserves substantially in excess of their requirements, and Federal funds traded as low as ¾ per cent.

The initial experience with reserve targeting after the February 15 meeting underscored one important point. The new procedure was effective in prescribing the Desk's response to incoming information, but that response did not assure that the RPD objective would be attained. The Desk's management of nonborrowed reserves led to a ¾ percentage point rise in the Federal funds rate within a month, a somewhat larger change than the Committee had been willing to contemplate in previous years. RPD growth over the January–March interval turned out to be 9.9 per cent, compared with the FOMC's 6 to 10 per cent objective. However, after allowing for the January revisions and the unexpected behavior of deposit distribution and excess reserves, RPD's, in fact, turned out to be about 1.5 percentage points above the upper end of the Committee's tolerance range.

The episode indicated that 1 month was too short an interval for the System's action to bring about the necessary change in private deposits, and hence in RPD's. This result was quite consistent with System research findings that the lag from Desk action through nonborrowed reserves and the Federal funds rate to the response of deposits is measured in months rather than weeks. The mean lag from changes in the Federal funds rate to changes in private demand deposits was about 4 to 5 months in the Pierce-Thomson 12-equation behavioral monthly model and in the Davis reduced-form equations.[4] According to both of these formulations the principal impact on deposits of Desk-initiated changes in reserve management occurs beyond the 4 to 5 weeks ahead and thus beyond the horizon of the FOMC's tolerance ranges. The RPD approach must be judged then on its effectiveness in triggering a Desk response appropriate to the FOMC's primary longer-run objective of controlling the aggregates themselves. One cannot expect the Desk to be able to hit the FOMC's stated RPD objectives within

[4] Thomas D. Thomson and James L. Pierce, "A Monthly Econometric Model of the Financial Sector" (paper presented at the May 1971 meeting of the Federal Reserve System Committee on Financial Analysis); and Richard G. Davis, "*Estimating Monthly Changes in Deposits with Reduced-Form Equations*" (unpublished manuscript, Federal Reserve Bank of New York, Apr. 1972).

the short period embraced by the FOMC's instructions if deposits depart significantly from the staff's estimates.

RESERVE TARGETING DURING 1972

March–June. By the March 21 FOMC meeting the Desk was managing reserves with a view to maintaining the Federal funds rate at 4 per cent. The rise in the Federal funds rate had exerted upward pressure on the other short-term interest rates. Treasury financing had also added $4.6 billion to the market supply of bills in the inter-meeting interval, and the 3-month bill rate had risen by 87 basis points from February 14 to March 20. Interest rates on long-term securities had shown little change over the interval. The growth rates of the aggregates appeared quite strong. M_1, after 3 months of slow growth, appeared likely to expand at a rapid rate in the first quarter. M_2 and the credit proxy were expected to grow even more rapidly over the same interval.

Against the background of a strengthening economic outlook the Committee agreed that moderate growth in the aggregates was called for over the second quarter—rates of growth less rapid than appeared likely for the first quarter. The FOMC decided that a growth rate of 9 to 13 per cent in RPD's would be appropriate for the February–April period. The Committee was to be consulted if a marked rise in the weekly-average Federal funds rate seemed indicated.

Implementation of the Committee's instructions proved straightforward. Deposit growth continued strong, and RPD's gravitated above the FOMC's tolerance range, albeit about 1 percentage point of the growth reflected allowable technical factors. M_1, M_2, and the credit proxy rose above their tracking paths, although not dramatically so. Consequently, nonborrowed reserves were persistently held down, and average member bank borrowings at the Federal Reserve discount window rose to $106 million in the 4 weeks ended April 12, compared with $43 million in the preceding 5 weeks. The Federal funds rate rose from 4 per cent to 4¼ per cent over the inter-meeting period. The upward pressure on both borrowings at the discount window and the Federal funds rate tended to be concentrated on Wednesdays, when the accumulated reserve deficiencies resulting from the System's reserve management had to be settled.

New questions of interpretation of the RPD targeting procedure arose in the interval after the FOMC's April 18 meeting. The Committee established a 7 to 11 per cent tolerance range for the March to May growth in RPD's at that meeting. The major objective continued to be a slower second-quarter growth rate for the aggregates than had prevailed in the first quarter. Through May 5 projections of RPD's over the 2-month interval tended to creep up. M_1 and M_2 were close to the path, and the credit proxy was running quite strong relative to expectations. The Desk continued to supply nonborrowed reserves a step behind the banking system's demand for reserves. On May 12, however, new data on M_1 suggested much-weaker-than-expected behavior, so that RPD growth for the 2-month interval was scaled down to about 8½ per cent. Projected growth of M_1, M_2, and the adjusted credit proxy for the second quarter remained quite strong.

The Manager felt at this point that discussions within the Committee and 3 months of experience had established that RPD's were the handle through which the FOMC sought to control the aggregates rather than an end in themselves. In emerging practice, account had already been taken of variations in excess reserves and in the average reserve ratio. With the aggregates still expected to be quite strong for the second quarter, it did not seem appropriate to become more generous in the provision of nonborrowed reserves. Member bank borrowings at the Reserve Banks averaged $113 million in the 5 weeks ending May 17, about the same as in the four previous weeks. The Federal funds rate continued to fluctuate around the 4¼ per cent level.

At both its May 23 and June 19–20 meetings, the Committee reiterated its desire to achieve moderate rates of growth in the monetary aggregates over the months ahead. In each case it was expected that the RPD tolerance ranges established might necessitate some firming of money market conditions. Committee discussion, however, made clear that additional con sultation would be in order if the Federal funds rate were to rise sharply.

After both meetings, the RPD and aggregate estimates were initially on the strong side, but subsequently turned weak. The Manager responded to strength in late May by supplying nonborrowed reserves sparingly, pushing the Federal funds rate toward 4½ per cent. As weakness appeared, he shaded upward his weekly nonborrowed reserve targets, and the rate moved to around 4⅜ per cent. Responding to initial strength in RPD's and the aggregates after the June meeting, the Manager became a more reluctant supplier of nonborrowed reserves. Member bank borrowings at the Reserve Banks rose, and the Federal funds rate moved up to trade around the 4½ per cent discount rate. As weakness in RPD's developed, the Desk again planned to be a less reluctant supplier of reserves. But reserves fell persistently short of expected levels, and member banks also borrowed little on the June 30 statement publishing date. The resulting reserve deficiencies led to strong upward pressure on the Federal funds rate around the July 4 holiday despite large System reserve injections. Banks responded by hoarding excess reserves in the following week, and Federal funds continued to trade at 4⅝ per cent and 4¾ per cent before the weekend despite an abundance of nonborrowed reserves in the banking system. Thus, bank behavior and the problems of projecting nonborrowed reserves resulted for a time in greater-than-desired stringency in the money market.

July–September. By the time the Committee met on July 18, the unintended firming of rates appeared advantageous. Private deposits had turned extraordinarily strong in the first 2 weeks of July, a development that had become clear only on July 14. RPD growth was not projected at the top of the 4½ to 8½ per cent growth specified for May–July at the previous meeting. Reviewing these developments, the FOMC established a 3 to 7 per cent tolerance range for RPD's over the following 2-month period. M_1, which had risen at a 5.3 per cent rate in the second quarter, was expected to grow somewhat faster in the third quarter, while M_2 and the credit proxy were both expected to grow more rapidly than M_1. The Desk was instructed to take account of the Treasury financing then in prospect, as well as capital-market and international developments.

As the period unfolded, both private demand deposits and large CD's came in quite strongly, leading to a progressive increase in the projected growth of RPD's over the 2-month interval. The Account Management became more grudging with respect to nonborrowed reserves, expecting that money market conditions would become firmer and that a greater part of member bank reserve needs would be met through the discount window. The pace and extent of the System's moves were constrained, however, by the major Treasury financing under way during the period. The Federal funds rate rose from about 4⅝ per cent at the time of the July meeting to about 4¾ per cent by mid-August. Average member bank borrowings at the Reserve Banks rose in the 4 weeks ended August 9 to $249 million from $182 million in the preceding 4 weeks.

At its August 15 meeting the FOMC's staff indicated that M_1, M_2, and the credit proxy appeared likely to grow quite rapidly in the third quarter. The Committee agreed that the economic outlook called for moderate growth in the monetary aggregates over the months ahead. It decided that RPD growth in a 5 to 9 per cent range for July to September would be appropriate, expecting this rate to bring some moderation in monetary growth. The Committee recognized that this goal might result in firmer money market conditions, but indicated that a marked firming should be avoided.

Soon after the meeting RPD estimates rose to near the top of the range (after allowance for deposit distribution), and the monetary aggregates continued strong. Accordingly, moderate additional pressure was put on the banking system, with the Federal funds rate expected to move up to around 5 per cent. Extraordinary bank demands for excess reserves prior to the Labor Day weekend pushed the Federal funds rate well above this level despite large reserve injections by the Desk.

Against a background of announced Treasury borrowing in the bill market and expectations of a strong economic advance, a substantial reaction developed in the credit markets. The 3-month Treasury bill rate increased from below

4 per cent in mid-August to 4¾ per cent by mid-September. Government issues with 3- to 5-year maturities were up by almost 40 basis points in yield over the same interval. To avoid disruption in the credit markets, the Manager had to temper any further adjustments of weekly reserve targets. The task of reserve management was further complicated by a sharp rundown in the Treasury's balances at the Reserve Banks before the September 15 corporate tax date. The credit markets gradually stabilized at higher interest rate levels.

When the Committee met on September 19, it appeared that RPD's would be about at the upper end of the Committee's 5 to 9 per cent range for July to September, after allowance for deposit shifts and excess reserve levels. M_1 growth appeared likely to be considerably faster for the third quarter than the Committee had originally envisioned. The FOMC agreed that slower growth in the aggregates would be appropriate in the coming months. Such growth, staff analysis suggested, would involve an expansion rate of 9½ to 13½ per cent for RPD's from August through October. The FOMC decided to seek RPD growth preferably in the lower part of that range unless disturbances arose in financial markets or growth in the aggregates fell far short of expectations. In view of the sensitive state of financial markets and the uncertainties associated with prospective changes in Regulations D and J, the Committee also decided that the Manager should give more than customary attention to money market conditions while avoiding marked changes in such conditions.

The Account Management's initial goal was to achieve reserve conditions consistent with a Federal funds rate of around 5⅛ per cent and with member bank borrowings at the discount window of $450 million. During the period incoming deposit data indicated that growth in the aggregates was moderating considerably, with M_1 growing only half as fast in September as had been previously projected by the Board staff. A little later RPD growth was expected to be just below the Committee's tolerance range. Since the slower growth in the aggregates and RPD's was seen as broadly consistent with the Committee's longer term objectives, the Desk did not strive to make up for the shortfalls. It sought instead to foster the moderating trend by maintaining reserves only a touch more plentiful than at the beginning of the interval.

October–December. At the October 17 meeting, the FOMC modified its general approach to reserve targeting to distinguish more clearly between the Committee's targets and the staff's projections. It focused in a more formal fashion on the long-term targets for the monetary and credit aggregates that it believed were appropriate to the current economic outlook. Consistent with these longer-term objectives it would specify tolerance ranges for the growth not only of RPD's but also of M_1 and M_2 over a 2-month interval. It was agreed that the Desk should continue to put primary emphasis on RPD's and to make allowance for unanticipated changes in excess reserves and the reserve deposit multiplier. Attention should also continue to be given to the other aggregates. As for the tolerance range specified for the Federal funds rate, the Committee clarified its view that the Desk should shade the funds rate slightly higher (or lower) if the aggregates appeared to be close to the upper (lower) limits of their ranges. If the aggregates should be outside the range of tolerance, the Desk should move with greater vigor. The Committee agreed further that, if its various operating constraints appeared significantly inconsistent, the Manager should notify the Chairman who would decide whether the situation called for special supplementary instruction by the FOMC.

There was also some change in the Committee's approach to the menu of alternative policy courses presented to it by its staff. In preparing these, the staff seeks to develop two or three mutually consistent sets of relationships among RPD's, M_1, M_2, the credit proxy, and short-term interest rates over a 6-month period. This longer horizon allows adequate time for changes in nonborrowed reserves and interest rates to exert a substantial effect on M_1 despite the lags found by System research. The 2-month operational horizon used in giving instructions to the Desk is too short for much feedback from operations to M_1. Accordingly, the near-term projections of the aggregates are more heavily influenced by staff judgments of other factors currently affecting them than by the impact of System operations within the next 4 to 5 weeks.

At the October meeting the Committee reduced the lower end of the 2-month ranges for the aggregates that the staff had suggested were consistent with the FOMC's long-term objectives. For the September to November interval, it specified a growth rate of 6 to 11 per cent for RPD's. Over the longer term the Committee envisioned growth objectives that were appreciably more moderate than the growth rates experienced in the third quarter.

In any event, RPD's and the aggregates remained within the Committee's tolerance ranges during the next 5 weeks.[5] Slower-than-anticipated growth in demand deposits at member banks kept RPD growth near the bottom of its range, and M_1 growth was also acceptable. Growth in consumer-type time and savings deposits led to moderate strength in M_2, and the credit proxy remained quite strong. Against this background the Trading Desk's weekly nonborrowed reserve targets continued to be chosen to produce member bank borrowings at the discount window of about $450 million with the expectation that Federal funds would trade at 5 per cent or a shade above.

At its November 21 meeting the Committee shaped its instructions to call for a prompt Desk response should M_1 and M_2 growth begin to pick up. The RPD growth range was set at 6 to 10 per cent for October to December, a rate intended to support more moderate growth than the annual rates of about 8½ per cent for M_1 and 9½ per cent for M_2 recorded over the third quarter.

In the next 4 weeks the growth of deposits *and RPD's did accelerate, and the Desk became* progressively more grudging in its management of nonborrowed reserves. By December 15 RPD's were expected to grow at 12½ to 13 per cent over the interval, although deposit shifts toward banks with higher reserve requirements accounted for much of the excess above the FOMC's 6 to 10 per cent range. For the 2 months M_1 and M_2 were expected to grow faster than the tolerance ranges selected by the FOMC. The Desk responded by choosing weekly nonborrowed reserve targets to produce successively higher levels of member bank borrowings at the discount window, in the process allowing the Federal funds rate to rise to about 5½ per cent. By December 15 the borrowing objective had been lifted from $450 million at the beginning of the period to $650 million (including a $50 million allowance for transitional borrowing associated with the changes in Regulations D and J).

The Desk's operations during the interval were complicated by the difficulty of projecting market factors affecting reserves in the wake of the changes in Regulations D and J. In such circumstances more reliance than usual had to be placed on the Federal funds market for indications of reserve availability, but member banks reacted initially to the increased pressure on their reserve positions by rather heavy recourse to the discount window. Such borrowing rose more than desired, averaging $1,223 million in the statement week ending December 20. The Federal funds rate gradually rose from around 5 per cent to an average of 5.38 per cent in the week ending December 20.

The Committee at its December meeting based its operational instructions to the Desk concerning RPD's, M_1, and M_2 on the more restrictive of the options presented by the staff. On this occasion the staff expected fairly rapid growth in RPD's and M_1 from November to January, given the strength already indicated for the first 2 weeks in December. The Committee, in consequence, reduced the lower end of the staff's *proposed tolerance range, making clear that it* did not want any relaxation of pressure on the banks unless the aggregates were to turn very weak indeed. The 2-month RPD range was set at 4 to 11 per cent. It was understood that the Treasury's forthcoming sale of a long-term bond might well constrain the Manager's ability to respond to incoming information on the money and credit aggregates.

After the meeting, new data on both M_1 and M_2 suggested that both were turning out near the upper end of their respective tolerance ranges. Thus, the reins were tightened a bit

[5]Following the Board's decision on October 24 to implement the amendments to Regulations D and J as of November 9, 1972, the range of tolerance for the RPD growth rate was modified to 9 to 14 per cent as a technical adjustment to the regulatory changes.

further on nonborrowed reserves. But member banks, *confronted with the special uncertainties* that typically affect reserves during the holiday season, turned heavily to the discount window. *This relieved the demands made on the Federal* funds market so that the Federal funds rate averaged 5.34 per cent in the week of December 27, *little changed from* the previous week. Pressures mounted in the following week, and the rate averaged 5.61 per cent, about as intended.

CONCLUDING COMMENTS

As it functioned in 1972, reserve targeting proved a workable means of providing operational instructions to the Manager for conducting System open market operations. The FOMC established in advance the direction and magnitude of the Manager's response to future developments in RPD's and the aggregates. Its tolerance ranges for the aggregates and Federal funds rate constraints worked to produce a smooth System response to the strength that developed in M_1 and the other aggregates during the year. The Federal funds rate was no more volatile on a week-to-week basis than in other recent years. The new procedures caused no special problems for financial markets. They also continued to generate clear signals of the System's response to the behavior of the aggregates, and to foster thereby the portfolio adjustments consistent with the System's long-term objective of holding growth in them to moderate rates.

As experience with the reserve targeting procedures accumulated, it became clearer that the Desk's actions could not keep RPD's within their tolerance ranges if deposits behaved quite differently than the staff had expected. The tolerance ranges served as an important means of prescribing the Desk's response to new information. The Committee's emphasis on the distinction between its tolerance ranges and the staff's projections gave a clearer definition to the response expected from the Manager. There was widening recognition that the fairly long lags between operations and the aggregates called for the specification of desired growth rates 6 months or so in advance. At the same time, skepticism continued about the System's ability to specify precisely either the reserve or money market conditions presently needed to achieve the longer-term objectives. Accordingly, the Committee relied to a large extent on tolerance ranges to trigger Desk responses to undesired behavior on the part of the aggregates.

There was growing appreciation during the year that this approach also involved important problems. Specifying appropriate tolerance ranges implies an ability to discriminate in advance between the underlying trend and the exogenous disturbances that appear to have a large influence on monthly movements in private demand deposits, in particular. At first glance the use of a 2-month interval should help wash out some of the random variation. However, the 2-month growth rate still depends primarily on the forecast of the single month following the FOMC meeting. The average absolute error in staff estimates of M_1 for the following month over the past 3 years was about 3¾ percentage points. Against this background the Committee's decision on occasion to base its RPD's, M_1, and M_2 tolerance ranges on the more restrictive of the alternatives developed by the staff seemed a useful way to help guard against cumulative overruns in the aggregates. There remains, of course, the possibility that exogenous influences will override for a time the fundamental behavior of the aggregates and cause an inappropriate System response.

More fundamentally, the 1972 experience again cast doubt on whether M_1 alone was performing adequately as an indicator of the thrust of monetary policy. Nonborrowed reserves, of course, serve as the System's point of entry for influencing the dynamic portfolio adjustments of both banks and the public. But these adjustments have an impact on various components of bank balance sheets unevenly over time. The three aggregates—M_1, M_2, and the credit proxy—frequently provide different signals to open market operations for a number of months.

In 1972 the problem with M_1 was that its growth was quite lumpy, with big surges in February-March, July, and December. Even changes over 3- and 6-month intervals showed considerable instability over the past 2 years. This variability of M_1 has probably tended to strengthen the Committee's concern about the predictability of the relationships among System-controlled variables, the economy, and the aggregates over a longer time horizon. But bimonthly tolerance ranges do not provide an escape from this handicap. Given the erratic monthly behavior of M_1, the probability of detecting a deviation from the desired long-term growth rate during the inter-meeting period is likely to be low unless the deviation is quite large. Even then such bulges are likely to be considered unusual events and generate hopes that they will be reversed quickly.

Growth in the broad money stock, M_2, was a bit more even over 1972 than that of M_1, reflecting the greater stability of time deposit growth relative to demand deposit behavior. In the latter part of 1971 and early 1972 M_2 showed little of the extraordinary weakness exhibited by M_1, which prompted aggressive System provision of nonborrowed reserves. M_2's first-half growth rate of 10.8 per cent suggested considerable monetary stimulus. Over the year as a whole M_2's growth of 10.8 per cent was strong, compared with the 1971 growth of 11.4 per cent.

The expansion of the bank credit proxy remained consistently strong throughout most of 1972. This measure of member bank liabilities rose at an 11.6 per cent rate over the year, compared with a 9.4 per cent increase in 1971. In an environment of strengthening demand for loans, banks were able to compensate for the temporary slowing of other deposit inflows by issuing negotiable CD's. During the second quarter, for example, when demand and other time deposit inflows slackened noticeably, a \$3.7 billion increase in CD's kept proxy growth at above the 11 per cent first-quarter rate.

The diverse behavior of M_1, M_2, and the credit proxy in 1972, as in 1971, provided the Committee with different signals at different times concerning the current thrust of monetary policy. What is really needed, of course, is a satisfactory specification of the interrelationship among nonborrowed reserves, these aggregates, and the real economy. While this work goes forward, the Committee is likely to continue relying on recent behavior of these aggregates to indicate departures from desired rates of growth. On a monthly basis M_2 and the credit proxy are about as erratic as M_1, so that it is probably as difficult to specify meaningful 2-month tolerance ranges for them as for M_1. However, both have been more stable over the 3- and 6-month intervals than M_1 in the past 2 years, and they may give off better signals of undesired behavior over these somewhat longer time periods. This possibility deserves further study in the System's on-going efforts to improve its control over the monetary and credit aggregates. □

Some Problems of Central Banking

The advent of the 1970's has not diminished the range or the difficulty of the problems that central bankers face. In the international area, relationships among economies have been undergoing rapid change, and our governments are now actively seeking to develop new international rules to guide their future conduct in the spheres of money and trade. As central bankers we have inevitably become involved in efforts to achieve urgently needed reforms of the international monetary system. We have also had to wrestle anew with problems of recession, economic overheating, and the stubborn persistence of inflation.

Today I want to focus my remarks on the problem of achieving greater stability in the performance of our domestic economies. There is no more crucial need for the stability and welfare of our economies than to find more effective methods for dealing with inflation and its causes. Restoration of international financial order also depends heavily on our handling of this problem. The policies that are needed to halt inflation, without at the same time plunging our nations into economic stagnation or recession, extend beyond the normal province of central banking. Skillful management of monetary matters nevertheless remains an indispensable ingredient in reaching the objective of noninflationary growth that we all seek.

Since the end of World War II our economies have developed a disconcerting bias toward inflation. A variety of influences—social, political, and institutional—have been at work here. But there can be no doubt that the speed and vigor with which governments tend to deal with recession, their considerable success in this endeavor, and their reluctance to act with similar decisiveness to curb economic booms have contributed materially to the worldwide upward trend of the price level and the persistence of inflationary expectations.

Monetary and fiscal policies for managing aggregate demand now bear, and must continue to bear, the main responsibility for regulating the over-all performance of our national economies. At times the level or pace of total economic activity will continue to call for restraining policies, and at other times there will be need for stimulus. But I must caution that experience suggests that we will need to embark on policies of active stimulation with greater care, unless we subdue the natural inclination to stay too long with such policies. The ability and the will to make timely shifts in the thrust of fiscal and monetary policies are of the utmost importance if these policy instruments are to play a more constructive contracyclical role.

We need also to recognize that skillful, timely, and flexible use of demand management policies may not suffice to achieve satisfactory economic performance. To be sure, total spending in the economy can be slowed through monetary and fiscal measures. But under the institutional conditions that now prevail in many of our countries, shifts in these policies have a much stronger and more prompt effect on real output and employment than on the pace of inflation. The persistence of rapid advances of wages and prices in the United States and other countries, even during recent periods of recession, has led me to conclude that governmental power to restrain directly the advance of prices and money incomes constitutes a necessary addition to our arsenal of economic stabilization weapons, to be used occasionally—but nevertheless vigorously—when needed.

There is another difficulty in relying exclusively on broad monetary and fiscal policies for combatting cyclical fluctuations. Over-all restraint, it is true, will in time slow any exuberant expansion. It may not, however, curb suffi

NOTE. Remarks of Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the 1973 International Monetary Conference, Paris, France, June 6, 1973.

ciently or in timely fashion the sectors of demand that are leading to economic imbalance, and thereby set the stage for later economic trouble. Over-all restraints that are sufficient to curb expansion in aggregate economic activity may do so by inducing sizable declines promptly in some areas, such as housing, and yet have slight effect for some time in other areas, such as business investment. In particular, this is likely to be the case when reliance is placed mainly on monetary policy, and hence on sharp changes in credit conditions, for purposes of economic stabilization.

Throughout business-cycle history the major force making for economic instability has been the rather large fluctuation characteristic of business investment. At times, of course, the spending and taxing policies of government have been a source of economic trouble, especially in connection with wars and their financing. On occasion, also, large changes in the spending propensities of consumers have played their part in carrying aggregate activity to unsustainably high, or unacceptably low, levels. *But it is in the pronounced changes of the* investment plans of business firms, with respect both to their fixed capital and inventories, that much of the cyclical instability of advanced industrial economies has originated.

Business investment is, of course, vital to the growth in productivity, and the improvement in material welfare, to which all nations aspire. Over the long run, incentives to invest therefore need to be enhanced. But it would be far better if a high average level of investment could be achieved without the sizable fluctuations that have characterized the past. The general economy would benefit from a reduction of this source of instability. Business enterprises would also benefit from a more regular pace of investment, since they would thus avoid a concentration of expenditures at times when financing costs are high, when the capabilities of suppliers are strained, and when delivery and installation dates become more uncertain.

In view of our continuing problems in achieving economic stability, we must persist in the search for new and more refined tools of stabilization policy. Ideally, these measures should be of the kind that can be introduced or removed quickly and that will affect private spending decisions rather promptly. Many countries have recognized this need, and we at the Federal Reserve have sought to profit from their experience and studies, as well as from our own research.

Last year, for example, the Federal Reserve Board completed a study of ways in which the housing industry could be provided a degree of insulation from the fluctuations brought on by sharp changes in credit conditions. One of our major conclusions was that more stability in residential construction would require less instability in business investment. Toward this end we proposed that consideration be given to the use of a variable investment tax credit. When contracts or orders for new plant and equipment are advancing too rapidly, the tax credit could be reduced, and when such investment is lagging, the tax credit could be raised, thus providing a direct cost incentive for moderating cyclical movements in this area.

I continue to believe that the concept of a variable tax incentive to business investment has merit. Because of our need in the United States to encourage greater productivity, however, I would now recommend that the tax credit remain in effect continuously and that it at no time drop to zero. It could vary, perhaps, between 3 or 4 per cent and 15 per cent, depending on economic conditions. It would be important also to retain a decisive role for the Congress in determining the specific rate of tax credit. This could be done by empowering the President to initiate changes in the investment tax credit, but making it subject to veto or approval—and perhaps also to some modification—by the Congress within a 45- or 60-day period.

In recent months the Federal Reserve has faced the problem of dealing with a rapidly escalating demand for bank credit, even though the monetary aggregates, by and large, have grown at a moderate pace. The upsurge in bank credit has been associated mainly with the demand for business loans, and it has been largely accommodated by the banks through the issuance of certificates of deposit in the money market. Accordingly, the Board in mid-May announced a new restrictive action aimed specifically at this development. Since May 16 any further increase in bank issues of large certificates of deposit or similar money market instruments, over a base of $10 million or the amount then outstanding, whichever is larger, is to be subject to an additional reserve requirement, presently set at 3 percentage points. At the same time any additional funds obtained abroad by U.S. banks for domestic purposes became subject to reserve requirements on a comparable basis, and the remaining interest rate ceilings on large certificates of deposit were suspended.

The new marginal reserve requirement will raise the cost incurred by banks in obtaining additional funds through the money market for the financing of loan expansion. Banks doing so will have the use of only 92 per cent of the proceeds, rather than the 95 per cent that they had before. The purpose of the marginal reserve requirement is to restrain bank lending to business on a market-oriented basis so that rationing of funds by the banks to their large business customers may be accomplished through higher costs, rather than by the imposition of arbitrary and inflexible interest rate controls. We expect that the result will be to moderate the willingness of banks to accommodate their customers through this source of financing. If it fails to do so sufficiently, we are prepared to consider additional actions that will limit further the availability of the funds that banks have at their disposal.

I have urged bankers in the United States to discipline the pace at which they are extending credit in the interest both of our economy's present need and of sound banking practice. I repeat that appeal today. In doing so I recognize that earnest efforts by commercial banks to moderate their rate of credit accommodation will not, by itself, be a sufficient remedy. It is no less important that our business leaders recognize the need to limit their investment plans for the time being, and thus restrict their requirements for external finance, whether from the banks or the money and securities markets. Moderation in the growth of bank credit will be of little avail if the result is merely to augment open-market financing of an unsustainable increase in business spending.

In times like these it is also necessary that public expenditure in the United States be restrained to the maximum extent feasible. It is necessary that our Government seek strenuously to achieve balance, or actual surplus, in its income relative to its expenditure. And as far as the Federal Reserve is concerned it is more necessary than ever that we keep monetary expansion down to a moderate pace, while we at the same time avoid the kind of constriction in credit markets that could lead to recession and the certainty of large stimulative measures later on. We must avoid serious overheating of the American economy now, and we must try to curb our inflation through methods that will not add to future economic instability. With reasonable cooperation by all leading groups in our society I am confident that we can achieve these goals. This is of critical importance to the United States and also to the world at large.

Statements to Congress

Statement by Jeffrey M. Bucher, Member, Board of Governors of the Federal Reserve System, before the Subcommittee on Consumer Credit of the Committee on Banking, Housing and Urban Affairs, U.S. Senate, May 17, 1973.

On behalf of the Board of Governors, I wish to express our appreciation for having this opportunity to comment on the report of the National Commission on Consumer Finance entitled "Consumer Credit in the United States." The Commission was created by Congress to "appraise the functioning and structure of the consumer finance industry" and to consider, among other things, the "adequacy of existing arrangements to provide consumer credit at reasonable rates." The subject is an important one, and the report merits careful attention.

Because of the breadth of the report, the Board's comments will focus on those issues that appear of special importance or that bear directly on the Board's activities. The first section of my testimony will deal with the report's recommendations aimed at strengthening competition. Following this discussion will be successive sections on interest rate ceilings, supervisory mechanisms, the electronic funds transfer system, and Truth in Lending.

STRENGTHENING COMPETITION

Among the numerous recommendations in the report are several that are linked to the premise that the best means of assuring adequate credit for consumers at reasonable rates is to make the markets for such credit more competitive. The Commission concluded that some of the laws and regulations designed to protect consumers, particularly at the State level, have had the unintended effect of inhibiting competition in the granting of consumer credit and of needlessly segmenting credit markets. The Commission therefore urges a careful review of present laws and regulations with a view toward eliminating impediments to competition among suppliers of consumer credit and achieving, insofar as is consistent with other policies, the broadest possible penetration by all credit grantors in all fields of consumer credit.

The Board shares the view stressed in the report that we should rely basically on vigorous competition to provide optimal performance in terms of the price and availability of consumer credit. This was an important consideration in the shaping of the 1970 amendments to the Bank Holding Company Act, and the Board has had this principle very much in mind in carrying out its responsibilities under that Act.

We have authorized bank holding companies to establish subsidiary finance companies, and we have esatablished procedures that encourage *de novo* entry. Applications for such entry are processed by the Reserve Banks under delegated authority. They are approved 45 days after the Reserve Bank receives a copy of a notice of the proposal published in newspapers in the communities to be served, unless the Reserve Bank determines that adverse factors require more careful scrutiny of the application. In that event, the application is processed under the procedures applicable to acquisition of going concerns, which require more time to complete.

As we read the report, it seems to suggest that where the possibility for *de novo* entry exists, as is now the case for bank holding companies, entry by acquisition of an existing finance company should be prohibited. The Board believes such an unequivocal prohibition would be unnecessarily restrictive and inconsistent with the intent of Congress in enacting the 1970 amendments to the Bank Holding Company Act. Although the Board's procedures encourage *de novo* entry, we believe that acquisition of an existing company in specific instances may also be pro-competitive. We have denied applications to acquire existing companies that compete significantly with the applicant in geographical areas they already serve. Perhaps because most applicants are aware of the Board's pro-competitive policies, however, most of the applications that have come before the Board to acquire existing finance companies have involved companies that serve markets geographically separated from those served by the applicant. In the few cases approved that did involve an overlap, the companies acquired had market shares so small as to rule out the possibility of an adverse effect on competition.

When no significant amount of existing competition would be eliminated, acquisitions of existing companies can be pro-competitive. For example, affiliation with the holding company may assist the acquired company in raising the funds it needs to compete more vigorously for additional customers and in recruiting and retaining competent, aggressive management. Moreover, once a bank holding company moves into new territory via an acquisition, it may start *de novo* offices from the foothold it has acquired. Thus, a bank holding company in North Carolina may gain the Board's approval to acquire a consumer loan firm in Texas, and then might proceed to enlarge its subsidiary's operations in Texas through *de novo* expansion. Substantial new competition can result from such a process. The Board believes, therefore, that entry *de novo* and, under appropriate circumstances, entry by acquisition should continue to be allowed in order to achieve the Commission's goal of promoting competition.

The Board agrees with the Commission that competition in consumer lending markets should be strengthened by permitting savings and loan associations and mutual savings banks to make consumer loans. Relaxing restrictions on the lending powers of thrift institutions would also improve the stability of their earnings during periods when rising market interest rates may necessitate increases in the rates they must pay on deposits. But in expanding consumer lending powers for thrift institutions care must be taken to avoid a serious shrinkage in the funds available for mortgage lending. This risk could be lessened by limiting the percentage of assets these institutions may devote to consumer loans along the lines suggested by the Commission, possibly with provisions for a gradual phasing-in of the broader lending powers.

Besides encouraging entry by savings and loan associations, mutual savings banks, and finance companies affiliated with banks, the Commission recognizes the need to stimulate stronger interest on the part of banks themselves in making small personal loans. Although some banks are active in this market, the industry as a whole has a clear opportunity to improve services to consumers by making more loans of this type. This has been one reason why the Board has denied applications by bank holding companies to acquire finance companies that would serve the same market as the subsidiary banks. It should be recognized, however, that banks are likely to show only minimal interest in entering this business in States where applicable rate ceilings are low relative to the cost of making the loans.

RATE CEILINGS

Throughout the report there is considerable emphasis on the unfavorable effects of rate ceilings in markets for consumer credit. The report's pro-competitive recommendations seek to achieve, through a series of related steps, a market in which interest rates will be held to reasonable levels by competitive forces rather than by legal ceilings. The Board recognizes that judgments differ among Commission members as to when or whether rate ceilings should be raised or removed, but we agree with the Commission's recommendation that "Policies designed to promote competition should be given the first priority, with adjustment of rate ceilings used as a complement to expand the availability of credit." As has been amply demonstrated in the mortgage market, rate ceilings tend to divert funds away from the controlled sector of credit if they are too low relative to other market rates. In implementing the Bank Holding Company Act, the Board is encouraging entry of new lenders into the field, and we can hope that as the number of strong and viable competitors grows through this and other measures, rate ceilings ultimately will become unnecessary in some States. If that proves to be the case, perhaps other States will be moved to evaluate the competitiveness of their markets, as the report urges, and to consider whether modification or removal of their ceilings could strengthen competition.

SUPERVISORY MECHANISMS

The report of the Commission recognizes a growing public interest in obtaining fair and effective remedies for abuses in the consumer credit field. Congress has responded to this public interest by enacting measures such as the Truth in Lending Act. The Board of Governors supported this initiative in the belief that it not only protected consumers but also helped to make credit markets more responsive to competition. Needless to say, congressional concern about consumer problems is also reflected in the actions of agencies of Government, including our Board. The Board's role in the conduct of monetary policy reflects our concern for consumers in a broad sense, but we are involved in more direct efforts such as in prescribing Truth in Lending regulations. Moreover, we recognize the need to pay increasing attention to the interests of consumers in connection with the supervision of banks.

The Commission questions whether an agency that supervises banks, and thus tends to focus on issues of maintaining soundness and solvency, is capable of broadening its outlook sufficiently to give proper consideration to consumers. The Board believes it is entirely possible to reconcile the need to maintain sound, strong banks with the need to ensure that banks are treating their customers fairly. We recognize, however, that the Commission's question is a valid one, shared by others who are concerned with consumer protection, and it therefore deserves serious consideration. It may be useful in this connection to mention at this point a few examples of actions by the Board to protect consumers and to improve the financial services available to them. These examples are not offered in a spirit of self-congratulation, although we are proud of our record, but rather to indicate the strong similarities between the goals of the Commission and those of the Board.

Let me first say a word about the Board's implementation of the Truth in Lending Act.

We have been pleased over the years to have learned from various members of Congress of their satisfaction with the job the Board has done under that legislation. The most demanding aspect of this assignment has been the drafting of appropriate regulations to implement the Act. Some of the Board's actions have necessarily produced disagreement and occasionally litigation. In one example of the latter, the Board was extremely gratified recently when the U.S. Supreme Court upheld the "more-than-four instalment rule" issued under Truth in Lending. Recognizing that the Act contained a potential loophole that permitted retail creditors to bury credit costs in their cash prices and thereby defeat the congressional purpose of the Act, the Board amplified the Act's definition of consumer credit by requiring Truth in Lending disclosures in any obligation repayable in more than four instalments. The Board's action in this regard was criticized by some persons as reflecting an unduly paternalistic attitude toward the consumer. But the Board felt the rule was needed, and we are naturally pleased to see that view vindicated.

Although our primary responsibility is the issuance of regulations implementing the Act, we have also felt that an important corollary to the rule-making function is public education. Two special educational efforts are worth mentioning here, one being the production and distribution of the pamphlet, "What Truth in Lending Means to You." Over three million copies of this pamphlet have been distributed in an English language version, another half million in a Spanish-language edition. The Board also has available for distribution without charge an informational package on Truth in Lending that has been extremely popular with schools, at both the high school and the college level.

Aside from Truth in Lending, however, there are other activities of the Board on behalf of consumers that I believe are too often overlooked. In acting on holding company formations and acquisitions, for example, one of the crucial decisional factors is the extent of public benefits that can be expected to flow from each application. The Board is very much aware of the importance of such decisions in fostering a competitive banking system that will serve consumers better.

It may be helpful, as well, to cite examples of specific Board actions to correct abuses or improve financial services to the public. Recently, the Board ruled (BULLETIN, Jan. 1973, p. 19) that applications by a bank holding company to underwrite credit life and credit accident and health insurance will be approved only if the applicant demonstrates that benefits to the consumer or other public benefits will ensue. Such a showing normally is made by a projected reduction in rates or by an increase in policy benefits, due to bank holding company performance of this service.

In 1970, in an action to help savers, the Board issued an interpretation of its Regulation Q (BULLETIN, Mar. 1970, p. 279) requiring member banks to inform their customers who maintain time or savings accounts of the methods used in the computation and payment of interest on those accounts. The interpretation provides that, if a member bank makes a change in its methods that will be less favorable to the depositor, then notice of the change should be mailed to each depositor at his last known address.

Moving to the Commission's recommendations in the supervisory area, the report proposes that Congress create a Bureau of Consumer Credit (BCC) "to issue rules and regulations and supervise all examination and enforcement functions under the Consumer Credit Protection Act, including Truth in Lending." This proposal would entail overlapping responsibilities, potentially burdensome to financial institutions and troublesome for monetary policy and the evolution of the payments mechanism.

As an alternative, the Board recommends that a single bank supervisory agency be given the responsibility to write consumer protection rules affecting banks and other Federally supervised financial institutions. Through their long experience with the unique character of the institutions under their supervision, the Federal banking agencies possess the necessary background and expert knowledge to formulate rules sensitive to the complex roles of these institutions in the national economy while still providing protection for consumers.

If Congress disagrees with this approach, however, the Board believes it would be better to place the consumer-protection rule writing authority affecting banks in an agency that deals with credit problems exclusively, such as the BCC, rather than extending the authority to an agency with more diverse consumer protection responsibilities such as the Federal Trade Commission.

The Board recommends against the Commission's suggestions that the BCC be authorized to "supervise all examination and enforcement functions under the Consumer Credit Protection Act, including Truth in Lending" and that the BCC be authorized to intervene in agency actions on mergers, acquisitions, and other applications. Both of these proposals would be duplicative of functions now being performed by the Federal bank supervisory agencies. The practical effect would be to slow down the decisional process and add to its cost. In addition, as you know, the Justice Department has statutory authority to offer comments on bank merger and holding company cases and thereby supplements the Board's own strong interest in the questions of concentration and competition.

HOLDER-IN-DUE-COURSE DOCTRINE

The Commission recommends that the holder in due course doctrine (HDC) and waiver of defense clauses in consumer credit transactions be prohibited. It also proposes subjecting a lender to all claims and defenses of the borrower arising from the purchase of goods with the proceeds of a loan, if the borrower was referred to the lender by the vendor and he extended the credit pursuant to a continuing business relationship with the vendor.

Although there are differences of view among members of the Board on the broad issues raised by these recommendations, we would like to comment on the narrower question of how they should apply to credit cards.

The Board is seeking to encourage development of electronic transfer systems that will result in a more efficient payments mechanism, reducing the need for costly check handling. The credit card will probably play a key role in such a transfer system, and any limitations on the HDC doctrine to protect consumers should be adopted with care so as not to impair the usefulness of the credit card as a means of payment. Two general principles may be useful in accomplishing this objective. First, for small transactions where credit cards are used as a convenient substitute for cash, we should avoid enlarging the purchaser's rights simply because he uses his card. Second, the liabilities of card issuers should bear some reasonable relationship to their ability to monitor performance by merchants whose sales they finance. These principles suggest that credit-card issuers should be subject to cardholders' claims and defenses against merchants only where the transaction exceeds a dollar limit and takes place within the market area served by the issuer.

ELECTRONIC FUNDS TRANSFER SYSTEM (EFTS)

The Commission's concern about the possibility of restraints of trade emerging as the payments system evolves toward the electronic transfer of funds is well taken. The Board shares this concern and has taken positive steps to make its views known to Congress and the public.

The Board has outlined three general principles it believes should apply. First, so far as public participation and support are concerned, the Board believes there should be a single, integrated nationwide mechanism for efficient transfer of funds. The existing system, using checks and drafts and functioning through commercial banks and the Federal Reserve Banks, is substantially of that character.

Second, even allowing for the existence of private clearing arrangements, the Board believes that the public system using check or electronic transfers of funds from one institution to another should be such as to insure that the conditions of entry into a general clearing arrangement are fair and that equitable treatment is assured for institutions with similar powers and responsibilities. The presence of a public agency, such as the Federal Reserve, in any cooperative arrangement for transferring funds between institutions is one way of insuring that the public interest will be taken into account and that no private clearing arrangement may be used to protect or enhance the market position of the participating banks at the expense of others.

In taking this position the Board recognized, as did the Commission, that whatever public action is taken, the innovative capabilities of banks and other financial institutions to improve money transfer services should be recognized and given opportunity for development.

Finally, the costs of the transfer system and the benefits of participating in it should be equitably distributed among all of the institutions involved. The Board believes in comparable treatment for financial institutions having like powers, but the existing situation does not meet this standard. Some institutions, namely, banks that are not members of the Federal Reserve System, have a competitive advantage because the reserves they may be required to carry are, in effect, earning assets: Government obligations and correspondent balances. Reserves maintained by member banks with the Federal Reserve, on the other hand, are nonearning assets. Nevertheless, nonmember banks are accorded certain Federal Reserve check-clearing services deemed essential to the public's need for prompt money payment. If, in the future, extensive money transfer powers are developed for savings institutions, the extension of the benefits of the payments mechanism, whether conventional or electronic, to such institutions, without their assuming a fair share of the costs, would increase existing inequities.

TRUTH IN LENDING

We are gratified that a number of the Commission's suggestions mirror recommendations made by the Board in its annual report to Congress on Truth in Lending. For example, the Board has recommended for some time that large extensions of credit for agricultural purposes should be exempt, even though they involve a security interest in real property. Other business credit is exempt, and creditors argue that the very nature of many agricultural credit transactions (which often involve advances and payments for which both the time and amount are unknown at the time of the initial agreement) makes them unsuited for meaningful disclosure. The Commission recommends, as the Board tentatively suggested, that amounts over $25,000 should be exempt.

On the other hand, there are other recommendations with which we disagree. For example, the Commission would permit those who offer open-end credit, such as revolving charge accounts, to advertise only the periodic (monthly) rate and the annual percentage rate. The Board has outstanding a proposal that would trim the requirements of disclosure for open-end credit, but there are differences between the Board's proposal and the Commission's recommendation. For example, the Board thought the present statutory requirement that any "free ride" period be shown is a good one, but the Commission would not include this requirement. Again, various revolving credit plans may feature the same annual percentage rate; yet, because of differences in the calculation of finance charges, one plan may be more costly than another, and so the Board has reservations about the value of disclosing the rate alone.

An appendix to this statement comments further on the Commission's proposals on Truth in Lending.[1]

CONCLUSION

It is perhaps inevitable that judgments will differ regarding any set of proposals as wide ranging as those of the Commission. But disagreement on specific proposals should not obscure the fact that the report represents a thoughtful and constructive effort to achieve a goal on which perhaps we can all agree—adequate flows of credit to consumers on terms that are fair and reasonable.

[1] Copies of the appendix referred to herein are available upon request to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Statement by J. Dewey Daane, Member, Board of Governors of the Federal Reserve System, before the Subcommittee on International Finance and Resources of the Committee on Finance, U.S. Senate, May 30, 1973.

I am pleased to be here today to testify on behalf of the Board of Governors of the Federal Reserve System. It is useful to have these hearings at this time. In recent weeks, as the chairman of this subcommittee has noted, there has been some renewed uncertainty in foreign exchange markets about the future of the U.S. dollar. The restoration of confidence in the dollar requires, basically, a substantial improvement in our international balance of payments. These hearings provide an opportunity to make clear that the outlook for the U.S. international payments position, and hence for the dollar, is considerably better now than it has been for some time.

The outlook has been greatly improved by the exchange-rate realignments of 1970–71 and early 1973. Altogether, the U.S. dollar has been effectively devalued against other currencies by about 17 per cent since mid-1970, and by substantially more than that against some of our strongest competitors. This is a very large adjustment, which greatly improves the international competitiveness of U.S. goods. It is certain to have large effects even though the size and timing of the expected increases in exports and the slowing of import growth cannot be foreseen with precision.

The structure of our balance of payments is such that we need to earn a substantial surplus on current international transactions—specifically on merchandise trade—in order to balance the net outflows of Government aid and private capital that are natural and desirable for a wealthy country with a well developed capital market. But the dominant tendency in our international transactions from about 1965 through 1972 was a persistent worsening in our current balance—and especially our trade balance—to the point where these balances moved into deepening deficit. Last year, as you know, we had a trade deficit of almost $7 billion and a deficit on all current and long-term capital transactions combined of over $9 billion.

World business-cycle conditions were adverse from a U.S. balance of payments viewpoint during 1972. Last year our economy and our imports were vigorously expanding while demand abroad, including demand for our ex ports, was still rather slack. But even after making a rough allowance for the adverse cyclical position, the underlying trend-rate of our trade deficit last year was probably at least $4 billion. Compared with the mid-1960's, when we had a trade *surplus* averaging more than $5 billion a year, there had been a deterioration on trade account of around $10 billion. U.S. imports of finished manufactures in particular rose rapidly during this period, while the U.S. share of world exports of manufactures declined steadily.

The adverse trend in our trade balance from 1965 to 1972 is attributable to a variety of factors. First, after 1965 the United States experienced greater increases in costs and prices, and lower rates of productivity growth, than most other industrial countries. Second, this occurred at a time when a number of other countries—European countries, Japan, and various other countries in Asia—were reaching a point at which they had built up the capability to take advantage of existing price-cost differentials. Third, and more recently, rapidly rising imports of petroleum have added to our foreign expenditures.

Now, as a result of the exchange-rate changes, together with other factors, one can be cautiously optimistic. The worsening of the trade balance was halted during the course of 1972. The low point was reached early in that year when the trade deficit approached $8 billion at an annual rate. The U.S. share in world exports of manufactures stopped declining in 1972.

So far this year, there has been a marked improvement in the trade balance. The annual rate of deficit on trade in January–April 1973 decreased sharply to around $2 billion, compared with $6.8 billion for 1972 as a whole. Much of this recent improvement reflects an exceptionally large bulge in agricultural exports that is likely to prove temporary, so that the underlying gain is not nearly so large as the raw figures suggest. We should be prepared for some temporary setback during the months ahead, as the dollar prices of imports will be pushed up further in delayed reaction to the devaluation while the volume of imports will not yet have fully reacted to the price rise. But there have been solid gains. The value of nonagricultural exports in January–April 1973 was 14 per cent larger than it had been 6 months earlier, a near-record rate of increase. New foreign orders for machinery in the first quarter of 1973 were up by 16 per cent from the third quarter of last year. Meanwhile the value of total imports, after rising sharply through January, has not risen at all since then, despite booming domestic demand, a sharp rise in prices of imported raw materials, and a continuing rise in imports of petroleum.

Thus, the increased competitiveness of U.S. goods as a result of devaluation is beginning to have perceptible beneficial effects on both our exports and our imports. The corresponding opposite effects are beginning to be evident in the trade figures of other countries, notably Japan, where import expansion has accelerated and export growth is slowing down.

Later this year and in 1974 we expect to see further gains in our foreign trade balance, not only because of the cumulating effects of our strengthened competitive position but also because business-cycle conditions are likely to be moving in our favor. Growth in the U.S. economy will be slowing to a more moderate and sustainable rate from now on, while expansion abroad is likely to be continuing vigorously. It seems clear that there can be a substantial improvement in the trade balance beginning in this year and gathering momentum in 1974 and 1975; by that time we should be experiencing a sizable trade surplus for the first time since the late 1960's.

The reallocation of resources that follows upon sharp changes in exchange rates and competitive positions is, of course, not instant or automatic. It takes time and it takes effort. Sellers must alter their marketing strategies. Buyers must shift to new suppliers. New investment decisions have to be taken and implemented. The lags in this process are considerable. That is why we are only now beginning to experience substantial benefits from the Smithsonian exchange-rate changes of 1971. The benefits of the early 1973 exchange-rate changes will mainly become evident in 1974 and 1975.

So far I have been discussing primarily the way we expect the trade balance to evolve in the period ahead. Of course, there will also be changes in other current transactions and in flows of private long-term capital. As to non-trade current transactions, the balance on these has tended to change rather slowly. We should be able to rely on further strong gains in returns from U.S. investments abroad. In recent years, however, these gains in income receipts have tended to be largely offset by mounting interest payments on our debts to foreigners—especially to foreign official holders of liquid dollar claims on the United States.

Flows of investment capital are volatile and difficult to predict. Over time, however, the influence of the recent exchange rate changes on these flows should also contribute to improvement in the U.S. balance of payments. American firms may find that there is less need than before to meet the competition by manufacturing abroad; their U.S. plants can now deliver U.S. goods abroad at much lower prices in terms of the currencies of the importing countries. By the same token, foreign producers may increasingly find that it now makes sense to think in terms of establishing plants here.

Portfolio investors are also likely to be favorably influenced as our over-all balance moves toward equilibrium. In particular, foreign investors should be encouraged to continue the large purchases of U.S. corporate stocks and bonds that have become an important feature of our balance of payments. More generally, there will be a reversal of the tendency to borrow dollars for the purpose of switching into foreign-currency denominated assets now that the possibility of large gains from exchange-rate changes has been taken out of the picture.

On the other hand, the phasing out of existing controls on outflows of U.S. capital will tend to work in the other direction. On balance, this country is likely to remain a net exporter of both private and Government capital to the less-developed world, which is surely the appropriate posture for a wealthy country.

During the transition period when international transactions are gradually coming into better balance, the United States will still have a deficit—albeit a diminishing one—on current and long-term capital transactions. And we cannot rule out the possibility of occasional periods of uncertainty in foreign exchange markets, as the experience of recent weeks indicates. The present regime of floating exchange rates provides a useful buffer during such episodes; surplus countries can avoid the massive inflows of funds that caused them serious domestic difficulties for monetary management earlier this year and thus can prevent the development of a crisis that could induce large changes in currency par values.

More importantly, the main impetus for very large speculative movements has been removed by the adjustment of exchange rates to levels that are now widely regarded as realistic—and will, we think, come to be increasingly recognized as realistic—as the U.S. payments deficit diminishes. Once the trend of underlying improvement becomes clear to the market, the residual basic deficit from then on should be rather easily covered by a return flow of short-term funds that went abroad during earlier periods of currency speculation.

What further actions are needed by us and by other countries to insure that the needed adjustment toward better international balance will in fact take place?

First, the inflationary pressures arising from excessively rapid domestic economic growth and credit expansion must be curbed so that our prices and costs do not again get out of line with those of other countries. In addition, sufficient resources will need to be available to meet the increased demands coming from export expansion and import substitution. Second, U.S. businessmen must take advantage of the new competitive opportunities, vigorously and imaginatively. Third, foreign countries need to be willing to accept some reductions in their foreign trade surpluses. They must not manipulate export incentives or barriers to import in ways that would tend to frustrate the adjustment. Fourth, we and other countries need to pursue the search for a reformed international monetary system that provides a satisfactory international adjustment process.

In all of these areas, there is reason to be encouraged. On the domestic front, we have recently had a very disappointing revival of inflation. But the rapid increase in prices has reflected, in part, special factors—including the food shortage, the transitional shift from Phase II to Phase III, and the dollar devaluation—effects that should soon subside. Over a somewhat longer period, our inflation has been less than that in other leading countries. Our consumer price index rose by 5 per cent in the year from April 1972 to April 1973, while the rise in European countries and Japan ranged from 6½ to 10 per cent. Unit labor costs have generally been rising faster abroad than they have here. Our hope and expectation is that inflationary pressures here will subside in the months ahead as economic expansion slows to a more sustainable rate and as the special problem of food supplies recedes.

In this connection, the hectic pace of consumer expenditure experienced during this past winter seems to have moderated somewhat in April and May. Housing starts have receded recently to a more sustainable pace. The deficit in the Federal budget is being reduced well below earlier estimates, and monetary policy has exerted increasing restraint.

The main danger of continued strong inflationary pressures arises from the possibility of an escalation of wage demands in reaction to the recent bulge in price increases and from the possibility of an excessively large increase in business spending on fixed investment and inventories. But so far collective bargaining agreements have resulted in wage increases reasonably in keeping with the 5½ per cent national standard. And there is hope that business spending decisions will be tempered by good sense and by the considerable tightening of credit conditions over the past few months.

The Federal Reserve has taken further actions within the past 2 weeks to slow down the expansion of bank lending to business. On May 16, the Board announced the imposition of marginal reserve requirements on large-denomination certificates of deposit and on other money market instruments issued by large banks in order to moderate the expansion of bank lending to major business corporations. Chairman Burns has written to all banks urging them to join in a concerted effort to curb bank credit expansion.

So far as exports and imports are concerned, U.S. businesses are already beginning to take advantage of their improved competitive position relative to foreign producers. This is evident in the figures for rising exports and export orders and in the increasing gains of U.S. products against foreign products in our own markets—for example, automobiles. Even more vigorous and more imaginative efforts in this area are needed.

Foreign countries are showing a willingness to help bring about the needed adjustments. They have cooperated in achieving a more realistic pattern of exchange rates. Japan, in particular, is making a real effort to reduce its enormous trade surplus and to shift the focus of its economic growth away from expansion of exports and toward badly needed infrastructure investment at home.

The needed trade adjustments are not really very large in the aggregate relative to the total volume of trade and economic activity, although sizable adjustments may be required for particular industries in some countries. The present expansive business climate abroad is favorable for the needed adjustments by foreign countries. They do need to slow their export growth and accelerate the rise in their imports, but they do not have to suffer actual cutbacks in exports. Indeed, at present they find that larger and cheaper imports are a welcome contribution to the relief of inflationary pressures.

In summary, I think we can feel some confidence that the changes in international competitive conditions that have resulted from the exchange-rate changes of the past 3 years will bring international transactions much nearer to balance over the next 2 or 3 years.

It is true that we had a near-record deficit, on the official reserve transaction basis, of $10.2 billion during the first quarter of 1973. But all of this deficit occurred before mid-March, as a result of heavy speculative flows before the new structure of exchange rates was established. Since mid-March we have had an over-all surplus on international transactions. During this period, the continuing basic deficit on current and long-term capital transactions has been more than offset by a return flow of liquid funds. For the longer run, the outlook seems to be promising for the achievement of a sufficiently flexible international adjustment mechanism so that we need not again experience the very large and persistent international imbalances that have been so troubling during the past few years. We are progressing down the road toward international monetary reform. Last week's meeting of the Deputies of the Committee of 20 again demonstrated that, while international monetary reform involves difficult technical and policy problems, there exists a will to surmount these problems and to create a new and more effective international monetary system. □

Statement by Andrew F. Brimmer, Member, Board of Governors of the Federal Reserve System, before the Subcommittee on Consumer Credit of the Committee on Banking, Housing and Urban Affairs, U.S. Senate, June 6, 1973.

The Board of Governors welcomes the opportunity afforded by the Subcommittee on Consumer Credit to comment on S. 356 and S. 1052. Both bills reflect a continuing public demand for fair treatment in consumer transactions, and in that respect are the latest in a line of consumer-protection legislation, which includes Truth in Lending and the Fair Credit Reporting Act. In my testimony today, I shall first discuss the bill recently reported by the Senate Commerce Committee and referred to your committee, S. 356. I shall then comment on S. 1052, the "Truth in Savings Act."

S. 356: MAGNUSON-MOSS CONSUMER PROTECTION WARRANTIES AND FEDERAL TRADE COMMISSION IMPROVEMENTS

The purpose of S. 356, as stated in the report of the Committee on Commerce, is "to improve the position of the consumer in the marketplace by making the Federal agency responsible for his economic well being (the F.T.C.) more effective . . ." In large part, the bill covers areas outside the Board's range of responsibilities: consumer product warranties and Federal Trade Commission (FTC) powers.

The Board has no suggestions to make on Title I, which provides disclosure standards for written consumer product warranties and for enforcement of these standards. Similarly, we have no problems with Section 201, which expands the jurisdiction of the Commission from acts and practices "in" interstate commerce to those "affecting" such commerce. Other sections of Title II would, as the FTC has noted, give the FTC important new powers to use on behalf of consumers, including preliminary injunction authority and autonomy in litigation.

Moving to Section 212, however, the Board encounters problems both substantive and technical. In an effort to make the regulation of the consumer credit field uniform with regard to unfair or deceptive acts or practices, Section 212 removes the present exemption for banks from regulation by the FTC. Thus, banks would become subject to the regulatory authority of the FTC in the area of consumer credit. Enforcement of the rules would be delegated to the Federal banking agencies, but the FTC would have the right to call back such delegation at any time, and thus take over the enforcement duties as well, if it finds that such action is required to prevent a bank from using unfair or deceptive acts or practices—or, as the Commerce Committee's report puts it, "If it is shown that (the enforcement powers) are not being effectively carried out" by the relevant Federal agency.

The Board has commented in detail on Section 212 in a letter dated May 14, 1973, to Senator Sparkman. In addition, the Board submitted its views on related legislation to the Chairman of the House Committee on Interstate and Foreign Commerce in a letter dated April 3, 1973. Both of these letters are attached, and I should like to request that they be made a part of the record of this hearing.[1]

[1] Copies of the letters are available upon request to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

The Board concurs in the arrangement set forth in Section 212, dividing enforcement authority among the three Federal bank supervisory agencies. This is, after all, nothing more than the enforcement pattern established by the Truth in Lending Act. Given the successful history of this enforcement arrangement, however, the Board objects to the additional provision in Section 212 requiring redelegation to FTC of the enforcement powers whenever FTC determines such action is necessary to protect consumers. This unusual concept reflects a degree of uncertainty about the wisdom of the enforcement arrangement. We believe it would be far preferable for Congress to make a straightforward assignment of the enforcement powers in Section 212 as it has done for Truth in Lending. If the Truth-in Lending-type enforcement approach should later appear to be ineffective — an outcome we believe is remote — then Congress could readily amend the Act to provide a new arrangement.

With regard to rule-writing authority, the Board is deeply concerned with the need consumers have for effective protection against unfair acts or practices in the consumer credit field: the Board has been vigorously implementing the Truth in Lending Act — occasionally in the face of considerable opposition from various quarters. For example, the Supreme Court, in a case involving sale of magazine subscriptions, recently sustained the Board's action in applying the Act to consumer credit that involves more than four instalments — even though the Act does not explicitly refer to such credits unless they include a specific finance charge. Therefore, we know some of the problems, and some of the solutions, in the area of consumer credit. Out of this experience — and the Board's experience as a whole — has grown the conviction that an optimal approach to the problem of protecting the customers of financial institutions requires special knowledge of the ways in which such institutions operate.

We believe that the task of dealing with this problem should be given to one of the Federal bank supervisory agencies. The reason for the Board's preference for this approach lies in the unique character of financial institutions. Banks particularly, but also mutual savings banks, savings and loan associations, and credit unions, play a complex role in the national economy. Banks, of course, are a principal fulcrum of monetary policy, and they are at the center of the payments mechanism. Judging by the trend in the evolution of the payments system, nonbank financial institutions may also have an increasingly important role to play in the system. There is ample reason for adequate rules to protect customers of these institutions, to be sure, but the rules must be carefully drawn to assure that the legitimate interests of consumers are balanced against the need for a smoothly functioning monetary and payments system. Should there be disagreement with the desirability of placing the rule-writing authority with a single banking agency, the Board has indicated that a second-best approach would be for Congress to designate an agency responsible for consumer credit exclusively. This could be the Bureau of Consumer Credit proposed by the National Commission on Consumer Finance.

The report of the Senate Commerce Committee argues that it is necessary to give the FTC consumer-protection rule-writing authority over banks for three reasons. First, to remove an "anticompetitive situation" that exists because not all lenders are now supervised by the FTC; second, because "presently existing Federal financial regulatory agencies either do not have the power or the desire to promulgate and enforce strong and uniform rules and regulations prohibiting unfair or deceptive acts or practices"; and third, because "it makes sense that the Commission should be empowered to issue rules and regulations to prevent unfair or deceptive acts or practices on the part of all business enterprises."

The possibility that an anticompetitive situation might grow out of the regulatory arrangement the Board recommends is remote — certainly less than the committee's report would lead us to believe. It is true that two agencies — a bank supervisor and the FTC — would be writing the rules, but there is no reason to believe that the two agencies would not consult closely with one another in the formulation of their respective rules. In fact, the ultimate rules that emerged from this cooperative effort might well prove superior to an individual agency's efforts simply because two independent viewpoints will be brought to bear on a particular problem or set of problems. If Congress is concerned about a possible lack of uniformity, in any case, it could provide for a formal consultation process — as, in fact, does Section 212.

The Commerce Committee questions, as did the National Commission on Consumer Finance, whether an agency that supervises banks, and thus tends to focus on issues of maintaining soundness and solvency, is capable of broadening its outlook sufficiently to give proper consideration to consumers. The Board believes that the need to maintain sound, strong banks is fully compatible with ensuring that banks are treating their customers fairly. Our viewpoint, of necessity, is largely determined by our own experience. At the Board we know that consumer concerns rank equal to our other concerns and that the interests of consumers are taken into account in those actions of the Board affecting their welfare. We *do* want safe and sound banks, and we *also* want to make sure that bank officials understand that operating a safe and sound institution is in no way inconsistent with fair treatment of their banks' customers.

Finally, if simple uniformity were the only criterion, we would agree that it would make sense to have one agency write consumer protection rules for all firms no matter what their line of activity. But in the case of financial institutions, we believe the principle of uniformity must be weighed against the concern for monetary policy and the payments mechanism. As you know, the Board is vitally interested in the way in which the payments mechanism should evolve, an interest arising out of our responsibility to provide for the efficient transfer of funds in the economy. Financial institutions are currently in a transitional stage between the use of checks for settlement and an electronic payments system. A number of innovations promise to become a part of the future system of electronic payments, including credit cards and point-of-sale terminals for on-line computer operation. There is no question that consumers will be the ultimate beneficiaries of the changes that are beginning to be made in the payments field, but at this point the final shape of the payments system is still unclear. The way to assure that the evolution of the payments system continues smoothly and innovatively is for Congress to give a single banking agency the authority to write rules against unfair and deceptive consumer practices for Federally supervised financial institutions.

S. 1052: "TRUTH IN SAVINGS ACT"

Because of our experience in the implementation of the Truth in Lending Act, the Board believes that full disclosure of credit terms, while perhaps not the ultimate consumer protection measure, is a highly useful procedure to help guide consumers in the marketplace. From the economic standpoint, it is undeniably helpful in increasing competition among the various vendors of credit. Similarly, we believe it is also likely to be useful and pro-competitive to require the full disclosure of the terms and conditions under which interest is payable on savings deposits of all kinds.

There has already been some progress made in this area by the Board and the other Federal agencies responsible for supervising financial institutions. For example, in February 1970 the Board issued an interpretation to its Regulation Q requiring member banks to inform their customers who maintain time or savings accounts of the methods used in the computation and payment of interest on these accounts[2]. The interpretation provides that if a member bank makes a change in its methods that will be less favorable to the depositor, then notice of the change should be mailed to each depositor at his last known address.

This interpretation, as well as others issued by the Board that seek to prohibit deceptive advertising of interest rates, has helped to provide meaningful disclosure of the terms of savings and time accounts offered consumers by member banks. Similar policies have been adopted by the Federal Deposit Insurance Corporation and the Federal Home Loan Bank Board with respect to the institutions under their supervision. Nevertheless, the Board recognizes that more can be done in the way of providing for uniform disclosures of savings plans and

[2] See March 1970 BULLETIN, p. 279.

making these standards applicable to all depository institutions, bank and nonbank. The approach embodied in S. 1052 would give consumers the opportunity to assess the relative merits of all available savings plans and select the one that best suits their requirements.

While the Board supports the enactment of legislation along the lines of S. 1052, we believe care should be taken to insure, first, that unnecessary burdens are not placed on financial institutions, and, second, that the required disclosures are as clear and simple as possible. The Board believes it would be helpful to consumers if deposit-taking institutions were required to disclose the rates, terms, and conditions affecting their savings deposits, just as it has proven helpful to consumers for lenders to disclose the rates, terms, and conditions on extensions of consumer credit. Specifically, the Board believes depository institutions should be required to disclose an annual percentage rate. It may also be helpful to require the disclosure of a periodic percentage rate. Because of the possibility that consumers may be confused by the disclosure of a multiplicity of rates, the Board questions the usefulness of requiring lenders to disclose "the annual percentage yield," which would be a hypothetical dollar figure representing the compounded earnings on $100 for 1 year. The Board's views on these and several other technical aspects of the bill are set forth in the appendix.[3]

[3]Copies of the appendix are available upon request to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

As you know, S. 1052 would give the Board the responsibility of writing rules to implement the Act. The Board on previous occasions has recommended that another agency be assigned the rule-writing responsibility under Truth in Lending. However, as I indicated earlier, we believe the authority for writing broad consumer-protection rules affecting financial institutions should be placed in a bank supervisory agency. The limited kind of regulatory activity that would be required under S. 1052 is one that perhaps ideally should be lodged in an agency such as the Bureau of Consumer Credit proposed by the National Commission on Consumer Finance. Lacking such an agency, however, the Board recommends that the rule-writing authority contained in S. 1052 should be given to one of the bank supervisory agencies. Of course, if the authority is given to the Board, every effort will be made to implement the legislation to assure that consumers get the benefits intended by Congress.

EFFECTIVE DATE

Finally, the Board is concerned that sufficient lead time be provided before S. 1052 becomes effective. Many complicated regulations will be required if the legislation is to be effective; nearly a year was required to draft Regulation Z, which accompanied Truth in Lending. Moreover, some period should be provided to allow savings institutions to adjust to the Act's requirements. Therefore, the Board recommends that a minimum of 12 months be provided before the bill takes effect. □

Membership of the Board of Governors of the Federal Reserve System, 1913-73

APPOINTIVE MEMBERS[1]

Name	*Federal Reserve district*	*Date of initial oath of office*	*Other dates and information relating to membership*[2]
Charles S. Hamlin	Boston	Aug. 10, 1914	Reappointed in 1916 and 1926. Served until Feb. 3, 1936, on which date his successor took office.
Paul M. Warburg	New York	do.	Term expired Aug. 9, 1918.
Frederic A. Delano	Chicago	do.	Resigned July 21, 1918.
W. P. G. Harding	Atlanta	do.	Term expired Aug. 9, 1922.
Adolph C. Miller	San Francisco	do.	Reappointed in 1924. Reappointed in 1934 from the Richmond District. Served until Feb. 3, 1936, on which date his successor took office.
Albert Strauss	New York	Oct. 26, 1918	Resigned Mar. 15, 1920
Henry A. Moehlenpah	Chicago	Nov. 10, 1919	Term expired Aug. 9, 1920.
Edmund Platt	New York	June 8, 1920	Reappointed in 1928. Resigned Sept. 14, 1930.
David C. Wills	Cleveland	Sept. 29, 1920	Term expired Mar. 4, 1921.
John R. Mitchell	Minneapolis	May 12, 1921	Resigned May 12, 1923.
Milo D. Campbell	Chicago	Mar. 14, 1923	Died Mar. 22, 1923.
Daniel R. Crissinger	Cleveland	May 1, 1923	Resigned Sept. 15, 1927.
George R. James	St. Louis	May 14, 1923	Reappointed in 1931. Served until Feb. 3, 1936, on which date his successor took office.
Edward H. Cunningham	Chicago	do.	Died Nov. 28, 1930.
Roy A. Young	Minneapolis	Oct. 4, 1927	Resigned Aug. 31, 1930.
Eugene Meyer	New York	Sept. 16, 1930	Resigned May 10, 1933.
Wayland W. Magee	Kansas City	May 18, 1931	Term expired Jan. 24, 1933.
Eugene R. Black	Atlanta	May 19, 1933	Resigned Aug. 15, 1934.
M. S. Szymczak	Chicago	June 14, 1933	Reappointed in 1936 and 1948. Resigned May 31, 1961.
J. J. Thomas	Kansas City	do.	Served until Feb. 10, 1936, on which date his successor took office.
Marriner S. Eccles	San Francisco	Nov. 15, 1934	Reappointed in 1936, 1940, and 1944. Resigned July 14, 1951.
Joseph A. Broderick	New York	Feb. 3, 1936	Resigned Sept. 30, 1937.
John K. McKee	Cleveland	do.	Served until Apr. 4, 1946, on which date his successor took office.
Ronald Ransom	Atlanta	do.	Reappointed in 1942. Died Dec. 2, 1947.
Ralph W. Morrison	Dallas	Feb. 10, 1936	Resigned July 9, 1936.
Chester C. Davis	Richmond	June 25, 1936	Reappointed in 1940. Resigned Apr. 15, 1941.
Ernest G. Draper	New York	Mar. 30, 1938	Served until Sept. 1, 1950, on which date his successor took office.
Rudolph M. Evans	Richmond	Mar. 14, 1942	Served until Aug. 13, 1954, on which date his successor took office.
James K. Vardaman, Jr.	St. Louis	Apr. 4, 1946	Resigned Nov. 30, 1958.
Lawrence Clayton	Boston	Feb. 14, 1947	Died Dec. 4, 1949.
Thomas B. McCabe	Philadelphia	Apr. 15, 1948	Resigned Mar. 31, 1951
Edward L. Norton	Atlanta	Sept. 1, 1950	Resigned Jan. 31, 1952.
Oliver S. Powell	Minneapolis	do.	Resigned June 30, 1952.

For notes see p. 434.

APPOINTIVE MEMBERS[1]—Continued

Name	Federal Reserve district	Date of initial oath of office	Other dates and information relating to membership[2]
Wm. McC. Martin, Jr.	New York	Apr. 2, 1951	Reappointed for term beginning Feb. 1, 1956. Term expired Jan. 31, 1970.
A. L. Mills, Jr.	San Francisco	Feb. 18, 1952	Reappointed in 1958. Resigned Feb. 28, 1965.
J. L. Robertson	Kansas City	do.	Reappointed for term beginning Feb. 1, 1964. Resigned April 30, 1973.
Paul E. Miller	Minneapolis	Aug. 13, 1954	Died Oct. 21, 1954.
C. Canby Balderston	Philadelphia	Aug. 12, 1954	Served through Feb. 28, 1966.
Chas. N. Shepardson	Dallas	Mar. 17, 1955	Retired Apr. 30, 1967.
G. H. King, Jr.	Atlanta	Mar. 25, 1959	Reappointed in 1960. Resigned Sept. 18, 1963.
George W. Mitchell	Chicago	Aug. 31, 1961	Reappointed for term beginning Feb. 1, 1962.
J. Dewey Daane	Richmond	Nov. 29, 1963	
Sherman J. Maisel	San Francisco	Apr. 30, 1965	Served through May 31, 1972.
Andrew F. Brimmer	Philadelphia	Mar. 9, 1966	
William W. Sherrill	Dallas	May 1, 1967	Reappointed for term beginning Feb. 1, 1968. Resigned November 15, 1971.
Arthur F. Burns	New York	Jan. 31, 1970	Term began Feb. 1, 1970.
John E. Sheehan	St. Louis	Jan. 4, 1972	
Jeffrey M. Bucher	San Francisco	June 5, 1972	
Robert C. Holland	Kansas City	June 11, 1973	

CHAIRMEN[3]

Charles S. Hamlin	Aug. 10, 1914	Aug. 9, 1916.
W. P. G. Harding	Aug. 10, 1916	Aug. 9, 1922.
Daniel R. Crissinger	May 1, 1923	Sept. 15, 1927.
Roy A. Young	Oct. 4, 1927	Aug. 31, 1930.
Eugene Meyer	Sept. 16, 1930	May 10, 1933.
Eugene R. Black	May 19, 1933	Aug. 15, 1934.
Marriner S. Eccles	Nov. 15, 1934	Jan. 31, 1948.
Thomas B. McCabe	Apr. 15, 1948	Mar. 31, 1951.
Wm. McC. Martin, Jr.	Apr. 2, 1951	Jan. 31, 1970.
Arthur F. Burns	Feb. 1, 1970	

VICE CHAIRMEN[3]

Frederic A. Delano	Aug. 10, 1914	Aug. 9, 1916.
Paul M. Warburg	Aug. 10, 1916	Aug. 9, 1918.
Albert Strauss	Oct. 26, 1918	Mar. 15, 1920.
Edmund Platt	July 23, 1920	Sept. 14, 1930.
J. J. Thomas	Aug. 21, 1934	Feb. 10, 1936.
Ronald Ransom	Aug. 6, 1936	Dec. 2, 1947.
C. Canby Balderston	Mar. 11, 1955	Feb. 28, 1966.
J. L. Robertson	Mar. 1, 1966	Apr. 30, 1973.
George W. Mitchell	May 1, 1973	

EX-OFFICIO MEMBERS[1]

SECRETARIES OF THE TREASURY

W. G. McAdoo	Dec. 23, 1913	Dec. 15, 1918.
Carter Glass	Dec. 16, 1918	Feb. 1, 1920.
David F. Houston	Feb. 2, 1920	Mar. 3, 1921.
Andrew W. Mellon	Mar. 4, 1921	Feb. 12, 1932.
Ogden L. Mills	Feb. 12, 1932	Mar. 4, 1933.
William H. Woodin	Mar. 4, 1933	Dec. 31, 1933.
Henry Morgenthau, Jr.	Jan. 1, 1934	Feb. 1, 1936.

COMPTROLLERS OF THE CURRENCY

John Skelton Williams	Feb. 2, 1914	Mar. 2, 1921.
Daniel R. Crissinger	Mar. 17, 1921	Apr. 30, 1923.
Henry M. Dawes	May 1, 1923	Dec. 17, 1924.
Joseph W. McIntosh	Dec. 20, 1924	Nov. 20, 1928.
J. W. Pole	Nov. 21, 1928	Sept. 20, 1932.
J. F. T. O'Connor	May 11, 1933	Feb. 1, 1936.

[1] Under the provisions of the original Federal Reserve Act the Federal Reserve Board was composed of seven members, including five appointive members, the Secretary of the Treasury, who was ex officio chairman of the Board, and the Comptroller of the Currency. The original term of office was 10 years, and the five original appointive members had terms of 2, 4, 6, 8, and 10 years, respectively. In 1922 the number of appointive members was increased to six, and in 1933 the term of office was increased to 12 years. The Banking Act of 1935, approved Aug. 23, 1935, changed the name of the Federal Reserve Board to the Board of Governors of the Federal Reserve System and provided that the Board should be composed of seven appointive members, that the Secretary of the Treasury and the Comptroller of the Currency should continue to serve as members until Feb. 1, 1936, that the appointive members in office on the date of that Act should continue to serve until Feb. 1, 1936, or until their successors were appointed and had qualified, and that thereafter the terms of members should be 14 years and that the designation of Chairman and Vice Chairman of the Board should be for a term of 4 years.

[2] Date after words "Resigned" and "Retired" denotes final day of service.

[3] Chairman and Vice Chairman were designated Governor and Vice Governor before Aug. 23, 1935.

Record of Policy Actions

of the Federal Open Market Committee

Records of policy actions taken by the Federal Open Market Committee at each meeting, in the form in which they will appear in the Board's Annual Report, are released approximately 90 days following the date of the meeting and are subsequently published in the Federal Reserve BULLETIN.

The record for each meeting includes the votes on the policy decisions made at the meeting as well as a résumé of the basis for the decisions. The summary descriptions of economic and financial conditions are based on the information that was available to the Committee at the time of the meeting, rather than on data as they may have been revised since then.

Policy directives of the Federal Open Market Committee are issued to the Federal Reserve Bank of New York—the Bank selected by the Committee to execute transactions for the System Open Market Account.

Records of policy actions have been published regularly in the BULLETIN beginning with the July 1967 issue, and such records have continued to be published in the Board's Annual Reports.

The records for the first two meetings held in 1973 were published in the BULLETIN for April, pages 286–92, and May, pages 345–51. The record for the meeting held on March 19–20, 1973, follows:

MEETING HELD ON MARCH 19–20, 1973[1]

1. Domestic policy directive

The information reviewed at this meeting suggested that real output of goods and services, which had expanded at an annual rate of 8.0 per cent in the fourth quarter of 1972, was growing at a substantial but less rapid rate in the first quarter of 1973. Staff projections for the second quarter suggested that real growth would remain close to the first-quarter rate.

In February industrial production continued to expand, reflecting mainly substantial further gains in output of consumer goods and business equipment; increases in over-all output of materials, which had been sizable in late 1972, were small in the first 2 months of this year. Nonfarm payroll employment rose sharply in February. The civilian labor force also increased substantially—after having declined in January—and the unemployment rate, at 5.1 per cent, was about the same as in the preceding 3 months. Retail sales declined in February, according to the advance report, but the decline followed an exceptionally large advance from November to January.

Retail prices of foods rose sharply in January—the latest month for which such price data were available. In February wholesale prices of farm and food products increased substantially for the third successive month. Moreover, average wholesale prices of industrial commodities rose by an unusually large amount, reflecting sizable increases in shoes and other apparel, petroleum products, machinery, and a number of industrial materials. The advance in average hourly earnings of production workers on nonfarm payrolls, which had been large in the last 4 months of 1972, was moderate in the first 2 months of this year.

The latest staff projection of real growth in the second quarter of 1973 was little different from that of 4 weeks earlier. It was still expected that expansion in consumption expenditures, business fixed investment, and State and local government purchases of

[1] This meeting was held over a 2-day period beginning on the afternoon of Mar. 19, 1973, in order to provide more time for the staff presentation concerning the economic situation and outlook and the Committee's discussion thereof.

goods and services would remain strong and that outlays for residential construction would turn down. However, the increase in business inventory investment projected for the second quarter was somewhat larger than before; in the first quarter inventory accumulation appeared to be falling short of earlier projections as the expansion in final sales seemed to be exceeding expectations.

Following the announcement on February 12 that the United States would devalue the dollar by 10 per cent, most continental European countries retained their currency par values in terms of SDR's or gold. Japan and Italy freed their currencies to float, and the United Kingdom, Switzerland, and Canada continued to allow their currencies to float. Exchange markets in major countries—which since February 9 had been closed in the sense that central banks had not intervened—reopened on February 14 and 15. After about a week of relative calm in the markets, during which a sizable volume of funds flowed back into dollars and the Japanese yen floated up by 16 to 17 per cent, a new speculative movement out of dollars and into German marks and some other currencies developed; on March 1 and 2 most major exchange markets closed again.

The new disturbance in foreign exchange markets led to a series of international conferences and to a number of measures aimed at maintaining orderly international monetary arrangements. On March 12 six of the nine members of the European Community announced their decision to participate in a joint float—after a 3 per cent upward revaluation of the German mark—while maintaining rates between their own currencies within bands of 2¼ per cent, and they were subsequently joined by two other European countries; the United Kingdom, Italy, and Ireland—the remaining three members of the Community—decided to continue to allow their currencies to float independently. After a meeting in Paris on March 16, the United States, other Group of Ten countries, other EC countries, and Switzerland announced that they had agreed that official intervention in exchange markets might be useful at times to facilitate the maintenance of orderly conditions and to facilitate the reflow of speculative funds into dollars. Intervention might be financed through the use of mutual credit facilities, if necessary; in order to assure adequate financial resources, enlargement of some of the existing "swap" facilities was envisaged.

At U.S. commercial banks, expansion in business loans—already at a record rate in January—rose sharply further in February. A sizable share of the increase in outstanding loans was attributable to a shift in business borrowing from the commercial paper market in response to a rise in short-term interest rates in the market relative to bank lending rates. Loans to foreign commercial banks also expanded considerably, and consumer and real estate loans continued to grow at a fast pace. To accommodate the strong loan demand, banks sharply increased the outstanding volume of large-denomination CD's and reduced their holdings of Treasury securities.

The narrowly defined money stock (M_1),[2] which had grown rapidly in December and then changed little in January, expanded moderately in February; over the 3 months combined, growth was at an annual rate of about 6.5 per cent—little changed from the rate over the preceding 3 months.[3] Inflows of time and savings deposits other than large-denomination CD's slowed sharply in February as market interest rates advanced, and the more broadly defined money stock (M_2)[4] grew at an annual rate of about 6 per cent, compared with a rate of about 6.5 per cent in January; over the 6 months through February, growth was at a rate of about 8.5 per cent. In February, however, the bank credit proxy[5] expanded at a very fast pace, reflecting the large increase in the outstanding volume of large-denomination CD's.

System open market operations since the February 13 meeting had been guided by the Committee's decision to seek bank reserve and money market conditions that would support somewhat slower growth in monetary aggregates over the months ahead than had occurred on the average in the past 6 months. Operations had been directed toward fostering growth in reserves available to support private nonbank deposits (RPD's) at an annual rate in a range of

[2]Private demand deposits plus currency in circulation.

[3]Growth rates are calculated on the basis of the daily average level in the last month of the period relative to that in the last month preceding the period. Moreover, they are based on revised series for the monetary aggregates, which were released to the public in early February.

[4]M_1 plus commercial bank time and savings deposits other than large-denomination CD's.

[5]Daily average member bank deposits, adjusted to include funds from nondeposit sources.

−2.5 to +2.5 per cent in the February–March period, while avoiding marked changes in money market conditions.

Early in the inter-meeting period it had appeared that growth in the monetary aggregates would remain strong and that bank sales of CD's, in association with the larger-than-expected demands for bank credit, might result in growth in RPD's in the February–March period at an annual rate in excess of 2.5 per cent. Consequently, the System had acted promptly to slow the expansion in RPD's, and the Federal funds rate rose to about 6¾ per cent for the statement week ending February 21 from around 6⅜ per cent in the days before the February meeting. After March 1 — when Committee members agreed that the weekly average rate for Federal funds should be permitted to rise somewhat further if necessary to limit growth in RPD's — the rate fluctuated around a level slightly above 7 per cent. Member bank borrowings averaged about $1,665 million in the 5 weeks ending March 14, compared with about $1,235 million in the preceding 4 weeks.

Since the Committee's February meeting short-term market interest rates in general had risen substantially further as money market conditions continued to firm and as the persistent expansion in demands for bank credit induced banks to issue large amounts of CD's and to liquidate holdings of short-term Treasury securities. Rates on CD's with maturities between 90 and 179 days reached the Regulation Q ceiling of 6¾ per cent, and rates on those with maturities between 30 and 89 days — which are not subject to ceilings — rose to 7¼ per cent. Banks generally raised their prime rates from 6 to 6¼ per cent in late February, and on March 19 a number of banks announced that they would raise rates further to 6¾ per cent.[6] On that day the market rate on 3-month Treasury bills was 6.22 per cent, compared with 5.44 per cent 5 weeks earlier. Federal Reserve discount rates were raised ½ percentage point, to 5½ per cent, at four Reserve Banks on February 26 and at the remaining eight Banks by March 2.

Yields on long-term securities also had continued to rise since the February meeting, but the increase remained relatively moderate, especially for Treasury and corporate issues. Upward pressures

[6]By March 27, in cooperation with the Government's stabilization program, these banks had rolled back their rates to 6½ per cent.

on long-term yields were limited by foreign official demands for Treasury coupon issues and by a sharp drop in the volume of new public offerings of corporate bonds in February and the prospect that the volume would only recover in March. For State and local government bonds, the volume of new issues declined more moderately in February and appeared likely to rise again in March; moreover, commercial bank demands for these securities receded as loan demands expanded.

Contract interest rates on conventional mortgages rose somewhat in February, after 4 months of stability, while yields in the secondary market continued to change little. Inflows of savings funds to nonbank thrift institutions, like those to banks, slowed considerably as yields on market securities became increasingly attractive to savers.

The Committee agreed that the economic situation called for growth in the monetary aggregates over the months ahead at somewhat slower rates than had occurred on the average in the past 6 months. The members took note of a staff analysis suggesting that the cumulative impact of the advance in short-term interest rates that had already occurred would probably slow growth in the monetary aggregates over the months ahead. Nevertheless a relatively rapid rate of growth in RPD's was projected for the March–April period, chiefly because the substantial increase in the outstanding volume of large-denomination CD's that had occurred in recent weeks would affect required reserves with a lag and further expansion in the outstanding volume was expected. Therefore, the Committee's objectives for monetary growth might be fostered by pursuing growth in RPD's in the March–April period at an annual rate within a range of 14 to 16 per cent. The analysis also suggested that attainment of RPD growth in that range might be associated with some further increase in some short-term interest rates and probably also in long-term rates.

The Committee concluded that active reserve-supplying operations should be limited unless RPD's in the March–April period appeared to be growing at an annual rate of less than 12 per cent. Specifically, the members decided that operations should be directed at fostering RPD growth during that period at a rate within a range of 12 to 16 per cent, while continuing to avoid marked changes in money market conditions. They also agreed that in the conduct of operations account should be taken of possible credit market developments and international developments, and that allowance should be made in operations if growth in the monetary aggregates appeared to be deviating from an acceptable range. It was understood that the Chairman might consider calling upon the Committee to appraise the need for supplementary instructions before the next scheduled meeting.

The following domestic policy directive was issued to the Federal Reserve Bank of New York:

> The information reviewed at this meeting suggests continued substantial growth in real output of goods and services in the current quarter, although at a rate less rapid than in the fourth quarter of 1972. Over the first 2 months of this year, employment rose strongly but the unemployment rate remained about 5 per cent. The advance in wage rates moderated from the earlier rapid pace, while the rate of increase in prices accelerated. Prices of foods continued to rise sharply both at wholesale and retail; in February, moreover, increases in wholesale prices of industrial commodities were large and widespread. Another wave of speculative movements out of dollars into German marks and some other currencies developed at the beginning of March and led to a decision by a number of European countries to float their currencies jointly. On March 16, after a series of meetings, officials of leading industrial countries announced a program aimed at maintaining orderly international monetary arrangements.
>
> The narrowly defined money stock expanded moderately in February, after having changed little in January, and growth over recent months remained at an average annual rate of about 6.5 per cent. The more broadly defined money stock continued to grow at a moderate rate in February as inflows of consumer type time and savings deposits to banks slowed sharply. However, in the face of strong loan demand from businesses, and also from foreign banks, U.S. banks sharply increased their issuance of large denomination CD's and the bank credit proxy expanded very rapidly. In recent weeks short term market interest rates have risen substantially further while the rise in long term rates has remained more moderate.
>
> In light of the foregoing developments, it is the policy of the Federal Open Market Committee to foster financial conditions consonant with the aims of the economic stabilization program, including abatement of inflationary pressures, sustainable growth in real

output and employment, and progress toward equilibrium in the country's balance of payments.

To implement this policy, while taking account of possible domestic credit market and international developments, the Committee seeks to achieve bank reserve and money market conditions that will support somewhat slower growth in monetary aggregates over the months ahead than occurred on average in the past 6 months.

Votes for this action: Messrs. Burns, Hayes, Balles, Brimmer, Bucher, Daane, Francis, Mayo, Mitchell, Morris, Robertson, and Sheehan. Votes against this action: None.

On April 11, 1973, less than one week before the date scheduled for the Committee's next meeting, the System Account Manager reported that in light of the latest estimates for RPD's and the monetary aggregates, he interpreted the Committee's instructions to call for reserve-supplying operations consistent with an easing in money market conditions. On that day a majority of the members concurred in a recommendation by the Chairman that such operations not be undertaken prior to the next meeting, when the Committee would have an opportunity to deliberate on the appropriate policy course.

2. Ratification of earlier action

On March 15, 1973, Committee members had voted to increase from $2 billion to $3 billion the limit on changes between Committee meetings in System Account holdings of U.S. Government and Federal agency securities specified in paragraph 1(a) of the continuing authority directive with respect to domestic open market operations, effective immediately, for the period ending with the close of business on March 20, 1973.

Votes for this action: Messrs. Hayes, Balles, Brimmer, Bucher, Francis, Mayo, Mitchell, Morris, and Robertson. Votes against this action: None.

Absent and not voting: Messrs. Burns, Daane, and Sheehan.

This action, which was ratified by unanimous vote at this meeting, had been taken on recommendation of the System Account

Manager. The Manager had advised that a substantial volume of open market purchases of Treasury and Federal agency securities had been required in the period since the Committee's previous meeting in order to offset the reserve absorption caused by a sizable unanticipated rise in Treasury balances at Federal Reserve Banks, an increase in currency in circulation, and changes in certain other market factors, and that a temporary increase in the leeway for System purchases appeared desirable in light of the prospective near-term needs to supply reserves.

3. Review of and amendments to continuing authorizations

This being the first meeting of the Federal Open Market Committee following the election of new members from the Federal Reserve Banks to serve for the year beginning March 1, 1973, and their assumption of duties, the Committee followed its customary practice of reviewing all of its continuing authorizations and directives.

The Committee concurred in a staff recommendation that, in the interest of simplicity and logic, the titles of three of these instruments should be changed and that corresponding amendments should be made in the text passages of certain instruments that referred to other instruments by title. The changes in titles were as follows: from "continuing authority directive with respect to domestic open market operations" to "authorization for domestic open market operations"; from "current economic policy directive" to "domestic policy directive"; and from "authorization for System foreign currency operations" to "authorization for foreign currency operations." The text passages amended to reflect these title changes were paragraph 1 of the authorization for domestic open market operations and paragraphs 2C and 2D of the foreign currency directive.

The Committee also amended its authorization for foreign currency operations in two respects to remove certain duplications that resulted from revisions made earlier in the year in its Rules of Organization and Rules of Procedure.[7] The amendments involved

[7] Revised Rules of Organization, Rules of Procedure, and Regulation relating to Open Market Operations of Federal Reserve Banks, as well as miscellaneous amendments to the Rules Regarding Availability of Information, as approved by the Committee on Jan. 16, 1973, effective Feb. 1, 1973, were published in the Federal Register for Jan. 30, 1973.

deletion of paragraph 10 and a revision of paragraph 6 to read as follows:

> The Subcommittee named in Section 272.4(c) of the Committee's Rules of Procedure is authorized to act on behalf of the Committee when it is necessary to enable the Federal Reserve Bank of New York to engage in foreign currency operations before the Committee can be consulted. All actions taken by the Subcommittee under this paragraph shall be reported promptly to the Committee.

Except for the changes resulting from these actions, the Committee reaffirmed its domestic and foreign currency authorizations and its domestic and foreign currency directives in the form in which each was outstanding at the beginning of the year 1973.

Votes for these actions: Messrs. Burns, Hayes, Balles, Brimmer, Bucher, Daane, Francis, Mayo, Mitchell, Morris, Robertson, and Sheehan. Votes against these actions: None.

Law Department

Statutes, regulations, interpretations, and decisions

RESERVES OF MEMBER BANKS

The Board has amended its Regulation D to establish a marginal reserve requirement of 8 per cent against certain time deposits, and to subject to the 8 per cent marginal reserve requirement certain deposits exempt from the rate limitations of the Board's Regulation Q.

The amendment reads as set forth below:

AMENDMENT TO REGULATION D

Effective June 21, 1973, § 204.5(a)(1)(ii) and (2)(ii) is amended to read as follows:

SECTION 204.5 RESERVE REQUIREMENTS

(a) **Reserve percentages.** Pursuant to the provisions of section 19 of the Federal Reserve Act and § 204.2(a) and subject to paragraph (c) of this section, the Board of Governors of the Federal Reserve System hereby prescribes the following reserve balances that each member bank of the Federal Reserve System is required to maintain on deposit with the Federal Reserve Bank of its district:

(1) If not in a reserve city

* * *

(ii) 3 per cent of its other time deposits up to $5 million, plus 5 per cent of such deposits in excess of $5 million: *Provided, however*, That a member bank shall maintain a reserve balance equal to 8 per cent of the amount by which the daily average amount of time deposits of the types hereinafter specified exceeds either the daily average amount of such time deposits outstanding during the computation period ending May 16, 1973, or $10 million, whichever is greater, and such 8 per cent reserve percentage shall apply with respect to time deposits of the following types:

(*a*) single maturity time deposits of $100,000 or more; and

(*b*) any other time deposits exempt from the rate limitations of Regulation Q, other than a deposit due to (*i*) a foreign banking office of a bank, or (*ii*) an institution the time deposits of which are described in § 217.3(g) thereof;

and * * *

(2) If in a reserve city (except as to any bank located in such a city that is permitted by the Board of Governors of the Federal Rerserve System, pursuant to § 204.2(a)(2), to maintain the reserves specified in subparagraph (1) of this paragraph)

* * *

(ii) 3 per cent of its other time deposits up to $5 million, plus 5 per cent of such deposits in excess of $5 million: *Provided, however*, That a member bank shall maintain a reserve balance equal to 8 per cent of the amount by which the daily average amount of time deposits of the types hereinafter specified exceeds either the daily average amount of such time deposits outstanding during the computation period ending May 16, 1973, or $10 million, whichever is greater, and such 8 per cent reserve percentage shall apply with respect to time deposits of the following types:

(*a*) single maturity time deposits of $100,000 or more; and

(*b*) any other time deposits exempt from the rate limitations of Regulation Q, other than a deposit due to (*i*) a foreign banking office of a bank, or (*ii*) an institution the time deposits of which are described in § 217.3(g) thereof;

and * * *

RESERVES OF MEMBER BANKS FOREIGN ACTIVITIES OF NATIONAL BANKS

The Board amended Regulations D and M to reduce the reserve requirements on member banks' Eurodollar borrowings and foreign branch loans to U.S. residents from 20 to 8 per cent, to eliminate the reserve-free bases presently exempting from reserve requirements some portion of member banks' foreign branch loans to U.S. residents, and to phase out over a period of approximately eight months the reserve free bases presently exempting from reserve requirements some portion of member banks' Euro-dollar borrowings.

The amendments read as set forth below:

AMENDMENTS TO REGULATIONS D AND M

Effective as indicated below, § 204.5(c) of Regulation D and § 213.7 of Regulation M are amended to read as follows:

SECTION 204.5—RESERVE REQUIREMENTS

* * * * *

(c) **Reserve percentages against certain deposits by foreign banking offices.** Deposits represented by promissory notes, acknowledgements of advance, due bills, or similar obligations described in § 204.1(f) to foreign offices of other banks,[8] or to institutions the time deposits of which are exempt from the rate limitations of Regulation Q pursuant to § 217.3(g) thereof, shall not be subject to paragraph (a) of this section or to § 204.3(a)(1) and (2); but during each week of the four-week period beginning June 21, 1973, and during each successive four-week ("maintenance") period, a member bank shall maintain with the Reserve Bank of its district a daily average balance equal to 8 per cent of the daily average amount of such deposits during the four-week computation period ending on the Wednesday fifteen days before the beginning of the maintenance period. An excess or deficiency in reserves in any week of a maintenance period under this paragraph shall be subject to § 204.3(a)(3), as if computed under § 204.3(a)(2), and deficiencies under this paragraph shall be subject to § 204.3(b):[9]
Provided, That any bank that, under the terms of § 204.5(c) of Regulation D as in effect prior to June 21, 1973,[10] was deducting for the computation period ending on May 9, 1973, an earlier period's corresponding daily average total of such deposits (hereinafter called "reserve-free base") in calculating its reserve requirements shall continue to be entitled to do so in accordance with the terms of such former section, but such reserve-free base shall not exceed progressively lower ceilings established hereunder by reducing the amount of its reserve-free base for the computation period ending on May 9, 1973, in ten increments, each equal to 10 per cent of its base in such computation period ending on May 9, 1973, applied consecutively in each succeeding computation period beginning with the period ending on August 1, 1973, until such reserve-free base is exhausted.

SECTION 213.7—RESERVES AGAINST FOREIGN BRANCH DEPOSITS

(a) **Transactions with parent bank.** During each week of the four-week period beginning June 21, 1973, and during each week of each successive four-week ("maintenance") period, a member bank having one or more foreign branches shall maintain with the Reserve Bank of its district, as a reserve against its foreign branch deposits, a daily average balance equal to 8 per cent of the daily average total of

(1) net balances due from its domestic offices to such branches, and

(2) assets (including participations) held by such branches which were acquired from its domestic offices (other than assets representing credit extended to persons not residents of the United States), during the four-week computation period ending on the Wednesday fifteen days before the beginning of the maintenance period:
Provided, that any bank that, under the terms of § 213.7(a) of Regulation M as in effect prior to June 21, 1973,[7] was deducting for the computation period ending on May 9, 1973, an earlier period's corresponding daily average total of such "net balances due" or "assets held" (hereinafter called "reserve-free base") in calculating its reserve requirements hereunder shall continue to be entitled to do so in accordance with the terms of such former section, but such reserve-free base shall not exceed progressively lower ceilings established hereunder by reducing the amount of its reserve-free base for the computation period ending on May 9, 1973, in ten increments, each equal to 10 per cent of its base in such computation period ending on May 9, 1973, applied consecutively in each succeeding computation period beginning with the period ending on August 1, 1973, until such reserve-free base is exhausted.

(b) **Credit extended to United States residents.** During each week of the four-week period beginning June 21, 1973, and during each week of each successive four-week maintenance period, a member bank having one or more foreign branches shall maintain with the Reserve Bank of its district, as a reserve against its foreign branch

[8] Any banking office located outside the States of the United States and the District of Columbia of a bank organized under domestic or foreign law.

[9] The term "computation period" in § 204.3(a)(3) and (b) shall, for this purpose, be deemed to refer to each week of a maintenance period under this paragraph.

[10] 35 Federal Register 18658.

[7] 36 Federal Register 1040; 6826

deposits, a daily average balance equal to 8 per cent of the daily average credit outstanding from such branches to United States residents[8] (other than assets acquired and net balances due from its domestic offices) during the four week computation period ending on the Wednesday fifteen days before the beginning of the maintenance period: *Provided*, that this paragraph does not apply to credit extended (1) to enable the borrower to comply with the requirements of the Office of Foreign Direct Investments, Department of Commerce,[9] or (2) under binding commitments entered into before May 17, 1973.

FOREIGN ACTIVITIES OF NATIONAL BANKS

The Board has amended its Regulation M to minimize the administrative burden on member banks in complying with reserve requirements relating to extensions of credit by their foreign branches to United States residents.

AMENDMENT TO REGULATION M

Effective June 21, 1973, the Board has amended the proviso in § 213.7(b) of Regulation M to read as set forth below:

SECTION 213.7 RESERVES AGAINST FOREIGN BRANCH DEPOSITS

* * * * *

(b) **Credit extended to United States residents.**

* * * * *

Provided, That this paragraph does not apply to credit extended (1) in the aggregate amount of $100,000 or less to any United States resident, (2) by a foreign branch which at no time during the computation period had credit outstanding to United States residents exceeding $1 million, (3) to enable the borrower to comply with the requirements of the Office of Foreign Direct Investments, Department of Commerce,[9] or (4) under binding commitments entered into before May 17, 1973.

[8](a) Any individual residing (at the time the credit is extended) in any State of the United States or the District of Columbia; (b) any corporation, partnership, association or other entity organized therein ("domestic corporation"); and (c) any branch or office located therein of any other entity wherever organized. Credit extended to a foreign branch, office, subsidiary, affiliate or other foreign establishment ("foreign affiliate") controlled by one or more such domestic corporations will not be deemed to be credit extended to a United States resident if the proceeds will be used in its foreign business or that of other foreign affiliates of the controlling domestic corporation(s).

[9] The branch may in good faith rely on the borrower's certification that the funds will be so used.

INTEREST ON DEPOSITS

The Board has amended its Regulation Q to suspend the limitations on the rates of interest which may be paid by a member bank on a single maturity time deposit of $100,000 or more, regardless of the maturity of such time deposit.

The text of the amendment reads as set forth below:

AMENDMENT TO REGULATION Q

Effective May 16, 1973 §217.7(a)(1) is amended to read as follows:

SECTION 217.7 MAXIMUM RATES OF INTEREST PAYABLE BY MEMBER BANKS ON TIME AND SAVINGS DEPOSITS

* * * * *

(a) **Single maturity time deposits.**

(1) **Deposits of $100,000 or more.** There is no maximum rate of interest presently prescribed on any single maturity time deposit of $100,000 or more.

* * * * *

SECURITIES CREDIT TRANSACTIONS

The Board has amended its margin regulations G, T, and U. These amendments provide that any put, call, or combination thereof written on an equity security shall have no loan value for the purposes of §§ 207.1, 220.3 and 221.1; make it clear that the customer's adjusted debit balance in a general account under Regulation T must include the amount of margin required in connection with the issuance, endorsement, or guarantee of any put, call, or combination thereof; and conform the definition of "stock" in Regulation U to the statutory definition of "equity security."

SUPPLEMENT TO REGULATION G

Effective May 23, 1973 § 207.5(a) (the supplement to regulation G) is amended as set forth below:

SECTION 207.5 SUPPLEMENT

(a) **Maximum loan value of margin securities.** For the purpose of § 207.1, the maximum loan value of any margin security, except convertible securities subject to § 207.1(d) and any put, call, or combination thereof, shall be 35 per cent of its current market value, as determined by any reasonable method. No put, call, or combination thereof shall have any loan value for the purposes of this part.

* * * * *

SUPPLEMENT TO REGULATION T

Effective May 23, 1973 § 220.3 is amended as set forth below:

SECTION 220.3—GENERAL ACCOUNT

* * * * *

(b) **General rule.** * * *

(2) Except as *permitted in this paragraph (b) (2)*, no withdrawal of cash or exempted or margin securities shall be permissible if the adjusted debit balance of the account (whether the general account, the special bond account, or the special convertible security account) would exceed the maximum loan value of the securities in such account *after such withdrawal. The exceptions are* available only in the event no cash or securities need to be deposited in such account in connection with a transaction on a previous day and none would need to be deposited thereafter in connection with any withdrawal of cash or securities on the current day. The permissible exceptions are * * * *(iv) upon the sale (other than the short* sale) of margin securities or securities having loan value in the general account, special bond account, or special convertible security account there may be withdrawn in cash an amount equal to the difference between the current market value of the securities sold and the "retention requirement" *of such securities, or (v)* * * *

(d) **Adjusted debit balance.** For the purpose of this part, the adjusted debit balance of a general account, special bond account, or special convertible debt security account shall be calculated by taking the sum of the following items:

* * * * *

(5) The amounts of any margin required in connection with the issuance, endorsement, or guarantee of any put, *call*, or *combination thereof.*

* * * * *

Section 220.8 (a) (1) and (f) (the Supplement to Regulation T) is amended to read as set forth below:

SECTION 220.8—SUPPLEMENT

(a) **Maximum loan value of general accounts.** The maximum loan value of securities in a general account subject to § 220.3 shall be:

(1) Of a registered nonequity security held in the account on March 11, 1968, and continuously thereafter, and of a margin equity security (except as provided in § 220.3(c) and paragraphs (b), (c) and (f) of this section), 35 per cent of the current market value of such securities.

* * * * *

(f) **Securities having no loan value in a general account.** No securities *other than* an exempted security or registered nonequity security held in the account on March 11, 1968, and continuously thereafter, and a margin security, shall have any loan value in a general account except that a margin security *eligible* for the special convertible debt security account pursuant to § 220.4(j) *shall have loan value only if held in* the account on March 11, 1968, and continuously thereafter; and no put, call, or combination thereof shall have loan value in a general account.

* * * * *

CREDIT BY BANKS FOR THE PURPOSE OF PURCHASING OR CARRYING MARGIN STOCKS

SUPPLEMENT TO REGULATION U

Effective June 16, 1973 § 221.3(l) is amended as set forth below:

SECTION 221.3—MISCELLANEOUS PROVISIONS

* * * * *

(l) **Stock.** The term "stock" includes any security commonly known as a stock; any voting trust certificate or other instrument representing such a security; and any security convertible, with or without consideration, presently or in the future, into such security, certificate, or other instrument, or *carrying any warrant or right to subscribe to* or purchase such a security; or any such warrant or right; or any other security which the Securities and Exchange Commission shall deem to be of similar nature and consider necessary or appropriate, by such rules and regulations as it may prescribe in the public interest or for the protection of investors, to treat as an equity security such as any certificate of interest or participation in any profit sharing agreement, preorganization certificate, or subscription, transferable share, limited partnership interest, interest in a joint venture, or certificate of interest in a business trust; or any put, call, straddle, or other option or privilege of buying such a security from or selling such a security to another without being bound to do so.

* * * * *

Effective June 16, 1973 § 221.4(a) (the supplement to Regulation U) is amended to read as follows:

SECTION 221.4 SUPPLEMENT

(a) **Maximum loan value of stocks.** For the purpose of § 221.1, the maximum loan value of any stock except puts, calls, and combinations thereof, whether or not registered on a national securities exchange shall be 35 per cent of its current market value, as determined by any reasonable method. Puts, calls, and combinations thereof shall have no loan value.

* * * * *

RULES REGARDING DELEGATION OF AUTHORITY

The Board has amended its Rules Regarding Delegation of Authority to delegate to the Director of the Division of Supervision and Regulation the authority to make available reports and other information relating to margin Regulations G,T,U, and X.

Effective May 31, 1973 § 265.2 is amended to read as set forth below:

SECTION 265.2 SPECIFIC FUNCTIONS DELEGATED TO BOARD EMPLOYEES AND FEDERAL RESERVE BANKS

* * * * *

(c) The Director of Division of Supervision and Regulation (or, in his absence, the Acting Director) is authorized:

* * * * *

(19) Pursuant to the provisions of Part 261 of this chapter, to make available reports and other information of the Board acquired pursuant to Parts 207, 220, 221, and 224 (Regulations G,T,U, and X) of the nature and in the circumstances described in § 261.6(a)(2) and (3) of Part 261.

FEDERAL OPEN MARKET COMMITTEE

RULES OF ORGANIZATION

The Federal Open Market Committee has amended its rules of organization in order to include references to Deputy General Counsel.

SECTION 4 STAFF

Effective June 1, 1973, section 4 of the rules of organization is amended to read as set forth below:

(a) **Selection of staff officers.** At its first meeting on or after March 1 of each year, the Committee selects, from among the officers and employees of the Board and the Federal Reserve Banks, the following staff officers to serve until the first meeting on or after March 1 of the next following year: Secretary, Deputy Secretary, and one or more Assistant Secretaries; General Counsel, Deputy General Counsel, and one or more Assistant General Counsel; and Economists, one or more of whom may be designated as Senior or Associate Economists or given titles reflecting their areas of particular specialization.

* * * * *

(d) **General Counsel and Deputy and Assistant General Counsel.** The General Counsel furnishes such legal advice as the Committee may require. In the absence of the General Counsel, the Deputy General Counsel or an Assistant General Counsel acts as General Counsel pro tem.

INTERPRETATION OF REGULATIONS D AND M

STATEMENT OF POLICY ON AVAILABILITY OF INFORMATION TO FACILITATE SUPERVISION OF FOREIGN OPERATIONS OF MEMBER BANKS

For the guidance of member banks having foreign operations, the Board publishes the following statement of policy regarding availability of information pertaining to member banks' foreign branches and subsidiaries to enable proper supervision of those operations:

The Board of Governors of the Federal Reserve System, as a central bank, is properly concerned with the preservation and promotion of a sound banking system in the United States. The Board of Governors and other federal banking supervisory authorities have been given specific statutory responsibilities to assure that banking institutions are operated in a safe and prudent manner affording protection to depositors and providing adequate and efficient banking services to the public on a continuing basis. These responsibilities and concerns are shared by central banks and bank supervisors the world over.

Under sections 25 and 25(a) of the Federal Reserve Act, the Board has particular responsibilities to supervise the international operations of member banks in the public interest. In carrying out these responsibilities, the Board has sought to assure that the international operations of member banks would not only foster the foreign commerce of the United States but that they would also be conducted so as not to encroach on the maintenance of a sound and effective banking structure in the United States. In keeping with the latter consideration, the Board believes it incumbent upon member banks to supervise and administer their foreign branches and subsidiaries in such a manner as to assure that their operations are conducted at all times in accordance with high standards of banking and financial prudence.

Proper administration and supervision of foreign branches and subsidiaries require the use of effective systems of records, controls, and reports that will keep the bank's management informed of the activities and condition of its branches and subsidiaries. At a minimum, such systems should provide the following:

(1) Risk assets. To permit assessment of exposure to loss, information furnished or available to head office should be sufficient to permit periodic and systematic appraisals of the quality of loans and other extensions of credit. Coverage should extend to a substantial proportion of the risk assets in the branch or subsidiary, and include the status of all large credit lines and of credits to customers also borrowing from other offices of the bank. Information on credit extensions should include (i) a recent financial statement of the borrower and current information on his financial condition; (ii) credit terms, conditions, and collateral; (iii) data on any guarantors; (iv) payment history; and (v) status of corrective measures employed.

(2) Liquidity. To enable assessment of local management's ability to meet its obligations from available resources, reports should identify the general sources and character of the deposits, borrowings, etc., employed in the branch or subsidiary with special reference to their terms and volatility. Information should be available on sources of liquidity—cash, balances with banks, marketable securities, and repayment flows—such as will reveal their accessibility in time and any risk elements involved.

(3) *Contingencies.* Data on the volume and nature of contingent items such as loan commitments and guaranties or their equivalents that permit analysis of potential risk exposure and liquidity requirements.

(4) *Controls.* Reports on the internal and external audits of the branch or subsidiary in sufficient detail to permit determination of conformance to auditing guidelines. Such reports should cover (i) verification and identification of entries on financial statements; (ii) income and expense accounts, including descriptions of significant charge-offs and recoveries; (iii) operation of dual-control procedures and other internal controls; (iv) conformance to head office guidelines on loans, deposits, foreign exchange activities, proper accounting procedures, and discretionary authority of local management; (v) compliance with local laws and regulations; and (vi) compliance with applicable U.S. laws and regulations.

MISCELLANEOUS INTERPRETATION

Since 1923, the Board has been of the view that "the acceptance power of State member banks is not necessarily confined to the provisions of section 13 [of the Federal Reserve Act], inasmuch as the laws of many States confer broader acceptance powers upon their State banks, and certain State member banks may, therefore, legally make acceptances of kinds which are not eligible for rediscount, but which may be eligible for purchase by Federal reserve banks under section 14." 1923 F. R. BULLETIN 316, 317.

In 1963, the Comptroller of the Currency ruled that "[n]ational banks are not limited in the character of acceptances which they may make in financing credit transactions, and bankers' acceptances may be used for such purpose, since the making of acceptances is an essential part of banking authorized by 12 U.S.C. 24." *Comptroller's Manual* 7.7420. Therefore, national banks are authorized by the Comptroller to make acceptances under 12 U.S.C. § 24, although the acceptances are not of the type described in section 13 of the Federal Reserve Act.

A review of the legislative history surrounding the enactment of the acceptance provisions of section 13 reveals that Congress believed in 1913 that it was granting to national banks a power which they would not otherwise possess and had not previously possessed. See remarks of Congressmen Phelan, Helvering, Saunders and Glass, 51 *Cong. Rec.* 4676, 4798, 4885, and 5064 (September 10, 12, 13 and 17 of 1913). Nevertheless, the Courts have long recognized the evolutionary nature of banking and of the scope of the "incidental powers" clause of 12 U.S.C. § 24. See *Merchants Bank* v. *State Bank*, 77 U.S. 604 (1870) (upholding the power of a national bank to certify a check under the "incidental powers" clause of 12 U.S.C. § 24).

It now appears that, based on the Board's 1923 ruling and the Comptroller's 1963 ruling, both State member banks and national banks may make acceptances which are *not of the type described* in section 13 of the Federal Reserve Act. Yet, this appears to be a development that Congress did not contemplate when it drafted the acceptance provisions of section 13.

The question is presented whether the amount limitations of section 13 should apply to acceptances made by a member bank that are not of the type described in section 13. (The amount limitations are of two kinds: (a) a limitation on the amount that may be accepted *for any one customer*, and (b) a limitation on the *aggregate* amount of acceptances that a member bank may make.) *In interpreting* any Federal statutory provision, the primary guide is the intent of Congress; yet, as noted earlier, Congress did not contemplate in 1913 the development of so called "ineligible acceptances." (Although there is some indication that Congress did contemplate State member banks' making acceptances of a type not described in section 13 [remarks of Congressman Glass, 51 *Cong. Rec.* 5064], the primary focus of Congressional attention was on the acceptance powers of national banks.) In the absence of an indication of Congressional intent, we are left to reach an interpretation that is in harmony with the language of the statutory provisions and with the purposes of the Federal Reserve Act.

Section 13 authorizes acceptances of two types. The seventh paragraph of section 13 (12 U.S.C. § 372) authorizes certain acceptances that arise out of specific transactions in goods. (These acceptances are sometimes referred to as "commercial acceptances.") The twelfth paragraph of section 13 authorizes member banks to make acceptances "for the purpose of furnishing dollar exchange as required by the usages of trade" in foreign transactions. (*Such acceptances are referred to as* "dollar exchange acceptances.") In the twelfth paragraph, there is a 10 per cent limit on the amount of dollar exchange acceptances that may be accepted for any one customer (unless adequately secured) and a limitation on the aggregate amount of dollar exchange acceptances that a member bank may make. (The twelfth paragraph, in imposing these limitations, refers to the acceptance of "such drafts or bills of exchange referred to [in] *this paragraph.*") *Similarly, the seventh* paragraph imposes on commercial acceptances a parallel 10 per cent per customer limitation, and limitations on the aggregate amount of commercial acceptances. (In the case of the aggregate limitations, the seventh paragraph states that "no bank shall accept *such bills* to an amount" in excess of the aggregate limit; the reference to "such bills" makes clear that the limitation is only in respect of drafts or bills of exchange of the specific type *described in the seventh paragraph.*)

Based on the language and parallel structure of the seventh and twelfth paragraphs of section 13, and in the absence of a statement of Congressional intent in the legislative history, the Board concludes that the per customer and aggregate limitations of the twelfth paragraph apply only to acceptances of the type described in that paragraph (dollar exchange acceptances), and the per customer and aggregate limitations of the seventh paragraph (12 U.S.C. § 372) apply only to acceptances of the type described in that paragraph.

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

ORDERS UNDER SECTION 3 OF BANK HOLDING COMPANY ACT

FIRST CITY BANCORPORATION OF TEXAS, INC., HOUSTON, TEXAS

Order Approving Acquisition of Bank

First City Bancorporation of Texas, Inc., Houston, Texas, a bank holding company within the meaning of the Bank Holding Company Act, has *applied for the Board's approval under* § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to Corpus Christi Bank and Trust, Corpus Christi, Texas ("Bank"). The bank into which Bank is to be merged has no significance except as a means to facilitate the acquisition of the voting shares of Bank. Accordingly, the proposed acquisition of the successor organization is treated herein as the proposed *acquisition of the shares of Bank.*

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with § 3(b) of the Act. The time for filing comments and views has expired, and none has been timely received

The Board has considered the application in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant controls 13 banks with deposits of $1.7 billion, representing 5.6 per cent of total deposits in commercial banks in Texas and is the second largest banking organization in the State. (All banking data are as of June 30, 1972, adjusted to reflect holding company formations and acquisitions approved by the Board through March 31, 1973.) The acquisition of Bank, with deposits of $113 million, would not change Applicant's present rank among State banking organizations.

Bank ranks second among the 26 banks serving the Corpus Christi banking market and holds 20 per cent of area deposits. The largest market bank, Corpus Christi State National Bank, Corpus Christi, Texas ("National Bank") controls approximately 32 per cent of total market deposits. This proposal represents Applicant's initial entry into the Corpus Christi banking market and also represents the second attempt by a bank holding company to acquire one of the market banks. Applications have recently been approved for the acquisition by a bank holding company of National Bank and for the merger of the fourth and ninth largest area banks. Primary competition in the market is concentrated between National Bank and Bank, whereas the 24 smaller banks compete among themselves for consumer loans and deposits and for the smaller commercial accounts. Consummation of this proposal could improve Bank's ability to compete with National Bank without adversely affecting any of the area banks.

Bank does not compete with any of Applicant's subsidiary banks, the closest of which is located in the Houston banking market, 185 miles from Corpus Christi. Furthermore, it does not appear that significant future competition would develop between them in view of their wide separation, the presence of numerous intervening banks, and restrictions placed on branching by State laws. Competitive considerations are consistent with approval of the application.

The financial condition and managerial resources of Applicant, its subsidiary banks, and Bank are considered to be satisfactory, and prospects for each appear favorable. Banking factors are consistent with approval of the application. The primary banking needs of the Corpus Christi area are being served at the present time. However, Applicant proposes to assist Bank in providing the area with additional expertise in real estate, in petroleum and gas financing and in trust services. The International Department of Applicant's lead bank will make available to Bank's customers clearance of foreign checks, issuance of foreign drafts, arrangements for letters of credit (commercial and individual), foreign currencies, and loans in the Euro-dollar market. Considerations relating to the convenience and needs of the communities to be served are consistent with and lend slight support to approval of the application. 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 (a) before the thirtieth calendar day following the effective date of this Order or (b) 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 Dallas pursuant to delegated authority.

By order of the Board of Governors, effective May 3, 1973.

Voting for this action: Chairman Burns and Governors Daane, Sheehan, and Bucher. Voting against this action: Governor Robertson. Absent and not voting: Governors Mitchell and Brimmer.

Board action was taken while Governor Robertson was a Board Member.

(Signed) TYNAN SMITH,

[SEAL] *Secretary of the Board.*

ORDER APPROVING MERGER OF BANKS

New Corpus Christi Bank and Trust, Corpus Christi, Texas, a nonoperating proposed State member bank of the Federal Reserve System, has applied pursuant to the Bank Merger Act (12 U.S.C. 1828(c)) for the Board's prior approval to acquire the assets and assume the liabilities of Corpus Christi Bank and Trust, Corpus Christi, Texas ("Bank"), under the name of Bank and charter of Applicant. The bank into which Bank is to be merged has no significance except as a means to facilitate the acquisition of the voting shares of Bank by First City Bancorporation of Texas, Inc., Houston, Texas.

As required by the Act, notice of the proposed acquisition of assets and assumption of liabilities, in form approved by the Board, has been published, and the Board has requested reports on competitive factors from the Attorney General, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation. The Board has considered all relevant material contained in the record and all comments received in light of the factors set forth in the Act.

On the basis of the record, the application is approved for the reasons summarized in the Board's Order of this date, approving the application of First City Bancorporation of Texas, Inc., Houston, Texas, to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by purchase of assets and assumption of liabilities of Corpus Christi Bank and Trust, Corpus Christi, Texas. The transaction shall not be consummated (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Dallas pursuant to delegated authority.

By order of the Board of Governors, effective May 3, 1973.

Voting for this action: Chairman Burns and Governors Daane, Sheehan, and Bucher. Voting against this action: Governor Robertson. Absent and not voting: Governors Mitchell and Brimmer.

Board action was taken while Governor Robertson was a Board Member.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

DISSENTING STATEMENT OF GOVERNOR ROBERTSON

I would deny this application by the second largest banking organization in Texas to acquire the second largest bank in the Corpus Christi banking market because the adverse effect of the proposal on potential competition would not be justified on the basis of needed conveniences or public benefits.

Applicant has embarked upon a Statewide expansion program into all the major banking markets throughout Texas. It has either acquired or announced its intentions of acquiring nine other banks which would increase its present control of total deposits of commercial banks in Texas from 5.6 per cent to 7.6 per cent. Consequently, if this application were denied, Applicant would be a prospective entrant into the highly concentrated Corpus Christi banking market (the three largest banks hold 60 per cent of total market deposits). Applicant is capable of entry either through *de novo* means or through the acquisition of one of the smaller market banks, either of which would be infinitely more desirable from a competitive standpoint than the instant proposal.

This Board is charged with the responsibility of keeping a constant vigilance and control over the Statewide expansion of banking organizations. The granting of permission to major Statewide holding companies to acquire all the larger banks in secondary banking markets will limit severely the expansion possibilities for the smaller regional holding companies presently emerging in the State. Additionally, it will also act as a deterrent to new bank holding company formations, because there will be no remaining substantially large independent banks to act as lead banks in the new formations.

Careful consideration of the record in this case discloses no overriding benefits to customers of the Corpus Christi banking market which would support approval of this application notwithstanding its adverse effects on potential competition in the relevant areas. The same benefits which are alleged to accrue from this acquisition in the areas of international banking, and petroleum financing could also be realized if Applicant were granted approval to enter this market through less anticompetitive means, e.g., the acquisition of one of the smaller market banks.

I believe this proposal will have a deleterious effect on future competition in the Corpus Christi area and on the structure of banking in the State of Texas.

FIRST INTERNATIONAL BANCSHARES, INC., DALLAS, TEXAS

ORDER DENYING ACQUISITION OF BANK

First International Bancshares, Inc., Dallas, Texas, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire all of the voting shares (less directors' qualifying shares) of the successor by merger to Arlington Bank & Trust, Arlington, Texas ("Bank"). The bank into which Bank is to be merged has no significance except as a means to facilitate the acquisition of the voting shares of Bank. Accordingly, the proposed acquisition of shares of the successor organization is treated herein as the proposed acquisition of the shares of Bank.

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

Applicant controls two banks with aggregate deposits of \$1.7 billion, representing 5.6 per cent of the total commercial bank deposits in the State, and is the largest bank holding company in Texas. (All banking data are as of June 30, 1972.) Applicant's acquisition of Bank (\$65.5 million in deposits) would not represent a significant increase in Applicant's share of total deposits in the State.

Applicant presently controls through direct stock ownership one bank in the Dallas banking market, approximated by the Dallas RMA,[1] and holds 23.4 per cent of total market deposits, thereby ranking as the second largest of the 106 banking organizations in that market. Bank, the largest of six banks in Arlington, also competes in this banking market and controls 1.0 per cent of total market deposits thereby ranking as the eighth largest of the 106 banking organizations in the market. If this application were approved, Applicant would remain the second largest banking organization in the market and would control 24.4 per cent of total deposits.

There is substantial commuting between Dallas and Arlington. Traffic patterns suggest considerable integration of the two areas, and banks in each area use advertising media that reaches the other. Further, large Dallas banks serve a significant number of commercial and industrial loan accounts in Arlington, and there appear to be no significant differences in banking hours, service charges, savings account rates, and services offered, among banks located in Dallas and Arlington. The similarity in competitive behavior among banks in these two areas apparently reflects the substantial integration of the two areas that has occurred and that appears likely to accelerate with the recent establishment and effectiveness of the North Central Texas Council of Governments and the extensive economic development that has been and should continue to be induced by the Regional Airport to be completed near Arlington in the near future.

Bank and Applicant's Dallas subsidiary bank are only twenty miles apart. Applicant's Dallas bank derives a significant number of demand deposit and commercial and industrial and installment loan accounts from Bank's service area and, although Bank is the largest bank in its service area, Applicant's Dallas bank has an amount of commercial and industrial loans outstanding to accounts in Bank's service area that is six times larger than the amount of commercial and industrial loans outstanding at Bank. The Dallas banking market is highly concentrated with 62 per cent of total market deposits being held by the three largest banking organizations; approval of this application would aggravate this already high level of concentration. Bank is one of the largest independent banks in the market. It is especially attractive as a potential affiliate of a bank holding company making its initial entry into the area.

The acquisition of Bank by a banking organization not presently represented in the Dallas banking market would have a salutary effect on the existing high degree of deposit concentration present in this market. The Board concludes, therefore, that the competitive factors relating to this application are adverse; that consummation of the proposed transaction would (1) eliminate some existing competition between Applicant's lead bank and Bank; (2) eliminate a banking alternative in this concentrated market; (3) increase deposit concentration among the largest organizations in the Dallas market; and (4) remove Bank as a potential means of entry by other organizations not presently represented in this market. Accordingly, competitive considerations require denial of this application unless the anticompetitive effects of the proposal are outweighed by benefits to the public in meeting the convenience and needs of the communities to be served.

The financial condition and managerial resources and future prospects of Applicant and its subsidiary banks appear generally satisfactory. The financial condition and managerial resources of Bank are considered to be generally satisfactory, and prospects for its future growth and development are favorable; its deposits have increased approximately 63 per cent during the last five years. Thus, banking factors are consistent with approval but provide no significant support for such action.

The banking needs of the residents of the Dallas area appear to be adequately served at the present time by existing facilities. Consummation of the proposed transaction would have little impact on the convenience and needs of banking customers in the area. Accordingly, considerations relating to the convenience and needs of the communities to be served do not outweigh the adverse competitive effects of the proposal. It is the Board's judgment that consummation of the proposed ac-

[1]RMA refers to Ranally Metro Area which is defined as the central city plus every community, 8 per cent or more of the total population of which, or 15 per cent or more of the labor force of which, commutes to the central city, based on the Census of Population. No community, 35 per cent or more of the labor force of which is engaged in agriculture, is included in an RMA.

quisition would not be in the public interest and that the application should be denied.

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

By order of the Board of Governors, effective May 8, 1973.

Voting for this action: Chairman Burns and Governors Daane, Brimmer, Sheehan, and Bucher. Absent and not voting: Governor Mitchell.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

FIRST SECURITY CORPORATION, SALT LAKE CITY, UTAH

ORDER APPROVING ACQUISITION OF BANK

First Security Corporation, Salt Lake City, Utah, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire all of the voting shares (less directors' qualifying shares) of First Security Bank of Logan, National Association, Logan, Utah ("Bank"), a proposed new bank.

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

Applicant controls the largest bank in the State of Utah and three other Utah banking subsidiaries and is the largest banking organization in the State, controlling $620 million of deposits which represent 28.9 per cent of the total commercial bank deposits in the State. (All banking data are as of June 30, 1972.)

In Cache County, where the proposed bank would operate, Applicant's lead banking subsidiary has four banking offices (one in the City of Logan) with aggregate deposits of $31.4 million, representing 39.1 per cent of the total commercial bank deposits in that market area. Of the four other banks in the County (each of which has only one office there), three are located in the City of Logan.

Since Bank is a proposed bank and the other Logan banks are well established, consummation of the proposal would not eliminate existing competition; nor does there appear to be a likelihood that establishment of a new bank would have an undue adverse effect on the other banks in the market. Furthermore, it appears unlikely that Applicant's acquisition of Bank would preclude other banking organizations from entering the market. On the basis of figures for the period 1960-70, the Logan area (Logan, Providence, Millville, North Logan, and River Heights) has been growing at a rate slightly faster than that of the State as a whole (21.0 per cent vs. 18.9 per cent). In the northern portion of Logan, where Bank will be located, eight manufacturing plants and four shopping centers have been constructed since 1960 and increased business activity is expected as a result of a recent zoning change. Any increase in the share of market deposits held by Applicant that might result in the short run following consummation of this proposal may be dissipated with the arrival of new entrants to serve the expanding area; indeed, the record indicates that a charter for a new bank to be located approximately .7 mile south of Bank's site was recently approved by the State Commissioner of Financial Institutions. In the Board's view, the competitive factors in this case are distinguishable from those in a recent case involving a proposal to acquire a proposed new bank where the Board found that the applicant was dominant;[1] in that case, at least one other bank in the area had not yet had sufficient time to establish itself as a viable competitor, and the population of the relevant area had remained somewhat stable. Furthermore, the Board believes that the facts in the instant application are substantially similar to a proposal by Applicant to establish a new bank in Springville, Utah, which application was approved by the Board in 1970.[2] In brief, the Board believes that consummation of the proposal under consideration will not have such a significant adverse effect on potential competition in the Cache County market as to warrant denial.

The financial and managerial resources of Applicant and the present subsidiary banks are generally satisfactory; prospects of Bank under Applicant's control appear favorable. The establishment of Bank will provide, through affiliation with Applicant, a convenient source of a full range of banking services to the residents and businesses of northern Logan. Thus, banking factors, as well as considerations relating to the convenience and needs of the communities to be served, are consistent with approval of the application. It is the

[1] *First at Orlando Corporation*, 1973 Federal Reserve BULLETIN, 302.

[2] *First Security Corporation*, 1970 Federal Reserve BULLETIN, 952.

Board's judgment that the proposed acquisition 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 (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after that date, and (c) First Security Bank of Logan, National Association, shall be opened for business not later than six months after the effective date of this Order. Each of the periods described in (b) and (c) may be 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 May 16, 1973.

Voting for this action: Governors Daane, Brimmer, Sheehan and Bucher. Voting against this action: Governor Robertson. Absent and not voting: Chairman Burns and Governor Mitchell.

Board action was taken while Governor Robertson was a Board member.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

DISSENTING STATEMENT OF GOVERNOR ROBERTSON

The Board's action today represents a wasted opportunity to provide for a lessening of concentration in the Cache County, Utah, banking market, and for that reason I dissent from the action.

There are presently only eight banking offices in Cache County, four of which belong to Applicant's lead bank. The three largest banking organizations in the market hold 87.6 per cent of the total deposits in the market and 85.6 per cent of demand deposits in accounts under $20,000 belonging to individuals, partnerships, and corporations. The area is not particularly attractive for new bank formation, since the population for banking office ratio is only 5,291 and the deposits per office ratio is $10 million. The growth of the northern portion of Logan during the period 1960–70 and the expected growth in the future, as a result of recent zoning changes, offer one of the few opportunities for deconcentration of banking resources in the market to occur.

On the basis of the facts of this case, by granting this application, the Board may be depriving others of an opportunity to enter in the market. It is certainly true that the Board is enabling Applicant to retain (and possibly increase) the share of deposits in the market that it holds.

In voting to deny an application to establish a *de novo* bank, I would not want to deprive a community of a convenient source of banking resources that it may need. The facts of record do not support a conclusion that there would be such a deprivation. Applicant has a banking office 1.1 miles from the proposed site of Bank, and there are three other banking offices on that stretch of property; hence, as a source of depository and other routine banking services, Bank may represent a minimal convenience. With respect to specialized services, such as investment, trust and data processing services, it appears that customers of Bank will be referred to Applicant's other banking office in Logan; and, of course, this represents no added convenience or additional service. Finally, other banking organizations may establish an office in that part of Logan, providing a convenient alternative source of banking services.[1]

I see no good reason to assist Applicant to maintain its position in this concentrated market. I much prefer to preserve opportunities for entry by less dominant banking organizations, especially when it appears that such opportunities are likely to be infrequent. Accordingly, I would deny this application.

FIRST PIEDMONT CORPORATION, GREENVILLE, SOUTH CAROLINA

ORDER APPROVING ACQUISITION OF BANK

First Piedmont Corporation, Greenville, South Carolina, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 9.5 per cent of the voting shares of First Palmetto State Bank and Trust Company, Columbia, South Carolina ("Bank").

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

Applicant's one present banking subsidiary, which has its head office and two branches in Greenville, South Carolina, has deposits of $27.1

[1] There is at least one other banking organization—a sizable bank holding company—not presently represented in the market that is seeking regulatory approval to enter the market.

million representing less than 1 per cent of commercial bank deposits in South Carolina. (All banking data are as of June 30, 1972.) The acquisition of shares of Bank would not affect the concentration of banking resources in the State.

Bank ($8.2 million of deposits), organized in February, 1971, is the ninth largest of eleven banks competing in the relevant market area (approximated by the Columbia SMSA) and holds only 1.6 per cent of the market deposits. Among those banks competing with Bank are five of the largest in the State. Applicant's only subsidiary bank is located in a separate market area, approximately 100 miles southeast of Greenville.

This application presents the Board with a situation in which, rather than acquiring control, Applicant is making a relatively small, noncontrolling investment in Bank. Both Applicant and Bank are relatively young institutions. Applicant has indicated that it cannot presently offer to purchase all of Bank's shares as the assumption of additional debt for the acquisition would not be financially prudent for Applicant at this time. Acquisition through exchange of the additional shares necessary to control Bank would result in an unacceptable level of dilution of Applicant's current earnings per share. Applicant's stated purpose for acquiring the 9.5 per cent interest in Bank is to expose the operations of the holding company to the management and directors of Bank in anticipation that Bank's management will recommend to their stockholders at some future date that the holding company acquire control of Bank.

An acquisition of less than a controlling interest is not a normal acquisition for a bank holding company. However, the Bank Holding Company Act authorizes investments of up to 5 per cent without Board approval, and, by requiring prior Board approval for the acquisition of more than 5 per cent of the voting shares of a bank, clearly contemplates investments between 5 and 25 per cent. Furthermore, as mentioned above, this proposal represents the first step in Applicant's planned acquisition of control.

The Board believes, however, that such proposals must be carefully examined to ensure that they do not serve the private interests of certain shareholders to the undue disadvantage of others. The major concern raised in this regard is whether the proposal is consistent with the Board's policy requiring applicants to make substantially equivalent offers to all shareholders of a bank. That policy is, in general, based on a concern that a controlling holding company can use its position to divert earnings to the holding company in forms other than dividends. This and other possible disadvantages to minority shareholders could adversely affect the ability of small banks to raise capital if bank stock purchasers were aware that a holding company could purchase mere control. The Board regards control over a bank's assets and earnings as a corporate asset belonging to all shareholders of the bank. Where, as here, control over the assets and earnings is not acquired, the reasons for the Board's policy do not apply. Furthermore, at such time as Applicant comes in to purchase control, the Board can examine the total situation to ensure that other shareholders have not been unduly disadvantaged.

With respect to the other considerations involved in the Board's deliberation on this application, the proposal would not be objectionable even were it to be considered an acquisition of control. There is no present competition between any of Applicant's subsidiaries and Bank. Furthermore, it appears unlikely that any significant competition would develop in the future due to the distances separating the banking offices and the fact that both institutions are relatively new. The Board concludes that consummation of the proposal would not eliminate existing or potential competition, nor would it have adverse effects on any competing bank.

Considerations relating to the financial and managerial resources and future prospects of Applicant, its subsidiaries, and Bank are satisfactory and consistent with approval of the application. Major banking needs in the area are being met. However, association of Bank with Applicant could provide it with more ready access to services which might make Bank more competitive with the other organizations serving the relevant market. In addition, the proposed transaction is the first step in an acquisition that should ultimately improve the structure of banking in South Carolina.[1] Therefore, considerations relating to the convenience and needs of the communities to be served are consistent with approval. It is the Board's judgment that the proposed transaction would be in the public interest, and that the application should be approved.

Applicant controls four nonbanking subsidiaries, Equipment Leasing Corporation of South

[1] The four largest banking organizations on South Carolina control 53 per cent of the State's commercial bank deposits. The proposed acquisition should ultimately result in the creation of a multi bank holding which should make the State's existing banking structure more competitive.

Carolina. The Falco Corporation, Computer Resources, Inc., and First Piedmont Travel, Inc., which, under the 1970 Amendments, are subject to divestiture prior to December 31, 1980, if Board approval for retention is not obtained. Equipment Leasing Corporation of South Carolina and The Falco Corporation are both engaged in equipment and vehicle leasing. Computer Resources, Inc. provides electronic data processing, and First Piedmont Travel, Inc. is a travel agency. In addition to activities carried on through subsidiaries, Applicant directly (through its First Piedmont Management Group) is engaged in the activity of management consulting. This service was inaugurated between June 30, 1968 and December 31, 1970.

In approving this application, the Board finds that the combination of a 9.5 per cent interest in an additional bank with Applicant's existing nonbanking subsidiaries is unlikely to have an adverse effect upon the public interest at the present time. However, Applicant's banking and nonbanking activities remain subject to Board review and the Board retains the authority to require Applicant to modify or terminate its nonbanking activities or holdings if the Board at any time determines that the combination of Applicant's banking and nonbanking activities is likely to have adverse effects on the public interest.

On the basis of the record, the application is approved for the reasons summarized above. The tansaction shall not be consummated (a) before the thirtieth calendar day following the effective date of this Order or (b) 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 pursuant to delegated authority.

By order of the Board of Governors, effective May 16, 1973.

Voting for this action: Chairman Burns and Governors Daane, Sheehan, and Bucher. Voting against this action: Governors Robertson and Brimmer. Absent and not voting: Governor Mitchell.

Board action was taken while Governor Robertson was a Board Member.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

DISSENTING STATEMENT OF
GOVERNORS ROBERTSON AND BRIMMER

The Board's Order approving this application is based on a serious—and potentially adverse—misconception of the nature and purposes of a bank holding company. The Senate Committee on Banking and Currency, when reporting out its version of the original Bank Holding Company Act in 1956, stated: "In general, the philosophy of this bill is that bank holding companies ought to confine their activities to the management and control of banks and that such activities should be conducted in a manner consistent with the public interest." Under the Board's own reading of the facts in this case, a controlling interest is *not* being acquired by Applicant. That being the case, the majority should recognize that the activity is purely a financial investment and as such is not an appropriate activity for the holding company.

In our opinion, the Board's failure to treat the activity in this manner creates substantial possibilities that the interests of other shareholders of Bank will be harmed. More importantly, it represents a reversal of a position to which the Board previously attached considerable importance. In fact, when the Bank Holding Company Act Amendments were being considered in 1970, the Board asked for—and Congress granted—authority to prevent the domination of banks by firms which own more than 5 per cent but less than 25 per cent of the bank's stock. By approving this application, the Board is using this authority for a purpose exactly the opposite of that anticipated at the time the 1970 amendments were passed.

The majority states that the fact that any future acquisition of shares requires the Board's approval protects the other shareholders of the Bank since the Board can examine the equity of the situation at that time. While this is true, it overlooks the fact that Applicant, by acquiring about 10 per cent of the Bank's stock, virtually eliminates Bank as an acquisition candidate for any other holding company and thus deprives the other shareholders of a corporate opportunity properly belonging to all of them. It is obvious that any other holding company would want to acquire over eighty per cent of the outstanding stock in order to be assured of the tax benefits of consolidation. Applicant's posture of purchasing the Bank on the installment plan would prevent such assurance. While the majority statement looks forward to the supposed benefits of Applicant's eventual acquisition, in reality Applicant has acquired an option at the expense of the other shareholders. This option can be exercised or not depending on later market conditions.

As already indicated, the Board asked Congress for power to find control in situations where the company controlled less than 25 per cent of the voting stock because it felt such power was necessary to prevent evasions of the Act and the Board's regulations. However, rather than using that power, the Board now finds that no control exists and therefore the reasons for the Board's equal offer policy do not apply. As discussed above, such a finding clearly works to the disadvantage of the other shareholders.

In support of the application, the Board concludes that it is the first step in an acquisition that will ultimately improve the structure of banking in South Carolina. Such conjectural benefits—dependent solely on Applicant's future wishes—do not outweigh the present adverse effects on other shareholders. If Applicant cannot presently afford the acquisition of a controlling interest in Bank, it should not be allowed to acquire any of the Bank's stock. We would deny the application.

Governor Brimmer also would deny for the reasons set forth in his Dissenting Statement in the matter of the Applications of First National City Corporation, New York, New York, to acquire: (1) the successor by merger to The First Trust and Deposit Company of Oriskany Falls, Oriskany Falls, New York; and (2) the successor by merger to the Central Valley National Bank, Central Valley, New York (59 Federal Reserve BULLETIN 114)

NEW ENGLAND MERCHANTS COMPANY, INC., BOSTON, MASSACHUSETTS

ORDER DENYING ACQUISITION OF BANK

New England Merchants Company, Inc., Boston, Massachusetts, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842 (a)(3)) to acquire all of the voting shares of Hancock Bank and Trust Company, Quincy, Massachusetts ("Hancock Bank").

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

Applicant controls one bank[1] with deposits of approximately $844 million, representing 7.2 per cent of the total deposits in commercial banks in Massachusetts, and is the fifth largest banking organization in the State.[2] The acquisition of Hancock Bank ($66.7 million in deposits) would increase Applicant's control of Statewide deposits by .6 percentage points, and its ranking among Massachusetts banking organizations would not change.

Applicant's existing subsidiary bank, New England Merchants National Bank ("Merchants Bank"), has its home office in Suffolk County and is the fourth largest commercial bank in the Boston banking market,[3] controlling approximately 10 per cent of market deposits. Hancock Bank is the largest independent bank with its home office in Norfolk County, and is the thirteenth largest commercial bank in the Boston banking market, controlling .8 per cent of market deposits. Although Applicant's acquisition of Hancock Bank would increase its share of market deposits by only .8 percentage points, it would aggravate the high level of deposit concentration in the market (the five largest banking organizations presently control in excess of 80 per cent of market deposits). Merchants Bank and Hancock Bank are restricted by Massachusetts banking law from branching outside of their home office counties; however, the main offices of each bank are located only eight miles apart and they have several branches in close proximity to one another. It appears that Merchants Bank derives a significant dollar volume of loans and deposits from Hancock Bank's primary service area. One branch of Merchants Bank derives more than 35 per cent of its Individual Partnership and Corporations ("IPC") demand deposits and more than 26 per cent of its loans from Hancock Bank's primary service area, and another branch of Merchants Bank derives more than 26 per cent of its IPC demand deposits and more than 44 per cent of its loans from Hancock Bank's primary service area. Although loans and deposits derived from Hancock Bank's primary service area represent a relatively small percentage of Merchants Bank's total loans and deposits, they represent, respectively, approximately 78 and 58 per cent of the total loans and deposit dollar volume that Hancock Bank derives from its own primary service area. Further, Hancock Bank

[1] By Order of May 3, 1973 (38 Federal Register 12259), the Board approved Applicant's acquisition of the successor by merger to The Barnstable County National Bank of Hyannis, Hyannis, Massachusetts ("Barnstable Bank").

[2] Unless otherwise noted, banking data are as of June 30, 1972, adjusted to reflect holding company formations and acquisitions through March 31, 1973.

[3] The Boston banking market is approximated by the Boston Standard Metropolitan Statistical Area which encompasses all of Suffolk County and portions of Essex, Middlesex, Norfolk and Plymouth Counties.

derives approximately 5 per cent of its total loans and deposits from Merchants Bank's home office county. On the basis of these and other facts of record, the Board concludes that significant existing competition would be eliminated upon consummation of this proposal.

Hancock Bank is the third largest remaining independent bank in the Boston banking market and the largest remaining independent bank having its home office in Norfolk County. Applicant's acquisition of Hancock Bank would eliminate one of the more desirable remaining independent banks located in the Boston banking market, with the ability to branch throughout Norfolk County, as a possible means of entry for a banking organization not presently represented in the Boston banking market. Applicant's acquisition of Hancock Bank would also aggravate the high level of deposit concentration presently existing in the Boston banking market. It appears that Applicant could enter Norfolk County either by acquiring one of the smaller remaining independent banks located therein or by establishing a *de novo* bank. It is the Board's judgment that consummation of the proposal would have a significantly adverse effect on existing and potential competition.

The financial and managerial resources of Applicant, Barnstable Bank, and Merchants Bank are satisfactory, particularly in view of Applicant's plans to increase Merchants Bank's capital in the near future. The financial and managerial resources and future prospects of Hancock Bank are generally satisfactory and consistent with approval of the application. Since Applicant proposed to increase Hancock Bank's capital upon approval of this application, banking factors lend some weight toward approval of the application; however, such factors do not outweigh the aforementioned adverse effects on competition. In this regard, it is noted that although an increase in Hancock Bank's capital would be desirable, its managerial and financial resources are sound and its future prospects as a viable competitor in Norfolk County and the Boston market, either as an independent bank or as a member of a holding company system, are good.

Applicant proposes to offer, through Hancock Bank, new and improved services, including trust, international banking, equipment leasing, and specialized credit advisory services. However, it appears that such services are presently conveniently available to the public in the area served by Hancock Bank. Therefore, considerations relating to the convenience and needs of the communities to be served do not outweigh the adverse effects this proposal would have on competition in the Boston banking market. It is the Board's judgment that consummation of the proposed acquisition would not be in the public interest and this application should be denied.

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

By order of the Board of Governors, effective May 22, 1973.

Voting for this action: Chairman Burns and Governors Brimmer, Sheehan, and Bucher. Absent and not voting: Governors Mitchell and Daane.

(Signed) CHESTER B. FELDBERG,
[SEAL] *Assistant Secretary of the Board.*

SOUTHEAST BANKING CORPORATION, MIAMI, FLORIDA

ORDER DENYING ACQUISITION OF BANK

Southeast Banking Corporation, Miami, Florida, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 80 per cent or more of the voting shares of Deland State Bank, Deland, Florida ("Bank").

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

Applicant controls 21 banks with aggregate deposits of $1.3 billion, representing 7.9 per cent of the total commercial bank deposits held by Florida banks, and is the largest banking organization in the State. (All banking data are as of June 30, 1972 and reflect holding company formations and acquisitions approved through April 30, 1973.) The acquisition of Bank (deposits of $20.6 million) would increase Applicant's control of commercial bank deposits in Florida by one-tenth of one percentage point and accordingly would not result in a significant increase in concentration of banking resources in the State.[1]

[1] Applicant has filed separate applications to acquire 80 per cent or more of the voting shares of The First National Bank of Maitland, Maitland, and Peoples Bank of Venice, Venice, both in Florida. Affiliation of both banks would increase Applicant's share of the total Florida commercial bank deposits to 8.3 per cent, while its State wide competitive position would remain unaltered.

Bank is the second largest of five banks in the relevant banking market (approximated by the western portion of Volusia County) and controls 19 per cent of total market deposits. Applicant's existing subsidiary in the market, Southeast Bank of Deltona ("Deltona Bank"), with deposits of $11.1 million, is the fourth largest bank therein holding 10 per cent of the total commercial deposits. Approval of this application would increase Applicant's share in the market from 10 per cent to 29 per cent and while this would not give Applicant a dominant position,[2] it would substantially increase concentration in the market. (The three largest organizations control 80 per cent of market deposits; approval of this application would increase the amount to 89 per cent.)

The record reveals that there is no existing competition between Bank and any of Applicant's subsidiaries located outside the relevant banking market. As far as competition within the market is concerned, it appears that the respective service areas of Bank and Deltona Bank (Applicant's subsidiary) do not presently overlap. However, there is evidence indicating that both banks compete directly with respect to the residents of Orange City (population of 1,772), a community without a banking facility that is located approximately midway between Bank and Deltona Bank. Consummation of the proposal would eliminate this existing competition as well as the possibility of strong competition developing between them in the future.

The acquisition of Bank by a banking organization not presently represented in the west Volusia County banking market could have a beneficial effect on competition in this area. The Board therefore finds that it is likely that the proposed acquisition would have significant adverse effects on competition in the relevant banking market by increasing deposit concentration and removing a banking alternative therein, by eliminating some existing competition and the possibility that strong future competition would develop between Bank and Applicant's Deltona subsidiary, and by foreclosing the possibility that Bank could serve as a potential means of entry by other banking organizations not presently represented in the market. Accordingly, competitive considerations require denial of this application unless the anticompetitive effects of the proposal are outweighed by benefits to the public in meeting the convenience and needs of the communities to be served.

The financial condition of Applicant and its subsidiaries are considered to be satisfactory in view of recent injections of equity capital; management is good and future prospects are favorable. The financial condition and managerial resources of Bank are generally satisfactory and prospects for its future growth are favorable. Thus, banking factors are consistent with approval but provide no significant support for such action.

The banking needs of the relevant communities are presently being met by the existing banks, and Applicant states that it does not propose to introduce any services that are not currently available. Consummation of the proposed transaction, therefore, would have little impact on the convenience and needs of banking customers in the area. Accordingly, considerations relating to the convenience and needs of the communities to be served do not outweigh the adverse competitive effects of the proposal. It is the Board's judgment that consummation of the proposed acquisition would not be in the public interest and that the application should be denied.

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

By order of the Board of Governors, effective May 29, 1973.

Voting for this action: Chairman Burns and Governors Daane, Brimmer, Sheehan and Bucher. Absent and not voting: Governor Mitchell.

(Signed) TYNAN SMITH,

[SEAL] *Secretary of the Board.*

CENTRAL BANCORP., INC., MIAMI, FLORIDA

ORDER DENYING ACQUISITION OF BANK

Central Bancorp., Inc., Miami, Florida, has applied for the Board's approval under § 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842 (a)(3)) to acquire 80 per cent or more of the voting shares of Central National Bank of Miami, Miami, Florida ("Bank").

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

Applicant presently controls the Central Bank and Trust Company and Central Bank of North

[2] Barnett Bank of Deland, N. A. (deposits of $50.4 million), a subsidiary of Barnett Banks of Florida, is the largest organization in the market with 46 per cent of market deposits.

Dade, both located in Miami, Florida, representing about one-half of one per cent of deposits in commercial banks in Florida and two and a half per cent of such deposits in Dade County.[1] The acquisition of Bank (deposits of $26.6 million) would have no significant effect on the concentration of banking resources in Florida and would increase Applicant's share of deposits in Dade County by less than one half of a percentage point. Although all three banks compete in the same banking market, there is little existing competition between them due to the fact that the institutions have been under substantially common ownership since 1968 (Applicant's principal shareholder owns over 54 per cent of Bank's stock). Consummation of the proposal would have no significant adverse effects on existing or potential competition and competitive considerations are, therefore, consistent with approval.

The Board's inquiry does not end here. Under the statute, it must also examine the convenience and needs of the communities to be served, the financial and managerial resources of the holding company and the banks involved, and determine whether consummation of the proposal would be in the public interest.

While Applicant proposes to add additional services to those offered by Bank, such services are readily available in Dade County at the present time. Considerations relating to the convenience and needs of the communities to be served are therefore consistent with but lend no weight toward approval.

While the above considerations are consistent with approval, considerations relating to the financial and managerial resources and prospects of Applicant, its subsidiary banks, and Bank give rise to serious concern in connection with this proposal. Applicant proposes to borrow $3.5 million to purchase the shares which one of its principals owns in Bank. It proposes to eliminate this debt and make an equal offer to minority shareholders at a later date through issuance of 430,700 shares of its stock at $15 per share. Applicant contends that it could thus raise the more than $6 million which the transaction would require.

An analysis of the financial history and condition of Applicant and its subsidiary banks indicates that the 1970 consolidated income before income taxes and securities gains of Applicant on a per share basis was $1.90. For 1972 this figure was $.62. Similarly, the income before income taxes and securities gains of Applicant's lead bank declined from $1.7 million in 1970 to $728 thousand in 1972. Its other subsidiary bank showed income before income taxes and securities gains of $270 thousand in 1970 and a loss before income taxes and securities gains of $105 thousand in 1972 (loss of $213 thousand for 1971). Bank's income, on the other hand, has been level over the last three years. Given this financial history, the Board believes it is highly unlikely that Applicant can market its proposed stock offering for a figure which represents 25 times 1972 income before income taxes and securities gains.

While the inclusion of Bank into Applicant's system might improve Applicant's financial condition somewhat, as the Board has on many occasions stated, a holding company should be a source of strength for its subsidiary banks rather than using them to improve its posture. Under these circumstances, financial considerations weigh strongly against approval of this application.

Additionally, the Board has serious reservations with respect to the managerial resources of Applicant which are underscored by the continuing decline in earnings of Applicant's subsidiary banks. Applicant's principal shareholder is Chairman of the Board and Executive Vice President of Applicant and its subsidiary banks, as well as Bank. Three of that individual's children act variously as officers and directors of the institutions involved. Of this family group, three reside in Houston, Texas, and one in California. Business is conducted by telephone or mail and short monthly trips to Miami. For these services the individuals receive substantial fees. As the Board stated in connection with the application by Seilon, Inc., 58 Federal Reserve BULLETIN 729, absentee management is substantially less effective than on the scene management, which is usually better able to react quickly when, and if, financial, operational, or managerial difficulties arise in a subsidiary bank. As such, the Board regards absentee management as less than desirable. This is particularly true where, as here, the banks are experiencing earning problems. The Board is unable to conclude that considerations relating to the management factor are consistent with approval of Applicant's proposal.

While denial of the application may not immediately affect existing relationships due to the common ownership between Applicant and Bank, approval would represent Board sanction of existing management practices and would increase Applicant's debt to an unacceptable level, absent the unlikely success of the proposed public offering.

[1] All banking data are as of June 30, 1972.

The public interest would not be served by such action.

In light of the above, it is the Board's judgment that the proposed transaction would not be in the public interest and should not be approved. While the Board has concluded that the application should be denied for those reasons, this should not be construed as Board approval of other aspects of the proposed transaction, particularly the proposal to make certain payments in this connection to the principal shareholder of Applicant and of Bank, but not to other shareholders of Bank.

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

By order of the Board of Governors, effective May 30, 1973.

Voting for this action: Vice Chairman Robertson and Governors Mitchell, Daane, Brimmer, Sheehan, and Bucher. Absent and not voting: Chairman Burns.

Board action was taken while Governor Robertson was a Board Member.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

ORDER UNDER SECTIONS 3 AND 4 OF BANK HOLDING COMPANY ACT

WALTER HELLER INTERNATIONAL CORP., CHICAGO, ILLINOIS

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY AND CONTINUATION OF CERTAIN COMMERCIAL FINANCE, FACTORING, REDISCOUNTING, LEASING, MORTGAGE BANKING, DATA PROCESSING, AND INSURANCE AGENCY ACTIVITIES

Walter Heller International Corp., Chicago, Illinois, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842 (a)(1)) of formation of a bank holding company through acquisition of 100 per cent of the voting shares (less directors' qualifying shares) of American National Bank and Trust Co. of Chicago, Chicago, Illinois ("Bank").

At the same time Applicant has applied for the Board's approval under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, for permission to retain the assets and continue to engage in the activities of its domestic subsidiaries, Walter E. Heller & Company, Heller Interstate Corporation, and B. B. Cohen & Co., each of whose principal office is located in Chicago, Illinois, and their respective subsidiary companies, and thereby continue to engage in the activities of those companies as identified herein.[1]

Notice of receipt of these applications has been given in accordance with §§ 3 and 4 of the Act (38 Federal Register 2498), and the time for filing comments and views has expired. The Board has considered the applications and all comments received in the light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)), and the considerations specified in § 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant (assets of $1 billion) is the nation's twelfth largest finance company (in terms of total capital funds) and is the parent holding company of a number of nonbanking subsidiary companies that are sought to be retained. These subsidiaries are engaged domestically and internationally in the following activities: commercial financing, factoring, mortgage banking, equipment leasing, consumer and sales financing, rediscounting, data processing, and credit-related insurance sales. Applicant engages also in a number of manufacturing activities that are proposed to be divested.

Principal among Applicant's activities are its commercial finance and factoring businesses. Income generated from its commercial finance activities accounted for approximately 60 per cent of Applicant's total gross finance income of $113 million for fiscal year 1971. In 1971 Applicant's factoring volume, both domestic and in 19 foreign countries, amounted to $1.2 billion and Applicant is the fourth largest factoring firm in the country. Revenues from its factoring activities constituted 19 per cent of Applicant's gross finance income for 1971. Applicant's consumer and sales finance activities which are conducted primarily in the southern United States, Puerto Rico and Canada, accounted for approximately 12 per cent of Applicant's gross finance income in 1971.

In 1972, Applicant acquired B. B. Cohen and Company ("Cohen"), a mortgage banking company engaged in originating, acquiring and servicing real estate loans for its own account or for the account of others. Cohen's principal loan operations are conducted in the Chicago metropolitan area and it ranks 152nd among the 300 largest mortgage companies in the country in terms of mortgages serviced and eighth among eleven such firms headquartered in Chicago.[2]

[1]Applicant has filed a separate application to retain its overseas activities pursuant to section 4(c)(13) of the Bank Holding Company Act.

[2]Cohen's total mortgage loan originations equal $61 million and it services mortgage loans totaling $125 million (as of August 31, 1971).

Through a number of subsidiaries Applicant is engaged also in certain manufacturing activities including the manufacture of furniture and food preparation equipment. Net income from its manufacturing operations represents approximately 12 per cent of Applicant's total net income. Applicant has stated its intention to dispose of all of its manufacturing interests as soon as possible, the period not to exceed two years.[3] Applicant proposes to retain all its financing and factor related credit activities and to divest only its manufacturing operations. The activities sought to be retained by Applicant appear to be of the kinds determined previously by the Board to be closely related to the business of banking (12 CFR 225.4(a)).

Bank (deposits as of December 31, 1972, of $1.3 billion) is the 76th largest commercial bank in the nation and the fifth largest of approximately 261 banks in the Chicago banking market controlling 2.9 per cent of the aggregate deposits of commercial banks in that market.[4] Bank's main office is located in downtown Chicago (five blocks from Applicant's headquarters) and Bank operates a branch office in London, England. In contrast to Applicant, whose financial operations are carried out on a nationwide and worldwide scale, Bank's service area for most of its lending activities consists primarily of the Chicago metropolitan area extending north, south and west from Chicago for approximately 50 miles in each direction.

Bank does not engage in permanent mortgage servicing, factoring, or rediscounting services, and engages in leasing only to a very limited extent having no relation to Applicant's leasing activities. No competition between Applicant and Bank would be eliminated, therefore, in these product lines by consummation of the proposals herein. It appears also that no significant potential competition would be eliminated between Applicant and Bank in these activities in view of Bank's apparent lack of inclination to expand into these activities. In addition, the Chicago area is not so highly concentrated with respect to these activities so as to require the preservation of all possible entrants into that market. Applicant and Bank are both engaged, however, to varying extents, in mortgage loan origination, commercial finance and consumer lending activities. The Board has examined each of these activities as engaged in by Applicant and Bank and the geographical areas in which these services are offered, to determine the competitive effects, if any, of consummation of the proposed transactions both in the Chicago area and in those areas of the country in which Applicant engages in these activities.

Bank is active in consumer installment lending activities within the Chicago metropolitan area only. Although fifth in deposit size, Bank's total of installment loans to individuals as of June 30, 1972, of $72.6 million, ranked third among commercial banks in that market. Since virtually all of Applicant's domestic consumer and sales finance business is derived from the southern United States, no existing competition in this activity would be eliminated by the instant proposals. Although Applicant clearly has the resource and managerial capability to initiate consumer finance activities in the Chicago area *de novo*, the existence of numerous competitors in this market and the relative ease of entry into this business by many potential entrants, diminishes any possible adverse effects that consummation of the proposed acquisition might have on potential competition.

The mortgage banking activities of both Applicant and Bank are centered principally in the Chicago metropolitan area. Analysis of the types of mortgage loan activities engaged in by both companies indicates, however, that no significant competition would be eliminated by consummation of these proposals. Applicant's mortgage banking subsidiary provides virtually no permanent financing on real estate and instead actively solicits interim construction loan business and loan originations on income producing properties only. Bank, on the other hand, makes construction loans only as an accommodation to existing customers.[5] While the combination of Bank and Applicant's mortgage loan subsidiary may eliminate some existing competition, most particularly in the area of loan originations on income producing properties in the Chicago area, in net effect, consummation of these proposals should not result in significant diminution of existing or potential competition in any relevant area, in view of the small size of both Applicant's and Bank's mortgage banking operations relative to the markets in which

[3] Pursuant to section 4(a)(2) of the Act, Applicant would be required to divest its interest in its manufacturing activities within two years from the date it becomes a bank holding company.

[4] Unless otherwise indicated, data are as of June 30, 1972.

[5] During the year 1971, Bank made construction loans in the Chicago SMSA totaling $1,025,029. For fiscal year ending August 31, 1972, Applicant's mortgage subsidiary made construction loans totaling $30,656,792 as an interim financer only.

they operate and the number of organizations competing therein.[6]

Among nonbank companies engaged in commercial financing activities in the Chicago area, Applicant ranks fourth with $33.5 million in outstandings. Bank does not actively solicit secured business loans of the types of commercial financing engaged in by Applicant. As of August 1972, however, Bank had $10.6 million in secured business loans, $9 million of which were originated in the Chicago area and represent only a small percentage of such loans made in the Chicago area. Although acquisition of Bank by Applicant would tend to lessen somewhat existing and potential competition in commercial finance in the Chicago area, the resulting diminution of competition is not considered significant. There are more than 17 firms competing in the commercial finance field in the Chicago area, none which is dominant and there appear to be numerous potential entrants into the secured business lending field. Elimination of Bank, therefore, as a potentially more aggressive competitor would not result in a meaningful diminution of competition.

The facts of record indicate that significant direct competition would not be eliminated in any product market by Applicant's acquisition of Bank. It also appears that, to a significant extent, Applicant and Bank serve the financial needs of different customers and clients. The bulk of Applicant's loan activities are at rates higher than those of Bank and almost always involve collateral security. Bank's lending activities on the other hand, concentrate primarily on the credit-worthiness of the customer and only secondarily on collateralled transactions.

While it is possible that some competition would develop in the future between Bank and Applicant, the markets for these activities in which such competition could develop are unconcentrated and relatively accessible for entry by other companies. Although Bank and Applicant have the capability to engage in the activities of the other with little difficulty Bank through its present parent holding company and Applicant, through a *de novo* bank or one of its existing subsidiaries such alternatives are not so clearly more beneficial to the encouragement of competition so as to require denial of these proposals.

While Applicant's entry into banking *de novo* or through a foothold bank and Bank's expansion into nonbanking activities on an activity by activity acquisition or *de novo* basis, would certainly result in a more gradual development of both institutions, the facts of record indicate that consummation of these proposals will not result in any undue concentration of economic resources or discourage potential competition in any relevant area. The resulting financial institution will be approximately the same size (in terms of assets) as the third and fourth largest banking organizations in the Chicago area, both of which are engaged in a variety of financial activities similar to those of Applicant. Furthermore, it should be recognized that Applicant's financial activities are conducted on a national and worldwide basis. Addition of Bank's capabilities to Applicant's warehouse of financial services should result in Applicant becoming a more effective competitor in the nationwide and overseas markets in which it operates without creating in Applicant the ability to dominate any line of activity in which it is presently engaged.

It is contended that the Board's approval of this and similar proposals involving large financial institutions will result in the rapid assimilation of all of the nation's largest multi activity financial companies with the nation's largest banking organizations. As stated most recently in the Board's Order concerning the application of First Florida Bancorporation, Tampa, Florida, to merge with United Bancshares of Florida, Inc., Miami, Florida (59 Federal Reserve BULLETIN 183), the Board will continue to view each application before it on the merits of that particular application and every subsequent application will be considered on the basis of the competitive structure of the particular market and other facts existing at the time. The Board concludes that the subject proposals would not have an adverse effect on competition or result in an undue concentration of economic resources, conflicts of interest, or unsound banking practices in any area of the country and, it appears, in fact, that acquisition of Bank and Applicant's retention of its permissible nonbanking activities, should result in Applicant, its subsidiaries and Bank becoming more effective competitors with other institutions in the markets in which they operate.

The financial condition and managerial resources of both Applicant and Bank are satis-

[6] As an approximation of the relative significance of the mortgage banking operations of Bank and Applicant in the Chicago area, it is estimated that the combined mortgage loan and servicing activities of Bank and Applicant would account for something less than 2 per cent of the mortgage loans outstanding at commercial banks and savings and loan associations in the Chicago area, including mortgage loans serviced by mortgage companies headquartered in that area.

factory and consistent with approval of this application. The future prospects of both Bank and Applicant are favorable. Applicant asserts that the expanded capability resulting from consummation of this transaction to provide package financing will create efficiencies that will benefit Applicant's customers by providing more credit with less collateral and lower credit acquisition costs. It appears that ownership of a bank is not a prerequisite for realization of the predicted efficiencies in view of the existing practice of Applicant and other finance companies to develop participations and correspondent relationships with banks. Ownership of Bank by Applicant, however, is consistent with realization of possible efficiencies and subsequent public benefits, and therefore, convenience and needs considerations are consistent with approval.

The Board has determined, with respect to the proposed retention of Applicant's nonbanking activities that the balance of the public interest factors that the Board is required to consider under section 4(c)(8) is favorable and that consummation of these proposals would be in the public interest. Accordingly, on the basis of the record, the applications to acquire Bank and for Applicant's retention of its permissible nonbanking activities are approved for the reasons summarized above, and upon the condition that Applicant divest its manufacturing activities as soon as possible, but in any case, no later than two years from the effective date of this Order. The transaction shall not be consummated (a) before the thirtieth calendar day following the effective date of this Order or (b) 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 Chicago pursuant to delegated authority. The Board's determination with respect to Applicant's retention of its nonbanking activities is subject to the conditions set forth in § 225.4(c) of Regulation Y and 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 the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasions thereof. Applicant's application to retain its foreign investments under § 4(c)(13) of the Act and § 225.4(f) of Regulation Y, is also approved subject to the condition that its subsidiaries shall confine their activities to international or foreign banking and other international or foreign financial operations.

By order of the Board of Governors, effective May 11, 1973.

Voting for this action: Chairman Burns and Governors Daane, Sheehan, and Bucher. Voting against this action: Governors Robertson and Brimmer. Absent and not voting: Governor Mitchell.

Board action was taken while Governor Robertson was a Board Member.

(Signed) TYNAN SMITH,
[SEAL] *Secretary of the Board.*

DISSENTING STATEMENT OF GOVERNORS ROBERTSON AND BRIMMER

We would not approve these applications to permit the amalgamation of two financial holding companies. Heller and American National, respectively, have total assets of approximately \$1 billion and \$1.3 billion. By its approval action, the majority of the Board is authorizing one of the largest combinations of financial resources that has ever occurred in the history of Federal bank supervision.

The Board bases this landmark decision on a conclusion that the merger of these very large institutions will have no significant adverse effects on existing or potential competition. On the basis of the same evidence, we have reached exactly the opposite conclusion. While deeply troubled by the Board's decision, we find even more disturbing the analytical treatment of the evidence which enabled the Board to reach this result: it fragmented each organization into roughly a half dozen separate activities and then proceeded to examine each one individually. This procedure was equivalent to treating each activity as if it were the subject of a separate and independent application. In other words, by use of this fragmented approach, the Board's majority fails to give sufficient weight to the fact that Heller as an integrated organization has a competitive impact that is far greater than what is implied by simply adding up its separate parts. But, pursuing this fragmented approach, the majority goes on to assess the impact of the resulting organization and finds ". . . that the subject proposals would not have an adverse effect on competition or result in an undue concentration of economic resources, conflicts of interest, or unsound banking practices in any area of the country. . . ."

The main lines of activity engaged in by both Heller and American National are summarized in the attached table. Heller is the twelfth largest finance company in the country, and its principal activities are commercial finance, factoring, and consumer and sales financing. The geographic scope of its activities extends throughout the United States and the world. American National is the fifth largest commercial bank in Chicago, and it operates one branch in the United Kingdom. Located only five blocks from Heller in downtown Chicago, the Bank does most (but by no means all) of its lending in the Chicago metropolitan area.

After comparing each of the activities engaged in by Heller and American National, the Board's majority decided that only with respect to mortgage loan origination and commercial finance is any question of existing competition raised. It concluded that the record indicated that in neither of these product lines would significant direct competition be eliminated by the combination of the two institutions. Moreover, the majority admitted that some competition in some of the specific activities might develop between them in the future. Yet, it was decided that the benefits which might result from that development ". . . are not so clearly more beneficial to the encouragement of competition so as to require denial of these proposals."

In our judgment, this conclusion is not warranted on the basis of the data in this case. Additionally, and of far greater import, it gives credence to an emerging belief that the Board is prepared to approve the acquisition of ever rising aggregations of financial assets by bank holding companies. Of *all* the figures relating to the magnitude of the participants' activities, the crucial ones are those which show their total assets: Heller \$1 billion and American National \$1.3 billion. No matter how much one fragments the operations and activities of each institution, one fundamental point cannot be overlooked: they both cast long shadows on the American financial scene.

It may well be, as asserted by the majority, that there is little existing competition between the Bank and Heller. However, this fact does not arise from an inability to compete on the part of either. A \$1.3 billion asset banking organization surely has the resources to enter successfully any or all of the fields occupied by Heller. Competitive effectiveness would take longer to develop than the instantaneous approach used here, but the result would be procompetitive rather than anticompetitive. Likewise, there is no doubt that Heller has the resources to build a much smaller commercial bank into a strong competitor, but such an approach is again more time consuming.

In fact, the Board has previously recognized these principles. Section 32 of the Banking Act of 1933 prohibits interlocking directorships between banks located in contiguous or adjacent cities. The Board in 1971 recommended to Congress that interlocking relationships be prohibited where the institutions involved have \$1 billion or more in assets regardless of their location in the nation. This is a clear recognition of the fact that financial institutions of the size of these participants are actual and potential competitors on a nationwide basis and not simply in local markets. Unfortunately, this well founded principle is completely overlooked by the Board in the present decision.

Unlike the Board's majority, we view this case not in isolation but as part of a developing trend. In recent months, the Board has approved the acquisition by First International Bankshares, Inc., Dallas, Texas (with total deposits of \$1.7 billion) of Houston Citizens Bank and Trust Company (with total deposits of \$219 million) thus authorizing formation of the largest bank holding company in Texas. It has approved the acquisition by Nortrust Corporation (a \$4.7 billion institution) of the fifth largest fiduciary institution in Miami, Florida. More recently it approved the merger of two substantial holding companies in Florida First Florida Bancorporation and United Bankshares of Florida thereby sanctioning creation of a \$1 billion institution. In each case, the Board has persistently asserted that each application is being decided on its merits and that no precedent is being established. However, these decisions have clearly been read by the industry as being of precedential effect. For example, even before the Board decided the case, Heller's chief executive felt secure enough in his expectations that he could assure stockholders that approval of this application was likely. (*American Banker*, April 19, 1973, p. 2). Such assurance could only be based on the record of the Board's previous decisions.

In addition to the present applications, the Board has pending before it other proposed substantial acquisitions by some of the country's major financial institutions. This underscores a trend which should concern the Board both in its general approach to such proposals and in its actions on specific applications. It is obvious that the largest financial institutions in the country are using their newfound authority to expand into closely related fields not by the desirable route of developing their own expertise but by acquiring the largest existing organizations. As already indicated, these cases involve one of the largest existing nonbanking organizations acquiring a banking organization.

Unless this trend is reversed, one by one all of the institutions with the financial and managerial resources to enter new lines of endeavor successfully may well be eliminated. The Board is encouraging this development by using the "isolated case" method of decision rather than widening its vision to consider possible long range effects of each decision. This cannot help but have a severe limiting effect on the number of nationwide competitors in the financial services industries which will exist only a few years from now. We would not take another step down this road without a compelling case on the public benefits side.

Sadly, even the majority admits that the record in the present case is almost devoid of public benefits as distinguished from private benefits for both Heller and American National. We would deny these applications.

Comparison of Business Activities Walter Heller International Corporation American National Bank

Business Activity[1]	*Walter Heller International Corporation* Total (*$ millions*)	Chicago SMSA (*$ millions*)	*American National Bank* Total (*$ millions*)	Chicago SMSA (*$ millions*)
Total Organization Assets	$1,300.0[2]		$1,408.8[2]	
1 Commercial Finance	$433.8	33.8	10.6[3]	9.2
2 Consumer and Sales Finance	61.8	None	253.0[4]	173.0
3 Leasing	38.0	1.5	1.4	None
4 Rediscounting	94.7	None	None	None
5 Factoring (Volume)	1,200.0	43.7	None	None
6 Mortgage Banking Mortgage Originations	61.8	49.0	6.6	6.6
Mortgage Servicing	1,324.8	94.9	None	None
7 Data Processing (Assets)	*	*	†	†
8 Manufacturing (Assets)	73.1	None	None	None

*Not available
†New activity as of August 1972
[1]Data for Commercial, Consumer and Sales Finance, Leasing and Rediscounting are represented by net receivables outstanding as of December 31, 1971 or as otherwise noted
[2]December 1972
[3]Secured loans outstanding comparable to types made by commercial finance companies
[4]Total consumer loans outstanding including installment and single payment loans as of June 30, 1972

ORDERS UNDER SECTION 4(c)(8) OF BANK HOLDING COMPANY ACT

SECURITY NATIONAL CORPORATION, SIOUX CITY, IOWA

Order Denying Acquisition of Siouxland Credit Corp.

Security National Corporation, Sioux City, Iowa, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under § 4(c)(8) of the Act (12 U.S.C. 1842(c)(8)), and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of Siouxland Credit Corp., Sioux City, Iowa ("Siouxland"). Siouxland and its subsidiaries engage in sales financing, personal cash lending, and the sale of credit related insurance for Siouxland and its subsidiaries. The above described activities have been determined by the Board to be closely related to the business of banking (12 CFR 225.4(a)). A bank holding company may acquire a company engaged in an activity determined by the Board to be closely related to banking provided that the proposed acquisition is warranted under the relevant public interest factors specified in § 4(c)(8) of the Act.

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (37 Federal Register 23021). The time for filing comments and views has expired and the Board has considered the application and all comments received in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant controls two banks, Security National Bank of Sioux City, Sioux City, Iowa ("Bank"), the eighth largest bank in Iowa with deposits of $98.9 million, and Northwestern State Bank of Orange City, Orange City, Iowa ($18 million in deposits), representing 1.6 per cent of aggregate deposits in commercial banks in Iowa. (All banking data are as of June 30, 1972, unless otherwise indicated.) Bank holds 29.8 per cent of total deposits in the Sioux City banking market, thereby making it the largest, in terms of deposits, of the 11 banks in the market.

Siouxland, which was established in 1947, has total assets of $3.5 million and engages in the sales financing business, and operates solely from its office located in Sioux City. Siouxland purchases dealer retail installment sales contracts and wholesale financial paper, and its primary customers are retail motor vehicle dealers, farm implement dealers, appliance dealers, and wholesalers of goods and merchandise to retailers. A subsidiary of Siouxland (Siouxland Industrial Credit Corp.) is an industrial loan company and extends credit for loans ranging from $1,000 to $5,000. Another subsidiary of Siouxland (Siouxland Loans, Inc.) is a small loan company and makes personal loans of less than $1,000. The third subsidiary of Siouxland (Siouxland Insurance Agency, Inc.) acts as agent for several insurance companies in the sale of credit life, health and accident, and vehicle casualty insurance relative to extensions of credit made by Siouxland and its subsidiaries. Such insurance is made available on a voluntary basis.

In commenting on the application, the United States Department of Justice stated that Applicant and Siouxland appear to be "substantial direct competitors" in the Sioux City area, and that, therefore, the proposal presented negative competitive factors under the public interest requirements of § 4(c)(8) of the Act. Applicant's response contended that Bank and Siouxland do not actively compete, and that the effect of the proposed affiliation on area competition would be procompetitive since Siouxland, through Bank, would have ready access to short term funds, thus enabling it to compete more effectively with its larger competitors.

Bank and Siouxland are located in the Sioux City banking market and compete with 11 banks and 19 finance companies. Bank is the largest single source of automobile loans in the market, and as of December 31, 1972, controlled 45 per cent of all such loans made by banks in the area. Siouxland is one of nine finance companies competing for automobile loans in the Sioux City market. In addition to competing for automobile loans, Bank and Siouxland also compete to a lesser degree in the small consumer loan market. On the basis of the record in this case the Board finds that consummation of this proposal would eliminate a meaningful amount of existing competition in the product line of automobile loans and, to a lesser extent, in the product line of personal loans. Moreover, consummation of the proposal would also reduce the number of alternative sources for consumer and sales finance in the Sioux City area.

On the basis of the facts of record, the Board finds that consummation of the proposal would have adverse effects on competition in the Sioux City area. Accordingly, the Board is required by the provisions of the Act to deny the application unless there are public benefits to be derived from the affiliation which would outweigh the projected decrease in area competition.

The financial needs of the Sioux City area are being satisfactorily served at the present time, and the proposed affiliation would not result in any additional services. Whereas some efficiencies of operation to the participants could result from this proposal, they are not of such magnitude in the Board's judgment that they outweigh the adverse effect on competition which would result from the affiliation of the largest bank in Sioux City and a sales financing company of substantial size also located in Sioux City, both of which are engaged in extensions of credit to residents of the same area.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that public interest benefits which the Board is required to consider under § 4(c)(8) do not outweigh possible adverse effects. Accordingly, the acquisition is hereby denied.

By order of the Board of Governors, effective May 3, 1973.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, Sheehan, and Bucher. Board action was taken while Governor Robertson was a Board Member.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

CBT CORPORATION, HARTFORD, CONNECTICUT

ORDER APPROVING ACQUISITION OF GENERAL DISCOUNT CORPORATION

CBT Corporation, Hartford, Connecticut, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of General Discount Corporation ("Company") and thereby to indirectly acquire voting shares of Company's subsidiaries G.D.C. Leasing Corporation and General Discount Corporation (Maine), all with head offices in Boston, Massachusetts. The proposed subsidiaries engage in the activities of commercial financing and full pay out leasing of equipment. Such activities have been determined by the Board to be closely related to the business of banking (12 CFR 225.4(a)(1), (3), and (6)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 6926). The time for filing comments and views has expired, and none has been timely received.

Applicant, the second largest banking organization in Connecticut, controls two banks with aggregate deposits of approximately $1.0 billion, representing 18.1 per cent of the total deposits in commercial banks in the State. (All banking data are as of June 30, 1972.) Applicant also has nonbanking subsidiaries engaged principally in accounts receivable and inventory financing, equipment leasing, data processing, real estate financing, and investment advisory services.

Company, organized in 1928, has total assets of $11.8 million as of September 30, 1972, total loans outstanding of $9.7 million and total lease receivables of $2.3 million as of December 31, 1971. Company is primarily engaged in commercial finance activities, including making loans secured by accounts receivable, inventory, machinery and equipment, and real estate. Company has operated three subsidiaries, *all* with head offices in Boston: (1) General Discount Corporation (Maine) which has conducted the same type of business as Company in Maine, but has been dormant for the past two years; (2) G.D.C. Leasing Corporation which engages in full pay-out leasing of equipment whereby the cost of equipment, the cost of financing and a profit are realized during the initial lease term; and (3) Ready Rent-All Systems Inc. ("Ready"), which conducts a franchise and financing business with respect to retail rental outlets. Applicant has committed that Company will divest itself of all interest in Ready prior to Applicant's acquisition of Company. Applicant has also agreed to terminate a servicing contract between G.D.C. Leasing Corporation and a computer leasing company within thirty days of consummation of this proposal.

Applicant presently operates two commercial finance subsidiaries: Connecticut Commercial Corporation ("Commercial"), located in Connecticut; and Lazere Financial Corporation ("Lazere"), located in New York. Although Company, Lazere and Commercial are engaged in similar business activities, Company derived less than 1 per cent of its total loans from the market area served by either Lazere or Commercial, and Lazere and Commercial have no loans outstanding in Company's market area. Accordingly, Applicant's acquisition of Company would not result in any significant adverse effects on existing commercial finance business competition. Due to the distances separating Company, Commercial, and Lazere, and the fact that it is unlikely Applicant would enter Company's market *de novo* absent this proposal, it appears that no significant potential commercial finance competition would be eliminated upon consummation of this proposal.

Applicant, through its subsidiary CBT Leasing Corporation and its lead subsidiary bank, The Connecticut Bank and Trust Company, is engaged in equipment leasing. However, the market area for Applicant's existing leasing subsidiaries is Connecticut, while the market area for Company's leasing subsidiary is Massachusetts, New Hampshire, and Rhode Island. It appears that Company's leasing subsidiary derived only 1.1 per cent of its total leases, by dollar volume, from Connecticut and that neither of Applicant's existing leasing subsidiaries derived any equipment leasing business from Leasing's market areas. Accordingly, it does not appear that any significant existing equipment leasing competition would be eliminated upon consummation of this proposal. Similarly, it is unlikely that any significant equipment leasing competition between Applicant's existing subsidiaries and Company's leasing subsidiary would develop in the future, due to the distinct geographic areas served by the respective companies. On the basis of these and other facts of record the Board concludes that Applicant's acquisition of Company would not have any significant adverse effect on existing or potential competition.

It appears that the proposed acquisition would not result in any undue concentration of resources, conflicts of interests, unsound banking practices, or any other adverse effects on the public interest. It is anticipated that affiliation with Applicant will provide Company with greater access to capital, increase its ability to expand its average loans outstanding, and thereby enable it to compete more effectively in the markets it serves. In its consideration of this application, the Board has examined covenants not to compete contained in employment agreements with GDC's three principal executives. The Board finds that the provisions of such covenants are reasonable in duration, scope, and geographic area and are consistent with the public interest.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under section 4(c)(8) is favorable. Accordingly, the application is hereby approved. This determination is subject to the conditions set forth in section 225.4(c) of Regulation Y 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 the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors, effective May 14, 1973.

Voting for this action: Chairman Burns and Governors Daane, Sheehan, and Bucher. Voting against this action: Governor Brimmer. Absent and not voting: Governor Mitchell.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

Dissenting Statement of Governor Brimmer

I would deny CBT Corporation's application to acquire General Discount Corporation ("GDC"). I would do so for the same reason that I voted against the application of Orbanco, Inc. (38 Federal Register 11136). As part of the proposed transaction, GDC's three principal executive officers will enter into employment agreements that contain provisions prohibiting each of them from competing with GDC for the next ten years. These provisions, commonly known as covenants not to compete, will prevent GDC's principal executives from providing their business experience to either an existing or future competitor of GDC. The net result can only be a lessening of competition — a result that is inconsistent with the promotion of competition and is thus in conflict with the standards of the Bank Holding Company Act.

In acting upon an application under § 4(c)(8) of the Act, the Board is required to determine whether the acquisition can reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as decreased or unfair competition. Thus, the Board is required by law to deny an application where the possible adverse effects are not outweighed by benefits to the public.

Covenants not to compete limit individuals from providing their abilities to alternative business enterprises and thereby from fostering competition in that line of business activity. Therefore, the Board's approval of an acquisition containing such covenants must of necessity result in sanctioning a decrease in competition. The resulting decrease in competition is not outweighed by other public interest considerations presented in this application. For these reasons, I would deny this application.

CENTRAN BANCSHARES CORPORATION, CLEVELAND, OHIO

Order Approving Acquisition of Peoples Investment Company

Centran Bancshares Corporation, Cleveland, Ohio, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y, to acquire indirectly through a newly formed subsidiary, all of the voting shares of Peoples Investment Company, Louisville, Kentucky ("Peoples"), a consumer finance holding company, which engages through its subsidiaries in the activities of making consumer finance loans, purchasing instalment sales contracts, and easing automobiles and industrial equipment. Through its insurance agency subsidiary, Fincastle Insurance Agency, Inc., Louisville, Kentucky. Peoples also engages in the sale of credit life, accident and health insurance, and mobile and vehicular damage insurance at the borrower's option, in connection with loans and discounts that are owned or originated by its subsidiary loan companies. Such activities, with the exception of automobile leasing, have been determined by the Board to be closely related to banking (12 CFR 225.4(a)).

Notice of the application affording opportunity for interested persons to submit comments and views on the public interest factors has been duly published (38 Federal Register 6317). The time for filing comments has expired, and none has been timely received.

Applicant controls five banks with deposits of \$1.3 billion representing about 5.4 per cent of the total deposits of commercial banks in Ohio. Applicant has no nonbanking subsidiaries. However, through its lead bank, Central National Bank of Cleveland (\$1.1 billion in deposits),[1] Applicant has a nominal amount of instalment loans outstanding in the Louisville, Nashville, and Cincinnati areas, and one equipment lease outstanding for \$927,000 in the Cincinnati area.

Peoples is a consumer finance holding company,[2] with its 15 direct and indirect subsidiaries operating out of seven offices: four in Louisville, Kentucky; one in Covington, Kentucky; one in Nashville, Tennessee; and one in Cincinnati, Ohio. As of December 31, 1972, Peoples had \$17 million in instalment receivables, and the total volume of its equipment leases, distributed among 460 leases outstanding in 28 States, amounted to \$1.1 million.

The proposed acquisition would have no significant adverse effect on existing competition as no meaningful competition would be eliminated by approval of this application. Applicant does appear to have the resources and managerial capability to enter markets served by Peoples through formation of its own consumer loan companies. However, there are numerous competitors in the

[1] All banking data are as of June 30, 1972.

[2] As of September 30, 1972, Peoples had consolidated assets of \$14.6 million.

markets served by Peoples' subsidiaries, including a number with regional or national affiliations; in addition, the many potential entrants and the relative ease of entry into the consumer finance business diminish any possible adverse effects that consummation of the proposed acquisition might have on potential competition. Due to the limited nature of the activity of Peoples' insurance subsidiary in acting as agent for the sale of credit insurance related to loans originated by Peoples' consumer finance subsidiaries, Applicant's acquisition of Peoples would not appear to have a significantly adverse effect on competition in this product line. The Board concludes that consummation of the proposed acquisition would have no significant adverse effects on existing or potential competition in any relevant area.

There is no evidence in the record indicating that consummation of the proposal would result in any undue concentration of resources, unfair competition, conflicts of interest or unsound banking practices. Approval of the application, by giving Peoples access to Applicant's financial and managerial resources, should enhance its competitive effectiveness and enable it to expand the range of services it offers.

One of Peoples' Cincinnati subsidiaries, Peoples Leasing Company, presently engages in automobile leasing. Such leases, which are typically on a 24-month basis, account for about 6 per cent of Peoples' total receivables. There is some question as to whether this activity comes within the literal language and/or intended scope of "leasing" as presently permitted by the Board to be conducted by bank holding companies (see § 225.4(a)(6) of Regulation Y and 12 CFR 225.123(d)) and, further, the entire subject of leasing of both real and personal property is under review by the Board (37 Federal Register 26534). Applicant has indicated its willingness to dispose of its automobile leases and discontinue auto leasing activities within 60 days as a condition for approval of this acquisition. In view of the foregoing, the Board believes it is in the public interest to condition its Order herein on this undertaking.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors that the Board is required to consider under § 4(c)(8) is favorable. Accordingly, the application is hereby approved subject to Applicant's undertaking to dispose of its automobile leases and discontinue all auto leasing activities within 60 days from consummation of the acquisition. This determination is subject further to the conditions set forth in § 225.4(c) of Regulation Y 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 the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors, effective May 24, 1973.

Voting for this action: Chairman Burns and Governors Brimmer, Sheehan, and Bucher. Absent and not voting: Governors Mitchell and Daane.

(Signed) ELIZABETH L. CARMICHAEL,
[SEAL] *Assistant Secretary of the Board.*

FIDELITY CORPORATION OF PENNSYLVANIA, ROSEMONT, PENNSYLVANIA

ORDER APPROVING ACQUISITION OF LOCAL FINANCE CORPORATION

Fidelity Corporation of Pennsylvania, Rosemont, Pennsylvania, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the voting shares of Local Finance Corporation, Providence, Rhode Island ("Local"), a company that engages, through its subsidiaries, in the activities of making consumer loans to individuals, including second mortgage loans where legally permitted; engaging in a general consumer finance business; selling credit life and credit health and accident insurance to its borrowers and casualty insurance on collateral securing such loans; and, through Master Life Insurance Co., a subsidiary of Local, reinsuring such credit life, health, and accident insurance sold. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1), (9), and (10)), except to the extent indicated hereinafter. In addition to the activities enumerated above, Local is also presently engaged, through a subsidiary, in the reinsuring of casualty insurance on household goods serving as collateral on loans made by subsidiaries of Local. Although originally a part of the instant application, the application was amended by Applicant to withdraw the request for approval of its indirect acquisition of Local's casualty reinsurance subsidiary; Applicant represents that such subsidiary will be divested by Local prior to consummation of the proposed transactions. This order therefore should not be construed as authorizing indirect acquisition of that subsidiary by Applicant nor has the Board considered whether the activities of that subsidiary are so closely related to banking or managing or controlling banks as to be a proper incident thereto.

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (37 Federal Register 10530). The time for filing comments and views has expired and the Board has considered all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)).

Applicant controls one bank with aggregate deposits of $1.4 billion representing 4.3 per cent of commercial bank deposits in the State. (All banking data are as of June 30, 1972 adjusted to reflect bank holding company formations and acquisitions approved through March 31, 1973.)

Local performs management and accounting services for its operating subsidiaries and does not directly transact any business with the public. Sixty-six of its 68 operating subsidiaries are engaged in consumer finance company activities while the other two subsidiaries are engaged in the reinsurance of certain credit life and credit accident and health insurance policies, and the reinsurance of certain casualty insurance policies. Local's 66 loan subsidiaries operate from Rhode Island, Massachusetts, New Jersey, Pennsylvania, and North Carolina, and had total loans outstanding amounting to $37.4 million as of December 31, 1971. The finance companies also act as agents for the sale of credit life insurance, credit accident and health insurance, and casualty insurance in connection with their extensions of credit.

Twenty-three of Local's consumer finance subsidiaries operate from offices in New Jersey and three additional subsidiaries maintain offices in Pennsylvania. Applicant does not engage in consumer finance company activities in Rhode Island, Massachusetts, or North Carolina; nor does there appear to be a substantial likelihood that it will engage *de novo* in these activities in those States. Applicant's lead bank operates in the Philadelphia banking market which includes the counties of Philadelphia and Delaware, as well as the eastern portion of Bucks, Montgomery, and Chester Counties and holds a personal loan portfolio totaling approximately $96 million. Local's subsidiaries have offices in Pennsauken and Merchantville, New Jersey, in the Camden market and another office in the Trenton market, deriving total outstandings of $2.1 million from those two markets. The proximity of these two markets to the Philadelphia banking market suggests the existence of some competition between Local and Applicant's lead bank along the intervening market boundaries. Local's three Pennsylvania offices are located north and east of the Allentown-Bethlehem area and are not considered to be in competition with Applicant's lead bank. Although there may be some overlap in the customers served by Local and Applicant's banking subsidiary, it does not appear that consummation of the proposed acquisition would have a significantly adverse effect on competition for consumer loans in the Camden, Trenton, or Philadelphia markets, in view of the small amount of outstandings held by Local's subsidiaries in these areas and the great number of consumer loan sources present in those markets, including major consumer loan companies and banks. In view of the large number of existing competitors and potential entrants into these markets, consummation of the proposed transaction is not likely to have a significant adverse effect on future or potential competition even though Applicant appears to possess the resources to enter those markets *de novo*. Nor does it appear that consummation will adversely affect the availability of lendable funds to other consumer finance companies. Accordingly, the Board concludes that approval of the application insofar as it relates to the finance company subsidiaries of Local would not appear to have any significant adverse effect on existing or potential competition. The competitive effects of the proposed insurance agency activities are also regarded as consistent with approval of the application.

With respect to the proposed insurance agency activities of Local, the Board has taken increasing notice of a practice permitted in certain States whereby level term credit life insurance is sold in connection with instalment lending. In such circumstances, the amount of life insurance coverage provided remains fixed while the balance of the outstanding loan decreases with the periodic repayments by the borrower. The additional coverage provided in excess of the outstanding balance does not provide any protection for the lender and is not generally related to the insurance needs of the borrower. Decreasing term life insurance is a readily available form of insurance which provides adequate protection for the lender. Under these circumstances, the Board does not regard the sale of level term credit life insurance in connec tion with instalment lending as directly related to an extension of credit under section 225.4(a)(9)(ii) of Regulation Y. This does not exclude limited sale of such insurance as a matter of convenience to the purchaser, so long as the premium income from such sale, when combined with the premium income derived from the sale of other "convenience" insurance by Applicant or its subsidiaries, does not constitute a significant portion of the aggregate insurance premium income of Applicant from insurance sold pursuant to section 225.4(a)(9)(ii) of Regulation Y.

Local also engages in the activity of underwriting, as reinsurer, credit life and credit accident and health insurance which is directly related to its extensions of credit, as well as the underwriting, as reinsurer, of level coverage insurance. Applicant does not presently engage in insurance underwriting activities and the proposed affiliation with Applicant would appear to have no significant effects on competition within the underwriting industry. As indicated above, level coverage insurance is not considered to be directly related to an extension of credit. This being the case, section 225.4(a)(10) of Regulation Y does not authorize the underwriting of such insurance.

In adding credit life underwriting to the list of permissible activities for bank holding companies, the Board stated that, "To assure that engaging in the underwriting of credit life and credit accident and health insurance can reasonably be expected to be in the public interest, the Board will only approve applications in which an applicant demonstrates that approval will benefit the consumer or result in other public benefits. Normally such a showing would be made by a projected reduction in rates or increase in policy benefits due to bank holding company performance of this service." (12 CFR 225.4(a)(10)). Applicant has stated that the proposed reinsurance subsidiary and the direct insurer, which issues the credit life and credit accident and health insurance policies made available by its lending subsidiaries, will reduce the rates charged for credit life insurance by 2 per cent in Rhode Island, Massachusetts, and New Jersey, 15 per cent in North Carolina, and by 3.33 per cent per hundred dollars of indebtedness in Pennsylvania. Further, the suicide exclusion would be eliminated from the credit life insurance policies. In addition, six exclusions presently included in credit health and accident insurance policies reinsured by a subsidiary of Local would be eliminated. These relate to the place of occurrence, military service-connected events, self-inflicted events, non-scheduled aircraft accidents, alcoholism and drug addiction and pre-existing health conditions; their exclusion will result in the payment of increased benefits to policyholders. It is the Board's judgment that these benefits to the public are consistent with approval of the application.

Applicant's greater access to financial resources may assure Local of more ready access to funds and enable it to become a more effective competitor, and thus increase public convenience and stimulate competition with affiliates of larger regional and national financial organizations active in the consumer finance company industry in the relevant markets. Further, Local's present management appears to have permitted, on at least two recent occasions, practices that are inconsistent with the public interest; the Board will expect Applicant to either directly involve itself in, or exercise strict supervision over, the management of Local and that such involvement or supervision will have a corrective effect on Local's operations redounding to the benefit of the public. Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under § 4(c)(8) is favorable with respect to the proposed finance company and certain of the insurance agency and underwriting activities.

Accordingly, the application is hereby approved, except to the extent that the application contemplates 1) reinsurance of level coverage insurance and 2) the sale of level coverage insurance, the gross commission income from which, would constitute, in the aggregate (when combined with other "convenience" insurance sold by Applicant and its subsidiaries) an amount equal to five per cent or more of the aggregate gross commission income of Applicant and its subsidiaries deriving from the sale of insurance pursuant to section 225.4(a)(9)(ii) of Regulation Y. To that extent, the application is hereby denied and approval of the remainder of the application is expressly conditioned upon the discontinuation of the above-described level coverage insurance reinsurance and sales activities by Local or its subsidiaries prior to, or upon, consummation of the proposed transaction. This determination is additionally subject to the conditions set forth in § 225.4(c) of Regulation Y (12 CFR 225.4(c)) 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 the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors, effective May 29, 1973.

Voting for this action: Chairman Burns and Governors Daane, Brimmer, Sheehan and Bucher. Absent and not voting: Governor Mitchell.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

ORDERS NOT PRINTED IN THIS ISSUE

During May 1973, the Board of Governors approved the applications listed below. The orders have been published in the Federal Register, and copies of the orders are available upon request to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

ORDER UNDER SECTION 3(a)(1) OF BANK HOLDING COMPANY ACT—APPLICATION FOR FORMATION OF BANK HOLDING COMPANY

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
Geneva Investment Company, Lincoln, Nebraska	Fillmore County Bank, Geneva, Nebraska	5/22/73	38 F.R. 14204 5/30/73

ORDERS UNDER SECTION 3(a)(3) OF BANK HOLDING COMPANY ACT—APPLICATIONS FOR ACQUISITION OF BANK

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
BancOhio Corporation, Columbus, Ohio	The Cummings Bank Company, Carrollton, Ohio	5/14/73	38 F.R. 13399 5/21/73
Barnett Banks of Florida, Inc., Jacksonville, Florida	Barnett Bank of Sarasota, N. A., Sarasota, Florida	5/10/73	38 F.R. 12956 5/17/73
Central Mortgage Company, Inc., Springfield, Missouri	Farmers Bank of Stover, Stover, Missouri	5/3/73	38 F.R. 12256 5/10/73
	Jackson County State Bank, Kansas City, Missouri	5/3/73	
The Chase Manhattan Corporation, New York, New York	Chase Manhattan Bank of Eastern New York (National Association), Albany, New York	5/3/73	38 F.R. 12627 5/14/73
	Lincoln National Bank, Buffalo, New York	5/3/73	38 F.R. 12627 5/14/73
First Amtenn Corporation, Nashville, Tennessee	Volunteer-State Bank, Knoxville, Tennessee	5/10/73	38 F.R. 12956 5/17/73
First City Bancorporation, Inc., Houston, Texas	Antoine National Bank, Houston, Texas	3/30/73	38 F.R. 08744 4/6/73
First National Financial Corporation, Kalamazoo, Michigan	The Commercial Bank of Menominee, Menominee, Michigan	5/3/73	38 F.R. 12258 5/10/73
First Virginia Bankshares Corporation, Falls Church, Virginia	The First National Bank in Onancock, Onancock, Virginia	5/25/73	38 F.R. 14796 6/5/73

ORDERS UNDER SECTION 3(a)(3) OF BANK HOLDING COMPANY ACT— APPLICATIONS FOR ACQUISITION OF BANK—Cont.

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
Mark Twain Bancshares, Inc., Clayton, Missouri	Parkway Bank and Trust Company, Chesterfield, Missouri	5/24/73	38 F.R. 14438 6/1/73
Mercantile Bankshares Corporation, Baltimore, Maryland	The Citizens National Bank, Laurel, Maryland	5/16/73	38 F.R. 13583 5/23/73
New England Merchants Company, Inc., Boston, Massachusetts	The Barnstable County National Bank of Hyannis, Hyannis, Massachusetts	5/3/73	38 F.R. 12259 5/10/73
Security New York State Corporation, Rochester, New York	First Trust Union Bank, Wellsville, New York	5/31/73	38 F.R. 14985 6/7/73
Southeast Banking Corporation, Miami, Florida	The First National Bank of Maitland, Maitland, Florida	5/29/73	38 F.R. 14797 6/5/73
	Peoples Bank of Venice, Venice, Florida	5/29/73	38 F.R. 14797 6/5/73
U.N. Bancshares, Inc., Springfield, Missouri	Bank of Taney County, Forsyth, Missouri	5/24/73	38 F.R. 14428 6/4/73
Union Commerce Corporation, Washington, D. C.	The Southern Ohio Bank, Cincinnati, Ohio	5/3/73	38 F.R. 12260 5/10/73

ORDER UNDER SECTION 3(a)(5) OF BANK HOLDING COMPANY ACT— MERGER OF BANK HOLDING COMPANY

Applicant	*Bank Holding Company*	*Board action (effective date)*	*Federal Register Citation*
Central Mortgage Co., Inc., Springfield, Missouri	Harmon Oil Co., Inc., Warrensburg, Missouri	5/3/73	38 F.R. 12256 5/10/73

ORDERS UNDER SECTION 4(c)(8) OF BANK HOLDING COMPANY ACT— APPLICATIONS TO ENGAGE IN NONBANKING ACTIVITIES

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
American Fletcher Corporation, Indianapolis, Indiana	Credit card operations of Economy Finance Corporation, known as Shoppers Charge Service and Custom Services	5/16/73	38 F.R. 14202 5/30/73
Barnett Banks of Florida, Inc., Jacksonville, Florida	Barnett Winston Mortgage Company, Winter Park, Florida	5/10/73	38 F.R. 12955 5/17/73
Crocker National Corporation, San Francisco, California	Schumacher Mortgage Company, Inc., Memphis, Tennessee	5/25/73	38 F.R. 14793 6/5/73
First Arkansas Bankstock Corporation, Little Rock, Arkansas	L. E. Lay & Company, Inc., Little Rock, Arkansas	5/10/73	38 F.R. 12957 5/17/73

ORDERS UNDER SECTION 4(c)(8) OF BANK HOLDING COMPANY ACT— APPLICATIONS TO ENGAGE IN NONBANKING ACTIVITIES—Cont.

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
First Pennsylvania Corporation, Philadelphia, Pennsylvania	Performance Associates, Inc., Colorado, Denver, Colorado	5/31/73	38 F.R. 15551 6/13/73
Geneva Investment Company, Lincoln, Nebraska	Continuation of insurance agency activities	5/22/73	38 F.R. 14204 5/30/73
Northwest Bancorporation, Minneapolis, Minnesota	Banco Credit Life Insurance Company, Minneapolis, Minnesota	5/21/73	38 F.R. 14205 5/30/73
Third National Corporation, Nashville, Tennessee	John W. Murphree Company, Nashville, Tennessee	5/16/73	38 F.R. 14439 6/1/73
Worcester Bancorp Inc., Worcester, Massachusetts	Empire Mortgage Corp of Connecticut, Hartford, Connecticut Empire Mortgage Corp. of Massachusetts, Natick, Massachusetts Empire Finance Corp. of Rhode Island, Providence, Rhode Island Empire Mortgage Corp. of New Hampshire, Concord, New Hampshire	5/24/73	38 F.R. 14440 6/1/73

ORDER UNDER SECTION 4(d) OF BANK HOLDING COMPANY ACT— EXEMPTION FROM PROHIBITIONS RELATING TO NONBANKING ACTIVITIES OF BANK HOLDING COMPANIES

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
R. R. Donnelley & Sons Company, Chicago, Illinois	Lakeside Bank, Chicago, Illinois	5/16/73	38 F.R. 13583 5/23/73

ORDER UNDER BANK MERGER ACT APPLICATIONS TO MERGE, CONSOLIDATE, OR ACQUIRE ASSETS

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
Menominee State Bank, Menominee, Michigan	The Commercial Bank of Menominee, Menominee, Michigan	5/3/73	38 F.R. 12258 5/10/73

Announcements

APPOINTMENT OF MR. HOLLAND AS A MEMBER OF THE BOARD OF GOVERNORS

President Nixon on May 16, 1973, announced his intention to appoint Robert C. Holland as a member of the Board of Governors of the Federal Reserve System. Mr. Holland's appointment was subsequently confirmed by the Senate on June 1 and his oath of office was administered by Chairman Burns in the Board Room on June 11.

The text of the White House announcement follows.

> The President announced his intention on May 16, 1973, to nominate Robert C. Holland, of Tekamah, Nebraska, to be a member of the Board of Governors of the Federal Reserve System for the remainder of the term expiring January 31, 1978. He will succeed J. L. Robertson, who was a governor from February 7, 1952, until April 30, 1973.
>
> Mr. Holland has been Executive Director of the Board of Governors of the Federal Reserve System since 1971 and has also been Secretary of the Federal Open Market Committee since 1966. He joined the Board of Governors of the Federal Reserve System in 1961, serving as Adviser in the Division of Research and Statistics (1961–63), Associate Economist with the Federal Open Market Committee (1962–66), Associate Director of the Division of Research and Statistics (1964–65), Adviser to the Board of Governors (1965–67), and Secretary of the Board of Governors (1968–71), in addition to his current positions.
>
> Prior to coming to Washington, Mr. Holland was with the Federal Reserve Bank of Chicago from 1949 to 1961. In Chicago, he was a Financial Economist (1949–57), Assistant Vice President for Research and Loans (1957–59) and Vice President for Loans (1959–61).
>
> He was born in Tekamah, Nebraska, on April 7, 1925. Mr. Holland attended the University of Nebraska and received three degrees from the University of Pennsylvania: B.S. in finance (1948), M.A. in economics (1949) and Ph.D. in economics (1959). He served in the U.S. Army from 1943 to 1945, and during 1948–49 he was an instructor in money and banking at the Wharton School of Finance and Commerce of the University of Pennsylvania.
>
> Mr. Holland is married to the former DeEtte Harriet Hedlund of Osceola, Nebraska. They have three children and reside in Washington, D.C.

CHANGES IN BOARD STAFF

The Board of Governors announced the following appointments to its official staff, effective June 10, 1973:

Theodore E. Allison, who joined the Board's staff in 1971, as an Assistant Secretary in the Office of the Secretary. Mr. Allison holds a Ph.D. degree in economics and finance from the University of Illinois.

Robert J. Lawrence, Chief of the Banking Markets Section of the Division of Research and Statistics, as an Associate Adviser in that Division. Mr. Lawrence joined the Board's staff in June 1965. He received his Ph.D. degree in economics from the University of Michigan.

William W. Wiles, who has been Deputy Program Director for Banking Structure, Division of Supervision and Regulation, as an Assistant Director in that Division. Mr. Wiles, who holds a doctorate in economics from the University of Wisconsin, joined the Board's staff in 1964.

The Board has also announced the retirement, effective June 30, 1973, of the following: Edwin J. Johnson, Joseph E. Kelleher, John N. Kiley, Jr., A. B. Hersey, and Ralph C. Wood.

CHANGE IN DISCOUNT RATE

The Board of Governors approved actions by the directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Atlanta, Chicago, St. Louis, Minneapolis, Dallas, and San Francisco increasing the discount rate of those banks from 6 per cent to 6½ per cent, effective June 11. A similar increase was approved for the Federal Reserve Bank of Richmond, effective June 12, and for the Federal Reserve Bank of Kansas City, effective June 15, at which time the rate was 6½ per cent at all Reserve Banks.

The action was taken in recognition of increases that had already occurred in other short-term interest rates, the recent growth in money and bank credit, and the continuing rise in the general price level.

The discount rate is the rate charged member banks for borrowings from their district Federal Reserve Bank.

CHANGE IN BOARD RELEASE

A monthly press release (G.12.2) on "Industrial Production" replaces the former release on "National Summary of Business Conditions" beginning with the June 1973 issue. The discontinued release contained a summary of various nonfinancial reports on employment, retail sales, and prices that are released by other agencies prior to the publication of the Summary. Financial data reported in the Summary are also available from other sources.

ADMISSION OF STATE BANKS TO MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM

The following banks were admitted to membership in the Federal Reserve System during the period May 16, 1973, through June 15, 1973:

Florida

Jacksonville .... Edgewood Bank

Virginia

Goochland County ......Bank of the James

Industrial Production

Released for publication June 15

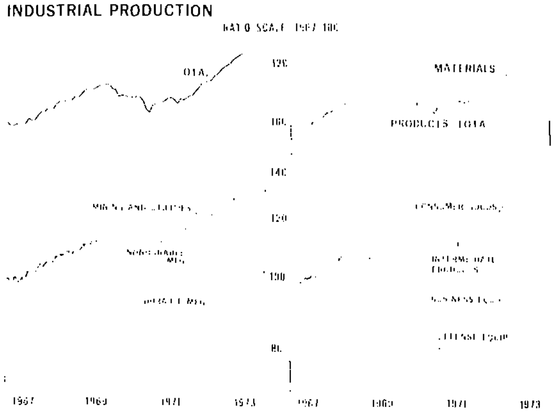
This release replaces the *National Summary of Business Conditions*

Industrial production increased by an estimated 0.5 per cent in May, following a revised 0.7 per cent increase in April. At 123.4 per cent of the 1967 average, the estimated May index was 9 per cent above a year earlier. The gains in output in May continued strong in business equipment and consumer goods, but over-all production of industrial materials rose only slightly.

Auto assemblies continued at record levels and were at an annual rate of 10.0 million units, and production schedules for June and the third quarter are set at about the same rate. Production of some appliances, furniture, and consumer chemical and paper products increased further. The advance in production of business equipment included both industrial and commercial types of machinery. Output of steel and most other durable goods materials was maintained at record rates, while production of textiles, chemicals, and paper rose further.

The expansion in materials production has brought their output levels in April and May one tenth above a year earlier. Output was exceptionally strong in major basic manufacturing materials such as cement, man-made fibers, paper, petroleum products, and primary metals. In a number of materials, levels of plant utilization are apparently close to current capacity.

INDUSTRIAL PRODUCTION



F.R. indexes, seasonally adjusted. Latest figures: May

Industrial production 1967 = 100	Seasonally adjusted 1972 May	1973 Apr.[p]	1973 May[e]	Change (%) from Month ago	Year ago
Total index	113.2	122.8	123.4	.5	9.0
Market groupings:					
Final products	110.2	118.7	119.4	.6	8.3
Consumer goods	*122.2*	*129.6*	*130.5*	.7	6.8
Business equip.	102.5	117.4	118.6	1.0	15.7
Materials	115.6	126.5	126.8	.2	9.7
Industry groupings:					
Manufacturing	112.3	122.3	123.2	.7	9.7
Durables	106.3	118.4	119.3	8	12.2
Nondurables	120.8	128.1	128.9	.6	6.7
Mining and util.	122.6	126.1	126.1	.0	2.9

[p]Preliminary
[e]Estimated

Financial and Business Statistics

CONTENTS

Continued on next page

Guide to Tabular Presentation

SYMBOLS AND ABBREVIATIONS

e	Estimated
c	Corrected
p	Preliminary
r	Revised
rp	Revised preliminary
I, II, III, IV	Quarters
n.e.c.	Not elsewhere classified
A.R.	Annual rate
S.A.	Monthly (or quarterly) figures adjusted for seasonal variation
N.S.A.	Monthly (or quarterly) figures not adjusted for seasonal variation
IPC	Individuals, partnerships, and corporations
SMSA	Standard metropolitan statistical area
A	Assets
L	Liabilities
S	Sources of funds
U	Uses of funds
*	Amounts insignificant in terms of the particular unit (e.g., less than 500,000 when the unit is millions)
. . .	(1) Zero, (2) no figure to be expected, or (3) figure delayed

GENERAL INFORMATION

Minus signs are used to indicate (1) a decrease, (2) a negative figure, or (3) an outflow.

A heavy vertical rule is used in the following instances: (1) to the right (to the left) of a total when the components shown to the right (left) of it add to that total (totals separated by ordinary rules include more components than those shown), (2) to the right (to the left) of items that are not part of a balance sheet, (3) to the left of memorandum items.

"U.S. Govt. securities" may include guaranteed issues of U.S. Govt. agencies (the flow of funds figures also include not fully guaranteed issues) as well as direct obligations of the Treasury. "State and local govt." also includes municipalities, special districts, and other political subdivisions.

In some of the tables details do not add to totals because of rounding.

The footnotes labeled NOTE (which always appear last) provide (1) the source or sources of data that do not originate in the System; (2) notice when figures are estimates; and (3) information on other characteristics of the data.

TABLES PUBLISHED SEMIANNUALLY OR ANNUALLY, WITH LATEST BULLETIN REFERENCE

Statistical Releases

LIST PUBLISHED SEMIANNUALLY, WITH LATEST BULLETIN REFERENCE

MEMBER BANK RESERVES, FEDERAL RESERVE BANK CREDIT, AND RELATED ITEMS

(In millions of dollars)

Period or date	Factors supplying reserve funds: Reserve Bank credit outstanding: U.S. Govt. securities[1]: Total	Bought outright	Held under repurchase agreement	Loans	Float[2]	Other F.R. assets[3]	Total[4]	Gold stock	Special Drawing Rights certificate account	Treasury currency outstanding
Averages of daily figures										
1939—Dec.	2,510	2,510	....	8	83	....	2,612	17,518	....	2,956
1941—Dec.	2,219	2,219	....	5	170	....	2,404	22,759	....	3,239
1945—Dec.	23,708	23,708	....	381	652	....	24,744	20,047	....	4,322
1950—Dec.	20,345	20,336	9	142	1,117	....	21,606	22,879	....	4,629
1960—Dec.	27,248	27,170	78	94	1,665	....	29,060	17,954	....	5,396
1968—Dec.	52,529	52,454	75	765	3,251	....	56,610	10,367	....	6,810
1969—Dec.	57,500	57,295	205	1,086	3,235	2,204	64,100	10,367	....	6,841
1970—Dec.	61,688	61,310	378	321	3,570	1,032	66,708	11,105	400	7,145
1971—Dec.	69,158	68,868	290	107	3,905	982	74,255	10,132	400	7,611
1972—May	71,428	71,391	37	119	3,140	934	75,705	10,224	400	7,991
June	71,632	71,624	8	94	3,370	933	76,108	10,410	400	8,043
July	72,089	71,972	117	202	3,548	1,111	77,035	10,410	400	8,080
Aug.	71,858	71,732	126	438	3,345	957	76,676	10,410	400	8,137
Sept.	70,252	70,135	117	514	3,723	894	75,451	10,410	400	8,183
Oct.	71,359	71,194	165	574	4,112	1,202	77,331	10,410	400	8,230
Nov.	71,112	70,815	297	606	2,966	1,170	75,959	10,410	400	8,278
Dec.	71,094	70,790	304	1,049	3,479	1,138	76,851	10,410	400	8,293
1973—Jan.	72,194	71,711	483	1,165	3,267	1,329	78,063	10,410	400	8,321
Feb.	72,307	72,082	225	1,593	2,556	1,004	77,600	10,410	400	8,353
Mar.	74,019	73,624	395	1,858	2,387	839	79,219	10,410	400	8,406
Apr.	75,353	74,914	439	1,721	2,319	1,043	80,542	10,410	400	8,444
May^p	76,758	76,205	553	1,787	2,240	960	81,883	10,410	400	8,478
Week ending—										
1973—Mar. 7	73,415	73,183	232	1,688	2,595	749	78,565	10,410	400	8,387
14	73,710	73,339	371	1,491	2,809	790	78,916	10,410	400	8,402
21	74,083	73,783	300	2,139	2,598	876	79,816	10,410	400	8,408
28	74,258	73,889	369	2,013	1,787	908	79,064	10,410	400	8,420
Apr. 4	75,223	74,404	819	1,754	1,860	938	79,908	10,410	400	8,427
11	74,700	74,586	114	1,502	2,352	968	79,602	10,410	400	8,437
18	75,420	74,866	554	1,845	2,330	1,025	80,726	10,410	400	8,444
25	75,654	74,907	747	1,646	2,813	1,139	81,388	10,410	400	8,448
May 2	76,149	75,830	319	1,875	2,166	1,120	81,419	10,410	400	8,461
9	76,501	76,027	474	1,484	2,361	1,195	81,698	10,410	400	8,464
16	77,020	76,296	724	1,814	2,418	1,059	82,484	10,410	400	8,468
23^p	77,534	76,477	1,057	1,688	2,173	760	82,296	10,410	400	8,487
30^p	76,231	76,231	....	2,400	1,839	793	81,351	10,410	400	8,494
End of month										
1973—Mar.	75,650	[7] 74,381	1,269	2,048	1,845	915	80,623	10,410	400	8,420
Apr.	76,785	[7] 75,895	890	1,716	1,195	1,128	80,960	10,410	400	8,455
May^p	75,368	[7] 75,368	....	1,225	2,693	809	80,178	10,410	400	8,498
Wednesday										
1973 Mar. 7	72,086	[8] 72,086	....	1,132	3,542	794	77,632	10,410	400	8,390
14	74,257	[7] 73,559	698	1,823	3,282	878	80,406	10,410	400	8,407
21	73,103	[8] 73,103	....	2,984	2,742	901	79,805	10,410	400	8,412
28	75,193	[7] 74,050	1,143	2,028	2,122	949	80,436	10,410	400	8,422
Apr. 4	74,493	[7] 74,493	....	1,082	3,268	949	79,867	10,410	400	8,436
11	74,350	[8] 74,350	....	1,241	2,943	1,010	79,619	10,410	400	8,440
18	76,953	[7] 75,033	1,920	3,159	3,403	1,088	84,768	10,410	400	8,445
25	75,393	[8] 74,714	679	1,522	3,090	1,134	81,252	10,410	400	8,453
May 2^p	76,464	[7] 75,890	574	817	3,457	1,177	82,059	10,410	400	8,462
9^p	76,814	[7] 76,296	518	2,778	2,729	1,226	83,710	10,410	400	8,466
16^p	77,663	[7] 76,296	1,367	2,445	3,341	739	84,378	10,410	400	8,471
23^p	77,940	[7] 76,506	1,434	1,455	2,514	787	82,864	10,410	400	8,493
30^p	75,187	[8] 75,187	....	1,771	2,134	820	79,996	10,410	400	8,498

[1] Includes Federal agency issues held under repurchase agreements as of Dec. 1, 1966, and Federal agency issues bought outright as of Sept. 29, 1971.

[2] Beginning with 1960 reflects a minor change in concept; see Feb. 1961 BULLETIN, p. 164.

[3] Beginning Apr. 16, 1969, "Other F.R. assets" and "Other F.R. liabilities and capital" are shown separately; formerly, they were netted together and reported as "Other F.R. accounts."

[4] Includes industrial loans and acceptances until Aug. 21, 1959, when industrial loan program was discontinued. For holdings of acceptances on Wed. and end-of-month dates, see tables on F.R. Banks on following pages. See also note 2.

Notes continued on opposite page.

MEMBER BANK RESERVES, FEDERAL RESERVE BANK CREDIT, AND RELATED ITEMS—Continued

(In millions of dollars)

Factors absorbing reserve funds										
Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F.R. Banks			Other F.R. accounts[3]	Other F.R. liabilities and capital[3]	Member bank reserves			Period or date
		Treasury	Foreign	Other[2]			With F.R. Banks	Currency and coin[5]	Total[6]	
										Averages of daily figures
7,609	2,402	616	739		248	....	11,473	....	11,473	1939—Dec.
10,985	2,189	592	1,531		292	....	12,812	....	12,812	1941—Dec.
28,452	2,269	625	1,247		493	....	16,027	....	16,027	1945—Dec.
27,806	1,290	615	920	353	739	....	17,391	....	17,391	1950—Dec.
33,019	408	522	250	495	1,029	....	16,688	2,595	19,283	1960—Dec.
50,609	756	360	225	458	1,105	....	22,484	4,737	27,221	1968—Dec.
53,591	656	1,194	146	458	....	2,192	23,071	4,960	28,031	1969—Dec.
57,013	427	849	145	735	....	2,265	23,925	5,340	29,265	1970—Dec.
61,060	453	1,926	290	728	....	2,287	25,653	5,676	31,329	1971—Dec.
61,182	573	2,170	185	574	....	2,289	27,347	5,465	32,812	1972—May
61,874	356	2,673	153	598	....	2,304	27,002	5,537	32,539	June
62,669	342	2,398	209	617	....	2,329	27,361	5,660	33,021	July
62,726	319	2,025	171	604	....	2,324	27,454	5,694	33,148	Aug.
62,913	320	938	190	619	....	2,240	27,224	5,779	33,003	Sept.
63,385	362	1,369	200	631	....	2,336	28,088	5,715	33,803	Oct.
64,543	375	1,321	195	604	....	2,378	25,631	5,813	[6] 31,774	Nov.[6]
66,060	350	1,449	272	631	....	2,362	24,830	6,095	31,353	Dec.
65,274	364	2,033	294	644	....	2,365	26,220	6,463	32,962	1973—Jan.
64,564	382	2,956	302	645	....	2,482	25,432	6,031	31,742	Feb.
65,072	384	3,598	338	666	....	2,530	25,848	5,856	31,973	Mar.
66,068	414	3,471	275	666	....	2,622	26,281	5,824	32,277	Apr.
66,726	413	4,121	330	652	....	2,721	26,208	6,006	32,386	May[p]
										Week ending—
64,683	385	3,177	343	692	....	2,609	25,873	5,906	32,058	1973—Mar. 7
65,157	376	4,129	335	670	....	2,405	25,057	6,219	31,555	14
65,250	380	3,731	365	650	....	2,499	26,158	5,525	31,962	21
65,130	388	3,625	304	643	....	2,559	25,645	5,747	31,671	28
65,381	409	3,117	318	672	....	2,662	26,586	5,861	32,619	Apr. 4
65,906	413	3,438	279	649	....	2,639	25,527	6,060	31,759	11
66,335	413	3,104	272	687	....	2,529	26,641	5,811	32,624	18
66,296	416	3,641	258	663	....	2,624	26,749	5,477	32,398	25
66,133	419	4,084	313	660	....	2,703	26,380	5,952	32,504	May 2
66,450	421	4,497	332	648	....	2,734	25,894	6,180	32,246	9
66,851	417	4,393	314	637	....	2,622	26,528	6,263	32,963	16
66,768	409	4,097	343	654	....	2,717	26,604	5,538	32,314	23[p]
66,890	402	3,564	321	666	....	2,787	26,025	6,040	32,237	30[p]
										End of month
65,180	407	2,881	327	696	....	2,648	27,713	5,865	33,750	1973—Mar.
66,094	415	4,163	328	773	....	2,753	25,700	5,952	31,824	Apr.
67,152	402	3,243	289	692	....	2,839	24,869	6,139	31,180	May[p]
										Wednesday
65,093	381	3,799	296	635	....	2,615	24,013	5,906	30,198	1973—Mar. 7
65,409	378	4,321	311	665	....	2,442	26,098	6,219	32,596	14
65,318	394	4,424	287	633	....	2,493	25,479	5,525	31,283	21
65,354	396	3,382	359	709	....	2,596	26,873	5,747	32,899	28
65,832	421	3,596	271	636	....	2,691	25,665	5,861	31,698	Apr. 4
66,348	414	3,533	267	703	....	2,453	25,152	6,060	31,384	11
66,519	421	2,787	263	658	....	2,574	30,801	5,811	36,784	18
66,339	424	3,696	240	682	....	2,632	26,502	5,477	32,151	25
66,359	428	4,414	342	666	....	2,754	26,368	5,952	32,492	May 2[p]
66,872	428	4,685	352	631	....	2,533	27,486	6,180	33,838	9[p]
67,003	414	4,925	333	644	....	2,708	27,631	6,263	34,066	16[p]
66,872	419	3,984	290	613	....	2,752	27,236	5,538	32,946	23[p]
67,272	411	3,932	290	669	....	2,783	23,947	6,040	30,159	30[p]

[5] Part allowed as reserves Dec. 1, 1959–Nov. 23, 1960; all allowed thereafter. Beginning with Jan. 1963, figures are estimated except for weekly averages. **Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.**

[6] Beginning with week ending Nov. 15, 1972, includes $450 million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation J as amended effective Nov. 9, 1972. Beginning 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, $279 million; Q2, $172 million.

[7] Includes securities loaned—fully secured by U.S. Govt. securities pledged with F.R. Banks.

[8] Includes securities loaned—fully secured by U.S. Govt. securities pledged with F.R. Banks. Also reflects securities sold, and scheduled to be bought back, under matched sale/purchase transactions.

For other notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks					Large banks[2]						All other banks	
	Reserves			Borrowings		New York City		City of Chicago		Other			
	Total held[1]	Required	Excess[1]	Total	Seasonal	Excess	Borrowings	Excess	Borrowings	Excess	Borrowings	Excess	Borrowings
1939—Dec.	11,473	6,462	5,011	3	....	2,611	....	540	....	1,188	....	671	3
1941—Dec.	12,812	9,422	3,390	5	....	989	....	295	....	1,303	1	804	4
1945—Dec.	16,027	14,536	1,491	334	....	48	192	14	....	418	96	1,011	46
1950—Dec.	17,391	16,364	1,027	142	....	125	58	8	5	232	50	663	29
1960—Dec.	19,283	18,527	756	87	....	29	19	4	8	100	20	623	40
1965—Dec.	22,719	22,267	452	454	....	41	111	15	23	67	228	330	92
1967—Dec.	25,260	24,915	345	238	....	18	40	8	13	50	105	267	80
1968—Dec.	27,221	26,766	455	765	....	100	230	15	85	90	270	250	180
1969—Dec.	28,031	27,774	257	1,086	....	56	259	18	27	6	479	177	321
1970—Dec.	29,265	28,993	272	321	....	34	25	7	4	42	264	189	28
1971—Dec.	31,329	31,164	165	107	....	25	35	1	8	−35	22	174	42
1972—May	32,812	32,708	104	119	....	14	50	9	12	−24	31	105	26
June	32,539	32,335	204	94	....	34	6	−1	....	7	40	164	48
July	33,021	32,874	147	202	....	32	15	8	6	−41	64	148	117
Aug.	33,148	32,893	255	438	....	6	116	10	11	72	134	167	177
Sept.	33,003	32,841	162	514	....	29	136	−1	12	−2	195	136	171
Oct.	33,803	33,556	247	574	....	61	59	22	45	24	240	140	230
Nov.	31,774	31,460	314	606	....	4	64	−14	19	−1	248	−5	275
Dec.	31,353	31,134	219	1,049	....	−20	301	13	55	42	429	−160	264
1973—Jan.	32,962	32,620	342	1,165	....	95	193	2	108	−33	578	−1	286
Feb.	31,742	31,537	205	1,593	....	−13	324	....	105	−33	693	−28	471
Mar.	31,973	31,678	295	1,858	....	72	176	−6	102	7	857	−47	723
Apr.	32,277	32,125	152	1,721	5	38	146	8	9	−111	828	45	738
May[p]	32,386	32,273	113	1,787	30	−39	110	2	12	49	884	27	781
Week ending—													
1972—May 3	32,840	32,704	136	117	....	65	60	33	....	28	2	140	55
10	32,757	32,566	191	87	....	41	49	−20	....	11	19	159	19
17	33,157	32,963	194	39	....	5	21	31	....	17	4	175	14
24	32,646	32,560	86	63	....	13	39	48	....	34	8	87	16
31	32,814	32,726	88	254	....	−26	51	24	54	−46	106	136	43
Nov. 1	33,704	33,499	205	555	....	38	2	−15	7	19	261	163	285
8	33,694	33,570	124	959	....	−32	192	20	31	−40	447	176	289
15	32,132	31,346	786	494	....	196	....	−11	11	91	192	60	291
22	30,539	30,350	189	419	....	−18	1	26	15	−87	136	−182	267
29	30,728	30,388	340	572	....	26	80	−30	23	−6	226	−100	243
Dec. 6	31,009	30,673	336	589	....	21	43	33	75	−42	118	−126	353
13	31,068	30,824	244	805	....	24	206	24	13	−34	300	172	286
20	31,408	31,202	206	1,221	....	17	422	34	21	−80	514	215	264
27	31,441	31,252	189	1,118	....	37	278	1	....	−81	654	−144	186
1973—Jan. 3	32,604	32,044	560	1,751	....	149	713	10	279	83	525	39	234
10	32,506	32,380	126	688	....	−21	66	−10	19	−107	420	−15	183
17	34,009	33,668	341	1,298	....	46	201	17	189	24	635	23	273
24	32,511	32,545	34	1,097	....	82	260	−26	19	165	511	−40	307
31	32,556	32,103	453	1,309	....	204	....	15	110	10	806	35	393
Feb. 7	31,834	31,687	147	1,232	....	78	221	7	16	23	584	−24	411
14	31,813	31,625	188	1,991	....	−1	709	17	178	−75	664	−32	440
21	32,042	31,537	505	1,672	....	156	155	11	104	47	928	12	485
28	31,286	31,300	14	1,482	....	128	211	−21	121	−14	599	−70	551
Mar. 7	32,058	31,717	341	1,688	....	92	242	43	99	−58	695	−15	652
14	31,555	31,532	23	1,491	....	48	178	25	113	112	623	−71	577
21	31,962	31,713	249	2,139	....	56	225	3	104	−3	1,077	−86	733
28	31,671	31,578	93	2,013	....	46	28	1	130	−66	951	−75	904
Apr. 4	32,619	32,082	537	1,754	....	169	144	18	8	99	865	79	737
11	31,759	31,845	−86	1,502	....	−184	24	14	13	90	775	30	690
18	32,624	32,390	234	1,845	....	146	306	2	2	−104	841	18	696
25	32,398	32,062	336	1,646	9	80	45	20	18	11	795	53	788
May 2	32,504	32,271	233	1,875	16	56	222	19	6	63	868	49	779
9	32,246	32,327	−81	1,484	18	75	182	−50	33	−137	580	9	689
16	32,963	32,600	363	1,814	23	49	123	42	9	6	993	94	689
23[p]	32,314	32,174	140	1,688	32	25	30	−31	....	1	815	25	843
30[p]	32,237	32,057	180	2,400	46	−4	144	24	10	−52	1,294	40	952

[1] Beginning with week ending Nov. 15, 1972, includes $450 million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation J as amended effective Nov. 9, 1972. Beginning 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, $279 million; Q2, $172 million.

[2] Beginning Nov. 9, 1972, designation of banks as reserve city banks for reserve-requirement purposes has been based on size of bank (net demand deposits of more than $400 million), as described in the *Bulletin* for July 1972, p. 626. Categories shown here as "Large" and "All other" parallel the previous "reserve city" and "country" categories, respectively (hence the series are continuous over time).

NOTE.—Monthly and weekly data are averages of daily figures within the month or weeks, respectively. Beginning with Jan. 1964 reserves are estimated except for weekly averages.

Borrowings at F.R. Banks: Based on closing figures.

Effective Apr. 19, 1973, the Board's Regulation A, which governs lending by Federal Reserve Banks, was revised to assist smaller member banks to meet the seasonal borrowing needs of their communities.

BASIC RESERVE POSITION, AND FEDERAL FUNDS AND RELATED TRANSACTIONS

(In millions of dollars, except as noted)

Reporting banks and week ending—	Basic reserve position: Excess reserves[1]	Basic reserve position: Less—Borrowings at F.R. Banks	Basic reserve position: Less—Net interbank Federal funds trans.	Basic reserve position: Net—Surplus or deficit	Basic reserve position: Net—Per cent of avg. required reserves	Interbank Federal funds transactions: Gross transactions—Purchases	Interbank Federal funds transactions: Gross transactions—Sales	Interbank Federal funds transactions: Total two-way transactions[2]	Interbank Federal funds transactions: Net transactions—Purchases of net buying banks	Interbank Federal funds transactions: Net transactions—Sales of net selling banks	Related transactions with U.S. Govt. securities dealers: Loans to dealers[3]	Related transactions with U.S. Govt. securities dealers: Borrowings from dealers[4]	Related transactions with U.S. Govt. securities dealers: Net loans
Total—46 banks													
Apr. 4	250	554	9,206	9,510	67.2	15,528	6,322	4,412	11,116	1,910	1,509	402	1,107
11	34	448	10,839	11,320	80.6	15,699	4,860	3,829	11,870	1,032	1,534	243	1,291
18	87	738	10,146	10,797	75.1	15,252	5,106	3,730	11,522	1,376	1,482	371	1,111
25	226	389	9,137	9,300	66.6	14,695	5,558	4,679	10,016	878	1,663	433	1,230
May 2	197	536	6,892	7,232	51.5	12,841	5,949	4,267	8,574	1,682	1,178	443	735
9	39	514	8,232	8,784	62.0	14,445	6,214	4,417	10,029	1,797	1,188	404	784
16	126	572	9,040	9,487	65.6	14,466	5,426	3,924	10,542	1,502	1,374	459	915
23	103	252	8,481	8,630	61.3	14,054	5,573	3,917	10,137	1,657	1,376	844	533
30	119	795	8,511	9,186	66.0	13,481	4,971	4,052	9,429	919	1,704	376	1,327
8 in New York City													
Apr. 4	135	100	3,612	3,577	62.4	4,798	1,186	893	3,904	292	939	224	715
11	−83	....	4,144	4,227	74.6	4,773	628	599	4,174	30	995	145	850
18	83	293	3,911	4,121	70.8	4,593	682	593	4,000	89	1,016	226	790
25	134	21	2,504	2,392	42.6	4,001	1,497	1,391	2,611	106	892	268	624
May 2	105	182	1,753	1,831	32.5	3,163	1,410	1,094	2,069	316	711	240	472
9	21	174	3,081	3,275	57.2	4,342	1,261	959	3,383	303	754	274	480
16	8	89	3,577	3,658	62.1	4,426	849	677	3,748	171	865	293	572
23	51	....	2,818	2,767	49.1	4,245	1,427	1,047	3,198	380	841	344	497
30	35	129	2,655	2,749	49.8	4,069	1,413	1,167	2,902	247	971	306	665
38 outside New York City													
Apr. 4	114	454	5,594	5,933	70.4	10,730	5,136	3,519	7,211	1,618	570	178	392
11	49	448	6,694	7,093	84.7	10,926	4,232	3,230	7,696	1,002	539	98	441
18	4	445	6,235	-6,676	78.1	10,659	4,424	3,137	7,522	1,287	466	146	321
25	92	368	6,632	6,908	82.7	10,694	4,061	3,289	7,405	772	771	165	607
May 2	92	354	5,139	5,401	64.3	9,679	4,539	3,173	6,506	1,367	467	203	264
9	18	340	5,151	5,509	65.3	10,104	4,952	3,458	6,646	1,494	434	131	304
16	118	483	5,464	5,829	67.9	10,040	4,577	3,246	6,794	1,331	509	166	343
23	52	252	5,663	5,863	69.5	9,809	4,146	2,869	6,940	1,277	535	500	36
30	85	666	5,855	6,437	76.6	9,413	3,557	2,886	6,527	672	733	70	662
5 in City of Chicago													
Apr. 4	14	....	2,335	2,321	156.9	2,856	521	512	2,343	9	304	26	278
11	−6	....	2,467	2,473	169.4	3,093	626	610	2,483	16	250	14	236
18	8	2	2,258	2,252	150.7	3,001	743	734	2,267	9	243	19	224
25	19	....	2,141	2,122	149.7	2,876	735	722	2,154	13	238	35	203
May 2	37	....	2,064	2,027	139.7	2,721	657	657	2,064	....	211	24	187
9	16	33	2,218	2,266	154.3	2,856	638	638	2,218	....	215	10	205
16	20	....	2,233	2,213	146.6	2,919	685	685	2,233	....	222	10	212
23	7	....	2,159	2,166	149.3	2,759	600	600	2,159	....	268	25	244
30	22	....	1,992	1,970	134.6	2,611	619	619	1,992	....	332	10	322
33 others													
Apr. 4	101	454	3,259	3,612	52.0	7,875	4,615	3,006	4,868	1,609	266	153	113
11	55	448	4,228	4,621	66.8	7,833	3,606	2,620	5,213	986	290	84	206
18	−4	443	3,977	4,424	62.7	7,658	3,681	2,403	5,255	1,278	224	127	97
25	73	368	4,491	4,786	69.0	7,818	3,327	2,567	5,251	759	533	130	403
May 2	55	354	3,075	3,374	48.5	6,958	3,883	2,516	4,442	1,367	256	180	77
9	3	307	2,933	3,243	46.6	7,248	4,315	2,820	4,428	1,494	219	121	99
16	97	483	3,230	3,616	51.1	7,122	3,892	2,561	4,561	1,331	287	156	131
23	59	252	3,504	3,697	52.9	7,049	3,546	2,269	4,780	1,277	267	475	208
30	63	666	3,864	4,467	64.4	6,802	2,938	2,267	4,535	672	401	60	341

1 Based upon reserve balances, including all adjustments applicable to the reporting period. Prior to Sept. 25, 1968, carryover reserve deficiencies, if any, were deducted. Excess reserves for later periods are net of all carry-over reserves.

2 Derived from averages for individual banks for entire week. Figure for each bank indicates extent to which the bank's weekly average purchases and sales are offsetting.

3 Federal funds loaned, net funds supplied to each dealer by clearing banks, repurchase agreements (purchases of securities from dealers subject to resale), or other lending arrangements.

4 Federal funds borrowed, net funds acquired from each dealer by clearing banks, reverse repurchase agreements (sales of securities to dealers subject to repurchase), resale agreements, and borrowings secured by Govt. or other issues.

NOTE.—Weekly averages of daily figures. For description of series and back data, see Aug. 1964 BULLETIN, pp. 944–74.

CURRENT RATES

(Per cent per annum)

Federal Reserve Bank	Loans to member banks— Under Secs. 13 and 13a [1]: Rate on May 31, 1973	Effective date	Previous rate	Under Sec. 10(b) [2]: Rate on May 31, 1973	Effective date	Previous rate	Loans to all others under last par. Sec. 13 [3]: Rate on May 31, 1973	Effective date	Previous rate
Boston	6	May 11, 1973	5¾	6½	May 11, 1973	6¼	[4] 8	May 11, 1973	7¾
New York	6	May 11, 1973	5¾	6½	May 11, 1973	6¼	8	May 11, 1973	7¾
Philadelphia	6	May 11, 1973	5¾	6½	May 11, 1973	6¼	8	May 11, 1973	7¾
Cleveland	6	May 11, 1973	5¾	6½	May 11, 1973	6¼	8	May 11, 1973	7¾
Richmond	6	May 11, 1973	5¾	6½	May 11, 1973	6¼	[4] 8	May 11, 1973	7¾
Atlanta	6	May 11, 1973	5¾	6½	May 11, 1973	6¼	[4] 8	May 11, 1973	7¾
Chicago	6	May 11, 1973	5¾	6½	May 11, 1973	6¼	[4] 8	May 11, 1973	7¾
St. Louis	6	May 11, 1973	5¾	6½	May 11, 1973	6¼	[4] 8	May 11, 1973	7¾
Minneapolis	6	May 11, 1973	5¾	6½	May 11, 1973	6¼	[4] 8	May 11, 1973	7¾
Kansas City	6	May 18, 1973	5¾	6½	May 18, 1973	6¼	[4] 8	May 18, 1973	7¾
Dallas	6	May 11, 1973	5¾	6½	May 11, 1973	6¼	[4] 8	May 11, 1973	7¾
San Francisco	6	May 11, 1973	5¾	6½	May 11, 1973	6¼	8	May 11, 1973	7¾

[1] Discounts of eligible paper and advances secured by such paper or by U.S. Govt. obligations or any other obligations eligible for F.R. Bank purchase. Maximum maturity: 90 days except that discounts of certain bankers' acceptances and of agricultural paper may have maturities not over 6 months and 9 months, respectively.

[2] Advances secured to the satisfaction of the F.R. Bank. Maximum maturity: 4 months.

[3] Advances to individuals, partnerships, or corporations other than member banks secured by direct obligations of, or obligations fully guaranteed as to principal and interest by, the U.S. Govt. or any agency thereof. Maximum maturity: 90 days.

[4] Also effective on the same dates as the other rates shown above for the eight Reserve Banks so designated, a rate of 6 percent was approved on advances to nonmember banks, to be applicable in special circumstances resulting from implementation of changes in Regulation J, which became effective on Nov. 9, 1972. See "Announcements" on p. 942 of the Oct. 1972 BULLETIN and p. 994 of the Nov. 1972 BULLETIN.

SUMMARY OF EARLIER CHANGES

(Per cent per annum)

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1954	1½	1½
1955—Apr. 14	1½–1¾	1½
15	1½–1¾	1¾
May 2	1¾	1¾
Aug. 4	1¾–2¼	1¾
5	1¾–2¼	2
12	2 –2¼	2
Sept. 9	2 –2¼	2¼
13	2¼	2¼
Nov. 18	2¼–2½	2½
23	2½	2½
1956—Apr. 13	2½–3	2¾
20	2¾–3	2¾
Aug. 24	2¾–3	3
31	3	3
1957—Aug. 9	3 –3½	3
23	3½	3½
Nov. 15	3 –3½	3
Dec. 2	3	3
1958—Jan. 22	2¾–3	3
24	2¾–3	2¾
Mar. 7	2¼–3	2¼
13	2¼–2¾	2¼
21	2¼	2¼
Apr. 18	1¾–2¼	1¾
May 9	1¾	1¾
Aug. 15	1¾–2	1¾
Sept. 12	1¾–2	2
23	2	2
Oct. 24	2 –2½	2
Nov. 7	2½	2½
1959—Mar. 6	2½–3	3
16	3	3
May 29	3 –3½	3½
June 12	3½	3½
Sept. 11	3½–4	4
18	4	4
1960—June 3	3½–4	4
10	3½–4	3½
14	3½	3½
Aug. 12	3 –3½	3
Sept. 9	3	3
1963—July 17	3 –3½	3½
26	3½	3½
1964—Nov. 24	3½–4	4
30	4	4
1965—Dec. 6	4 –4½	4½
13	4½	4½
1967—Apr. 7	4 –4½	4
14	4	4
Nov. 20	4 –4½	4½
27	4½	4½
1968—Mar. 15	4½–5	4½
22	5	5
Apr. 19	5 –5½	5½
26	5½	5½
Aug. 16	5¼–5½	5½
30	5¼	5¼
Dec. 18	5¼–5½	5½
20	5½	5½
1969—Apr. 4	5½–6	6
8	6	6
1970—Nov. 11	5¾–6	6
13	5¾–6	5¾
16	5¾	5¾
Dec. 1	5½–5¾	5¾
4	5½–5¾	5½
11	5½	5½
1971—Jan. 8	5¼–5½	5¼
15	5¼	5¼
19	5 –5¼	5¼
22	5 –5¼	5
29	5	5
Feb. 13	4¾–5	5
19	4¾	4¾
July 16	4¾–5	5
23	5	5
Nov. 11	4¾–5	5
19	4¾	4¾
Dec. 13	4½–4¾	4¾
17	4½–4¾	4½
24	4½	4½
1973—Jan. 15	5	5
Feb. 26	5 –5½	5½
Mar. 2	5½	5½
Apr. 23	5½–5¾	5½
May 4	5¾	5¾
11	5¾–6	6
18	6	6
In effect May 31, 1973	6	6

NOTE.—Rates under Secs. 13 and 13a (as described in table and notes above). For data before 1955, see *Banking and Monetary Statistics*, 1943, pp. 439–42, and Supplement to Section 12, p. 31.

RESERVE REQUIREMENTS ON DEPOSITS OF MEMBER BANKS

(Deposit intervals are in millions of dollars. Requirements are in per cent of deposits.)

Effective date [1]	Net demand [2]: Reserve city 0-5	Net demand [2]: Reserve city Over 5	Net demand [2]: Other 0-5	Net demand [2]: Other Over 5	Time [3] (all classes of banks): Savings	Time [3]: Other time 0-5	Time [3]: Other time Over 5
In effect Jan. 1, 1963	16½		12		4		
1966—July 14, 21					4	4	5
Sept. 8, 15							6
1967—Mar. 2					3½	3½	
Mar. 16					3	3	
1968—Jan. 11, 18	16½	17	12	12½			
1969—Apr. 17	17	17½	12½	13			
1970—Oct. 1							5

Effective date	Net demand [2,4]: 0-2	2-10	10-100	100-400	Over 400 [5]	Time [3]: Savings	Other time 0-5	Other time Over 5
1972—Nov. 9	8	10	12	[6]16½	17½	[7]3	[7]3	[7]5
Nov. 16				13				
In effect May 31, 1973[2,8]	8	10	12	13	17½	3	3	5

Present legal requirement:	Minimum	Maximum
Net demand deposits, reserve city banks	10	22
Net demand deposits, other banks	7	14
Time deposits	3	10

[1] When two dates are shown, the first applies to the change at reserve city banks and the second to the change at country banks. For changes prior to 1963 see Board's *Annual Reports*.

[2] (a) Demand deposits subject to reserve requirements are gross demand deposits minus cash items in process of collection and demand balances due from domestic banks.

(b) Requirement schedules are graduated, and each deposit interval applies to that part of the deposits of each bank.

(c) Since Oct. 16, 1969, member banks have been required under Regulation M to maintain reserves against foreign branch deposits computed on the basis of net balances due from domestic offices to their foreign branches above a specified base and against foreign branch loans to U.S. residents above a specified base. The applicable reserve percentage, originally 10 per cent, was increased to 20 per cent on Jan. 7, 1971. Effective June 21, 1973, the requirement will be reduced to 8 per cent. The reserve-free base relating to net balances due from domestic banks to foreign branches will be reduced gradually until eliminated, by Apr. 1974. The reserve-free base related to member banks' foreign branch loans to U.S. residents will be eliminated June 21, 1973. Regulation D imposes a similar reserve requirement on borrowings above a specified base from foreign banks by domestic offices of a member bank. The reserve-free base related to this type of borrowings will be reduced gradually until eliminated, by Apr. 1974. For details, see Regulations D and M and appropriate supplements and amendments thereto. For the latest change, see the May 1973 BULLETIN, beginning on p. 375.

[3] Effective Jan. 5, 1967, time deposits such as Christmas and vacation club accounts became subject to same requirements as savings deposits. For other notes see 2(b) and 2(c) above.

[4] Effective Nov. 9, 1972, a new criterion was adopted to designate reserve cities, and on the same date requirements for reserves against net demand deposits of member banks were restructured to provide that each member bank will maintain reserves related to the size of its net demand deposits. The new reserve city designations are as follows: A bank having net demand deposits of more than $400 million is considered to have the character of business of a reserve city bank, and the presence of the head office of such a bank constitutes designation of that place as a reserve city. Cities in which there are F.R. Banks or branches are also reserve cities. Any banks having net demand deposits of $400 million or less are considered to have the character of business of banks outside of reserve cities and are permitted to maintain reserves at ratios set for banks not in reserve cities. For details, see announcements on Regulation D in 1972 BULLETINS: July, pp. 649, 679; Oct., p. 942; Nov., p. 994.

[5] Reserve city banks.

[6] The 16½ per cent requirement applied for one week, only to former reserve city banks. For other banks, the 13 per cent requirement was continued in this deposit interval.

[7] See preceding columns for earliest effective date of this rate.

[8] Effective June 21, 1973, member banks will be subject to an 8 per cent marginal reserve requirement against increases in the aggregate of (a) outstanding single-maturity time deposits of $100,000 and over and (b) outstanding funds obtained by the bank through issuance by a bank's affiliate of obligations subject to the existing reserve requirement on time deposits. The 8 per cent requirement will apply to balances above a specified base, but will not be applicable to banks that have obligations of these types aggregating less than $10 million. For details, see amendments to Regulation D under "Bank Credit Actions" beginning on p. 375 of the May 1973 BULLETIN.

NOTE.—All required reserves were held on deposit with F.R. Banks June 21, 1917, until Dec. 1959. From Dec. 1959 to Nov. 1960, member banks were allowed to count part of their currency and coin as reserves; effective Nov. 24, 1960, they were allowed to count all as reserves. For further details, see Board's *Annual Reports*.

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Rates Jan. 1, 1962–July 19, 1966

Type of deposit	Effective date: Jan. 1, 1962	July 17, 1963	Nov. 24, 1964	Dec. 6, 1965
Savings deposits: [1]				
12 months or more	4	4	4	4
Less than 12 months	3½	3½		
Other time deposits: [2]				
12 months or more	4			
6 months to 12 months	3½	4	4½	5½
90 days to 6 months	2½			
Less than 90 days (30–89 days)	1	1	4	

Rates beginning July 20, 1966

Type of deposit	Effective date: July 20, 1966	Sept. 26, 1966	Apr. 19, 1968	Jan. 21, 1970
Savings deposits	4	4	4	4½
Other time deposits: [2]				
Multiple maturity: [3]				
30–89 days	4	4	4	4½
90 days–1 year				5
1 year to 2 years	5	5	5	5½
2 years and over				5¾
Single-maturity:				
Less than $100,000:				
30 days to 1 year				5
1 year to 2 years	5½	5	5	5½
2 years and over				5¾
$100,000 and over:				
30–59 days			5½	(4)
60–89 days			5¾	(4)
90–179 days	5½	5½	6	(4)
180 days to 1 year			6¼	(4)
1 year or more				(4)

[1] Closing date for the Postal Savings System was Mar. 28, 1966. Maximum rates on postal savings accounts coincided with those on savings deposits.

[2] For exceptions with respect to certain foreign time deposits, see BULLETINS for Oct. 1962, p. 1279; Aug. 1965, p. 1084; and Feb. 1968, p. 167.

[3] Multiple-maturity time deposits include deposits that are automatically renewable at maturity without action by the depositor and deposits that are payable after written notice of withdrawal.

[4] Maximum rates on all single maturity time deposits in denominations of $100,000 and over have been suspended. Rates which were effective Jan. 21, 1970, and the dates when they were suspended are:

30–59 days	6¼ per cent	June 24, 1970
60–89 days	6½ per cent	
90–179 days	6¾ per cent	May 16, 1973
180 days to 1 year	7 per cent	
1 year or more	7½ per cent	

NOTE.—Maximum rates that may be paid by member banks are established by the Board of Governors under provisions of Regulation Q; however, a member bank may not pay a rate in excess of the maximum rate payable by State banks or trust companies on like deposits under the laws of the State in which the member bank is located. Beginning Feb. 1, 1936, maximum rates that may be paid by nonmember insured commercial banks, as established by the FDIC, have been the same as those in effect for member banks.

MARGIN REQUIREMENTS

(Per cent of market value)

Period: Beginning date	Ending date	On margin stocks: T	U	G	On convertible bonds: T	U	G	On short sales (T)
1937—Nov. 1	1945—Feb. 4	40						50
1945—Feb. 5	July 4	50						50
July 5	1946—Jan. 20	75						75
1946—Jan. 21	1947—Jan. 31	100						100
1947—Feb. 1	1949—Mar. 29	75						75
1949—Mar. 30	1951—Jan. 16	50						50
1951—Jan. 17	1953—Feb. 19	75						75
1953—Feb. 20	1955—Jan. 3	50						50
1955—Jan. 4	Apr. 22	60						60
Apr. 23	1958—Jan. 15	70						70
1958—Jan. 16	Aug. 4	50						50
Aug. 5	Oct. 15	70						70
Oct. 16	1960—July 27	90						90
1960—July 28	1962—July 9	70						70
1962—July 10	1963—Nov. 5	50						50
1963—Nov. 6	1968—Mar. 10	70						70
1968—Mar. 11	June 7		70			50		70
June 8	1970—May 5		80			60		80
1970—May 6	1971—Dec. 3		65			50		65
1971—Dec. 6	1972—Nov. 22		55			50		55
Effective Nov. 24, 1972			65			50		65

NOTE.—Regulations G, T, and U, 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 per cent) and the maximum loan value. The term margin stocks is defined in the corresponding regulation.

Regulation G and special margin requirements for bonds convertible into stocks were adopted by the Board of Governors effective Mar. 11, 1968.

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Month	Outright transactions in U.S. Govt. securities, by maturity: Total: Gross purchases	Total: Gross sales	Total: Redemptions	Treasury bills: Gross purchases	Treasury bills: Gross sales	Treasury bills: Redemptions	Others within 1 year: Gross purchases	Others within 1 year: Gross sales	Others within 1 year: Exch., maturity shifts, or redemptions	1–5 years: Gross purchases	1–5 years: Gross sales	1–5 years: Exch. or maturity shifts
1972—Apr.	2,666	1,478	135	2,254	1,478	133	7	....	-2	255	....	....
May	475	291	....	475	291	....	....	....	2,626	....	....	-2,626
June	1,294	335	96	1,094	335	6	2	....	-90	69	....	....
July	2,753	3,286	....	2,753	3,286	....	....	....	....	....	....	....
Aug.	1,390	1,752	432	1,274	1,752	432	....	....	-1,089	79	....	673
Sept.	9,369	8,673	850	9,369	8,673	850	....	....	....	....	....	....
Oct.	2,795	2,425	150	2,678	2,425	150	42	....	....	35	....	....
Nov.	2,638	2,880	351	2,638	2,880	300	....	....	360	....	....	-411
Dec.	5,083	4,640	135	5,083	4,640	....	....	....	-135	....	....	....
1973—Jan.	3,060	1,735	....	3,060	1,735	....	....	....	....	....	....	....
Feb.	6,275	5,216	200	6,079	5,216	200	25	....	-1,408	61	....	3,476
Mar.	3,510	2,201	200	3,510	2,201	200	....	....	....	....	....	....
Apr.	3,685	2,101	51	3,478	2,101	51	50	....	....	127	....	....

Month	Outright transactions in U.S. Govt. securities—Continued: 5–10 years: Gross purchases	5–10 years: Gross sales	5–10 years: Exch. or maturity shifts	Over 10 years: Gross purchases	Over 10 years: Gross sales	Over 10 years: Exch. or maturity shifts	Repurchase agreements (U.S. Govt. securities): Gross purchases	Repurchase agreements: Gross sales	Net change in U.S. Govt. securities	Federal agency obligations (net): Outright	Federal agency obligations (net): Repurchase agreements	Bankers' acceptances: Outright, net	Bankers' acceptances: Under repurchase agreements, net	Net change[1]
1972—Apr.	126	....	....	23	....	....	2,625	3,298	380	169	-16	1	-61	472
May	....	....	....	....	....	....	1,115	....	1,299	....	25	-4	65	1,386
June	109	....	....	20	....	....	211	1,326	-251	127	-25	-6	-65	-221
July	....	....	....	....	....	....	1,736	1,736	-533	-26	....	-10	....	570
Aug.	23	....	166	15	....	250	3,171	2,459	-82	-3	74	4	30	22
Sept.	....	....	....	....	....	....	1,132	1,844	-866	-35	-74	-4	-30	-1,009
Oct.	7	....	....	32	....	....	3,594	3,594	220	-22	....	7	....	206
Nov.	....	....	....	....	....	....	3,547	3,547	-593	157	....	-6	....	-442
Dec.	....	....	....	....	....	....	4,863	4,765	405	134	13	7	36	596
1973—Jan.	....	....	....	....	....	....	9,719	8,928	2,116	....	48	11	23	2,197
Feb.	79	....	-2,068	32	....	....	2,774	3,034	599	-18	-28	-3	95	644
Mar.	....	....	....	....	....	....	6,024	5,478	1,656	-14	61	-1	-66	1,636
Apr.	19	....	....	11	....	....	5,664	5,978	1,218	-19	-65	7	36	1,106

[1] Net change in U.S. Govt. securities, Federal agency obligations, and bankers' acceptances.

NOTE.—Sales, redemptions, and negative figures reduce System holdings; all other figures increase such holdings.

CONVERTIBLE FOREIGN CURRENCIES HELD BY FEDERAL RESERVE BANKS

(In millions of U.S. dollar equivalent)

End of period	Total	Pounds sterling	Austrian schillings	Belgian francs	Canadian dollars	Danish kroner	French francs	German marks	Italian lire	Japanese yen	Netherlands guilders	Swiss francs
1969—Dec.	1,967	1,575	....	1	*	....	199	60	125	1	3	4
1970—Dec.	257	154	....	*	*	....	....	98	....	1	*	4
1971—Dec.	18	3	....	3	*	....	....	2	....	1	....	8
1972—Feb.	17	3	....	3	*	....	....	2	....	1	....	8
Mar.	17	3	....	3	*	....	....	2	....	1	....	8
Apr.	17	3	....	3	*	....	....	2	....	1	....	8
May	57	3	....	*	*	....	....	2	....	1	....	50
June	18	2	....	*	*	....	....	9	....	1	....	5
July	7	1	....	*	*	....	....	1	....	1	....	7
Aug.	34	*	....	1	*	....	....	24	....	1	....	3
Sept.	122	*	....	*	*	....	....	85	....	1	....	35
Oct.	211	*	....	8	*	....	....	164	....	1	16	21
Nov.	200	*	....	8	*	....	....	164	....	1	20	7
Dec.	192	*	....	*	*	....	....	164	....	1	20	6
1973—Jan.	92	*	....	*	*	....	....	67	....	1	20	3
Feb.	4	*	....	*	*	....	....	*	....	1	....	3

CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1973					1973		1972
	May 30	May 23	May 16	May 9	May 2	May 31	Apr. 30	May 31
Assets								
Gold certificate account	10,303	10,303	10,303	10,303	10,303	10,303	10,303	10,303
Special Drawing Rights certificate account	400	400	400	400	400	400	400	400
Cash	313	313	316	319	311	306	323	318
Loans:								
Member bank borrowings	1,771	1,455	2,445	2,778	817	1,225	1,716	1,594
Other	....	....	....	....	....	....	....	....
Acceptances:								
Bought outright	84	90	90	90	87	83	84	78
Held under repurchase agreements	....	78	100	73	57	....	52	65
Federal agency obligations:								
Bought outright	1,240	1,256	1,256	1,256	1,256	1,240	1,261	979
Held under repurchase agreements	....	182	157	60	73	....	29	25
U.S. Govt. securities:								
Bought outright:								
Bills	33,400	33,703	34,493	34,493	34,087	33,581	34,087	30,504
Certificates—Special	....	....	....	....	....	....	....	....
Other	....	....	....	....	....	....	....	....
Notes	36,936	36,936	36,936	36,976	36,976	36,936	36,976	36,448
Bonds	3,611	3,611	3,611	3,571	3,571	3,611	3,571	3,540
Total bought outright	[1,2] 73,947	[1] 75,250	[1] 75,040	[1] 75,040	[1] 74,634	[1] 74,128	[1] 74,634	[1] 70,492
Held under repurchase agreements	....	1,252	1,210	458	501	....	861	1,115
Total U.S. Govt. securities	73,947	76,502	76,250	75,498	75,135	74,128	75,495	71,607
Total loans and securities	77,042	79,563	80,298	79,755	77,425	76,676	78,637	74,348
Cash items in process of collection	[p] 8,944	[p] 8,016	[p] 10,530	[p] 8,331	9,919	[p] 8,525	6,333	11,093
Bank premises	201	202	202	201	199	201	199	163
Other assets:								
Denominated in foreign currencies	4	4	4	4	4	4	4	57
All other	615	581	533	1,021	974	604	925	625
Total assets	[p] 97,822	[p] 99,382	[p] 102,586	[p] 100,334	99,535	[p] 97,019	97,124	97,307
Liabilities								
F.R. notes	59,391	59,005	59,156	59,045	58,529	59,255	58,269	54,249
Deposits:								
Member bank reserves	[p] 23,947	[p] 27,236	[p] 27,631	[p] 27,486	26,368	[p] 24,869	25,700	29,538
U.S. Treasurer—General account	3,932	3,984	4,925	4,685	4,414	3,243	4,163	2,144
Foreign	290	290	333	352	342	289	328	157
Other:								
All other	669	613	644	631	666	692	773	584
Total deposits	[p] 28,838	[p] 32,123	[p] 33,533	[p] 33,154	31,790	[p] 29,093	30,964	32,423
Deferred availability cash items	6,810	5,502	7,189	5,602	6,462	5,832	5,138	8,247
Other liabilities and accrued dividends	801	854	894	801	772	845	793	580
Total liabilities	[p] 95,840	[p] 97,484	[p] 100,772	[p] 98,602	97,553	[p] 95,025	95,164	95,499
Capital accounts								
Capital paid in	815	815	815	815	814	816	814	768
Surplus	793	793	793	793	793	793	793	742
Other capital accounts	374	290	206	124	375	385	353	298
Total liabilities and capital accounts	[p] 97,822	[p] 99,382	[p] 102,586	[p] 100,334	99,535	[p] 97,019	97,124	97,307
Contingent liability on acceptances purchased for foreign correspondents	378	377	383	347	344	384	344	261
Marketable U.S. Govt. securities held in custody for foreign and international accounts	30,011	30,488	30,527	30,056	30,384	29,994	30,184	28,594

Federal Reserve Notes—Federal Reserve Agents' Accounts

Item	May 30	May 23	May 16	May 9	May 2	May 31	Apr. 30	May 31
F.R. notes outstanding (issued to Bank)	62,698	62,577	62,544	62,284	62,273	62,790	62,330	57,575
Collateral held against notes outstanding:								
Gold certificate account	2,075	2,075	2,075	2,175	2,300	2,075	2,300	1,945
U.S. Govt. securities	62,035	62,035	62,025	61,775	61,665	62,135	61,665	57,235
Total collateral	64,110	64,110	64,100	63,950	63,965	64,210	63,965	59,180

[1] See note 7 on p. A-5.   [2] See note 8 on p. A-5.

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON MAY 31, 1973

(In millions of dollars)

Item	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Assets													
Gold certificate account	10,303	482	2,777	755	767	876	567	1,749	451	111	390	588	790
Special Drawing Rights certificate account	400	23	93	23	33	36	22	70	15	7	15	14	49
F.R. notes of other banks	968	110	223	37	45	86	196	50	21	15	31	46	108
Other cash	306	17	23	4	35	36	41	36	23	5	41	12	33
Loans:													
Secured by U.S. Govt. and agency obligations	1,124	43	144	49	98	79	164	152	56	12	132	34	161
Other	101	96	......	......	4	......	1	......	......	......	......	......	......
Acceptances:													
Bought outright	83	......	83	......	......	......	......	......	......	......	......	......	......
Held under repurchase agreements	......	......	......	......	......	......	......	......	......	......	......	......	......
Federal agency obligations:													
Bought outright	1,240	57	329	67	93	90	66	197	46	27	49	54	165
Held under repurchase agreements	......	......	......	......	......	......	......	......	......	......	......	......	......
U.S. Govt. securities:													
Bought outright	[1]74,128	3,393	19,642	3,984	5,576	5,393	3,952	11,803	2,743	1,602	2,951	3,217	9,872
Held under repurchase agreements	......	......	......	......	......	......	......	......	......	......	......	......	......
Total loans and securities	76,676	3,589	20,198	4,100	5,771	5,562	4,183	12,152	2,845	1,641	3,132	3,305	10,198
Cash items in process of collection	10,525	443	1,537	732	487	1,144	1,121	1,475	412	459	699	619	1,397
Bank premises	201	33	7	5	27	14	15	16	14	33	17	12	8
Other assets:													
Denominated in foreign currencies	4	......	[2]2	......	......	......	......	1	......	......	......	......	1
All other	604	28	159	33	43	45	34	88	21	18	23	25	87
Total assets	99,987	4,725	25,019	5,689	7,208	7,799	6,179	15,637	3,802	2,289	4,348	4,621	12,671
Liabilities													
F.R. notes	60,223	3,092	14,999	3,747	4,754	5,324	3,094	10,012	2,369	1,098	2,385	2,295	7,054
Deposits:													
Member bank reserves	24,869	897	6,975	1,124	1,446	1,242	1,706	3,580	741	573	1,035	1,474	4,076
U.S. Treasurer—General account	3,243	260	443	285	269	316	298	320	242	135	230	203	242
Foreign	289	13	[3]60	15	28	16	22	48	11	7	13	17	39
Other:													
All other	699	1	598	15	1	11	16	25	1	1	2	3	25
Total deposits	29,100	1,171	8,076	1,439	1,744	1,585	2,042	3,973	995	716	1,280	1,697	4,382
Deferred availability cash items	7,825	340	1,193	360	474	718	860	1,207	339	408	568	489	869
Other liabilities and accrued dividends	845	39	237	44	63	58	46	130	30	22	33	35	108
Total liabilities	97,993	4,642	24,505	5,590	7,035	7,685	6,042	15,322	3,733	2,244	4,266	4,516	12,413
Capital accounts													
Capital paid in	816	33	208	39	73	45	59	129	28	19	34	45	104
Surplus	793	34	207	39	72	42	55	124	27	18	33	43	99
Other capital accounts	385	16	99	21	28	27	23	62	14	8	15	17	55
Total liabilities and capital accounts	99,987	4,725	25,019	5,689	7,208	7,799	6,179	15,637	3,802	2,289	4,348	4,621	12,671
Contingent liability on acceptances purchased for foreign correspondents	384	16	[4]105	19	34	20	26	59	13	9	16	20	47

Federal Reserve Notes—Federal Reserve Agents' Accounts

Item	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
F.R. notes outstanding (issued to Bank)	62,790	3,255	15,732	3,830	4,927	5,495	3,323	10,254	2,497	1,128	2,488	2,449	7,412
Collateral held against notes outstanding:													
Gold certificate account	2,075	180	......	250	350	435	......	700	155	......	......	5	......
U.S. Govt. securities	62,135	3,110	15,850	3,700	4,700	5,115	3,500	9,900	2,430	1,150	2,600	2,480	7,600
Total collateral	64,210	3,290	15,850	3,950	5,050	5,550	3,500	10,600	2,585	1,150	2,600	2,485	7,600

[1] See note 7 on p. A-5.

[2] After deducting $2 million participations of other Federal Reserve Banks.

[3] After deducting $229 million participations of other Federal Reserve Banks.

[4] After deducting $279 million participations of other Federal Reserve Banks.

NOTE.—Some figures for cash items in process of collection and for member bank reserves are preliminary.

MATURITY DISTRIBUTION OF LOANS AND U.S. GOVERNMENT SECURITIES HELD BY FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1973					1973		1972
	May 30	May 23	May 16	May 9	May 2	May 31	April 30	May 31
Loans—Total	1,771	1,455	2,445	2,778	818	1,225	1,709	1,592
Within 15 days	1,671	1,427	2,410	2,754	800	1,182	1,688	1,590
16 days to 90 days	100	28	35	24	18	43	21	2
91 days to 1 year	....	....	....	....	....	....	....	....
Acceptances—Total	84	168	190	163	144	83	136	143
Within 15 days	35	109	119	90	71	33	65	90
16 days to 90 days	49	59	71	73	73	50	71	53
91 days to 1 year	....	....	....	....	....	....	....	....
U.S. Government securities—Total	73,947	76,502	76,250	75,498	75,135	74,128	75,495	71,607
Within 15 days[1]	4,266	6,796	6,852	10,511	10,485	2,885	9,186	5,059
16 days to 90 days	18,082	17,558	16,732	17,398	17,244	17,998	18,170	15,894
91 days to 1 year	13,895	14,444	14,962	13,714	13,531	15,541	14,264	19,581
Over 1 year to 5 years	26,832	26,832	26,832	28,148	28,148	26,832	28,148	24,039
Over 5 years to 10 years	9,243	9,243	9,243	4,138	4,138	9,243	4,138	5,804
Over 10 years	1,629	1,629	1,629	1,589	1,589	1,629	1,589	1,230
Federal agency obligations—Total	1,240	1,438	1,413	1,316	1,329	1,240	1,290	1,004
Within 15 days[1]	20	198	173	60	73	20	34	60
16 days to 90 days	26	28	28	44	42	26	42	78
91 days to 1 year	219	229	229	229	231	219	231	221
Over 1 year to 5 years	537	545	545	545	545	537	545	409
Over 5 years to 10 years	247	247	247	247	247	247	247	132
Over 10 years	191	191	191	191	191	191	191	104

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

BANK DEBITS AND DEPOSIT TURNOVER

(Seasonally adjusted annual rates)

Period	Debits to demand deposit accounts[1] (billions of dollars)					Turnover of demand deposits				
	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's	Total 233 SMSA's	Leading SMSA's		Total 232 SMSA's (excl. N.Y.)	226 other SMSA's
		N.Y.	6 others[2]				N.Y.	6 others[2]		
1972—Apr.	13,167.5	5,801.4	3,053.1	7,366.1	4,313.0	85.7	202.1	87.3	59.0	47.9
May	13,399.3	5,939.2	3,148.8	7,460.0	4,311.2	85.6	200.8	89.8	58.8	46.9
June	13,280.6	5,780.8	3,096.4	7,499.7	4,403.4	84.8	199.9	88.1	58.7	47.6
July	12,994.0	5,633.0	2,996.3	7,361.0	4,364.7	82.4	194.4	84.2	57.2	46.9
Aug.	13,969.4	6,151.8	3,233.0	7,817.6	4,584.6	87.6	206.9	90.2	60.2	48.8
Sept.	14,022.7	6,285.1	3,191.0	7,737.6	4,546.5	88.7	214.9	89.8	60.1	48.8
Oct.	13,896.7	6,148.6	3,225.8	7,748.1	4,522.3	86.7	208.3	89.2	59.2	47.8
Nov.	15,154.7	6,979.3	3,411.9	8,175.4	4,763.5	93.5	229.2	93.9	62.1	50.0
Dec.	14,783.6	6,604.8	3,495.4	8,178.7	4,683.4	90.7	215.7	95.6	61.8	48.9
1973—Jan.r	15,473.1	6,855.4	3,653.7	8,617.7	4,964.1	94.0	224.0	98.5	64.3	51.2
Feb.r	16,049.0	7,227.0	3,788.3	8,821.9	5,033.7	97.6	238.0	102.6	65.9	51.9
Mar.r	15,934.5	6,844.8	3,856.3	9,089.7	5,233.4	96.9	228.3	104.1	67.6	53.8
Apr.	16,000.3	6,927.5	3,873.7	9,072.8	5,199.1	95.9	228.9	102.3	66.4	52.7

[1] Excludes interbank and U.S. Govt. demand deposit accounts.
[2] Boston, Philadelphia, Chicago, Detroit, San Francisco-Oakland, and Los Angeles-Long Beach.

NOTE.—Total SMSA's includes some cities and counties not designated as SMSA's.

For back data see pp. 634–35 of July 1972 BULLETIN.

DENOMINATIONS IN CIRCULATION

(In millions of dollars)

End of period	Total in circulation [1]	Coin and small denomination currency: Total	Coin	$1 [2]	$2	$5	$10	$20	Large denomination currency: Total	$50	$100	$500	$1,000	$5,000	$10,000
1939	7,598	5,553	590	559	36	1,019	1,772	1,576	2,048	460	919	191	425	20	32
1941	11,160	8,120	751	695	44	1,355	2,731	2,545	3,044	724	1,433	261	556	24	46
1945	28,515	20,683	1,274	1,039	73	2,313	6,782	9,201	7,834	2,327	4,220	454	801	7	24
1947	28,868	20,020	1,404	1,048	65	2,110	6,275	9,119	8,850	2,548	5,070	428	782	5	17
1950	27,741	19,305	1,554	1,113	64	2,049	5,998	8,529	8,438	2,422	5,043	368	588	4	12
1955	31,158	22,021	1,927	1,312	75	2,151	6,617	9,940	9,136	2,736	5,641	307	438	3	12
1959	32,591	23,264	2,304	1,511	85	2,216	6,672	10,476	9,326	2,803	5,913	261	341	3	5
1960	32,869	23,521	2,427	1,533	88	2,246	6,691	10,536	9,348	2,815	5,954	249	316	3	10
1961	33,918	24,388	2,582	1,588	92	2,313	6,878	10,935	9,531	2,869	6,106	242	300	3	10
1962	35,338	25,356	2,782	1,636	97	2,375	7,071	11,395	9,983	2,990	6,448	240	293	3	10
1963	37,692	26,807	3,030	1,722	103	2,469	7,373	12,109	10,885	3,221	7,110	249	298	3	4
1964	39,619	28,100	3,405	1,806	111	2,517	7,543	12,717	11,519	3,381	7,590	248	293	2	4
1965	42,056	29,842	4,027	1,908	127	2,618	7,794	13,369	12,214	3,540	8,135	245	288	3	4
1966	44,663	31,695	4,480	2,051	137	2,756	8,070	14,201	12,969	3,700	8,735	241	286	3	4
1967	47,226	33,468	4,918	2,035	136	2,850	8,366	15,162	13,758	3,915	9,311	240	285	3	4
1968	50,961	36,163	5,691	2,049	136	2,993	8,786	16,508	14,798	4,186	10,068	244	292	3	4
1969	53,950	37,917	6,021	2,213	136	3,092	8,989	17,466	16,033	4,499	11,016	234	276	3	5
1970	57,093	39,639	6,281	2,310	136	3,161	9,170	18,581	17,454	4,896	12,084	215	252	3	4
1971	61,068	41,831	6,775	2,408	135	3,273	9,348	19,893	19,237	5,377	13,414	203	237	2	4
1972—Apr.	60,535	41,140	6,902	2,276	135	3,094	9,028	19,705	19,395	5,351	13,606	199	232	2	4
May	61,702	42,056	6,969	2,334	135	3,170	9,243	20,204	19,647	5,425	13,785	198	232	2	4
June	62,201	42,399	7,016	2,328	135	3,178	9,295	20,446	19,803	5,446	13,923	197	230	2	4
July	62,435	42,449	7,052	2,326	135	3,155	9,231	20,550	19,986	5,502	14,052	196	229	2	4
Aug.	62,744	42,520	7,095	2,333	135	3,152	9,211	20,594	20,224	5,565	14,228	196	229	2	4
Sept.	62,599	42,341	7,116	2,329	135	3,139	9,146	20,477	20,258	5,492	14,336	195	228	2	4
Oct.	63,586	43,085	7,172	2,378	135	3,209	9,334	20,857	20,500	5,570	14,503	194	226	2	4
Nov.	65,137	44,208	7,237	2,437	135	3,305	9,602	21,491	20,928	5,714	14,789	194	225	2	4
Dec.	66,516	45,105	7,287	2,523	135	3,449	9,827	21,883	21,411	5,868	15,118	193	225	2	4
1973—Jan.	64,312	43,133	7,274	2,380	135	3,218	9,243	20,883	21,179	5,742	15,013	192	224	2	4
Feb.	64,696	43,431	7,290	2,370	135	3,213	9,330	21,091	21,266	5,755	15,089	192	224	2	4
Mar.	65,180	43,699	7,320	2,368	135	3,209	9,352	21,314	21,482	5,787	15,274	191	223	2	4
Apr.	66,094	44,313	7,382	2,406	135	3,234	9,447	21,707	21,781	5,887	15,476	190	222	2	4

[1] Outside Treasury and F.R. Banks. Before 1955 details are slightly overstated because they include small amounts of paper currency held by the Treasury and the F.R. Banks for which a denominational breakdown is not available.

[2] Paper currency only; $1 silver coins reported under coin.

NOTE. Condensed from Statement of United States Currency and *Coin, issued by the Treasury.*

KINDS OF UNITED STATES CURRENCY OUTSTANDING AND IN CIRCULATION

(Condensed from Circulation Statement of United States Money, issued by Treasury Department. In millions of dollars)

Kind of currency	Total, outstanding, Apr. 30, 1973	Held in the Treasury: As security against gold and silver certificates	Treasury cash	For F.R. Banks and Agents	Held by F.R. Banks and Agents	Currency in circulation [1]: 1973 Apr. 30	1973 Mar. 31	1972 Apr. 30
Gold	10,410	(10,303)	107	....	....	....	....	....
Gold certificates	(10,303)	....	....	[2]10,302	1	....	....	....
Federal Reserve notes	62,330	....	167	....	4,061	58,102	57,251	53,019
Treasury currency—Total	8,455	....	141	....	323	7,991	7,930	7,516
Dollars	767	....	34	....	40	693	685	618
Fractional coin	7,076	....	105	....	282	6,689	6,635	6,285
United States notes	323	....	3	....	....	319	320	321
In process of retirement [3]	290	....	....	....	....	290	290	293
Total—Apr. 30, 1973	481,196	(10,303)	415	10,302	4,385	66,094	....	....
Mar. 31, 1973	480,446	(10,303)	407	10,302	4,557	....	65,180	....
Apr. 30, 1972	474,888	(9,475)	401	9,474	4,477	....	....	60,535

[1] Outside Treasury and F.R. Banks. Includes any paper currency held outside the United States and currency and coin held by banks. Estimated totals for Wed. dates shown in table on p. A-5.

[2] Consists of credits payable in gold certificates, the Gold Certificate Fund—Board of Governors, FRS.

[3] Redeemable from the general fund of the Treasury.

[4] Does not include all items shown, as gold certificates are secured by gold. Duplications are shown in parentheses.

NOTE.—Prepared from Statement of United States Currency and Coin and other data furnished by the Treasury. For explanation of currency reserves and security features, see the Circulation Statement or the Aug. 1961 BULLETIN, p. 936.

MEASURES OF THE MONEY STOCK

(In billions of dollars)

Month or week	Seasonally adjusted			Not seasonally adjusted		
	M_1	M_2	M_3	M_1	M_2	M_3
	Composition of measures is described in the NOTE below.					
1969—Dec.	208.8	392.3	594.0	214.9	397.0	598.4
1970—Dec.	221.3	425.2	641.3	227.7	430.0	645.6
1971—Dec.	236.0	473.8	727.7	242.8	478.7	731.9
1972—Apr.	243.0	492.1	761.5	244.3	495.0	765.3
May	243.8	495.5	767.9	239.5	493.1	766.0
June	245.1	499.3	775.0	243.2	498.8	775.6
July	247.7	504.5	784.0	246.6	503.6	784.3
Aug.	248.6	508.4	791.6	245.5	505.1	788.3
Sept.	250.1	512.1	799.0	248.7	510.4	796.9
Oct.	251.6	516.4	807.0	251.2	515.2	805.2
Nov.	252.7	519.8	813.6	254.3	518.7	811.2
Dec.	255.5	525.1	822.0	262.9	530.3	826.5
1973—Jan.	255.4	527.9	828.7	262.6	534.1	834.6
Feb.	256.7	530.5	834.9	254.0	527.8	831.6
Mar.	256.6	532.6	839.7	254.1	531.4	838.8
Apr.	r258.2	r536.2	r845.6	r259.5	r539.5	r849.8
May p	260.6	540.6	851.8	256.0	538.2	850.0
Week ending—						
May 2	259.4	538.4	....	257.4	538.3	....
9	259.5	538.3	....	256.1	537.1	....
16	261.2	541.2	....	257.4	539.4	....
23	260.6	541.2	....	254.7	537.4	....
30p	260.8	541.8	....	255.1	538.3	....

NOTE.—Composition of the money stock measures is as follows:

M_1: Averages of daily figures for (1) demand deposits of commercial banks other than domestic interbank and U.S. Govt., less cash items in process of collection and F.R. float; (2) foreign demand balances at F.R. Banks; and (3) currency outside the Treasury, F.R. Banks, and vaults of commercial banks.

M_2: Averages of daily figures for M_1 plus savings deposits, time deposits open account, and time certificates other than negotiable CD's of $100,000 of large weekly reporting banks.

M_3: M_2 plus the average of the beginning- and end-of-month figures for deposits of mutual savings banks and for savings capital of savings and loan associations.

For description and back data, see "Revision of the Money Stock Measures and Member Bank Reserves and Deposits" on pp. 61–79 of the Feb. 1973 BULLETIN.

COMPONENTS OF MONEY STOCK MEASURES AND RELATED ITEMS

(In billions of dollars)

Month or week	Seasonally adjusted						Not seasonally adjusted						U.S. Govt. deposits [3]
	Currency	Commercial banks				Nonbank thrift institutions [2]	Currency	Commercial banks				Nonbank thrift institutions [2]	
		Demand deposits	Time and savings deposits					Demand deposits	Time and savings deposits				
			CD's [1]	Other	Total				CD's [1]	Other	Total		
1969—Dec.	46.1	162.7	10.9	183.5	194.4	201.7	46.9	167.9	11.1	182.1	193.2	201.4	5.6
1970—Dec.	49.1	172.2	25.3	203.9	229.2	216.1	50.0	177.8	25.8	202.3	228.1	215.6	7.3
1971—Dec.	52.6	183.4	33.0	237.9	270.9	253.8	53.5	189.2	33.8	236.0	269.8	253.2	6.9
1972—Apr.	53.9	189.1	35.2	249.1	284.3	269.4	53.5	190.8	33.8	250.7	284.5	270.3	7.7
May	54.2	189.6	36.8	251.8	288.6	272.4	53.9	185.6	35.1	253.6	288.6	272.9	10.5
June	54.4	190.7	37.5	254.2	291.7	275.7	54.4	188.8	35.8	255.6	291.4	276.8	6.9
July	54.6	193.1	38.3	256.8	295.0	279.6	55.1	191.5	37.0	257.0	294.0	280.6	7.3
Aug.	54.8	193.8	39.1	259.8	298.9	283.2	55.1	190.5	39.9	259.6	299.5	283.2	5.3
Sept.	55.3	194.8	39.8	262.0	301.9	286.9	55.2	193.5	41.0	261.7	302.7	286.5	5.9
Oct.	55.7	195.9	40.0	264.8	304.8	290.6	55.7	195.5	41.9	264.0	305.9	290.0	6.6
Nov.	56.2	196.5	41.2	267.1	308.4	293.8	56.7	197.7	43.3	264.4	307.7	292.5	6.2
Dec.	56.8	198.7	43.2	269.6	312.8	296.9	57.8	205.0	44.3	267.5	311.7	296.1	7.3
1973—Jan.	57.0	198.4	44.4	272.5	316.9	300.8	56.7	205.9	45.1	271.5	316.6	300.5	8.0
Feb.	57.5	199.3	48.8	273.8	322.6	304.4	56.7	197.3	48.6	273.8	322.5	303.8	9.6
Mar.	57.9	198.7	54.9	276.0	330.9	r307.0	57.3	196.7	54.0	277.3	331.4	307.4	10.1
Apr.	r58.7	r199.5	58.7	278.0	336.7	r309.4	58.2	r201.3	56.1	280.0	336.1	r310.3	8.2
May p	59.0	201.6	61.7	280.1	341.8	311.2	58.7	197.3	58.8	282.2	340.9	311.8	8.4
Week ending—													
May 2	58.6	200.8	59.3	279.0	338.2	....	57.8	199.6	56.5	280.9	337.4	....	11.4
9	59.2	200.2	61.1	278.8	340.0	....	59.1	197.0	57.9	281.0	338.9	....	10.7
16	58.9	202.3	61.8	279.9	341.7	....	58.8	198.6	58.5	282.0	340.5	....	8.3
23	59.0	201.6	62.3	280.7	342.9	....	58.6	196.2	59.4	282.7	342.1	....	7.6
30p	59.0	201.8	62.6	281.0	343.5	....	58.6	196.5	59.7	283.3	343.0	....	6.7

[1] Negotiable time certificates of deposit issued in denominations of $100,000 or more by large weekly reporting commercial banks.

[2] Average of the beginning and end-of-month figures for deposits of mutual savings banks and savings capital at savings and loan associations.

[3] At all commercial banks.

See also NOTE above.

AGGREGATE RESERVES AND MEMBER BANK DEPOSITS

(In billions of dollars)

Period	Member bank reserves, S.A.[1]				Deposits subject to reserve requirements[3]								Total member bank deposits plus nondeposit items[4]	
					S.A.				N.S.A.					
	Total	Non-borrowed	Required	Available[2]	Total	Time and savings	Demand: Private	Demand: U.S. Govt.	Total	Time and savings	Demand: Private	Demand: U.S. Govt.	S.A.	N.S.A.
1969—Dec....	27.96	26.70	27.73	25.34	287.7	150.4	131.9	5.3	291.2	149.7	136.9	4.6	307.7	311.1
1970—Dec....	29.12	28.73	28.91	26.98	321.3	178.8	136.0	6.5	325.2	178.1	141.1	6.0	332.9	336.8
1971—Dec....	31.21	31.06	31.06	28.91	360.3	210.4	143.8	6.1	364.6	209.7	149.2	5.7	364.3	368.7
1972—May....	32.85	32.72	32.71	29.92	379.3	223.4	148.4	7.5	377.0	223.1	145.1	8.8	383.0	380.8
June...	33.03	32.94	32.81	30.14	381.3	225.6	149.5	6.2	378.6	225.2	147.8	5.7	385.1	382.4
July....	33.17	33.02	32.99	30.32	384.4	228.1	151.1	5.2	383.2	227.1	150.1	6.1	388.3	387.1
Aug....	33.38	33.04	33.21	30.56	387.3	230.8	152.0	4.5	384.5	231.3	149.0	4.3	391.4	388.7
Sept....	33.33	32.87	33.14	30.89	390.4	233.0	152.4	5.1	389.6	233.8	150.9	4.9	394.5	393.8
Oct.....	33.83	33.30	33.60	30.97	394.1	235.1	152.7	6.3	394.1	236.2	152.5	5.4	398.4	398.4
Nov....	31.88	31.30	31.54	29.50	397.6	237.9	152.8	6.9	396.4	237.6	153.7	5.1	401.9	400.7
Dec....	31.31	30.06	31.07	28.86	402.0	241.2	154.3	6.5	406.8	240.7	160.1	6.1	406.4	411.2
1973—Jan....	32.24	30.85	31.98	29.41	404.7	243.7	153.9	7.1	410.4	243.8	160.0	6.6	409.2	414.9
Feb.....	31.65	29.79	31.44	29.30	410.2	248.5	154.5	7.2	409.0	248.5	152.4	8.1	414.8	413.5
Mar....	32.00	29.53	31.77	29.62	416.7	256.0	153.2	7.8	416.3	256.2	151.6	8.5	421.6	421.2
Apr.....	r32.33	r30.17	32.08	r29.86	r421.1	261.8	r153.4	5.8	r422.3	260.5	r154.9	6.8	r426.2	r427.5
May p...	32.45	30.20	32.28	30.10	425.0	265.8	154.7	4.6	422.9	264.5	151.4	7.0	430.5	428.3

[1] Averages of daily figures. Member bank reserve series reflects actual reserve requirement percentages with no adjustment to eliminate the effect of changes in Regulations D and M. Required reserves were increased by \$660 million effective Apr. 16, 1969, and \$400 million effective Oct. 16, 1969; were reduced by \$500 million (net) effective Oct. 1, 1970. Required reserves were reduced by approximately \$2.5 billion, effective Nov. 9, 1972; by \$1.0 billion, effective Nov. 15; and increased by \$300 million effective Nov. 22.

[2] Reserves available to support private nonbank deposits are defined as (1) required reserves for (a) private demand deposits, (b) total time and savings deposits, and (c) nondeposit sources subject to reserve requirements, and (2) excess reserves. This series excludes required reserves for net interbank and U.S. Govt. demand deposits.

[3] Averages of daily figures. Deposits subject to reserve requirements include total time and savings deposits and net demand deposits as defined by Regulation D. Private demand deposits include all demand deposits except those due to the U.S. Govt., less cash items in process of collection and demand balances due from domestic commercial banks.

[4] Total member bank deposits subject to reserve requirements, plus Euro-dollar borrowings, bank-related commercial paper, and certain other nondeposit items. This series for deposits is referred to as "the adjusted bank credit proxy."

NOTE.—For description of revised series and for back data, see article "Revision of the Money Stock Measures and Member Bank Reserves and Deposits" on pp. 61–79 of the Feb. 1973 BULLETIN.

Due to changes in Regulations M and D, member bank reserves include reserves held against nondeposit funds beginning Oct. 16, 1969. Back data may be obtained from the Banking Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS

(In billions of dollars)

Date	Seasonally adjusted							Not seasonally adjusted						
	Total loans and investments[1]	Loans: Total[1]	Loans: Plus loans sold[2]	Commercial and industrial: Total	Commercial and industrial: Plus loans sold[2]	Securities: U.S. Treasury	Securities: Other[3]	Total loans and investments[1]	Loans: Total[1]	Loans: Plus loans sold[2]	Commercial and industrial: Total	Commercial and industrial: Plus loans sold[2]	Securities: U.S. Treasury	Securities: Other[3]
1968—Dec. 31....	390.6	258.2	......	95.9	......	61.0	71.4	400.4	264.4	......	98.4	......	64.5	71.5
1969—Dec. 31[4]...	402.1	279.4	283.3	105.7	108.3	51.5	71.2	412.1	286.1	290.0	108.4	111.0	54.7	71.3
1970—Dec. 31....	435.9	292.0	294.9	109.6	111.7	58.0	85.9	446.8	299.0	301.9	112.5	114.6	61.7	86.1
1971—Dec. 31....	485.7	320.6	323.4	115.5	117.1	60.7	104.5	497.9	328.3	331.1	118.5	120.1	64.9	104.7
1972—May 31....	516.1	341.9	344.4	121.2	122.6	63.1	111.1	513.7	341.6	344.0	120.8	122.3	61.2	110.9
June 30....	517.5	343.7	346.0	[5]120.7	[5]122.2	63.2	110.6	521.6	349.8	352.1	[5]123.2	[5]124.6	60.3	111.5
July 26.....	521.3	347.8	350.1	121.5	122.9	62.3	111.3	521.4	350.3	352.6	122.3	123.7	59.6	111.5
Aug. 30.....	529.1	355.3	357.7	123.9	125.4	61.4	112.5	525.8	353.7	356.0	122.2	123.7	59.3	112.8
Sept. 27.....	535.6	360.1	362.4	124.6	126.1	62.0	113.5	535.0	360.7	363.0	124.2	125.7	60.3	114.0
Oct. 25.....	540.5	366.9	369.2	126.7	128.1	59.9	113.6	540.3	365.2	367.5	125.8	127.2	60.9	114.2
Nov. 29.....	549.8	373.6	376.1	128.2	129.8	60.6	115.6	549.9	371.8	374.3	127.6	129.2	63.2	114.9
Dec. 31.....	557.5	378.2	380.8	129.3	131.0	62.4	116.9	571.4	387.3	389.9	132.7	134.4	67.0	117.1
1973—Jan. 31p...	564.6	385.5	388.2	133.2	134.9	61.9	117.1	564.9	383.3	385.9	132.0	133.7	65.4	116.2
Feb. 28p...	573.7	396.2	399.3	138.1	140.2	60.2	117.2	569.7	392.0	395.1	136.6	138.7	61.3	116.4
Mar. 28p...	582.6	404.9	408.0	141.8	143.8	60.6	117.2	578.3	400.6	403.8	141.7	143.7	60.7	117.0
Apr. 25p...	585.3	408.0	411.6	144.1	146.4	60.6	116.6	584.1	406.8	410.5	144.5	146.8	59.8	117.5
May 30p....	596.4	418.1	421.7	147.2	149.4	59.6	118.7	590.8	414.7	418.3	146.7	148.9	57.6	118.5

[1] Adjusted to exclude domestic commercial interbank loans. See also note 3.

[2] Loans sold are those sold outright by commercial banks to own subsidiaries, foreign branches, holding companies, and other affiliates.

[3] Beginning June 30, 1971, Farmers Home Administration insured notes totaling approximately \$700 million are included in "Other securities" rather than in "Loans."

[4] Beginning June 30, 1969, data revised to include all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries; earlier data include commercial banks only. Also, loans and investments are now reported gross, without valuation reserves deducted, rather than net of valuation reserves as was done previously. For a description of the revision, see Aug. 1969 BULLETIN, pp. 642–46. Data shown in that table have been revised to include valuation reserves.

[5] Beginning June 30, 1972, commercial and industrial loans were reduced by about \$400 million as a result of loan reclassifications at one large bank.

NOTE.—*Total loans and investments:* For monthly data, 1959–70, see Dec. 1971 Bulletin, pp. 974–75, and for 1948–58, Aug. 1968 BULLETIN, pp. A-94–A-97. For a description of the current seasonally adjusted series see the Dec. 1971 BULLETIN, pp. 971–73. *Commercial and industrial loans:* For monthly data, 1959–71, see July 1972 BULLETIN, p. A-109; for description see July 1972 BULLETIN, p. 683. Data are for last Wednesday of month except for June 30 and Dec. 31; data are partly or wholly estimated except when June 30 and Dec. 31 are call dates.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

(Amounts in millions of dollars)

Class of bank and date	Loans and investments: Total	Loans and investments: Loans[1]	Securities: U.S. Treasury	Securities: Other[2]	Cash assets[3]	Total assets—Total liabilities and capital accounts[4]	Deposits: Total[3]	Interbank[3]: Demand	Interbank[3]: Time	Other: Demand: U.S. Govt.	Other: Demand: Other	Other: Time[5]	Borrowings	Total capital accounts	Number of banks
All commercial banks:															
1941—Dec. 31...	50,746	21,714	21,808	7,225	26,551	79,104	71,283	10,982		44,349		15,952	23	7,173	14,278
1945—Dec. 31...	124,019	26,083	90,606	7,331	34,806	160,312	150,227	14,065		105,921		30,241	219	8,950	14,011
1947—Dec. 31[6]	116,284	38,057	69,221	9,006	37,502	155,377	144,103	12,792	240	1,343	94,367	35,360	65	10,059	14,181
1966—Dec. 31...	322,661	217,726	56,163	48,772	69,119	403,368	352,287	19,770	967	4,992	167,751	158,806	4,859	32,054	13,767
1967—Dec. 30...	359,903	235,954	62,473	61,477	77,928	451,012	395,008	21,883	1,314	5,234	184,066	182,511	5,777	34,384	13,722
1968—Dec. 31...	401,262	265,259	64,466	71,537	83,752	500,657	434,023	24,747	1,211	5,010	199,901	203,154	8,899	37,006	13,679
1969—Dec. 31[7]	421,597	295,547	54,709	71,341	89,984	530,665	435,577	27,174	735	5,054	208,870	193,744	18,360	39,978	13,661
1970—Dec. 31...	461,194	313,334	61,742	86,118	93,643	576,242	480,940	30,608	1,975	7,938	209,335	231,084	19,375	42,958	13,686
1971—Dec. 31...	516,564	346,930	64,930	104,704	99,832	640,255	537,946	32,205	2,908	10,169	220,375	272,289	25,912	47,211	13,783
1972—May 31...	532,260	360,120	61,240	110,900	100,910	659,070	544,720	28,240	3,020	8,430	215,360	289,670	33,270	48,310	13,838
June 30...	542,689	370,910	60,258	111,521	99,472	667,126	552,543	28,782	3,114	9,083	219,050	292,513	33,214	50,117	13,875
July 26...	542,940	371,820	59,580	111,540	91,610	660,300	544,860	27,210	3,260	8,320	211,100	294,970	34,440	49,380	13,877
Aug. 30...	547,880	375,780	59,300	112,800	91,830	665,870	546,720	27,090	3,350	3,820	211,020	301,440	36,070	49,820	13,898
Sept. 27...	556,380	382,100	60,290	113,990	91,660	674,780	556,490	26,880	3,890	9,470	213,070	303,180	33,530	50,140	13,910
Oct. 25...	561,280	386,190	60,930	114,160	102,830	691,880	567,620	29,040	3,760	7,520	221,440	305,860	39,680	50,700	13,911
Nov. 29...	574,230	396,160	63,210	114,860	91,460	694,050	572,160	27,060	3,920	7,760	224,990	308,430	38,350	51,169	13,924
Dec. 31...	598,808	414,696	67,028	117,084	113,128	739,033	616,037	33,854	4,194	10,875	252,223	314,891	38,083	52,658	13,927
1973—Jan. 31p..	590,220	408,590	65,410	116,220	96,560	715,670	588,860	29,250	3,890	10,390	227,580	317,750	42,730	52,280	13,939
Feb. 28p..	597,890	420,210	61,330	116,350	99,610	727,520	596,440	29,510	4,170	11,350	226,290	325,120	45,530	52,670	13,952
Mar. 28p..	605,040	427,320	60,730	116,990	91,210	726,010	593,590	25,900	4,530	11,350	218,980	332,830	45,500	53,160	13,974
Apr. 25p..	612,020	434,750	59,810	117,460	91,880	734,480	600,420	26,140	4,880	10,850	223,380	335,170	45,920	53,440	13,998
May 30p..	616,760	440,630	57,630	118,500	95,790	744,140	606,720	27,670	5,250	5,760	226,800	341,240	47,490	53,850	13,998
Members of F.R. System:															
1941—Dec. 31...	43,521	18,021	19,539	5,961	23,113	68,121	61,717	10,385	140	1,709	37,136	12,347	4	5,886	6,619
1945—Dec. 31...	107,183	22,775	78,338	6,070	29,845	138,304	129,670	13,576	64	22,179	69,640	24,210	208	7,589	6,884
1947—Dec. 31...	97,846	32,628	57,914	7,304	32,845	132,060	122,528	12,353	50	1,176	80,609	28,340	54	8,464	6,923
1966—Dec. 31...	263,687	182,802	41,924	38,960	60,738	334,559	291,063	18,788	794	4,432	138,218	128,831	4,618	26,278	6,150
1967—Dec. 30...	293,120	196,849	46,956	49,315	68,946	373,584	326,033	20,811	1,169	4,631	151,980	147,442	5,370	28,098	6,071
1968—Dec. 31...	325,086	220,285	47,881	56,920	73,756	412,541	355,414	23,519	1,061	4,309	163,920	162,605	8,458	30,060	5,978
1969—Dec. 31[7]	336,738	242,119	39,833	54,785	79,034	432,270	349,883	25,841	609	4,114	169,750	149,569	17,395	32,047	5,869
1970—Dec. 31...	365,940	253,936	45,399	66,604	81,500	465,644	384,596	29,142	1,733	6,460	168,032	179,229	18,578	34,100	5,766
1971—Dec. 31...	405,087	277,717	47,633	79,738	86,189	511,353	425,380	30,612	2,549	8,427	174,385	209,406	25,046	37,279	5,727
1972—May 31...	414,469	286,310	44,403	83,756	87,524	523,538	427,426	26,913	2,663	6,825	169,496	221,529	31,907	38,356	5,713
June 30...	422,356	294,730	43,708	83,918	86,430	529,645	433,574	27,311	2,717	7,630	172,419	223,498	31,752	39,358	5,714
July 26...	422,079	295,250	42,932	83,897	79,083	522,579	426,141	25,825	2,867	6,954	165,390	225,105	32,845	38,896	5,705
Aug. 30...	425,369	297,828	42,727	84,814	79,058	526,089	426,716	25,742	2,954	2,966	164,851	230,203	34,409	39,226	5,702
Sept. 27...	432,150	303,049	43,506	85,595	78,504	532,741	434,554	25,502	3,495	8,033	166,353	231,171	31,962	39,437	5,703
Oct. 25...	435,460	305,996	43,691	85,773	88,220	546,642	442,792	27,528	3,360	6,172	172,615	233,117	37,857	39,824	5,699
Nov. 29...	446,621	314,463	45,799	86,359	78,554	548,333	446,441	25,759	3,520	6,463	175,739	234,960	36,480	40,219	5,701
Dec. 31...	465,788	329,548	48,715	87,524	96,566	585,125	482,124	31,958	3,561	9,024	197,817	239,763	36,357	41,228	5,704
1973—Jan. 31...	458,760	324,637	47,333	86,790	82,499	565,071	458,943	27,757	3,260	8,461	177,677	241,788	40,256	40,994	5,690
Feb. 28...	465,065	334,609	43,698	86,758	85,264	575,222	465,395	28,037	3,537	9,364	176,525	247,932	42,912	41,309	5,688
Mar. 28...	471,067	340,667	43,259	87,141	77,728	573,531	463,004	24,488	3,895	9,407	170,560	254,654	42,649	41,578	5,683
Apr. 25...	476,739	346,865	42,517	87,357	78,219	580,412	468,385	24,744	4,242	9,167	173,671	256,561	43,076	41,806	5,695
May 30p..	480,394	351,223	41,030	88,141	81,169	587,722	473,623	26,139	4,621	4,511	176,766	261,586	44,227	42,096	5,695
Large member banks:															
New York City:[8,9,10]															
1941—Dec. 31...	12,896	4,072	7,265	1,559	6,637	19,862	17,932	4,202	6	866	12,051	807	......	1,648	36
1945—Dec. 31...	26,143	7,334	17,574	1,235	6,439	32,887	30,121	4,640	17	6,940	17,287	1,236	195	2,120	37
1947—Dec. 31...	20,393	7,179	11,972	1,242	7,261	27,982	25,216	4,453	12	267	19,040	1,445	30	2,259	37
1966—Dec. 31...	46,536	35,941	4,920	5,674	14,869	64,424	51,837	6,370	467	1,016	26,535	17,449	1,874	5,298	12
1967—Dec. 30...	52,141	39,059	6,027	7,055	18,797	74,609	60,407	7,238	741	1,084	31,282	20,062	1,880	5,715	12
1968—Dec. 31...	57,047	42,968	5,984	8,094	19,948	81,364	63,900	8,964	622	888	33,351	20,076	2,733	6,137	12
1969—Dec. 31[7]	60,333	48,305	5,048	6,980	22,349	87,753	62,381	10,349	268	694	36,126	14,944	4,405	6,301	12
1970—Dec. 31...	62,347	47,161	6,009	9,177	21,715	89,384	67,186	12,508	956	1,039	32,235	20,448	4,500	6,486	12
1971—Dec. 31...	63,342	48,714	5,597	9,031	22,663	91,461	71,723	13,825	1,186	1,513	30,943	24,256	5,195	7,285	12
1972—May 31...	65,719	50,799	5,257	9,663	22,516	93,765	70,852	12,303	1,198	1,038	29,918	26,395	8,103	7,618	13
June 30...	66,597	51,637	5,338	9,623	22,535	94,377	72,432	12,933	1,175	1,038	30,637	26,649	7,314	7,650	13
July 26...	66,331	51,408	4,954	9,969	19,517	91,247	69,508	11,580	1,312	1,170	28,396	27,050	7,431	7,612	13
Aug. 30...	67,353	52,031	5,158	10,164	19,152	92,066	69,330	11,679	1,345	288	27,497	28,521	8,188	7,736	13
Sept. 27...	68,924	53,166	5,368	10,390	17,864	92,484	70,323	11,414	1,591	1,454	27,718	28,146	6,861	7,714	13
Oct. 25...	69,136	53,835	5,045	10,256	21,261	96,657	72,568	12,386	1,530	1,097	29,046	28,509	9,170	7,756	13
Nov. 29...	71,707	55,533	5,712	10,462	21,556	98,990	74,550	12,639	1,752	1,032	30,710	28,417	9,335	7,944	13
Dec. 31...	75,034	58,713	5,696	10,625	26,416	107,603	82,446	15,094	1,833	1,418	35,373	28,728	9,502	8,042	13
1973—Jan. 31...	73,744	58,304	5,439	10,001	23,203	102,923	77,213	13,919	1,574	1,257	31,292	29,171	10,142	8,074	13
Feb. 28...	75,727	61,629	4,463	9,635	23,059	105,571	79,567	14,040	1,708	1,506	30,533	31,780	10,321	8,142	13
Mar. 28...	76,368	62,584	4,498	9,286	20,133	103,402	77,435	11,744	1,951	1,789	29,032	32,919	9,938	8,047	13
Apr. 25...	76,834	63,395	4,254	9,185	19,710	103,622	77,295	11,935	2,229	1,732	29,068	32,331	9,891	8,093	13
May 30...	78,078	64,505	4,424	9,149	19,587	104,550	77,980	11,780	2,491	521	30,035	33,153	10,496	8,137	13

For notes see p. A-21.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK—Continued

(Amounts in millions of dollars)

Class of bank and date	Loans and investments: Total	Loans [1]	Securities: U.S. Treasury	Securities: Other [2]	Cash assets [3]	Total assets—Total liabilities and capital accounts [4]	Deposits: Total [3]	Interbank [3]: Demand	Interbank [3]: Time	Other: Demand: U.S. Govt.	Other: Demand: Other	Other: Time [5]	Borrowings	Total capital accounts	Number of banks
Large member banks (cont.):															
City of Chicago: [8,9]															
1941—Dec. 31	2,760	954	1,430	376	1,566	4,363	4,057	1,035	......	127	2,419	476	......	288	13
1945—Dec. 31	5,931	1,333	4,213	385	1,489	7,459	7,046	1,312	......	1,552	3,462	719	......	377	12
1947—Dec. 31	5,088	1,801	2,890	397	1,739	6,866	6,402	1,217	......	72	4,201	913	......	426	14
1966—Dec. 31	11,802	8,756	1,545	1,502	2,638	14,935	12,673	1,433	25	310	6,008	4,898	484	1,199	11
1967—Dec. 30	12,744	9,223	1,574	1,947	2,947	16,296	13,985	1,434	21	267	6,250	6,013	383	1,346	10
1968—Dec. 31	14,274	10,286	1,863	2,125	3,008	18,099	14,526	1,535	21	257	6,542	6,171	682	1,433	9
1969—Dec. 31 [7]	14,365	10,771	1,564	2,030	2,802	17,927	13,264	1,677	15	175	6,770	4,626	1,290	1,517	9
1970—Dec. 31	15,745	11,214	2,105	2,427	3,074	19,892	15,041	1,930	49	282	6,663	6,117	1,851	1,586	9
1971—Dec. 31	17,133	12,285	1,782	3,067	3,011	21,214	16,651	1,693	168	364	6,896	7,530	1,935	1,682	9
1972—May 31	18,147	13,283	1,665	3,199	3,538	22,697	16,509	1,412	182	282	6,631	8,002	3,280	1,836	9
June 30	18,541	13,782	1,662	3,096	2,946	22,562	16,912	1,331	139	261	6,603	8,579	2,639	1,857	9
July 26	18,582	14,130	1,398	3,054	3,070	22,727	16,695	1,447	194	310	6,157	8,587	3,187	1,850	9
Aug. 30	19,200	14,701	1,455	3,044	2,880	23,128	17,147	1,487	196	68	6,226	9,170	2,985	1,850	9
Sept. 27	19,270	14,582	1,545	3,143	3,135	23,479	17,812	1,406	224	374	6,435	9,373	2,768	1,859	9
Oct. 25	19,530	15,021	1,435	3,074	3,119	23,714	17,738	1,455	196	192	6,264	9,631	2,945	1,875	9
Nov. 29	20,370	15,379	1,597	3,394	2,659	24,042	18,021	1,262	217	213	6,565	9,764	3,137	1,855	9
Dec. 31	21,362	16,294	1,873	3,195	3,580	26,009	19,851	1,615	160	509	7,387	10,179	3,008	1,891	9
1973—Jan. 31	21,026	16,371	1,562	3,093	2,939	25,035	18,709	1,364	247	358	6,605	10,135	3,276	1,895	9
Feb. 28	21,983	17,544	1,384	3,055	3,513	26,575	19,429	1,433	224	442	6,778	10,552	4,075	1,891	9
Mar. 28	22,660	17,980	1,470	3,210	3,092	26,821	19,854	1,326	266	461	6,439	11,362	3,910	1,878	9
Apr. 25	22,800	18,253	1,414	3,133	3,277	27,170	20,020	1,304	333	426	6,639	11,318	3,971	1,899	9
May 30	23,777	18,956	1,564	3,257	3,209	28,134	21,088	1,501	411	154	6,882	12,140	3,954	1,910	9
Other large member: [8,9]															
1941—Dec. 31	15,347	7,105	6,467	1,776	8,518	24,430	22,313	4,356	104	491	12,557	4,806	......	1,967	351
1945—Dec. 31	40,108	8,514	29,552	2,042	11,286	51,898	49,085	6,418	30	8,221	24,655	9,760	2	2,566	359
1947—Dec. 31	36,040	13,449	20,196	2,396	13,066	49,659	46,467	5,627	22	405	28,990	11,423	1	2,844	353
1966—Dec. 31	95,831	69,464	13,040	13,326	24,228	123,863	108,804	8,593	233	1,633	49,004	49,341	1,952	9,471	169
1967—Dec. 30	105,724	73,571	14,667	17,487	26,867	136,626	120,485	9,374	310	1,715	53,288	55,798	2,555	10,032	163
1968—Dec. 31	119,006	83,634	15,036	20,337	28,136	151,957	132,305	10,181	307	1,884	57,449	62,484	4,239	10,684	161
1969—Dec. 31 [7]	121,324	90,896	11,944	18,484	29,954	157,512	126,232	10,663	242	1,575	58,923	54,829	9,881	11,464	157
1970—Dec. 31	133,718	96,158	14,700	22,860	31,263	171,733	140,518	11,317	592	2,547	59,328	66,734	10,391	12,221	156
1971—Dec. 31	149,401	106,361	15,912	27,129	33,732	190,880	155,226	11,241	933	3,557	62,474	77,020	14,799	13,197	156
1972—May 31	151,153	108,846	14,362	27,945	34,413	193,947	155,174	9,985	1,020	2,763	60,716	80,690	16,435	13,890	157
June 30	155,085	113,213	14,141	27,731	33,806	197,155	156,850	9,645	1,008	3,527	61,701	80,970	17,592	14,020	157
July 26	154,528	113,172	13,873	27,483	30,738	193,595	153,678	9,593	1,098	2,868	58,980	81,139	17,626	14,011	157
Aug. 30	153,957	112,638	13,501	27,818	31,452	193,592	152,570	9,458	1,150	1,015	58,564	82,383	18,450	14,062	156
Sept. 27	156,822	115,352	13,692	27,778	31,640	196,672	156,023	9,509	1,285	3,512	58,956	82,761	17,816	14,132	157
Oct. 25	157,630	115,642	13,699	28,289	35,635	201,551	158,214	10,202	1,239	2,374	61,147	83,252	20,500	14,193	156
Nov. 29	163,011	119,961	14,734	28,316	29,350	200,829	159,305	8,844	1,156	2,828	62,229	84,248	18,629	14,331	156
Dec. 31	171,549	126,661	16,316	28,572	36,729	217,170	173,913	11,133	1,173	3,860	71,376	86,372	19,392	14,687	156
1973—Jan. 31	168,522	123,907	15,844	28,771	30,426	207,904	163,418	9,239	1,044	3,470	63,011	86,654	21,086	14,619	156
Feb. 28	169,752	126,901	13,957	28,894	32,397	211,296	165,050	9,365	1,210	3,942	62,627	87,906	22,434	14,760	156
Mar. 28	172,681	129,991	13,615	29,075	29,634	211,358	165,250	8,355	1,283	3,761	60,676	91,175	22,182	14,819	156
Apr. 25	175,754	133,253	13,414	29,087	30,111	215,262	168,360	8,470	1,285	4,069	61,487	93,049	22,606	14,905	156
May 30	175,455	133,519	12,547	29,389	31,779	217,001	170,123	9,540	1,324	1,653	62,744	94,862	22,196	14,965	156
All other member: [8,9,10]															
1941—Dec. 31	12,518	5,890	4,377	2,250	6,402	19,466	17,415	792	30	225	10,109	6,258	4	1,982	6,219
1945—Dec. 31	35,002	5,596	26,999	2,408	10,632	46,059	43,418	1,207	17	5,465	24,235	12,494	11	2,525	6,476
1947—Dec. 31	36,324	10,199	22,857	3,268	10,778	47,553	44,443	1,056	17	432	28,378	14,560	23	2,934	6,519
1966—Dec. 31	109,518	68,641	22,419	18,458	19,004	131,338	117,749	2,392	69	1,474	56,672	57,144	308	10,309	5,958
1967—Dec. 30	122,511	74,995	24,689	22,826	20,334	146,052	131,156	2,766	96	1,564	61,161	65,569	552	11,005	5,886
1968—Dec. 31	134,759	83,397	24,998	26,364	22,664	161,122	144,682	2,839	111	1,281	66,578	73,873	804	11,807	5,796
1969—Dec. 31 [7]	140,715	92,147	21,278	27,291	23,928	169,078	148,007	3,152	84	1,671	67,930	75,170	1,820	12,766	5,691
1970—Dec. 31	154,130	99,404	22,586	32,140	25,448	184,635	161,850	3,387	135	2,592	69,806	85,930	1,836	13,807	5,589
1971—Dec. 31	175,211	110,357	24,343	40,511	26,783	207,798	181,780	3,853	263	2,993	74,072	100,600	3,118	15,114	5,550
1972—May 31	179,450	113,382	23,119	42,949	27,057	213,129	184,891	3,213	263	2,742	72,231	106,442	4,089	15,012	5,534
June 30	182,133	116,098	22,568	43,467	27,142	215,551	187,380	3,401	395	2,804	73,479	107,300	4,208	15,831	5,535
July 26	182,638	116,540	22,707	43,391	25,756	215,010	186,260	3,205	263	2,606	71,857	108,329	4,601	15,423	5,526
Aug. 30	184,859	118,458	22,613	43,788	25,574	217,303	187,669	3,118	263	1,595	72,564	110,129	4,786	15,578	5,524
Sept. 27	187,134	119,949	22,901	44,284	25,865	220,106	190,396	3,173	395	2,693	73,244	110,891	4,517	15,732	5,524
Oct. 25	189,164	121,498	23,512	44,154	28,205	224,720	194,272	3,485	395	2,509	76,158	111,725	5,242	16,000	5,521
Nov. 29	191,533	123,590	23,756	44,187	24,989	224,472	194,565	3,014	395	2,390	76,235	112,531	5,379	16,089	5,523
Dec. 31	197,843	127,881	24,830	45,132	29,841	234,342	205,914	4,116	395	3,238	83,681	114,483	4,455	16,608	5,526
1973—Jan. 31	195,468	126,055	24,488	44,925	25,931	229,209	199,603	3,235	395	3,376	76,769	115,828	5,752	16,406	5,512
Feb. 28	197,603	128,535	23,894	45,174	26,295	231,780	201,349	3,199	395	3,474	76,587	117,694	6,082	16,516	5,510
Mar. 28	199,358	130,112	23,676	45,570	24,869	231,950	200,465	3,063	395	3,396	74,413	119,198	6,619	16,834	5,505
Apr. 25	201,351	131,964	23,435	45,952	25,121	234,358	202,710	3,035	395	2,940	76,477	119,863	6,608	16,909	5,517
May 30p	203,084	134,243	22,495	46,346	26,594	238,037	204,432	3,318	395	2,183	77,105	121,431	7,581	17,084	5,517

For notes see p. A-21.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK—Continued

(Amounts in millions of dollars)

Classification by FRS membership and FDIC insurance	Loans and investments: Total	Loans and investments: Loans [1]	Securities: U.S. Treasury	Securities: Other [2]	Cash assets [3]	Total assets—Total liabilities and capital accounts [4]	Deposits: Total [3]	Deposits: Interbank [3]: Demand	Deposits: Interbank [3]: Time	Deposits: Other: Demand: U.S. Govt.	Deposits: Other: Demand: Other	Deposits: Other: Time [5]	Borrowings	Total capital accounts	Number of banks
Insured banks:															
Total:															
1941—Dec. 31..	49,290	21,259	21,046	6,984	25,788	76,820	69,411	10,654		1,762	41,298	15,699	10	6,844	13,426
1945—Dec. 31..	121,809	25,765	88,912	7,131	34,292	157,544	147,775	13,883		23,740	80,276	29,876	215	8,671	13,297
1947—Dec. 31..	114,274	37,583	67,941	8,750	36,926	152,733	141,851	12,615	54	1,325	92,975	34,882	61	9,734	13,398
1963—Dec. 20..	252,579	155,261	62,723	34,594	50,337	310,730	273,657	15,077	443	6,712	140,702	110,723	3,571	25,277	13,284
1964—Dec. 31..	275,053	174,234	62,499	38,320	59,911	343,876	305,113	17,664	733	6,487	154,043	126,185	2,580	27,377	13,486
1965—Dec. 31..	303,593	200,109	59,120	44,364	60,327	374,051	330,323	18,149	923	5,508	159,659	146,084	4,325	29,827	13,540
1966—Dec. 31..	321,473	217,379	55,788	48,307	68,515	401,409	351,438	19,497	881	4,975	166,689	159,396	4,717	31,609	13,533
1967—Dec. 30..	358,536	235,502	62,094	60,941	77,348	448,878	394,118	21,598	1,258	5,219	182,984	183,060	5,531	33,916	13,510
1968—Dec. 31..	399,566	264,600	64,028	70,938	83,061	498,071	432,719	24,427	1,155	5,000	198,535	203,602	8,675	36,530	13,481
1969—June 30[7].	408,620	283,199	53,723	71,697	87,311	513,960	423,957	24,889	800	5,624	192,357	200,287	14,450	38,321	13,464
Dec. 31..	419,746	294,638	54,399	70,709	89,090	527,598	434,138	26,858	695	5,038	207,311	194,237	18,024	39,450	13,464
1971—Dec. 31..	514,097	345,386	64,691	104,020	98,281	635,805	535,703	31,824	2,792	10,150	219,102	271,835	25,629	46,731	13,602
1972—June 30..	539,093	368,275	59,984	110,833	98,252	661,838	549,985	28,398	3,033	9,062	217,641	291,850	32,828	49,623	13,669
Dec. 31..	594,502	411,525	66,679	116,298	111,333	732,519	612,822	33,366	4,113	10,820	250,693	313,830	37,556	52,166	13,721
National member:															
1941—Dec. 31..	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786		1,088	23,262	8,322	4	3,640	5,117
1945—Dec. 31..	69,312	13,925	51,250	4,137	20,144	90,220	84,939	9,229		14,013	45,473	16,224	78	4,644	5,017
1947—Dec. 31..	65,280	21,428	38,674	5,178	22,024	88,182	82,023	8,375	35	795	53,541	19,278	45	5,409	5,005
1963—Dec. 20..	137,447	84,845	33,384	19,218	28,635	170,233	150,823	8,863	146	3,691	76,836	61,288	1,704	13,548	4,615
1964—Dec. 31..	151,406	96,688	33,405	21,312	34,064	190,289	169,615	10,521	211	3,604	84,534	70,746	1,109	15,048	4,773
1965—Dec. 31..	176,605	118,537	32,347	25,720	36,880	219,744	193,860	12,064	458	3,284	92,533	85,522	2,627	17,434	4,815
1966—Dec. 31..	187,25[illegible]	129,182	30,355	27,713	41,690	235,996	206,456	12,588	437	3,035	96,755	93,642	3,120	18,459	4,799
1967—Dec. 30..	208,97[illegible]	139,315	34,308	35,348	46,634	263,375	231,374	13,877	652	3,142	106,019	107,684	3,478	19,730	4,758
1968—Dec. 31..	236,130	159,257	35,300	41,572	50,953	296,594	257,884	15,117	657	3,090	116,422	122,597	5,923	21,524	4,716
1969—June 30[7].	242,241	170,834	29,481	41,927	52,271	305,800	251,489	14,324	437	3,534	113,134	120,060	9,895	22,628	4,700
Dec. 31..	247,526	177,435	29,576	40,514	54,721	313,927	256,314	16,299	361	3,049	121,719	114,885	12,279	23,248	4,668
1971—Dec. 31..	302,756	206,758	36,386	59,612	59,191	376,318	314,085	17,511	1,828	6,014	128,441	160,291	18,169	27,065	4,599
1972—June 30..	316,880	220,102	33,258	63,520	60,181	392,043	322,288	15,715	1,838	5,695	128,454	170,586	22,816	28,713	4,606
Dec. 31..	350,743	247,041	37,185	66,516	67,390	434,810	359,319	19,096	2,155	6,646	146,800	184,622	26,706	30,342	4,612
State member:															
1941—Dec. 31..	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739		621	13,874	4,025	1	2,246	1,502
1945—Dec. 31..	37,871	8,850	27,089	1,933	9,731	48,084	44,730	4,411		8,166	24,168	7,986	130	2,945	1,867
1947—Dec. 31..	32,566	11,200	19,240	2,125	10,822	43,879	40,505	3,978	15	381	27,068	9,062	9	3,055	1,918
1963—Dec. 20..	72,680	46,866	15,958	9,855	15,760	91,235	78,553	5,655	236	2,295	40,725	29,642	1,795	7,506	1,497
1964—Dec. 31..	77,091	51,002	15,312	10,777	18,673	98,852	86,108	6,486	453	2,234	44,005	32,931	1,372	7,853	1,452
1965—Dec. 31..	74,972	51,262	12,645	11,065	15,934	93,640	81,657	5,390	382	1,606	39,598	34,680	1,607	7,492	1,406
1966—Dec. 31..	77,377	54,560	11,569	11,247	19,049	99,504	85,547	6,200	357	1,397	41,464	36,129	1,498	7,819	1,351
1967—Dec. 30..	85,128	58,513	12,649	13,966	22,312	111,188	95,637	6,934	516	1,489	45,961	40,736	1,892	8,368	1,313
1968—Dec. 31..	89,894	61,965	12,581	15,348	22,803	116,885	98,467	8,402	404	1,219	47,498	40,945	2,535	8,536	1,262
1969—June 30[7].	88,346	64,007	9,902	14,437	26,344	119,358	93,858	9,773	285	1,341	45,152	37,307	4,104	8,689	1,236
Dec. 31..	90,088	65,560	10,257	14,271	24,313	119,219	94,445	9,541	248	1,065	48,030	35,560	5,116	8,800	1,201
1971—Dec. 31..	102,813	71,441	11,247	20,125	26,998	135,517	111,777	13,102	721	2,412	45,945	49,597	6,878	10,214	1,128
1972—June 30..	105,895	75,047	10,450	20,398	26,248	138,021	111,705	11,595	879	1,935	43,965	53,331	8,936	10,645	1,108
Dec. 31..	115,426	82,889	11,530	21,008	29,176	150,697	123,186	12,862	1,406	2,378	51,017	55,523	9,651	10,886	1,092
Nonmember:															
1941—Dec. 31..	5,776	3,241	1,509	1,025	2,668	8,708	7,702	129		53	4,162	3,360	6	959	6,810
1945—Dec. 31..	14,639	2,992	10,584	1,063	4,448	19,256	18,119	244		1,560	10,635	5,680	7	1,083	6,416
1947—Dec. 31..	16,444	4,958	10,039	1,448	4,083	20,691	19,340	262	4	149	12,366	6,558	7	1,271	6,478
1963—Dec. 20..	42,464	23,550	13,391	5,523	5,942	49,275	44,280	559	61	726	23,140	19,793	72	4,234	7,173
1964—Dec. 31..	46,567	26,544	13,790	6,233	7,174	54,747	49,389	658	70	649	25,504	22,509	99	4,488	7,262
1965—Dec. 31..	52,028	30,310	14,137	7,581	7,513	60,679	54,806	695	83	618	27,528	25,882	91	4,912	7,320
1966—Dec. 31..	56,857	33,636	13,873	9,349	7,777	65,921	59,434	709	87	543	28,471	29,625	99	5,342	7,384
1967—Dec. 30..	64,449	37,675	15,146	11,629	8,403	74,328	67,107	786	89	588	31,004	34,640	162	5,830	7,440
1968—Dec. 31..	73,553	43,378	16,155	14,020	9,305	84,605	76,368	908	94	691	34,615	40,060	217	6,482	7,504
1969—June 30[7].	78,032	48,358	14,341	15,333	8,696	88,802	78,610	791	78	749	34,070	42,921	451	7,004	7,528
Dec. 31..	82,133	51,643	14,565	15,925	10,056	94,453	83,380	1,017	85	924	37,561	43,792	629	7,403	7,595
1971—Dec. 31..	108,527	67,188	17,058	24,282	12,092	123,970	109,841	1,212	242	1,723	44,717	61,946	582	9,451	7,875
1972—June 30..	116,317	73,126	16,276	26,915	11,822	131,774	115,992	1,088	316	1,432	45,222	67,934	1,076	10,265	7,955
Dec. 31..	128,333	81,594	17,964	28,774	14,767	147,013	130,316	1,408	552	1,796	52,876	73,685	1,199	10,938	8,017

For notes see p. A-21.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK—Continued

(Amounts in millions of dollars)

Classification by FRS membership and FDIC insurance	Loans and investments: Total	Loans [1]	Securities: U.S. Treasury	Securities: Other [2]	Cash assets [3]	Total assets—Total liabilities and capital accounts [4]	Deposits: Total [3]	Interbank [3]: Demand	Interbank [3]: Time	Other: Demand: U.S. Govt.	Other: Demand: Other	Other: Time [5]	Borrowings	Total capital accounts	Number of banks
Noninsured nonmember:															
1941—Dec. 31	1,457	455	761	241	763	2,283	1,872	329		1,291		253	13	329	852
1945—Dec. 31	2,211	318	1,693	200	514	2,768	2,452	181		1,905		365	4	279	714
1947—Dec. 31 [6]	2,009	474	1,280	255	576	2,643	2,251	177	185	18	1,392	478	4	325	783
1963—Dec. 20	1,571	745	463	362	374	2,029	1,463	190	83	17	832	341	93	389	285
1964—Dec. 31	2,312	1,355	483	474	578	3,033	2,057	273	86	23	1,141	534	99	406	274
1965—Dec. 31	2,455	1,549	418	489	572	3,200	2,113	277	85	17	1,121	612	147	434	263
1967—Dec. 30	2,638	1,735	370	533	579	3,404	2,172	285	58	15	1,081	733	246	457	211
1968—Dec. 31	2,901	1,875	429	597	691	3,789	2,519	319	56	10	1,366	767	224	464	197
1969—June 30 [7]	2,809	1,800	321	688	898	3,942	2,556	298	81	15	1,430	731	290	502	209
Dec. 31	2,982	2,041	310	632	895	4,198	2,570	316	41	16	1,559	638	336	528	197
1971—Dec. 31	3,147	2,224	239	684	1,551	5,130	2,923	380	116	19	1,273	1,134	283	480	181
1972—June 30	4,192	3,230	274	688	1,220	5,884	3,153	384	81	21	1,409	1,258	386	494	206
Dec. 31	4,865	3,731	349	785	1,794	7,073	3,775	488	81	55	1,530	1,620	527	491	206
Total nonmember:															
1941—Dec. 31	7,233	3,696	2,270	1,266	3,431	10,992	9,573	457		5,504		3,613	18	1,288	7,662
1945—Dec. 31	16,849	3,310	12,277	1,262	4,962	22,024	20,571	425		14,101		6,045	11	1,362	7,130
1947—Dec. 31	18,454	5,432	11,318	1,703	4,659	23,334	21,591	439	190	167	13,758	7,036	12	1,596	7,261
1963—Dec. 20	44,035	24,295	13,854	5,885	6,316	51,304	45,743	749	144	743	23,972	20,134	165	4,623	7,458
1964—Dec. 31	48,879	27,899	14,273	6,707	7,752	57,780	51,447	931	156	672	26,645	23,043	198	4,894	7,536
1965—Dec. 31	54,483	31,858	14,555	8,070	8,085	63,879	56,919	972	168	635	28,649	26,495	238	5,345	7,583
1967—Dec. 30	67,087	39,409	15,516	12,162	8,983	77,732	69,279	1,071	147	603	32,085	35,372	408	6,286	7,651
1968—Dec. 31	76,454	45,253	16,585	14,617	9,997	88,394	78,887	1,227	150	701	35,981	40,827	441	6,945	7,701
1969—June 30 [7]	80,841	50,159	14,662	16,021	9,594	92,743	81,166	1,090	160	765	35,500	43,652	741	7,506	7,737
Dec. 31	85,115	53,683	14,875	16,556	10,950	98,651	85,949	1,333	126	940	39,120	44,430	965	7,931	7,792
1971—Dec. 31	111,674	69,411	17,297	24,966	13,643	129,100	112,764	1,592	359	1,742	45,990	63,081	866	9,932	8,056
1972—June 30	120,510	76,357	16,550	27,603	13,042	137,658	119,145	1,472	397	1,453	46,631	69,192	1,462	10,759	8,161
Dec. 31	133,198	85,325	18,313	29,559	16,562	154,085	134,091	1,895	633	1,850	54,406	75,305	1,726	11,429	8,223

1 Beginning June 30, 1966, loans to farmers directly guaranteed by CCC were reclassified as securities, and Export-Import Bank portfolio fund participations were reclassified from loans to securities. This reduced "Total loans" and increased "Other securities" by about $1 billion. "Total loans" include Federal funds sold, and beginning with June 1967 securities purchased under resale agreements, figures for which are included in "Federal funds sold, etc.," on p. A-22.

Beginning June 30, 1971, Farmers Home Administration notes are classified as "Other securities" rather than "Loans." As a result of this change, approximately $300 million was transferred to "Other securities" for the period ending June 30, 1971, for all commercial banks.

See also table (and notes) at the bottom of p. A-30.

2 See first two paragraphs of note 1.

3 Reciprocal balances excluded beginning with 1942.

4 Includes items not shown separately. See also note 1.

5 See third paragraph of note 1 above.

6 Beginning with Dec. 31, 1947, the series was revised; for description, see note 4, p. 587, May 1964 BULLETIN.

7 Figure takes into account the following changes beginning June 30, 1969: (1) inclusion of consolidated reports (including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries) and (2) reporting of figures for total loans and for individual categories of securities on a gross basis—that is, before deduction of valuation reserves—rather than net as previously reported.

8 Beginning Nov. 9, 1972, designation of banks as reserve city banks for reserve-requirement purposes has been based on size of bank (net demand deposits of more than $400 million), as described in the BULLETIN for July 1972, p. 626. Categories shown here as "Large" and "All other" parallel the previous "Reserve city" and "Country" categories, respectively (hence the series are continuous over time).

9 Regarding reclassification as a reserve city, see Aug. 1962 BULLETIN, p. 993. For various changes between reserve city and country status in 1960–63, see note 6, p. 587, May 1964 BULLETIN. (See also note 8.)

10 Beginning May 6, 1972, two New York City country banks, with deposits of $1,412 million, merged and were reclassified as a reserve city bank. (See also note 8.)

NOTE.—Data are for all commercial banks in the United States (including Alaska and Hawaii, beginning with 1959). Commercial banks represent all commercial banks, both member and nonmember; stock savings banks; and nondeposit trust companies.

For the period June 1941–June 1962 member banks include mutual savings banks as follows: three before Jan. 1960, two through Dec. 1960, and one through June 1962. Those banks are not included in insured commercial banks.

Beginning June 30, 1969, commercial banks and member banks exclude a small national bank in the Virgin Islands; also, member banks exclude, and noninsured commercial banks include, through June 30, 1970, a small member bank engaged exclusively in trust business.

Comparability of figures for classes of banks is affected somewhat by changes in F.R. membership, deposit insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.

Data for national banks for Dec. 31, 1965, have been adjusted to make them comparable with State bank data.

Figures are partly estimated except on call dates.

For revisions in series before June 30, 1947, see July 1947 BULLETIN, pp. 870–71.

LOANS AND INVESTMENTS BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Total loans[1] and investments	Federal funds sold, etc.[2]	Other loans[1]: Total[3,4]	Other loans: Commercial and industrial	Other loans: Agricultural[5]	Other loans: For purchasing or carrying securities: To brokers and dealers	Other loans: For purchasing or carrying securities: To others	Other loans: To financial institutions: Banks	Other loans: To financial institutions: Others	Other loans: Real estate	Other loans: Other, to individuals[3]	Other loans: Other[5]	Investments: U.S. Treasury securities[6]: Total	U.S. Treasury: Bills and certificates	U.S. Treasury: Notes	U.S. Treasury: Bonds	State and local govt. securities	Other securities[5]
Total:[2]																		
1947—Dec. 31	116,284	......	38,057	18,167	1,660	830	1,220	115	......	9,393	5,723	947	69,221	9,982	6,034	53,205	5,276	3,729
1969—Dec. 31[10]	422,728	9,928	286,750	108,443	10,329	5,739	4,027	2,488	15,062	70,020	63,256	7,388	54,709	......	......	......	59,183	12,158
1972—June 30	543,285	20,598	350,910	123,162	13,610	8,608	4,012	5,041	18,353	89,227	80,243	8,651	60,258	......	......	......	86,598	24,923
Dec. 31	599,367	26,662	388,593	132,701	14,314	11,316	4,491	6,585	23,402	98,382	87,232	10,171	67,028	......	......	......	89,504	27,579
All insured:																		
1941—Dec. 31	49,290	......	21,259	9,214	1,450	614	662	40	......	4,773	4,505		21,046	988	3,159	16,899	3,651	3,333
1945—Dec. 31	121,809	......	25,765	9,461	1,314	3,164	3,606	49	......	4,677	2,361	1,132	88,912	21,526	16,045	51,342	3,873	3,258
1947—Dec. 31	114,274	......	37,583	18,012	1,610	823	1,190	114	......	9,266	5,654	914	67,941	9,676	5,918	52,347	5,129	3,621
1969—Dec. 31[10]	419,746	9,693	284,945	107,685	10,314	5,644	3,991	2,425	14,890	69,669	63,008	7,319	54,399	......	......	......	58,840	11,869
1972—June 30	539,093	19,568	348,707	122,064	13,593	8,491	3,998	4,761	18,266	89,048	79,933	8,553	59,984	6,925	39,280	9,570	86,286	24,547
Dec. 31	594,502	25,584	385,941	131,422	14,287	11,165	4,460	6,115	23,277	98,204	86,912	10,099	66,679	......	......	......	89,173	27,125
Member—Total:																		
1941—Dec. 31	43,521	......	18,021	8,671	972	594	598	39	......	3,494	3,653		19,539	971	3,007	15,561	3,090	2,871
1945—Dec. 31	107,183	......	22,775	8,949	855	3,133	3,378	47	......	3,455	1,900	1,057	78,338	19,260	14,271	44,807	3,254	2,815
1947—Dec. 31	*97,846*	......	*32,628*	*16,962*	*1,046*	*811*	*1,065*	*113*	......	*7,130*	*4,662*	*839*	*57,914*	*7,803*	*4,815*	*45,295*	*4,199*	*3,105*
1969—Dec. 31[10]	337,613	7,356	235,639	96,095	6,187	5,408	3,286	2,258	14,035	53,207	48,388	6,776	39,833	......	......	......	47,227	7,558
1972—June 30	422,775	15,561	279,588	104,419	7,924	8,260	3,477	4,520	17,104	66,518	59,603	7,765	43,708	4,614	28,350	7,709	67,777	16,141
Dec. 31	*466,169*	*19,961*	*309,969*	*112,110*	*8,495*	*10,863*	*3,870*	*5,783*	*22,026*	*73,131*	*64,490*	*9,201*	*48,715*	......	......	......	*69,640*	*17,884*
New York City:[11]																		
1941—Dec. 31	12,896	......	4,072	2,807	8	412	169	32	......	123	522		7,265	311	1,623	5,331	729	830
1945—Dec. 31	*26,143*	......	*7,334*	*3,044*	......	*2,453*	*1,172*	*26*	......	*80*	*287*	*272*	*17,574*	*3,910*	*3,325*	*10,339*	*606*	*629*
1947—Dec. 31	20,393	......	7,179	5,361	......	545	267	93	......	111	564	238	11,972	1,642	558	9,772	638	604
1969—Dec. 31[10]	60,333	802	47,503	28,189	12	3,695	776	1,047	4,547	3,835	3,595	1,807	5,048	......	......	......	6,192	788
1972—June 30	*66,597*	*649*	*50,987*	*25,972*	*33*	*5,665*	*768*	*1,834*	*4,936*	*5,288*	*4,561*	*1,930*	*5,338*	*691*	*2,568*	*1,286*	*8,491*	*1,132*
Dec. 31	75,034	812	57,901	27,864	50	7,057	841	2,271	6,413	5,789	5,225	2,390	5,696	......	......	......	9,107	1,518
City of Chicago:[11]																		
1941—Dec. 31	2,760	......	954	732	6	48	52	1	......	22	95		1,430	256	153	1,022	182	193
1945—Dec. 31	5,931	......	1,333	760	2	211	233	......	......	36	51	40	4,213	1,600	749	1,864	181	204
1947—Dec. 31	5,088	......	1,801	1,418	3	73	87	......	......	46	149	26	2,890	367	248	2,274	213	185
1969—Dec. 31[10]	14,365	215	10,556	6,444	50	337	262	186	1,219	842	862	354	1,564	......	......	......	1,837	192
1972—June 30	18,541	783	12,999	7,179	66	666	225	242	2,015	1,011	1,054	542	1,662	402	822	189	2,771	325
Dec. 31	21,362	718	15,576	7,851	140	1,330	282	341	2,780	1,066	1,138	648	1,873	......	......	......	2,820	375
Other large banks:[11]																		
1941—Dec. 31	15,347	......	7,105	3,456	300	114	194	4	......	1,527	1,508		6,467	295	751	5,421	956	820
1945—Dec. 31	40,108	......	8,514	3,661	205	427	1,503	17	......	1,459	855	387	29,552	8,016	5,653	15,883	1,126	916
1947—Dec. 31	36,040	......	13,449	7,088	225	170	484	15	......	3,147	1,969	351	20,196	2,731	1,901	15,563	1,342	1,053
1969—Dec. 31[10]	121,628	3,021	88,180	37,701	1,386	878	1,300	876	6,006	19,706	17,569	2,757	11,944	......	......	......	16,625	1,859
1972—June 30	155,158	8,272	105,014	41,770	1,803	1,563	1,566	2,136	7,771	24,358	20,772	3,275	14,141	1,657	8,857	2,837	23,510	4,222
Dec. 31	171,618	9,927	116,802	44,483	1,977	2,024	1,707	2,716	10,268	27,014	22,669	3,943	16,316	......	......	......	24,049	4,523
All other member:[11]																		
1941—Dec. 31	13,518	......	5,890	1,676	659	20	183	2	......	1,823	1,528		4,377	110	481	3,787	1,222	1,028
1945—Dec. 31	35,002	......	5,596	1,484	648	42	471	4	......	1,881	707	359	26,999	5,732	4,544	16,722	1,342	1,067
1947—Dec. 31	36,324	......	10,199	3,096	818	23	227	5	......	3,827	1,979	224	22,857	3,063	2,108	17,687	2,006	1,262
1969—Dec. 31[10]	141,286	3,318	89,401	23,762	4,739	498	947	148	2,263	28,824	26,362	1,858	21,278	......	......	......	22,572	4,718
1972—June 30	182,479	5,857	110,587	29,498	6,023	366	917	308	2,381	35,859	33,215	2,019	22,568	1,863	16,103	3,397	33,005	10,463
Dec. 31	198,156	8,504	119,690	31,911	6,327	452	1,040	455	2,565	39,262	35,458	2,220	24,830	......	......	......	33,664	11,468
Nonmember:																		
1947—Dec. 31	18,454	......	5,432	1,205	614	20	156	2	......	2,266	1,061	109	11,318	2,179	1,219	7,920	1,073	625
1969—Dec. 31[10]	*85,115*	*2,572*	*51,111*	*12,348*	*4,141*	*329*	*741*	*231*	*1,028*	*16,813*	*14,868*	*612*	*14,875*	......	......	......	*11,956*	*4,600*
1972—June 30	120,510	5,037	71,319	18,743	5,686	348	535	521	1,249	22,711	20,640	886	16,550	......	......	......	18,820	8,782
Dec. 31	133,198	6,701	78,624	20,591	5,819	453	622	803	1,377	25,250	22,741	969	18,313	......	......	......	19,864	9,695

[1] Beginning with June 30, 1948, figures for various loan items are shown gross (i.e., before deduction of valuation reserves); they do not add to the total and are not entirely comparable with prior figures. Total loans continue to be shown net. See also note 10.

[2] Includes securities purchased under resale agreements. Prior to June 30, 1967, such securities were included in loans—for the most part in loans to "Banks." Prior to Dec. 1965, Federal funds sold were included with "Total" loans and loans to "Banks."

[3] See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. A-30.

[4] Breakdowns of loan, investment, and deposit classifications are not available before 1947; summary figures for 1941 and 1945 appear in the table on pp. A-18—A-21.

[5] *Beginning with June 30, 1966, loans to farmers directly guaranteed* by CCC were reclassified as "Other securities," and Export-Import Bank portfolio fund participations were reclassified from loans to "Other securities." This increased "Other securities" by about $1 billion.

[6] *Beginning with Dec. 31, 1965, components shown at par rather than* at book value; they do not add to the total (shown at book value) and are not entirely comparable with prior figures. See also note 10.

Notes continued on opposite page.

RESERVES AND LIABILITIES BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks[7]	Demand deposits adjusted[8]	Demand deposits: Interbank: Domestic[7]	Demand deposits: Interbank: Foreign[9]	Demand deposits: U.S. Govt.	Demand deposits: State and local govt.	Demand deposits: Certified and officers' checks, etc.	Demand deposits: IPC	Time deposits: Interbank	Time deposits: U.S. Govt. and Postal Savings	Time deposits: State and local govt.	Time deposits: IPC[3]	Borrowings	Capital accounts
Total:[3]																
1947—Dec. 31....	17,796	2,216	10,216	87,123	11,362	1,430	1,343	6,799	2,581	84,987	240	111	866	34,383	65	10,059
1969—Dec. 31[10]..	21,449	7,320	20,314	172,079	24,553	2,620	5,054	17,558	11,899	179,413	735	211	13,221	181,443	18,360	39,978
1972—June 30...	27,119	6,799	25,764	184,468	25,522	3,261	9,083	17,687	10,652	190,710	3,114	492	33,110	259,506	33,214	50,117
Dec. 31...	26,070	8,666	32,185	212,121	29,971	3,883	10,875	18,588	11,685	221,950	4,194	606	37,161	277,683	38,083	52,658
All insured:																
1941—Dec. 31....	12,396	1,358	8,570	37,845	9,823	673	1,762	3,677	1,077	36,544	158	59	492	15,146	10	6,844
1945—Dec. 31....	15,810	1,829	11,075	74,722	12,566	1,248	23,740	5,098	2,585	72,593	70	103	496	29,277	215	8,671
1947—Dec. 31....	17,796	2,145	9,736	85,751	11,236	1,379	1,325	6,692	2,559	83,723	54	111	826	33,946	61	9,734
1969—Dec. 31[10]..	21,449	7,292	19,528	170,280	24,386	2,471	5,038	17,434	11,476	178,401	695	211	13,166	180,860	18,024	39,450
1972—June 30...	27,119	6,773	24,713	182,806	25,335	3,064	9,062	17,568	10,172	189,900	3,033	491	33,027	258,332	32,828	49,623
Dec. 31...	26,070	8,637	30,734	210,287	29,731	3,635	10,820	18,459	11,177	221,057	4,113	606	37,086	276,138	37,556	52,166
Member—Total:																
1941—Dec. 31....	12,396	1,087	6,246	33,754	9,714	671	1,709	3,066	1,009	33,061	140	50	418	11,878	4	5,886
1945—Dec. 31....	15,811	1,438	7,117	64,184	12,333	1,243	22,179	4,240	2,450	62,950	64	99	399	23,712	208	7,589
1947—Dec. 31....	17,797	1,672	6,270	73,528	10,978	1,375	1,176	5,504	2,401	72,704	50	105	693	27,542	54	8,464
1969—Dec. 31[10]..	21,449	5,676	11,931	133,435	23,441	2,399	4,114	13,274	10,483	145,992	609	186	9,951	140,308	17,395	32,047
1972—June 30...	27,119	5,093	15,822	138,566	24,363	2,947	7,630	13,177	8,859	150,382	2,717	387	25,668	197,861	31,752	39,358
Dec. 31...	26,070	6,582	19,396	158,464	28,521	3,437	9,024	13,544	9,503	174,770	3,562	468	28,553	211,124	36,357	41,228
New York City:[11]																
1941—Dec. 31....	5,105	93	141	10,761	3,595	607	866	319	450	11,282	6	.....	29	778	.....	1,648
1945—Dec. 31....	4,015	111	78	15,065	3,535	1,105	6,940	237	1,338	15,712	17	10	20	1,206	195	2,120
1947—Dec. 31....	4,639	151	70	16,653	3,236	1,217	267	290	1,105	17,646	12	12	14	1,418	30	2,259
1969—Dec. 31[10]..	4,358	463	455	21,316	8,708	1,641	694	1,168	6,605	28,354	268	45	207	14,692	4,405	6,301
1972—June 30...	5,375	383	3,601	20,312	10,768	2,165	1,038	816	3,801	26,020	1,175	24	2,331	24,294	7,314	7,650
Dec. 31...	5,695	508	4,854	23,271	12,532	2,562	1,418	741	3,592	31,040	1,833	10	2,522	26,196	9,502	8,042
City of Chicago:[11]																
1941—Dec. 31....	1,021	43	298	2,215	1,027	8	127	233	34	2,152	......	......	......	476	.....	288
1945—Dec. 31....	942	36	200	3,153	1,292	20	1,552	237	66	3,160	......	......	......	719	.....	377
1947—Dec. 31....	1,070	30	175	3,737	1,196	21	72	285	63	3,853	......	2	9	902	.....	426
1969—Dec. 31[10]..	869	123	150	5,221	1,581	96	175	268	229	6,273	15	1	216	4,409	1,290	1,517
1972—June 30...	1,142	94	199	5,224	1,239	92	261	295	217	6,091	139	2	1,047	7,529	2,639	1,857
Dec. 31...	1,496	152	173	5,783	1,516	99	509	223	264	6,899	160	95	847	9,237	3,008	1,891
Other large banks:[11]																
1941—Dec. 31....	4,060	425	2,590	11,117	4,302	54	491	1,144	286	11,127	104	20	243	4,542	.....	1,967
1945—Dec. 31....	6,326	494	2,174	22,372	6,307	110	8,221	1,763	611	22,281	30	38	160	9,563	2	2,566
1947—Dec. 31....	7,095	562	2,125	25,714	5,497	131	405	2,282	705	26,003	22	45	332	11,045	1	2,844
1969—Dec. 31[10]..	9,044	1,787	3,456	44,169	10,072	590	1,575	3,934	1,928	53,062	242	86	4,609	50,439	9,881	11,464
1972—June 30...	11,516	1,574	3,845	45,929	9,026	618	3,527	3,923	2,586	55,192	1,008	180	10,809	70,054	17,592	14,020
Dec. 31...	10,085	2,114	4,688	52,813	10,426	707	3,860	3,854	3,075	64,447	1,173	181	11,811	74,449	19,392	14,687
All other member:[11]																
1941—Dec. 31....	2,210	526	3,216	9,661	790	2	225	1,370	239	8,500	30	31	146	6,082	4	1,982
1945—Dec. 31....	4,527	796	4,665	23,595	1,199	8	5,465	2,004	435	21,797	17	52	219	12,224	11	2,525
1947—Dec. 31....	4,993	929	3,900	27,424	1,049	7	432	2,647	528	25,203	17	45	337	14,177	23	2,934
1969—Dec. 31[10]..	7,179	3,302	7,870	62,729	3,080	72	1,671	7,905	1,721	58,304	84	54	4,920	70,768	1,820	12,766
1972—June 30...	9,084	3,042	8,176	67,101	3,329	72	2,804	8,144	2,255	63,080	395	182	11,480	95,983	4,208	15,831
Dec. 31...	8,794	3,807	9,681	76,597	4,047	70	3,238	8,726	2,571	72,384	395	181	13,373	101,243	4,455	16,608
Nonmember:[3]																
1947—Dec. 31....	....	544	3,947	13,595	385	55	167	1,295	180	12,284	190	6	172	6,858	12	1,596
1969—Dec. 31[10]..	....	1,644	8,383	38,644	1,112	222	940	4,284	1,416	33,420	126	25	3,269	41,135	965	7,931
1972—June 30...	....	1,706	9,942	45,901	1,159	313	1,453	4,510	1,793	40,328	397	104	7,442	61,645	1,462	10,759
Dec. 31...	....	2,084	12,789	53,658	1,449	446	1,851	5,044	2,182	47,180	633	138	8,608	66,559	1,726	11,429

7 Beginning with 1942, excludes reciprocal bank balances.

8 Through 1960 demand deposits other than interbank and U.S. Govt., less cash items in process of collection; beginning with 1961, demand deposits other than domestic commercial interbank and U.S. Govt., less cash items in process of collection.

9 For reclassification of certain deposits in 1961, see note 6, p. 589, May 1964 BULLETIN.

10 Beginning June 30, 1969, reflects (1) inclusion of consolidated reports (including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries) and (2) reporting of figures for total loans and for individual categories of securities on a gross basis—that is before deduction of valuation reserves. See also notes 1 and 6.

11 Beginning Nov. 9, 1972, designation of banks as reserve city banks for reserve-requirement purposes has been based on size of bank (net demand deposits of more than $400 million), as described in the BULLETIN for July 1972, p. 626. Categories shown here as "Large" and "All other" parallel the previous "Reserve city" and "Country" categories, respectively (hence the series are continuous over time).

NOTE.—Data are for all commercial banks in the United States; member banks in U.S. possessions were included through 1968 and then excluded.

For the period June 1941—June 1962 member banks include mutual savings banks as follows: three before Jan. 1960, two through Dec. 1960, and one through June 1962. Those banks are not included in all insured or total banks.

A small noninsured member bank engaged exclusively in trust business is treated as a noninsured bank and not as a member bank for the period June 30, 1969—June 30, 1970.

Comparability of figures for classes of banks is affected somewhat by changes in F.R. membership, deposit insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.

For other notes see opposite page.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Wednesday	Total loans and investments	Loans: Federal funds sold, etc.[1]: Total	Federal funds sold, etc.: To commercial banks	Federal funds sold, etc.: To brokers and dealers involving—: U.S. Treasury securities	Federal funds sold, etc.: To brokers and dealers involving—: Other securities	Federal funds sold, etc.: To others	Other: Total	Other: Commercial and industrial	Other: Agricultural	For purchasing or carrying securities: To brokers and dealers: U.S. Treas-ury secs.	For purchasing or carrying securities: To brokers and dealers: Other secs.	For purchasing or carrying securities: To others: U.S. Treas-ury secs.	For purchasing or carrying securities: To others: Other secs.	To nonbank financial institutions: Pers. and sales finan. cos., etc.	To nonbank financial institutions: Other
Large banks Total															
1972															
May 3	291,808	11,134	10,032	652	325	125	199,494	85,283	2,468	894	7,004	184	2,542	6,426	8,484
10	290,364	10,165	8,589	923	265	388	198,854	85,223	2,478	913	6,680	163	2,554	6,283	8,432
17	291,419	11,088	9,926	617	244	301	198,910	85,177	2,491	745	6,395	163	2,534	6,302	8,447
24	290,014	10,237	9,379	473	199	186	198,633	84,823	2,504	678	6,557	194	2,545	6,043	8,438
31	291,126	9,992	9,008	672	207	105	199,975	84,637	2,519	811	6,951	149	2,566	6,269	8,629
1973															
Apr. 4	334,554	12,912	11,658	849	214	191	241,453	100,344	3,094	1,148	6,584	242	2,919	7,892	14,536
11	335,011	12,746	11,317	967	261	201	241,813	100,822	3,108	856	6,584	210	2,925	7,842	14,535
18	334,787	11,851	10,857	711	143	140	243,365	101,931	3,124	570	6,177	211	2,932	7,943	14,768
25	337,678	14,641	12,732	1,494	138	277	243,370	101,899	3,119	497	6,220	212	2,964	7,902	14,646
May 2p	337,999	13,241	12,246	593	225	177	245,140	102,487	3,091	595	6,295	213	2,951	8,045	15,062
9p	336,712	12,174	10,978	714	218	264	245,095	102,468	3,096	618	6,605	199	2,955	7,980	14,965
16p	338,275	12,546	11,460	731	203	152	247,155	102,937	3,114	536	6,577	217	2,945	8,352	15,236
23p	337,162	12,136	10,972	849	159	156	246,628	103,005	3,142	463	6,015	216	2,960	8,130	15,324
30p	339,973	12,949	11,156	1,427	216	150	247,511	102,871	3,142	891	6,073	226	2,933	8,094	15,480
New York City															
1972															
May 3	61,983	1,869	1,789	30	....	50	46,482	25,117	31	738	4,752	54	636	1,778	2,056
10	60,561	705	669	....	3	33	45,848	24,971	30	757	4,442	50	648	1,737	2,021
17	60,675	1,246	1,205	....	....	41	45,418	25,005	33	591	4,132	47	638	1,731	2,019
24	60,046	827	783	....	15	29	45,266	24,770	33	544	4,332	50	640	1,657	2,038
31	60,623	940	917	5	....	18	45,924	24,563	32	691	4,652	47	642	1,747	2,109
1973															
Apr. 4	70,913	1,438	1,324	45	....	69	56,683	28,846	53	1,004	3,848	43	650	2,331	4,512
11	69,783	686	606	45	2	33	56,037	28,633	52	708	3,930	44	652	2,236	4,498
18	69,641	1,164	997	146	....	21	55,842	28,729	55	463	3,660	46	652	2,276	4,508
25	71,119	2,950	2,863	67	....	20	55,734	28,650	54	415	3,741	47	654	2,319	4,530
May 2p	70,789	2,063	1,967	72	....	24	56,472	28,832	52	480	3,679	47	662	2,326	4,729
9p	69,835	1,053	976	72	....	5	56,748	29,031	52	528	3,923	47	669	2,282	4,678
16p	71,351	1,615	1,518	82	14	1	57,625	29,186	64	455	3,977	50	661	2,486	4,820
23p	71,024	2,464	2,353	106	....	5	56,415	29,003	76	366	3,494	52	650	2,350	4,786
30p	72,092	2,484	2,374	104	....	6	57,087	28,967	76	774	3,567	61	644	2,356	4,918
Outside New York City															
1972															
May 3	229,825	9,265	8,243	622	325	75	153,012	60,166	2,437	156	2,252	130	1,906	4,648	6,428
10	229,803	9,460	7,920	923	262	355	153,006	60,252	2,448	156	2,238	113	1,906	4,546	6,411
17	230,744	9,842	8,721	617	244	260	153,492	60,172	2,458	154	2,263	116	1,896	4,571	6,428
24	229,968	9,410	8,596	473	184	157	153,367	60,053	2,471	134	2,225	144	1,905	4,386	6,400
31	230,503	9,052	8,091	667	207	87	154,051	60,074	2,487	120	2,299	102	1,924	4,522	6,520
1973															
Apr. 4	263,641	11,474	10,334	804	214	122	184,770	71,498	3,041	144	2,736	199	2,269	5,561	10,024
11	265,228	12,060	10,711	922	259	168	185,776	72,189	3,056	148	2,654	166	2,273	5,606	10,037
18	265,146	10,687	9,860	565	143	119	187,523	73,202	3,069	107	2,517	165	2,280	5,667	10,260
25	266,559	11,691	9,869	1,427	138	257	187,636	73,249	3,065	82	2,479	165	2,310	5,583	10,116
May 2p	267,210	11,178	10,279	521	225	153	188,668	73,655	3,039	115	2,616	166	2,289	5,719	10,333
9p	266,877	11,121	10,002	642	218	259	188,347	73,437	3,044	90	2,682	152	2,286	5,698	10,287
16p	266,924	10,931	9,942	649	189	151	189,530	73,751	3,050	81	2,600	167	2,284	5,866	10,416
23p	266,138	9,672	8,619	743	159	151	190,213	74,002	3,066	97	2,521	164	2,310	5,780	10,538
30p	267,881	10,465	8,782	1,323	216	144	190,424	73,904	3,066	117	2,506	165	2,289	5,738	10,562

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Loans (cont.): Other (cont.): Real estate	To commercial banks: Domestic	To commercial banks: Foreign	Consumer instalment	Foreign govts.²	All other	Investments: U.S. Treasury securities: Total	Bills	Certificates	Notes and bonds maturing—: Within 1 yr.	1 to 5 yrs.	After 5 yrs.	Wednesday
												Large banks—Total
												1972
40,630	1,050	2,595	24,803	933	16,198	27,076	3,615	....	4,840	15,525	3,096	May 3
40,810	1,000	2,479	24,853	962	16,024	27,294	3,970	....	4,831	15,558	2,935	10
41,006	1,117	2,672	24,920	952	15,989	27,326	4,072	....	4,619	15,550	3,085	17
41,146	1,069	2,636	25,052	949	15,999	27,024	3,859	....	4,619	15,509	3,037	24
41,241	1,005	2,636	25,165	942	16,455	26,958	3,844	....	4,941	15,192	2,981	31
												1973
47,478	3,269	4,789	28,823	1,216	19,119	25,960	5,513	....	3,861	14,609	1,977	Apr. 4
47,732	3,191	4,887	28,919	1,223	18,979	25,424	5,177	....	3,821	14,382	2,044	11
47,990	3,303	4,915	29,071	1,234	19,196	24,840	4,709	....	3,769	14,309	2,053	18
48,083	3,292	4,891	29,181	1,216	19,248	24,743	4,769	....	3,750	14,194	2,030	25
48,193	3,175	4,894	29,306	1,220	19,613	24,495	4,511	....	3,808	14,142	2,034	May 2ᵖ
48,370	3,024	4,835	29,345	1,247	19,388	24,031	4,169	....	3,710	14,058	2,094	9ᵖ
48,592	3,215	5,053	29,457	1,256	19,668	23,701	3,825	....	3,694	13,347	2,835	16ᵖ
48,854	3,272	5,155	29,579	1,246	19,267	23,503	3,776	....	3,856	13,110	2,761	23ᵖ
49,059	3,236	4,944	29,704	1,232	19,626	24,017	4,216	....	3,926	13,000	2,875	30ᵖ
												New York City
												1972
4,333	277	1,244	1,912	552	3,002	4,805	883	....	1,065	2,483	374	May 3
4,360	253	1,146	1,917	578	2,938	5,132	1,254	....	1,083	2,468	327	10
4,399	254	1,154	1,920	576	2,919	5,130	1,259	....	990	2,472	409	17
4,408	245	1,121	1,926	579	2,923	5,042	1,231	....	993	2,425	393	24
4,411	256	1,127	1,922	578	3,147	4,913	1,094	....	1,012	2,448	359	31
												1973
5,140	1,318	2,099	2,161	717	3,961	4,646	1,838	....	571	2,148	89	Apr. 4
5,169	1,293	2,131	2,169	708	3,814	4,481	1,700	....	524	2,048	209	11
5,232	1,325	2,165	2,176	707	3,848	4,191	1,523	....	494	1,980	194	18
5,225	1,309	2,127	2,181	707	3,775	3,947	1,390	....	528	1,860	169	25
5,239	1,324	2,165	2,183	699	4,055	3,769	1,138	....	537	1,892	202	May 2ᵖ
5,258	1,200	2,118	2,200	711	4,051	3,472	954	....	486	1,788	244	9ᵖ
5,278	1,245	2,353	2,206	714	4,130	3,667	886	....	528	1,606	647	16ᵖ
5,311	1,189	2,351	2,218	711	3,858	3,772	1,087	....	539	1,568	578	23ᵖ
5,354	1,198	2,200	2,218	706	4,048	4,124	1,344	....	551	1,572	657	30ᵖ
												Outside New York City
												1972
36,297	773	1,351	22,891	381	13,196	22,271	2,732	....	3,775	13,042	2,722	May 3
36,450	747	1,333	22,936	384	13,086	22,162	2,716	....	3,748	13,090	2,608	10
36,607	863	1,518	23,000	376	13,070	22,196	2,813	....	3,629	13,078	2,676	17
36,738	824	1,515	23,126	370	13,076	21,982	2,628	....	3,626	13,084	2,644	24
36,830	749	1,509	23,243	364	13,308	22,045	2,750	....	3,929	12,744	2,622	31
												1973
42,338	1,951	2,690	26,662	499	15,158	21,314	3,675	....	3,290	12,461	1,888	Apr. 4
42,563	1,898	2,756	26,750	515	15,165	20,943	3,477	....	3,297	12,334	1,835	11
42,758	1,978	2,750	26,895	527	15,348	20,649	3,186	....	3,275	12,329	1,859	18
42,858	1,983	2,764	27,000	509	15,473	20,796	3,379	....	3,222	12,334	1,861	25
42,954	1,851	2,729	27,123	521	15,558	20,726	3,373	....	3,271	12,250	1,832	May 2ᵖ
43,112	1,824	2,717	27,145	536	15,337	20,559	3,215	....	3,224	12,270	1,850	9ᵖ
43,314	1,970	2,700	27,251	542	15,538	20,034	2,939	....	3,166	11,741	2,188	16ᵖ
43,543	2,083	2,804	27,361	535	15,409	19,731	2,689	....	3,317	11,542	2,183	23ᵖ
43,705	2,038	2,744	27,486	526	15,578	19,893	2,872	....	3,375	11,428	2,218	30ᵖ

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Investments (cont.) — Other securities — Total	Obligations of State and political subdivisions — Tax warrants[3]	Obligations of State and political subdivisions — All other	Other bonds, corp. stock, and securities — Certif. of participation[4]	Other bonds, corp. stock, and securities — All other[5]	Cash items in process of collection	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks	Investments in subsidiaries not consolidated	Other assets	Total assets/ total liabilities
Large banks—Total												
1972												
May 3	54,104	9,284	37,076	1,593	6,151	30,198	20,142	3,446	8,387	945	17,071	371,997
10	54,051	9,055	37,242	1,614	6,140	28,386	20,107	3,572	8,031	949	16,700	368,109
17	54,095	9,117	37,289	1,594	6,095	30,125	21,814	3,633	8,609	951	16,616	373,167
24	54,120	9,041	37,408	1,577	6,094	27,629	20,079	3,743	8,447	952	16,417	367,281
31	54,201	9,066	37,357	1,588	6,190	32,686	22,696	3,792	9,276	954	16,599	377,129
1973												
Apr. 4	54,229	7,344	38,389	1,686	6,810	28,891	19,428	3,575	9,653	1,256	19,324	416,681
11	55,028	7,886	38,470	1,813	6,859	27,956	18,984	3,873	8,910	1,235	19,209	415,178
18	54,731	7,587	38,319	1,831	6,994	28,561	24,431	3,991	9,302	1,236	19,088	421,396
25	54,924	7,671	38,361	1,802	7,090	28,072	19,239	4,152	9,399	1,237	19,406	419,183
May 2p	55,123	7,673	38,688	1,655	7,107	30,990	19,599	3,901	9,451	1,233	19,701	422,874
9p	55,412	8,330	38,377	1,536	7,169	26,731	21,307	3,846	9,035	1,240	19,164	418,035
16p	54,873	8,271	37,809	1,551	7,242	32,363	21,096	3,978	10,133	1,243	19,198	426,286
23p	54,895	8,249	37,841	1,540	7,265	26,911	20,698	4,084	9,898	1,248	19,274	419,275
30p	55,496	8,318	37,907	1,542	7,729	31,350	17,992	4,265	9,335	1,250	19,543	423,708
New York City												
1972												
May 3	8,827	2,365	5,257	308	897	10,205	4,158	410	2,686	444	5,405	85,291
10	8,876	2,328	5,337	333	878	10,881	4,872	434	2,830	446	5,209	85,233
17	8,881	2,292	5,410	314	865	10,154	6,127	408	3,133	449	5,224	86,170
24	8,911	2,291	5,438	306	876	10,729	5,345	433	3,195	449	5,055	85,252
31	8,846	2,260	5,378	280	928	11,783	5,899	425	3,455	452	4,893	87,530
1973												
Apr. 4	8,146	1,344	5,350	478	974	9,003	4,878	446	3,768	618	6,364	95,990
11	8,579	1,727	5,288	524	1,040	8,961	5,093	475	3,355	592	6,232	94,491
18	8,444	1,586	5,231	540	1,087	8,515	7,370	460	3,777	591	6,162	96,516
25	8,488	1,598	5,258	536	1,096	9,342	4,851	475	4,012	590	6,401	96,790
May 2p	8,485	1,609	5,260	480	1,136	10,228	5,276	457	3,671	585	6,334	97,340
9p	8,562	2,222	4,767	365	1,208	8,952	6,048	473	3,747	587	5,870	95,512
16p	8,444	2,218	4,603	361	1,262	10,945	5,784	453	4,690	590	6,169	99,982
23p	8,373	2,144	4,577	355	1,297	9,529	5,065	477	4,616	591	6,144	97,446
30p	8,397	2,097	4,536	353	1,411	10,526	3,979	490	3,580	593	6,182	97,442
Outside New York City												
1972												
May 3	45,277	6,919	31,819	1,285	5,254	19,993	15,984	3,036	5,701	501	11,666	286,706
10	45,175	6,727	31,905	1,281	5,262	17,505	15,235	3,138	5,201	503	11,491	282,876
17	45,214	6,825	31,879	1,280	5,230	19,971	15,687	3,225	5,476	502	11,392	286,997
24	45,209	6,750	31,970	1,271	5,218	16,900	14,734	3,310	5,252	503	11,362	282,029
31	45,355	6,806	31,979	1,308	5,262	20,903	16,797	3,367	5,821	502	11,706	289,599
1973												
Apr. 4	46,083	6,000	33,039	1,208	5,836	19,888	14,550	3,129	5,885	638	12,960	320,691
11	46,449	6,159	33,182	1,289	5,819	18,995	13,891	3,398	5,555	643	12,977	320,687
18	46,287	6,001	33,088	1,291	5,907	20,046	17,061	3,531	5,525	645	12,926	324,880
25	46,436	6,073	33,103	1,266	5,994	18,730	14,388	3,677	5,387	647	13,005	322,393
May 2p	46,638	6,064	33,428	1,175	5,971	20,762	14,323	3,444	5,780	648	13,367	325,534
9p	46,850	6,108	33,610	1,171	5,961	17,779	15,259	3,373	5,288	653	13,294	322,523
16p	46,429	6,053	33,206	1,190	5,980	21,418	15,312	3,525	5,443	653	13,029	326,304
23p	46,522	6,105	33,264	1,185	5,968	17,382	15,633	3,607	5,282	657	13,130	321,829
30p	47,099	6,221	33,371	1,189	6,318	20,824	14,013	3,775	5,755	657	13,361	326,266

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Deposits															
Demand									Time and savings						
				Domestic interbank		Foreign				IPC					
Total	IPC	States and political subdivisions	U.S. Govt.	Commercial	Mutual savings	Govts., etc.[2]	Commercial banks	Certified and officers' checks	Total[6]	Savings	Other	States and political subdivisions	Domestic interbank	Foreign govts.[2]	Wednesday
															Large banks—Total
															1972
148,502	101,536	7,165	8,614	20,694	738	721	2,565	6,469	147,113	57,294	62,598	19,410	2,110	5,224	May 3
143,851	99,253	6,700	6,538	20,273	697	884	2,632	6,874	147,520	57,401	62,840	19,433	2,205	5,157	10
147,349	102,291	6,606	7,513	20,650	655	798	2,653	6,183	148,124	57,523	63,323	19,359	2,264	5,173	17
141,693	99,231	6,353	5,792	19,679	618	745	2,657	6,618	148,951	57,590	63,936	19,428	2,310	5,208	24
150,176	105,300	7,200	5,027	21,541	698	723	2,926	6,761	149,081	57,624	64,405	19,081	2,303	5,199	31
															1973
153,559	109,277	6,455	6,064	20,926	957	759	3,019	6,102	174,788	58,667	82,805	21,791	3,538	7,315	Apr. 4
148,971	110,114	6,727	2,144	18,933	879	817	3,103	6,254	176,005	58,504	83,151	22,453	3,851	7,352	11
152,923	110,686	6,373	6,389	18,729	795	918	3,097	5,936	175,340	58,148	82,500	22,904	3,711	7,370	18
151,302	107,715	6,215	7,399	19,241	726	953	3,138	5,915	176,056	58,090	82,998	23,132	3,682	7,462	25
156,704	109,067	7,504	7,447	21,021	732	958	3,436	6,539	176,383	58,093	83,266	23,016	3,754	7,602	May 2p
146,599	104,667	6,343	5,701	19,271	732	921	3,223	5,741	178,321	58,250	84,769	23,079	3,866	7,705	9p
153,164	109,203	6,919	3,956	21,930	687	867	3,326	6,276	178,862	58,185	85,383	23,024	3,863	7,754	16p
145,377	104,477	6,052	3,942	19,527	713	918	3,210	6,538	179,929	58,260	86,078	23,057	4,068	7,764	23p
150,504	109,214	6,561	2,891	20,344	723	962	3,328	6,481	180,341	58,219	86,310	22,895	4,083	7,998	30p
															New York City
															1972
39,713	22,811	502	2,004	8,663	396	591	1,773	2,973	24,937	5,726	12,970	2,100	1,046	2,989	May 3
39,074	21,494	439	1,439	9,169	365	738	1,740	3,690	24,987	5,754	13,009	2,101	1,078	2,941	10
38,817	22,225	443	1,628	8,788	342	659	1,842	2,890	24,957	5,751	13,031	2,022	1,105	2,950	17
38,614	21,985	378	1,146	8,711	328	597	1,865	3,604	25,086	5,755	13,110	2,032	1,135	2,954	24
40,908	23,546	426	972	9,593	369	563	2,090	3,349	25,064	5,749	13,215	1,927	1,132	2,942	31
															1973
40,255	23,534	556	1,326	9,219	562	616	2,111	2,331	32,141	5,459	18,655	2,294	2,065	3,570	Apr. 4
38,078	23,398	588	329	7,773	487	676	2,198	2,629	32,289	5,431	18,598	2,259	2,304	3,599	11
39,415	23,342	482	1,735	8,066	424	772	2,168	2,426	31,362	5,389	18,061	2,019	2,187	3,600	18
40,339	23,185	289	1,671	9,075	378	800	2,211	2,730	31,530	5,372	18,199	2,034	2,141	3,679	25
42,444	23,898	560	1,583	9,577	375	811	2,502	3,138	31,598	5,356	18,245	2,010	2,203	3,675	May 2p
38,128	22,068	363	1,063	8,673	374	772	2,242	2,573	31,871	5,356	18,359	2,070	2,208	3,768	9p
41,353	23,163	484	743	10,603	344	718	2,338	2,960	31,978	5,361	18,341	2,154	2,174	3,840	16p
39,133	21,983	344	671	9,151	392	763	2,291	3,538	32,241	5,350	18,464	2,077	2,379	3,862	23p
39,969	23,648	404	493	8,842	363	797	2,314	3,108	32,574	5,345	18,594	2,072	2,397	4,050	30p
															Outside New York City
															1972
108,789	78,725	6,663	6,610	12,031	342	130	792	3,496	122,176	51,568	49,628	17,310	1,064	2,235	May 3
104,777	77,759	6,261	5,099	11,104	332	146	892	3,184	122,533	51,647	49,831	17,332	1,127	2,216	10
108,532	80,066	6,163	5,885	11,862	313	139	811	3,293	123,167	51,772	50,292	17,337	1,159	2,223	17
103,079	77,246	5,975	4,646	10,968	290	148	792	3,014	123,865	51,835	50,826	17,396	1,175	2,254	24
109,268	81,754	6,774	4,055	11,948	329	160	836	3,412	124,017	51,875	51,190	17,154	1,171	2,257	31
															1973
113,304	85,743	5,899	4,738	11,707	395	143	908	3,771	142,647	53,208	64,150	19,497	1,473	3,745	Apr. 4
110,893	86,716	6,139	1,815	11,160	392	141	905	3,625	143,716	53,073	64,553	20,194	1,547	3,753	11
113,508	87,344	5,891	4,654	10,663	371	146	929	3,510	143,978	52,759	64,439	20,885	1,524	3,770	18
110,963	84,530	5,926	5,728	10,166	348	153	927	3,185	144,526	52,718	64,799	21,098	1,541	3,783	25
114,260	85,169	6,944	5,864	11,444	357	147	934	3,401	144,785	52,737	65,021	21,006	1,551	3,927	May 2p
108,471	82,599	5,980	4,638	10,598	358	149	981	3,168	146,450	52,894	66,410	21,009	1,658	3,937	9p
111,811	86,040	6,435	3,213	11,327	343	149	988	3,316	146,884	52,824	67,042	20,870	1,689	3,914	16p
106,244	82,494	5,708	3,271	10,376	321	155	919	3,000	147,688	52,910	67,614	20,980	1,689	3,902	23p
110,535	85,566	6,157	2,398	11,502	360	165	1,014	3,373	147,767	52,874	67,716	20,823	1,686	3,948	30p

For notes see p. A-28.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Federal funds purchased, etc.[7]	Borrowings from— F.R. Banks	Borrowings from— Others	Other liabilities, etc.[8]	Reserves for— Loans	Reserves for— Securities	Total capital accounts	Memoranda: Total loans (gross) adjusted[9]	Memoranda: Total loans and investments (gross) adjusted[9]	Memoranda: Demand deposits adjusted[10]	Large negotiable time CD's included in time and savings deposits[11]: Total	Issued to IPC's	Issued to others	Gross liabilities of banks to their foreign branches
Large banks—Total														
1972														
May 3	26,683	446	1,141	15,889	4,143	71	28,009	199,546	280,726	88,996	34,306	20,949	13,357	1,240
10	27,416	477	1,119	15,476	4,146	71	28,033	199,430	280,775	88,654	34,611	21,194	13,417	1,323
17	28,362	181	1,089	15,882	4,137	71	27,972	198,955	280,376	89,061	34,927	21,553	13,374	1,544
24	27,198	292	1,238	15,712	4,145	71	27,981	198,422	279,566	88,593	35,470	21,947	13,523	1,599
31	27,209	1,516	1,254	15,481	4,154	71	28,187	199,954	281,113	90,922	35,498	22,090	13,408	1,465
1973														
Apr. 4	34,415	716	2,299	16,273	4,379	64	30,188	239,438	319,627	97,678	55,654	36,488	19,166	1,011
11	35,459	907	2,468	16,713	4,398	64	30,193	240,051	320,503	99,938	56,588	36,930	19,658	1,209
18	36,375	2,722	2,742	16,742	4,401	64	30,087	241,056	320,627	99,244	55,609	36,355	19,254	1,193
25	36,006	1,052	2,907	17,267	4,406	64	30,123	241,987	321,654	96,590	56,192	36,854	19,338	1,123
May 2p	34,513	454	2,891	17,082	4,430	64	30,353	242,960	322,578	97,246	56,531	37,073	19,458	1,238
9p	36,592	2,359	2,985	16,311	4,427	73	30,368	243,267	322,710	94,896	57,917	38,128	19,789	1,073
16p	36,836	2,002	3,082	17,574	4,434	64	30,268	245,026	323,600	94,915	58,521	38,659	19,862	1,721
23p	37,315	935	3,002	17,906	4,437	64	30,310	244,520	322,918	94,997	59,426	39,221	20,205	1,490
30p	36,471	1,263	3,205	17,200	4,459	64	30,201	246,068	325,581	95,919	59,705	39,214	20,491	1,345
New York City														
1972														
May 3	5,803	417	106	6,009	1,211	......	7,095	46,285	59,917	18,841	12,134	7,838	4,296	878
10	6,625	325	93	5,817	1,212	......	7,100	45,631	59,639	17,585	12,180	7,915	4,265	897
17	7,812	150	102	6,050	1,213	......	7,069	45,205	59,216	18,247	12,193	8,061	4,132	1,164
24	6,785	276	259	5,960	1,216	......	7,056	45,065	59,018	18,028	12,341	8,164	4,177	1,227
31	6,986	254	334	5,631	1,217	......	7,136	45,691	59,450	18,560	12,199	8,119	4,080	1,025
1973														
Apr. 4	7,360	......	924	6,407	1,236	......	7,667	55,479	68,271	20,707	19,218	13,105	6,113	638
11	7,738	......	986	6,488	1,256	......	7,656	54,824	67,884	21,015	19,414	13,065	6,349	848
18	8,406	800	1,242	6,424	1,260	......	7,607	54,684	67,319	21,099	18,554	12,560	5,994	909
25	7,887	......	1,383	6,779	1,264	......	7,608	54,512	66,947	20,251	18,711	12,724	5,987	869
May 2p	6,723	......	1,254	6,371	1,269	......	7,681	55,244	67,498	21,056	18,694	12,667	6,027	958
9p	8,107	1,215	1,320	5,918	1,274	......	7,679	55,625	67,659	19,440	18,873	12,726	6,147	793
16p	8,869	623	1,392	6,827	1,275	......	7,665	56,477	68,588	19,062	18,980	12,753	6,227	1,438
23p	8,733	15	1,326	7,058	1,275	......	7,665	55,337	67,482	19,782	19,272	12,905	6,367	1,127
30p	8,067	15	1,540	6,350	1,275	......	7,652	55,999	68,520	20,108	19,487	12,898	6,589	972
Outside New York City														
1972														
May 3	20,880	29	1,035	9,880	2,932	71	20,914	153,261	220,809	70,155	22,172	13,111	9,061	362
10	20,791	152	1,026	9,659	2,934	71	20,933	153,799	221,136	71,069	22,431	13,279	9,152	426
17	20,550	31	987	9,832	2,924	71	20,903	153,750	221,160	70,814	22,734	13,492	9,242	380
24	20,413	16	979	9,752	2,929	71	20,925	153,357	220,548	70,565	23,129	13,783	9,346	372
31	20,223	1,262	920	9,850	2,937	71	21,051	154,263	221,663	72,362	23,299	13,971	9,328	440
1973														
Apr. 4	27,055	716	1,375	9,866	3,143	64	22,521	183,959	251,356	76,971	36,436	23,383	13,053	373
11	27,721	907	1,482	10,225	3,142	64	22,537	185,227	252,619	78,923	37,174	23,865	13,309	361
18	27,969	1,922	1,500	10,318	3,141	64	22,480	186,372	253,308	78,145	37,055	23,795	13,260	284
25	28,119	1,052	1,524	10,488	3,142	64	22,515	187,475	254,707	76,339	37,481	24,130	13,351	254
May 2p	27,790	454	1,637	10,711	3,161	64	22,672	187,716	255,080	76,190	37,837	24,406	13,431	280
9p	28,485	1,144	1,665	10,393	3,153	73	22,689	187,642	255,051	75,456	39,044	25,402	13,642	280
16p	27,967	1,379	1,690	10,747	3,159	64	22,603	188,549	255,012	75,853	39,541	25,906	13,635	283
23p	28,582	920	1,676	10,848	3,162	64	22,645	189,183	255,436	75,215	40,154	26,316	13,838	363
30p	28,404	1,248	1,665	10,850	3,184	64	22,549	190,069	257,061	75,811	40,218	26,316	13,902	373

1 Includes securities purchased under agreements to resell.
2 Includes official institutions and so forth.
3 Includes short-term notes and bills.
4 Federal agencies only.
5 Includes corporate stock.
6 Includes U.S. Govt. and foreign bank deposits, not shown separately.
7 Includes securities sold under agreements to repurchase.
8 Includes minority interest in consolidated subsidiaries.
9 Exclusive of loans and Federal funds transactions with domestic commercial banks.
10 All demand deposits except U.S. Govt. and domestic commercial banks, less cash items in process of collection.
11 Certificates of deposit issued in denominations of $100,000 or more.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding 1973 May 30	May 23	May 16	May 9	May 2	Net change during— 1973 May	1973 Apr.	1973 Mar.	1973 I	1972 IV	1972 III	1972 2nd half	1972 1st half
Durable goods manufacturing:													
Primary metals	2,023	2,038	2,044	2,103	2,119	110	7	21	122	20	99	79	88
Machinery	5,738	5,844	5,812	5,783	5,742	7	320	378	808	496	101	395	172
Transportation equipment	2,179	2,194	2,175	2,179	2,186	32	85	44	32	173	85	258	310
Other fabricated metal products	2,160	2,183	2,187	2,168	2,158	52	113	161	236	−24	81	57	14
Other durable goods	3,645	3,664	3,658	3,645	3,610	41	151	258	549	13	82	69	340
Nondurable goods manufacturing:													
Food, liquor, and tobacco	3,370	3,374	3,371	3,406	3,437	−209	39	129	171	640	187	827	−273
Textiles, apparel, and leather	3,257	3,295	3,322	3,324	3,248	11	97	206	455	−351	185	166	567
Petroleum refining	1,211	1,214	1,225	1,169	1,198	9	7	117	218	10	24	−14	183
Chemicals and rubber	2,609	2,610	2,613	2,632	2,671	82	88	281	746	9	253	−262	135
Other nondurable goods	2,008	2,003	1,989	1,980	1,962	64	47	83	203	65	95	30	−158
Mining, including crude petroleum and natural gas	3,970	3,981	3,952	3,911	3,934	23	33	121	331	33	58	25	−203
Trade: Commodity dealers	1,406	1,466	1,506	1,557	1,588	225	226	178	63	481	141	622	504
Other wholesale	5,143	5,149	5,103	5,181	5,119	30	75	122	384	61	155	216	5
Retail	5,959	5,970	5,989	5,729	5,757	138	186	345	635	166	307	473	405
Transportation	5,750	5,759	5,736	5,680	5,684	134	15	24	11	235	−277	42	−14
Communication	2,142	2,124	2,127	2,161	2,293	−35	139	73	179	147	277	424	121
Other public utilities	4,266	4,239	4,187	4,185	4,231	220	169	31	291	531	408	939	−79
Construction	5,395	5,389	5,350	5,272	5,190	238	189	113	304	38	326	364	483
Services	9,891	9,883	9,891	9,850	9,870	65	152	341	542	558	64	494	764
All other domestic loans	7,464	7,423	7,435	7,344	7,353	345	312	319	972	168	71	239	−58
Bankers' acceptances	1,318	1,172	1,202	1,222	1,104	174	177	66	230	302	−202	100	843
Foreign commercial and industrial loans	4,440	4,464	4,470	4,402	4,385	107	127	448	580	414	77	491	164
Total classified loans	85,344	85,438	85,344	84,883	84,839	919	1,602	3,159	7,602	3,599	1,345	4,944	−9
Total commercial and industrial loans of large commercial banks[p]	[p]102,871	[p]103,005	[p]102,937	[p]102,468	[p]102,487	972	2,026	3,612	8,770	4,472	1,677	6,149	1,184

See Note to table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding 1973 May 30	Apr. 25	Mar. 28	Feb. 28	Jan. 31	1972 Dec. 27	Nov. 29	Oct. 25	Sept. 27	Net change during— 1973 I	1972 IV	1972 III	1972 II	1972 2nd half
Durable goods manufacturing:														
Primary metals	1,314	1,315	1,335	1,307	1,336	1,268	1,278	1,282	1,303	67	35	67	27	−102
Machinery	2,560	2,555	2,313	2,305	2,271	2,154	2,034	1,907	1,905	159	249	−49	113	200
Transportation equipment	1,168	1,180	1,174	1,217	1,246	1,205	1,256	1,201	1,307	31	102	−52	−133	154
Other fabricated metal products	833	842	785	765	751	720	707	680	679	65	41	4	11	45
Other durable goods	1,592	1,614	1,520	1,464	1,348	1,239	1,196	1,193	1,188	281	51	6	37	57
Nondurable goods manufacturing:														
Food, liquor, and tobacco	1,372	1,355	1,350	1,325	1,304	1,234	1,191	1,182	1,079	116	155	153	19	308
Textiles, apparel, and leather	942	978	892	843	781	723	699	731	711	169	12	57	15	69
Petroleum refining	885	858	842	778	781	698	681	658	679	144	19	−15	−63	4
Chemicals and rubber	1,441	1,459	1,479	1,439	1,359	1,153	1,143	1,190	1,159	326	6	−65	10	−71
Other nondurable goods	1,063	1,108	1,100	1,062	1,005	894	913	939	918	206	24	46	−106	22
Mining, including crude petroleum and natural gas	2,908	2,895	2,872	2,823	2,896	2,685	2,726	2,748	2,679	187	6	12	−205	18
Trade: Commodity dealers	139	136	150	131	132	121	121	123	107	29	14	−2	−17	12
Other wholesale	1,051	1,068	1,055	1,008	982	894	880	876	864	161	30	−19	−22	11
Retail	1,979	1,947	1,823	1,763	1,698	1,592	1,588	1,497	1,444	231	148	146	−44	294
Transportation	4,161	4,202	4,234	4,285	4,257	4,180	4,070	4,078	4,086	54	94	−219	69	−125
Communication	760	738	746	770	755	682	549	537	561	64	121	64	63	185
Other public utilities	2,328	2,343	2,234	2,245	2,060	1,975	1,825	1,759	1,688	259	287	282	269	569
Construction	1,853	1,800	1,709	1,665	1,661	1,558	1,528	1,520	1,550	151	8	142	−13	150
Services	4,401	4,417	4,339	4,184	4,120	4,026	3,999	3,951	3,862	313	164	143	45	307
All other domestic loans	2,180	2,061	1,871	1,785	1,711	1,597	1,532	1,459	1,554	274	43	131	260	174
Foreign commercial and industrial loans	2,647	2,410	2,567	2,327	2,355	2,366	2,264	2,177	2,143	201	223	105	94	328
Total loans	[p]37,577	[p]37,281	36,390	35,491	34,809	32,964	32,180	31,688	31,466	3,426	1,498	803	−477	2,301

NOTE.—About 160 weekly reporting banks are included in this series; these banks classify, by industry, commercial and industrial loans amounting to about 90 per cent of such loans held by all weekly reporting banks and about 70 per cent of those held by all commercial banks.

For description of series see article "Revised Series on Commercial and Industrial Loans by Industry," Feb. 1967 BULLETIN, p. 209.

Commercial and industrial "term" loans are all outstanding loans with an original maturity of more than 1 year and all outstanding loans granted under a formal agreement—revolving credit or standby—on which the original maturity of the commitment was in excess of 1 year.

GROSS DEMAND DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS[1]

(In billions of dollars)

Class of bank, and quarter or month	Type of holder					Total deposits, IPC
	Financial business	Nonfinancial business	Consumer	Foreign	All other	
All commercial banks:						
1970—June	17.1	85.3	49.0	1.6	9.6	162.5
Sept.	17.0	88.0	51.4	1.4	10.0	167.9
Dec.	17.3	92.7	53.6	1.3	10.3	175.1
1971—Mar.	18.3	86.3	54.4	1.4	10.5	170.9
June	18.1	89.6	56.2	1.3	10.5	175.8
Sept.	17.9	91.5	57.5	1.2	9.7	177.9
Dec.	18.5	98.4	58.6	1.3	10.7	187.5
1972—Mar.	20.2	92.6	54.7	1.4	12.3	181.2
June	17.9	97.6	60.5	1.4	11.0	188.4
Sept.	18.0	101.5	63.1	1.4	11.4	195.4
Dec.	18.9	109.9	65.4	1.5	12.3	208.0
1973—Mar.	18.6	102.8	65.1	1.7	11.8	200.0
Weekly reporting banks:						
1971—Dec.	14.4	58.6	24.6	1.2	5.9	104.8
1972—Apr.	14.3	56.9	27.0	1.2	5.9	105.4
May	13.7	56.2	25.4	1.2	5.7	102.1
June	14.1	57.3	25.7	1.3	6.0	104.3
July	14.3	58.5	26.1	1.3	6.0	106.3
Aug.	13.6	57.4	26.0	1.3	5.7	104.0
Sept.	13.7	59.0	26.2	1.3	6.2	106.4
Oct.	14.1	60.0	26.2	1.3	6.1	107.8
Nov.	14.5	60.5	26.7	1.3	6.2	109.2
Dec.	14.7	64.4	27.1	1.4	6.6	114.3
1973—Jan.	15.0	63.1	27.8	1.4	6.8	114.1
Feb.	14.3	60.3	26.3	1.6	6.5	109.0
Mar.	14.4	59.0	26.5	1.6	6.4	107.9
Apr.[p]	14.3	59.4	28.6	1.8	6.4	110.4

[1] Including cash items in process of collection.

NOTE.—Daily-average balances maintained during month as estimated from reports supplied by a sample of commercial banks. For a detailed description of the type of depositor in each category, see June 1971 BULLETIN, p. 466.

DEPOSITS ACCUMULATED FOR PAYMENT OF PERSONAL LOANS

(In millions of dollars)

Class of bank	Dec. 31, 1969	Dec. 31, 1971	June 30, 1972	Dec. 31, 1972
All commercial	1,131	680	595	559
Insured	1,129	677	592	554
National member	688	387	340	311
State member	188	95	79	71
All member	876	482	419	381
All member—Cont.				
Other large banks[1]	304	112	73	69
All other member[1]	571	371	346	313
All nonmember	255	197	177	177
Insured	253	195	173	172
Noninsured	2	2	3	5

[1] Beginning Nov. 9, 1972, designation of banks as reserve city banks for reserve-requirement purposes has been based on size of bank (net demand deposits of more than $400 million), as described in the BULLETIN for July 1972, p. 626. Categories shown here as "Other large" and "All other member" parallel the previous "Reserve City" (other than in New York City and the City of Chicago) and "Country" categories, respectively (hence the series are continuous over time).

NOTE.—These hypothecated deposits are excluded from "Time deposits" and "Loans" at commercial banks, as shown in the tables on pp. A-18, A-19, and A-24–A-28 (consumer instalment loans), and in the table at the bottom of p. A-17. These changes resulted from a change in Federal Reserve regulations. See June 1966 BULLETIN, p. 808.

These deposits have not been deducted from "Time deposits" and "Loans" for commercial banks as shown on pp. A-20 and A-21 and on pp. A-22 and A-23 (IPC only for time deposits).

LOANS SOLD OUTRIGHT BY COMMERCIAL BANKS

(Amounts outstanding; in millions of dollars)

Date	To own subsidiaries, foreign branches, holding companies, and other affiliates			To all others except banks		
	Total	By type of loan		Total	By type of loan	
		Commercial and industrial	All other		Commercial and industrial	All other
1973—Feb. 7	2,640	1,710	930	1,841	308	1,533
14	2,695	1,753	942	1,839	308	1,531
21	2,946	2,050	896	1,841	304	1,537
28	3,116	2,072	1,044	1,848	296	1,552
Mar. 7	3,013	1,985	1,028	1,879	310	1,569
14	3,136	1,958	1,178	1,869	288	1,581
21	3,000	1,882	1,118	1,863	290	1,573
28 [r]	3,161	1,997	1,164	1,872	295	1,577
Apr. 4	3,428	2,065	1,363	1,838	285	1,553
11	3,553	2,241	1,312	1,846	279	1,567
18	3,566	2,357	1,209	1,823	286	1,537
25	3,614	2,319	1,295	1,816	284	1,532
May 2	3,543	2,281	1,262	1,819	270	1,549
9	3,497	2,232	1,265	1,818	270	1,548
16	3,595	2,330	1,265	1,818	297	1,521
23	3,538	2,282	1,256	1,752	292	1,460
30	3,589	2,231	1,358	1,773	308	1,465

NOTE.—Amounts sold under repurchase agreement are excluded. Figures include small amounts sold by banks other than large weekly reporting banks.

COMMERCIAL AND FINANCE COMPANY PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

(In millions of dollars)

End of period	Commercial and finance company paper					Dollar acceptances									
	Total	Placed through dealers		Placed directly		Total	Held by						Based on—		
							Accepting banks			F.R. Banks		Others	Imports into United States	Exports from United States	All other
		Bank related	Other [1]	Bank related	Other [2]		Total	Own bills	Bills bought	Own acct.	Foreign corr.				
1965	9,058	....	1,903	....	7,155	3,392	1,223	1,094	129	187	144	1,837	792	974	1,626
1966	13,279	....	3,089	....	10,190	3,603	1,198	983	215	193	191	2,022	997	829	1,778
1967	16,535	....	4,901	....	11,634	4,317	1,906	1,447	459	164	156	2,090	1,086	989	2,241
1968	20,497	....	7,201	....	13,296	4,428	1,544	1,344	200	58	109	2,717	1,423	952	2,053
1969	31,709	1,216	10,601	3,078	16,814	5,451	1,567	1,318	249	64	146	3,674	1,889	1,153	2,408
1970	31,765	409	12,262	1,940	17,154	7,058	2,694	1,960	735	57	250	4,057	2,601	1,561	2,895
1971 ▶	31,103	495	10,923	1,478	18,207	7,889	3,480	2,689	791	261	254	3,894	2,834	1,546	3,509
1972—Apr.	32,814	532	12,394	1,644	18,244	7,734	2,840	2,009	830	83	265	4,547	2,597	1,707	3,431
May	33,055	517	12,043	1,482	19,013	7,443	2,874	2,117	757	143	261	4,165	2,683	1,596	3,164
June	33,482	542	12,325	1,429	19,186	7,069	2,817	2,082	735	73	251	3,927	2,657	1,569	2,843
July	33,891	604	12,319	1,652	19,316	6,643	2,430	1,873	557	63	263	3,887	2,492	1,606	2,545
Aug.	32,998	705	12,239	1,716	18,338	6,639	2,298	1,829	469	96	287	3,958	2,532	1,631	2,476
Sept.	32,645	775	12,313	1,593	17,964	6,602	2,403	1,833	569	62	261	3,876	2,538	1,646	2,418
Oct.	34,073	821	12,737	1,708	18,807	6,748	2,394	1,881	514	70	219	4,065	2,585	1,786	2,377
Nov.	34,067	876	12,345	1,709	19,137	6,864	2,529	1,995	535	63	199	4,073	2,621	1,844	2,400
Dec.	34,721	930	11,242	1,707	20,842	6,898	2,706	2,006	700	106	179	3,907	2,531	1,909	2,458
1973—Jan.	35,727	911	11,641	1,795	21,380	6,564	2,384	1,825	560	141	198	3,841	2,337	1,948	2,279
Feb.	35,196	956	9,968	2,160	22,112	6,734	2,328	1,765	563	233	239	3,934	2,311	2,113	2,310
Mar.	34,052	993	8,366	2,463	22,230	6,859	2,269	1,777	492	165	282	4,143	2,091	2,399	2,368
Apr.	34,404	1,044	8,290	2,767	22,303	6,713	2,068	1,641	427	136	344	4,165	1,996	2,359	2,359

▶ *Data for commercial and finance company paper on new basis* beginning Dec. 1971. The new series reflects inclusion of paper issued directly by real estate investment trusts and several additional finance companies.

[1] *As reported by dealers;* includes finance company paper as well as other commercial paper sold in the open market.

[2] As reported by finance companies that place their paper directly with investors.

PRIME RATE CHARGED BY BANKS

(Per cent per annum)

Effective date	Rate
1956—Apr. 13	3¾
Aug. 21	4
1957—Aug. 6	4½
1958—Jan. 22	4
Apr. 21	3½
Sept. 11	4
1959—May 18	4½
Sept. 1	5
1960—Aug. 23	4½
1965—Dec. 6	5
1966—Mar. 10	5½
June 29	5¾
Aug. 16	6
1967—Jan. 26 27	5½–5¾
Mar. 27	5½
Nov. 20	6
1968—Apr. 19	6½
Sept. 25	6–6¼
Nov. 13	6¼
Dec. 2	6½
18	6¾
1969—Jan. 7	7
Mar. 17	7½
June 9	8½
1970—Mar. 25	8
Sept. 21	7½
Nov. 12	7¼
23	7
Dec. 22	6¾
1971—Jan. 6	6½
15	6¼
18	6
Feb. 16	5¾
Mar. 11	5¼–5½
19	5¼
Apr. 23	5¼–5½
May 11	5½
July 6	5½–6
7	6
Oct. 20	5¾
Nov. 1	5¾■–5⅞
4	5½■–5⅝
8	5½■
22	5⅜–5½■
29	5¼–5½■
Dec. 6	5¼–5⅜–5½■
27	5¼–5½■
31	5¼■
1972—Jan. 3	5–5⅛–5¼■
17	4¾–5–5¼■
24	4⅝–4¾–5■
31	4½–4¾■–5
1972—Feb. 28	4⅜–4½–4¾■
Mar. 13	4½–4¾■
23	4¾■
27	4¾■–4⅞–5
Apr. 3	4¾■–5
5	5■
17	5■–5¼
May 1	5■–5⅛–5¼
30	5■
June 12	5■–5⅛
26	5–5¼■
July 3	5¼■–5⅜
10	5¼■–5⅜–5½
17	5¼■–5½
31	5¼■–5⅜–5½
Aug. 11	5¼■–5⅜
14	5¼■
21	5¼■–5⅜
25	5¼■–5⅜–5½
29	5¼–5⅜–5½■
Sept. 4	5¼–5½■
5	5½■
11	5½■–5⅝
25	5½■–5⅝–5¾
1972—Oct. 2	5½■–5¾
4	5½–5¾■
11	5¾■
16	5¾■–5⅞
Nov. 6	5¾■
20	5¾■–5⅞
Dec. 26	5¾■–6
27	5¾–6■
1973—Jan. 4	6■
Feb. 2	6■–6¼
14	6■
26	6■–6¼
27	6¼■
Mar. 19	6¼■–6¾
26	6½■
April 18	6½–6¾■
19	6¾■
May 4	6¾■–7
7	7■
24	7■–7¼
25	7–7¼■

NOTE.—Beginning Nov. 1971, several banks adopted a floating prime rate keyed to money market variables. ■ denotes prime rate charged by the major commercial banks.

Effective April 16, 1973, with the adoption of a two tier or "dual prime rate," this table shows only the "large-business prime rate " which is the range of rates charged by commercial banks on short-term loans to large businesses with the highest credit standing.

RATES ON BUSINESS LOANS OF BANKS

Center	All sizes		Size of loan (in thousands of dollars): 1–9		10–99		100–499		500–999		1,000 and over	
	Feb. 1973	Nov. 1972	Feb. 1973	Nov. 1972	Feb. 1973	Nov. 1972	Feb. 1973	Nov. 1972	Feb. 1973	Nov. 1972	Feb. 1973	Nov. 1972
					Short-term							
35 centers	6.52	6.33	7.63	7.52	7.29	7.10	6.83	6.60	6.52	6.24	6.30	6.14
New York City	6.22	6.09	7.39	7.34	7.08	6.79	6.59	6.27	6.33	6.01	6.13	6.05
7 Other Northeast	6.89	6.61	8.00	7.78	7.53	7.35	7.04	6.78	6.93	6.41	6.65	6.39
8 North Central	6.45	6.27	7.26	7.22	7.16	6.96	6.83	6.57	6.35	6.17	6.27	6.11
7 Southeast	6.76	6.56	7.73	7.64	7.33	7.15	6.89	6.74	6.65	6.38	6.41	6.21
8 Southwest	6.63	6.36	7.48	7.38	7.16	6.97	6.72	6.52	6.53	6.27	6.38	6.04
4 West Coast	6.56	6.41	7.88	7.79	7.42	7.31	6.82	6.71	6.38	6.30	6.32	6.24
					Revolving credit							
35 centers	6.40	6.11	7.24	6.87	7.03	6.81	6.58	6.47	6.41	6.27	6.40	6.05
New York City	6.53	6.01	7.07	7.51	6.87	6.35	6.56	6.27	6.40	6.19	6.53	5.99
7 Other Northeast	6.38	6.22	7.51	6.26	7.09	6.92	6.69	6.23	6.47	6.09	6.32	6.21
8 North Central	6.25	6.12	8.50	8.14	7.14	6.86	6.54	6.42	6.29	6.35	6.18	6.03
7 Southeast	7.24	6.20	6.00	5.97	5.95	6.55	6.41	7.93	....	5.84	7.67	5.75
8 Southwest	6.83	6.50	7.65	6.98	7.17	6.76	6.74	6.75	6.86	6.55	6.82	6.36
4 West Coast	6.37	6.14	7.25	7.14	7.13	6.90	6.57	6.42	6.36	6.29	6.32	6.08
					Long-term							
35 centers	7.11	6.67	7.50	7.43	7.49	7.15	7.31	6.82	7.13	6.76	7.06	6.61
New York City	6.90	6.26	6.64	7.14	7.00	7.03	7.09	6.08	6.47	5.78	6.91	6.29
7 Other Northeast	7.08	6.74	7.28	7.37	7.66	7.10	7.49	6.70	6.89	6.66	6.94	6.73
8 North Central	7.04	7.35	7.34	6.94	7.60	7.09	7.24	7.29	7.02	7.90	6.98	7.30
7 Southeast	8.29	7.79	7.38	9.67	7.05	7.15	8.67	7.51	7.76	7.88	8.71	8.25
8 Southwest	7.88	6.72	8.20	6.81	7.97	7.14	7.37	7.20	6.62	6.17	8.45	6.76
4 West Coast	7.17	6.38	7.73	7.42	7.22	7.44	6.98	6.67	8.24	6.77	7.06	6.27

NOTE.—Beginning Feb. 1971 the Quarterly Survey of Interest Rates on Business Loans was revised. For description of revised series see pp. 468–77 of the June 1971 BULLETIN.

MONEY MARKET RATES

(Per cent per annum)

Period	Prime commercial paper[1]		Finance co. paper placed directly, 3- to 6-months[2]	Prime bankers' acceptances, 90 days[1]	Federal funds rate[3]	U.S. Government securities[4]						
						3-month bills[5]		6-month bills[5]		9- to 12-month issues		3- to 5-year issues[7]
	90-119 days	4- to 6-months				Rate on new issue	Market yield	Rate on new issue	Market yield	1-year bill (market yield)[5]	Other[6]	
1966	....	5.55	5.42	5.36	5.11	4.881	4.86	5.082	5.06	5.07	5.17	5.16
1967	....	5.10	4.89	4.75	4.22	4.321	4.29	4.630	4.61	4.71	4.84	5.07
1968	....	5.90	5.69	5.75	5.66	5.339	5.34	5.470	5.47	5.46	5.62	5.59
1969	....	7.83	7.16	7.61	8.22	6.677	6.67	6.853	6.86	6.79	7.06	6.85
1970	....	7.72	7.23	7.31	7.17	6.458	6.39	6.562	6.51	6.49	6.90	7.37
1971	....	5.11	4.91	4.85	4.66	4.348	4.33	4.511	4.52	4.67	4.75	5.77
1972	4.67	4.69	4.52	4.47	4.44	4.071	4.07	4.466	4.49	4.77	4.86	5.85
1972—May	4.45	4.51	4.38	4.25	4.27	3.648	3.69	4.064	4.12	4.46	4.58	5.69
June	4.60	4.64	4.45	4.47	4.46	3.874	3.91	4.270	4.35	4.71	4.87	5.77
July	4.83	4.85	4.72	4.73	4.55	4.059	3.98	4.583	4.50	4.90	4.89	5.86
Aug.	4.75	4.82	4.58	4.67	4.80	4.014	4.02	4.527	4.55	4.90	4.91	5.92
Sept.	5.07	5.14	4.91	4.84	4.87	4.651	4.66	5.086	5.13	5.44	5.49	6.16
Oct.	5.21	5.30	5.13	5.05	5.04	4.719	4.74	5.118	5.13	5.39	5.41	6.11
Nov.	5.18	5.25	5.13	5.01	5.06	4.774	4.78	5.079	5.09	5.20	5.22	6.03
Dec.	5.40	5.45	5.24	5.16	5.33	5.061	5.07	5.287	5.30	5.28	5.46	6.07
1973—Jan.	5.76	5.78	5.56	5.60	5.94	5.307	5.41	5.527	5.62	5.58	5.78	6.29
Feb.	6.17	6.22	5.97	6.14	6.58	5.558	5.60	5.749	5.83	5.93	6.07	6.61
Mar.	6.76	6.85	6.45	6.82	7.09	6.054	6.09	6.430	6.51	6.53	6.81	6.85
Apr.	7.13	7.14	6.76	6.97	7.12	6.289	6.26	6.525	6.52	6.51	6.79	6.74
May	7.26	7.27	6.85	7.15	7.84	6.348	6.36	6.615	6.62	6.63	6.83	6.78
Week ending—												
1973—Feb. 3	6.03	6.10	5.83	5.98	6.35	5.689	5.70	5.871	5.88	5.99	5.96	6.50
10	6.13	6.20	5.95	6.13	6.21	5.665	5.56	5.849	5.76	5.86	5.97	6.55
17	6.13	6.22	6.00	6.13	6.58	5.424	5.43	5.624	5.60	5.74	5.92	6.53
24	6.22	6.25	6.00	6.13	6.79	5.455	5.58	5.653	5.84	5.95	6.16	6.67
Mar. 3	6.28	6.30	6.05	6.30	6.75	5.811	5.81	6.045	6.11	6.18	6.39	6.76
10	6.50	6.53	6.23	6.65	7.02	5.879	5.85	6.272	6.29	6.35	6.56	6.84
17	6.75	6.85	6.38	6.83	7.13	5.997	6.05	6.440	6.56	6.56	6.84	6.90
24	6.95	7.08	6.60	7.00	6.96	6.334	6.31	6.759	6.70	6.69	7.02	6.91
31	7.00	7.13	6.75	7.00	7.11	6.251	6.29	6.632	6.67	6.66	6.99	6.79
Apr. 7	7.13	7.18	6.78	7.00	7.18	6.531	6.45	6.814	6.68	6.63	6.98	6.77
14	7.13	7.13	6.78	6.98	6.84	6.187	6.20	6.268	6.40	6.41	6.77	6.67
21	7.13	7.13	6.75	6.88	7.23	6.187	6.16	6.389	6.43	6.42	6.70	6.73
28	7.13	7.13	6.75	7.00	7.14	6.251	6.23	6.630	6.56	6.56	6.70	6.79
May 5	7.13	7.13	6.75	7.00	7.43	6.278	6.24	6.575	6.56	6.60	6.74	6.79
12	7.13	7.13	6.75	7.00	7.60	6.136	6.07	6.431	6.42	6.49	6.68	6.76
19	7.23	7.28	6.75	7.13	7.81	6.179	6.22	6.456	6.48	6.49	6.72	6.76
26	7.38	7.38	6.95	7.33	8.06	6.452	6.56	6.748	6.78	6.78	6.98	6.82
June 2	7.53	7.53	7.13	7.41	7.95	6.694	6.91	6.864	6.99	6.93	7.13	6.79

[1] Averages of the most representative daily offering rate quoted by dealers.
[2] Averages of the most representative daily offering rate published by finance companies, for varying maturities in the 90-179 day range.
[3] Seven-day average for week ending Wednesday.
[4] Except for new bill issues, yields are averages computed from daily closing bid prices.
[5] Bills quoted on bank-discount-rate basis.
[6] Certificates and selected note and bond issues.
[7] Selected note and bond issues.

NOTE.—Figures for Treasury bills are the revised series described on p. A-35 of the Oct. 1972 BULLETIN.

BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds				Corporate bonds									Stocks		
	United States (long-term)	State and local			Aaa utility		Total[1]	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total[1]	Aaa	Baa	New issue	Recently offered	Seasoned issues						Preferred	Common	Common
								Aaa	Baa	Industrial	Railroad	Public utility			
1963	4.00	3.28	3.06	3.58	4.21	....	4.50	4.26	4.86	4.42	4.65	4.41	4.30	3.17	5.68
1964	4.15	3.28	3.09	3.54	4.34	....	4.57	4.40	4.83	4.52	4.67	4.53	4.32	3.01	5.54
1965	4.21	3.34	3.16	3.57	4.50	4.51	4.64	4.49	4.87	4.61	4.72	4.60	4.33	3.00	5.87
1966	4.66	3.90	3.67	4.21	5.43	5.38	5.34	5.13	5.67	5.30	5.37	5.36	4.97	3.40	6.72
1967	4.85	3.99	3.74	4.30	5.82	5.79	5.82	5.51	6.23	5.74	5.89	5.81	5.34	3.20	5.71
1968	5.25	4.48	4.20	4.88	6.50	6.47	6.51	6.18	6.94	6.41	6.77	6.49	5.78	3.07	5.64
1969	6.10	5.73	5.45	6.07	7.71	7.64	7.36	7.03	7.81	7.22	7.46	7.49	6.41	3.24	6.08
1970	6.59	6.42	6.12	6.75	8.68	8.71	8.51	8.04	9.11	8.26	8.77	8.68	7.22	3.83	6.51
1971	5.74	5.62	5.22	5.89	7.62	7.66	7.94	7.39	8.56	7.57	8.38	8.13	6.75	3.14	5.40
1972	**5.63**	**5.30**	**5.04**	**5.60**	**7.31**	**7.34**	**7.63**	**7.21**	**8.16**	**7.35**	**7.99**	**7.74**	**7.27**	**2.84**	....
1972—May	5.64	5.33	5.09	5.65	7.38	....	7.71	7.30	8.23	7.43	8.01	7.88	6.90	2.88	....
June	5.59	5.35	5.07	5.72	7.32	....	7.66	7.23	8.20	7.36	7.98	7.83	6.93	2.87	5.57
July	5.57	5.50	5.23	5.78	7.38	....	7.66	7.21	8.23	7.39	8.00	7.80	6.99	2.90	....
Aug.	5.54	5.36	5.10	5.66	7.37	....	7.61	7.19	8.19	7.35	7.99	7.69	6.90	2.80	....
Sept.	5.70	5.38	5.12	5.69	7.40	....	7.59	7.22	8.09	7.36	7.97	7.63	7.00	2.83	5.56
Oct.	5.69	5.24	5.03	5.45	7.38	....	7.59	7.21	8.06	7.36	7.97	7.63	7.03	2.82	....
Nov.	5.50	5.11	4.91	5.37	7.09	....	7.52	7.12	7.99	7.28	7.95	7.55	6.93	2.73	....
Dec.	5.63	5.13	4.91	5.39	7.15	....	7.47	7.08	7.93	7.22	7.91	7.48	6.92	2.70	5.46
1973—Jan.	5.94	5.13	4.90	5.39	7.38	....	7.49	7.15	7.90	7.27	7.87	7.51	6.85	2.69	....
Feb.	6.14	5.17	4.95	5.44	7.40	....	7.57	7.22	7.97	7.34	7.92	7.61	6.91	2.80	....
Mar.	6.20	5.30	5.07	5.58	7.49	....	7.62	7.29	8.03	7.43	7.94	7.64	7.03	2.83	....
Apr.	6.11	5.17	4.95	5.42	7.46	7.47	7.62	7.26	8.09	7.43	7.98	7.64	7.11	2.90	....
May	6.22	5.13	4.90	5.41	7.51	7.50	7.62	7.29	8.06	7.41	8.01	7.63	7.13	3.01	....
Week ending—															
1973—Apr. 7	6.16	5.26	5.05	5.50	7.51	7.50	7.63	7.27	8.11	7.46	7.96	7.65	7.16	2.94	....
14	6.09	5.09	4.85	5.35	....	7.47	7.63	7.25	8.10	7.44	7.98	7.63	7.09	2.84	....
21	6.07	5.13	4.90	5.40	....	7.52	7.62	7.25	8.10	7.42	8.00	7.63	7.11	2.87	....
28	6.10	5.20	5.00	5.45	7.45	7.42	7.62	7.26	8.05	7.40	8.00	7.63	7.09	2.96	....
May 5	6.15	5.10	4.85	5.35	7.40	7.42	7.59	7.26	8.03	7.38	7.97	7.62	7.12	2.96	....
12	6.15	5.10	4.85	5.35	....	7.45	7.60	7.26	8.03	7.39	8.00	7.61	7.01	2.92	....
19	6.21	5.13	4.85	5.40	7.45	7.50	7.61	7.29	8.04	7.40	7.99	7.61	7.12	3.03	....
26	6.31	5.19	4.95	5.45	7.61	7.55	7.64	7.32	8.08	7.43	8.03	7.64	7.22	3.10	....
June 2	6.31	5.24	5.00	5.50	7.55	7.60	7.67	7.35	8.12	7.45	8.06	7.67	7.20	3.02	....
Number of issues[2]	11	20	5	5	....	....	121	20	30	41	30	40	14	500	500

[1] Includes bonds rated Aa and A, data for which are not shown separately. Because of a limited number of suitable issues, the number of corporate bonds in some groups has varied somewhat. As of Dec. 23, 1967, there is no longer an Aaa-rated railroad bond series.

[2] Number of issues varies over time; figures shown reflect most recent count.

NOTE.—Annual yields are averages of monthly or quarterly data. **Bonds:** Monthly and weekly yields are computed as follows: (1) *U.S. Govt.:* Averages of daily figures for bonds maturing or callable in 10 years or more; from Treasury Dept. (2) *State and local govt.:* General obligations only, based on Thurs. figures; from Moody's Investor Service. (3) *Corporate:* Rates for "New issue" and "Recently offered" Aaa utility bonds are weekly averages compiled by the Board of Governors of the Federal Reserve System. Rates for seasoned issues are averages of daily figures from Moody's Investors Service.

Stocks: Standard and Poor's corporate series. Dividend/price ratios are based on Wed. figures; earnings/price ratios are as of end of period. Preferred stock ratio is based on eight median yields for a sample of non-callable issues 12 industrial and 2 public utility; common stock ratios on the 500 stocks in the price index. Quarterly earnings are seasonally adjusted at annual rates.

Notes to tables on opposite page:

Security Prices:

[1] Begins June 30, 1965, at 10.90. On that day the average price of a share of stock listed on the American Stock Exchange was $10.90.

NOTE.—Annual data are averages of monthly figures. Monthly and weekly data are averages of daily figures unless otherwise noted and are computed as follows: *U.S. Govt. bonds*, derived from average market yields in table on p. A-34 on basis of an assumed 3 per cent, 20-year bond. *Municipal and corporate bonds*, derived from average yields as computed by Standard and Poor's Corp., on basis of a 4 per cent, 20-year bond; Wed. closing prices. *Common stocks*, derived from component common stock prices. *Average daily volume of trading*, normally conducted 5 days per week for 5½ hours per day, or 27½ hours per week. In recent years shorter days and/or weeks have cut total weekly trading to the following number of hours: **1967** Aug. 8 20, 20; **1968**—Jan. 22–Mar. 1, 20; June 30–Dec. 31, 22; **1969**—Jan. 3–July 3, 20; July 7–Dec. 31–22½; **1970** -Jan. 2–May 1, 25.

Terms on Mortgages:

[1] Fees and charges—related to principal mortgage amount—include loan commissions, fees, discounts, and other charges, which provide added income to the lender and are paid by the borrower. They exclude any closing costs related solely to transfer of property ownership.

[2] Series revised beginning Jan. 1973; hence data are not strictly comparable with earlier figures.

NOTE.—Compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are weighted averages based on probability sample survey of characteristics of mortgages originated by major institutional lender groups (including mortgage companies) for purchase of single-family homes. Data exclude loans for refinancing, reconditioning, or modernization; construction loans to homebuilders; and permanent loans that are coupled with construction loans to owner-builders. Series beginning 1965, not strictly comparable with earlier data. See also the table on Home-Mortgage Yields, p. A-53.

SECURITY PRICES

Period	Bond prices (per cent of par)			Common stock prices											Volume of trading in stocks (thousands of shares)	
				New York Stock Exchange									American Stock Exchange total index[1]			
				Standard and Poor's index (1941–43=10)				New York Stock Exchange index (Dec. 31, 1965=50)								
	U.S. Govt. (long-term)	State and local	Corporate AAA	Total	Industrial	Railroad	Public utility	Total	Industrial	Transportation	Utility	Finance			NYSE	AMEX
1963	86.31	111.3	96.8	69.87	73.39	37.58	64.99	......	......	......	......	......	8.52		4,573	1,269
1964	84.46	111.5	95.1	81.37	86.19	45.46	69.91	......	......	......	......	......	9.81		4,888	1,570
1965	83.76	110.6	93.9	88.17	93.48	46.78	76.08	......	......	......	......	......	12.05		6,174	2,120
1966	78.63	102.6	86.1	85.26	91.09	46.34	68.21	44.16	43.79	48.23	44.77	44.43	14.67		7,538	2,752
1967	76.55	100.5	81.8	91.93	99.18	46.72	68.10	50.77	51.97	53.51	45.43	49.82	19.67		10,143	4,508
1968	72.33	93.5	76.4	98.70	107.49	48.84	66.42	55.37	58.00	50.58	44.19	65.85	27.72		12,971	6,353
1969	64.49	79.0	68.5	97.84	107.13	45.95	62.64	54.67	57.45	46.96	42.80	70.49	28.73		11,403	5,001
1970	60.52	72.3	61.6	83.22	91.29	32.13	54.48	45.72	48.03	32.14	37.24	54.64	22.59		10,532	3,376
1971	67.73	80.0	65.0	98.29	108.35	41.94	59.33	54.22	57.92	44.35	39.53	70.38	25.22		17,429	4,234
1972	68.71	84.4	65.9	109.20	121.79	44.11	56.90	60.29	65.73	50.17	38.48	78.35	27.00		16,487	4,447
1972—May	68.59	84.6	65.3	107.65	120.16	45.06	54.94	59.82	65.30	53.43	37.04	78.32	27.63		15,270	4,184
June	69.05	83.4	65.6	108.01	120.84	43.66	53.73	59.87	65.76	51.26	36.32	76.59	27.47		14,298	3,872
July	69.23	83.1	65.6	107.21	119.98	42.00	53.47	59.21	65.13	48.45	36.02	75.41	26.97		14,450	3,546
Aug.	69.55	84.2	65.8	111.01	124.35	43.28	54.66	61.07	67.25	48.97	36.87	78.27	26.85		15,522	3,807
Sept.	68.06	83.4	65.6	109.39	122.33	42.37	55.36	60.05	65.72	46.49	37.82	78.41	25.23		12,314	2,774
Oct.	68.09	85.3	65.5	109.56	122.39	41.20	56.66	59.99	65.35	44.95	38.93	79.64	25.87		14,427	3,014
Nov.	69.87	87.1	65.9	115.05	128.29	42.41	61.16	62.99	68.29	47.50	41.81	84.57	26.18		20,282	4,286
Dec.	68.68	87.1	66.05	117.50	131.08	45.23	61.73	64.26	69.96	48.44	42.28	83.45	26.50		18,146	4,775
1973—Jan.	65.89	86.9	66.0	118.42	132.55	42.87	60.01	64.38	70.55	45.14	41.72	81.62	25.35		18,752	4,046
Feb.	64.09	86.1	65.5	114.16	128.50	40.80	57.52	61.52	67.67	42.34	39.95	74.47	25.34		16,753	3,690
Mar.	63.59	84.1	65.2	112.42	126.05	39.29	55.94	60.15	66.20	40.92	39.13	72.32	24.59		15,564	2,966
Apr.	64.39	85.7	64.9	110.27	123.56	35.88	55.34	58.67	64.41	40.57	38.97	69.42	24.02		13,900	2,981
May	63.43	86.1	64.7	107.22	119.95	36.14	55.43	56.74	62.22	36.66	39.01	65.33	23.12		15,329	3,043
Week ending—																
1973—May 5	64.05	86.5	64.9	108.74	121.77	37.60	55.30	57.61	63.22	38.50	39.09	66.74	24.53		16,370	2,962
12	64.00	86.5	64.8	109.99	123.13	37.80	56.14	58.31	63.98	38.43	39.67	67.48	24.63		13,757	2,480
19	63.56	86.2	64.6	105.66	118.07	35.78	55.44	56.01	61.27	36.14	39.07	64.60	23.12		15,193	3,052
26	62.69	85.5	64.6	105.09	117.52	34.52	54.90	55.44	60.79	34.85	38.44	63.18	22.53		18,050	4,043
June 2	62.67	85.5	64.6	105.58	118.09	34.41	55.01	55.76	61.20	34.71	38.47	64.01	22.62		11,405	2,388

For notes see opposite page.

TERMS ON CONVENTIONAL FIRST MORTGAGES

Period	New homes						Existing homes					
	Contract rate (per cent)	Fees & charges (per cent)[1]	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)	Contract rate (per cent)	Fees & charges (per cent)[1]	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)
1965	5.74	.49	25.0	73.9	25.1	18.3	5.87	.55	21.8	72.7	21.6	15.6
1966	6.14	.71	24.7	73.0	26.6	19.2	6.30	.72	21.7	72.0	22.2	15.9
1967	6.33	.81	25.2	73.6	28.0	20.4	6.40	.76	22.5	72.7	24.1	17.4
1968	6.83	.89	25.5	73.9	30.7	22.4	6.90	.83	22.7	73.0	25.6	18.5
1969	7.66	.91	25.5	72.8	34.1	24.5	7.68	.88	22.7	71.5	28.3	19.9
1970	8.27	1.03	25.1	71.7	35.5	25.2	8.20	.92	22.8	71.1	30.0	21.0
1971	7.60	.87	26.2	74.3	36.3	26.5	7.54	.77	24.2	73.9	31.7	23.1
1972	7.45	.88	27.2	76.8	37.3	28.1	7.38	.81	25.7	76.0	33.4	25.0
1972—May	7.40	.84	27.2	76.2	38.2	28.5	7.33	.77	25.2	75.4	33.3	24.6
June	7.41	.85	27.2	76.5	37.2	27.8	7.36	.78	25.5	76.1	33.8	25.2
July	7.43	.83	27.2	77.0	37.3	28.2	7.37	.83	25.6	76.2	33.8	25.2
Aug.	7.45	.86	27.5	77.5	36.8	27.9	7.39	.81	26.3	76.5	33.7	25.4
Sept.	7.43	.86	27.3	77.5	36.6	27.9	7.42	.83	26.2	76.5	32.9	24.8
Oct.	7.48	.88	27.2	77.3	36.0	27.4	7.43	.84	26.1	76.3	33.3	25.0
Nov.	7.50	.90	27.5	77.4	37.1	28.1	7.44	.83	26.2	76.7	33.7	25.3
Dec.	7.51	.92	27.5	78.0	37.9	29.0	7.45	.86	26.4	76.8	34.0	25.7
1973—Jan.	7.52	1.03	25.7	76.6	35.8	27.0	7.53	.94	23.2	75.2	30.5	22.6
Feb.	7.52	1.15	26.8	78.6	35.9	27.6	7.55	1.03	23.6	77.5	29.2	22.0
Mar.[r]	7.51	1.09	26.6	78.4	36.7	28.3	7.54	.95	23.3	76.9	29.3	22.0
Apr.[r]	7.53	1.11	26.6	78.2	36.9	28.2	7.55	.96	23.9	77.3	30.1	22.8
May	7.54	1.13	26.5	78.6	36.2	27.9	7.62	.96	23.9	77.4	30.0	22.6

For notes see opposite page.

STOCK MARKET CUSTOMER FINANCING

(In millions of dollars)

End of period	Margin credit at brokers and banks[1] — Regulated[2] — By source — Total	By source — Brokers	By source — Banks	By type — Margin stock — Brokers	Margin stock — Banks	Convertible bonds — Brokers	Convertible bonds — Banks	Subscription issues — Brokers	Subscription issues — Banks	Unregulated[3] — Nonmargin stock credit at banks	Other security credit at banks[4]	Free credit balances at brokers[5] — Margin accts.	Free credit balances at brokers — Cash accts.
1972—Apr.	8,250	7,283	967	7,010	898	240	57	33	12	1,150	1,278	433	2,030
May	8,472	7,478	994	7,200	924	241	58	37	12	1,141	1,296	403	1,930
June	8,747	7,792	955	7,510	889	244	51	38	15	1,644	1,274	386	1,845
July	8,924	7,945	979	7,660	910	248	53	37	16	1,772	1,285	403	1,842
Aug.	9,092	8,060	1,032	7,780	961	246	54	34	17	1,800	1,298	384	1,733
Sept.	9,091	8,083	1,008	7,800	937	248	54	35	17	1,871	1,255	380	1,677
Oct.	9,024	8,081	943	7,800	872	250	53	31	18	1,875	1,351	389	1,708
Nov.	9,068	8,166	902	7,890	831	249	52	27	19	1,871	1,396	390	1,828
Dec.	9,045	8,180	865	7,900	798	254	50	26	17	1,896	1,528	414	1,957
1973—Jan.	8,840	7,975	865	7,700	796	249	48	26	21	1,940	1,484	413	1,883
Feb.	8,620	7,753	867	7,480	800	248	50	25	17	1,954	1,508	431	1,770
Mar.	8,344	7,465	879	7,197	813	244	48	24	18	1,917	1,566	442	1,719
Apr.	8,165	7,293	872	7,040	804	232	49	21	19	1,969	1,482	389	1,536

[1] Margin credit includes all credit extended to purchase or carry stocks or related equity instruments and secured at least in part by stock (see Dec. 1970 BULLETIN). Credit extended by brokers is end-of-month data for member firms of the New York Stock Exchange. June data for banks are universe totals; all other data for banks represent estimates for all commercial banks based on reports by a reporting sample, which accounted for 60 per cent of security credit outstanding at banks on June 30, 1971.

[2] In addition to assigning a current loan value to margin stock generally, Regulations T and U permit special loan values for convertible bonds and stock acquired through exercise of subscription rights.

[3] Nonmargin stocks are those not listed on a national securities exchange and not included on the Federal Reserve System's list of Over the Counter margin stocks. At banks, loans to purchase or carry nonmargin stocks are unregulated; at brokers, such stocks have no loan value.

[4] Includes loans to purchase or carry margin stock if these are unsecured or secured entirely by unrestricted collateral (see Dec. 1970 BULLETIN).

[5] Free credit balances are in accounts with no unfulfilled commitments to the brokers and are subject to withdrawal by customers on demand.

EQUITY STATUS OF MARGIN ACCOUNT DEBT AT BROKERS

(Per cent of total debt, except as noted)

End of period	Total debt (millions of dollars)[1]	Equity class (per cent) — 80 or more	70–79	60–69	50–59	40–49	Under 40
1972—Apr.	7,010	7.1	10.2	19.5	40.0	12.8	10.5
May	7,200	6.9	9.9	19.3	38.6	15.0	10.4
June	7,510	6.0	9.1	15.9	33.9	22.0	13.2
July	7,660	5.5	8.3	14.6	30.8	24.9	15.7
Aug.	7,780	5.9	8.6	15.0	33.6	22.4	14.6
Sept.	7,800	5.5	8.0	13.8	31.4	24.9	16.4
Oct.	7,800	5.5	8.1	13.6	30.8	25.0	17.0
Nov.	7,890	6.0	9.4	16.6	35.1	20.5	12.4
Dec.	7,900	6.5	8.6	17.6	31.9	20.3	15.0
1973—Jan.	7,700	5.8	8.2	16.8	27.8	21.2	20.0
Feb.	7,480	5.3	7.8	14.7	23.9	22.5	25.6
Mar.	7,200	5.7	7.5	15.9	23.1	22.7	25.1
Apr.	7,040	4.8	7.3	13.4	19.8	22.4	32.4

[1] See note 1 to table above.

NOTE.—Each customer's equity in his collateral (market value of collateral less net debit balance) is expressed as a percentage of current collateral values.

SPECIAL MISCELLANEOUS ACCOUNT BALANCES AT BROKERS, BY EQUITY STATUS OF ACCOUNTS

(Per cent of total, except as noted)

End of period	Net credit status	Equity class of accounts in debit status — 60 per cent or more	Less than 60 per cent	Total balance (millions of dollars)
1972—Apr.	35.5	56.5	8.0	5,920
May	34.7	57.1	8.0	5,860
June	34.3	56.3	9.4	5,770
July	34.4	55.2	11.4	5,930
Aug.	33.4	55.2	11.4	5,990
Sept.	33.7	53.8	12.5	6,000
Oct.	33.3	53.4	13.3	5,950
Nov.	33.6	54.5	11.8	6,140
Dec.	34.4	52.9	12.7	6,100
1973—Jan.	35.1	51.7	13.1	5,850
Feb.	35.8	49.8	14.4	5,770
Mar.	36.3	47.9	15.7	5,790
Apr.	35.3	46.9	18.0	5,660

NOTE.—Special miscellaneous accounts contain credit 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.

MUTUAL SAVINGS BANKS

(In millions of dollars)

End of period	Loans: Mortgage	Loans: Other	Securities: U.S. Govt.	Securities: State and local govt.	Securities: Corporate and other[1]	Cash	Other assets	Total assets—Total liabilities and general reserve accts.	Deposits[2]	Other liabilities	General reserve accounts	Mortgage loan commitments[3] classified by maturity (in months): 3 or less	3–6	6–9	Over 9	Total
1965	44,433	862	5,485	320	5,170	1,017	944	58,232	52,443	1,124	4,665	......	......	......	......	2,697
1966	47,193	1,078	4,764	251	5,719	953	1,024	60,982	55,006	1,114	4,863	......	......	......	......	2,010
1967	50,311	1,203	4,319	219	8,183	993	1,138	66,365	60,121	1,260	4,984	742	982		799	2,523
1968	53,286	1,407	3,834	194	10,180	996	1,256	71,152	64,507	1,372	5,273	811	1,034		1,166	3,011
1969	55,781	1,824	3,296	200	10,824	912	1,307	74,144	67,026	1,588	5,530	584	485	452	946	2,467
1970	57,775	2,255	3,151	197	12,876	1,270	1,471	78,995	71,580	1,690	5,726	619	322	302	688	1,931
1971	62,069	2,808	3,334	385	17,674	1,389	1,711	89,369	81,440	1,810	6,118	1,047	627	463	1,310	3,447
1972[4]	67,563	2,979	3,510	873	21,906	1,644	2,117	100,593	91,613	2,024	6,956	1,593	713	609	1,624	4,539
1972—Mar.	62,947	3,660	3,380	515	19,659	1,256	1,852	93,268	84,809	1,991	6,468	1,448	769	681	1,429	4,327
Apr.	63,299	3,452	3,425	548	20,192	1,239	1,868	94,022	85,299	2,231	6,492	1,720	747	742	1,437	4,646
May	63,753	3,499	3,450	598	20,615	1,238	1,881	95,035	85,976	2,493	6,565	1,654	778	737	1,591	4,760
June[r]	64,414	3,444	3,412	627	20,872	1,333	1,962	96,064	87,148	2,252	6,664	1,612	925	540	1,603	4,679
July[r]	64,853	3,642	3,392	675	21,209	1,300	1,963	97,034	87,838	2,533	6,663	1,579	956	557	1,629	4,721
Aug.[r]	65,408	3,512	3,369	786	21,405	1,329	1,958	97,766	88,254	2,778	6,734	1,572	824	549	1,647	4,593
Sept.[r]	65,901	3,604	3,408	822	21,569	1,362	1,834	98,500	89,289	2,428	6,784	1,740	716	583	1,637	4,675
Oct.[r]	66,373	3,482	3,462	844	21,513	1,304	2,011	98,990	89,677	2,510	6,803	1,667	718	617	1,660	4,662
Nov.[r]	66,891	3,507	3,434	871	21,664	1,323	2,014	99,704	90,228	2,607	6,870	1,624	753	631	1,658	4,666
Dec.[r]	67,563	2,979	3,510	873	21,906	1,644	2,117	100,593	91,613	2,024	6,956	1,593	713	609	1,624	4,539
1973—Jan.	68,021	3,624	3,489	935	22,190	1,319	2,055	101,632	92,398	2,221	7,014	1,569	915	688	1,541	4,712
Feb.	68,352	4,030	3,419	986	22,389	1,331	2,070	102,577	92,949	2,540	7,088	1,729	862	732	1,480	4,803
Mar.	68,920	3,970	3,458	1,028	22,509	1,576	2,058	103,518	94,095	2,285	7,139	1,816	886	826	1,355	4,882

[1] Also includes securities of foreign governments and international organizations and nonguaranteed issues of U.S. Govt. agencies.

[2] Beginning with data for June 30, 1966, about $1.1 billion in "Deposits accumulated for payment of personal loans" were excluded from "Time deposits" and deducted from "Loans" at all commercial banks. These changes resulted from a change in Federal Reserve regulations. See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. A-30.

[3] Commitments outstanding of banks in New York State as reported to the Savings Banks Assn. of the State of New York. Data include building loans beginning with Aug. 1967.

[4] Balance sheet data beginning Jan. 1972 are reported on a gross-of-valuation reserves basis. The data differ somewhat from balance sheet data previously reported by National Assn. of Mutual Savings Banks which were net of valuation reserves. For most items, however, the differences are relatively small.

NOTE.—NAMSB data; figures are estimates for all savings banks in the United States and differ somewhat from those shown elsewhere in the BULLETIN; the latter are for call dates and are based on reports filed with U.S. Govt. and State bank supervisory agencies.

LIFE INSURANCE COMPANIES

(In millions of dollars)

End of period	Total assets	Government securities: Total	United States	State and local	Foreign[1]	Business securities: Total	Bonds	Stocks	Mortgages	Real estate	Policy loans	Other assets
Statement value:												
1965	158,884	11,679	5,119	3,530	3,030	67,599	58,473	9,126	60,013	4,681	7,678	7,234
1966	167,022	10,837	4,823	3,114	2,900	69,816	61,061	8,755	64,609	4,883	9,117	7,760
1967	177,832	10,573	4,683	3,145	2,754	76,070	65,193	10,877	67,516	5,187	10,059	8,427
1968	188,636	10,509	4,456	3,194	2,859	82,127	68,897	13,230	69,973	5,571	11,306	9,150
Book value:												
1966	167,022	10,864	4,824	3,131	2,909	68,677	61,141	7,536	64,661	4,888	9,911	8,801
1967	177,361	10,530	4,587	2,993	2,950	73,997	65,015	8,982	67,575	5,188	10,060	11,011
1968	188,636	10,760	4,456	3,206	3,098	79,653	68,731	10,922	70,044	5,575	11,305	11,299
1969	197,208	10,914	4,514	3,221	3,179	84,566	70,859	13,707	72,027	5,912	13,825	9,964
1970	207,254	11,068	4,574	3,306	3,188	88,518	73,098	15,420	74,375	6,320	16,064	10,909
1971	222,102	11,000	4,455	3,363	3,182	99,805	79,198	20,607	75,496	6,904	17,065	11,832
1972[p]	239,407	11,080	4,333	3,522	3,406	112,980	86,605	26,375	77,319	7,310	17,998	12,720
1972—Jan.	223,768	11,102	4,546	3,366	3,190	101,734	80,487	21,247	75,493	6,932	17,130	11,377
Feb.	224,736	11,341	4,609	3,535	3,197	102,821	80,795	22,026	75,456	6,999	17,132	10,987
Mar.	226,024	11,517	4,744	3,532	3,241	103,798	81,099	22,699	75,424	7,048	17,212	11,025
Apr.	227,893	11,083	4,476	3,373	3,234	105,249	82,293	22,956	75,469	7,034	17,360	11,698
May	229,336	11,128	4,516	3,366	3,246	106,434	83,060	23,374	75,493	7,094	17,441	11,746
June	230,182	11,105	4,394	3,355	3,356	107,074	83,382	23,692	75,547	7,149	17,528	11,779
July	231,586	11,075	4,372	3,356	3,347	108,236	84,539	23,697	75,626	7,185	17,605	11,859
Aug.	233,337	11,086	4,389	3,351	3,346	109,728	85,187	24,541	75,723	7,235	17,689	11,876
Sept.	234,455	11,125	4,385	3,350	3,390	110,300	85,912	24,388	75,813	7,245	17,773	12,199
Oct.	235,972	11,132	4,396	3,347	3,389	111,616	86,874	24,742	75,952	7,229	17,854	12,189
Nov.	237,971	11,193	4,459	3,356	3,378	113,066	87,425	25,641	76,207	7,272	17,922	12,311
Dec.	239,407	11,080	4,333	3,522	3,406	112,980	86,605	26,375	77,319	7,310	17,998	12,720
1973—Jan.	241,022	11,191	4,389	3,358	3,444	114,526	88,371	26,155	77,481	7,366	18,080	12,378

[1] Issues of foreign governments and their subdivisions and bonds of the International Bank for Reconstruction and Development.

NOTE.—Institute of Life Insurance estimates for all life insurance companies in the United States.

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."

SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

End of period	Assets				Total assets—Total liabilities	Liabilities					Mortgage loan commitments outstanding at end of period[5]
	Mortgages	Investment securities[1]	Cash	Other[2]		Savings capital	Net worth[3]	Borrowed money[4]	Loans in process	Other	
1967	121,805	9,180	3,442	7,788	143,534	124,493	9,916	4,775	2,257	2,093	3,042
1968	130,802	11,116	2,962	8,010	152,890	131,618	10,691	5,705	2,449	2,427	3,631
1969	140,232	10,873	2,438	8,606	162,149	135,538	11,620	9,728	2,455	2,808	2,824
1970	150,331	13,020	3,506	9,326	176,183	146,404	12,401	10,911	3,078	3,389	4,452
1971	174,385	21,076		10,842	206,303	174,472	13,657	9,048	5,072	4,054	7,378
1972—Jan.	175,838	22,476		10,926	209,240	177,738	13,656	8,053	4,874	4,919	7,657
Feb.	177,614	23,511		11,144	212,269	180,556	14,517	7,275	4,853	5,068	8,840
Mar.	180,145	23,948		11,291	215,384	184,843	14,119	6,759	5,077	4,586	10,079
Apr.	182,711	24,000		11,440	218,151	186,617	14,558	6,847	5,283	4,846	11,081
May	185,431	24,526		11,691	221,648	188,826	15,050	6,802	5,608	5,362	12,064
June	188,884	24,058		11,865	224,807	192,564	14,452	7,273	5,887	4,631	11,928
July	191,642	24,497		11,942	228,081	194,770	14,900	7,216	5,997	5,198	12,147
Aug.	194,955	24,321		12,125	231,401	196,571	15,432	7,512	6,100	5,786	12,143
Sept.	197,881	24,102		12,277	234,260	199,966	14,991	8,080	6,119	5,104	12,175
Oct.	200,554	24,648		12,457	237,659	202,012	15,485	8,327	6,086	5,749	12,226
Nov.	203,266	24,750		12,689	240,705	203,889	15,992	8,503	6,067	6,254	12,274
Dec.	206,387	24,491		12,693	243,571	207,305	15,326	9,847	6,225	4,868	11,578
1973—Jan.	[6] 208,132	[6] 23,460		[6] 15,660	247,252	210,589	15,557	9,171	6,076	5,859	12,469
Feb.	210,260	24,220		16,214	250,694	212,493	15,925	9,415	6,095	6,766	13,538
Mar.	213,259	24,019		17,104	254,382	216,195	15,825	9,958	6,326	6,078	14,508
Apr.[p]	216,250	23,947		17,622	257,819	217,061	16,134	11,329	6,550	6,745	14,981

[1] Investment securities included U.S. Govt. securities only through 1967. Beginning 1968 the total reflects liquid assets and other investment securities. Included are U.S. Govt. obligations, Federal agency securities, State and local govt. securities, time deposits at banks, and miscellaneous securities, except stock of the Federal Home Loan Bank Board. Compensating changes have been made in "Other assets."

[2] Includes other loans, stock in the Federal home loan banks, other investments, real estate owned and sold on contract, and office buildings and fixtures. See also notes 1, 5, and 6.

[3] Includes net undistributed income, which is accrued by most, but not all, associations.

[4] Consists of advances from FHLBB and other borrowing.

[5] Data comparable with those shown for mutual savings banks (on preceding page) except that figures for loans in process are not included above but are included in the figures for mutual savings banks.

[6] Beginning Jan. 1973, participation certificates guaranteed by the Federal Home Loan Mortgage Corporation, loans and notes insured by the Farmers Home Administration and certain other Government-insured mortgage-type investments, previously included in mortgage loans, are included in other assets. The effect of this change was to reduce the mortgage total by about $0.6 billion.

Also, GNMA-guaranteed, mortgage-backed securities of the pass-through type, previously included in cash and investment securities are included in other assets. These amounted to about $2.4 billion at the end of 1972.

NOTE.—FHLBB data; figures are estimates for all savings and loan assns. in the United States. Data are based on monthly reports of insured assns. and annual reports of noninsured assns. Data for current and preceding year are preliminary even when revised.

MAJOR BALANCE SHEET ITEMS OF SELECTED FEDERALLY SPONSORED CREDIT AGENCIES

(In millions of dollars)

End of period	Federal home loan banks						Federal National Mortgage Assn. (secondary market operations)		Banks for cooperatives		Federal intermediate credit banks		Federal land banks	
	Assets			Liabilities and capital										
	Advances to members	Investments	Cash and deposits	Bonds and notes	Member deposits	Capital stock	Mortgage loans (A)	Debentures and notes (L)	Loans to cooperatives (A)	Debentures (L)	Loans and discounts (A)	Debentures (L)	Mortgage loans (A)	Bonds (L)
1967	4,386	2,598	127	4,060	1,432	1,395	5,348	4,919	1,506	1,253	3,411	3,214	5,609	4,904
1968	5,259	2,375	126	4,701	1,383	1,402	6,872	6,376	1,577	1,334	3,654	3,570	6,126	5,399
1969	9,289	1,862	124	8,422	1,041	1,478	10,541	10,511	1,732	1,473	4,275	4,116	6,714	5,949
1970	10,614	3,864	105	10,183	2,332	1,607	15,502	15,206	2,030	1,755	4,974	4,799	7,186	6,395
1971	7,936	2,520	142	7,139	1,789	1,618	17,791	17,701	2,076	1,801	5,669	5,503	7,917	7,063
1972—Apr.	5,913	4,233	81	6,729	1,762	1,717	18,403	18,131	2,260	1,833	6,105	5,879	8,238	7,382
May	5,853	4,067	108	6,528	1,789	1,718	18,598	17,959	2,181	1,852	6,229	6,018	8,343	7,382
June	6,075	3,850	118	6,527	1,746	1,721	18,628	18,560	2,145	1,786	6,378	6,118	8,430	7,382
July	6,138	3,579	118	6,526	1,497	1,722	18,740	18,194	2,137	1,731	6,330	6,174	8,517	7,659
Aug.	6,294	3,319	118	6,531	1,442	1,724	19,021	18,194	2,156	1,710	6,255	6,148	8,631	7,659
Sept.	6,736	2,184	106	6,531	1,444	1,729	19,295	18,939	2,233	1,710	6,201	6,063	8,749	7,798
Oct.	7,045	2,591	83	6,531	1,334	1,735	19,438	18,724	2,355	1,837	6,110	5,952	8,857	8,012
Nov.	7,245	2,850	107	6,971	1,380	1,741	19,619	19,041	2,313	1,905	6,048	5,872	8,972	8,012
Dec.	7,979	2,225	129	6,971	1,548	1,756	19,791	19,238	2,298	1,944	6,094	5,804	9,107	8,012
1973—Jan.	7,831	2,264	91	6,971	1,306	1,821	19,980	19,252	2,876	1,950	6,087	5,891	9,251	8,280
Feb.	7,944	2,421	106	7,220	1,323	1,891	20,181	19,402	2,936	2,188	6,179	5,969	9,387	8,280
Mar.	8,420	1,938	108	7,220	1,291	1,943	20,571	19,985	2,896	2,188	6,414	6,076	9,591	8,280
Apr.	9,429	2,087	111	8,415	1,143	1,981	20,791	20,056	2,859	2,465	6,555	6,314	9,767	8,836

NOTE.—Data from Federal Home Loan Bank Board, Federal National Mortgage Assn., and Farm Credit Admin. Among omitted balance sheet items are capital accounts of all agencies, except for stock of FHLB's. Bonds, debentures, and notes are valued at par. They include only publicly offered securities (excluding, for FHLB's, bonds held within the FHLB System) and are not guaranteed by the U.S. Govt.; for a listing of these securities, see table on opposite page. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

OUTSTANDING ISSUES OF FEDERALLY SPONSORED AGENCIES, APRIL 30, 1973

Agency, and date of issue and maturity	Coupon rate	Amount (millions of dollars)
Federal home loan banks		
Bonds:		
3/25/71 – 5/25/73	4.20	400
10/27/70 – 8/27/73	7.20	450
11/27/72 – 11/27/73	5.55	600
1/26/70 – 1/25/74	8.40	300
6/26/70 – 2/25/74	8.40	250
8/27/71 – 2/25/74	7.10	300
6/25/71 – 5/25/74	6.35	300
2/26/73 – 5/28/74	6.45	700
8/25/69 – 8/25/74	7.65	178
8/25/72 – 8/26/74	5⅜	400
11/25/69 – 11/25/74	8.00	222
1/26/71 – 2/25/75	6.10	250
11/27/72 – 2/25/75	5⅞	400
8/25/70 – 5/26/75	8.05	265
7/27/70 – 8/25/75	7.95	300
4/12/73 – 5/25/75	7.15	700
12/18/70 – 11/25/75	6.50	350
8/27/71 – 2/25/76	7⅝	300
6/25/71 – 5/25/77	6.95	200
4/12/73 – 8/25/77	7.15	300
2/26/73 – 11/25/77	6¾	300
3/25/70 – 2/25/80	7.75	350
10/15/70 – 10/15/80	7.80	200
10/27/71 – 11/27/81	6.60	200
4/12/73 – 5/25/83	7.30	200
Federal Home Loan Mortgage Corporation		
Bonds:		
8/2/71 – 11/26/73	6.70	150
2/10/72 – 8/26/74	5.30	200
5/11/72 – 2/25/77	6.15	350
11/19/70 – 11/27/95	8.60	140
7/15/71 – 8/26/96	7.75	150
5/11/72 – 5/26/97	7.15	150
Federal National Mortgage Association – Secondary market operations		
Discount notes	......	1,399
Capital debentures:		
9/30/68 – 10/1/73	6.00	250
4/1/70 – 4/1/75	8.00	200
9/30/71 – 10/1/96	4.38	249
10/2/72 – 10/1/97	7.40	250
Mortgage-backed bonds:		
6/1/70 – 6/2/75	8.38	250
3/14/73 – 1/15/81	3.58	53
3/14/73 – 1/15/81	5.48	6
3/1/73 – 3/1/86	5.74	81
9/29/70 – 10/1/90	8.63	200
Federal National Mortgage Association –Cont.		
Debentures:		
6/12/61 – 6/12/73	4¼	146
7/10/70 – 6/12/73	8.35	350
7/12/70 – 6/12/73	6.75	550
3/10/70 – 9/10/73	8.10	300
6/10/71 – 9/10/73	6.13	350
12/10/70 – 12/10/73	5.75	500
8/10/71 – 12/10/73	7.15	500
12/11/72 – 12/10/73	6.00	200
12/1/71 – 3/11/74	5.45	400
4/10/70 – 3/11/74	7.75	350
8/5/70 – 6/10/74	7.90	400
11/10/71 – 6/10/74	5.70	350
9/10/69 – 9/10/74	7.85	250
2/10/71 – 9/10/74	5.65	300
5/10/71 – 12/10/74	6.10	250
9/10/71 – 12/10/74	6.45	450
11/10/70 – 3/10/75	7.55	300
10/12/71 – 3/10/75	6.35	600
4/12/71 – 6/10/75	5.25	500
10/13/70 – 9/10/75	7.50	350
3/12/73 – 9/10/75	6.80	650
3/10/72 – 12/10/75	5.70	500
3/11/71 – 3/10/76	5.65	500
6/10/71 – 6/10/76	6.70	250
2/10/72 – 6/10/76	5.85	450
11/10/71 – 9/10/76	6.13	300
6/12/72 – 9/10/76	5.85	500
7/12/71 – 12/10/76	7.45	300
12/11/72 – 12/10/76	6.25	500
2/13/62 – 2/10/77	4½	198
9/11/72 – 3/10/77	6.30	500
12/10/70 – 6/10/77	6.38	250
5/10/71 – 6/10/77	6.50	150
9/10/71 – 9/12/77	6.88	300
10/12/71 – 12/11/78	6.75	300
6/12/72 – 9/10/79	6.40	300
12/10/71 – 12/10/79	6.55	350
2/10/72 – 3/10/80	6.88	250
2/16/73 – 7/31/80	5.19	1
2/16/73 – 7/31/80	3.18	9
1/16/73 – 10/30/80	5.47	5
12/11/72 – 12/10/80	6.60	300
3/14/73 – 1/15/81	3.58	53
3/14/73 – 1/15/81	5.48	6
6/29/72 – 1/29/81	6.15	156
3/12/73 – 3/10/81	7.05	350
4/18/73 – 4/10/81	6.59	26
3/21/73 – 5/1/81	4.50	18
3/12/73 – 5/1/81	5.77	2
1/21/71 – 6/10/81	7.25	250
9/10/71 – 9/10/81	7.25	250
6/28/72 – 5/1/82	5.84	58
2/10/71 – 6/10/82	6.65	250
9/11/72 – 9/10/82	6.80	200
3/11/71 – 6/10/83	6.75	200
11/10/71 – 9/12/83	6.75	250
4/12/71 – 6/11/84	6.25	200
12/10/71 – 12/10/84	6.90	250
3/10/72 – 3/10/92	7.00	200
6/12/72 – 6/10/92	7.05	200
Banks for cooperatives		
Debentures:		
11/1/72 – 5/1/73	5.45	336
12/4/72 – 6/4/73	5.30	481
1/2/73 – 7/2/73	5.60	443
2/1/73 – 8/1/73	5.95	569
10/1/70 – 10/1/73	7.30	100
4/2/73 – 10/1/73	6.95	536
Federal intermediate credit banks		
Debentures:		
8/1/72 – 5/1/73	5.05	563
9/5/72 – 6/4/73	5.00	508
10/2/72 – 7/2/73	5.60	382
9/1/70 – 7/2/73	5.55	200
11/1/72 – 8/1/73	5.65	540
12/4/72 – 9/4/73	5.45	541
1/2/73 – 10/1/73	5.70	606
2/1/73 – 11/1/73	6.00	544
3/1/73 – 12/3/73	6.15	529
4/2/73 – 1/2/74	7.00	661
7/1/71 – 1/2/74	6.85	212
1/4/71 – 7/1/74	5.95	224
5/1/72 – 1/2/75	6.05	240
1/3/72 – 7/1/75	5.70	302
3/1/73 – 1/5/76	6.65	261
Federal land banks		
Bonds:		
2/20/63 – 2/20/73 78	4⅛	148
1/20/70 – 7/20/73	8.45	198
8/20/73 – 7/20/73	7.95	350
4/20/70 – 10/22/73	7.80	300
10/23/72 – 10/23/73	5.80	462
7/20/72 – 1/21/74	5.55	450
2/20/72 – 2/20/74	[illegible]½	155
10/20/70 – 4/22/74	7.30	354
9/15/72 – 4/22/74	5.85	350
10/21/71 – 7/27/74	5.85	326
4/20/71 – 10/21/74	5.30	300
2/20/70 – 1/20/75	8⅜	220
4/23/73 – 1/20/75	7.15	300
4/20/65 – 4/21/75	4⅞	200
2/15/72 – 7/21/75	5.70	425
7/20/71 – 10/20/75	7.20	300
4/20/72 – 1/20/76	6¼	300
2/21/66 – 2/24/76	5.00	123
1/22/73 – 4/20/76	6¼	373
7/20/66 – 7/20/76	5⅜	150
4/23/73 – 10/20/76	7.15	450
10/27/71 – 10/20/77	6.35	300
5/2/66 – 4/20/78	5⅛	150
7/20/72 – 7/20/78	6.40	269
2/20/67 – 1/22/79	5.00	285
9/15/72 – 4/23/79	6.85	235
10/23/72 – 10/23/79	6.80	400
1/22/73 – 1/21/80	6.70	300
2/23/71 – 4/20/81	6.70	224
4/20/72 – 4/20/82	6.90	200
4/23/73 – 4/20/82	7.30	239

NOTE.—These securities are not guaranteed by the U.S. Govt.; see also note to table at bottom of opposite page.

FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	U.S. budget: Receipt-expenditure account: Budget receipts	U.S. budget: Receipt-expenditure account: Net expenditures	U.S. budget: Net lending	U.S. budget: Budget outlays[1]	U.S. budget: Budget surplus or deficit (−)	Means of financing: Borrowings from the public[2]: Public debt securities	Plus: Agency securities	Less: Investments by Govt. accounts: Special issues	Less: Investments by Govt. accounts: Other	Less: Special notes[3]	Equals: Total borrowing	Less: Cash and monetary assets: Treasury operating balance	Less: Cash and monetary assets: Other	Other means of financing, net[4]
Fiscal year:														
1969	187,784	183,072	1,476	184,548	3,236	6,142	633	7,364	2,089	−1,384	[2] −1,295	596	1,616	269
1970	193,743	194,456	2,131	196,588	−2,845	17,198	−1,739	9,386	676	....	5,397	2,151	−581	−982
1971	188,392	210,318	1,107	211,425	−23,033	27,211	−347	6,616	800	....	19,448	710	−979	3,586
1972	208,649	....	....	231,876	−23,227	29,131	−1,269	6,813	1,607	....	19,442	1,362	1,108	6,255
Half year:														
1971—Jan.–June	100,809	106,201	1,008	107,209	−6,400	8,971	−326	4,809	647	....	3,189	656	303	4,039
July–Dec.	93,180	110,608	948	111,554	−18,374	26,001	−1,117	2,803	523	....	21,561	973	80	−2,122
1972—Jan.–June	115,549	....	....	120,319	−4,850	3,130	−150	4,010	1,089	....	−2,114	389	1,028	8,377
July–Dec.	106,061	....	....	118,586	−12,525	22,037	876	6,388	−861	....	17,386	−956	386	−5,430
Month:														
1972—Apr.	r24,533	....	....	r18,597	r5,937	2,039	r43	1,770	−1,746	....	r2,058	4,047	r1,413	r1,581
May	17,275	19,723	237	19,960	−2,685	2,607	272	3,527	−29	....	−618	−2,030	−1,617	−346
June	25,589	....	....	23,202	2,387	−651	−370	2,975	−628	....	−3,368	417	2,080	3,478
July	15,207	....	....	18,591	−3,384	5,123	9	1,409	−6	....	3,730	−1,129	−1,810	−3,284
Aug.	18,213	....	....	20,581	−2,369	3,056	534	2,639	16	....	934	−4,012	222	−2,355
Sept.	22,183	....	....	18,471	3,712	−1,493	22	−1,339	−508	....	376	4,783	−92	604
Oct.	14,738	....	....	20,055	−5,317	6,000	24	3,085	88	....	2,851	−1,786	37	717
Nov.	16,748	....	....	21,165	−4,418	4,301	380	−659	42	....	5,298	305	7	−569
Dec.	18,972	....	....	19,721	−750	5,051	−93	1,104	−343	....	4,197	2,795	57	−595
1973—Jan.	21,130	....	....	23,631	−2,501	770	18	−900	168	....	1,519	302	99	1,383
Feb.	18,067	....	....	20,227	−2,160	4,770	−9	780	119	....	3,863	408	−212	−1,507
Mar.	15,987	....	....	20,806	4,820	3,768	27	584	206	....	3,005	1,152	−83	2,883
Apr.	25,860	....	....	22,306	3,554	1,543	721	56	49	....	2,159	1,220	1,164	988

End of period	Selected balances: Treasury operating balance: F.R. Banks	Tax and loan accounts	Other depositaries[5]	Total	Federal securities: Public debt securities	Agency securities	Less: Investments of Govt. accounts: Special issues	Less: Investments of Govt. accounts: Other	Less: Special notes[3]	Equals: Total held by public	Memo: Debt of Govt.-sponsored corps.—Now private[6]
Fiscal year:											
1969	1,258	4,525	112	5,894	353,720	14,249	66,738	20,923	825	279,483	24,991
1970	1,005	6,929	111	8,045	370,919	12,510	76,124	21,599	825	284,880	35,789
1971	1,274	7,372	109	8,755	398,130	12,163	82,740	22,400	825	304,328	36,886
1972	2,344	7,934	[5] 139	10,117	427,260	10,894	89,539	24,023	825	323,770	41,044
Calendar year:											
1971	2,020	9,173	113	11,306	424,131	11,044	85,544	22,922	825	325,884	39,860
1972	1,856	8,907	310	11,073	449,298	11,770	95,924	23,164	825	341,155	42,640
Month:											
1972—Apr.	1,871	9,724	136	11,732	425,304	10,991	83,034	24,681	825	327,755	40,632
May	2,144	7,420	136	9,700	427,912	11,263	86,561	24,652	825	327,137	40,426
June	2,344	7,934	139	10,117	427,260	10,894	89,539	24,023	825	323,770	41,044
July	2,298	6,547	144	8,988	432,383	10,903	90,944	24,018	825	327,499	40,981
Aug.	1,730	3,025	222	4,976	435,439	11,437	93,616	24,002	825	328,433	41,037
Sept.	1,395	8,105	259	9,759	433,946	11,459	92,281	23,490	825	328,809	41,724
Oct.	1,613	6,051	309	7,973	439,947	11,483	95,365	23,579	825	331,660	41,760
Nov.	1,182	6,786	310	8,278	444,247	11,863	94,821	23,506	825	336,958	42,496
Dec.	1,856	8,907	310	11,073	449,298	11,770	95,924	23,164	825	341,155	42,640
1973—Jan.	2,749	8,317	310	11,376	450,068	11,787	95,024	23,332	825	342,674	43,057
Feb.	2,073	9,401	310	11,784	454,838	11,779	95,804	23,451	825	346,537	43,472
Mar.	2,882	9,744	309	12,935	458,606	11,806	96,413	23,632	825	349,542	....
Apr.	4,162	9,683	311	14,156	457,063	11,084	96,356	23,583	825	347,383	....

1 Equals net expenditures plus net lending.

2 The decrease in Federal securities resulting from conversion to private ownership of Govt.-sponsored corporations (totaling $9,853 million) is not included here. In the bottom panel, however, these conversions decrease the outstanding amounts of Federal securities held by the public mainly by reductions in agency securities. The Federal National Mortgage Association (FNMA) was converted to private owership in Sept. 1968 and the Federal intermediate credit banks (FICB) and banks for cooperatives in Dec. 1968.

3 Represents non-interest-bearing public debt securities issued to the International Monetary Fund and international lending organizations. New obligations to these agencies are handled by letters of credit.

4 Includes accrued interest payable on public debt securities, deposit funds, miscellaneous liability and asset accounts, and seigniorage.

5 As of Jan. 3, 1972, the Treasury operating balance was redefined to exclude the gold balance and to include previously excluded "Other depositaries" (deposits in certain commercial depositaries that have been converted from a time to a demand basis to permit greater flexibility in Treasury cash management).

6 Includes debt of Federal home loan banks, Federal land banks, R.F.K. Stadium Fund, FNMA (beginning Sept. 1968), and FICB and banks for cooperatives (both beginning Dec. 1968).

NOTE.—Half years may not add to fiscal year totals due to revisions in series that are not yet available on a monthly basis.

FEDERAL FISCAL OPERATIONS: DETAIL

(In millions of dollars)

Period	Budget receipts: Total	Individual income taxes: Withheld	Individual income taxes: Nonwithheld	Individual income taxes: Refunds	Individual income taxes: Net total	Corporation income taxes: Gross receipts	Corporation income taxes: Refunds	Social insurance taxes and contributions: Employment taxes and contributions[1]: Payroll taxes	Social insurance taxes and contributions: Employment taxes and contributions[1]: Self-empl.	Social insurance taxes and contributions: Unempl. insur.	Social insurance taxes and contributions: Other net receipts[2]	Social insurance taxes and contributions: Net total	Excise taxes	Customs	Estate and gift	Misc. receipts[3]
Fiscal year:																
1969	187,784	70,182	27,258	10,191	87,249	38,338	1,660	32,521	1,715	3,328	2,353	39,918	15,222	2,319	3,491	2,908
1970	193,743	77,416	26,236	13,240	90,412	35,037	2,208	37,190	1,942	3,465	2,700	45,298	15,705	2,430	3,644	3,424
1971	188,392	76,490	24,262	14,522	86,230	30,320	3,535	39,751	1,948	3,673	3,206	48,578	16,614	2,591	3,735	3,858
1972	208,649	83,200	25,679	14,143	94,737	34,926	2,760	44,088	2,032	4,357	3,437	53,914	15,477	3,287	5,436	3,633
Half year:																
1971- Jan.-June	100,808	39,025	18,693	13,957	43,761	17,576	2,069	21,983	1,815	2,325	1,630	27,753	8,462	1,274	2,198	1,853
July-Dec.	93,180	38,449	5,589	574	43,465	13,262	1,448	19,643	155	1,518	1,673	22,989	8,961	1,838	2,395	1,718
1972- Jan.-June	115,469	44,751	20,090	13,569	51,272	21,664	1,312	24,445	1,877	4,736	1,764	30,925	6,516	1,449	3,041	1,915
July-Dec.	106,061	46,058	5,784	688	51,154	15,315	1,459	22,493	165	2,437	1,773	26,867	8,244	1,551	2,333	2,056
Month:																
1972- Apr.	r24,533	6,599	8,650	3,284	11,985	5,145	250	3,877	1,153	343	r282	r5,654	1,091	215	372	r343
May	17,275	8,141	1,413	2,997	6,557	967	234	5,281	223	1,636	303	7,443	1,371	235	461	475
June	25,589	8,020	3,704	670	11,054	8,452	185	3,682	64	92	285	4,122	1,363	252	388	144
July	15,207	7,052	548	245	7,355	1,258	187	3,727	......	260	289	4,277	1,442	237	334	492
Aug.	18,213	8,175	362	157	8,380	855	190	5,367	......	1,175	307	6,849	1,351	278	423	266
Sept.	22,183	7,305	3,794	95	11,005	5,289	324	3,529	145	63	302	4,038	1,327	237	316	295
Oct.	14,738	7,187	469	61	7,595	1,287	323	3,225	15	210	311	3,759	1,387	281	409	343
Nov.	16,748	8,425	257	69	8,613	853	294	4,044	......	637	287	4,969	1,452	284	487	383
Dec.	18,972	7,915	353	61	8,206	5,772	140	2,601	5	92	277	2,975	1,286	234	364	276
1973- Jan.	21,130	8,254	4,671	27	12,897	1,539	158	3,833	139	174	340	4,486	1,437	289	396	244
Feb.	18,067	8,404	768	1,104	8,067	865	193	5,900	167	684	278	7,029	1,186	255	568	289
Mar.	157,98	8,748	1,494	6,833	3,409	5,208	342	4,771	186	63	320	5,340	1,244	278	489	360
Apr.	25,860	8,648	9,124	6,185	11,587	5,915	258	4,297	1,316	444	302	6,359	1,318	262	330	348

Period	Budget outlays[4]: Total	National defense	Intl. affairs	Space research	Agriculture	Natural resources	Commerce and transp.	Commun. develop. and housing	Education and manpower	Health and welfare	Veterans	Interest	General govt.	General revenue sharing	Intragovt. transactions[5]
Fiscal year:															
1970	196,588	80,295	3,570	3,749	6,201	2,568	9,310	2,965	7,289	56,697	8,677	18,312	3,336	....	6,380
1971	211,425	77,661	3,095	3,381	5,096	2,716	11,310	3,357	8,226	70,607	9,776	19,608	3,970	....	7,376
1972	231,876	78,336	3,726	3,422	7,063	3,761	11,201	4,282	9,751	81,988	10,731	20,582	4,890	....	7,858
1973 r 6	249,796	76,435	3,341	3,061	6,064	876	12,543	3,957	10,500	93,880	11,795	22,808	5,631	6,786	8,381
1974 6	268,665	81,074	3,811	3,135	5,572	3,663	11,580	4,931	10,110	103,709	11,732	24,672	6,025	6,035	9,131
Half year:															
1971—Jan.-June	107,242	39,178	1,475	1,661	679	1,152	5,475	1,705	4,906	37,454	5,162	10,014	2,147	....	3,770
July-Dec.	111,557	35,755	1,752	1,777	5,999	1,952	6,030	2,181	4,355	38,131	5,003	10,050	2,392	....	3,822
1972—Jan.-June	120,319	42,583	2,037	1,645	1,062	1,807	5,164	2,035	5,842	43,407	5,744	10,532	2,498	....	4,036
July-Dec.	118,586	35,350	1,640	1,676	4,616	329	6,200	2,637	5,133	43,212	5,740	10,604	2,870	7 2,617	4,039
Month:															
1972—Apr.	r18,597	r6,736	265	238	196	255	793	9	728	6,936	929	1,792	419	....	r309
May	19,960	7,107	268	207	126	265	713	490	1,033	6,914	973	1,784	389	....	371
June	23,202	9,087	487	292	120	520	1,350	505	1,429	8,703	911	1,709	497	....	2,402
July	18,591	5,139	313	289	2,397	821	827	529	764	6,214	884	1,695	612	....	252
Aug.	20,581	5,873	300	289	1,127	554	1,333	658	905	6,779	858	1,723	610	....	409
Sept.	18,471	5,397	198	273	102	321	1,173	408	852	6,970	832	1,899	322	....	276
Oct.	20,055	6,305	259	271	806	16	1,056	244	800	7,688	896	1,559	463	....	276
Nov.	21,165	6,501	350	272	329	353	982	384	851	7,851	1,279	1,919	448	....	353
Dec.	19,721	6,135	221	284	146	40	829	414	960	7,710	989	1,809	415	7 2,617	2,474
1973—Jan.	23,630	6,633	82	271	994	1,053	1,546	483	808	8,130	1,157	1,777	586	2,514	297
Feb.	20,227	6,265	280	241	431	230	567	368	904	7,907	1,046	2,002	374	9	397
Mar.	20,806	6,963	323	301	77	310	1,072	270	786	7,565	1,064	2,097	462	....	329
Apr.	22,306	6,417	237	265	368	324	793	243	788	8,058	1,114	2,120	409	1,493	324

1 Old-age, disability, and hospital insurance, and Railroad Retirement accounts.

2 Supplementary medical insurance premiums and Federal employee retirement contributions.

3 Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.

4 Outlays by functional categories are published in the Monthly Treasury Statement (beginning April 1969). Monthly back data (beginning July 1968) are published in the *Treasury Bulletin* of June 1969.

5 Consists of Government contributions for employee retirement and of interest received by trust funds.

6 Estimates presented in the Jan. 1974 *Budget Document*. Breakdowns do not add to totals because special allowances for contingencies, and Federal pay increase (excluding Department of Defense), totaling $500 million for fiscal 1973, and $1,750 million for fiscal 1974, are not included.

7 Outlays of $6,786 million in fiscal 1973 contain retroactive payments of $2,600 million for fiscal 1972.

NOTE.—Half years may not add to fiscal year totals due to revisions in series that are not yet available on a monthly basis.

GROSS PUBLIC DEBT, BY TYPE OF SECURITY

(In billions of dollars)

End of period	Total gross public debt [1]	Public issues: Total	Marketable: Total	Marketable: Bills	Marketable: Certificates	Marketable: Notes	Marketable: Bonds [2]	Convertible bonds	Nonmarketable: Total [3]	Nonmarketable: Foreign issues [4]	Nonmarketable: Savings bonds & notes	Special issues [5]
1941—Dec.	57.9	50.5	41.6	2.0	....	6.0	33.6	....	8.9	....	6.1	7.0
1946—Dec.	259.1	233.1	176.6	17.0	30.0	10.1	119.5	....	56.5	....	49.8	24.6
1965—Dec.	320.9	270.3	214.6	60.2	....	50.2	104.2	2.8	52.9	2.4	50.3	46.3
1966—Dec.	329.3	273.0	218.0	64.7	5.9	48.3	99.2	2.7	52.3	1.5	50.8	52.0
1967—Dec.	344.7	284.0	226.5	69.9	....	61.4	95.2	2.6	54.9	3.1	51.7	57.2
1968—Dec.	358.0	296.0	236.8	75.0	....	76.5	85.3	2.5	56.7	4.3	52.3	59.1
1969—Dec.	368.2	295.2	235.9	80.6	....	85.4	69.9	2.4	56.9	3.8	52.2	71.0
1970—Dec.	389.2	309.1	247.7	87.9	....	101.2	58.6	2.4	59.1	5.7	52.5	78.1
1971—Dec.	424.1	336.7	262.0	97.5	....	114.0	50.6	2.3	72.3	16.8	54.9	85.7
1972—May	427.9	339.5	261.9	98.1	....	113.4	50.4	2.3	75.2	18.2	56.2	86.6
June	427.3	335.8	257.2	94.6	....	113.4	49.1	2.3	76.3	19.0	56.5	89.6
July	432.4	339.6	257.7	95.2	....	113.4	49.1	2.3	79.5	22.0	56.7	91.0
Aug.	435.4	339.9	258.1	96.2	....	115.7	46.2	2.3	79.5	21.7	57.0	93.6
Sept.	433.9	339.8	257.7	96.4	....	115.7	45.7	2.3	79.8	21.7	57.2	92.3
Oct.	439.9	342.7	260.9	97.5	....	117.7	45.6	2.3	79.6	21.2	57.5	95.4
Nov.	444.2	347.6	265.6	100.7	....	119.4	45.5	2.3	79.6	21.0	57.8	94.9
Dec.	449.3	351.4	269.5	103.9	....	121.5	44.1	2.3	79.5	20.6	58.1	95.9
1973—Jan.	450.1	353.2	271.1	104.9	....	121.5	44.7	2.3	79.7	20.5	58.4	95.0
Feb.	454.8	357.1	269.9	105.0	....	120.2	44.6	2.3	84.9	25.4	58.7	95.8
Mar.	458.6	360.4	269.8	105.0	....	120.2	44.6	2.3	88.3	28.3	59.0	96.4
Apr.	457.1	358.9	267.8	103.2	....	120.2	44.5	2.3	88.7	28.5	59.3	96.4
May	457.3	357.1	265.9	103.0	....	117.8	45.1	2.3	88.9	28.3	59.7	98.3

1 Includes non-interest-bearing debt (of which $620 million on May 31, 1973, was not subject to statutory debt limitation).

2 Includes Treasury bonds and minor amounts of Panama Canal and postal savings bonds.

3 Includes (not shown separately): depositary bonds, retirement plan bonds, foreign-currency series, foreign series, and Rural Electrification Administration bonds; before 1954, Armed Forces leave bonds; before 1956, tax and savings notes; and before Oct. 1965, Series A investment bonds.

4 Nonmarketable certificates of indebtedness, notes, and bonds in the Treasury foreign series and foreign currency series issues.

5 Held only by U.S. Govt. agencies and trust funds and the Federal home loan banks.

NOTE.—Based on Daily Statement of U.S. Treasury. See also second paragraph in NOTE to table below.

OWNERSHIP OF PUBLIC DEBT

(Par value, in billions of dollars)

End of period	Total gross public debt	Held by—U.S. Govt. agencies and trust funds	Held by—F.R. Banks	Held by private investors: Total	Commercial banks	Mutual savings banks	Insurance companies	Other corporations	State and local govts.	Individuals: Savings bonds	Individuals: Other securities	Foreign and international [1]	Other misc. investors [2]
1939—Dec.	41.9	6.1	2.5	33.4	12.7	2.7	5.7	2.0	.4	1.9	7.5	.2	.3
1946—Dec.	259.1	27.4	23.4	208.3	74.5	11.8	24.9	15.3	6.3	44.2	20.0	2.1	9.3
1965—Dec.	320.9	59.7	40.8	220.5	60.7	5.3	10.3	15.8	22.9	49.7	22.4	16.7	16.7
1966—Dec.	329.3	65.9	44.3	219.2	57.4	4.6	9.5	14.9	24.3	50.3	24.3	14.5	19.4
1967—Dec.	344.7	73.1	49.1	222.4	63.8	4.1	8.6	12.2	24.1	51.2	22.8	15.8	19.9
1968—Dec.	358.0	76.6	52.9	228.5	66.0	3.6	8.0	14.2	24.4	51.9	23.9	14.3	22.4
1969—Dec.	368.2	89.0	57.2	222.0	56.8	2.9	7.1	11.7	25.9	51.8	29.6	11.2	24.9
1970—Dec.	389.2	97.1	62.1	229.9	62.7	2.8	7.0	9.4	25.2	52.1	29.8	20.6	20.4
1971—Dec.	424.1	106.0	70.2	247.9	65.3	2.7	6.6	12.4	25.0	54.4	19.6	46.9	15.0
1972—May	427.9	109.1	71.6	247.2	61.0	2.8	6.3	11.3	25.5	55.8	18.6	49.4	16.6
June	427.3	111.5	71.4	244.4	60.5	2.7	6.2	10.3	25.9	56.0	18.0	50.0	14.9
July	432.4	112.8	70.8	248.8	60.2	2.7	6.1	10.0	26.5	56.3	18.0	54.6	14.5
Aug.	435.4	115.4	70.7	249.3	60.0	2.6	6.0	9.5	26.5	56.6	17.6	55.9	14.6
Sept.	433.9	113.5	69.7	250.7	60.8	2.8	6.1	8.9	27.2	56.8	17.2	55.3	15.7
Oct.	439.9	116.7	70.1	253.1	61.0	2.7	5.9	10.4	28.0	57.1	17.0	55.8	15.2
Nov.	444.2	116.1	69.5	258.6	63.5	2.7	6.1	12.0	27.9	57.4	17.1	56.0	16.1
Dec.	449.3	116.9	69.9	262.5	67.0	2.6	6.0	11.7	28.3	57.1	17.0	55.3	17.0
1973—Jan.	450.1	116.2	72.0	261.8	66.0	2.6	6.1	12.3	29.5	58.0	16.8	54.3	16.3
Feb.	454.8	117.1	72.6	265.1	62.4	2.6	5.8	12.7	29.0	58.3	16.6	61.1	16.7
Mar.	458.6	117.9	74.3	266.4	61.6	2.5	5.9	13.0	28.9	58.6	16.6	63.1	16.3
Apr.	457.1	117.9	75.5	263.7	60.1	2.5	5.7	12.3	28.7	58.9	16.5	62.1	17.0

1 Consists of investments of foreign and international accounts in the United States.

2 Consists of savings and loan assns., nonprofit institutions, corporate pension trust funds, and dealers and brokers. Also included are certain Govt. deposit accounts and Govt.-sponsored agencies.

NOTE.—Reported data for F.R. Banks and U.S. Govt. agencies and trust funds; Treasury estimates for other groups.

The debt and ownership concepts were altered beginning with the Mar. 1969 BULLETIN. The new concepts (1) exclude guaranteed securities and (2) remove from U.S. Govt. agencies and trust funds and add to other miscellaneous investors the holdings of certain Govt.-sponsored but privately owned agencies and certain Govt. deposit accounts.

OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value, in millions of dollars)

Type of holder and date	Total	Within 1 year			1-5 years	5-10 years	10-20 years	Over 20 years
		Total	Bills	Other				
All holders:								
1970—Dec. 31	247,713	123,423	87,923	35,500	82,318	22,554	8,556	10,863
1971—Dec. 31	262,038	119,141	97,505	21,636	93,648	29,321	9,530	10,397
1972—Dec. 31	269,509	130,422	103,870	26,552	88,564	29,143	15,301	6,079
1973—Mar. 31	269,775	130,187	104,991	25,196	95,425	22,356	16,059	5,748
Apr. 30	267,847	128,359	103,163	25,196	95,392	22,356	16,022	5,718
U.S. Govt. agencies and trust funds:								
1970—Dec. 31	17,092	3,005	708	2,297	6,075	3,877	1,748	2,387
1971—Dec. 31	18,444	1,380	605	775	7,614	4,676	2,319	2,456
1972—Dec. 31	19,360	1,609	674	935	6,418	5,487	4,317	1,530
1973—Mar. 31	20,040	1,751	554	1,197	7,207	4,992	4,592	1,498
Apr. 30	19,991	1,713	493	1,220	7,253	5,009	4,532	1,484
Federal Reserve Banks:								
1970—Dec. 31	62,142	36,338	25,965	10,373	19,089	6,046	229	440
1971—Dec. 31	70,218	36,032	31,033	4,999	25,299	7,702	584	601
1972—Dec. 31	69,906	37,750	29,745	8,005	24,497	6,109	1,414	136
1973—Mar. 31	74,276	40,268	33,539	6,729	28,288	4,133	1,477	110
Apr. 30	75,495	41,236	34,357	6,879	28,523	4,145	1,481	110
Held by private investors:								
1970—Dec. 31	168,479	84,080	61,250	22,830	57,154	12,631	6,579	8,036
1971—Dec. 31	173,376	81,729	65,867	15,862	60,735	16,943	6,627	7,340
1972—Dec. 31	180,243	91,063	73,451	17,612	57,649	17,547	9,570	4,413
1973—Mar. 31	175,459	88,168	70,898	17,270	59,930	13,231	9,990	4,140
Apr. 30	172,361	85,410	68,313	17,097	59,616	13,202	10,009	4,124
Commercial banks:								
1970—Dec. 31	50,917	19,208	10,314	8,894	26,609	4,474	367	260
1971—Dec. 31	51,363	14,920	8,287	6,633	28,823	6,847	555	217
1972—Dec. 31	52,440	18,077	10,289	7,788	27,765	5,654	864	80
1973—Mar. 31	47,837	14,807	7,640	7,167	28,010	4,018	928	74
Apr. 30	46,668	14,193	7,223	6,970	27,682	3,839	888	68
Mutual savings banks:								
1970—Dec. 31	2,745	525	171	354	1,168	339	329	385
1971—Dec. 31	2,742	416	235	181	1,221	499	281	326
1972—Dec. 31	2,609	590	309	281	1,152	469	274	124
1973—Mar. 31	2,517	503	234	269	1,231	294	352	136
Apr. 30	2,482	490	224	266	1,222	293	342	136
Insurance companies:								
1970—Dec. 31	6,066	893	456	437	1,723	849	1,369	1,231
1971—Dec. 31	5,679	720	325	395	1,499	993	1,366	1,102
1972—Dec. 31	5,220	799	448	351	1,190	976	1,593	661
1973—Mar. 31	5,106	828	371	457	1,188	857	1,661	574
Apr. 30	4,926	682	231	451	1,173	850	1,652	569
Nonfinancial corporations:								
1970—Dec. 31	3,057	1,547	1,194	353	1,260	242	2	6
1971—Dec. 31	6,021	4,191	3,280	911	1,492	301	16	20
1972—Dec. 31	4,948	3,604	1,198	2,406	1,198	121	25	1
1973—Mar. 31	5,850	4,446	3,190	1,256	1,258	85	59	1
Apr. 30	4,966	3,607	2,408	1,199	1,233	84	41	1
Savings and loan associations:								
1970—Dec. 31	3,263	583	220	363	1,899	281	243	258
1971—Dec. 31	3,002	629	343	286	1,449	587	162	175
1972—Dec. 31	2,873	820	498	322	1,140	605	226	81
1973—Mar. 31	2,838	849	496	353	1,309	388	219	74
Apr. 30	2,782	769	413	356	1,302	392	245	74
State and local governments:								
1970—Dec. 31	11,204	5,184	3,803	1,381	2,458	774	1,191	1,598
1971—Dec. 31	9,823	4,592	3,832	760	2,268	783	918	1,263
1972—Dec. 31	10,904	6,159	5,203	956	2,033	816	1,298	598
1973—Mar. 31	11,195	6,635	5,727	908	2,103	711	1,217	529
Apr. 30	10,838	6,348	5,411	937	2,045	729	1,229	488
All others:								
1970—Dec. 31	91,227	56,140	45,092	11,048	22,037	5,672	3,078	4,298
1971—Dec. 31	94,746	56,261	49,565	6,696	23,983	6,933	3,329	4,237
1972—Dec. 31	101,249	61,014	55,506	5,508	23,171	8,906	5,290	2,868
1973—Mar. 31	100,116	60,100	53,240	6,860	24,831	6,878	5,554	2,752
Apr. 30	99,699	59,321	52,403	6,918	24,959	7,015	5,612	2,788

NOTE.—Direct public issues only. Based on Treasury Survey of Ownership.

Data complete for U.S. Govt. agencies and trust funds and F.R. Banks but for other groups are based on Treasury Survey data. Of total marketable issues held by groups, the proportion held on latest date by those reporting in the Survey and the number of owners surveyed were: (1) about 90 per cent by the 5,612 commercial banks, 480 mutual savings banks, and 739 insurance companies combined; (2) about 50 per cent by the 463 nonfinancial corporations and 487 savings and loan assns.; and (3) about 70 per cent by 505 State and local govts.

"All others," a residual, includes holdings of all those not reporting in the Treasury Survey, including investor groups not listed separately.

DAILY-AVERAGE DEALER TRANSACTIONS

(Par value, in millions of dollars)

Period	U.S. Government securities: Total	By maturity: Within 1 year	By maturity: 1–5 years	By maturity: 5–10 years	By maturity: Over 10 years	By type of customer: U.S. Govt. securities dealers	By type of customer: U.S. Govt. securities brokers	By type of customer: Commercial banks	By type of customer: All other[1]	U.S. Govt. agency securities
1972—Apr.	2,990	2,300	460	203	28	704	450	1,002	835	609
May	2,542	1,939	348	221	35	589	364	821	767	485
June	2,452	2,001	257	161	34	545	355	759	793	411
July	2,571	2,124	283	131	33	633	382	851	704	439
Aug.	2,658	1,953	377	191	137	587	411	911	749	443
Sept.	2,695	2,225	231	143	97	635	504	845	710	482
Oct.	3,047	2,473	350	126	99	837	420	988	802	561
Nov.	3,397	2,397	709	168	123	835	498	1,228	837	731
Dec.	3,184	2,640	361	118	65	757	352	1,215	860	472
1973—Jan.	3,158	2,445	443	148	122	793	470	1,113	781	463
Feb.	4,155	2,975	721	370	89	888	808	1,360	1,099	645
Mar.	3,077	2,311	508	201	57	713	585	987	792	664
Apr.	3,185	2,535	440	165	46	709	636	1,075	766	714
Week ending—										
1973—Apr. 4	3,503	2,808	480	166	49	676	677	1,208	943	649
11	3,594	2,739	573	224	58	890	760	1,184	761	1,182
18	2,968	2,237	518	173	40	643	666	1,042	616	606
25	2,917	2,543	252	83	39	612	474	962	869	576
May 2	3,367	2,572	371	376	47	695	602	1,145	925	445
9	3,464	2,366	351	498	249	741	698	1,094	931	449
16	3,118	2,344	324	257	193	671	470	1,002	975	939
23	2,794	2,139	333	216	106	587	506	900	802	781
30	3,129	2,562	261	197	108	630	495	1,086	918	486

[1] Since Jan. 1972 has included transactions of dealers and brokers in securities other than U.S. Govt.

NOTE.—The transactions data combine market purchases and sales of U.S. Govt. securities dealers reporting to the F.R. Bank of New York. They do not include allotments of, and exchanges for, new U.S. Govt. securities, redemptions of called or matured securities, or purchases or sales of securities under repurchase agreement, reverse repurchase (resale), or similar contracts. Averages of daily figures based on the number of trading days in the period.

DAILY-AVERAGE DEALER POSITIONS

(Par value, in millions of dollars)

Period	U.S. Government securities, by maturity: All maturities	Within 1 year	1–5 years	5–10 years	Over 10 years	U.S. Govt. agency securities
1972—Apr.	3,573	3,713	20	131	-29	422
May	4,257	4,089	84	102	-18	551
June	3,733	3,903	-55	99	-16	532
July	3,253	3,626	-146	-216	-11	356
Aug.	3,905	3,370	41	130	363	404
Sept.	4,386	4,374	-83	-58	153	408
Oct.	3,333	3,452	29	-132	41	543
Nov.	4,522	4,113	335	8	66	834
Dec.	4,973	4,903	73	-41	37	556
1973—Jan.	4,744	4,959	-53	-259	97	281
Feb.	3,394	3,365	9	1	39	202
Mar.	2,702	3,130	-274	143	11	180
Apr.	2,795	3,105	159	143	9	276
Week ending—						
1973—Mar. 7	2,477	2,827	-245	90	15	150
14	2,399	2,834	284	140	11	135
21	2,688	3,169	-315	149	18	182
28	3,040	3,523	-296	178	9	235
Apr. 4	3,315	3,637	151	173	3	163
11	2,991	3,203	88	138	14	322
18	2,813	3,107	160	123	11	336
25	2,476	2,891	231	153	31	270

NOTE.—The figures include all securities sold by dealers under repurchase contracts regardless of the maturity date of the contract, unless the contract is matched by a reverse repurchase (resale) agreement or delayed delivery sale with the same maturity and involving the same amount of securities. Included in the repurchase contracts are some that more clearly represent investments by the holders of the securities rather than dealer trading positions.

Average of daily figures based on number of trading days in the period.

DAILY-AVERAGE DEALER FINANCING

(In millions of dollars)

Period	All sources	Commercial banks: New York City	Commercial banks: Elsewhere	Corporations[1]	All other
1972—Apr.	3,400	1,044	746	657	953
May	4,073	1,107	931	755	1,280
June	3,804	1,056	838	804	1,108
July	3,055	753	496	820	986
Aug.	4,021	1,356	580	927	1,158
Sept.	4,379	1,633	599	705	1,442
Oct.	3,055	1,227	406	490	932
Nov.	4,198	1,538	617	709	1,334
Dec.	4,848	1,695	808	944	1,399
1973—Jan.	4,520	1,346	794	932	1,449
Feb.	3,415	1,063	455	490	1,408
Mar.	2,799	903	292	281	1,323
Apr.	3,032	935	513	311	1,273
Week ending—					
1973—Mar. 7	2,665	869	222	342	1,233
14	2,557	900	205	326	1,125
21	2,677	1,000	184	156	1,338
28	2,910	857	354	277	1,423
Apr. 4	3,622	1,163	705	321	1,434
11	3,180	1,133	551	283	1,213
18	3,144	978	474	346	1,345
25	2,733	633	423	324	1,353

[1] All business corporations, except commercial banks and insurance companies.

NOTE.—Averages of daily figures based on the number of calendar days in the period. Both bank and nonbank dealers are included. See also NOTE to the table on the left.

U.S. GOVERNMENT MARKETABLE AND CONVERTIBLE SECURITIES, MAY 31, 1973

(In millions of dollars)

Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount	Issue and coupon rate	Amount
Treasury bills		**Treasury bills—Cont.**		**Treasury notes—Cont.**		**Treasury bonds**	
June 7, 1973	4,287	Nov. 1, 1973	1,801	Dec. 31, 1974.....5⅞	2,102	Aug. 15, 1973.....4	3,894
June 14, 1973	4,302	Nov. 8, 1973	1,802	Feb. 15, 1975.....5¾	4,015	Nov. 15, 1973.....4⅛	4,337
June 21, 1973	4,306	Nov. 15, 1973	1,693	Feb. 15, 1975.....5⅞	1,222	Feb. 15, 1974.....4⅛	2,467
June 22, 1973†	2,510	Nov. 20, 1973	1,802	Apr. 1, 1975.....1½	8	May 15, 1974.....4¼	2,850
June 28, 1973	4,305	Nov. 23, 1973	1,701	May 15, 1975.....5⅞	1,776	Nov. 15, 1974.....3⅞	1,214
June 30, 1973	1,701	Nov. 29, 1973	1,702	May 15, 1975.....6	6,760	May 15, 1975-85..4¼	1,204
July 5, 1973	4,303	Dec. 18, 1973	1,800	Aug. 15, 1975.....5⅞	7,679	June 15, 1978-83..3¼	1,494
July 12, 1973	4,303	Jan. 15, 1974	1,804	Oct. 1, 1975.....1½	30	Feb. 15, 1980.....4	2,578
July 19, 1973	4,304	Feb. 12, 1974	1,801	Nov. 15, 1975.....7	3,115	Nov. 15, 1980.....3½	1,898
July 26, 1973	4,300	Mar. 12, 1974	1,790	Feb. 15, 1976.....6¼	3,739	Aug. 15, 1981.....7	807
July 31, 1973	1,702	Apr. 9, 1974	1,802	Feb. 15, 1976.....5⅞	4,945	Feb. 15, 1982.....6⅜	2,702
Aug. 2, 1973	4,302	May 7, 1974	1,800	Apr. 1, 1976.....1½	27	Aug. 15, 1984.....6⅜	2,353
Aug. 9, 1973	4,305			May 15, 1976.....5¾	2,802	May 15, 1985.....3¼	978
Aug. 16, 1973	4,304			May 15, 1976.....6½	2,697	Nov. 15, 1986.....6⅛	1,216
Aug. 23, 1973	4,302			Aug. 15, 1976.....7½	4,194	Aug. 15, 1987–92..4¼	3,738
Aug. 28, 1973	1,803			Aug. 15, 1976.....6½	3,883	Feb. 15, 1988-93..4	237
Aug. 30, 1973	4,302			Oct. 1, 1976.....1½	11	May 15, 1989-94..4⅛	1,497
Sept. 6, 1973	1,800			Nov. 15, 1976.....6¼	4,325	Feb. 15, 1990.....3½	4,148
Sept. 13, 1973	1,801	**Treasury notes**		Feb. 15, 1977.....8	5,163	Feb. 15, 1993.....6¾	627
Sept. 20, 1973	1,801	Aug. 15, 1973.....8⅛	1,839	Apr. 1, 1977.....1½	5	Feb. 15, 1995.....3	921
Sept. 25, 1973	1,801	Oct. 1, 1973.....1½	30	Aug. 15, 1977.....7¾	2,264	May 15, 1993-98..7	692
Sept. 27, 1973	1,807	Feb. 15, 1974.....7¼	2,960	Oct. 1, 1977.....1½	17	Nov. 15, 1998.....3½	3,276
Oct. 4, 1973	1,801	Apr. 1, 1974.....1½	34	Feb. 15, 1978.....6¼	8,389		
Oct. 11, 1973	1,801	May 15, 1974.....7¼	4,334	Apr. 1, 1978.....1½	14		
Oct. 18, 1973	1,800	Aug. 15, 1974.....5⅝	10,284	Nov. 15, 1978.....6	8,207	**Convertible bonds**	
Oct. 23, 1973	1,802	Sept. 30, 1974.....6	2,060	Aug. 15, 1979.....6¼	4,559	**Investment Series B**	
Oct. 25, 1973	1,799	Oct. 1, 1974.....1½	42	Nov. 15, 1979.....6⅝	1,604	Apr. 1, 1975-80..2¾	2,277
		Nov. 15, 1974.....5¾	5,442	May 15, 1980.....6⅞	7,265		

† Tax-anticipation series.

NOTE.—Direct public issues only. Based on Daily Statement of U.S. Treasury.

NEW ISSUES OF STATE AND LOCAL GOVERNMENT SECURITIES

(In millions of dollars)

Period	All issues (new capital and refunding): Total	Type of issue: General obligations	Type of issue: Revenue	Type of issue: HAA[1]	Type of issue: U.S. Govt. loans	Type of issuer: State	Type of issuer: Special district and stat. auth.	Type of issuer: Other[2]	Total amount delivered[3]	Issues for new capital: Total	Use of proceeds: Education	Use of proceeds: Roads and bridges	Use of proceeds: Utilities[4]	Use of proceeds: Housing[5]	Use of proceeds: Veterans' aid	Use of proceeds: Other purposes
1964	10,847	6,417	3,585	637	208	1,628	3,812	5,407	10,069	10,201	3,392	688	2,437	727	120	2,838
1965	11,329	7,177	3,517	464	170	2,401	3,784	5,144	11,538	10,471	3,619	900	1,965	626	50	3,311
1966	11,405	6,804	3,955	325	312	2,590	4,110	4,695	....	11,303	3,738	1,476	1,880	533	......	3,667
1967	14,766	8,985	5,013	477	334	2,842	4,810	7,115	....	14,643	4,473	1,254	2,404	645	......	5,867
1968	16,596	9,269	6,517	528	282	2,774	5,946	7,884	....	16,489	4,820	1,526	2,833	787	......	6,523
1969	11,881	7,725	3,556	402	197	3,359	3,596	4,926	....	11,838	3,252	1,432	1,734	543	......	4,884
1970	18,164	11,850	6,082	131	103	4,174	5,595	8,399	....	18,110	5,062	1,532	3,525	466	......	7,526
1971	24,962	15,220	8,681	1,000	62	5,999	8,714	10,246	....	24,495	5,278	2,642	5,214	2,068	......	9,293
1972—Apr.	1,989	1,382	601	....	6	472	549	969	....	1,950	490	229	434	10	......	788
May	2,017	990	1,023	....	3	374	850	792	....	1,950	657	214	306	67	......	705
June	2,270	989	1,064	209	8	246	1,226	799	....	2,000	347	150	533	393	......	576
July	1,805	1,322	481	....	2	647	467	690	....	1,796	327	121	223	154	......	971
Aug.	1,966	820	1,138	....	8	468	897	600	....	1,931	444	111	429	162	......	784
Sept.	1,726	663	803	257	4	298	1,016	414	....	1,609	238	107	590	270	......	404
Oct.	2,200	1,662	533	....	5	487	689	1,025	....	2,147	444	162	409	52	......	1,082
Nov.	1,862	1,147	711	....	5	425	572	866	....	1,762	312	215	365	56	......	814
Dec.	1,797	872	653	268	4	147	754	895	....	1,507	351	21	204	332	......	599
1973—Jan.	1,978	1,149	826	....	3	602	452	924	....	1,847	369	215	418	117	......	729
Feb.	1,481	766	714	....	1	47	552	824	....	1,381	365	63	399	10	......	544
Mar.	2,353	1,217	821	310	5	613	872	868	....	2,100	371	152	426	355	......	797
Apr.	1,772	858	906	....	8	159	704	908	....	1,711	300	8	432	88	......	883

[1] Only bonds sold pursuant to 1949 Housing Act, which are secured by contract requiring the Housing Assistance Administration to make annual contributions to the local authority.

[2] Municipalities, counties, townships, school districts.

[3] Excludes U.S. Govt. loans. Based on date of delivery to purchaser and payment to issuer, which occurs after date of sale.

[4] Water, sewer, and other utilities.

[5] Includes urban redevelopment loans.

NOTE.—The figures in the first column differ from those shown on the following page, which are based on *Bond Buyer* data. The principal difference is in the treatment of U.S. Govt. loans.

Investment Bankers Assn. data; par amounts of long-term issues based on date of sale unless otherwise indicated.

Components may not add to totals due to rounding.

TOTAL NEW ISSUES

(In millions of dollars)

Period	Gross proceeds, all issues[1]										
	Total	Noncorporate				Corporate					
		U.S. Govt.[2]	U.S. Govt. agency[3]	State and local (U.S.)[4]	Other[5]	Total	Bonds			Stock	
							Total	Publicly offered	Privately placed	Preferred	Common
1964	37,122	10,656	1,205	10,544	760	13,957	10,865	3,623	7,243	412	2,679
1965	40,108	9,348	2,731	11,148	889	15,992	13,720	5,570	8,150	725	1,547
1966	45,015	8,231	6,806	11,089	815	18,074	15,561	8,018	7,542	574	1,939
1967	68,514	19,431	8,180	14,288	1,817	24,798	21,954	14,990	6,964	885	1,959
1968	65,562	18,025	7,666	16,374	1,531	21,966	17,383	10,732	6,651	637	3,946
1969	52,496	4,765	8,617	11,460	961	26,744	18,347	12,734	5,613	682	7,714
1970	88,666	14,831	16,181	17,762	949	38,945	30,315	25,384	4,931	1,390	7,240
1971	105,233	17,325	16,283	24,370	2,165	45,090	32,123	24,775	7,354	3,670	9,291
1972—Mar.	6,556	586	400	2,185	156	3,229	2,253	1,677	577	282	694
Apr.	8,635	2,281	1,090	1,963	26	3,275	2,411	1,622	789	263	601
May	9,547	2,360	1,500	1,924	165	3,597	2,450	1,676	774	130	1,017
June	7,588	536	300	2,222	190	4,341	2,556	1,336	1,218	612	1,174
July	6,921	496	1,000	1,784	59	3,583	2,465	1,807	657	206	913
Aug.	7,136	606	1,685	1,898	54	2,893	1,945	1,523	421	206	743
Sept.	5,635	474	650	1,701	90	2,720	1,651	862	789	305	765
Oct.	9,505	2,530	1,141	1,970	74	3,791	2,336	1,772	565	421	1,033
Nov.	10,987	3,590	2,134	1,816	70	3,377	2,343	1,361	982	154	880
Dec.	8,210	2,553	200	1,760	302	3,396	2,625	1,024	1,601	272	498
1973—Jan.[r]	6,523	1,199	993	1,889	116	2,327	1,276	989	287	137	913
Feb.[r]	7,325	1,603	2,261	1,445	53	1,962	957	641	316	172	832
Mar.[r]	9,001	606	1,826	2,274	359	3,935	2,119	1,314	804	833	983

Period	Gross proceeds, major groups of corporate issuers											
	Manufacturing		Commercial and miscellaneous		Transportation		Public utility		Communication		Real estate and financial	
	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks
1964	2,819	228	902	220	944	38	2,139	620	669	1,520	3,391	466
1965	4,712	704	1,153	251	953	60	2,332	604	808	139	3,762	514
1966	5,861	1,208	1,166	257	1,856	116	3,117	549	1,814	189	1,747	193
1967	9,894	1,164	1,950	117	1,859	466	4,217	718	1,786	193	2,247	186
1968	5,668	1,311	1,759	116	1,665	1,579	4,407	873	1,724	43	2,159	662
1969	4,448	1,904	1,888	3,022	1,899	247	5,409	1,326	1,963	225	2,739	1,671
1970	9,192	1,320	1,963	2,540	2,213	47	8,016	3,001	5,053	83	3,878	1,638
1971	9,426	2,152	2,272	2,390	1,998	420	7,605	4,195	4,227	1,592	6,601	2,212
1972—Mar.	448	155	178	264	102	3	386	354	197	30	942	170
Apr.	383	197	235	178	129	3	924	295	177	1	562	190
May	607	154	193	281	142	71	381	357	376	16	751	270
June	468	299	181	341	171	15	1,018	520	368	431	349	179
July	464	110	77	239	130	30	455	343	390	196	949	200
Aug.	192	261	308	342	94	2	452	184	237	....	662	161
Sept.	441	162	302	242	61	....	649	598	32	1	166	66
Oct.	269	114	192	326	152	12	522	758	313	58	887	187
Nov.	346	79	429	271	61	8	322	472	657	1	528	202
Dec.	486	103	343	149	214	25	491	370	34	17	1,057	107
1973—Jan.[r]	113	63	89	105	120	1	529	371	30	3	395	509
Feb.[r]	178	35	118	111	96	4	319	277	58	117	290	461
Mar.	470	27	66	111	101	1	228	703	474	548	780	427

1 Gross proceeds are derived by multiplying principal amounts or number of units by offering price.
2 Includes guaranteed issues.
3 Issues not guaranteed.
4 See NOTE to table at bottom of preceding page.

5 Foreign governments and their instrumentalities, International Bank for Reconstruction and Development, and domestic nonprofit organizations.

NOTE.—Securities and Exchange Commission estimates of new issues maturing in more than 1 year sold for cash in the United States.

NET CHANGE IN OUTSTANDING CORPORATE SECURITIES

(In millions of dollars)

Period	Derivation of change, all issuers[1]								
	All securities			Bonds and notes			Common and preferred stocks		
	New issues	Retirements	Net change	New issues	Retirements	Net change	New issues	Retirements	Net change
1967	25,964	7,735	18,229	21,299	5,340	15,960	4,664	2,397	2,267
1968	25,439	12,377	13,062	19,381	5,418	13,962	6,057	6,959	-900
1969	28,841	10,813	18,027	19,523	5,767	13,755	9,318	5,045	4,272
1970	38,707	9,079	29,628	29,495	6,667	22,825	9,213	2,411	6,801
1971	46,687	9,507	37,180	31,917	8,190	23,728	14,769	1,318	13,452
1971—III	10,746	1,992	8,754	6,159	1,649	4,510	4,586	343	4,244
IV	11,488	2,521	8,967	8,019	2,084	5,935	3,469	437	3,032
1972—I	10,072	2,691	7,381	6,699	2,002	4,698	3,373	690	2,683
II	11,514	2,389	9,123	7,250	2,191	5,050	4,264	198	4,066
III	9,776	2,212	7,564	6,118	1,603	4,515	3,659	609	3,049
IV	10,944	2,932	8,012	6,998	2,207	4,790	3,946	725	3,220

Period	Type of issuer											
	Manufacturing		Commercial and other[2]		Transportation[3]		Public utility		Communication		Real estate and financial[1]	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
1968	4,418	1,842	2,242	821	987	-149	3,669	892	1,579	120	1,069	-741
1969	3,747	69	1,075	1,558	946	186	4,464	1,353	1,834	241	1,687	866
1970	6,641	870	853	1,778	1,104	36	6,861	2,917	4,806	94	2,564	1,107
1971	6,585	2,534	827	2,290	900	800	6,486	4,206	3,925	1,600	5,005	2,017
1971—III	852	676	-10	678	195	230	1,493	814	832	1,442	1,148	404
IV	1,361	453	190	445	-27	163	1,749	1,183	980	54	1,683	734
1972—I	696	423	31	545	267	15	827	872	1,020	402	1,856	425
II	704	851	344	774	127	164	1,844	1,176	806	464	1,233	638
III	479	530	459	673	138	28	1,410	1,061	573	305	1,456	453
IV	116	290	575	479	179	47	1,056	1,735	944	89	1,920	580

[1] Excludes investment companies.
[2] Extractive and commercial and miscellaneous companies.
[3] Railroad and other transportation companies.

NOTE.—Securities and Exchange Commission estimates of cash transactions only. As contrasted with data shown on opposite page, new issues exclude foreign sales and include sales of securities held by affiliated companies, special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements are defined in the same way and also include securities retired with internal funds or with proceeds of issues for that purpose.

OPEN-END INVESTMENT COMPANIES

(In millions of dollars)

Year	Sales and redemption of own shares			Assets (market value at end of period)			Month	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales[1]	Redemptions	Net sales	Total[2]	Cash position[3]	Other		Sales[1]	Redemptions	Net sales	Total[2]	Cash position[3]	Other
1960	**2,097**	**842**	**1,255**	**17,026**	973	16,053	1972—Apr.	405	655	250	58,870	2,827	56,043
							May	378	585	-207	59,736	2,763	56,973
1961	**2,951**	**1,160**	1,791	**22,789**	980	21,809	June	393	544	-151	57,708	3,015	54,693
1962	**2,699**	1,123	1,576	21,271	1,315	19,956	July	398	424	26	56,932	3,219	53,713
1963	**2,460**	**1,504**	952	25,214	1,341	23,873	Aug.	391	582	-191	58,186	3,375	54,811
							Sept.	310	442	-132	57,193	3,395	53,798
1964	3,404	1,875	**1,528**	29,116	1,329	27,787	Oct.	384	411	-27	57,525	3,719	53,806
1965	4,359	1,962	2,395	35,220	1,803	33,417	Nov.	387	645	-258	59,854	3,549	56,305
1966	4,671	2,005	2,665	34,829	2,971	31,858	Dec.	449	619	170	59,831	3,035	56,796
1967	4,670	2,745	1,927	44,701	2,566	42,135	1973—Jan.	535	666	-131	56,946	3,015	53,931
1968	6,820	3,841	2,979	52,677	3,187	49,490	Feb.	327	530	203	54,083	3,375	50,708
1969	6,717	3,661	3,056	48,291	3,846	44,445	Mar.	519	531	-12	53,377	3,774	49,603
							Apr.	300	452	-120	50,837	3,837	46,464
1970	4,624	2,987	1,637	47,618	3,649	43,969							
1971	5,145	4,751	774	56,694	3,163	53,531							

[1] Includes contractual and regular single purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment income dividends; excludes reinvestment of realized capital gains dividends.
[2] Market value at end of period less current liabilities.
[3] Cash and deposits, receivables, all U.S. Govt. securities, and other short-term debt securities, less current liabilities.

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.

CORPORATE PROFITS, TAXES, AND DIVIDENDS

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances[1]
1966	84.2	34.3	49.9	20.8	29.1	39.5
1967	79.8	33.2	46.6	21.4	25.3	43.0
1968	87.6	39.9	47.8	23.6	24.2	46.8
1969	84.9	40.1	44.8	24.3	20.5	51.9
1970	74.3	34.1	40.2	24.8	15.4	55.2
1971	83.3	37.3	45.9	25.4	20.5	60.3
1972	94.3	41.3	53.0	26.4	26.6	67.7

Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances[1]
1971—I	81.3	38.0	43.2	25.5	17.7	57.5
II	84.5	38.6	45.8	25.4	20.4	59.4
III	84.1	37.5	46.6	25.5	21.0	61.2
IV	83.2	35.3	48.0	25.2	22.7	63.0
1972—I	88.2	38.8	49.5	26.0	23.5	64.8
II	91.6	40.1	51.5	26.2	25.3	68.0
III	95.7	41.8	53.9	26.5	27.3	68.4
IV	101.5	44.3	57.2	26.7	30.5	69.5
1973—I	113.1	50.8	62.3	27.3	35.0	70.6

[1] Includes depreciation, capital outlays charged to current accounts, and accidental damages.

NOTE.—Dept. of Commerce estimates. Quarterly data are at seasonally adjusted annual rates.

CURRENT ASSETS AND LIABILITIES OF NONFINANCIAL CORPORATIONS[1]

(In billions of dollars)

End of period	Net working capital	Current assets							Current liabilities				
		Total	Cash	U.S. Govt. securities	Notes and accts. receivable		Inventories	Other	Total	Notes and accts. payable		Accrued Federal income taxes	Other
					U.S. Govt.[1]	Other				U.S. Govt.[1]	Other		
1968	182.3	426.5	48.2	11.5	5.1	168.8	166.0	26.9	244.2	6.4	162.4	14.3	61.0
1969	185.7	473.6	47.9	10.6	4.8	192.2	186.4	31.6	287.9	7.3	196.9	12.6	76.0
1970—I	187.0	477.8	46.1	10.4	4.7	195.0	189.6	32.1	290.8	7.2	191.0	13.3	79.3
II	185.6	481.8	45.6	8.7	4.4	197.9	191.8	33.4	296.2	7.0	196.0	10.8	82.4
III	185.3	484.6	46.5	7.1	4.2	201.0	193.5	32.3	299.3	6.8	196.7	11.5	84.3
IV	187.8	490.4	49.7	7.6	4.2	200.6	196.0	32.4	302.6	6.6	200.5	11.8	83.7
1971—I	192.0	494.1	48.5	7.8	4.2	201.3	198.5	33.8	302.1	6.1	195.7	13.7	86.6
II	196.5	498.2	51.1	7.7	3.9	203.3	199.2	33.1	301.7	5.3	195.8	12.4	88.3
III	200.9	507.2	52.4	7.8	3.9	206.5	201.6	34.9	306.3	5.0	197.4	13.8	90.1
IV	204.9	516.7	55.3	10.4	3.5	207.5	203.1	36.8	311.8	4.9	202.8	14.5	89.7
1972—I	209.6	526.0	55.3	9.9	3.4	211.4	207.2	38.9	316.4	4.9	202.5	15.7	93.3
II	215.2	534.3	55.7	8.7	2.8	216.3	210.7	40.1	319.1	4.9	204.0	13.4	96.8
III	219.3	545.5	57.3	7.6	2.9	222.5	215.2	39.8	326.2	4.7	207.6	15.0	98.9
IV	224.3	561.1	60.3	9.7	3.4	228.9	218.2	40.7	336.8	4.0	216.9	16.7	99.2

[1] Receivables from, and payables to, the U.S. Govt. exclude amounts offset against each other on corporations' books.

NOTE: Based on Securities and Exchange Commission estimates.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing		Mining	Transportation			Public utilities		Communications	Other[1]	Total (S.A. A.R.)
		Durable	Nondurable		Railroad	Air	Other	Electric	Gas and other			
1969	75.56	15.96	15.72	1.86	1.86	2.51	1.68	8.94	2.67	8.30	16.05	....
1970	79.71	15.80	16.15	1.89	1.78	3.03	1.23	10.65	2.49	10.10	16.59	....
1971	81.21	14.15	15.84	2.16	1.67	1.88	1.38	12.86	2.44	10.77	18.05	....
1972	88.44	15.64	15.72	2.45	1.80	2.46	1.46	14.48	2.52	11.89	20.07	....
1973[2]	100.62	18.70	18.31	2.64	1.68	2.38	1.52	16.87	2.95	13.40	22.16	....
1971—I	17.68	3.11	3.58	.49	.34	.34	.28	2.70	.41	2.50	3.94	79.32
II	20.60	3.52	4.03	.54	.47	.60	.36	3.20	.63	2.81	4.44	81.61
III	20.14	3.40	3.91	.55	.42	.39	.37	3.35	.71	2.62	4.42	80.75
IV	22.79	4.12	4.32	.59	.45	.56	.37	3.60	.69	2.84	5.26	83.18
1972—I	19.38	3.29	3.32	.58	.48	.50	.32	3.19	.44	2.72	4.55	86.79
II	22.01	3.71	3.92	.61	.48	.73	.39	3.61	.62	2.95	4.98	87.12
III	21.86	3.86	3.87	.59	.38	.61	.35	3.67	.72	2.84	4.97	87.67
IV	25.20	4.77	4.61	.63	.47	.63	.40	4.01	.73	3.39	5.57	91.94
1973—I	21.50	3.92	3.88	.63	.46	.52	.32	3.45	.50	2.87	4.94	96.19
II[2]	24.93	4.78	4.50	.68	.46	.68	.42	4.00	.74	8.66		98.57
III[2]	25.32	4.83	4.60	.71	.50	.46	.40	4.36	.88	8.57		101.80

[1] Includes trade, service, construction, finance, and insurance.
[2] Anticipated by business.

NOTE.—Dept. of Commerce and Securities and Exchange Commission estimates for corporate and noncorporate business; excludes agriculture, real estate operators, medical, legal, educational, and cultural service, and nonprofit organizations.

MORTGAGE DEBT OUTSTANDING

(In billions of dollars)

End of period	All properties				Farm			Nonfarm								
	All holders	Financial institutions[1]	Other holders[2]		All holders	Financial institutions[1]	Other holders[3]	All holders	1- to 4-family houses[4]			Multifamily and commercial properties[5]			Mortgage type[6]	
			U.S. agencies	Individuals and others					Total	Finan. institutions[1]	Other holders	Total	Finan. institutions[1]	Other holders	FHA-VA-underwritten	Conventional
1964	300.1	241.0	11.4	47.7	18.9	7.0	11.9	281.2	197.6	170.3	27.3	83.6	63.7	19.9	77.2	204.0
1965	325.8	264.6	12.4	48.7	21.2	7.8	13.4	304.6	212.9	184.3	28.7	91.6	72.5	19.1	81.2	223.4
1966	347.4	280.8	15.8	50.9	23.3	8.4	14.9	324.1	223.6	192.1	31.5	100.5	80.2	20.3	84.1	240.0
1967	370.2	298.8	18.4	53.0	25.5	9.1	16.3	344.8	236.1	201.8	34.2	108.7	87.9	20.9	88.2	256.6
1968	397.5	319.9	21.7	55.8	27.5	9.7	17.8	370.0	251.2	213.1	38.1	118.7	97.1	21.6	93.4	276.6
1969	425.3	339.1	26.8	59.4	29.5	9.9	19.6	395.9	266.8	223.7	43.2	129.0	105.5	23.5	100.2	295.7
1970	451.7	355.9	33.0	62.8	31.2	10.1	21.1	420.5	280.2	231.3	48.9	140.3	114.5	25.8	109.2	311.3
1971—I	459.0	361.8	33.6	63.6	31.8	10.1	21.6	427.2	283.6	234.4	49.2	143.6	117.3	26.3	111.0	316.2
II	471.1	372.0	35.2	63.9	31.9	9.7	22.2	439.3	290.9	240.7	50.2	148.3	121.6	26.7	114.4	324.9
III	485.6	383.6	37.4	64.6	32.4	9.8	22.6	453.2	299.7	248.0	51.8	153.5	125.8	27.7	117.5	335.7
IV	499.9	394.5	39.4	66.1	32.9	9.9	23.0	467.0	307.8	254.2	53.7	159.2	130.5	28.7	120.7	346.3
1972—I	511.7	404.2	41.2	66.4	33.5	9.9	23.6	478.2	314.1	259.6	54.5	164.1	134.6	29.4	123.7	259.2
II	529.1	418.9	42.7	67.5	34.4	10.2	24.2	494.8	324.6	268.8	55.8	170.2	140.0	30.3	126.6	269.2
III	547.3	434.6	44.3	68.3	35.0	10.3	24.7	512.3	335.8	279.2	56.6	176.8	145.1	31.3	129.0	280.3
IV	565.4	450.6	45.8	69.0	35.4	10.5	24.9	530.0	346.1	288.7	57.4	183.9	151.3	32.6	......	......
1973 I[p]	579.9	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......

[1] Commercial banks (*including nondeposit trust companies but not* trust depts.), mutual savings banks, life insurance companies, and savings and loan assns.

[2] U.S. agencies include former Federal National Mortgage Assoc. and, beginning fourth quarter 1968, new Government National Mortgage Assoc. as well as Federal Housing Admin., Veterans Admin., Public Housing Admin., Farmers Home Admin. They also include U.S. sponsored agencies—new FNMA, Federal land banks, GNMA (Pools), and the Federal Home Loan Mortgage Corp. Other U.S. agencies (amounts small or separate data not readily available) included with "individuals and others."

[3] Derived figures; includes debt held by Federal land banks and farm debt held by Farmers Home Admin.

[4] *For multifamily and total residential properties, see tables below.*

[5] Derived figures; includes small amounts of farm loans held by savings and loan assns.

[6] Data by type of mortgage on nonfarm 1- to 4-family properties alone are shown in table below.

NOTE. Based on data from Federal Deposit Insurance Corp., Federal Home Loan Bank Board, Institute of Life Insurance, Depts. of Agriculture and Commerce, FNMA, FHA, PHA, VA, GNMA, FHLMC, and Comptroller of the Currency.

Figures for first three quarters of each year are F.R. estimates.

MORTGAGE DEBT OUTSTANDING ON RESIDENTIAL PROPERTIES

(In billions of dollars)

End of period	All residential			Multifamily[1]		
	Total	Financial institutions	Other holders	Total	Financial institutions	Other holders
1963	211.2	176.8	34.5	29.0	20.7	8.3
1964	231.1	195.4	35.7	33.6	25.1	8.5
1965	250.1	213.2	36.9	37.2	29.0	8.2
1966	264.0	223.7	40.3	40.3	31.5	8.8
1967	280.0	236.6	43.4	43.9	34.7	9.2
1968	298.6	250.8	47.8	47.3	37.7	9.7
1969	319.0	265.0	54.0	52.2	41.3	10.8
1970	338.2	277.1	61.1	58.0	45.8	12.2
1971—I	343.3	281.4	61.8	59.7	47.1	12.6
II	353.1	289.9	63.2	62.1	49.2	12.9
III	364.0	298.4	65.6	64.3	50.4	13.9
IV	374.7	306.1	68.6	66.8	52.0	14.9
1972—I	382.9	312.9	70.0	68.8	53.3	15.4
II	395.8	324.1	71.7	71.3	55.3	16.0
III	409.3	336.1	73.2	73.5	56.9	16.6
IV[p]	422.5	347.9	74.6	76.4	59.1	17.3

[1] Structures of five or more units.

NOTE.—Based on data from same source as for "Mortgage Debt Outstanding" table above.

MORTGAGE DEBT OUTSTANDING ON NONFARM 1- to 4-FAMILY PROPERTIES

(In billions of dollars)

End of period	Total	Government-underwritten			Conventional
		Total	FHA-insured	VA-guaranteed[1]	
1964	197.6	69.2	38.3	30.9	128.3
1965	212.9	73.1	42.0	31.1	139.8
1966	223.6	76.1	44.8	31.3	147.6
1967	236.1	79.9	47.4	32.5	156.1
1968	251.2	84.4	50.6	33.8	166.8
1969	266.8	90.2	54.5	35.7	176.6
1970	280.2	97.2	59.9	37.3	182.9
1971—I	283.6	98.3	61.0	37.3	185.3
II	290.9	100.4	62.8	37.6	190.5
III	299.7	102.9	64.4	38.5	196.8
IV	307.8	105.2	65.7	39.5	202.6
1972—I	314.1	107.5	66.8	40.7	206.6
II	324.6	109.6	67.6	42.0	215.0
III	335.8	111.5	68.4	43.1	224.3
IV[p]	346.1	......	68.2	......	......

[1] Includes outstanding amount of VA vendee accounts held by private investors under repurchase agreement.

NOTE. For total debt outstanding, figures are FHLBB and F.R. estimates. For conventional, figures are derived.

Based on data from FHLBB, Federal Housing Admin., and Veterans Admin.

MORTGAGE LOANS HELD BY BANKS

(In millions of dollars)

End of period	Commercial bank holdings [1]							Mutual savings bank holdings						
	Total	Residential				Other non-farm	Farm	Total	Residential				Other non-farm	Farm
		Total	FHA-insured	VA-guaranteed	Conventional				Total	FHA-insured	VA-guaranteed	Conventional		
1964	43,976	28,933	7,315	2,742	18,876	12,405	2,638	40,556	36,487	12,287	11,121	13,079	4,016	53
1965	49,675	32,387	7,702	2,688	21,997	14,377	2,911	44,617	40,096	13,791	11,408	14,897	4,469	52
1966	54,380	34,876	7,544	2,599	24,733	16,366	3,138	47,337	42,242	14,500	11,471	16,272	5,041	53
1967	59,019	37,642	7,709	2,696	27,237	17,931	3,446	50,490	44,641	15,074	11,795	17,772	5,732	117
1968	65,696	41,433	7,926	2,708	30,800	20,505	3,758	53,456	46,748	15,569	12,033	19,146	6,592	117
1969	70,705	44,573	7,960	2,663	33,950	22,113	4,019	56,138	48,682	15,862	12,166	20,654	7,342	114
1970—III	72,393	45,318	7,885	2,583	34,850	22,825	4,250	57,402	49,628	16,017	12,127	21,654	7,671	103
IV	73,275	45,640	7,919	2,589	35,131	23,284	4,351	57,948	49,937	16,087	12,008	21,842	7,893	119
1971—I	74,424	46,343	7,971	2,595	35,777	23,595	4,486	58,680	50,553	16,157	12,010	22,386	8,014	113
II	76,639	48,163	8,146	2,636	37,381	24,477	3,999	59,643	51,362	16,281	12,011	23,069	8,174	107
III	79,936	50,280	8,246	2,806	39,228	25,500	4,156	60,625	51,989	16,216	12,033	23,740	8,561	75
IV	82,515	52,004	8,310	2,980	40,714	26,306	4,205	61,978	53,027	16,141	12,074	24,812	8,901	50
1972—I	85,614	53,937	8,360	2,999	42,578	27,353	4,324	62,978	53,733	16,184	12,144	25,405	9,195	50
II	90,114	56,782	8,477	3,141	45,163	28,785	4,547	64,404	54,758	16,256	12,325	26,178	9,586	60
III	95,048	59,976	8,515	3,118	48,343	30,415	4,657	65,901	55,889	16,130	12,463	27,296	9,951	61
IV	99,314	62,782	8,495	3,203	51,084	31,751	4,781	67,556	57,140	16,013	12,622	28,505	10,354	62

[1] Includes loans held by nondeposit trust companies, but not bank trust depts.

NOTE.—Second and fourth quarters, FDIC series for all commercial and mutual savings banks in the United States and possessions. First and third quarters, estimates based on special F.R. interpolations.

MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES

(In millions of dollars)

Period	Loans acquired						Loans outstanding (end of period)					
	Total	Nonfarm				Farm	Total	Nonfarm				Farm
		Total	FHA-insured	VA-guaranteed	Other [1]			Total	FHA-insured	VA-guaranteed	Other	
1945	976	....	....	....	....	....	6,637	5,860	1,394	....	4,466	766
1964	10,433	9,386	1,812	674	6,900	1,047	55,152	50,848	11,484	6,403	32,961	4,304
1965	11,137	9,988	1,738	553	7,697	1,149	60,013	55,190	12,068	6,286	36,836	4,823
1966	10,217	9,223	1,300	467	7,456	994	64,609	59,369	12,351	6,201	40,817	5,240
1967	8,470	7,633	757	444	6,432	837	67,516	61,947	12,161	6,122	43,664	5,569
1968	7,925	7,153	733	346	6,074	772	69,973	64,172	11,961	5,954	46,257	5,801
1969	7,531	6,991	594	220	6,177	540	72,027	66,254	11,715	5,701	48,838	5,773
1970	7,181	6,867	386	88	6,393	314	74,375	68,726	11,419	5,394	51,913	5,649
1971	7,573	7,070	322	101	6,647	503	75,496	69,895	10,767	5,004	54,124	5,601
1972	8,802	8,101	277	202	7,622	701	77,319	71,640	9,944	4,646	57,050	5,679
1972—Feb.r	430	386	21	12	353	44	75,427	69,904	10,674	4,956	54,274	5,523
Mar.r	587	500	30	18	452	87	75,398	69,863	10,595	4,930	54,338	5,535
Apr.	560	506	30	15	461	54	75,469	69,926	10,535	4,903	54,488	5,543
May	602	542	15	13	514	60	75,493	69,941	10,467	4,873	54,601	5,552
June	708	643	31	21	591	65	75,547	69,969	10,391	4,838	54,740	5,578
July	655	605	19	25	561	50	75,626	70,031	10,314	4,811	54,906	5,595
Aug.	743	682	19	21	642	61	75,723	70,105	10,224	4,776	55,105	5,618
Sept.	708	663	22	14	627	45	75,813	70,195	10,139	4,734	55,322	5,618
Oct.	718	673	10	16	647	45	75,952	70,323	10,053	4,700	55,570	5,629
Nov.	803	746	28	13	705	57	76,207	70,567	10,000	4,668	55,899	5,640
Dec.	1,830	1,723	16	18	1,689	107	77,319	71,640	9,944	4,646	57,050	5,679
1973—Jan.	711	649	16	20	613	62	77,481	71,856	9,901	4,630	57,325	5,625
Feb.	603	542	21	24	491	61	77,510	71,892	9,806	4,613	57,473	5,618
Mar.	670	573	37	24	512	97	77,587	71,953	9,735	4,594	57,624	5,634

[1] Includes mortgage loans secured by land on which oil drilling or extracting operations are in process.

COMMITMENTS OF LIFE INSURANCE COMPANIES FOR INCOME PROPERTY MORTGAGES

Period	Number of loans	Total amount committed (millions of dollars)	Averages: Loan amount (thousands of dollars)	Averages: Contract interest rate (per cent)	Averages: Maturity (yrs./mos.)	Averages: Loan-to-value ratio (per cent)	Averages: Capitalization rate (per cent)	Averages: Debt coverage ratio	Averages: Per cent constant
1968	2,569	3,244.3	1,263	7.66	22/11	73.6	9.0	1.30	9.5
1969	1,788	2,920.7	1,633	8.69	21/8	73.3	9.6	1.29	10.2
1970	912	2,341.1	2,567	9.93	22/8	74.7	10.8	1.32	11.1
1971	1,664	3,982.5	2,393	9.07	22/10	74.9	10.0	1.29	10.4
1971—Apr.	137	302.1	2,205	8.98	22	75.2	9.9	1.28	10.4
May	146	257.3	1,762	8.91	23/4	75.6	10.0	1.27	10.4
June	203	729.0	3,591	8.92	23/8	75.5	9.8	1.29	10.2
July	183	386.5	2,112	8.94	21/10	74.4	9.8	1.26	10.4
Aug.	153	434.4	2,839	9.08	23/1	74.9	9.9	1.27	10.4
Sept.	178	366.1	2,057	9.15	22/6	74.8	9.8	1.28	10.4
Oct.	112	198.4	1,771	9.20	22/7	75.8	10.0	1.28	10.4
Nov.	136	288.2	2,119	9.01	23/5	75.6	9.9	1.27	10.2
Dec.	133	290.0	2,181	8.96	23	74.4	9.9	1.30	10.2
1972—Jan.	107	198.6	1,856	8.78	22/1	73.3	10.0	1.31	10.2
Feb.	122	423.5	3,471	8.62	22/6	73.3	9.7	1.31	10.0
Mar.	220	530.4	2,411	8.50	24/2	76.3	9.5	1.29	9.7
Apr.	200	381.1	1,906	8.44	24/6	76.3	9.5	1.29	9.6
May	246	399.6	1,624	8.48	23/4	76.0	9.5	1.26	9.8
June	268	683.2	2,549	8.55	23/0	75.4	9.5	1.29	9.8

NOTE. Life Insurance Association of America data for new commitments of $100,000 and over each on mortgages for multifamily and nonresidential nonfarm properties located largely in the United States. The 15 companies account for a little more than one-half of both the total assets and the nonfarm mortgages held by all U.S. life insurance companies. Averages, which are based on number of loans, vary in part with loan composition by type and location of property, type and purpose of loan, and loan amortization and prepayment terms. Data for the following are limited to cases where information was available or estimates could be made: capitalization rate (net stabilized property earnings divided by property value); debt coverage ratio (net stabilized earnings divided by debt service); and per cent constant (annual level payment, including principal and interest, per $100 of debt). All statistics exclude construction loans, increases in existing loans in a company's portfolio, reapprovals, and loans secured by land only.

MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

Period	Loans made: Total [1]	Loans made: New home construction	Loans made: Home purchase	Loans outstanding (end of period): Total [2]	Loans outstanding: FHA-insured [3]	Loans outstanding: VA-guaranteed [3]	Loans outstanding: Conventional
1964	24,913	6,638	10,538	101,333	4,894	6,683	89,756
1965	24,192	6,013	10,830	110,306	5,145	6,398	98,763
1966	16,924	3,653	7,828	114,427	5,269	6,157	103,001
1967	20,122	4,243	9,604	121,805	5,791	6,351	109,663
1968	21,983	4,916	11,215	130,802	6,658	7,012	117,132
1969	21,847	4,757	11,254	140,347	7,917	7,658	124,772
1970	21,383	4,150	10,237	150,331	10,178	8,494	131,659
1971	39,472	6,835	18,811	174,385	13,798	10,848	149,739
1972—May	4,603	836	2,276	185,431	14,878	12,010	158,543
June	5,449	872	2,920	188,884	15,019	12,293	161,572
July	4,572	743	2,515	191,642	15,153	12,606	163,883
Aug.	5,379	803	3,087	194,955	15,263	12,892	166,800
Sept.	4,689	739	2,587	197,881	15,342	13,098	169,441
Oct.	4,522	761	2,423	200,554	15,378	13,334	171,842
Nov.	4,393	714	2,307	203,266	15,490	13,544	174,232
Dec.	4,591	667	2,167	206,387	15,639	13,764	176,964
1973—Jan.[r]	3,702	590	1,970	208,132	29,581		178,551
Feb.	3,710	614	2,019	210,260	29,751		180,509
Mar.	4,990	887	2,685	213,259	30,045		183,214
Apr.	4,975	882	2,757	216,250	30,183		186,067

[1] Includes loans for repairs, additions and alterations, refinancing, etc. not shown separately.

[2] Includes shares pledged against mortgage loans; beginning 1966, also includes junior liens and real estate sold on contract; beginning 1967, also includes downward structural adjustment for change in universe; and beginning 1973, excludes participation certificates guaranteed by the FHLMC and certain other related items.

[3] Beginning 1973, data for these groups available only on a combined basis.

FEDERAL HOME LOAN BANKS

(In millions of dollars)

Period	Advances	Repayments	Advances outstanding (end of period): Total	Short-term [1]	Long-term [2]	Members' deposits (end of period)
1965	5,007	4,335	5,997	3,074	2,923	1,043
1966	3,804	2,866	6,935	5,006	1,929	1,036
1967	1,527	4,076	4,386	3,985	401	1,432
1968	2,734	1,861	5,259	4,867	392	1,382
1969	5,531	1,500	9,289	8,434	855	1,041
1970	3,256	1,929	10,615	3,081	7,534	2,331
1971	2,714	5,392	7,936	3,002	4,934	1,789
1972	4,790	4,749	7,979	2,961	5,018	2,104
1972—Apr.	318	396	5,913	2,049	3,864	1,762
May	260	320	5,853	2,019	3,835	1,789
June	420	198	6,074	1,944	4,130	1,746
July	285	222	6,138	1,990	4,148	1,497
Aug.	406	249	6,295	2,083	4,212	1,442
Sept.	631	189	6,736	2,307	4,429	1,443
Oct.	542	233	7,045	2,440	4,605	1,334
Nov.	445	246	7,245	2,520	4,725	1,371
Dec.	984	251	7,979	2,961	5,018	2,104
1973—Jan.	332	480	7,831	2,805	5,025	1,306
Feb.	415	302	7,944	2,774	5,170	1,321
Mar.[r]	764	288	8,367	2,975	5,446	1,290
Apr.	1,187	178	9,267	3,450	5,979	1,142

[1] Secured or unsecured loans maturing in 1 year or less.

[2] Secured loans, amortized quarterly, having maturities of more than 1 year but not more than 10 years.

NOTE. FHLBB data.

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Outstanding
1967	5,522	4,048	1,474	1,400	12	1,732	501
1968	7,167	5,121	2,046	1,944	....	2,696	1,287
1969	10,950	7,680	3,270	4,121	....	6,630	3,539
1970	15,502	11,071	4,431	5,078	....	8,047	5,203
1971	17,791	....	....	3,574	336	4,986	5,694
1972	19,791	14,624	5,112	3,684	213	....	....
1972—Apr.	18,403	13,744	4,659	246	70	617	5,851
May	18,599	13,923	4,674	321	7	1,054	6,153
June	18,628	13,952	4,670	223	29	610	6,362
July	18,740	14,013	4,714	258	3	515	6,471
Aug.	19,023	14,188	4,816	427	....	466	6,309
Sept.	19,295	14,380	4,888	401	....	755	6,451
Oct.	19,438	14,462	4,939	265	....	887	6,654
Nov.	19,619	14,558	5,016	315	6	388	6,562
Dec.	19,791	14,624	5,112	307	12	1,086	5,440
1973—Jan.	19,982	14,743	5,170	225	29	392	6,943
Feb.	20,181	14,872	5,223	218	....	493	6,911
Mar.	20,571	15,201	5,259	326	....	934	8,165
Apr.	20,791	15,389	5,269	174	....	1,211	8,742

NOTE.—FNMA data. Total holdings include conventional loans. Data prior to Sept. 1968 relate to secondary market portfolio of former FNMA. Mortgage holdings include loans used to back bond issues guaranteed by GNMA. Mortgage commitments made during the period include 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 Plan (Program 18).

FEDERAL NATIONAL MORTGAGE ASSOCIATION AUCTIONS

Date of auction	Government-underwritten home loans			Conventional home loans		
	Mortgage amounts		Average yield (short-term commitments)	Mortgage amounts		Average yield (short-term commitments)
	Offered	Accepted		Offered	Accepted	
	In millions of dollars		In per cent	In millions of dollars		In per cent
1972—Dec. 4	....	....	....	36.4	30.9	7.87
11	82.2	42.4	7.68	....	....	....
26	108.7	66.3	7.69	....	....	....
1973—Jan. 2	....	....	....	39.3	25.5	7.84
8	74.2	61.3	7.69	....	....	....
22	107.0	92.1	7.70	....	....	....
Feb. 5	128.7	65.4	7.71	....	....	....
6	....	....	....	100.9	62.9	7.89
20	110.3	71.6	7.73	....	....	....
21	....	....	....	66.0	49.6	7.92
Mar. 5	170.8	107.7	7.75	....	....	....
6	....	....	....	60.3	44.3	7.95
19	297.3	168.7	7.81	....	....	....
21	....	....	....	86.8	56.4	8.02
Apr. 2	234.6	145.9	7.86	....	....	....
3	....	....	....	111.9	81.6	8.11
16	216.6	190.7	7.89	....	....	....
17	....	....	....	111.0	88.4	8.17
30	261.2	185.9	7.92	128.9	88.2	8.23
May 14	258.3	187.7	7.96	117.6	84.4	8.31
28	212.4	140.0	8.00	113.3	74.0	8.39

NOTE.—Average secondary market yields are gross—before deduction of 38 basis-point fee paid for mortgage servicing. They reflect the average accepted bid yield for home mortgages assuming a prepayment period of 12 years for 30-year loans, without special adjustment for FNMA commitment fees and FNMA stock purchase and holding requirements. Since Oct. 18, 1971, the maturity on new short-term commitments has been extended 4 months. Mortgage amounts offered by bidders are total *eligible bids received*.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Outstanding
1967	3,348	2,756	592	860	....	1,045	1,171
1968	4,220	3,569	651	1,089	1	867	1,266
1969	4,820	4,220	600	827	....	615	1,131
1970	5,184	4,634	550	621	....	897	738
1971	5,294	....	....	393	....	....	....
1972	5,113	....	....	....	....	....	....
1972—Apr.	5,153	....	....	....	....	....	....
May	5,241	....	....	....	....	....	....
June	5,249	....	....	....	....	....	....
July	5,301	....	....	....	....	....	....
Aug.	5,405	....	....	....	....	....	....
Sept.	5,278	....	....	....	....	....	....
Oct.	5,203	....	....	....	....	....	....
Nov.	5,152	....	....	....	....	....	....
Dec.	5,113	....	....	....	....	....	....
1973—Jan.	5,117	....	....	....	....	....	....
Feb.	4,984	....	....	....	....	....	....
Mar.	4,663	....	....	....	....	....	....
Apr.	4,439	....	....	....	....	....	....

NOTE.—GNMA data. Total holdings include a small amount of conventional loans. Data prior to Sept. 1968 relate to Special Assistance and Management and Liquidating portfolios of former FNMA and include mortgages subject to participation pool of Government Mortgage Liquidation Trust, but exclude conventional mortgage loans acquired by former FNMA.

GNMA MORTGAGE-BACKED SECURITY PROGRAM

(In millions of dollars)

Period	Pass-through securities		Bonds sold
	Applications received	Securities issued	
1970	1,126.2	452.4	1,315.0
1971	4,373.6	2,701.9	300.0
1972	3,854.5	2,661.7	....
1972—Apr.	187.8	275.1	....
May	216.4	212.9	500.0
June	245.8	193.2	....
July	135.5	145.8	....
Aug.	548.3	140.3	....
Sept.	192.0	130.9	....
Oct.	237.8	164.1	....
Nov.	226.4	138.2	....
Dec.	440.9	299.8	....
1973—Jan.	515.7	323.3	....
Feb.	167.2	216.8	....
Mar.	339.4	139.9	....
Apr.	467.8	182.2	....

NOTE.—GNMA data. Under the Mortgage-Backed Security Program, GNMA guarantees the timely payment of principal and interest on both pass-through and bond-type securities, which are backed by a pool of mortgages insured by FHA or Farmers Home Admin. or guaranteed by VA and issued by an approved mortgagee. To date, bond-type securities have been issued only by FNMA and FHLMC.

HOME-MORTGAGE YIELDS

(In per cent)

Period	Primary market (conventional loans): FHLBB series (effective rate): New homes	Primary market (conventional loans): FHLBB series (effective rate): Existing homes	Primary market (conventional loans): HUD series (FHA): New homes	Secondary market: Yield on FHA-insured new home loans
1968	6.97	7.03	7.12	7.21
1969	7.81	7.82	7.99	8.29
1970	8.44	8.35	8.52	9.03
1971	7.74	7.67	7.75	7.70
1972	7.60	7.52	7.64	7.52
1972—May	7.53	7.46	7.60	7.53
June	7.55	7.49	7.60	7.54
July	7.58	7.50	7.65	7.54
Aug.	7.59	7.52	7.65	7.55
Sept.	7.57	7.55	7.70	7.56
Oct.	7.62	7.57	7.70	7.57
Nov.	7.64	7.57	7.70	7.57
Dec.	7.66	7.59	7.70	7.56
1973—Jan.	7.68	7.68	7.70	7.55
Feb.	7.70	7.72	7.75	7.56
Mar.r	7.68	7.69	7.80	7.63
Apr.p	7.71	7.70	7.90	7.73
May	7.72	7.77	....	....

NOTE.—Annual data are averages of monthly figures. The Housing and Urban Development (FHA) data are based on *opinion reports submitted by field offices on prevailing local* conditions as of the first of the succeeding month. Yields on FHA-insured mortgages are derived from weighted averages of private secondary market prices for Sec. 203, 30-year mortgages with minimum downpayment and an assumed prepayment at the end of 15 years. Any gaps in data are due to periods of adjustment to changes in maximum permissible contract interest rates. The HUD (FHA) interest rates on conventional first mortgages in primary markets are unweighted and are rounded to the nearest 5 basis points. The FHLBB effective rate series reflects fees and charges as well as contract rates (as shown in the table on conventional first-mortgage terms, p. A-35) and an assumed prepayment at end of 10 years.

GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

(In millions of dollars)

Period	FHA-insured: Total	FHA-insured: Mortgages: New homes	FHA-insured: Mortgages: Existing homes	FHA-insured: Projects[1]	FHA-insured: Property improvements[2]	VA-guaranteed: Total[3]	VA-guaranteed: Mortgages: New homes	VA-guaranteed: Mortgages: Existing homes
1965	8,689	1,705	5,760	591	634	2,652	876	1,776
1966	7,320	1,729	4,366	583	641	2,600	980	1,618
1967	7,150	1,369	4,516	642	623	3,405	1,143	2,259
1968	8,275	1,572	4,924	1,123	656	3,774	1,430	2,343
1969	9,129	1,551	5,570	1,316	693	4,072	1,493	2,579
1970	11,982	2,667	5,447	3,251	617	3,440	1,311	2,129
1971	14,689	3,900	6,475	3,641	674	5,961	1,694	4,267
1972	12,320	3,459	4,608	3,448	805	8,293	2,539	5,754
1972—Apr.	945	272	381	241	51	516	173	343
May	913	259	369	229	56	613	189	424
June	1,077	271	372	363	71	858	243	615
July	900	261	374	218	47	675	183	492
Aug.	1,018	310	440	201	67	776	224	552
Sept.	949	245	340	287	77	758	212	546
Oct.	862	255	343	170	94	720	204	516
Nov.	1,001	261	331	312	97	790	246	544
Dec.	964	190	245	444	85	715	220	495
1973—Jan.r	834	254	324	197	59	681	218	463
Feb.	682	162	235	233	52	592	187	405
Mar.	954	195	268	426	65	596	185	411
Apr.	....	151	223	189	....	621	187	434

[1] *Monthly figures do not reflect mortgage amendments included in annual* totals.

[2] Not ordinarily secured by mortgages.

[3] Includes refinancing loans, mobile home loans and also a small amount of alteration and repair loans, not shown separately; only such loans in amounts of more than $1,000 need be secured.

NOTE.—FHA and VA data. FHA-insured loans represent gross amount of insurance written; VA-guaranteed loans, gross amounts of loans closed. Figures do not take into account principal repayments on previously insured or guaranteed loans. For VA-guaranteed loans, amounts by type are derived from data on number and average amount of loans closed.

DELINQUENCY RATES ON HOME MORTGAGES

(Per 100 mortgages held or serviced)

End of period	Loans not in foreclosure but delinquent for: Total	30 days	60 days	90 days or more	Loans in fore-closure
1965	3.29	2.40	.55	.34	.40
1966	3.40	2.54	.54	.32	.36
1967	3.47	2.66	.54	.27	.32
1968	3.17	2.43	.51	.23	.26
1969	3.22	2.43	.52	.27	.27
1970	3.64	2.67	.61	.36	.33
1971	3.93	2.82	.65	.46	.46
1970—I	2.96	2.14	.52	.30	.31
II	2.83	2.10	.45	.28	.31
III	3.10	2.26	.53	.31	.31
IV	3.64	2.67	.61	.36	.33
1971—I	3.21	2.26	.56	.39	.40
II	3.27	2.36	.53	.38	.38
III	3.59	2.54	.62	.43	.41
IV	3.93	2.82	.65	.46	.46
1972—I	3.16	2.21	.58	.37	.50
II	3.27	2.38	.53	.36	.48
III	3.82	2.74	.65	.43	.52
IV.[1]	4.66	3.41	.79	.46	.50
	4.65	3.42	.78	.45	.48

[1] First line is old series; second line is new series.

NOTE.—Mortgage Bankers Association of America data from reports on 1- to 4-family FHA-insured, VA-guaranteed, and conventional mortgages held by more than 400 respondents, including mortgage bankers (chiefly), commercial banks, savings banks, and savings and loan associations.

FEDERAL HOME LOAN MORTGAGE CORPORATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings: Total	Mortgage holdings: FHA-VA	Mortgage holdings: Conventional	Mortgage transactions (during period): Purchases	Mortgage transactions (during period): Sales	Mortgage commitments: Made during period	Mortgage commitments: Outstanding
1970	325	325	....	325	....	....	....
1971	968	821	147	778	64	....	182
1972r	1,790	1,503	287	1,298	408	....	198
1972—Mar.	988	928	60	98	....	258	373
Apr.	1,110	1,040	70	126	....	232	455
May	1,324	1,239	86	220	....	165	398
June	1,415	1,344	71	194	97	117	313
July	1,475	1,374	100	74	11	75	298
Aug.	1,498	1,394	104	107	75	109	263
Sept.	1,545	1,408	137	66	13	136	318
Oct.	1,631	1,439	192	102	9	189	371
Nov.	1,744	1,491	253	128	10	89	293
Dec.	1,790	1,503	287	143	87	93	198
1973—Jan.	1,761	1,517	244	76	99	142	226
Feb.	1,677	1,535	142	76	150	166	300
Mar.p	1,718	1,589	128	119	68	141	295

NOTE.—FHLMC data. Data for 1970 include only the period beginning Nov. 26 when the FHLMC first became operational. Holdings, purchases, and sales include participations as well as whole loans. Mortgage holdings include loans used to back bond issues guaranteed by GNMA. Commitment data cover the conventional and Govt.-underwritten loan programs.

TOTAL CREDIT

(In millions of dollars)

End of period	Total	Instalment: Total	Instalment: Automobile paper	Instalment: Other consumer goods paper	Instalment: Repair and modernization loans [1]	Instalment: Personal loans	Noninstalment: Total	Noninstalment: Single-payment loans	Noninstalment: Charge accounts	Noninstalment: Service credit
1940	8,338	5,514	2,071	1,827	371	1,245	2,824	800	1,471	553
1945	5,665	2,462	455	816	182	1,009	3,203	746	1,612	845
1950	21,471	14,703	6,074	4,799	1,016	2,814	6,768	1,821	3,367	1,580
1955	38,830	28,906	13,460	7,641	1,693	6,112	9,924	3,002	4,795	2,127
1960	56,141	42,968	17,658	11,545	3,148	10,617	13,173	4,507	5,329	3,337
1965	89,883	70,893	28,437	18,483	3,736	20,237	18,990	7,671	6,430	4,889
1966	96,239	76,245	30,010	20,732	3,841	21,662	19,994	7,972	6,686	5,336
1967	100,783	79,428	29,796	22,389	4,008	23,235	21,355	8,558	7,070	5,727
1968	110,770	87,745	32,948	24,626	4,239	25,932	23,025	9,532	7,193	6,300
1969	121,146	97,105	35,527	28,313	4,613	28,652	24,041	9,747	7,373	6,921
1970	127,163	102,064	35,184	31,465	5,070	30,345	25,099	9,675	7,968	7,456
1971	138,394	111,295	38,664	34,353	5,413	32,865	27,099	10,585	8,350	8,164
1972	157,564	127,332	44,129	40,080	6,201	36,922	30,232	12,256	9,002	8,974
1972—Apr.	139,410	112,439	39,348	33,981	5,504	33,606	26,971	10,933	7,179	8,859
May	141,450	114,183	40,063	34,439	5,604	34,077	27,267	11,066	7,464	8,737
June	143,812	116,365	41,019	35,041	5,717	34,588	27,447	11,181	7,610	8,656
July	145,214	117,702	41,603	35,470	5,797	34,832	27,512	11,235	7,644	8,633
Aug.	147,631	119,911	42,323	36,188	5,950	35,450	27,720	11,411	7,717	8,592
Sept.	148,976	121,193	42,644	36,745	6,049	35,755	27,783	11,541	7,693	8,549
Oct.	150,576	122,505	43,162	37,216	6,124	36,003	28,071	11,717	7,780	8,574
Nov.	152,968	124,325	43,674	38,064	6,174	36,413	28,643	11,917	8,010	8,716
Dec.	157,564	127,332	44,129	40,080	6,201	36,922	30,232	12,256	9,002	8,974
1973—Jan.	157,227	127,368	44,353	39,952	6,193	36,870	29,859	12,204	8,357	9,298
Feb.	157,582	127,959	44,817	39,795	6,239	37,108	29,623	12,409	7,646	9,568
Mar.	159,320	129,375	45,610	39,951	6,328	37,486	29,945	12,540	7,702	9,703
Apr.	161,491	131,022	46,478	40,441	6,408	37,695	30,469	12,686	8,036	9,747

[1] *Holdings of financial institutions; holdings of retail outlets are included in "Other consumer goods paper."*

NOTE.—Consumer credit estimates cover loans to individuals for household, family, and other personal expenditures, except real estate mortgage loans. For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965 and BULLETINS for Dec. 1968 and Oct. 1972.

INSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Financial institutions: Total	Financial institutions: Commercial banks	Financial institutions: Finance companies [1]	Financial institutions: Credit unions	Financial institutions: Miscellaneous lenders [1]	Retail outlets: Total	Retail outlets: Automobile dealers [2]	Retail outlets: Other retail outlets
1940	5,514	3,918	1,452	2,278	171	17	1,596	167	1,429
1945	2,462	1,776	745	910	102	19	686	28	658
1950	14,703	11,805	5,798	5,315	590	102	2,898	287	2,611
1955	28,906	24,398	10,601	11,838	1,678	281	4,508	487	4,021
1960	42,968	36,673	16,672	15,435	3,923	643	6,295	359	5,936
1965	70,893	61,102	28,962	23,851	7,324	965	9,791	315	9,476
1966	76,245	65,430	31,319	24,796	8,255	1,060	10,815	277	10,538
1967	79,428	67,944	33,152	24,576	9,003	1,213	11,484	287	11,197
1968	87,745	75,727	37,936	26,074	10,300	1,417	12,018	281	11,737
1969	97,105	83,989	42,421	27,846	12,028	1,694	13,116	250	12,866
1970	102,064	88,164	45,398	27,678	12,986	2,102	13,900	218	13,682
1971	111,295	97,144	51,240	28,883	14,770	2,251	14,151	226	13,925
1972	127,332	111,382	59,783	32,088	16,913	2,598	15,950	261	15,689
1972—Apr.	112,439	99,139	52,629	28,955	15,083	2,472	13,300	232	13,068
May	114,183	100,840	53,624	29,310	15,395	2,511	13,343	237	13,106
June	116,365	102,909	54,883	29,722	15,786	2,518	13,456	243	13,213
July	117,702	104,132	55,688	30,065	15,910	2,469	13,570	248	13,322
Aug.	119,911	106,146	56,846	30,464	16,278	2,558	13,765	251	13,514
Sept.	121,193	107,278	57,566	30,650	16,439	2,623	13,915	253	13,662
Oct.	122,505	108,405	58,266	30,970	16,556	2,613	14,100	257	13,843
Nov.	124,325	109,673	58,878	31,427	16,742	2,626	14,652	259	14,393
Dec.	127,332	111,382	59,783	32,088	16,913	2,598	15,950	261	15,689
1973—Jan.	127,368	111,690	60,148	32,177	16,847	2,518	15,678	263	15,415
Feb.	127,959	112,630	60,582	32,431	16,973	2,644	15,329	266	15,063
Mar.	129,375	114,190	61,388	32,750	17,239	2,813	15,185	272	14,913
Apr.	131,022	115,727	62,459	33,078	17,455	2,735	15,295	278	15,017

[1] Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies. Miscellaneous lenders include savings and loan associations and mutual savings banks.

[2] Automobile paper only; other instalment credit held by automobile dealers is included with "Other retail outlets."

See also NOTE to table above.

MAJOR HOLDERS OF INSTALMENT CREDIT

(In millions of dollars)

End of period	Commercial banks: Total	Commercial banks: Automobile paper: Purchased	Commercial banks: Automobile paper: Direct	Commercial banks: Other consumer goods paper: Mobile homes	Commercial banks: Other consumer goods paper: Credit cards	Commercial banks: Other consumer goods paper: Other	Commercial banks: Repair and modernization loans	Commercial banks: Personal loans	Finance companies[1]: Total	Finance companies[1]: Automobile paper	Finance companies[1]: Other consumer goods paper: Mobile homes	Finance companies[1]: Other consumer goods paper: Other	Finance companies[1]: Repair and modernization loans	Finance companies[1]: Personal loans
1940	1,452	339	276		232		165	440	2,278	1,253	159		193	673
1945	745	66	143		114		110	312	910	202	40		62	606
1950	5,798	1,177	1,294		1,456		834	1,037	5,315	3,157	692		80	1,386
1955	10,601	3,243	2,062		2,042		1,338	1,916	11,838	7,108	1,448		42	3,240
1960	16,672	5,316	2,820		2,759		2,200	3,577	15,435	7,703	2,553		173	5,006
1965	28,962	10,209	5,659		4,166		2,571	6,357	23,851	9,218	4,343		232	10,058
1966	31,319	11,024	5,956		4,681		2,647	7,011	24,796	9,342	4,925		214	10,315
1967	33,152	10,972	6,232		5,469		2,731	7,748	24,576	8,627	5,069		192	10,688
1968	37,936	12,324	7,102	....	1,307	5,387	2,858	8,958	26,074	9,003	5,424		166	11,481
1969	42,421	13,133	7,791	....	2,639	6,082	2,996	9,780	27,846	9,412	5,775		174	12,485
1970	45,398	12,918	7,888	....	3,792	7,113	3,071	10,616	27,678	9,044	2,464	3,237	199	12,734
1971	51,240	13,837	9,277	4,423	4,419	4,501	3,236	11,547	28,883	9,577	2,561	3,052	247	13,446
1972	59,783	16,320	10,776	5,786	5,288	5,122	3,544	12,947	32,088	10,174	2,916	3,589	497	14,912
1972—Apr.	52,629	14,232	9,613	4,703	4,325	4,683	3,244	11,829	28,955	9,373	2,614	3,076	276	13,616
May	53,624	14,530	9,824	4,842	4,374	4,772	3,303	11,979	29,310	9,453	2,649	3,153	281	13,774
June	54,883	14,938	10,060	5,023	4,463	4,859	3,372	12,168	29,722	9,612	2,687	3,216	290	13,917
July	55,688	15,244	10,193	5,144	4,517	4,903	3,410	12,277	30,065	9,714	2,725	3,270	325	14,031
Aug.	56,846	15,566	10,331	5,321	4,631	5,003	3,479	12,515	30,464	9,822	2,773	3,318	358	14,193
Sept.	57,566	15,754	10,381	5,471	4,750	5,030	3,522	12,658	30,650	9,835	2,820	3,367	383	14,245
Oct.	58,266	15,996	10,534	5,590	4,782	5,053	3,555	12,756	30,970	9,914	2,862	3,430	412	14,352
Nov.	58,878	16,180	10,674	5,690	4,868	5,063	3,557	12,846	31,427	10,026	2,899	3,476	452	14,574
Dec.	59,783	16,320	10,776	5,786	5,288	5,122	3,544	12,947	32,088	10,174	2,916	3,589	497	14,912
1973—Jan.	60,148	16,464	10,889	5,839	5,311	5,135	3,527	12,983	32,177	10,177	2,928	3,644	528	14,900
Feb.	60,582	16,680	10,977	5,932	5,283	5,158	3,515	13,037	32,431	10,267	2,909	3,752	562	14,941
Mar.	61,388	16,951	11,216	6,035	5,243	5,289	3,538	13,116	32,750	10,419	2,943	3,796	581	15,011
Apr.	62,459	17,327	11,436	6,163	5,290	5,401	3,581	13,261	33,078	10,617	2,991	3,831	611	15,028

[1] Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies.

See also NOTE to table at top of preceding page.

INSTALMENT CREDIT HELD BY OTHER FINANCIAL LENDERS

(In millions of dollars)

End of period	Total	Automobile paper	Other consumer goods paper	Repair and modernization loans	Personal loans
1940	188	36	7	13	132
1945	121	16	4	10	91
1950	692	159	40	102	391
1955	1,959	560	130	313	956
1960	4,566	1,460	297	775	2,034
1965	8,289	3,036	498	933	3,822
1966	9,315	3,411	588	980	4,336
1967	10,216	3,678	654	1,085	4,799
1968	11,717	4,238	771	1,215	5,493
1969	13,722	4,941	951	1,443	6,387
1970	15,088	5,116	1,177	1,800	6,995
1971	17,021	5,747	1,472	1,930	7,872
1972	19,511	6,598	1,690	2,160	9,063
1972—Apr.	17,555	5,898	1,512	1,984	8,161
May	17,906	6,019	1,543	2,020	8,324
June	18,304	6,166	1,580	2,055	8,503
July	18,379	6,204	1,589	2,062	8,524
Aug.	18,836	6,353	1,628	2,113	8,742
Sept.	19,062	6,421	1,645	2,144	8,852
Oct.	19,169	6,461	1,656	2,157	8,895
Nov.	19,368	6,535	1,675	2,165	8,993
Dec.	19,511	6,598	1,690	2,160	9,063
1973—Jan.	19,365	6,560	1,680	2,138	8,987
Feb.	19,617	6,627	1,698	2,162	9,130
Mar.	20,052	6,752	1,732	2,209	9,359
Apr.	20,190	6,820	1,748	2,216	9,406

NOTE.—Other financial lenders consist of credit unions and miscellaneous lenders. Miscellaneous lenders include savings and loan associations and mutual savings banks.

NONINSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Single-payment loans: Commercial banks	Single-payment loans: Other financial institutions	Charge accounts: Retail outlets	Charge accounts: Credit cards[1]	Service credit
1940	2,824	636	164	1,471	....	553
1945	3,203	674	72	1,612	....	845
1950	6,768	1,576	245	3,291	76	1,580
1955	9,924	2,635	367	4,579	216	2,127
1960	13,173	3,884	623	4,893	436	3,337
1965	18,990	6,690	981	5,724	706	4,889
1966	19,994	6,946	1,026	5,812	874	5,336
1967	21,355	7,478	1,080	6,041	1,029	5,727
1968	23,025	8,374	1,158	5,966	1,227	6,300
1969	24,041	8,553	1,194	5,936	1,437	6,921
1970	25,099	8,469	1,206	6,163	1,805	7,456
1971	27,099	9,316	1,269	6,397	1,953	8,164
1972	30,232	10,857	1,399	7,055	1,947	8,974
1972—Apr.	26,971	9,594	1,339	5,296	1,883	8,859
May	27,267	9,717	1,349	5,587	1,877	8,737
June	27,447	9,831	1,350	5,689	1,921	8,656
July	27,512	9,900	1,335	5,664	1,980	8,633
Aug.	27,720	10,053	1,358	5,676	2,041	8,592
Sept.	27,783	10,165	1,376	5,613	2,080	8,549
Oct.	28,071	10,339	1,378	5,794	1,986	8,574
Nov.	28,643	10,527	1,390	6,081	1,929	8,716
Dec.	30,232	10,857	1,399	7,055	1,947	8,974
1973—Jan.	29,859	10,825	1,379	6,402	1,955	9,298
Feb.	29,623	10,989	1,420	5,735	1,911	9,568
Mar.	29,945	11,074	1,466	5,825	1,877	9,703
Apr.	30,469	11,237	1,449	6,129	1,907	9,747

[1] Service station and miscellaneous credit-card accounts and home-heating-oil accounts. Bank-credit-card accounts outstanding are included in estimates of instalment credit outstanding.

See also NOTE to table at top of preceding page.

INSTALMENT CREDIT EXTENDED AND REPAID, BY TYPE OF CREDIT

(In millions of dollars)

Period	Total		Automobile paper		Other consumer goods paper		Repair and modernization loans		Personal loans	
	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.
					Extensions					
1965	....	78,661	....	27,208	....	22,857	....	2,270	....	26,326
1966	....	82,832	....	27,192	....	26,329	....	2,223	....	27,088
1967	....	87,171	....	26,320	....	29,504	....	2,369	....	28,978
1968	....	99,984	....	31,083	....	33,507	....	2,534	....	32,860
1969	....	109,146	....	32,553	....	38,332	....	2,831	....	35,430
1970	....	112,158	....	29,794	....	43,873	....	2,963	....	35,528
1971	....	124,281	....	34,873	....	47,821	....	3,244	....	38,343
1972	....	142,951	....	40,194	....	55,599	....	4,006	....	43,152
1972—Apr.	11,374	11,224	3,162	3,269	4,370	4,158	331	326	3,511	3,471
May	11,687	12,556	3,274	3,699	4,393	4,593	334	399	3,686	3,865
June	12,057	13,096	3,412	3,938	4,577	4,779	351	403	3,717	3,976
July	11,687	11,833	3,298	3,480	4,684	4,544	328	358	3,377	3,451
Aug.	12,484	13,166	3,491	3,696	4,990	5,094	371	431	3,632	3,945
Sept.	11,953	11,535	3,368	3,110	4,772	4,695	340	360	3,473	3,370
Oct.	12,404	12,337	3,504	3,663	4,971	4,831	335	347	3,594	3,496
Nov.	12,846	12,806	3,620	3,505	5,118	5,202	327	321	3,781	3,778
Dec.	12,627	13,643	3,763	3,195	4,876	6,171	351	280	3,637	3,997
1973—Jan.	13,304	11,923	4,006	3,393	5,282	4,949	329	259	3,687	3,322
Feb.	13,434	11,214	3,972	3,407	5,245	4,252	364	300	3,853	3,255
Mar.	13,852	13,681	4,001	4,164	5,349	5,169	406	377	4,096	3,971
Apr.	13,465	13,661	3,822	4,101	5,563	5,378	365	372	3,715	3,810
					Repayments					
1965	....	70,463	....	23,706	....	20,707	....	2,112	....	23,938
1966	....	77,480	....	25,619	....	24,080	....	2,118	....	25,663
1967	....	83,988	....	26,534	....	27,847	....	2,202	....	27,405
1968	....	91,667	....	27,931	....	31,270	....	2,303	....	30,163
1969	....	99,786	....	29,974	....	34,645	....	2,457	....	32,710
1970	....	107,199	....	30,137	....	40,721	....	2,506	....	33,835
1971	....	115,050	....	31,393	....	44,933	....	2,901	....	35,823
1972	....	126,914	....	34,729	....	49,872	....	3,218	....	39,095
1972—Apr.	10,384	10,042	2,867	2,774	3,986	3,872	268	259	3,263	3,137
May	10,355	10,812	2,819	2,984	3,981	4,135	287	299	3,268	3,394
June	10,671	10,914	2,922	2,982	4,164	4,177	283	290	3,302	3,465
July	10,593	10,496	2,917	2,896	4,249	4,115	279	278	3,148	3,207
Aug.	10,841	10,957	2,896	2,976	4,395	4,376	270	278	3,280	3,327
Sept.	10,667	10,253	2,873	2,789	4,303	4,138	263	261	3,228	3,065
Oct.	10,908	11,025	3,041	3,145	4,354	4,360	263	272	3,250	3,248
Nov.	11,128	10,986	3,023	2,993	4,444	4,354	271	271	3,390	3,368
Dec.	10,964	10,636	2,977	2,740	4,341	4,155	263	253	3,383	3,488
1973—Jan.	11,355	11,887	3,097	3,169	4,649	5,077	267	267	3,342	3,374
Feb.	11,437	10,623	3,145	2,943	4,627	4,409	275	254	3,390	3,017
Mar.	11,808	12,265	3,225	3,371	4,755	5,013	286	288	3,542	3,593
Apr.	12,061	12,014	3,218	3,233	4,963	4,888	294	292	3,586	3,601
					Net change in credit outstanding[2]					
1965	....	8,198	....	3,502	....	2,150	....	158	....	2,388
1966	....	5,352	....	1,573	....	2,249	....	105	....	1,425
1967	....	3,183	....	-214	....	1,657	....	167	....	1,573
1968	....	8,317	....	3,152	....	2,237	....	231	....	2,697
1969	....	9,360	....	2,579	....	3,687	....	374	....	2,720
1970	....	4,959	....	-343	....	3,152	....	457	....	1,693
1971	....	9,231	....	3,480	....	2,888	....	343	....	2,520
1972	....	16,037	....	5,465	....	5,727	....	788	....	4,057
1972—Apr.	990	1,182	295	495	384	286	63	67	248	334
May	1,332	1,744	455	715	412	458	47	100	418	471
June	1,386	2,182	490	956	413	602	68	113	415	511
July	1,094	1,337	381	584	435	429	49	80	229	244
Aug.	1,643	2,209	595	720	595	718	101	153	352	618
Sept.	1,286	1,282	495	321	469	557	77	99	245	305
Oct.	1,496	1,312	463	518	617	471	72	75	344	248
Nov.	1,718	1,820	597	512	674	848	56	50	391	410
Dec.	1,663	3,007	786	455	535	2,016	88	27	254	509
1973—Jan.	1,949	36	909	224	633	-128	62	-8	345	-52
Feb.	1,997	591	827	464	618	-157	89	46	463	238
Mar.	2,044	1,416	776	793	594	156	120	89	554	378
Apr.	1,404	1,647	604	868	600	490	71	80	129	209

[1] Includes adjustments for differences in trading days.

[2] Net changes in credit outstanding are equal to extensions less repayments.

NOTE.—Estimates are based on accounting records and often include financing charges. Renewals and refinancing of loans, purchases and sales of instalment paper, and certain other transactions may increase the amount of extensions and repayments without affecting the amount outstanding.

For back figures and description of the data, see "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics*, 1965, and BULLETINS for Dec. 1968 and Oct. 1972.

INSTALMENT CREDIT EXTENDED AND REPAID, BY HOLDER

(In millions of dollars)

Period	Total		Commercial banks		Finance companies		Other financial lenders		Retail outlets	
	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.
					Extensions					
1965	....	78,661	....	29,528	....	25,265	....	9,438	....	14,430
1966	....	82,832	....	30,073	....	25,897	....	10,368	....	16,494
1967	....	87,171	....	31,382	....	26,461	....	11,238	....	18,090
1968	....	99,984	....	37,395	....	30,261	....	13,206	....	19,122
1969	....	109,146	....	40,955	....	32,753	....	15,198	....	20,240
1970	....	112,158	....	42,960	....	31,952	....	15,720	....	21,526
1971	....	124,281	....	51,237	....	32,935	....	17,966	....	22,143
1972	....	142,951	....	59,339	....	38,464	....	20,607	....	24,541
1972—Apr.	11,374	11,224	4,644	4,780	3,196	3,071	1,582	1,564	1,952	1,809
May	11,687	12,556	4,817	5,335	3,244	3,410	1,674	1,879	1,952	1,932
June	12,057	13,096	5,098	5,617	3,196	3,479	1,792	2,036	1,971	1,964
July	11,687	11,833	4,926	5,103	3,107	3,184	1,506	1,580	2,148	1,966
Aug.	12,484	13,166	5,349	5,644	3,285	3,433	1,788	2,014	2,062	2,075
Sept.	11,953	11,535	4,972	4,852	3,181	2,971	1,731	1,683	2,069	2,029
Oct.	12,404	12,337	5,227	5,224	3,334	3,348	1,705	1,679	2,138	2,086
Nov.	12,846	12,806	5,413	5,059	3,434	3,581	1,792	1,704	2,207	2,462
Dec.	12,627	13,643	5,313	5,096	3,355	3,766	1,791	1,642	2,168	3,139
1973—Jan.	13,304	11,923	5,762	5,246	3,517	3,033	1,706	1,509	2,319	2,135
Feb.	13,434	11,214	5,664	4,826	3,557	2,972	1,964	1,711	2,249	1,705
Mar.	13,852	13,681	5,853	5,890	3,654	3,598	2,131	2,083	2,214	2,110
Apr.	13,465	13,661	5,644	5,973	3,555	3,576	1,792	1,832	2,474	2,280
					Repayments					
1965	....	70,463	....	25,663	....	23,056	....	8,311	....	13,433
1966	....	77,480	....	27,716	....	24,952	....	9,342	....	15,470
1967	....	83,988	....	29,549	....	26,681	....	10,337	....	17,421
1968	....	91,667	....	32,611	....	28,763	....	11,705	....	18,588
1969	....	99,786	....	36,470	....	30,981	....	13,193	....	19,142
1970	....	107,199	....	40,398	....	31,705	....	14,354	....	20,742
1971	....	115,050	....	45,395	....	31,730	....	16,033	....	21,892
1972	....	126,914	....	50,796	....	35,259	....	18,117	....	22,742
1972—Apr.	10,384	10,042	4,073	3,933	2,948	2,832	1,507	1,445	1,856	1,832
May	10,355	10,812	4,121	4,340	2,918	3,055	1,459	1,528	1,857	1,889
June	10,671	10,914	4,250	4,358	2,971	3,067	1,566	1,638	1,884	1,851
July	10,593	10,496	4,366	4,298	2,883	2,841	1,419	1,505	1,925	1,852
Aug.	10,841	10,957	4,414	4,486	3,021	3,034	1,510	1,557	1,896	1,880
Sept.	10,667	10,253	4,221	4,132	2,938	2,785	1,533	1,457	1,975	1,879
Oct.	10,908	11,025	4,408	4,524	3,023	3,028	1,550	1,572	1,927	1,901
Nov.	11,128	10,986	4,531	4,447	3,061	3,124	1,578	1,505	1,958	1,910
Dec.	10,964	10,636	4,485	4,191	2,952	3,105	1,561	1,499	1,966	1,841
1973—Jan.	11,355	11,887	4,734	4,881	3,033	2,944	1,532	1,655	2,056	2,407
Feb.	11,437	10,623	4,684	4,392	3,030	2,718	1,625	1,459	2,098	2,054
Mar.	11,808	12,265	4,870	5,084	3,141	3,279	1,665	1,648	2,132	2,254
Apr.	12,061	12,014	4,919	4,902	3,251	3,248	1,693	1,694	2,198	2,170
					Net change in credit outstanding [2]					
1965	....	8,198	....	3,865	....	2,209	....	1,127	....	997
1966	....	5,352	....	2,357	....	945	....	1,026	....	1,024
1967	....	3,183	....	1,833	....	220	....	901	....	669
1968	....	8,317	....	4,784	....	1,498	....	1,501	....	534
1969	....	9,360	....	4,485	....	1,772	....	2,005	....	1,098
1970	....	4,959	....	2,977	....	-168	....	1,366	....	784
1971	....	9,231	....	5,842	....	1,205	....	1,933	....	251
1972	....	16,037	....	8,543	....	3,205	....	2,490	....	1,799
1972—Apr.	990	1,182	571	847	248	239	75	119	96	-23
May	1,332	1,744	696	995	326	355	215	351	95	43
June	1,386	2,182	848	1,259	225	412	226	398	87	113
July	1,094	1,337	560	805	224	343	87	75	223	114
Aug.	1,643	2,209	935	1,158	264	399	278	457	166	195
Sept.	1,286	1,282	751	720	243	186	198	226	94	150
Oct.	1,496	1,312	819	700	311	320	155	107	211	185
Nov.	1,718	1,820	882	612	373	457	214	199	249	552
Dec.	1,663	3,007	828	905	403	661	230	143	202	1,298
1973—Jan.	1,949	36	1,028	365	484	89	174	-146	263	-272
Feb.	1,997	591	980	434	527	254	339	252	151	349
Mar.	2,044	1,416	983	806	513	319	466	435	82	144
Apr.	1,404	1,647	725	1,071	304	328	99	138	276	110

[1] Includes adjustments for differences in trading days.

[2] Net changes in credit outstanding are equal to extensions less repayments, except in certain months when data for extensions and repayments have been adjusted to eliminate duplication resulting from large transfers of paper. In those months the differences between extensions and repayments for some particular holders do not equal the changes in their outstanding credit. Such transfers do not affect total instalment credit extended, repaid, or outstanding.

NOTE.—Other financial lenders include credit unions and miscellaneous lenders. See also NOTE to preceding table and footnote 1 at bottom of p. A-54.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average[p]	1972 Apr.	1972 May	1972 June	1972 July	1972 Aug.	1972 Sept.	1972 Oct.	1972 Nov.	1972 Dec.	1973 Jan.	1973 Feb.[r]	1973 Mar.[r]	1973 Apr.
Total index	100.00	114.4	112.8	113.2	113.4	113.9	115.0	116.1	117.5	118.5	119.2	119.9	121.1	122.0	122.8
Products, total	**62.21**	**113.1**	**111.4**	**112.1**	**112.0**	**112.2**	**113.3**	**114.4**	**115.9**	**117.3**	**117.5**	**118.6**	**119.5**	**120.1**	**120.7**
Final products	*48.95*	*111.2*	*109.8*	*110.2*	*110.1*	*110.1*	*111.3*	*112.4*	*113.9*	*115.0*	*115.3*	*116.4*	*117.3*	*118.1*	*118.7*
Consumer goods	28.53	123.1	122.0	122.2	122.1	122.0	123.1	124.4	125.6	126.8	126.7	127.5	128.3	129.4	129.6
Equipment	20.42	94.5	92.7	93.4	93.3	93.4	94.8	95.8	97.3	98.5	99.4	101.0	102.0	102.3	103.4
Intermediate products	13.26	120.5	117.3	119.3	119.1	120.5	121.2	121.7	123.4	125.9	125.7	126.5	127.4	127.6	127.9
Materials	**37.79**	**116.4**	**115.0**	**115.6**	**116.1**	**116.8**	**117.4**	**119.1**	**120.3**	**120.6**	**122.0**	**121.7**	**124.0**	**125.0**	**126.5**
Consumer goods															
Durable consumer goods	*7.86*	*125.4*	*125.9*	*125.3*	*126.0*	*123.9*	*125.8*	*125.4*	*128.3*	*130.7*	*133.9*	*134.6*	*137.8*	*140.4*	*139.4*
Automotive products	2.84	127.1	128.9	127.4	125.7	124.7	127.1	124.8	130.3	137.5	142.0	134.9	141.7	144.1	141.7
Autos	1.87	112.7	114.3	111.3	108.2	108.2	109.5	109.6	116.9	126.6	133.9	126.0	131.5	130.8	128.1
Auto parts and allied goods	.97	154.7	157.0	158.3	159.3	156.9	160.9	153.9	156.1	158.6	158.0	151.9	161.4	169.9	167.8
Home goods	5.02	124.5	124.2	124.3	126.1	123.5	125.1	125.7	127.2	126.9	129.1	134.5	135.8	138.3	138.2
Appliances, TV, and radios	1.41	127.1	132.2	129.3	125.9	121.6	119.7	123.1	124.0	121.8	133.0	140.7	137.8	143.0	144.0
Appliances and A/C	.92	144.5	149.3	148.2	141.2	138.5	141.8	142.8	147.8	141.9	151.0	153.2	153.8	156.9	158.6
TV and home audio	.49	87.5	100.1	93.7	97.2	89.9	78.6	86.1	79.4	83.9	99.9	.....	108.0	116.8	.....
Carpeting and furniture	1.08	132.6	131.3	132.0	134.0	132.6	138.4	134.5	137.6	137.6	139.0	142.1	145.0	145.7	144.2
Misc. home goods	2.53	121.0	116.9	118.2	122.9	120.6	122.4	123.4	124.5	125.2	122.8	127.5	130.9	132.7	132.4
Nondurable consumer goods	*20.67*	*122.2*	*120.5*	*121.0*	*120.6*	*121.3*	*122.1*	*123.9*	*124.5*	*125.3*	*123.9*	*124.8*	*124.7*	*125.2*	*126.0*
Clothing	4.32	107.8	105.0	106.2	106.8	108.0	109.1	110.0	110.3	110.4	109.0	108.0	109.9	.....	.....
Consumer staples	16.34	126.0	124.6	124.9	124.3	124.8	125.5	127.6	128.2	129.2	127.8	129.2	128.5	128.9	129.7
Consumer foods and tobacco	8.37	117.4	116.8	117.2	116.8	116.4	117.6	118.5	118.5	120.3	117.7	118.2	119.2	119.5	119.6
Nonfood staples	7.98	135.0	132.8	133.1	132.2	133.6	133.8	137.2	138.3	138.6	138.2	140.7	138.1	138.7	140.4
Consumer chemical products	2.64	144.3	145.4	144.8	140.2	141.3	141.7	146.4	145.0	143.9	142.5	147.4	145.6	147.0	148.3
Consumer paper products	1.91	114.7	111.4	111.1	112.5	112.5	112.2	115.6	118.6	119.3	119.5	117.7	117.5	118.7	119.1
Consumer fuel and lighting	3.43	139.2	134.8	136.3	136.8	139.4	139.8	141.9	144.0	145.1	145.2	148.3	143.8	143.5	146.1
Residential utilities	2.25	147.5	142.1	143.2	145.0	147.0	147.5	150.3	152.1	154.5	155.6	158.5	154.1	153.3	154.2
Equipment															
Business equipment	*12.74*	*104.3*	*101.3*	*102.5*	*102.4*	*102.1*	*105.0*	*106.7*	*108.5*	*110.1*	*111.1*	*114.2*	*114.9*	*115.8*	*117.4*
Industrial equipment	6.77	99.3	95.7	96.3	97.2	96.7	99.9	102.8	103.7	105.8	107.3	109.0	109.8	111.4	113.3
Building and mining equip.	1.45	101.9	98.4	97.0	98.3	98.0	104.8	105.7	105.4	104.2	108.0	108.6	109.2	110.0	111.7
Manufacturing equipment	3.85	88.6	84.9	85.9	86.7	87.1	89.4	92.6	94.0	96.9	98.5	100.9	101.8	103.7	105.7
Power equipment	1.47	124.6	121.4	122.8	123.5	120.5	122.4	126.3	127.2	130.8	129.6	130.6	131.5	132.9	134.3
Commercial, transit, farm eq.	5.97	110.0	107.6	109.6	108.4	108.3	110.7	111.2	113.8	115.3	115.4	120.0	120.9	120.8	122.1
Commercial equipment	3.30	117.8	114.1	116.4	116.7	117.3	120.0	121.5	122.7	123.2	122.6	126.3	127.0	128.6	131.1
Transit equipment	2.00	96.7	97.0	98.9	94.4	92.5	93.0	93.1	96.8	101.9	101.7	110.0	111.8	110.2	107.9
Farm equipment	.67	110.6	106.8	108.2	109.7	111.2	117.7	114.7	120.3	116.3	120.0	118.3	117.6	114.6	119.6
Defense and space equipment	*7.68*	*78.2*	*78.5*	*78.2*	*78.3*	*78.9*	*77.9*	*77.7*	*78.6*	*79.3*	*80.1*	*79.1*	*80.4*	*79.9*	*80.3*
Military products	5.15	80.6	81.3	81.1	80.4	81.6	79.9	79.3	80.3	81.2	81.4	80.8	81.8	81.2	80.9
Intermediate products															
Construction products	5.93	119.7	116.5	118.0	117.8	119.8	119.3	120.6	123.1	126.1	124.6	125.9	126.0	127.3	128.3
Misc. intermediate products	7.34	121.1	118.0	120.4	120.2	121.1	122.8	122.6	123.6	125.6	126.7	127.0	128.5	127.9	127.8
Materials															
Durable goods materials	*20.91*	*112.1*	*110.4*	*111.1*	*111.1*	*111.5*	*112.6*	*116.0*	*117.4*	*117.7*	*120.1*	*120.1*	*122.9*	*124.1*	*125.9*
Consumer durable parts	4.75	113.1	113.8	112.0	112.0	111.4	114.0	116.3	116.6	115.8	118.0	120.8	124.1	124.4	129.2
Equipment parts	5.41	97.1	95.4	95.3	95.3	98.2	97.8	100.7	102.6	103.6	105.7	104.3	107.5	109.7	111.0
Durable materials nec	10.75	119.3	116.5	118.6	118.6	118.2	119.5	123.6	125.2	125.7	128.5	127.8	130.2	131.2	131.7
Nondurable goods materials	*13.99*	*121.7*	*120.6*	*121.3*	*122.5*	*123.3*	*123.7*	*122.7*	*123.9*	*124.4*	*125.5*	*124.3*	*125.7*	*126.4*	*128.0*
Textile, paper, and chem. mat.	8.58	128.0	125.9	127.1	128.5	130.1	131.1	129.2	130.7	132.7	134.8	133.0	135.8	137.2	139.6
Nondurable materials n.e.c.	5.41	111.6	112.3	112.3	113.1	112.3	111.9	112.4	113.0	111.2	110.9	110.4	110.0	109.5	109.7
Fuel and power, industrial	2.89	121.2	121.6	120.7	121.7	123.5	121.5	125.0	124.3	122.5	118.7	120.7	123.7	123.9	123.8
Supplementary groups															
Home goods and clothing	9.34	116.8	115.3	115.9	117.2	116.3	117.7	118.5	119.4	119.2	119.8	122.2	123.8	125.8	126.1
Containers	1.82	126.8	127.5	127.0	130.2	128.8	125.7	122.6	127.2	134.2	135.1	136.9	141.0	142.8	142.8
Gross value of products in market structure															
(In billions of 1963 dollars)															
Products, total	......	*413.1*	*409.7*	*413.0*	*412.0*	*410.1*	*414.7*	*417.5*	*425.0*	*431.8*	*431.8*	*435.9*	*438.8*	*441.3*	*442.0*
Final products	......	317.7	317.1	318.5	317.5	314.3	319.0	321.7	327.6	332.5	332.6	334.8	337.5	340.0	340.8
Consumer goods	......	223.7	224.8	225.1	224.6	222.5	225.5	226.9	231.0	233.9	233.8	233.7	235.0	237.2	237.3
Equipment	......	94.0	92.4	93.3	93.1	91.8	93.7	94.9	96.8	98.5	98.9	101.2	102.5	102.7	103.5
Intermediate products	......	95.5	92.8	94.5	94.3	95.8	96.0	95.9	97.4	99.2	99.5	100.8	101.5	101.4	101.3

For NOTE see p. A 61.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average[p]	1972 Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1973 Jan.	Feb.[r]	Mar.[r]	Apr.
Manufacturing	*88.55*	*113.1*	*111.8*	*112.3*	*112.6*	*113.2*	*114.1*	*115.2*	*116.6*	*117.4*	*118.5*	*118.9*	*120.4*	*121.8*	*122.3*
Durable	52.33	107.4	105.8	106.3	106.8	107.7	108.4	109.7	111.4	112.4	144.1	114.3	116.2	117.5	118.4
Nondurable	36.22	121.5	120.3	120.8	121.3	121.0	122.6	123.3	124.3	124.7	125.0	125.4	126.6	128.0	128.1
Mining and utilities	11.45	123.8	122.9	122.6	122.7	123.2	123.8	125.9	126.2	127.2	126.2	127.2	127.4	125.5	126.1
Mining	6.37	108.3	109.0	107.9	108.2	107.9	107.7	110.2	110.0	110.1	108.3	108.4	109.2	106.3	106.0
Utilities	5.08	143.2	140.2	141.1	140.9	142.5	144.1	145.6	146.6	148.7	148.6	151.9	150.4	149.6	151.4
Durable manufactures															
Primary and fabricated metals	*12.55*	*113.0*	*110.4*	*112.7*	*112.1*	*114.5*	*114.0*	*116.4*	*118.4*	*119.6*	*122.8*	*120.2*	*122.6*	*123.4*	*124.2*
Primary metals	6.61	112.8	110.2	113.5	111.9	114.9	113.6	117.4	119.3	120.2	126.6	120.6	123.1	122.5	123.4
Iron and steel, subtotal	4.23	106.9	105.5	108.3	104.9	107.7	107.3	113.4	114.1	114.3	117.4	114.2	120.2	117.9	117.8
Fabricated metal products	5.94	113.3	110.8	111.9	112.3	114.1	114.4	115.2	117.5	118.8	118.6	119.9	122.1	124.1	125.0
Machinery and allied goods	*32.44*	*102.1*	*101.1*	*101.0*	*101.6*	*102.0*	*103.1*	*104.1*	*105.7*	*107.0*	*108.7*	*109.5*	*111.0*	*112.6*	*113.2*
Machinery	17.39	105.2	102.6	103.0	104.8	104.8	107.1	108.3	109.6	110.4	113.1	113.7	114.5	117.1	119.6
Nonelectrical machinery	9.17	103.1	98.6	100.4	101.8	102.9	106.1	107.0	108.8	110.6	110.5	112.3	113.0	115.5	118.8
Electrical machinery	8.22	107.5	107.1	105.9	108.0	107.1	108.1	109.7	110.4	110.2	116.0	115.2	116.2	119.1	120.5
Transportation equipment	9.29	98.9	100.4	98.9	97.4	98.2	98.4	99.8	102.1	105.0	105.9	106.7	110.0	110.3	109.4
Motor vehicles and parts	4.56	122.8	125.6	122.6	119.3	121.4	121.6	123.0	127.6	132.0	135.3	137.4	141.5	141.0	138.3
Aerospace and misc. trans. eq.	4.73	75.8	76.1	76.1	76.4	75.9	76.0	77.3	77.5	79.0	77.6	77.1	79.2	80.8	81.8
Instruments	2.07	118.7	116.1	117.3	119.3	119.9	120.9	122.4	122.9	123.3	122.6	127.2	129.0	131.0	133.3
Ordnance, private and Govt.	3.69	86.6	87.3	87.6	87.8	88.0	86.2	84.8	86.3	86.9	87.3	86.6	87.2	86.7	86.0
Lumber, clay, and glass	*4.44*	*119.7*	*118.1*	*118.2*	*119.0*	*119.1*	*119.6*	*120.5*	*123.0*	*122.8*	*120.9*	*122.2*	*125.0*	*126.7*	*126.5*
Lumber and products	1.65	122.7	119.9	119.1	121.8	121.5	121.1	122.8	128.1	128.2	124.3	126.8	128.3	129.3	129.0
Clay, glass, and stone products	2.79	117.9	117.1	117.5	117.4	117.7	118.7	119.1	120.0	119.7	118.9	119.5	123.1	125.2	125.5
Furniture and miscellaneous	*2.90*	*122.6*	*119.9*	*120.6*	*122.1*	*123.7*	*126.7*	*126.6*	*126.2*	*126.2*	*127.0*	*130.3*	*132.5*	*133.4*	*132.6*
Furniture and fixtures	1.38	113.1	111.7	110.7	112.8	115.5	117.6	116.7	116.1	117.4	118.5	119.1	122.3	122.8	123.0
Miscellaneous manufactures	1.52	131.2	127.4	129.6	130.6	131.0	135.1	135.6	135.4	134.0	134.5	140.5	142.4	143.0	141.2
Nondurable manufactures															
Textiles, apparel, and leather	*6.90*	*106.2*	*106.1*	*104.9*	*105.9*	*104.8*	*106.8*	*108.0*	*109.1*	*109.1*	*110.7*	*107.7*	*109.8*	*111.4*	*112.6*
Textile mill products	2.69	114.5	113.5	112.8	113.9	112.7	116.5	116.6	118.5	118.4	119.9	118.4	120.1	122.2	123.2
Apparel products	3.33	104.2	103.3	102.8	103.0	102.2	104.3	105.5	106.8	109.3	109.5	106.0	108.0	.....	.....
Leather and products	.88	88.1	94.4	89.2	92.2	90.2	86.5	91.6	88.6	80.1	87.4	81.3	85.1	85.0	87.2
Paper and printing	*7.92*	*115.4*	*112.3*	*114.1*	*115.1*	*115.2*	*116.4*	*115.3*	*118.6*	*120.9*	*120.6*	*119.9*	*121.9*	*122.6*	*122.9*
Paper and products	3.18	126.7	124.4	127.2	126.7	126.9	127.8	124.1	127.9	133.3	134.4	132.4	135.0	137.7	136.4
Printing and publishing	4.74	108.0	104.2	105.3	107.3	107.2	108.7	109.4	112.4	112.6	111.3	111.5	113.0	112.4	112.3
Chemicals, petroleum, and rubber	*11.92*	*137.5*	*136.1*	*137.5*	*137.1*	*137.4*	*139.9*	*141.1*	*141.6*	*140.6*	*141.5*	*145.2*	*144.3*	*147.2*	*148.4*
Chemicals and products	7.86	139.3	137.9	138.9	139.5	139.5	141.3	143.4	143.8	141.5	141.5	145.4	144.4	148.3	147.2
Petroleum products	1.80	120.1	117.0	119.5	117.3	119.5	120.4	120.7	124.1	123.4	124.8	129.0	124.2	123.5	127.7
Rubber and plastics products	2.26	145.0	144.7	146.5	145.0	144.1	150.4	149.6	148.2	151.3	154.4	156.7	160.1	162.9	169.0
Foods and tobacco	*9.48*	*117.4*	*117.6*	*117.1*	*117.6*	*116.8*	*117.6*	*118.8*	*117.8*	*118.9*	*118.3*	*118.2*	*120.9*	*120.4*	*119.3*
Foods	8.81	118.4	118.6	118.5	119.3	118.3	118.3	120.0	118.2	119.4	119.5	119.0	121.7	120.5	119.3
Tobacco products	.67	104.4	103.9	99.1	96.4	96.7	108.5	103.0	111.8	112.5	102.5	107.9	110.3	118.1	.....
Mining															
Metal, stone, and earth minerals	*1.26*	*104.8*	*104.6*	*99.4*	*99.6*	*95.8*	*101.0*	*106.5*	*106.2*	*113.0*	*114.6*	*114.8*	*112.3*	*111.9*	*109.9*
Metal mining	.51	120.8	122.2	110.7	102.9	102.2	115.2	123.4	122.3	136.7	141.8	138.6	131.7	129.0	124.9
Stone and earth minerals	.75	93.9	92.6	91.7	97.4	91.6	91.4	94.9	95.2	97.0	96.0	98.4	99.1	100.2	99.7
Coal, oil, and gas	*5.11*	*109.2*	*110.0*	*109.9*	*110.5*	*111.0*	*109.3*	*111.1*	*110.9*	*109.2*	*106.8*	*106.9*	*108.4*	*104.9*	*105.0*
Coal	.69	103.2	112.9	105.0	109.1	114.4	97.2	104.2	99.3	101.0	97.1	95.8	103.9	105.2	99.9
Oil and gas extraction	4.42	110.2	109.6	110.7	110.7	110.5	111.2	112.1	112.7	110.5	108.2	108.6	109.1	104.8	105.9
Utilities															
Electric	3.91	149.1	145.6	147.1	146.8	148.6	150.2	152.0	152.8	155.2	155.2	159.1	156.9	156.0	158.0
Gas	1.17	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

For NOTE see p. A-61.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average[p]	1972 Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1973 Jan.	Feb.[r]	Mar.[r]	Apr.
Total index	100.00	114.4	113.6	113.4	116.5	109.2	115.4	120.3	121.3	118.7	116.0	117.2	121.5	122.8	123.6
Products, total	**62.21**	**113.1**	**111.7**	**110.8**	**115.2**	**109.1**	**115.2**	**120.7**	**120.8**	**117.1**	**113.0**	**115.2**	**118.8**	**120.1**	**120.6**
Final products	*48.95*	*111.2*	*110.2*	*108.5*	*113.3*	*106.3*	*112.7*	*118.7*	*118.6*	*114.8*	*111.9*	*114.1*	*117.3*	*118.3*	*118.6*
Consumer goods	28.53	123.1	122.4	119.6	126.0	117.0	126.5	133.5	132.7	126.0	119.7	124.3	127.9	129.1	129.4
Equipment	20.42	94.5	93.2	93.1	95.6	91.4	93.4	98.0	99.0	99.2	98.8	99.9	102.7	103.2	103.3
Intermediate products	13.26	120.5	117.4	119.5	122.2	119.2	124.4	128.0	128.7	125.6	120.3	119.4	124.0	126.7	128.2
Materials	**37.79**	**116.4**	**116.6**	**117.7**	**118.7**	**109.4**	**115.8**	**119.6**	**122.1**	**121.4**	**120.9**	**120.6**	**125.9**	**127.1**	**128.6**
Consumer goods															
Durable consumer goods	*7.86*	*125.4*	*128.8*	*126.0*	*129.3*	*107.4*	*119.3*	*133.6*	*139.8*	*134.5*	*124.9*	*133.3*	*140.6*	*143.5*	*140.6*
Automotive products	2.84	127.1	138.2	132.6	133.5	92.8	107.5	136.5	146.3	141.2	123.2	138.5	149.1	151.5	147.7
Autos	1.87	112.7	128.0	121.3	120.1	61.0	78.4	120.6	135.6	132.9	109.8	134.8	144.6	143.9	135.8
Auto parts and allied goods	.97	154.7	157.8	154.3	159.3	153.9	163.3	167.1	166.9	157.0	149.0	145.7	157.7	166.0	170.5
Home goods	*5.02*	*124.5*	*123.5*	*122.3*	*126.9*	*115.6*	*126.0*	*131.9*	*136.2*	*130.8*	*125.8*	*130.3*	*135.8*	*138.9*	*136.5*
Appliances, TV, and home audio	1.41	124.7	131.9	124.9	125.6	109.6	112.2	127.7	142.8	129.1	122.0	139.7	142.6	149.0	143.2
Appliances and A/C	.92	144.5	156.6	146.9	147.4	134.9	128.9	143.5	165.0	143.5	134.6	153.7	157.0	166.2	166.5
TV and home audio	.49	87.5	85.6	83.7	84.8	62.2	80.9	98.2	101.2	102.2	98.4	......	115.7	116.9	......
Carpeting and furniture	1.08	132.6	131.8	128.3	132.8	114.4	138.7	139.6	139.7	140.8	140.0	141.0	150.2	149.1	145.1
Misc. home goods	2.53	121.0	115.3	118.2	125.2	119.5	128.3	130.9	131.1	127.6	121.9	120.4	125.9	129.0	129.2
Nondurable consumer goods	*20.67*	*122.2*	*119.9*	*117.1*	*124.7*	*120.6*	*129.2*	*133.4*	*130.6*	*122.7*	*117.7*	*120.9*	*123.1*	*123.6*	*125.1*
Clothing	4.32	107.8	113.2	102.7	113.2	97.2	113.5	116.9	114.7	108.2	100.1	102.9	114.1	......	......
Consumer staples	16.34	126.0	121.7	120.9	127.8	126.8	133.4	137.8	134.0	126.5	122.3	125.6	125.4	126.1	126.4
Consumer foods and tobacco	8.37	117.4	114.8	114.7	120.8	115.8	123.9	128.7	125.4	118.7	111.0	111.9	114.8	117.1	117.5
Nonfood staples	7.98	135.0	128.9	127.4	135.1	138.3	143.4	147.3	143.0	134.6	134.2	140.0	136.6	135.5	135.6
Consumer chemical products	2.64	144.3	142.3	143.9	152.3	146.9	148.4	159.3	158.3	143.8	132.5	138.6	138.9	140.4	145.2
Consumer paper products	1.91	114.7	110.3	107.9	116.2	114.2	120.4	122.8	124.9	118.5	113.4	112.3	110.5	115.5	117.9
Consumer fuel and lighting	3.43	139.2	129.0	125.5	132.4	145.1	152.4	151.6	141.3	136.4	147.2	156.6	149.5	143.1	138.1
Residential utilities	2.25	147.5	136.3	128.7	137.5	154.6	165.3	163.8	148.1	141.4	156.6	170.5	162.4	154.1	145.3
Equipment															
Business equipment	*12.74*	*104.3*	*102.3*	*102.2*	*105.6*	*99.5*	*103.2*	*110.2*	*111.2*	*110.7*	*109.3*	*112.1*	*116.1*	*117.1*	*117.5*
Industrial equipment	6.77	99.3	95.7	95.7	99.0	96.0	99.5	105.2	105.5	106.3	106.4	107.7	111.2	111.9	112.8
Building and mining equip.	1.45	101.9	99.0	96.3	101.4	98.0	102.3	107.5	107.1	108.4	109.9	107.6	110.3	108.4	110.6
Manufacturing equipment	3.85	88.6	84.8	85.5	88.2	85.2	89.2	93.6	94.9	96.6	97.7	99.7	104.4	105.8	105.6
Power equipment	1.47	124.6	121.2	121.8	124.9	122.3	123.7	133.2	131.8	129.4	125.8	128.8	129.9	131.2	134.0
Commercial, transit, farm eq.	5.97	110.0	109.8	109.6	113.0	103.4	107.4	115.8	117.7	115.6	112.5	117.0	121.7	122.9	122.8
Commercial equipment	3.30	117.8	112.2	114.7	121.9	120.2	122.0	127.2	124.8	123.6	120.4	121.9	125.0	126.3	128.9
Transit equipment	2.00	96.7	104.8	100.9	97.9	78.2	85.2	95.2	104.0	104.6	99.2	108.1	114.8	114.9	111.2
Farm equipment	.67	110.6	113.2	110.0	114.4	95.2	101.0	120.8	123.2	109.0	113.2	118.9	126.2	129.7	126.8
Defense and space equipment	*7.68*	*78.2*	*78.0*	*78.1*	*78.9*	*77.9*	*77.1*	*77.7*	*78.7*	*80.6*	*81.3*	*79.6*	*80.3*	*80.2*	*79.8*
Military products	5.15	80.6	81.1	81.3	81.7	81.0	79.3	79.2	80.0	81.4	82.0	81.0	81.7	81.5	80.7
Intermediate products															
Construction products	5.93	119.7	118.9	120.6	121.9	117.9	120.5	125.5	128.4	124.5	118.0	117.1	123.7	128.4	131.0
Misc. intermediate products	7.34	121.1	116.2	118.7	122.4	120.3	127.5	130.0	129.0	126.5	122.1	121.3	124.1	125.3	125.9
Materials															
Durable goods materials	*20.91*	*112.1*	*112.4*	*113.8*	*114.8*	*103.8*	*109.9*	*116.8*	*118.7*	*118.1*	*119.5*	*118.5*	*125.0*	*127.1*	*129.0*
Consumer durable parts	4.75	113.1	112.9	113.3	112.5	98.5	107.8	117.2	119.4	120.9	125.5	125.0	127.9	127.9	130.2
Equipment parts	5.41	97.1	96.5	95.9	98.9	92.2	95.5	101.7	102.3	102.7	104.7	104.6	109.1	112.4	114.6
Durable materials n.e.c.	10.75	119.3	120.1	123.1	123.9	111.9	118.1	124.3	126.6	124.7	124.4	122.6	131.8	134.1	135.8
Nondurable goods materials	*13.99*	*121.7*	*121.8*	*123.0*	*124.2*	*116.6*	*123.3*	*122.8*	*126.7*	*126.0*	*123.0*	*123.4*	*127.3*	*127.7*	*128.9*
Textile, paper, and chem. mat.	8.58	128.0	128.5	129.6	130.9	120.9	130.1	129.1	133.4	134.2	130.6	132.1	138.9	140.0	141.7
Nondurable materials n.e.c.	5.41	111.6	111.2	112.6	113.6	109.9	112.6	112.8	116.0	113.1	110.9	109.5	108.9	108.1	108.6
Fuel and power, industrial	2.89	121.2	121.8	120.7	120.8	115.2	121.7	124.0	124.4	123.5	120.4	122.8	125.6	124.6	124.0
Supplementary groups															
Home goods and clothing	9.34	116.8	118.7	113.2	120.6	107.1	120.2	125.0	126.3	120.3	113.9	117.6	125.8	127.5	129.2
Containers	1.82	126.8	127.9	128.9	134.2	123.1	130.0	128.0	134.4	133.0	125.0	129.4	140.6	142.8	143.2

For NOTE see p. A-61.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average[p]	1972 Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1973 Jan.	Feb.[r]	Mar.[r]	Apr.
Manufacturing, total	88.55	113.1	112.7	112.7	115.7	107.0	113.5	118.9	120.6	118.1	114.8	115.9	121.3	123.0	123.5
Durable	52.33	107.4	107.5	107.6	109.4	100.2	105.1	111.9	114.4	113.1	111.4	112.8	118.4	120.1	120.6
Nondurable	36.22	121.5	120.2	120.0	124.9	116.9	125.7	128.9	129.6	125.4	119.7	120.3	125.5	127.1	127.9
Mining and utilities	11.45	123.8	120.4	120.0	122.9	124.6	130.0	130.8	126.3	123.5	124.8	128.3	127.5	123.7	122.6
Mining	6.37	108.3	108.8	109.9	109.7	105.5	109.2	110.8	110.7	109.5	108.0	105.8	108.1	104.4	105.4
Utilities	5.08	143.2	134.9	132.6	139.4	148.6	156.2	155.9	146.0	141.1	146.0	156.6	151.6	148.0	144.4
Durable manufactures															
Primary and fabricated metals	12.55	113.0	114.3	115.7	115.0	105.1	109.1	116.0	119.7	119.0	120.2	118.8	127.1	129.4	129.9
Primary metals	6.61	112.8	117.2	118.9	116.5	101.6	106.9	114.8	119.4	117.6	121.7	118.9	129.6	132.7	133.9
Iron and steel, subtotal	4.23	106.9	113.2	114.3	108.6	98.3	101.2	108.1	113.4	110.9	114.2	112.4	126.0	128.8	130.3
Fabricated metal products	5.94	113.3	111.1	112.2	113.3	109.0	111.5	117.4	120.1	120.5	118.6	118.6	124.3	125.7	125.4
Machinery and allied goods	32.44	102.1	102.3	101.7	104.0	94.4	98.7	106.7	108.9	107.9	106.4	109.4	113.2	114.6	114.9
Machinery	17.39	105.2	103.4	102.9	107.0	100.0	104.1	111.4	112.7	110.5	110.3	112.8	117.0	119.0	120.4
Nonelectrical machinery	9.17	103.1	99.8	100.9	104.7	100.5	103.3	109.4	109.6	109.1	109.2	110.8	116.7	118.4	119.6
Electrical machinery	8.22	107.5	107.4	105.1	109.5	99.5	105.0	113.6	116.1	112.1	111.6	115.0	117.4	119.7	121.4
Transportation equipment	9.29	98.9	103.8	101.7	100.8	81.0	88.3	102.0	107.0	107.9	103.0	108.7	113.5	114.0	112.9
Motor vehicles and parts	4.56	122.8	131.8	128.1	126.0	87.8	102.3	127.1	137.2	137.9	128.9	142.6	148.6	147.3	144.7
Aerospace and misc. trans. eq.	4.73	75.8	76.8	76.3	76.6	74.5	74.9	77.8	77.9	78.9	78.1	76.0	79.6	82.0	82.2
Instruments	2.07	118.7	112.5	116.1	121.8	119.9	123.4	127.3	126.5	123.9	122.5	123.5	125.3	128.8	129.2
Ordnance, private and Govt.	3.69	86.6	87.3	87.8	88.2	87.3	85.2	84.5	85.7	87.0	87.7	87.1	87.5	87.4	86.0
Lumber, clay, and glass	4.44	119.7	118.5	120.4	124.1	119.2	125.7	126.3	129.0	122.6	112.9	112.1	121.0	124.9	127.8
Lumber and products	1.65	122.7	122.1	121.8	126.5	120.5	125.9	128.8	132.8	124.7	111.6	115.5	128.2	130.3	131.2
Clay, glass, and stone products	2.79	117.9	116.3	119.6	122.7	118.4	125.6	124.8	126.7	121.4	113.7	110.1	116.8	121.7	125.8
Furniture and miscellaneous	2.90	122.6	119.1	118.1	123.7	114.5	127.5	131.0	131.1	130.7	126.7	126.1	134.3	133.9	131.9
Furniture and fixtures	1.38	113.1	111.6	108.7	112.1	100.4	115.7	117.9	118.8	120.9	119.7	121.6	128.7	127.3	123.4
Miscellaneous manufactures	1.52	131.2	125.9	126.6	134.3	127.3	138.2	142.9	142.2	139.6	133.2	130.2	139.4	139.9	139.5
Nondurable manufactures															
Textiles, apparel, and leather	6.90	106.2	109.9	103.9	110.9	94.4	111.4	112.8	112.2	107.5	101.0	102.6	112.8	114.8	115.4
Textile mill products	2.69	114.5	115.9	115.8	119.0	102.0	120.7	120.4	120.9	118.4	112.4	111.3	121.9	124.7	125.8
Apparel products	3.33	104.2	109.5	98.7	109.1	92.5	109.2	112.1	110.2	105.8	96.4	101.3	111.8	......	....
Leather and products	.88	88.1	93.3	87.3	92.8	78.2	91.3	92.0	92.8	80.7	83.3	80.6	88.7	89.9	86.2
Paper and printing	7.92	115.4	112.9	114.1	117.9	111.5	120.0	120.7	124.9	122.6	114.1	113.4	119.0	120.6	122.7
Paper and products	3.18	126.7	128.1	128.5	130.2	116.1	127.5	123.7	134.5	134.4	124.3	130.8	138.4	139.5	140.5
Printing and publishing	4.74	108.0	102.7	104.4	109.6	108.4	114.9	118.6	118.5	114.7	107.3	101.7	106.0	107.9	110.7
Chemicals, petroleum, and rubber	11.92	137.5	135.8	138.0	141.4	134.7	140.3	144.9	145.6	141.9	139.2	140.8	144.3	146.5	148.1
Chemicals and products	7.86	139.3	138.9	140.7	144.2	138.7	142.4	147.1	146.7	142.1	138.5	140.3	143.2	146.5	148.2
Petroleum products	1.80	120.1	112.1	118.4	121.5	123.8	125.7	126.3	126.3	122.5	122.9	123.7	120.9	119.5	122.1
Rubber and plastics products	2.26	145.0	144.1	144.0	147.6	129.3	144.4	152.3	156.9	156.7	154.7	156.4	167.0	167.8	168.3
Foods and tobacco	9.48	117.4	114.2	114.1	120.1	115.2	122.7	127.5	126.0	120.0	113.3	113.2	116.5	116.9	115.8
Foods	8.81	118.4	115.3	115.3	121.4	117.4	123.2	128.9	126.4	120.5	115.4	113.6	116.7	116.8	116.0
Tobacco products	.67	104.4	99.4	98.1	103.0	86.3	116.7	109.4	120.4	113.4	86.0	107.7	113.5	118.3	.
Mining															
Metal, stone, and earth minerals	1.26	104.8	105.3	110.8	111.6	102.2	108.7	113.1	110.2	106.1	103.5	98.8	101.0	104.3	109.5
Metal mining	.51	120.8	123.5	131.5	129.6	116.7	128.4	133.5	123.2	114.8	114.6	113.8	120.4	119.8	123.7
Stone and earth minerals	.75	93.9	92.8	96.7	99.3	92.3	95.4	99.2	101.3	100.3	96.4	88.6	87.8	93.8	99.9
Coal, oil, and gas	5.11	109.2	109.7	109.7	109.2	106.3	109.3	110.3	110.8	110.3	109.1	107.5	110.1	104.4	104.4
Coal	.69	103.2	114.9	107.1	104.8	87.6	103.5	106.9	106.1	103.2	96.5	94.7	104.2	104.3	101.7
Oil and gas extraction	4.42	110.2	108.9	110.1	109.9	109.2	110.2	110.8	111.6	111.4	111.1	109.5	111.0	104.4	104.8
Utilities															
Electric	3.91	149.1	138.5	136.4	144.9	156.5	166.0	165.4	152.0	145.3	151.6	165.1	158.5	153.8	148.9
Gas	1.17	......	......	......	......	......	......	......	......	......	......	......	......	......	....

NOTE.—Published groupings include series and subtotals not shown separately. Figures for individual series and subtotals are published in the monthly Business Indexes release.

SELECTED BUSINESS INDEXES

(1967 = 100, except as noted)

Period	Industrial production: Total	Market: Products: Total	Market: Products: Final: Total	Market: Products: Final: Consumer goods	Market: Products: Final: Equipment	Market: Products: Intermediate	Market: Materials	Industry: Manufacturing	Capacity utilization in mfg. (1967 output = 100)	Construction contracts	Nonagricultural employment—Total[1]	Manufacturing[2]: Employment	Manufacturing[2]: Payrolls	Total retail sales[3]	Prices[4]: Consumer	Prices[4]: Wholesale commodity
1953	......	......	......	......	......	......	......	......	95.5	......	76.3	98.2	60.3	54	80.1	87.4
1954	51.9	51.8	50.8	53.3	47.9	55.1	52.0	51.5	84.1	......	74.4	89.6	55.1	54	80.5	87.6
1955	58.5	56.6	54.9	59.5	48.9	62.6	61.5	58.2	90.0	......	76.9	92.9	61.1	59	80.2	87.8
1956	61.1	59.7	58.2	61.7	53.7	65.3	63.1	60.5	88.2	......	79.6	93.9	64.6	61	81.4	90.7
1957	61.9	61.1	59.9	63.2	55.9	65.3	63.1	61.2	84.5	......	80.3	92.2	65.4	64	84.3	93.3
1958	57.9	58.6	57.1	62.6	50.0	63.9	56.8	56.9	75.1	......	78.0	83.9	60.3	64	86.6	94.6
1959	64.8	64.4	62.7	68.7	54.9	70.5	65.5	64.1	81.4	......	81.0	88.1	67.8	69	87.3	94.8
1960	66.2	66.2	64.8	71.3	56.4	71.0	66.4	65.4	80.1	......	82.4	88.0	68.8	70	88.7	94.9
1961	66.7	66.9	65.3	72.8	55.6	72.4	66.4	65.6	77.6	......	82.1	84.5	68.0	70	89.6	94.5
1962	72.2	72.1	70.8	77.7	61.9	76.9	72.4	71.4	81.4	......	84.4	87.3	73.3	75	90.6	94.8
1963	76.5	76.2	74.9	82.0	65.6	81.1	77.0	75.8	83.0	86.1	86.1	87.8	76.0	79	91.7	94.5
1964	81.7	81.2	79.6	86.8	70.1	87.3	82.6	81.2	85.5	89.4	88.6	89.3	80.1	83	92.9	94.7
1965	89.2	88.1	86.8	93.0	78.7	93.0	91.0	89.1	89.0	93.2	92.3	93.9	88.1	91	94.5	96.6
1966	97.9	96.8	96.1	98.6	93.0	99.2	99.8	98.3	91.9	94.8	97.1	99.9	97.8	97	97.2	99.8
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	87.9	100.0	100.0	100.0	100.0	100	100.0	100.0
1968	105.7	105.8	105.8	106.6	104.7	105.7	105.7	105.7	87.7	113.2	103.1	101.4	108.3	109	104.2	102.5
1969	110.7	109.7	109.0	111.1	106.1	112.0	112.4	110.5	86.5	123.7	106.7	103.2	116.6	114	109.8	106.5
1970	106.7	106.0	104.5	110.3	96.3	111.7	107.7	105.2	r78.3	......	107.2	98.0	114.1	120	116.3	110.4
1971	106.8	106.4	104.7	115.7	89.4	112.6	107.4	105.2	r75.0	132.0	107.3	93.9	116.3	122	121.2	113.9
1972p	114.4	113.2	111.2	123.1	94.6	120.4	116.5	113.2	77.9	......	110.5	96.7	130.2	142	125.3	119.8
1972—Apr.	112.8	111.4	109.8	122.0	92.7	117.3	115.0	111.8		167.0	109.7	95.8	127.4	139	124.3	117.5
May	113.2	112.1	110.2	122.2	93.4	119.3	115.6	112.3	r77.6	165.0	r110.1	r96.3	128.0	142	124.7	118.2
June	113.4	112.0	110.1	122.1	93.3	119.1	116.1	112.6		154.0	r110.4	r96.7	128.9	141	125.0	118.8
July	113.9	112.2	110.1	122.0	93.4	120.5	116.8	113.2		155.0	r110.4	r96.5	127.7	143	125.5	119.7
Aug.	115.0	113.3	111.3	123.1	94.8	121.2	117.4	114.1	78.4	180.0	r110.9	r97.0	131.2	145	125.7	119.9
Sept.	116.1	114.4	112.4	124.4	95.8	121.7	119.1	115.2		187.0	r111.3	r97.5	133.8	144	126.2	120.2
Oct.	117.5	115.9	113.9	125.6	97.3	123.4	120.3	116.6		171.0	111.7	98.4	136.1	149	126.6	120.0
Nov.	118.5	117.3	115.0	126.8	98.5	125.9	120.6	117.4	80.2	177.0	r112.1	r99.1	139.0	148	126.9	120.7
Dec.	119.2	117.5	115.3	126.7	99.4	125.7	122.0	118.5		163.0	112.4	r99.6	139.3	151	127.3	122.9
1973—Jan.	119.9	118.6	116.4	127.5	101.0	126.5	121.7	118.9		181.0	112.7	99.9	139.8	156	127.7	124.5
Feb.	121.1	119.5	117.3	r128.3	r102.0	r127.4	r124.0	r120.4	81.4	191.0	113.5	r100.7	142.9	158	128.6	126.9
Mar.r	122.0	120.1	118.1	129.4	102.3	127.6	125.0	121.8		193.0	113.8	101.0	142.6	160	129.8	129.7
Apr.p	122.8	120.7	118.7	129.6	103.4	127.9	126.5	122.3	......	177.0	114.0	101.5	144.9	157	130.7	130.7
Mayp	123.4	121.4	119.4	130.5	103.8	129.2	126.8	123.2	......	......	114.2	101.5	145.0	......	......	133.5

1 Employees only; excludes personnel in the Armed Forces.
2 Production workers only.
3 F.R. index based on Census Bureau figures.
4 Prices are not seasonally adjusted. Latest figure is final.

NOTE.—*All series:* Data are seasonally adjusted unless otherwise noted.

Capacity utilization: Based on data from Federal Reserve, McGraw-Hill Economics Department, and Dept. of Commerce.

Construction contracts: F. W. Dodge Co. monthly index of dollar value of total construction contracts, including residential, nonresidential, and heavy engineering; does not include data for Alaska and Hawaii.

Employment and payrolls: Based on Bureau of Labor Statistics data; includes data for Alaska and Hawaii beginning with 1959.

Prices: Bureau of Labor Statistics data.

CONSTRUCTION CONTRACTS AND PRIVATE HOUSING PERMITS

(In millions of dollars, except as noted)

Type of ownership and type of construction	1971	1972	1972: Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1973: Jan.	Feb.	Mar.
Total construction[1]	**80,188**	**91,877**	**7,238**	**8,100**	**9,098**	**8,478**	**8,067**	**8,875**	**8,197**	**8,225**	**7,248**	**6,464**	**6,795**	**6,839**	**8,644**
By type of ownership:															
Public	23,927	24,404	1,676	1,741	2,574	2,517	2,528	2,466	2,017	1,668	1,785	1,650	1,918	1,717	2,046
Private[1]	56,261	67,473	5,562	6,359	6,524	5,960	5,538	6,409	6,181	6,557	5,462	4,814	4,877	5,122	6,599
By type of construction:															
Residential building[1]	34,754	45,473	3,607	3,971	4,428	4,375	3,864	4,671	4,135	4,298	3,663	3,120	3,195	3,277	4,643
Nonresidential building	25,574	27,327	2,165	2,182	2,908	2,447	2,461	2,458	2,378	3,549	2,184	2,215	2,420	2,229	2,707
Nonbuilding	19,282	19,077	1,466	1,947	1,762	1,655	1,741	1,746	1,684	1,544	1,402	1,132	1,180	1,333	1,294
Private housing units authorized... (In thousands, S.A., A.R.)	1,925	2,130	2,007	1,991	1,955	2,121	2,108	2,237	2,265	2,216	2,139	2,377	2,218	2,191	r2,071

1 Because of improved procedures for collecting data for 1-family homes, some totals are not strictly comparable with those prior to 1968. To improve comparability, earlier levels may be raised by approximately 3 per cent for total and private construction, in each case, and by 8 per cent for residential building.

NOTE.—Dollar value of construction contracts as reported by the F. W. Dodge Co. does not include data for Alaska or Hawaii. Totals of monthly data exceed annual totals because adjustments—negative—are made in accumulated monthly data after original figures have been published.

Private housing units authorized are Census Bureau series for 13,000 reporting areas with local building permit systems.

VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total	Private: Total	Private: Residential	Private: Nonresidential: Total	Private: Nonresidential: Buildings: Industrial	Private: Nonresidential: Buildings: Commercial	Private: Nonresidential: Buildings: Other buildings [1]	Private: Nonresidential: Other	Public: Total	Public: Military	Public: Highway	Public: Conservation & development	Public: Other [2]
1962 [3]	59,965	42,096	25,150	16,946	2,842	5,144	3,631	5,329	17,869	1,266	6,365	1,523	8,715
1963 [4]	64,563	45,206	27,874	17,332	2,906	4,995	3,745	5,686	19,357	1,179	7,084	1,694	9,400
1964	67,413	47,030	28,010	19,020	3,565	5,396	3,994	6,065	20,383	910	7,133	1,750	10,590
1965	73,412	51,350	27,934	23,416	5,118	6,739	4,735	6,824	22,062	830	7,550	2,019	11,663
1966	76,002	51,995	25,715	26,280	6,679	6,879	5,037	7,685	24,007	727	8,408	2,194	12,681
1967	77,503	51,967	25,568	26,399	6,131	6,982	4,993	8,293	25,536	695	8,591	2,124	14,126
1968	86,626	59,021	30,565	28,456	6,021	7,761	4,382	10,292	27,605	808	9,321	1,973	15,503
1969	93,368	65,404	33,200	32,204	6,783	9,401	4,971	11,049	27,964	879	9,250	1,783	16,052
1970	94,030	65,932	31,864	34,068	6,538	9,754	5,125	12,651	28,098	718	9,981	1,908	15,491
1971	109,399	79,535	43,062	36,473	5,423	11,619	5,428	14,003	29,864	894	10,658	2,095	16,217
1972—Apr.	120,417	91,469	52,668	38,801	4,649	13,411	5,765	14,976	28,948	965	....	1,644	....
May	122,121	92,299	52,330	39,969	4,723	14,132	5,766	15,348	29,822	980	....	1,971	....
June	121,035	92,426	52,923	39,503	4,944	13,477	5,908	15,174	28,609	1,099	....	2,256	....
July	119,847	91,564	53,509	38,055	4,592	12,979	5,670	14,814	28,283	1,360	....	1,417	....
Aug.	122,857	93,654	54,325	39,329	4,814	13,406	5,942	15,167	29,203	867	....	1,676	....
Sept.	124,816	94,205	55,465	38,740	4,432	13,490	5,723	15,095	30,611	978	....	1,666	....
Oct.	128,850	96,024	56,340	40,559	4,301	13,770	6,256	15,357	32,826	1,045	....	1,767	....
Nov.	126,327	97,052	57,105	39,947	4,556	13,377	6,230	15,784	29,275	1,205	....	1,719	....
Dec.	131,962	97,886	57,373	40,513	4,788	13,711	6,185	15,829	34,076	1,125	....	1,667	....
1973—Jan.	135,737	101,131	58,048	43,083	5,328	15,106	5,996	16,653	34,606	1,246	....	2,020	....
Feb.	135,548	102,663	59,731	42,932	5,137	14,908	6,046	16,841	32,885	1,443	....	1,721	....
Mar.	138,236	103,588	60,085	43,503	5,430	15,148	6,249	16,676	34,648	1,337	....	2,556	....
Apr.	136,410	102,575	59,244	43,331	....	....	....	....	33,835	....	....	....	....

[1] Includes religious, educational, hospital, institutional, and other buildings.

[2] Sewer and water, formerly shown separately, now included in "Other."

[3] Beginning July 1962, reflects inclusion of new series affecting most private nonresidential groups.

[4] Beginning 1963, reflects inclusion of new series under "Public" (for State and local govt. activity only).

NOTE. Census Bureau data: monthly series at seasonally adjusted annual rates.

NEW HOUSING UNITS

(In thousands)

Period	Units started: Private (S.A., A.R.): Total	Region: Northeast	Region: North Central	Region: South	Region: West	Type of structure: 1-family	Type of structure: 2- to 4-family	Type of structure: 5- or more-family	Private and public (N.S.A.): Total	Private and public (N.S.A.): Private	Private and public (N.S.A.): Public	Government-underwritten (N.S.A.): Total	Government-underwritten (N.S.A.): FHA	Government-underwritten (N.S.A.): VA	Mobile home shipments (N.S.A.)
1963	1,603	261	328	591	430	1,012	589		1,635	1,603	32	292	221	71	151
1964	1,529	254	340	578	357	970	108	450	1,561	1,529	32	264	205	59	191
1965	1,473	270	362	575	266	964	87	422	1,510	1,473	37	246	197	49	216
1966	1,165	206	288	472	198	778	61	325	1,196	1,165	31	195	158	37	217
1967	1,292	215	337	520	220	844	72	376	1,322	1,292	30	232	180	53	240
1968	1,508	227	369	618	294	900	81	527	1,546	1,508	38	283	227	56	318
1969	1,467	206	349	588	324	814	85	571	1,500	1,467	33	284	233	51	413
1970	1,434	218	294	612	310	813	85	536	1,469	1,434	35	482	421	61	401
1971	2,052	264	434	869	486	1,151	120	781	2,084	2,052	32	621	528	93	497
1972—Apr.	2,204	259	381	1,083	482	1,215	146	843	213	212	2	38	29	9	53
May	2,318	282	547	999	489	1,308	125	886	228	226	2	42	32	9	52
June	2,315	337	452	992	534	1,283	137	895	226	223	3	42	32	10	55
July	2,244	303	443	1,009	488	1,319	116	809	208	206	1	36	26	9	48
Aug.	2,424	349	475	1,014	586	1,373	137	914	231	229	2	40	30	10	52
Sept.	2,426	355	474	1,096	501	1,382	125	920	204	203	1	37	28	9	49
Oct.	2,446	372	469	1,125	480	1,315	153	978	218	217	2	34	25	9	54
Nov.	2,395	353	400	1,106	536	1,324	134	937	187	186	1	29	21	8	50
Dec.	2,369	486	330	1,080	473	1,207	128	1,034	153	151	2	48	42	6	38
1973—Jan.	2,497	348	599	1,086	464	1,450	163	884	147	147	1	19	12	7	41
Feb.	2,456	366	571	1,087	434	1,372	123	962	140	138	2	21	14	7	43
Mar.	2,248	288	415	1,136	409	1,247	123	878	200	199	1	28	20	8	57
Apr.	2,103	286	383	880	554	1,191	140	772	203	203	....	....	....	....	62

NOTE. Starts are Census Bureau series (including farm starts) except for Govt.-underwritten, which are from Federal Housing Admin. and Veterans Admin. and represent units started, including rehabilitation units under FHA, based on field office reports of first compliance inspections. Data may not add to totals because of rounding.

Mobile home shipments are as reported by Mobile Homes Manufacturers Assn.

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

(In thousands of persons, except as noted)

Period	Total noninstitutional population (N.S.A.)	Not in labor force (N.S.A.)	Total labor force (S.A.)	Civilian labor force (S.A.)					
				Total	Employed[1]			Unemployed	Unemployment rate[2] (per cent; S.A.)
					Total	In nonagricultural industries	In agriculture		
1967	133,319	52,527	80,793	77,347	74,372	70,527	3,844	2,975	3.8
1968	135,562	53,291	82,272	78,737	75,920	72,103	3,817	2,817	3.6
1969	137,841	53,602	84,240	80,734	77,902	74,296	3,606	2,832	3.5
1970	140,182	54,280	85,903	82,715	78,627	75,165	3,462	4,088	4.9
1971	142,596	55,666	86,929	84,113	79,120	75,732	3,387	4,993	5.9
1972	145,775	56,785	88,991	86,542	81,702	78,230	3,472	4,840	5.6
1972—May	145,427	57,441	88,850	86,431	81,458	78,120	3,338	4,973	5.8
June	145,639	55,191	88,947	86,554	81,752	78,421	3,331	4,802	5.5
July	145,854	54,850	88,985	86,597	81,782	78,339	3,443	4,815	5.6
Aug.	146,069	55,311	89,337	86,941	82,061	78,451	3,610	4,880	5.6
Sept.	146,289	57,191	89,471	87,066	82,256	78,677	3,579	4,810	5.5
Oct.	146,498	56,907	89,651	87,236	82,397	78,739	3,658	4,839	5.5
Nov.	146,709	57,309	89,454	87,023	82,525	78,969	3,556	4,498	5.2
Dec.	146,923	57,486	89,707	87,267	82,780	79,130	3,650	4,487	5.1
1973—Jan.	147,129	59,008	89,325	86,921	82,555	79,054	3,501	4,366	5.0
Feb.	147,313	58,238	89,961	87,569	83,127	79,703	3,424	4,442	5.1
Mar.	147,541	57,856	90,629	88,268	83,889	80,409	3,480	4,379	5.0
Apr.	147,729	57,906	90,700	88,350	83,917	80,606	3,311	4,433	5.0
May	147,940	58,050	90,739	88,405	84,024	80,749	3,275	4,381	5.0

1 Includes self-employed, unpaid family, and domestic service workers.
2 Per cent of civilian labor force.

NOTE.—Bureau of Labor Statistics. Information relating to persons 16 years of age and over is obtained on a sample basis. Monthly data relate to the calendar week that contains the 12th day; annual data are averages of monthly figures. Description of changes in series beginning 1967 is available from Bureau of Labor Statistics.

EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

(In thousands of persons)

Period	Total	Manufacturing	Mining	Contract construction	Transportation & public utilities	Trade	Finance	Service	Government
1967	65,857	19,447	613	3,208	4,261	13,606	3,225	10,099	11,398
1968	67,915	19,781	606	3,285	4,310	14,084	3,382	10,623	11,845
1969	70,284	20,167	619	3,435	4,429	14,639	3,564	11,229	12,202
1970	70,593	19,349	623	3,381	4,493	14,914	3,688	11,612	12,535
1971	70,645	18,529	602	3,411	4,442	15,142	3,796	11,669	12,858
1972	72,764	18,933	607	3,521	4,495	15,683	3,927	12,309	13,290
SEASONALLY ADJUSTED[1]									
1972—May	72,592	18,892	604	3,535	4,490	15,632	3,913	12,252	13,274
June	72,699	18,931	600	3,550	4,491	15,682	3,931	12,290	13,224
July	72,661	18,861	599	3,489	4,473	15,692	3,927	12,341	13,279
Aug.	72,984	18,930	602	3,544	4,478	15,758	3,936	12,419	13,317
Sept.	73,176	19,029	606	3,551	4,499	15,794	3,953	12,379	13,365
Oct.	73,589	19,219	610	3,568	4,540	15,835	3,969	12,451	13,397
Nov.	73,899	19,324	609	3,524	4,549	15,954	3,981	12,497	13,461
Dec.	74,026	19,419	607	3,452	4,558	15,946	3,991	12,549	13,504
1973—Jan.	74,245	19,469	610	3,502	4,574	15,989	3,999	12,621	13,481
Feb.	74,725	19,578	613	3,594	4,580	16,127	4,014	12,682	13,537
Mar.	74,914	19,643	610	3,604	4,580	16,163	4,024	12,716	13,574
Apr.p	75,074	19,724	604	3,567	4,592	16,201	4,030	12,743	13,613
May p	75,222	19,740	600	3,617	4,603	16,217	4,040	12,759	13,646
NOT SEASONALLY ADJUSTED									
1972—May	72,612	18,751	605	3,528	4,481	15,570	3,909	12,338	13,430
June	73,463	19,070	614	3,717	4,549	15,749	3,966	12,487	13,311
July	72,469	18,703	614	3,740	4,531	15,653	3,990	12,489	12,749
Aug.	72,975	19,147	616	3,838	4,527	15,691	3,995	12,481	12,680
Sept.	73,519	19,298	613	3,785	4,548	15,774	3,957	12,391	13,153
Oct.	74,118	19,359	609	3,782	4,549	15,887	3,957	12,463	13,512
Nov.	74,449	19,414	607	3,630	4,554	16,162	3,965	12,472	13,645
Dec.	74,778	19,423	603	3,373	4,558	16,669	3,971	12,474	13,707
1973—Jan.	73,343	19,279	598	3,155	4,510	15,865	3,959	12,406	13,571
Feb.	73,724	19,420	598	3,184	4,507	15,776	3,978	12,530	13,731
Mar.	74,255	19,521	598	3,294	4,539	15,880	4,000	12,627	13,796
Apr.p	74,831	19,583	599	3,439	4,560	16,072	4,018	12,768	13,792
May p	75,303	19,623	600	3,613	4,603	16,161	4,036	12,848	13,819

1 Data revised back to 1968.

NOTE.—Bureau of Labor Statistics; data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th of the month. Proprietors, self-employed persons, domestic servants, unpaid family workers, and members of Armed Forces are excluded.

Beginning with 1970, series has been adjusted to Mar. 1971 benchmark.

PRODUCTION WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES

(In thousands of persons)

Industry group	Seasonally adjusted [1, 2]				Not seasonally adjusted [1]			
	1972	1973			1972	1973		
	May	Mar.	Apr. p	May p	May	Mar.	Apr. p	May p
Total	13,775	**14,451**	**14,527**	**14,525**	13,676	**14,345**	**14,398**	**14,425**
Durable goods	**7,863**	**8,425**	**8,487**	**8,503**	**7,846**	**8,397**	**8,455**	**8,484**
Ordnance and accessories	92	102	102	100	91	102	99	98
Lumber and wood products	524	543	541	533	520	530	529	529
Furniture and fixtures	403	428	431	431	398	425	426	425
Stone, clay, and glass products	526	550	552	555	525	537	547	555
Primary metal industries	975	1,027	1,034	1,043	986	1,035	1,046	1,054
Fabricated metal products	1,045	1,108	1,118	1,121	1,040	1,102	1,110	1,116
Machinery	1,223	1,343	1,357	1,362	1,224	1,355	1,367	1,363
Electrical equipment and supplies	1,222	1,349	1,363	1,372	1,211	1,341	1,351	1,360
Transportation equipment	1,252	1,334	1,351	1,344	1,255	1,341	1,351	1,347
Instruments and related products	272	298	296	299	271	297	294	298
Miscellaneous manufacturing industries	329	343	342	343	325	333	335	339
Nondurable goods	**5,912**	**6,026**	**6,040**	**6,022**	**5,830**	**5,948**	**5,943**	**5,941**
Food and kindred products	1,181	1,181	1,179	1,169	1,119	1,110	1,104	1,108
Tobacco manufactures	62	63	63	63	54	58	56	55
Textile-mill products	868	900	900	898	865	899	898	896
Apparel and related products	1,163	1,174	1,181	1,171	1,163	1,183	1,178	1,171
Paper and allied products	538	554	552	556	532	549	549	550
Printing, publishing, and allied industries	657	661	665	663	655	663	665	662
Chemicals and allied products	580	592	593	595	579	592	595	594
Petroleum refining and related industries	117	114	115	114	117	114	113	114
Rubber and misc. plastic products	482	531	536	538	480	529	533	537
Leather and leather products	264	253	256	255	264	252	253	255

[1] Data adjusted to 1971 benchmark.
[2] Data revised back to 1968.

NOTE.—Bureau of Labor Statistics; data cover production and related workers only (full- and part-time) who worked during, or received pay for, the pay period that includes the 12th of the month.

HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING INDUSTRIES

Industry group	Average hours worked [1, 2] (per week; S.A.)				Average weekly earnings [1] (dollars per week; N.S.A.)				Average hourly earnings [1] (dollars per hour; N.S.A.)			
	1972	1973			1972	1973			1972	1973		
	May	Mar.	Apr. p	May p	May	Mar.	Apr. p	May p	May	Mar.	Apr. p	May p
Total	40.5	40.9	41.0	40.8	153.09	162.38	163.61	164.02	3.78	3.98	4.01	4.02
Durable goods	41.2	41.6	41.8	41.8	165.62	175.97	177.22	178.90	4.02	4.23	4.26	4.28
Ordnance and accessories	42.0	42.4	42.0	42.0	170.94	177.64	176.40	177.66	4.07	4.17	4.20	4.23
Lumber and wood products	41.0	41.0	41.0	40.9	135.88	141.92	142.68	144.61	3.29	3.47	3.48	3.51
Furniture and fixtures	40.5	40.6	40.5	40.5	121.81	128.56	128.08	129.85	3.03	3.19	3.21	3.23
Stone, clay, and glass products	41.9	42.3	42.5	42.3	162.54	171.35	174.26	175.11	3.87	4.07	4.11	4.13
Primary metal industries	41.3	42.1	42.3	42.6	191.32	206.42	209.59	211.86	4.61	4.88	4.92	4.95
Fabricated metal products	41.1	41.7	41.9	41.8	162.74	172.23	174.30	175.98	3.95	4.15	4.19	4.20
Machinery	41.8	42.6	42.6	42.7	177.23	191.33	191.25	193.00	4.24	4.46	4.50	4.52
Electrical equipment and supplies	40.4	40.6	40.7	40.9	146.69	153.87	153.92	155.45	3.64	3.79	3.81	3.81
Transportation equipment	41.8	42.0	43.6	42.2	197.82	208.32	213.43	212.42	4.71	4.96	5.01	5.01
Instruments and related products	40.6	40.7	40.8	41.2	150.26	155.47	155.47	157.41	3.71	3.82	3.82	3.83
Miscellaneous manufacturing industries	39.4	39.3	38.9	38.9	121.83	126.94	125.26	125.71	3.10	3.23	3.22	3.24
Nondurable goods	39.6	39.8	39.8	39.6	135.88	142.96	143.39	143.78	3.44	3.61	3.63	3.64
Food and kindred products	40.4	40.2	40.1	40.2	145.12	149.67	149.31	152.80	3.61	3.77	3.78	3.82
Tobacco manufactures	33.8	36.0	36.5	35.5	116.92	128.39	134.87	134.82	3.49	3.70	3.81	3.83
Textile-mill products	41.3	41.3	41.6	40.9	111.38	118.66	119.77	117.62	2.71	2.88	2.90	2.89
Apparel and related products	35.7	36.2	36.2	36.1	91.49	99.10	98.91	97.92	2.57	2.73	2.74	2.72
Paper and allied products	42.6	43.1	42.8	42.7	164.09	174.62	175.09	174.68	3.87	4.08	4.11	4.11
Printing, publishing, and allied industries	37.7	38.0	38.0	37.8	168.07	174.80	174.64	175.31	4.47	4.60	4.62	4.65
Chemicals and allied products	41.6	42.0	41.9	42.0	173.06	183.12	184.40	185.22	4.16	4.36	4.38	4.41
Petroleum refining and related industries	42.1	42.0	41.8	42.1	209.39	213.21	219.98	226.31	4.95	5.15	5.25	5.35
Rubber and misc. plastic products	41.0	41.5	41.5	40.9	145.55	154.05	155.29	152.56	3.55	3.73	3.76	3.73
Leather and leather products	38.5	37.9	38.3	37.9	104.88	105.28	104.90	107.06	2.71	2.80	2.79	2.81

[1] Data adjusted to 1971 benchmark.
[2] Seasonally adjusted data revised back to 1968.

NOTE.—Bureau of Labor Statistics; data are for production and related workers only.

CONSUMER PRICES

(1967 = 100)

Period	All items	Food	Housing: Total	Housing: Rent	Housing: Home-ownership	Housing: Fuel oil and coal	Housing: Gas and electricity	Housing: Fur-nishings and operation	Apparel and upkeep	Trans-portation	Health and recreation: Total	Health and recreation: Medical care	Health and recreation: Personal care	Health and recreation: Reading and recreation	Health and recreation: Other goods and services
1929	51.3	48.3	......	76.0	......	......	......	......	48.5	......	......	......	......	......	......
1933	38.8	30.6	......	54.1	......	......	......	......	36.9	......	......	......	......	......	......
1941	44.1	38.4	53.7	57.2	......	40.5	81.4	......	44.8	44.2	......	37.0	41.2	47.7	49.2
1945	53.9	50.7	59.1	58.8	......	48.0	79.6	......	61.5	47.8	......	42.1	55.1	62.4	56.9
1960	88.7	88.0	90.2	91.7	86.3	89.2	98.6	93.8	89.6	89.6	85.1	79.1	90.1	87.3	87.8
1965	94.5	94.4	94.9	96.9	92.7	94.6	99.4	95.3	93.7	95.9	93.4	89.5	95.2	95.9	94.2
1966	97.2	99.1	97.2	98.2	96.3	97.0	99.6	97.0	96.1	97.2	96.1	93.4	97.1	97.5	97.2
1967	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*	*100.0*
1968	104.2	103.6	104.2	102.4	105.7	103.1	100.9	104.4	105.4	103.2	105.0	106.1	104.2	104.7	104.6
1969	109.8	108.9	110.8	105.7	116.0	105.6	102.8	109.0	111.5	107.2	110.3	113.4	109.3	108.7	109.1
1970	116.3	114.9	118.9	110.1	128.5	110.1	107.3	113.4	116.1	112.7	116.2	120.6	113.2	113.4	116.0
1971	121.3	118.4	124.3	115.2	133.7	117.5	114.7	118.1	119.8	118.6	122.2	128.4	116.8	119.3	120.9
1972	125.3	123.5	129.2	119.2	140.1	118.5	120.5	121.0	122.3	119.9	126.1	132.5	119.8	122.8	125.5
1972—Apr.	124.3	122.4	128.2	†118.4	138.5	118.6	120.2	120.5	121.8	118.6	125.5	131.7	119.1	122.3	125.1
May	124.7	122.3	128.5	†118.6	138.9	118.7	120.5	120.8	122.5	119.5	125.8	132.0	119.7	122.5	125.4
June	125.0	123.0	129.0	†119.0	139.6	117.8	120.3	121.0	122.1	119.8	126.1	132.4	120.0	122.9	125.6
July	125.5	124.2	129.5	†119.2	140.7	117.7	120.3	121.1	121.1	120.3	126.3	132.7	120.0	123.0	125.8
Aug.	125.7	124.6	129.9	†119.6	141.3	117.9	120.5	121.2	120.8	120.5	126.5	132.9	120.2	123.0	126.0
Sept.	126.2	124.8	130.1	119.9	141.5	118.0	120.5	121.6	123.1	121.0	126.8	133.1	120.5	123.7	126.2
Oct.	126.6	124.9	130.4	120.3	141.8	118.1	120.9	121.8	124.3	121.2	127.2	133.9	120.8	124.0	126.4
Nov.	126.9	125.4	130.8	120.5	142.0	119.3	122.2	122.1	125.0	121.4	127.4	134.1	121.0	124.1	126.4
Dec.	127.3	126.0	131.2	121.0	142.6	119.4	122.5	122.3	125.0	121.3	127.5	134.4	121.5	124.0	126.5
1973—Jan.	127.7	128.6	131.4	121.5	142.6	120.7	124.1	122.2	123.0	121.0	127.8	134.9	121.8	124.1	126.7
Feb.	128.6	131.1	132.0	122.1	142.9	127.2	124.5	122.6	123.6	121.1	128.1	135.3	122.4	124.3	127.1
Mar.	129.8	134.5	132.3	122.6	143.2	127.8	125.0	123.0	124.8	121.5	128.6	135.8	123.1	124.5	127.6
Apr.	130.7	136.5	132.8	123.0	143.6	128.3	125.5	123.6	125.8	122.6	129.2	136.2	123.8	125.2	128.2

† Indexes affected by changes (refunds) in residential telephone series in California and by retroactive rent increases in New York City.

NOTE.—Bureau of Labor Statistics index for city wage-earners and clerical workers.

WHOLESALE PRICES: SUMMARY

(1967 = 100, except as noted)

Period	All com-modities	Farm prod-ucts	Pro-cessed foods and feeds	Industrial commodities: Total	Tex-tiles, etc.	Hides, etc.	Fuel, etc.	Chem-icals, etc.	Rub-ber, etc.	Lum-ber, etc.	Paper, etc.	Met-als, etc.	Ma-chin-ery and equip-ment	Furni-ture, etc.	Non-me-tallic min-erals	Trans-porta-tion equip-ment [1]	Mis-cella-neous
1960	94.9	97.2	89.5	95.3	99.5	90.8	96.1	101.8	103.1	95.3	98.1	92.4	92.0	99.0	97.2	......	93.0
1961	94.5	96.3	91.0	94.8	97.7	91.7	97.2	100.7	99.2	91.0	95.2	91.9	91.9	98.4	97.6	......	93.3
1962	94.8	98.0	91.9	94.8	98.6	92.7	96.7	99.1	96.3	91.6	96.3	91.2	92.0	97.7	97.6	......	93.7
1963	94.5	96.0	92.5	94.7	98.5	90.0	96.3	97.9	96.8	93.5	95.6	91.3	92.2	97.0	97.1	......	94.5
1964	94.7	94.6	92.3	95.2	99.2	90.3	93.7	98.3	95.5	95.4	95.4	93.8	92.8	97.4	97.3	......	95.2
1965	96.6	98.7	95.5	96.4	99.8	94.3	95.5	99.0	95.9	95.9	96.2	96.4	93.9	96.9	97.5	......	95.9
1966	99.8	105.9	101.2	98.5	100.1	103.4	97.8	99.4	97.8	100.2	98.8	98.8	96.8	98.0	98.4	......	97.7
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	......	100.0
1968	102.5	102.5	102.2	102.5	103.7	103.2	98.9	99.8	103.4	113.3	101.1	102.6	103.2	102.8	103.7	......	102.2
1969	106.5	109.1	107.3	106.0	106.0	108.9	100.9	99.9	105.3	125.3	104.0	108.5	106.5	104.9	107.7	100.8	105.2
1970	110.4	111.0	112.0	110.0	107.2	110.1	105.9	102.2	108.6	113.7	108.2	116.7	111.4	107.5	113.3	104.5	109.9
1971	113.9	112.9	114.3	114.0	108.6	114.0	114.2	104.2	109.2	127.0	110.1	119.0	115.5	109.9	122.4	110.3	112.8
1972	119.1	125.0	120.8	117.9	113.6	131.3	118.6	104.2	109.3	144.3	113.4	123.5	117.9	111.4	126.1	113.8	114.6
1972—May	118.2	122.2	118.6	117.6	113.3	129.5	117.5	104.4	108.8	142.7	113.2	123.6	117.9	111.1	125.9	113.8	114.1
June	118.8	124.0	119.6	117.9	113.6	130.9	118.2	104.3	108.9	144.2	113.5	123.6	118.1	111.2	125.8	114.2	114.2
July	119.7	128.0	121.5	118.1	114.0	131.6	118.6	104.2	109.2	146.1	113.7	123.5	118.3	111.4	126.2	114.1	114.9
Aug.	119.9	128.2	121.0	118.5	114.1	134.6	119.7	104.4	109.5	148.1	114.1	123.7	118.3	111.7	126.7	114.2	115.1
Sept.	120.2	128.6	121.8	118.7	114.3	135.7	120.3	104.4	109.5	148.5	114.3	124.0	118.3	112.0	126.9	114.2	115.2
Oct.	120.0	125.5	121.8	118.8	114.8	139.8	120.6	104.4	109.5	149.2	114.7	124.1	118.4	112.0	127.3	112.9	115.0
Nov.	120.7	128.8	123.1	119.1	115.1	144.0	121.3	104.7	109.8	149.4	115.0	124.1	118.5	112.3	127.3	113.0	115.0
Dec.	122.9	137.5	129.4	119.4	115.6	142.2	121.9	104.8	109.8	149.8	115.1	124.4	118.6	112.4	127.4	114.2	115.1
1973—Jan.	124.5	144.2	132.4	120.0	116.6	143.9	122.2	105.1	110.0	151.0	115.8	125.6	118.9	112.6	128.2	114.1	115.8
Feb.	126.9	150.9	137.0	121.3	117.4	144.9	126.0	105.6	110.1	161.0	116.5	126.9	119.4	113.1	128.4	114.2	117.1
Mar.	129.7	160.9	141.4	122.7	119.0	143.5	126.7	106.7	110.3	173.2	118.3	129.2	120.0	113.5	129.0	114.5	117.9
Apr.	130.7	160.6	139.8	124.4	120.8	145.0	131.8	107.7	110.6	182.0	119.8	130.5	120.8	114.1	130.0	114.9	118.6
May	133.5	170.4	145.0	125.8	122.3	142.2	135.5	109.3	111.5	186.9	120.7	131.7	121.5	115.1	130.5	115.1	119.5

[1] Dec. 1968=100.

WHOLESALE PRICES: DETAIL

(1967 = 100)

Group	1972	1973		
	May	Mar.	Apr.	May
Farm products:				
Fresh and dried produce	120.6	158.5	176.0	186.0
Grains	97.5	126.1	130.9	149.9
Livestock	139.8	194.4	184.1	188.7
Live poultry	96.3	164.8	185.8	180.3
Plant and animal fibers	130.1	152.7	154.7	171.4
Fluid milk	122.5	130.3	130.4	132.9
Eggs	90.6	152.6	144.9	137.1
Hay and seeds	116.9	188.1	186.9	243.0
Other farm products	119.5	143.3	142.1	146.0
Processed foods and feeds:				
Cereal and bakery products	113.3	121.3	123.7	124.3
Meat, poultry, and fish	126.8	165.1	163.2	162.5
Dairy products	117.4	126.8	127.2	126.5
Processed fruits and vegetables	119.0	126.2	126.6	127.2
Sugar and confectionery	120.8	125.7	126.9	129.0
Beverages and beverage materials	117.2	120.8	121.4	121.9
Animal fats and oils	127.3	174.1	176.7	195.0
Crude vegetable oils	112.8	139.3	145.0	153.1
Refined vegetable oils	119.6	132.5	136.1	147.0
Vegetable oil end products	120.7	127.0	125.6	131.6
Miscellaneous processed foods	115.0	118.7	118.7	118.9
Manufactured animal feeds	108.4	182.3	166.7	211.3
Textile products and apparel:				
Cotton products	121.5	130.0	133.3	137.4
Wool products	98.3	127.7	129.8	127.5
Manmade fiber textile products	108.0	115.2	118.7	121.5
Apparel	114.3	117.0	117.7	118.4
Textile housefurnishings	109.3	110.5	110.5	110.5
Miscellaneous textile products	129.8	120.4	121.9	127.4
Hides, skins, leather, and products:				
Hides and skins	200.3	246.4	270.2	253.5
Leather	137.8	164.5	161.1	159.7
Footwear	124.6	131.1	131.5	129.3
Other leather products	115.3	129.4	129.9	129.1
Fuels and related products, and power:				
Coal	191.2	207.4	213.8	214.2
Coke	155.3	164.6	166.9	167.2
Gas fuels	113.0	118.9	120.1	121.4
Electric power	121.2	126.8	127.6	128.2
Crude petroleum	113.2	114.9	117.1	122.0
Petroleum products, refined	107.3	119.4	127.9	133.9
Chemicals and allied products:				
Industrial chemicals	101.4	101.9	102.6	102.7
Prepared paint	118.3	119.9	120.3	120.8
Paint materials	103.5	107.7	108.9	110.4
Drugs and pharmaceuticals	102.8	103.8	103.8	104.0
Fats and oils, inedible	116.0	173.9	184.0	232.0
Agricultural chemicals and products	92.1	93.6	94.5	94.7
Plastic resins and materials	88.6	90.5	91.3	92.4
Other chemicals and products	114.1	115.1	116.3	117.7
Rubber and plastic products:				
Rubber and rubber products	113.0	115.5	115.7	117.1
Crude rubber	98.6	107.2	108.5	108.9
Tires and tubes	108.4	109.3	109.4	110.0
Miscellaneous rubber products	120.4	122.5	122.5	124.7
Plastic construction products (Dec. 1969 = 100)	93.3	93.9	93.8	94.0
Unsupported plastic film and sheeting (Dec. 1970 = 100)	98.5	99.1	99.2	99.2
Laminated sheets, high pressure (Dec. 1970 = 100)	98.4	95.2	96.6	97.2
Lumber and wood products:				
Lumber	157.0	195.8	207.2	215.4
Millwork	127.6	134.8	141.2	146.5
Plywood	130.3	176.8	182.5	177.7
Other wood products	122.7	140.9	147.4	149.6
Pulp, paper, and allied products:				
Pulp, paper and products, excluding building paper and board	113.4	118.6	120.2	121.1
Woodpulp	111.5	111.5	122.2	122.4
Wastepaper	130.5	136.9	149.3	168.1
Paper	115.9	119.2	120.2	120.8
Paperboard	105.8	110.7	113.0	114.6
Converted paper and paperboard	113.3	120.0	120.4	121.0
Building paper and board	106.5	108.5	109.3	110.8
Metals and metal products:				
Iron and steel	128.3	133.3	134.0	135.3
Steelmill products	130.7	133.2	133.7	134.1
Nonferrous metals	117.8	128.3	131.4	133.2
Metal containers	127.3	135.7	135.7	135.7
Hardware	120.2	122.1	122.8	123.3
Plumbing equipment	119.0	123.3	124.8	125.8
Heating equipment	118.1	119.5	120.5	120.2
Fabricated structural metal products	122.0	125.0	125.7	126.7
Miscellaneous metal products	124.4	126.7	127.3	128.3
Machinery and equipment:				
Agricultural machinery and equip.	122.3	124.7	124.7	125.0
Construction machinery and equip.	125.6	128.6	130.4	130.9
Metalworking machinery and equip.	120.0	123.4	124.5	125.2
General purpose machinery and equipment	122.2	124.9	125.6	126.4
Special industry machinery and equipment	123.5	127.0	128.5	129.0
Electrical machinery and equip.	110.5	111.3	111.7	112.3
Miscellaneous machinery	120.3	122.4	123.1	124.4
Furniture and household durables:				
Household furniture	117.1	120.0	121.8	122.3
Commercial furniture	119.4	123.8	123.8	130.6
Floor coverings	98.2	101.1	101.7	102.5
Household appliances	107.2	108.4	108.3	108.0
Home electronic equipment	92.9	92.2	92.2	92.2
Other household durable goods	125.0	129.1	130.3	130.8
Nonmetallic mineral products:				
Flat glass	121.5	124.1	124.1	124.4
Concrete ingredients	126.7	129.9	131.6	131.4
Concrete products	125.1	129.6	130.8	131.5
Structural clay products excluding refractories	117.2	122.2	123.0	123.6
Refractories	127.1	136.3	136.3	136.3
Asphalt roofing	131.2	131.2	134.1	136.6
Gypsum products	113.4	118.1	119.6	120.4
Glass containers	136.2	136.4	136.8	136.8
Other nonmetallic minerals	128.4	128.3	128.5	129.1
Transportation equipment:[1]				
Motor vehicles and equipment	118.1	118.6	119.0	119.1
Railroad equipment	129.6	132.7	133.4	134.3
Miscellaneous products:				
Toys, sporting goods, small arms, ammunition	114.1	117.1	117.2	117.3
Tobacco products	117.5	121.8	122.0	122.3
Notions	111.7	113.1	113.1	114.5
Photographic equipment and supplies	106.2	108.5	108.4	108.2
Other miscellaneous products	114.9	119.9	122.2	124.7

[1] Dec. 1968 = 100.

NOTE.—Bureau of Labor Statistics indexes.

GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1972 I	1972 II	1972 III	1972 IV	1973 I
Gross national product	**103.1**	**55.6**	**124.5**	**284.8**	**864.2**	**930.3**	**976.4**	**1,050.4**	**1,151.8**	**1,109.1**	**1,139.4**	**1,164.0**	**1,194.9**	**1,237.9**
Final purchases	*101.4*	*57.2*	*120.1*	*278.0*	*857.1*	*922.5*	*971.5*	*1,046.7*	*1,145.9*	*1,108.6*	*1,134.4*	*1,156.0*	*1,184.6*	*1,231.0*
Personal consumption expenditures	**77.2**	**45.8**	**80.6**	**191.0**	**536.2**	**579.5**	**616.8**	**664.9**	**721.0**	**696.1**	**713.4**	**728.6**	**745.7**	**773.6**
Durable goods	9.2	3.5	9.6	30.5	84.0	90.8	90.5	103.5	116.1	111.0	113.9	118.6	120.8	130.4
Nondurable goods	37.7	22.3	42.9	98.1	230.8	245.9	264.4	278.1	299.5	288.3	297.2	302.0	310.4	322.6
Services	30.3	20.1	28.1	62.4	221.3	242.7	261.8	283.3	305.4	296.7	302.4	308.0	314.5	320.6
Gross private domestic investment	**16.2**	**1.4**	**17.9**	**54.1**	**126.0**	**139.0**	**137.1**	**152.0**	**180.4**	**168.1**	**177.0**	**183.2**	**193.4**	**199.7**
Fixed investment	*14.5*	*3.0*	*13.4*	*47.3*	*118.9*	*131.1*	*132.2*	*148.3*	*174.5*	*167.7*	*172.0*	*175.2*	*183.1*	*192.9*
Nonresidential	*10.6*	*2.4*	*9.5*	*27.9*	*88.8*	*98.5*	*100.9*	*105.8*	*120.6*	*116.1*	*119.2*	*120.7*	*126.1*	*133.5*
Structures	5.0	.9	2.9	9.2	30.3	34.2	36.0	38.4	42.2	41.3	42.0	41.8	43.7	46.7
Producers' durable equipment	5.6	1.5	6.6	18.7	58.5	64.3	64.9	67.4	78.3	74.8	77.2	79.0	82.3	86.8
Residential structures	4.0	.6	3.9	19.4	30.1	32.6	31.2	42.6	54.0	51.6	52.8	54.4	57.0	59.4
Nonfarm	3.8	.5	3.7	18.6	29.5	32.0	30.7	42.0	53.2	51.0	52.1	53.7	56.1	58.4
Change in business inventories	1.7	−1.6	4.5	6.8	7.1	7.8	4.9	3.6	5.9	.4	5.0	8.0	10.3	6.8
Nonfarm	1.8	−1.4	4.0	6.0	6.9	7.7	4.8	2.4	5.6	.1	4.3	7.9	10.1	6.5
Net exports of goods and services	**1.1**	**.4**	**1.3**	**1.8**	**2.5**	**1.9**	**3.6**	**.7**	**−4.2**	**−4.6**	**−5.2**	**−3.4**	**−3.5**	**−2.2**
Exports	7.0	2.4	5.9	13.8	50.6	55.5	62.9	66.1	73.7	70.7	70.0	74.4	79.6	87.6
Imports	5.9	2.0	4.6	12.0	48.1	53.6	59.3	65.4	77.9	75.3	75.2	77.8	83.1	89.8
Government purchases of goods and services	**8.5**	**8.0**	**24.8**	**37.9**	**199.6**	**210.0**	**219.0**	**232.8**	**254.6**	**249.4**	**254.1**	**255.6**	**259.3**	**266.8**
Federal	*1.3*	*2.0*	*16.9*	*18.4*	*98.8*	*98.8*	*96.5*	*97.8*	*105.8*	*105.7*	*108.1*	*105.4*	*104.0*	*106.6*
National defense			13.8	14.1	78.3	78.4	75.1	71.4	75.9	76.7	78.6	75.1	73.2	75.0
Other			3.1	4.3	20.5	20.4	21.5	26.3	29.9	28.9	29.6	30.2	30.8	31.6
State and local	7.2	6.0	7.9	19.5	100.8	111.2	122.5	135.0	148.8	143.7	146.0	150.2	155.2	160.1
Gross national product in constant (1958) dollars	**203.6**	**141.5**	**263.7**	**355.3**	**706.6**	**725.6**	**722.1**	**741.7**	**789.5**	**766.5**	**783.9**	**796.1**	**811.6**	**827.3**

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. For back data and explanation of series, see the *Survey of Current Business*, (generally the July issue) and the Aug. 1966 Supplement to the *Survey*.

NATIONAL INCOME

(In billions of dollars)

Item	*1929*	*1933*	*1941*	*1950*	*1968*	*1969*	*1970*	*1971*	*1972*	1972 I	1972 II	1972 III	1972 IV	1973 I
National income	**86.8**	**40.3**	**104.2**	**241.1**	**711.1**	**766.0**	**798.6**	**855.7**	**935.6**	**903.1**	**922.1**	**943.0**	**974.2**	**1007.1**
Compensation of employees	**51.1**	**29.5**	**64.8**	**154.6**	**514.6**	**566.0**	**603.8**	**644.1**	**705.3**	**682.7**	**697.8**	**710.2**	**730.3**	**757.0**
Wages and salaries	*50.4*	*29.0*	*62.1*	*146.8*	*464.9*	*509.7*	*541.9*	*573.5*	*626.5*	*606.6*	*620.0*	*630.6*	*648.8*	*668.1*
Private	45.5	23.9	51.9	124.4	369.2	405.6	426.8	449.7	491.9	475.8	487.1	494.8	510.0	524.6
Military	.3	.3	1.9	5.0	17.9	19.0	19.6	19.4	20.6	20.8	20.5	20.4	20.6	21.8
Government civilian	4.6	4.9	8.3	17.4	77.8	85.1	95.5	104.4	114.0	110.0	112.4	115.4	118.1	121.6
Supplements to wages and salaries	*.7*	*.5*	*2.7*	*7.8*	*49.7*	*56.3*	*61.9*	*70.7*	*78.8*	*76.1*	*77.8*	*79.6*	*81.5*	*88.9*
Employer contributions for social insurance	.1	.1	2.0	4.0	24.3	27.8	29.7	34.1	38.5	37.3	38.0	38.8	39.8	46.2
Other labor income	.6	.4	.7	3.8	25.4	28.4	32.1	36.5	40.3	38.8	39.8	40.8	41.8	42.7
Proprietors' income	**15.1**	**5.9**	**17.5**	**37.5**	**64.2**	**67.2**	**66.8**	**70.0**	**75.2**	**73.3**	**73.2**	**75.3**	**79.0**	**81.2**
Business and professional	9.0	3.3	11.1	24.0	49.5	50.5	49.9	52.6	55.6	54.3	54.4	56.2	57.4	58.7
Farm	6.2	2.6	6.4	13.5	14.7	16.7	16.9	17.3	19.6	19.1	18.7	19.1	21.6	22.5
Rental income of persons	**5.4**	**2.0**	**3.5**	**9.4**	**21.2**	**22.6**	**23.3**	**24.5**	**25.6**	**25.2**	**24.2**	**26.2**	**26.9**	**26.5**
Corporate profits and inventory valuation adjustment	**10.5**	**−1.2**	**15.2**	**37.7**	**84.3**	**79.8**	**69.9**	**78.6**	**88.2**	**81.8**	**86.1**	**89.6**	**95.6**	**99.0**
Profits before tax	*10.0*	*1.0*	*17.7*	*42.6*	*87.6*	*84.9*	*74.3*	*83.3*	*94.3*	*88.2*	*91.6*	*95.7*	*101.5*	*113.1*
Profits tax liability	1.4	.5	7.6	17.8	39.9	40.1	34.1	37.3	41.3	38.8	40.1	41.8	44.3	50.8
Profits after tax	*8.6*	*.4*	*10.1*	*24.9*	*47.8*	*44.8*	*40.2*	*45.9*	*53.0*	*49.5*	*51.5*	*53.9*	*57.2*	*62.3*
Dividends	5.8	2.0	4.4	8.8	23.6	24.3	24.8	25.4	26.4	26.0	26.2	26.5	26.7	27.3
Undistributed profits	2.8	−1.6	5.7	16.0	24.2	20.5	15.4	20.5	26.6	23.5	25.3	27.3	30.5	35.0
Inventory valuation adjustment	.5	−2.1	−2.5	−5.0	−3.3	−5.1	−4.4	−4.7	−6.0	−6.5	−5.5	−6.1	−5.9	−14.1
Net interest	**4.7**	**4.1**	**3.2**	**2.0**	**26.9**	**30.5**	**34.8**	**38.5**	**41.3**	**40.1**	**40.9**	**41.7**	**42.5**	**43.4**

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table above.

RELATION OF GROSS NATIONAL PRODUCT, NATIONAL INCOME, AND PERSONAL INCOME AND SAVING

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1972 I	1972 II	1972 III	1972 IV	1973 I
Gross national product	103.1	55.6	124.5	284.8	864.2	930.3	976.4	1,050.4	1,151.8	1,109.1	1,139.4	1,164.0	1,194.9	1,237.9
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	74.5	81.6	86.3	93.8	103.7	99.7	105.3	104.1	105.6	107.2
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	78.6	85.9	93.4	101.9	110.1	106.7	108.7	111.4	113.7	116.4
Business transfer payments	.6	.7	.5	.8	3.4	3.8	4.2	4.6	4.9	4.8	4.9	5.0	5.0	5.1
Statistical discrepancy	.7	.6	.4	1.5	2.7	-6.1	-4.7	4.8	0.8	4.1	.1	2.3	1.8	2.5
Plus: Subsidies less current surplus of government enterprises	-.1	.....	.1	.2	.7	1.0	1.5	.9	1.7	1.2	1.6	1.8	2.2	.8
Equals: National income	86.8	40.3	104.2	241.1	711.1	766.0	798.6	855.7	935.6	903.1	922.1	943.0	974.2	1,007.1
Less: Corporate profits and inventory valuation adjustment	10.5	-1.2	15.2	37.7	84.3	79.8	69.9	78.6	88.2	81.8	86.1	89.6	95.6	99.0
Contributions for social insurance	.2	.3	2.8	6.9	47.1	54.2	57.7	65.3	74.0	71.9	73.1	74.6	76.3	88.9
Excess of wage accruals over disbursements	.....	.....	.....	.....	.....	.....	.....	.6	.5	-1.4	-.5	.2	.0	.0
Plus: Government transfer payments	.9	1.5	2.6	14.3	56.1	61.9	75.2	89.0	99.1	94.4	95.7	97.7	108.5	109.4
Net interest paid by government and consumers	2.5	1.6	2.2	7.2	26.1	28.7	31.0	31.1	31.6	30.9	31.8	31.7	32.0	32.9
Dividends	5.8	2.0	4.4	8.8	23.6	24.3	24.8	25.4	26.4	26.0	26.2	26.5	26.7	27.3
Business transfer payments	.6	.7	.5	.8	3.4	3.8	4.2	4.6	4.9	4.8	4.9	5.0	5.0	5.1
Equals: Personal income	85.9	47.0	96.0	227.6	688.9	750.9	806.3	861.4	935.9	907.0	922.1	939.9	974.6	993.9
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	97.9	116.5	116.7	117.0	140.8	136.5	139.5	141.1	146.4	143.5
Equals: Disposable personal income	83.3	45.5	92.7	206.9	591.0	634.4	689.5	744.4	795.1	770.5	782.6	798.8	828.2	850.4
Less: Personal outlays	79.1	46.5	81.7	193.9	551.2	596.2	634.7	683.4	740.2	714.9	732.5	748.0	765.5	793.9
Personal consumption expenditures	77.2	45.8	80.6	191.0	536.2	579.5	616.8	664.9	721.0	696.1	713.4	728.6	745.7	773.6
Consumer interest payments	1.5	.5	.9	2.4	14.3	15.8	16.9	17.6	18.2	17.8	18.0	18.2	18.6	19.0
Personal transfer payments to foreigners	.3	.2	.2	.5	.8	.9	1.0	1.0	1.1	1.0	1.1	1.2	1.2	1.2
Equals: Personal saving	4.2	.9	11.0	13.1	39.8	38.2	54.9	60.9	54.8	55.7	50.1	50.8	62.8	56.5
Disposable personal income in constant (1958) dollars	150.6	112.2	190.3	249.6	499.0	513.6	533.2	554.7	578.5	565.7	571.4	579.6	597.3	604.9

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of opposite page.

PERSONAL INCOME

(In billions of dollars)

Item	1971	1972	1972 Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1973 Jan.	Feb.	Mar.	Apr.
Total personal income	861.4	935.9	919.4	924.0	922.9	932.9	940.0	946.8	964.6	976.2	982.9	986.0	994.5	1,001.3	1,008.9
Wage and salary disbursements	572.9	627.0	617.6	619.9	624.0	625.7	630.6	636.0	643.0	648.5	654.9	662.7	668.4	673.1	679.0
Commodity-producing industries	206.1	224.6	221.7	222.5	223.5	222.4	225.2	227.8	231.0	233.3	235.8	237.7	r240.2	242.0	244.9
Manufacturing only	*160.3*	*175.8*	*173.3*	*173.8*	*175.0*	*174.5*	*176.6*	*178.8*	*181.5*	*183.9*	*186.2*	*187.0*	*189.5*	*190.3*	*193.4*
Distributive industries	138.2	151.5	149.4	149.4	151.4	151.9	152.3	153.0	155.0	156.3	158.0	159.5	160.2	162.0	163.1
Service industries	105.0	116.1	113.9	114.7	115.5	116.9	117.3	118.2	119.3	119.9	121.5	123.0	124.1	124.7	125.8
Government	123.5	134.8	132.5	133.2	133.6	134.5	135.8	137.0	137.7	139.0	139.7	142.5	143.5	144.4	145.2
Other labor income	36.5	40.3	39.5	39.8	40.1	40.5	40.8	41.1	41.4	41.8	42.1	42.4	42.7	43.0	43.3
Proprietors' income	69.9	75.2	74.0	74.0	71.6	74.3	75.4	76.2	77.7	79.5	79.8	80.4	81.2	81.9	82.0
Business and professional	52.6	55.6	54.9	55.3	53.2	55.7	56.3	56.7	57.0	57.4	57.8	58.2	58.7	59.1	59.5
Farm	17.3	19.6	19.1	18.7	18.4	18.6	19.1	19.5	20.7	22.1	22.0	22.2	22.5	22.8	22.5
Rental income	24.5	25.6	25.5	25.6	21.5	25.8	26.3	26.5	27.0	26.7	26.9	26.6	26.6	26.3	26.4
Dividends	25.4	26.4	26.1	26.3	26.3	26.4	26.6	26.5	26.7	26.6	26.8	27.1	27.3	27.4	27.6
Personal interest income	69.6	72.9	72.0	72.7	73.4	73.5	73.4	73.3	73.7	74.5	75.4	75.9	76.2	76.8	77.3
Transfer payments	93.6	104.0	99.7	100.9	101.3	102.2	102.8	103.2	111.6	115.2	113.6	113.3	114.8	115.5	116.5
Less: Personal contributions for social insurance	31.2	35.5	35.0	35.1	35.3	35.5	35.8	36.0	36.4	36.5	36.6	42.4	42.7	42.8	43.2
Nonagricultural income	837.2	909.3	893.4	898.3	897.5	907.3	914.0	920.3	937.1	947.2	953.9	956.6	964.6	971.1	979.1
Agricultural income	24.2	26.6	26.0	25.8	25.4	25.5	25.9	26.5	27.6	29.0	29.0	29.4	29.8	30.2	29.8

NOTE.—Dept. of Commerce estimates. Monthly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of opposite page.

SUMMARY OF FUNDS RAISED AND ADVANCED IN U.S. CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

	Transaction category, or sector	1966	1967	1968	1969	1970	1971	1969 H1	1969 H2	1970 H1	1970 H2	1971 H1	1971 H2	1972 H1	1972 H2	
							Funds raised, by type and sector									
1	**Total funds raised by nonfinancial sectors**	**68.7**	**83.4**	**97.8**	**91.7**	**101.6**	**156.3**	**92.1**	**91.0**	**93.8**	**109.7**	**142.9**	**168.9**	**150.3**	**185.4**	1
2	U.S. Government	3.6	13.0	13.4	-3.6	12.8	25.5	6.4	.6	8.2	17.4	22.3	28.6	11.4	23.2	2
3	Public debt securities	2.3	8.9	10.3	-1.3	12.9	26.0	5.9	3.6	9.5	16.3	23.8	28.1	9.6	19.0	3
4	Budget agency issues	1.3	4.1	3.1	-2.4	-.1	-.5	.5	4.2	1.3	1.1	-1.6	.5	1.8	4.2	4
5	***All other nonfinancial sectors***	**65.0**	**70.4**	**84.4**	**95.3**	**88.8**	**130.8**	**98.5**	**91.5**	**85.6**	**92.3**	**120.6**	**140.3**	**138.9**	**162.2**	5
6	Corporate equity shares	.9	2.4	.7	4.8	6.8	13.5	1.9	7.6	6.0	7.6	12.7	14.2	13.1	11.6	6
7	Debt instruments	64.1	68.0	85.1	90.6	81.9	117.4	96.6	83.9	79.6	84.7	108.0	126.1	125.8	150.6	7
8	Debt capital instruments	39.0	46.2	51.3	49.0	60.8	87.5	51.8	46.2	52.5	69.2	84.5	90.5	87.2	97.6	8
9	State and local govt. secs.	5.7	8.3	10.1	7.9	13.8	20.2	8.5	7.4	11.8	15.9	22.0	18.4	14.0	14.8	9
10	Corporate and fgn. bonds	11.0	15.9	14.0	13.1	21.1	20.3	14.0	12.2	18.0	24.3	23.2	17.4	13.8	13.7	10
11	Mortgages	22.3	22.0	27.3	27.9	25.8	47.0	29.3	26.5	22.7	29.0	39.3	54.6	59.3	69.2	11
12	*Home mortgages*	*11.4*	*11.6*	*15.2*	*15.7*	*12.8*	*26.1*	*16.8*	*14.6*	*11.2*	*14.4*	*20.4*	*31.8*	*33.4*	*40.6*	12
13	*Other residential*	*3.1*	*3.6*	*3.5*	*4.5*	*5.9*	*8.8*	*4.6*	*5.1*	*5.2*	*6.6*	*8.6*	*9.0*	*9.3*	*10.2*	13
14	*Commercial*	*5.7*	*4.7*	*6.6*	*5.5*	*5.4*	*10.1*	*5.7*	*5.3*	*4.8*	*6.0*	*8.6*	*11.6*	*13.9*	*15.7*	14
15	*Farm*	*2.1*	*2.1*	*2.1*	*1.9*	*1.8*	*2.0*	*2.3*	*1.6*	*1.5*	*2.1*	*1.8*	*2.3*	*2.7*	*2.6*	15
16	Other private credit	25.1	21.8	33.8	41.6	21.1	29.9	44.8	37.8	27.1	15.5	23.4	35.6	38.6	53.0	16
17	Bank loans n.e.c.	10.4	9.9	13.8	16.8	5.0	13.0	19.4	14.2	9.0	1.1	7.9	18.0	15.9	27.3	17
18	Consumer credit	7.2	4.6	11.1	9.3	4.3	10.4	10.0	7.9	5.5	3.4	6.5	13.5	15.6	22.4	18
19	Open market paper	1.0	2.1	1.6	3.3	3.8	.4	4.6	2.1	3.7	3.8	-.4	.4	1.6	-2.2	19
20	Other	6.4	5.2	7.3	12.2	8.0	6.9	10.8	13.6	8.8	7.3	9.4	4.5	5.5	5.6	20
21	***By borrowing sector***	**65.0**	**70.4**	**84.4**	**95.3**	**88.8**	**130.8**	**98.5**	**91.5**	**85.6**	**92.3**	**120.6**	**140.3**	**138.9**	**162.2**	21
22	Foreign	1.3	4.0	3.1	3.3	3.0	5.6	4.7	2.0	2.3	3.8	5.5	5.8	2.9	4.1	22
23	State and local governments	6.4	8.5	10.4	8.7	13.9	20.6	8.9	8.5	11.4	16.4	22.1	19.1	13.9	15.2	23
24	Households	23.2	19.7	31.9	32.6	22.3	41.6	34.2	30.3	22.0	22.9	31.5	51.0	53.8	69.9	24
25	Nonfinancial business	34.1	38.1	39.1	50.8	49.5	63.0	50.8	50.7	49.9	49.2	61.6	64.4	68.2	73.0	25
26	*Corporate*	*25.2*	*29.7*	*30.7*	*40.2*	*39.8*	*48.6*	*39.8*	*40.6*	*41.1*	*38.5*	*47.0*	*50.1*	*52.2*	*56.9*	26
27	*Nonfarm noncorporate*	*5.5*	*5.0*	*5.7*	*7.4*	*6.4*	*10.3*	*7.6*	*7.2*	*5.6*	*7.4*	*11.0*	*9.7*	*11.8*	*11.2*	27
28	*Farm*	*3.5*	*3.5*	*2.7*	*3.2*	*3.2*	*4.1*	*3.4*	*3.0*	*3.2*	*3.3*	*3.6*	*4.6*	*4.2*	*4.9*	28
29	Memo: U.S. Govt. cash balance totals net of changes in U.S.	-.4	1.2	1.1	.4	2.7	3.3	1.5	2.2	2.3	3.1	1.0	7.6	5.0	4.0	29
30	Total funds raised	69.1	82.2	99.0	91.3	98.9	153.1	93.6	88.8	91.6	106.6	143.9	161.3	155.4	181.4	30
31	by U.S. Government	4.0	11.8	14.5	4.0	10.1	22.2	-4.9	2.8	6.0	14.3	23.3	21.1	16.5	19.2	31
							Private net investment and borrowing in credit markets									
	Total, households and business															
1	***Total capital outlays***[1]	**191.2**	**188.7**	**208.7**	**227.1**	**225.5**	**252.9**	**224.2**	**229.9**	**224.3**	**226.7**	**247.0**	**258.8**	**282.9**	**305.5**	1
2	Capital consumption[2]	118.5	128.4	140.4	154.4	164.9	178.5	151.0	157.7	162.5	167.3	174.5	182.6	192.4	198.1	2
3	Net physical investment	72.7	60.3	68.3	72.7	60.6	74.3	73.2	72.2	61.8	59.4	72.5	76.1	90.5	107.4	3
4	Net funds raised	57.3	57.9	71.0	83.3	71.8	104.6	84.9	81.1	71.9	72.1	93.1	115.4	122.0	142.8	4
5	Excess net investment[3]	15.4	2.4	-2.7	-10.6	-11.2	-30.3	11.7	-8.9	-10.1	12.7	20.5	39.2	31.6	-35.5	5
	Total business															
6	***Total capital outlays***	**97.0**	**94.0**	**99.0**	**109.3**	**110.1**	**118.0**	**106.1**	**112.4**	**108.4**	**111.9**	**116.9**	**119.0**	**133.4**	**145.1**	6
7	Capital consumption	54.2	58.5	63.2	69.5	73.6	80.0	67.9	71.1	72.9	74.2	77.8	82.3	87.7	90.2	7
8	Net physical investment	42.8	35.6	35.8	39.7	36.6	37.9	38.1	41.3	35.5	37.6	39.2	36.7	45.8	55.0	8
9	Net debt funds raised	33.0	35.8	40.0	46.5	42.7	49.6	49.5	43.4	43.7	41.9	49.2	49.9	54.8	61.1	9
10	Corporate equity issues	1.2	2.3	-.8	4.3	6.8	13.4	1.2	7.4	6.3	7.3	12.3	14.5	13.4	11.9	10
11	Excess net investment[3]	8.7	-2.5	-3.3	11.1	-12.9	25.1	12.6	-9.5	-14.4	-11.6	22.4	27.7	22.4	18.0	11
	Corporate business															
12	***Total capital outlays***	**77.1**	**72.0**	**76.2**	**84.0**	**84.6**	**85.2**	**81.5**	**86.5**	**83.0**	**86.3**	**85.0**	**85.5**	**97.5**	**108.9**	12
13	Capital consumption	38.2	41.5	45.1	49.9	52.7	57.3	48.7	51.1	52.3	53.1	55.6	59.0	63.2	65.4	13
14	Net physical investment	38.9	30.5	31.1	34.2	31.9	27.9	32.9	35.4	30.7	33.1	29.4	26.4	34.2	43.4	14
15	Net debt funds raised	24.0	27.4	31.6	35.9	33.0	35.1	38.6	33.2	34.9	31.2	34.7	35.6	38.8	45.0	15
16	Corporate equity issues	1.2	2.3	-.8	4.3	6.8	13.4	1.2	7.4	6.3	7.3	12.3	14.5	13.4	11.9	16
17	Excess net investment[3]	13.7	.8	.3	6.0	7.9	20.7	6.9	-5.1	-10.4	-5.3	17.6	23.7	-18.0	13.5	17
	Households															
18	***Total capital outlays***	**94.2**	**94.6**	**109.7**	**117.8**	**115.3**	**134.9**	**118.1**	**117.5**	**115.9**	**114.8**	**130.1**	**139.8**	**149.5**	**160.3**	18
19	Capital consumption	64.3	69.9	77.2	84.8	91.3	98.5	83.1	86.6	89.6	93.0	96.7	100.3	104.8	107.9	19
20	Net physical investment	29.9	24.7	32.5	33.0	24.0	36.4	35.1	30.9	26.3	21.7	33.4	39.4	44.7	52.4	20
21	Net funds raised	23.2	19.7	31.9	32.6	22.3	41.6	34.2	30.3	22.0	22.9	31.5	51.0	53.8	69.9	21
22	Excess net investment[3]	6.7	5.0	.6	.5	1.7	-5.2	.9	.6	4.3	-1.2	1.9	11.5	9.1	-17.4	22
	Of which:															
23	Houses less home mortgages	-.8	1.3	2.1	2.9	1.9	-8.1	2.8	3.1	-1.0	-2.8	-4.2	-11.9	10.7	16.1	23
24	Durables less consumer credit	7.9	7.8	5.6	7.0	5.5	5.7	7.7	6.9	6.4	4.4	8.7	3.5	4.3	1.5	24
25	Nonprofit P&E less mortgages	2.0	1.9	1.9	2.2	2.2	2.3	2.0	2.4	2.3	2.1	2.3	2.4	2.6	3.0	25
26	Less: Unallocated debt	2.4	3.5	4.8	5.8	4.1	5.2	6.0	5.6	3.3	4.9	4.9	5.6	5.3	5.7	26

[1] Capital outlays are totals for residential and nonresidential fixed capital, net change in inventories, and consumer durables, except outlays by financial business.

[2] Capital consumption includes amounts for consumer durables and excludes financial business capital consumption.

[3] Excess of net investment over net funds raised.

NOTE. Full sector statements are available on a quarterly basis for flows and annually in amounts outstanding. Requests for these statements should be addressed to the Flow of Funds Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C., 20551.

Funds raised by type and sector. Credit flows included here are the net amounts raised by households, nonfinancial business, governments, and foreigners. All funds raised by financial sectors are excluded. U.S. Government budget issues (line 4) are loan participation certificates issued by CCC, Export-Import Bank, FNMA, and GNMA, together with security issues by FHA, Export-Import Bank, and TVA. Issues by federally sponsored credit agencies are excluded as borrowing by financial institutions. Such issues are in U.S. Government securities on p. A-71, line 11. Corporate share issues are net cash issues by nonfinancial and foreign corporations. Mortgages exclude loans in process. Open market paper is commercial paper issued by nonfinancial corporations plus bankers' acceptances.

DIRECT AND INDIRECT SOURCES OF FUNDS TO CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

	Transaction category, or sector	1966	1967	1968	1969	1970	1971	1969 H1	1969 H2	1970 H1	1970 H2	1971 H1	1971 H2	1972 H1	1972 H2	
1	**Total funds advanced in credit markets to nonfinancial sectors**	**67.7**	**81.0**	**98.5**	**86.9**	**94.7**	**142.9**	**90.2**	**83.3**	**87.8**	**102.1**	**130.2**	**154.7**	**137.2**	**173.8**	1
	By public agencies and foreign															
2	**Total net advances**	**11.9**	**11.3**	**12.2**	**15.8**	**28.0**	**41.2**	**9.9**	**22.3**	**25.3**	**30.6**	**37.7**	**44.8**	**19.5**	**15.8**	2
3	U.S. Government securities	3.4	6.8	3.4	.9	15.7	33.4	−2.7	4.5	10.5	21.0	32.4	34.4	13.1	3.8	3
4	Residential mortgages	2.8	2.1	2.8	4.6	5.7	5.7	3.0	6.3	6.3	5.2	4.2	7.1	6.2	4.4	4
5	FHLB advances to S&L's	.9	−2.5	.9	4.0	1.3	2.7	3.1	5.0	2.8	−.1	5.8	.5	−2.7	2.8	5
6	Other loans and securities	4.8	4.9	5.1	6.3	5.2	4.8	6.6	6.6	5.7	4.6	6.9	2.8	2.9	4.8	6
	By agency—															
7	U.S. Government	4.9	4.6	4.9	2.9	2.8	3.2	2.7	3.7	3.1	2.6	4.4	1.9	1.6	2.2	7
8	Sponsored credit agencies	5.1	.1	3.2	9.0	9.9	2.8	6.2	11.8	11.1	8.7	1.8	7.4	7.9	6.1	8
9	Federal Reserve	3.5	4.8	3.7	4.2	5.0	8.8	3.7	4.8	2.8	7.2	8.4	9.3	4.7	−4.2	9
10	Foreign	1.6	2.0	.3	−.3	10.3	26.4	−2.6	2.0	8.3	12.2	26.7	26.1	5.4	11.6	10
11	Agency borrowing not in line 1	4.8	.6	3.5	8.8	8.7	3.9	7.1	11.0	10.8	6.6	.3	7.4	7.0	4.8	11
	Private domestic funds advanced															
12	**Total net advances**	**60.6**	**69.1**	**89.8**	**79.9**	**75.5**	**105.5**	**87.3**	**72.0**	**73.3**	**78.0**	**92.8**	**117.3**	**124.7**	**162.9**	12
13	U.S. Government securities	5.4	5.7	13.3	4.6	5.8	−4.0	3.5	6.1	8.6	3.1	−9.9	1.8	5.4	24.3	13
14	Municipal securities	5.7	8.3	10.1	7.9	13.8	20.2	8.5	7.4	11.8	15.9	22.0	18.4	14.0	14.8	14
15	Corporate and foreign bonds	10.3	16.0	13.8	12.6	20.5	20.0	13.4	11.8	17.1	23.8	23.0	17.1	13.6	13.7	15
16	Residential mortgages	11.6	13.1	15.8	15.8	12.9	29.2	18.3	13.3	10.0	15.7	24.7	33.6	36.4	46.4	16
17	Other mortgages and loans	28.5	23.5	37.8	43.0	23.8	37.4	46.8	38.5	28.6	19.4	27.2	46.8	52.5	66.5	17
18	Less: FHLB advances	.9	2.5	.9	4.0	1.3	2.7	3.1	5.0	2.8	.1	5.8	.5	2.7	2.8	18
	Private financial intermediation															
19	*Credit market funds advanced by private financial institutions*	*44.7*	*62.8*	*75.0*	*54.0*	*70.2*	*105.8*	*64.3*	*43.6*	*54.3*	*86.1*	*105.9*	*105.3*	*123.2*	*155.3*	19
20	Commercial banking	17.0	35.9	39.0	18.9	31.6	49.8	23.2	14.6	21.6	41.5	49.4	50.0	53.4	77.0	20
21	Savings institutions	7.9	15.0	15.6	14.2	16.6	41.6	17.8	10.6	11.7	21.5	45.4	37.8	48.4	49.4	21
22	Insurance and pension funds	15.0	12.4	13.9	12.2	17.6	12.0	12.4	12.1	17.7	17.5	11.6	12.4	14.3	19.5	22
23	Other finance	4.7	.5	6.6	8.6	4.5	2.3	10.9	6.2	3.4	5.5	.6	5.2	7.1	9.5	23
24	*Sources of funds*	*44.7*	*62.8*	*75.0*	*54.0*	*70.2*	*105.8*	*64.3*	*43.6*	*54.3*	*86.1*	*105.9*	*105.3*	*123.2*	*155.3*	24
25	Domestic private deposits	21.2	49.4	46.1	2.5	60.4	92.3	5.0	−.1	32.0	88.8	105.8	78.6	99.9	105.7	25
26	Credit market borrowing	3.0	.6	6.9	16.8	1.8	4.5	13.4	20.1	10.2	7.0	−.2	9.2	7.1	20.3	26
27	Other sources	20.5	14.0	22.0	34.7	8.0	9.0	45.9	23.5	11.7	4.3	.3	17.6	16.1	29.4	27
28	Foreign funds	3.7	2.3	2.6	9.3	8.4	3.3	14.4	4.2	−3.4	13.5	7.6	1.0	4.4	4.1	28
29	Treasury balances	.5	.2	.2	*	2.9	2.2	2.1	2.1	3.4	2.4	−1.6	6.1	3.9	4.8	29
30	Insurance and pension reserves	13.2	11.8	11.2	10.3	13.5	8.2	9.7	10.9	13.0	14.1	7.6	8.8	7.7	13.6	30
31	Other, net	4.2	.3	8.4	15.1	*	1.8	23.9	6.2	1.3	1.2	2.0	1.6	8.0	7.0	31
	Private domestic nonfinancial investors															
32	Direct lending in credit mkts.	18.9	5.8	21.7	42.7	7.0	4.2	36.4	48.7	29.5	−15.0	13.3	21.2	8.6	27.8	32
33	U.S. Government securities	8.8	1.3	7.7	16.0	7.6	13.1	14.6	17.4	1.8	17.0	−24.7	1.6	3.8	15.2	33
34	Municipal securities	2.7	2.0	.3	6.7	1.4	5.7	6.2	7.2	3.8	1.1	5.3	6.1	4.8	5.4	34
35	Corporate and foreign bonds	2.5	5.3	5.1	7.6	10.4	8.6	6.0	9.1	8.6	12.1	10.3	6.8	4.1	3.4	35
36	Commercial paper	2.0	1.5	4.4	8.7	1.2	2.1	6.1	11.2	10.9	13.3	7.8	3.7	.5	.5	36
37	Other	3.0	2.4	4.2	3.7	4.1	5.0	3.5	3.8	4.3	4.3	3.5	6.2	3.0	4.3	37
38	Deposits and currency	23.1	51.5	48.6	5.3	63.9	95.7	6.5	4.1	35.0	92.8	110.3	80.9	104.6	109.7	38
39	Time and savings accounts	20.3	39.3	34.0	2.2	56.2	81.3	5.2	−9.7	31.1	81.4	92.4	70.1	91.4	81.4	39
40	Money	2.8	12.2	14.6	7.6	7.7	14.4	1.3	13.8	3.9	11.4	17.9	10.7	13.2	28.3	40
41	Demand deposits	.8	10.1	12.2	4.7	4.2	11.0	−.2	9.6	.9	7.4	13.4	8.4	8.6	24.3	41
42	Currency	2.0	2.1	2.4	2.8	3.5	3.4	1.5	4.2	3.0	4.0	4.5	2.3	4.7	4.0	42
43	**Total of credit market instr., deposits, and currency**	**42.1**	**57.3**	**70.3**	**48.0**	**70.9**	**99.9**	**43.0**	**52.8**	**64.5**	**77.8**	**96.9**	**102.0**	**113.2**	**137.5**	43
	Memoranda:															
44	Public support rate (in per cent)	17.6	13.9	12.3	18.2	29.5	28.9	11.0	26.8	28.8	30.0	28.9	29.0	14.2	9.1	44
45	Pvt. fin. intermediation (in per cent)	73.7	90.8	83.5	67.6	93.1	100.2	73.6	60.4	74.2	110.3	114.0	89.8	98.8	95.4	45
46	Total foreign funds	2.1	4.3	2.9	9.0	1.8	23.1	11.8	6.2	4.9	1.3	19.1	27.1	9.8	15.7	46
	Corporate equities not included above															
1	**Total net issues**	**4.6**	**4.9**	**4.0**	**10.3**	**9.5**	**14.8**	**8.2**	**12.4**	**9.3**	**9.7**	**13.1**	**16.5**	**12.9**	**11.8**	1
2	Mutual fund shares	3.7	2.6	4.7	5.5	2.6	1.3	6.3	4.8	3.1	2.0	.3	2.3	−.3	*	2
3	Other equities	.9	2.3	−.7	4.7	6.9	13.5	1.9	7.6	6.1	7.6	12.7	14.2	13.3	11.8	3
4	Acq. by financial institution	6.0	8.4	9.5	12.8	11.4	19.1	12.1	13.5	12.5	10.2	20.7	17.5	15.3	12.5	4
5	Other net purchases	1.3	3.5	5.5	2.5	1.9	4.4	3.9	−1.1	3.3	.5	7.7	1.1	2.3	.8	5

Notes

Line

1. Total funds raised (line 1 of p. A-70) excluding corporate equities.
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. Included below in lines 13 and 33. Includes all GNMA-guaranteed security issues backed by mortgage pools.
12. Line 1 less line 2 plus line 11. Also line 19 less line 26 plus line 32. Also sum of lines 27 through 41 excluding subtotals.
17. Includes farm and commercial mortgages.
25. Lines 39 + 41.
26. Excludes equity issues and investment company shares. Includes line 18.
28. Foreign deposits at commercial banks, bank borrowings from foreign branches, and liabilities of foreign banking agencies to foreign affiliates.
29. Demand deposits at commercial banks.
30. Excludes net investment of these reserves in corporate equities.
31. Mainly retained earnings and net miscellaneous liabilities.
32. Line 12 less line 19 plus line 26.
33–37. Lines 13–17 less amounts acquired by private finance. Line 37 includes mortgages.
39 + 41. See line 25.
42. Mainly an offset to line 9.
43. Lines 32 plus 38 or line 12 less line 27 plus line 42.
44. Line 2/line 1.
45. Line 19/line 12.
46. Lines 10 plus 28.

Corporate equities
Lines 1 and 3 include issues by financial institutions.

1. U.S. BALANCE OF PAYMENTS

(In millions of dollars)

Line	Credits +, debits −	1970	1971	1972p	1971 IV	1972 I	1972 II	1972 III	1972 IVp
	Summary—Seasonally adjusted								
1	Merchandise trade balance [1]	2,164	-2,666	-6,816	-1,534	-1,831	-1,777	-1,525	1,683
2	Exports	41,963	42,787	48,840	9,583	11,659	11,561	12,380	13,240
3	Imports	39,799	45,453	-55,656	-11,117	13,490	13,338	13,905	-14,923
4	Military transactions, net	-3,374	2,894	3,541	807	-884	958	850	-850
5	Travel and transportation, net	-2,061	-2,432	-2,583	-703	667	645	-613	-660
6	Investment income, net [2]	6,259	7,995	7,901	2,295	1,879	1,788	1,921	2,313
7	U.S. direct investments abroad	7,920	9,455	10,293	2,770	2,324	2,383	2,570	3,016
8	Other U.S. investments abroad	3,506	3,443	3,499	881	942	822	854	882
9	Foreign investments in the United States	-5,167	-4,903	-5,891	1,356	1,387	-1,417	1,503	1,585
10	Other services, net	574	748	819	172	200	192	203	224
11	**Balance on goods and services** [3]	3,563	750	-4,219	577	1,303	-1,400	-864	656
12	Remittances, pensions, and other transfers	-1,474	-1,529	1,557	404	-389	383	-368	-416
13	**Balance on goods, services, and remittances**	2,089	-779	-5,776	-981	-1,692	1,783	-1,232	1,072
14	U.S. Government grants (excluding military)	-1,734	-2,045	-2,208	-588	601	535	-538	534
15	**Balance on current account**	356	-2,824	-7,983	-1,569	2,293	2,318	1,770	1,606
16	U.S. Government capital flows excluding nonscheduled repayments, net [4]	-1,829	-2,117	1,708	-385	330	-269	-509	-601
17	Nonscheduled repayments of U.S. Government assets	244	225	127	48	88	17	7	16
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies	-433	-486	214	-196	101	157	180	-22
19	Long-term private capital flows, net	-1,398	-4,079	107	330	1,081	750	-254	690
20	U.S. direct investments abroad	-4,400	-4,765	-3,339	-788	-1,266	-100	-1,116	-857
21	Foreign direct investments in the United States	1,030	67	322	181	360	350	237	95
22	Foreign securities	-942	-909	619	73	393	354	211	84
23	U.S. securities other than Treasury issues	2,190	2,282	4,502	921	1,067	956	611	1,868
24	Other, reported by U.S. banks	198	-814	-1,102	-165	22	269	-408	-447
25	Other, reported by U.S. nonbanking concerns	526	194	343	108	-151	167	211	115
26	**Balance on current account and long-term capital** [4]	-3,059	9,281	9,243	-1,772	-3,717	-1,663	-2,346	1,523
27	Nonliquid short-term private capital flows, net	482	-2,386	1,634	-654	-508	592	507	-1,211
28	Claims reported by U.S. banks	-1,023	-1,807	1,530	685	-587	467	370	-1,040
29	Claims reported by U.S. nonbanking concerns	-361	555	-243	130	17	103	91	238
30	Liabilities reported by U.S. nonbanking concerns	902	24	139	161	96	22	46	67
31	Allocations of Special Drawing Rights (SDR's)	867	717	710	179	178	178	177	177
32	Errors and omissions, net	-1,174	-11,054	-3,806	-2,082	942	1,314	1,825	1,608
33	**Net liquidity balance**	3,851	22,002	13,974	-4,329	-3,105	-2,207	4,501	4,165
34	Liquid private capital flows, net	5,988	-7,763	3,677	1,619	119	1,386	173	2,583
35	Liquid claims	252	1,072	-1,139	340	673	197	613	50
36	Reported by U.S. banks	99	566	-733	112	533	312	-469	43
37	Reported by U.S. nonbanking concerns	351	506	-406	228	140	115	-144	7
38	Liquid liabilities	6,240	6,691	4,816	-1,279	554	1,189	440	2,633
39	To foreign commercial banks	-6,508	-6,908	3,905	-1,313	476	980	316	2,133
40	To international and regional organizations	181	682	102	55	25	72	31	180
41	To other foreigners	87	-465	809	-21	53	281	155	320
42	**Official reserve transactions balance**	9,839	29,765	10,297	-5,948	3,224	821	-4,674	1,582
	Financed by changes in:								
43	Liquid liabilities to foreign official agencies	7,637	27,615	9,676	5,774	2,294	1,027	4,617	1,742
44	Other readily marketable liabilities to foreign official agencies	-810	539	400	5	221	27	34	118
45	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Govt.	535	341	189	366	280	2	78	-167
46	U.S. official reserve assets, net	2,477	2,348	32	187	429	231	-55	-111
47	Gold	787	866	547	1	544	....	3	....
48	SDR's	851	249	703	182	178	171	177	-177
49	Convertible currencies	2,152	381	35	2	64	245	134	82
50	Gold tranche position in IMF	389	1,350	153	8	1	185	15	16
	Memoranda:								
51	Transfers under military grant programs (excluded from lines 2, 4, and 14)	2,586	3,153	4,284	939	1,205	797	1,323	959
52	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20)	2,885	3,116	(5)	(5)	(5)	(5)	(5)	(5)
53	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 9 and 21)	434	498	(5)	(5)	(5)	(5)	(5)	(5)

For notes see end of table.

1. U.S. BALANCE OF PAYMENTS—Continued

(In millions of dollars)

Credits +, debits −	1970	1971	1972^p	1971 IV	1972 I	1972 II	1972 III	1972 IV^p
Balances excluding allocations of SDR's—Seasonally adjusted								
Net liquidity balance	−4,718	−22,719	−14,684	−4,508	−3,283	−2,385	−4,678	−4,342
Official reserve transactions balance	−10,706	−30,482	−11,007	−6,127	−3,402	−999	−4,851	−1,759
Balances not seasonally adjusted								
Balance on goods and services	3,563	750	−4,219	300	−803	−1,457	−2,292	333
Balance on goods, services, and remittances	2,089	−779	−5,776	−100	−1,171	−1,853	−2,671	−80
Balance on current account	356	−2,824	−7,983	−653	−1,801	−2,435	−3,169	−579
Balance on current account and long-term capital [4]	−3,059	−9,281	−9,243	−97	−3,615	−2,265	−3,781	414
Balances including allocations of SDR's:								
Net liquidity	−3,851	−22,002	−13,974	−3,466	−2,369	−3,043	−5,313	−3,249
Official reserve transactions	−9,839	−29,765	−10,297	−5,882	−2,506	−741	−5,585	−1,465
Balances excluding allocations of SDR's:								
Net liquidity	−4,718	−22,719	−14,684	−3,466	−3,079	−3,043	−5,313	−3,249
Official reserve transactions	−10,706	−30,482	−11,007	−5,882	−3,216	−741	−5,585	−1,465

[1] Adjusted to balance of payments basis; excludes transfers under military grants, exports under U.S. military agency sales contracts and imports of U.S. military agencies.
[2] Includes fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States.
[3] Equal to net exports of goods and services in national income and product accounts of the United States.
[4] Includes some short-term U.S. Govt. assets.
[5] Not available.

NOTE.—Data are from U.S. Department of Commerce, Bureau of Economic Analysis. Details may not add to totals because of rounding.

2. MERCHANDISE EXPORTS AND IMPORTS

(Seasonally adjusted; in millions of dollars)

	Exports [1]				Imports [2]				Trade balance			
	1970	1971	1972	1973	1970	1971	1972	1973	1970	1971	1972	1973
Month:												
Jan.	3,406	3,601	4,074	4,977	3,222	3,599	4,435	5,281	184	2	−361	−304
Feb.	3,546	3,695	3,824	5,065	3,279	3,564	4,473	5,541	267	130	−649	−476
Mar.	3,375	3,790	3,869	5,380	3,219	3,628	4,515	5,432	156	160	−646	−53
Apr.	3,410	3,631	3,817	5,487	3,262	3,774	4,413	5,291	148	−143	−596	196
May	3,661	3,746	3,885	....	3,367	3,908	4,482	....	324	−161	−597	....
June	3,727	3,672	3,971	....	3,265	4,037	4,468	....	462	−365	−497	....
July	3,704	3,573	4,052	....	3,254	3,832	4,565	....	450	−259	−513	....
Aug.	3,591	3,667	4,200	....	3,346	3,913	4,726	....	245	−247	−527	....
Sept.	3,553	4,487	4,177	....	3,423	4,179	4,606	....	130	308	−428	....
Oct.	3,688	2,669	4,318	....	3,498	3,469	4,736	....	190	−800	−418	....
Nov.	3,499	3,196	4,473	....	3,428	3,456	5,136	....	71	−260	−664	....
Dec.	3,569	3,881	4,561	....	3,401	4,169	5,002	....	168	−288	−441	....
Quarter:												
I	10,327	11,086	11,767	....	9,720	10,792	13,423	....	607	294	−1,656	....
II	10,798	11,049	11,673	....	9,864	11,719	13,363	....	933	−670	−1,690	....
III	10,848	11,727	12,429	....	10,023	11,924	13,897	....	816	−197	−1,468	....
IV	10,756	9,746	13,352	....	10,327	11,094	14,874	....	425	−1,348	−1,522	....
Year [3]	42,659	43,549	49,208	....	39,952	45,563	55,555	....	2,707	−2,014	−6,347	....

[1] Exports of domestic and foreign merchandise; excludes Dept. of Defense shipments of grant-aid military equipment and supplies under Mutual Security Program.
[2] General imports including imports for immediate consumption plus entries into bonded warehouses.
[3] Sum of unadjusted figures.

NOTE.—Bureau of the Census data. Details may not add to totals because of rounding.

3. U.S. NET MONETARY GOLD TRANSACTIONS WITH FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

(Net sales [—] or net acquisitions; in millions of dollars at $35 per fine troy ounce until May 8, 1972, and at $38 per fine troy ounce thereafter)

Area and country	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1972 II	1972 III	1972 IV	1973 I
Western Europe:														
Austria	−82	−55	−100	−25	......	......	4	......	......	......	......	......	......	......
Belgium	......	−40	−83	......	......	−58	......	......	−110	......	......	......	......	......
France	−518	−405	−884	−601	......	600	325	−129	−473	......	......	......	......	......
Germany, Fed. Rep. of	......	−225	......	......	......	......	500	......	......	......	......	......	......	......
Ireland	......	−1	−2	−2	−2	−52	41	2	......	......	......	......	......	......
Italy	......	200	80	−60	−85	−209	−76	......	......	......	......	......	......	......
Netherlands	......	−60	−35	......	......	−19	......	−50	−25	......	......	......	......	......
Spain	−130	−32	−180	......	......	......	......	51	......	......	......	......	......	......
Switzerland	......	−81	−50	−2	−30	−50	−25	−50	−175	......	......	......	......	......
United Kingdom	329	618	150	80	−879	−835	......	......	......	......	......	......	......	......
Bank for Intl. Settlements	......	......	......	......	......	......	200	......	......	......	......	......	......	......
Other	1	−6	−35	−49	16	47	11	−29	−13	......	......	......	......	......
Total	−399	−88	−1,299	−659	−980	−669	969	−204	−796	......	......	......	......	......
Canada	......	......	......	200	150	50	......	......	......	......	......	......	......	......
Latin American republics:														
Argentina	−30	......	......	−39	−1	−25	−25	−28	......	......	......	......	......	......
Brazil	72	54	25	−3	−1	*	......	−23	......	......	......	......	......	......
Colombia	......	10	29	7	......	......	*	−1	......	......	......	......	......	......
Venezuela	......	......	−25	......	......	......	......	......	......	......	......	......	......	......
Other	−11	−9	−13	−6	11	40	−29	−80	−5	......	......	......	......	......
Total	32	56	17	−41	9	−65	−54	−131	−5	......	......	......	......	......
Asia:														
Iraq	......	......	−10	−4	−21	−42	......	......	......	......	......	......	......	......
Japan	......	......	......	56	......	......	......	−119	......	......	......	......	......	......
Lebanon	......	−11	......	−11	1	−95	......	......	−35	......	......	......	......	......
Malaysia	......	......	......	......	......	−34	......	......	−10	......	......	......	......	......
Philippines	25	20	*	−1	......	9	40	−4	−2	......	......	......	......	......
Saudi Arabia	......	......	......	......	......	−50	......	......	......	......	......	......	......	......
Singapore	......	......	......	......	......	−81	11	......	−30	......	......	......	......	......
Other	−13	−6	−14	−14	−22	−75	−9	[2] −91	39	−3	......	−3	......	......
Total	12	3	−24	−86	−44	−366	42	−213	−38	−3	......	−3	......	......
All other	−36	−7	16	−22	[3] −166	[3] −68	−1	−81	−6	......	......	......	......	......
Total foreign countries	−392	−36	−1,322	−608	−1,031	−1,118	957	[4] −631	−845	−3	......	−3	......	......
Intl. Monetary Fund[5]	......	......	[6] −225	177	22	−3	10	−156	−22	−544	......	......	......	......
Grand total	−392	−36	−1,547	−431	−1,009	−1,121	967	−787	−867	−547	......	3	......	......

[1] Includes purchase from Denmark of $25 million.
[2] Includes purchase from Kuwait of $25 million.
[3] Includes sales to Algeria of $150 million in 1967 and $50 million in 1968.
[4] Data for IMF include the U.S. payment of $385 million increase in its gold subscription to the IMF and gold sold by the IMF to the United States in mitigation of U.S. sales to other countries making gold payments to the IMF. *The country data include U.S. gold sales to various countries in connection with the IMF quota payments.* Such U.S. sales to countries and resales to the United States by the IMF total $548 million each.
[5] Includes IMF gold sales to and purchases from the United States, U.S. payment of increases in its gold subscription to IMF, gold deposits by the IMF (see note 1 (b) to Table 4), and withdrawal of deposits. The first withdrawal ($17 million) was made in June 1968 and the last withdrawal ($144 million) was made in Feb. 1972.

IMF sold to the United States a total of $800 million of gold ($200 million in 1956, and $300 million in 1959 and in 1960) with the right of repurchase; proceeds from these sales invested by IMF in U.S. Treasury securities. IMF repurchased $400 million in Sept. 1970 and the remaining $400 million in Feb. 1972.
[6] Payment to the IMF of $259 million increase in U.S. gold subscription less gold deposits by the IMF.

Notes to Table 5 on opposite page:

[1] Represents net IMF sales of gold to acquire U.S. dollars for use in IMF operations. Does not include transactions in gold relating to gold deposit or gold investment (see Table 6).
[2] Positive figures represent purchases from the IMF of currencies of other members for equivalent amounts of dollars; negative figures represent repurchase of dollars, including dollars derived from charges on purchases and from other net dollar income of the IMF. The United States has a commitment to repurchase within 3 to 5 years, but only to the extent that the holdings of dollars of the IMF exceed 75 per cent of the U.S. quota. Purchases of dollars by other countries reduce the U.S. commitment to repurchase by an equivalent amount.
[3] Includes dollars obtained by countries other than the United States from sales of gold to the IMF.
[4] Represents the U.S. gold tranche position in the IMF (the U.S. quota minus the holdings of dollars of the IMF), which is the amount that the United States could purchase in foreign currencies automatically if needed. Under appropriate conditions, the United States could purchase additional amounts equal to its quota.
[5] Includes $259 million gold subscription to the IMF in June 1965 for a U.S. quota increase, which became effective on Feb. 23, 1966. In figures published by the IMF from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.
[6] Includes $30 million of Special Drawing Rights.
[7] Represents amount payable in dollars to the IMF to maintain the value of IMF holdings of U.S. dollars.

NOTE.—The initial U.S. quota in the IMF was $2,750 million. The U.S. quota was increased to $4,125 million in 1959, to $5,160 million in Feb. 1966, to $6,700 million in Dec. 1970, and to $7,274 million in May 1972 as a result of the change in par value of the U.S. dollar. Under the Articles of Agreement, subscription payments equal to the quota have been made 25 per cent in gold and 75 per cent in dollars.

4. U.S. RESERVE ASSETS

(In millions of dollars)

End of year	Total	Gold stock[1] Total[2]	Gold stock[1] Treasury	Con-vertible foreign curren-cies	Reserve position in IMF[3]	SDR's[4]	End of month	Total	Gold stock[1] Total[2]	Gold stock[1] Treasury	Con-vertible foreign curren-cies[5]	Reserve position in IMF[3]	SDR's[4]
1959...	21,504	19,507	19,456	....	1,997	....	1972						
1960...	19,359	17,804	17,767	....	1,555	....	May...	[9]13,345	[9]10,490	[9]10,410	469	[9]428	[9]1,958
1961...	18,753	16,947	16,889	116	1,690	....	June...	13,339	10,490	10,410	457	434	1,958
1962...	17,220	16,057	15,978	99	1,064	....	July...	13,090	10,490	10,410	203	439	1,958
1963...	16,843	15,596	15,513	212	1,035	....	Aug....	13,124	10,488	10,410	234	444	1,958
1964...	16,672	15,471	15,388	432	769	....	Sept....	13,217	10,487	10,410	323	449	1,958
							Oct....	13,313	10,487	10,410	414	454	1,958
1965...	15,450	[6]13,806	[6]13,733	781	[6] 863	....	Nov....	13,307	10,487	10,410	403	459	1,958
1966...	14,882	13,235	13,159	1,321	326	....	Dec....	13,151	10,487	10,410	241	465	1,958
1967...	14,830	12,065	11,982	2,345	420	....							
1968...	15,710	10,892	10,367	3,528	1,290	....	1973						
1969...	[7]16,964	11,859	10,367	[7]2,781	2,324	....	Jan....	13,054	10,487	10,410	140	469	1,958
							Feb....	12,926	10,487	10,410	8	473	1,958
1970...	14,487	11,072	10,732	629	1,935	851	Mar...	12,931	10,487	10,410	8	478	1,958
1971...	[8]12,167	10,206	10,132	[8]276	585	1,100	Apr....	12,904	10,487	10,410	8	460	1,949
1972[9]..	13,151	10,487	10,410	241	465	1,958	May...	12,916	10,487	10,410	16	464	1,949

[1] Includes (a) gold sold to the United States by the IMF with the right of repurchase, and (b) gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for the purpose of making gold subscriptions to the IMF under quota increases. For corresponding liabilities, see Table 6.

[2] Includes gold in Exchange Stabilization Fund.

[3] The United States has the right to purchase foreign currencies equivalent to its reserve position in the IMF automatically if needed. Under appropriate conditions the United States could purchase additional amounts equal to the U.S. quota. See Table 5.

[4] Includes allocations by the IMF of Special Drawing Rights as follows: $867 million on Jan. 1, 1970; $717 million on Jan. 1, 1971; and $710 million on Jan. 1, 1972; plus net transactions in SDRs.

[5] For holdings of F.R. Banks only, see pp. A-12 and A-13.

[6] Reserve position includes, and gold stock excludes, $259 million gold subscription to the IMF in June 1965 for a U.S. quota increase which became effective on Feb. 23, 1966. In figures published by the IMF from June 1965 through Jan. 1966, this gold subscription was included in the U.S. gold stock and excluded from the reserve position.

[7] Includes gain of $67 million resulting from revaluation of the German mark in Oct. 1969, of which $13 million represents gain on mark holdings at time of revaluation.

[8] Includes $28 million increase in dollar value of foreign currencies revalued to reflect market exchange rates as of Dec. 31, 1971.

[9] Total reserve assets include an increase of $1,016 million resulting from change in par value of the U.S. dollar on May 8, 1972; of which, total gold stock is $828 million (Treasury gold stock $822 million), reserve position in IMF $33 million, and SDR's $155 million.

NOTE.—See Table 24 for gold held under earmark at F.R. Banks for foreign and international accounts. Gold under earmark is not included in the gold stock of the United States.

5. U.S. POSITION IN THE INTERNATIONAL MONETARY FUND

(In millions of dollars)

Period	Transactions affecting IMF holdings of dollars (during period): U.S. transactions with IMF: Payments of subscrip-tions in dollars	Net gold sales by IMF[1]	Transac-tions in foreign curren-cies[2]	IMF net income in dollars	Transactions by other countries with IMF: Purchases of dollars[3]	Re-purchases in dollars	Total change	IMF holdings of dollars (end of period): Amount	Per cent of U.S. quota	U.S. reserve position in IMF (end of period)[4]
1946—1957	2,063	600	....	45	2,670	827	775	775	28	1,975
1958—1963	1,031	150	....	60	1,666	2,740	2,315	3,090	75	1,035
1964—1966	776	....	1,640	45	723	6	1,744	4,834	94	[5]326
1967	....	....	....	20	-114	....	-94	4,740	92	420
1968	....	....	-84	20	-806	....	870	3,870	75	1,290
1969	....	22	....	19	1,343	268	1,034	2,836	55	2,324
1970	1,155	[6]712	150	25	-854	741	1,929	4,765	71	1,935
1971	....	*	1,362	-28	-24	40	1,350	6,115	91	585
1972	[7] 541	....	200	-47	....	....	694	6,810	94	465
1972—May	[7]541	....	....	-4	....	....	537	6,846	94	428
June	....	....	....	-6	....	....	6	6,840	94	434
July	....	....	....	-5	....	....	-5	6,835	94	439
Aug.	....	....	....	-5	....	....	-5	6,831	94	444
Sept.	....	....	....	-6	....	....	6	6,825	94	449
Oct.	....	....	....	-5	....	....	-5	6,820	94	454
Nov.	....	....	....	-4	....	....	-4	6,816	94	459
Dec.	....	....	....	-6	....	....	-6	6,810	94	465
1973—Jan.	....	....	....	-4	....	....	-4	6,806	94	469
Feb.	....	....	....	-5	....	....	-5	6,801	93	473
Mar.	....	....	....	-5	....	....	-5	6,796	93	478
Apr.	....	....	....	18	....	....	18	6,814	94	460
May	....	....	....	4	....	....	4	6,810	94	464

For notes see opposite page.

6. U.S. LIQUID AND OTHER LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS, AND LIQUID LIABILITIES TO ALL OTHER FOREIGNERS

(In millions of dollars)

End of period	Total	Liquid liabilities to IMF arising from gold transactions[1]	Liabilities to foreign countries: Official institutions[2]: Liquid: Total	Official institutions: Liquid: Short-term liabilities reported by banks in U.S.	Official institutions: Liquid: Marketable U.S. Treas. bonds and notes[3]	Official institutions: Liquid: Nonmarketable convertible U.S. Treas. bonds and notes	Official institutions: Nonmarketable nonconvertible U.S. Treas. bonds and notes[4]	Official institutions: Other readily marketable liabilities[5]	Liquid liabilities to commercial banks abroad[6]	Liquid liabilities to other foreigners: Total	Liquid liabilities to other foreigners: Short-term liabilities reported by banks in U.S.	Liquid liabilities to other foreigners: Marketable U.S. Treas. bonds and notes[3,7]	Liquid liabilities to nonmonetary intl. and regional organizations[8]
1962[9]	24,268	800	12,914	11,963	751	....	200	....	5,346	3,013	2,565	448	2,195
1963[9]	26,433	800	14,459	12,467	1,217	703	63	9	5,817	3,397	3,046	351	1,960
	26,394	800	14,425	12,467	1,183	703	63	9	5,817	3,387	3,046	341	1,965
1964[9]	29,313	800	15,790	13,224	1,125	1,079	204	158	7,271	3,730	3,354	376	1,722
	29,364	800	15,786	13,220	1,125	1,079	204	158	7,303	3,753	3,377	376	1,722
1965	29,569	834	15,826	13,066	1,105	1,201	334	120	7,419	4,059	3,587	472	1,431
1966[9]	31,145	1,011	14,841	12,484	860	256	328	913	10,116	4,271	3,743	528	906
	31,020	1,011	14,896	12,539	860	256	328	913	9,936	4,272	3,744	528	905
1967[9]	35,819	1,033	18,201	14,034	908	711	741	1,807	11,209	4,685	4,127	558	691
	35,667	1,033	18,194	14,027	908	711	741	1,807	11,085	4,678	4,120	558	677
1968[9]	38,687	1,030	17,407	11,318	529	701	2,518	2,341	14,472	5,053	4,444	609	725
	38,473	1,030	17,340	11,318	462	701	2,518	2,341	14,472	4,909	4,444	465	722
1969[9]	[10]45,755	1,019	[10]15,975	11,054	346	[10]555	[10]2,515	1,505	23,638	4,464	3,939	525	659
	45,914	1,019	15,998	11,077	346	555	2,515	1,505	23,645	4,589	4,064	525	663
1970—Dec.[9]	47,009	566	23,786	19,333	306	429	3,023	695	17,137	4,676	4,029	647	844
	46,960	566	23,775	19,333	295	429	3,023	695	17,169	4,604	4,039	565	846
1971—Dec.[11] [r]	67,681	544	51,209	39,679	1,955	6,060	3,371	144	10,262	4,138	3,691	447	1,528
	67,808	544	50,651	39,018	1,955	6,093	3,441	144	10,949	4,141	3,694	447	1,523
1972—Apr.[r]	72,208	....	54,093	38,723	2,668	8,594	3,723	385	12,426	4,242	3,853	389	1,447
May[r]	72,113	....	53,579	37,850	3,018	8,594	3,723	394	12,821	4,284	3,889	395	1,429
June[r]	73,995	....	54,604	38,603	3,292	8,594	3,723	392	13,437	4,476	4,104	372	1,478
July	77,465	....	59,416	39,777	3,516	12,094	3,647	382	12,128	4,493	4,123	370	1,428
Aug.[r]	79,454	....	60,606	40,616	3,881	12,094	3,647	368	12,906	4,419	4,041	378	1,523
Sept.[r]	79,728	....	60,075	39,633	4,117	12,095	3,804	426	13,577	4,630	4,241	389	1,446
Oct.[r]	81,420	....	60,931	40,266	4,457	12,097	3,651	460	14,173	4,822	4,416	406	1,494
Nov.[r]	82,373	....	61,127	40,045	4,834	12,098	3,651	499	14,776	4,745	4,322	423	1,725
Dec.[r]	82,901	....	61,512	39,986	5,236	12,108	3,639	543	14,810	4,952	4,527	425	1,627
1973—Jan.[r]	82,072	....	60,789	38,527	5,798	12,110	3,780	574	14,799	4,891	4,466	425	1,593
Feb.	87,871	....	68,475	45,413	6,377	12,110	3,627	948	12,807	4,968	4,596	372	1,621
Mar.[p]	[12]90,855	....	[12]71,289	46,882	6,917	[12]12,128	3,617	1,745	12,967	4,966	4,590	376	1,633
Apr.[p]	[13]90,511	....	70,709	45,910	6,934	12,245	3,631	1,989	13,024	5,148	4,749	399	1,630

[1] Includes (a) liability on gold deposited by the IMF to mitigate the impact on the U.S. gold stock of foreign purchases for gold subscriptions to the IMF under quota increases, and (b) U.S. Treasury obligations at cost value and funds awaiting investment obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets.

[2] Includes BIS and European Fund.

[3] Derived by applying reported transactions to benchmark data; breakdown of transactions by type of holder estimated 1959–63.

[4] Excludes notes issued to foreign official nonreserve agencies.

[5] Includes long-term liabilities reported by banks in the United States and debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

[6] Includes short-term liabilities payable in dollars to commercial banks abroad and short-term liabilities payable in foreign currencies to commercial banks abroad and to "other foreigners."

[7] Includes marketable U.S. Treasury bonds and notes held by commercial banks abroad.

[8] Principally the International Bank for Reconstruction and Development and the Inter-American and Asian Development Banks. From Dec. 1957 through Jan. 1972 includes difference between cost value and face value of securities in IMF gold investment account.

[9] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on first line are comparable with those shown for the preceding date; figures on second line are comparable with those shown for the following date.

[10] Includes $101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969 as follows: liquid, $17 million, and other, $84 million.

[11] Data on the second line differ from those on first line because certain accounts previously classified as "official institutions" are included with "banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury securities payable in foreign currencies issued to official institutions of foreign countries have been increased in value to reflect market exchange rates as of Dec. 31, 1971.

[12] Includes $15 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

[13] Includes $147 million increase in dollar value of foreign currency liabilities to official institutions of foreign countries revalued to reflect market exchange rates as follows: short-term liabilities, $15 million; nonmarketable convertible U.S. Treasury bonds and notes, $113 million; and nonmarketable nonconvertible U.S. Treasury bonds and notes, $19 million.

NOTE.—Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond generally to statistics following in this section, except for the exclusion of nonmarketable, nonconvertible U.S. Treasury notes issued to foreign official nonreserve agencies, the inclusion of investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations, and minor rounding differences. Table excludes IMF "holdings of dollars," and holdings of U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by other international and regional organizations.

7. U.S. LIQUID AND OTHER LIABILITIES TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES, BY AREA

(Amounts outstanding; in millions of dollars)

End of period	Total foreign countries	Western Europe [1]	Canada	Latin American republics	Asia	Africa	Other countries [2]
1967	18,194	10,321	1,310	1,582	4,428	250	303
1968 [3]	17,407	8,070	1,867	1,865	5,043	259	303
	17,340	8,062	1,866	1,865	4,997	248	302
1969 [3]	[4] 15,975	[4] 7,074	1,624	1,888	4,552	546	291
	15,998	7,074	1,624	1,911	4,552	546	291
1970 [3]	23,786	13,620	2,951	1,681	4,713	407	414
	23,775	13,615	2,951	1,681	4,708	407	413
1971 [5]	51,209	30,010	3,980	1,414	14,519	415	871
	50,651	30,134	3,980	1,429	13,823	415	870
1972—Apr.	54,093	31,358	4,181	1,492	15,249	477	1,336
May	53,579	30,935	4,316	1,476	14,967	458	1,427
June	54,604	31,910	4,486	1,473	14,572	533	1,630
July	59,416	36,370	4,446	1,393	14,727	572	1,908
Aug. r	60,606	36,612	4,463	1,420	15,352	652	2,107
Sept. r	60,077	35,985	4,469	1,368	15,291	685	2,277
Oct. r	60,931	35,078	4,468	1,473	16,805	616	2,491
Nov. r	61,127	34,608	4,289	1,444	17,372	694	2,720
Dec. r	61,512	34,197	4,279	1,731	17,565	777	2,963
1973—Jan. r	60,789	34,146	4,201	1,728	17,026	673	3,015
Feb.	68,475	40,773	4,290	1,893	17,907	809	2,803
Mar. p	[6] 71,289	[6] 45,193	4,221	1,750	16,557	823	2,745
Apr. p	[7] 70,709	[7] 45,562	4,157	1,917	15,417	839	2,817

1 Includes Bank for International Settlements and European Fund.

2 Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.

3 See note 9 to Table 6.

4 Includes $101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.

5 Data on second line differ from those on the first line because certain accounts previously classified as "Official institutions" are included in "Banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury liabilities payable in foreign currencies to official institutions of foreign countries have been increased in value by $110 million to reflect market exchange rates as of Dec. 31, 1971.

6 Includes $15 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

7 Includes $147 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

NOTE.—Data represent short- and long-term liabilities to the official institutions of foreign countries, as reported by banks in the United States; foreign official holdings of marketable and nonmarketable U.S. Treasury securities with an original maturity of more than 1 year, except for nonmarketable notes issued to foreign official nonreserve agencies; and investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	To all foreigners								To nonmonetary international and regional organizations [6]				
	Total [1]	Payable in dollars					Payable in foreign currencies	IMF gold investment [5]	Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab. [4]
		Total	Deposits		U.S. Treasury bills and certificates [3]	Other short-term liab. [4]				Demand	Time [2]		
			Demand	Time [2]									
1969	40,199	39,770	20,460	6,959	5,015	7,336	429	800	613	62	83	244	223
1970 [7]	41,719	41,351	15,785	5,924	14,123	5,519	368	400	820	69	159	211	381
	41,761	41,393	15,795	5,961	14,123	5,514	368	400	820	69	159	211	381
1971 [8] r	55,404	55,018	10,399	5,209	33,025	6,385	386	400	1,372	73	192	210	896
	55,428	55,036	6,459	4,217	33,025	11,335	392	400	1,367	73	192	210	892
1972—Apr. r	56,280	55,786	6,453	4,502	32,324	12,507	494	....	1,278	87	198	177	817
May r	55,828	55,329	6,569	4,653	31,498	12,609	499	....	1,268	84	186	198	800
June r	57,461	56,941	7,211	4,830	31,871	13,029	519	....	1,316	85	238	212	782
July	57,294	56,813	7,320	4,746	32,881	11,866	481	....	1,266	101	262	142	761
Aug.	58,884	58,429	6,631	4,867	33,745	13,186	455	....	1,322	65	267	172	818
Sept. r	58,684	58,206	6,927	4,939	32,714	13,626	478	....	1,233	79	224	145	785
Oct. r	60,136	59,598	7,071	5,146	33,071	14,310	538	....	1,281	63	210	204	804
Nov. r	60,654	60,112	7,011	5,379	32,774	14,948	543	....	1,512	95	242	380	794
Dec. r	60,737	60,240	8,288	5,629	31,850	14,473	496	....	1,413	86	202	326	800
1973—Jan. r	59,172	58,646	7,452	5,533	30,133	15,530	526	....	1,380	118	172	279	811
Feb.	64,235	63,722	7,786	5,594	36,538	13,803	513	....	1,419	133	145	303	838
Mar. p	65,860	65,312	7,639	5,613	37,971	14,089	548	....	1,421	114	135	279	893
Apr. p	65,111	64,526	8,122	5,661	36,474	14,269	[9] 584	....	1,428	119	111	240	957

For notes see the following page.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE—Continued

(Amounts outstanding; in millions of dollars)

End of period	To residents of foreign countries						To official institutions[10]					
	Total	Payable in dollars				Payable in foreign currencies	Total	Payable in dollars				Payable in foreign currencies
		Deposits		U.S. Treasury bills and certificates[3]	Other short-term liab.[4]			Deposits		U.S. Treasury bills and certificates[3]	Other short-term liab.[4]	
		Demand	Time[2]					Demand	Time[2]			
1969	38,786	20,397	6,876	3,971	7,113	429	11,077	1,930	2,942	3,844	2,159	202
1970[7]	40,499	15,716	5,765	13,511	5,138	368	19,333	1,652	2,554	13,367	1,612	148
	40,541	15,726	5,802	13,511	5,133	368	19,333	1,652	2,554	13,367	1,612	148
1971[8] r	53,632	10,326	5,017	32,415	5,489	386	39,679	1,620	2,504	32,311	3,086	158
	53,661	6,386	4,025	32,415	10,443	392	39,018	1,327	2,039	32,311	3,177	165
1972—Apr. r	55,002	6,366	4,304	32,147	11,691	494	38,723	1,246	2,270	32,047	2,993	167
May r	54,560	6,484	4,468	31,300	11,810	499	37,850	1,224	2,379	31,209	2,871	167
June r	56,144	7,126	4,592	31,659	12,248	519	38,603	1,536	2,469	31,573	2,858	167
July	56,028	7,219	4,485	32,738	11,106	481	39,777	1,521	2,377	32,655	3,054	170
Aug. r	57,563	6,566	4,600	33,573	12,368	455	40,616	1,308	2,417	33,499	3,220	171
Sept. r	57,451	6,848	4,716	32,569	12,841	478	39,633	1,239	2,459	32,497	3,268	171
Oct. r	58,855	7,008	4,935	32,867	13,506	538	40,266	1,335	2,569	32,794	3,398	171
Nov. r	59,143	6,915	5,137	32,394	14,154	543	40,045	1,271	2,643	32,315	3,645	171
Dec. r	59,323	8,203	5,427	31,523	13,674	496	39,986	1,589	2,868	31,453	3,905	171
1973—Jan. r	57,792	7,333	5,361	29,854	14,719	526	38,527	1,405	2,867	29,779	4,304	171
Feb.	62,816	7,653	5,449	36,235	12,965	513	45,413	1,756	2,841	36,147	4,497	172
Mar. p	64,439	7,525	5,478	37,692	13,196	548	46,882	1,543	2,826	37,620	4,721	172
Apr. p	63,683	8,003	5,550	36,234	13,312	[9]584	45,910	1,714	2,925	36,137	4,948	[9]187

End of period	Total	To banks[11]					To other foreigners					To banks and other foreigners: Payable in foreign currencies
		Payable in dollars										
		Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab.[4]	Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab.[4]	
			Demand	Time[2]				Demand	Time[2]			
1969	27,709	23,419	16,756	1,999	20	4,644	4,064	1,711	1,935	107	312	226
1970[7]	21,166	16,917	12,376	1,326	14	3,202	4,029	1,688	1,886	131	325	220
	21,208	16,949	12,385	1,354	14	3,197	4,039	1,688	1,895	131	325	220
1971[8] r	13,953	10,034	7,047	850	8	2,130	3,691	1,660	1,663	96	274	228
	14,643	10,721	3,399	320	8	6,995	3,694	1,660	1,666	96	271	228
1972—Apr. r	16,279	12,099	3,365	352	4	8,379	3,852	1,756	1,682	96	318	327
May r	16,710	12,488	3,567	307	3	8,611	3,890	1,693	1,781	88	328	333
June r	17,541	13,085	3,790	309	5	8,981	4,104	1,800	1,815	81	409	353
July	16,251	11,816	3,877	285	5	7,649	4,123	1,821	1,822	77	402	311
Aug. r	16,946	12,621	3,555	331	6	8,729	4,040	1,702	1,852	67	419	284
Sept. r	17,818	13,269	3,833	348	5	9,084	4,241	1,776	1,909	68	489	308
Oct. r	18,589	13,805	3,798	434	3	9,570	4,417	1,875	1,933	70	538	368
Nov. r	19,097	14,404	3,938	481	5	9,981	4,322	1,706	2,014	75	528	372
Dec. r	19,337	14,485	4,659	533	5	9,287	4,527	1,954	2,026	65	481	325
1973—Jan. r	19,266	14,444	4,155	423	5	9,860	4,467	1,773	2,070	69	555	355
Feb.	17,404	12,466	4,084	481	5	7,895	4,596	1,813	2,127	83	573	341
Mar. p	17,557	12,590	4,176	518	9	7,887	4,590	1,805	2,134	63	588	376
Apr. p	17,773	12,626	4,339	514	16	7,759	4,749	1,951	2,112	81	605	398

[1] Data exclude "holdings of dollars" of the IMF.

[2] Excludes negotiable time certificates of deposit, which are included in "Other."

[3] Includes nonmarketable certificates of indebtedness issued to official institutions of foreign countries.

[4] Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit. See also note 8(a).

[5] U.S. Treasury bills and certificates obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets. Upon termination of investment, the same quantity of gold was reacquired by the IMF.

[6] Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.

Includes difference between cost value and face value of securities in IMF gold investment account.

[7] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

[8] Data on second line differ from those on first line because (a) those liabilities of U.S. banks to their foreign branches and those liabilities of U.S. agencies and branches of foreign banks to their head offices and foreign branches, which were previously reported as deposits, are included in "Other short-term liabilities"; (b) certain accounts previously classified as "Official institutions" are included in "Banks"; and (c) a number of reporting banks are included in the series for the first time.

[9] Includes $15 million increase in foreign currency liabilities to official institutions of foreign countries revalued to reflect market exchange rates.

[10] Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.

[11] *Excludes central banks, which are included in "Official institutions."*

NOTE.—"Short term" refers to obligations payable on demand or having an original maturity of 1 year or less. For data on long-term liabilities reported by banks, see Table 10. Data exclude the "holdings of dollars" of the International Monetary Fund; these obligations to the IMF constitute contingent liabilities, since they represent essentially the amount of dollars available for drawings from the IMF by other member countries. Data exclude also U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.

9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1971	1972						1973			
	Dec.	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.p	Apr.p
Europe:											
Austria	254	261	272	310	279	245	272	268	267	281	292
Belgium-Luxembourg	701	1,159	1,188	1,175	1,159	1,070	1,092	974	1,165	1,285	1,245
Denmark	168	216	209	194	217	254	284	321	364	400	406
Finland	160	176	165	163	161	157	163	152	158	142	168
France	3,150	4,324	4,317	4,422	4,501	4,630	4,441	4,433	4,482	5,000	5,167
Germany	6,596	6,601	6,459	5,819	5,809	5,514	5,346	5,034	10,494	12,963	12,701
Greece	170	168	165	177	195	190	238	210	224	223	175
Italy	1,887	1,424	1,615	1,426	1,345	1,354	1,338	1,085	1,041	968	1,022
Netherlands	270	1,488	1,514	1,490	1,460	1,442	1,468	1,356	1,762	2,532	2,543
Norway	685	769	892	873	895	960	978	973	995	1,018	1,035
Portugal	303	290	334	356	379	413	416	439	498	518	502
Spain	203	222	192	246	230	223	256	231	222	256	250
Sweden	792	1,036	1,033	1,068	1,059	1,081	1,184	1,189	1,403	1,483	1,682
Switzerland	3,249	3,626	3,493	3,538	3,072	2,838	2,857	2,924	2,845	2,906	2,963
Turkey	68	55	59	72	71	96	97	109	94	105	118
United Kingdom	7,379	4,945	5,893	5,692	5,683	5,430	5,011	5,510	4,546	4,657	4,741
Yugoslavia	34	87	102	65	56	98	117	82	78	58	69
Other Western Europe[1]	1,391	1,379	1,391	1,446	1,428	1,479	1,483	1,464	1,502	1,584	1,722
U.S.S.R.	14	18	10	14	16	10	11	14	21	14	8
Other Eastern Europe	53	58	57	71	63	58	81	71	65	71	71
Total	27,529	28,302	29,360	28,615	28,078	27,541	27,134	26,839	32,226	36,461	36,880
Canada	3,441	3,727	3,660	3,730	3,969	3,799	3,484	3,889	3,325	3,290	3,570
Latin America:											
Argentina	441	457	500	523	532	547	631	631	689	687	694
Brazil	342	620	550	591	601	564	605	643	648	671	703
Chile	191	136	136	134	135	135	137	132	136	143	140
Colombia	188	196	212	199	192	185	210	210	218	184	197
Cuba	6	6	6	6	6	6	6	7	7	6	7
Mexico	715	788	695	690	671	659	831	783	800	788	853
Panama	154	165	154	156	151	150	167	193	201	171	168
Peru	164	178	178	164	180	183	225	176	167	172	167
Uruguay	108	121	136	137	125	133	140	140	138	132	143
Venezuela	963	831	865	855	924	926	1,077	995	1,051	949	1,046
Other Latin American republics	655	671	701	662	747	751	860	839	825	804	820
Bahamas[2]	656	384	416	461	576	576	539	290	261	198	226
Netherlands Antilles and Surinam	87	88	83	88	82	89	86	81	84	83	72
Other Latin America	37	47	45	54	55	57	44	235	239	216	241
Total	4,708	4,688	4,675	4,721	4,979	4,961	5,558	5,353	5,461	5,203	5,479
Asia:											
China, People's Rep. of (China Mainland)	39	39	39	39	39	39	39	39	37	48	43
China, Republic of (Taiwan)	258	426	502	541	590	639	675	737	783	816	831
Hong Kong	312	341	325	315	313	310	318	336	319	337	330
India	89	122	105	91	103	107	98	115	134	114	125
Indonesia	63	98	117	115	114	107	108	101	96	89	90
Israel	150	128	119	134	127	141	177	139	146	137	144
Japan	14,295	13,963	14,156	14,412	15,485	16,152	15,843	14,570	14,733	12,344	10,415
Korea	196	206	235	208	218	201	192	224	210	227	214
Philippines	306	345	364	379	382	394	438	446	453	518	521
Thailand	126	120	141	145	143	128	171	211	187	172	166
Other	595	733	802	797	1,016	965	1,071	951	897	862	941
Total	16,429	16,521	16,904	17,175	18,529	19,182	19,131	17,868	17,995	15,664	13,819
Africa:											
Egypt	24	17	19	23	23	24	24	21	28	17	33
Morocco	9	11	9	9	10	11	12	9	8	13	9
South Africa	78	92	65	71	57	83	115	111	104	125	125
Zaire	12	27	15	18	14	17	21	18	23	22	28
Other	474	620	622	649	595	678	768	573	728	739	798
Total	597	768	729	770	700	814	939	733	891	917	992
Other countries:											
Australia	916	1,977	2,187	2,372	2,553	2,801	3,027	3,046	2,861	2,849	2,886
All other	42	45	47	69	47	46	51	65	57	54	57
Total	957	2,022	2,234	2,441	2,600	2,846	3,077	3,111	2,918	2,903	2,943
Total foreign countries	53,661	56,028	57,563	57,451	58,855	59,143	59,323	57,792	62,816	64,439	63,683
International and regional:											
International[3]	1,327	793	831	746	794	1,030	951	930	957	974	982
Latin American regional	298	300	335	329	320	316	307	301	318	320	337
Other regional[4]	142	174	156	158	167	165	156	148	143	128	109
Total	1,767	1,266	1,322	1,233	1,281	1,512	1,413	1,380	1,419	1,421	1,428
Grand total	55,428	57,294	58,884	58,684	60,136	60,654	60,737	59,172	64,235	65,860	65,111

For notes see the following page.

9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(End of period. Amounts outstanding; in millions of dollars)

Supplementary data [5]

Area and country	1970 Dec.	1971 Apr.	1971 Dec.	1972 Apr.	1972 Dec.
Other Western Europe:					
Cyprus	10	7	2	2	3
Iceland	10	10	11	9	9
Ireland, Rep. of	41	29	16	15	17
Other Latin American republics:					
Bolivia	69	59	55	53	87
Costa Rica	41	43	62	70	92
Dominican Republic	99	90	123	91	114
Ecuador	79	72	57	62	121
El Salvador	75	80	78	83	76
Guatemala	100	97	117	123	132
Haiti	16	19	18	23	27
Honduras	34	44	42	50	58
Jamaica	19	19	19	32	41
Nicaragua	59	47	50	66	61
Paraguay	16	15	17	17	22
Trinidad & Tobago	10	14	10	15	20
Other Latin America:					
British West Indies	33	38	32	23	36
Other Asia:					
Afghanistan	26	15	19	17	25
Bahrain	32	35	21	18	(7)
Burma	4	3	10	5	2
Cambodia	2	2	5	2	3
Iran	42	67	59	88	93
Iraq	11	7	10	9	10
Jordan	14	3	2	2	4
Other Asia—Cont.:					
Kuwait	54	36	20	16	39
Laos	5	2	3	3	2
Lebanon	54	60	46	60	55
Malaysia	22	28	23	25	54
Pakistan	38	28	33	58	59
Ryukyu Islands (incl. Okinawa)[6]	18	39	29	53	......
Saudi Arabia	106	41	79	80	344
Singapore	57	43	35	45	77
Sri Lanka (Ceylon)	4	4	4	6	5
Syria	7	3	4	6	4
Vietnam	179	161	159	185	135
Other Africa:					
Algeria	17	13	23	31	32
Ethiopia (incl. Eritrea)	19	12	11	29	57
Ghana	8	6	8	11	10
Kenya	38	13	9	14	23
Liberia	22	21	23	25	30
Libya	195	91	274	296	393
Nigeria	17	25	46	56	(7)
Southern Rhodesia	1	2	2	2	2
Sudan	1	1	1	5	3
Tanzania	9	10	6	6	11
Tunisia	7	6	9	7	10
Uganda	8	5	3	10	7
Zambia	10	14	13	7	(7)
All other:					
New Zealand	25	22	23	27	30

1 Includes Bank for International Settlements and European Fund.
2 Includes Bermuda through Dec. 1972.
3 Data exclude "holdings of dollars" of the International Monetary Fund but include IMF gold investment until Feb. 1972, when investment was terminated.
4 Asian, African, and European regional organizations, except BIS and European Fund, which are included in "Europe."
5 Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe").
6 Included in Japan after Apr. 1972.
7 Not available.

10. LONG-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	To intl. and regional	To foreign countries: Total	Official institutions	Banks[1]	Other foreigners	Country or area: Germany	United Kingdom	Other Europe	Total Latin America	Japan	Other Asia	All other countries
1969	2,490	889	1,601	1,505	56	40	*	46	7	239	655	582	70
1970	1,703	789	914	695	166	53	110	42	26	152	385	137	62
1971	902	446	457	144	257	56	164	52	30	111	3	87	9
1972—Apr.	1,103	651	453	120	253	80	165	67	32	105	*	66	18
May	1,151	686	465	129	253	83	165	66	35	119	*	60	20
June	1,168	693	476	127	267	82	165	66	34	135	*	58	17
July	1,157	688	469	117	269	84	165	68	34	136	*	49	18
Aug.	1,093	650	443	88	269	86	165	68	34	135	*	24	17
Sept.	1,067	612	455	99	269	87	167	68	35	135	*	33	17
Oct.	1,068	615	453	97	269	87	165	68	37	135	*	32	16
Nov.	1,050	599	451	94	269	88	165	68	37	134	1	33	14
Dec. r	1,000	561	439	93	259	87	165	63	32	136	1	32	10
1973—Jan. r	1,025	598	427	74	257	96	165	61	30	127	1	30	13
Feb.	1,257	594	663	304	258	100	164	59	233	118	1	71	16
Mar. p	1,374	679	695	328	263	103	164	66	233	120	1	95	16
Apr. p	1,366	659	707	329	268	111	164	68	238	123	1	98	16

1 Excludes central banks, which are included with "Official institutions."

11. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. TREASURY BONDS AND NOTES

(End of period; in millions of dollars)

	1972									1973			
	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.[r]	Apr.[p]
Europe:													
Belgium-Luxembourg	6	6	6	6	6	6	6	6	6	6	6	6	6
Sweden	16	16	19	19	17	15	35	85	55	110	135	135	135
Switzerland	52	52	52	49	45	45	45	45	45	45	44	43	44
United Kingdom	280	288	264	265	280	293	308	326	327	327	276	278	300
Other Western Europe	79	79	77	79	79	79	79	79	79	79	79	79	79
Eastern Europe	5	5	5	5	5	5	5	5	5	5	5	5	5
Total	438	445	424	422	432	443	478	545	547	572	544	546	569
Canada	179	166	313	313	372	432	479	559	558	558	559	561	561
Latin America:													
Latin American republics	1	1	1	1	1	1	1	1	1	1	1	1	1
Other Latin America	6	6	6	6	6	6	6	6	6	6	6	6	6
Total	7	7	7	7	7	7	7	7	7	7	7	7	7
Asia:													
India	......	......	......	......	......	......	......	......	......	......	......	......	......
Japan	2,415	2,777	2,901	3,125	3,310	3,481	3,756	4,003	4,380	4,867	5,421	5,961	5,978
Other Asia	10	10	10	10	10	10	10	10	10	10	10	10	10
Total	2,425	2,787	2,912	3,136	3,321	3,492	3,766	4,013	4,391	4,877	5,431	5,971	5,988
Africa	8	8	8	8	127	133	133	133	133	183	183	183	183
All other	*	*	*	*	*	*	*	*	25	25	25	25	25
Total foreign countries	3,057	3,413	3,664	3,886	4,259	4,506	4,863	5,257	5,661	6,223	6,749	7,293	7,333
International and regional:													
International	136	136	136	136	176	186	186	186	186	186	176	186	176
Latin American regional	33	25	26	27	27	27	27	28	28	28	26	26	27
Total	168	161	161	162	203	213	213	214	214	214	202	212	202
Grand total	3,226	3,574	3,825	4,048	4,461	4,719	5,076	5,471	5,874	6,436	6,951	7,505	7,535

NOTE.—Data represent estimated official and private holdings of marketable U.S. Treasury securities with an original maturity of more than 1 year, and are based on benchmark surveys of holdings and regular monthly reports of securities transactions (see Table 16).

12. NONMARKETABLE U.S. TREASURY BONDS AND NOTES ISSUED TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES

(In millions of dollars or dollar equivalent)

End of period	Total	Payable in dollars								Payable in foreign currencies			
		Total	Belgium	Canada [1]	China, Rep. of (Taiwan)	Germany	Italy [2]	Korea	Thailand	Total	Germany [3]	Italy	Switzerland
1969	[4] 3,181	1,431	32	1,129	20	....	135	15	100	[4] 1,750	[4] 1,084	125	541
1970	3,563	2,480	32	2,289	20	....	25	15	100	1,083	542	......	541
1971	[5] 9,657	7,829	32	2,640	20	5,000	22	15	100	[5] 1,827	612	......	1,215
1972- May	12,441	10,688	32	2,840	20	7,658	22	15	100	1,753	536	......	1,217
June	12,441	10,688	32	2,840	20	7,658	22	15	100	1,753	536	......	1,217
July	15,864	14,188	32	2,840	20	11,158	22	15	100	1,676	459	......	1,217
Aug.	15,864	14,188	32	2,840	20	11,158	22	15	100	1,676	459	......	1,217
Sept.	16,022	14,345	32	2,840	20	11,315	22	15	100	1,677	459	......	1,218
Oct.	15,871	14,345	32	2,840	20	11,315	22	15	100	1,526	306	......	1,220
Nov.	15,872	14,345	32	2,840	20	11,315	22	15	100	1,528	306	......	1,222
Dec.	15,872	14,333	20	2,840	20	11,315	22	15	100	1,539	306	......	1,233
1973- Jan.	16,016	14,474	20	2,840	20	11,471	22	......	100	1,542	306	......	1,236
Feb.	15,863	14,474	20	2,840	20	11,471	22	......	100	1,389	153	......	1,236
Mar.	[6] 15,870	14,464	20	2,840	10	11,471	22	......	100	[6] 1,407	153	......	1,254
Apr.	[6] 16,015	14,459	20	2,840	5	11,471	22	......	100	[6] 1,556	172	......	1,384
May	16,012	14,456	20	2,840	2	11,471	22	......	100	1,556	172	......	1,384

[1] Includes bonds issued in 1964 to the Government of Canada in connection with transactions under the Columbia River treaty. Amounts outstanding end of 1967 through Oct. 1968, $114 million; Nov. 1968 through Sept. 1969, $84 million; Oct. 1969 through Sept. 1970, $54 million; and Oct. 1970 through Oct. 1971 $24 million.

[2] Notes issued to the Government of Italy in connection with military purchases in the United States.

[3] In addition, nonmarketable U.S. Treasury notes amounting to $125 million equivalent were held by a group of German commercial banks from June 1968 through Nov. 1972. The dollar value of these notes was increased by $10 million in Oct. 1969 and by $18 million as of Dec. 31, 1971.

[4] Includes an increase in dollar value of $84 million resulting from revaluation of the German mark in Oct. 1969.

[5] Includes $106 million increase in dollar value of foreign currency obligations revalued to reflect market exchange rates as of Dec. 31, 1971.

[6] Includes $15 million increase in Mar. and $145 million increase in Apr. in dollar value of foreign currency obligations revalued to reflect market exchange rates.

13. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1971	1972						1973			
	Dec.[r]	July[r]	Aug.[r]	Sept.[r]	Oct.[r]	Nov.[r]	Dec.[r]	Jan.[r]	Feb.	Mar.[p]	Apr.[p]
Europe:											
Austria	11	16	33	8	15	10	8	7	13	9	9
Belgium-Luxembourg	57	73	66	70	87	84	120	67	124	100	87
Denmark	49	50	63	60	52	57	59	58	59	60	63
Finland	135	124	128	120	119	123	118	127	122	131	134
France	263	305	349	317	274	272	330	275	312	424	451
Germany	235	286	229	268	287	296	321	267	414	370	345
Greece	30	25	27	28	27	27	29	34	23	29	32
Italy	160	194	190	173	177	170	255	221	271	269	288
Netherlands	105	97	102	116	104	101	108	93	152	118	129
Norway	67	71	56	52	62	62	69	62	63	70	66
Portugal	12	25	21	27	22	21	19	21	26	20	30
Spain	70	156	160	194	229	215	207	210	236	282	238
Sweden	118	114	120	131	128	123	156	176	249	235	238
Switzerland	145	131	137	180	186	150	125	187	206	152	186
Turkey	3	3	4	7	4	4	6	5	6	5	5
United Kingdom	559	736	666	643	657	729	855	672	1,001	847	795
Yugoslavia	19	23	21	22	18	16	22	18	20	18	20
Other Western Europe	12	23	25	24	23	19	20	23	26	22	29
U.S.S.R.	28	62	64	55	30	32	41	44	55	54	61
Other Eastern Europe	37	44	40	38	40	38	49	47	51	52	60
Total	2,114	2,557	2,503	2,531	2,543	2,551	2,917	2,613	3,431	3,268	3,265
Canada	1,627	2,299	2,484	2,026	1,681	1,717	1,920	1,939	2,372	2,461	2,286
Latin America:											
Argentina	305	323	339	352	363	357	379	389	417	406	396
Brazil	435	568	600	639	659	633	652	641	727	740	759
Chile	139	77	71	79	58	53	52	53	49	51	45
Colombia	380	396	384	378	384	396	418	408	412	380	401
Cuba	13	13	13	13	13	15	13	12	13	13	13
Mexico	934	1,179	1,162	1,121	1,126	1,168	1,202	1,202	1,213	1,320	1,343
Panama	125	132	137	150	145	179	246	219	220	212	183
Peru	176	157	158	137	138	147	145	129	136	132	143
Uruguay	41	38	40	43	36	38	40	40	38	40	36
Venezuela	268	333	343	335	361	386	383	388	385	404	396
Other Latin American republics	374	357	355	345	353	368	388	393	379	367	382
Bahamas [1]	262	390	426	428	372	403	476	413	521	461	505
Netherlands Antilles and Surinam	18	16	16	15	15	13	14	15	15	20	27
Other Latin America	26	22	29	28	32	33	36	56	70	105	85
Total	3,494	3,999	4,073	4,064	4,054	4,191	4,442	4,359	4,592	4,649	4,712
Asia:											
China, People's Rep. of (China Mainland)	1	2	2	2	1	1	1	2	2	2	2
China, Republic of (Taiwan)	109	178	173	180	187	201	194	205	211	231	238
Hong Kong	70	100	85	85	76	76	93	84	103	111	122
India	21	14	17	18	15	17	14	15	15	16	14
Indonesia	41	44	60	66	74	74	87	87	103	127	127
Israel	129	101	87	78	87	105	105	126	106	141	124
Japan	4,280	3,527	3,473	3,461	3,719	4,001	4,162	4,081	5,277	5,568	5,663
Korea	348	344	342	321	302	317	296	271	288	301	331
Philippines	138	143	144	144	151	160	149	148	150	140	150
Thailand	172	174	187	187	177	183	191	184	195	205	197
Other	252	245	230	229	244	260	300	288	335	272	295
Total	5,560	4,871	4,800	4,773	5,034	5,397	5,593	5,490	6,786	7,115	7,265
Africa:											
Egypt	10	14	12	15	17	16	21	22	20	20	22
Morocco	4	4	4	5	5	4	4	6	5	7	5
South Africa	156	149	142	139	134	145	143	150	155	155	151
Zaire	21	12	12	12	14	10	13	15	13	11	13
Other	96	117	110	121	109	112	124	116	113	133	137
Total	288	296	280	291	279	286	304	309	305	325	327
Other countries:											
Australia	158	210	184	205	229	271	291	272	256	244	249
All other	28	38	41	44	36	36	40	50	44	47	50
Total	186	248	225	249	265	308	330	322	300	291	299
Total foreign countries	13,269	14,270	14,364	13,933	13,856	14,449	15,506	15,032	17,787	18,109	18,153
International and regional	3	3	3	4	6	6	3	3	3	1	2
Grand total	13,272	14,273	14,367	13,936	13,862	14,455	15,509	15,035	17,789	18,111	18,155

[1] Includes Bermuda through Dec. 1972.

NOTE. Short-term claims are principally the following items payable on demand or with a contractual maturity of not more than 1 year: loans made to, and acceptances made for, foreigners; drafts drawn against foreigners, where collection is being made by banks and bankers for their own account or for account of their customers in the United States; and foreign currency balances held abroad by banks and bankers and their customers in the United States. Excludes foreign currencies held by U.S. monetary authorities.

14. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars								Payable in foreign currencies			
		Total	Loans to—				Collections outstanding	Acceptances made for acct. of foreigners	Other	Total	Deposits with foreigners	Foreign govt. securities, coml. and finance paper	Other
			Total	Official institutions	Banks[1]	Others							
1969	9,680	9,165	3,278	262	1,943	1,073	2,015	3,202	670	516	352	89	74
1970	10,802	10,192	3,051	119	1,720	1,212	2,389	3,985	766	610	352	92	166
1971 [2] r	13,170	12,328	4,503	223	2,613	1,667	2,475	4,243	1,107	842	549	119	174
	13,272	12,377	3,969	231	2,080	1,658	2,475	4,254	1,679	895	548	173	174
1972—Apr. r	13,785	12,999	4,448	165	2,354	1,928	2,469	4,252	1,830	785	498	177	111
May r	13,460	12,626	4,598	171	2,518	1,909	2,540	3,838	1,650	835	530	187	118
June r	13,565	12,732	4,756	165	2,575	2,016	2,649	3,483	1,844	833	486	222	125
July r	14,273	13,371	5,049	164	2,779	2,106	2,703	3,227	2,392	902	516	278	108
Aug. r	14,367	13,421	4,984	152	2,710	2,122	2,805	3,082	2,551	946	482	338	126
Sept. r	13,936	13,048	4,987	143	2,572	2,272	2,882	2,967	2,213	888	431	330	127
Oct. r	13,862	13,086	5,154	146	2,666	2,343	2,987	2,953	1,991	776	408	209	159
Nov. r	14,455	13,685	5,342	157	2,700	2,484	3,130	3,129	2,085	770	412	219	139
Dec. r	15,509	14,663	5,712	163	2,975	2,573	3,269	3,204	2,478	846	441	223	182
1973—Jan.	15,035	14,210	5,429	143	2,814	2,472	3,234	3,103	2,443	825	443	253	128
Feb.	17,789	16,718	6,453	162	3,675	2,616	3,515	3,322	3,429	1,071	596	313	162
Mar. p	18,111	17,160	6,537	141	3,696	2,700	3,697	3,463	3,463	951	524	262	165
Apr. p	18,155	17,337	6,839	146	3,942	2,752	3,781	3,463	3,253	818	460	207	152

[1] Excludes central banks, which are included with "Official institutions."

[2] Data on second line differ from those on first line because (a) those claims of U.S. banks on their foreign branches and those claims of U.S. agencies and branches of foreign banks on their head offices and foreign branches, which were previously reported as "Loans", are included in "Other short-term claims"; and (b) a number of reporting banks are included in the series for the first time.

15. LONG-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	Type						Country or area						
		Payable in dollars					Payable in foreign currencies	United Kingdom	Other Europe	Canada	Latin America	Japan	Other Asia	All other countries
		Loans to				Other long-term claims								
		Total	Official institutions	Banks[1]	Other foreigners									
1969	3,250	2,806	502	209	2,096	426	18	67	411	408	1,329	88	568	378
1970	3,075	2,698	504	236	1,958	352	25	71	411	312	1,325	115	548	292
1971 r	3,667	3,345	575	315	2,455	300	22	130	593	228	1,458	246	583	429
1972—Apr. r	3,948	3,626	654	335	2,637	295	27	143	626	230	1,542	290	673	444
May r	4,047	3,732	674	335	2,723	285	30	140	638	251	1,584	281	707	447
June r	4,192	3,874	719	363	2,792	287	31	139	631	284	1,644	309	735	449
July r	4,310	4,003	757	356	2,890	275	32	146	674	283	1,724	294	754	434
Aug. r	4,387	4,073	771	398	2,904	281	34	141	671	277	1,789	288	773	448
Sept. r	4,535	4,220	796	402	3,023	282	33	128	687	288	1,861	289	802	480
Oct. r	4,632	4,306	796	412	3,098	292	35	136	658	335	1,893	302	828	481
Nov. r	4,666	4,342	819	432	3,091	291	33	137	658	339	1,875	301	863	493
Dec. r	4,916	4,501	833	430	3,238	375	40	139	704	383	1,991	315	881	503
1973—Jan.	4,956	4,535	833	440	3,262	379	41	144	728	403	1,957	324	897	503
Feb.	5,063	4,625	840	470	3,315	386	52	135	766	431	1,977	313	911	531
Mar. p	5,210	4,754	884	479	3,391	412	44	121	857	450	1,967	307	968	539
Apr. p	5,360	4,924	932	513	3,478	387	49	122	908	477	1,995	308	1,011	539

[1] Excludes central banks, which are included with "Official institutions."

16. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

(In millions of dollars)

Period	Marketable U.S. Treas. bonds and notes[1]: Net purchases or sales: *Total*	Intl. and regional	Foreign: Total	Foreign: Official	Foreign: Other	U.S. corporate securities[2]: Purchases	Sales	Net purchases or sales	*Foreign bonds*: Purchases	Sales	Net purchases or sales	*Foreign stocks*: Purchases	Sales	Net purchases or sales
1970	56	−25	82	−41	123	11,426	9,844	1,582	1,490	2,441	−951	1,033	998	35
1971[r]	1,672	130	1,542	1,661	−119	14,573	13,158	1,415	1,687	2,621	−935	1,385	1,439	57
1972[r]	3,316	57	3,258	3,281	23	18,922	14,958	3,964	1,941	2,961	1,021	2,532	2,123	409
1973—Jan.–Apr.[p]	1,661	11	1,672	1,697	25	7,390	4,309	3,082	591	880	289	682	522	160
1972—Apr.	48	11	38	25	13	1,678	1,420	258	162	150	11	197	181	16
May[r]	348	8	356	350	6	1,346	1,111	235	128	315	187	245	141	104
June[r]	251	1	251	274	−23	1,648	1,407	241	109	339	−231	226	269	−43
July[r]	223	1	222	224	−2	1,151	1,152	*	191	101	90	155	166	11
Aug.	413	40	373	365	9	1,495	1,217	278	129	98	30	242	179	63
Sept.[r]	258	10	247	237	11	1,154	841	314	173	163	11	173	142	32
Oct.[r]	356	....	356	340	17	1,317	1,038	279	184	207	−23	188	119	69
Nov.[r]	395	1	395	377	18	1,910	1,289	621	146	171	−26	192	110	82
Dec.	404	....	404	403	1	2,007	1,368	638	243	465	−222	233	178	55
1973—Jan.	562	....	562	562	*	1,855	1,118	737	191	323	−132	161	155	7
Feb.	515	−12	527	579	52	1,785	1,062	723	144	144	*	193	145	48
Mar.[p]	554	10	544	540	3	2,215	1,092	1,123	139	125	13	207	110	97
Apr.[p]	31	9	40	16	23	1,536	1,036	500	117	287	170	121	112	9

[1] Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries; see Table 12.

[2] Includes State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

NOTE.—Statistics include transactions of international and regional organizations.

17. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE STOCKS, BY COUNTRY

(In millions of dollars)

Period	Total	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Africa	Other countries	Intl. & regional
1970	626	58	195	128	110	−33	24	482	−9	47	85	−1	1	22
1971	731	87	131	219	168	49	71	627	−93	37	108	*	−2	54
1972	2,140	372	−51	297	639	561	92	1,911	−78	−32	256	1	1	86
1973—Jan.–Apr.[p]	1,428	114	51	152	490	206	146	1,159	120	35	157	1	2	25
1972—Apr.	78	−9	−22	19	1	46	*	35	−23	13	49	−1	*	6
May	55	19	−14	8	27	20	2	62	−17	−22	30	*	*	2
June	32	8	−20	15	27	−1	5	33	−1	−42	32	*	*	9
July	−36	−6	−44	−14	56	15	41	34	4	−25	12	*	*	7
Aug.	252	60	−13	8	68	101	26	249	8	−16	4	*	*	6
Sept.	165	36	−7	15	51	56	11	162	−12	1	11	*	*	3
Oct.	160	65	6	24	83	89	20	109	8	2	29	*	−1	12
Nov.	489	85	44	55	61	150	52	447	14	25	8	*	−1	12
Dec.	350	48	3	42	59	132	19	297	−1	8	42	*	*	4
1973—Jan.	489	32	29	47	142	118	24	392	24	20	85	*	1	7
Feb.	453	25	4	67	151	82	47	376	36	10	46	1	*	4
Mar.[p]	347	35	8	47	144	21	29	284	26	5	21	*	1	10
Apr.[p]	140	21	9	8	54	15	45	106	34	10	5	*	*	4

18. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE BONDS, BY COUNTRY

(In millions of dollars)

Period	Total	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Africa	Other countries	Intl. and regional
1970	956	35	48	37	134	118	91	464	128	25	28	1	-12	324
1971	684	15	35	-1	197	327	39	612	37	19	-2	*	21	39
1972	1,824	336	77	65	134	320	315	1,246	82	22	323	2	*	148
1973—Jan.–Apr.[p]	1,654	95	9	2	92	15	386	565	52	16	961	*	*	60
1972—Apr.	180	38	3	20	-1	8	13	38	1	*	27	*		114
May	180	40	3	*	3	71	15	121	11	26	11	*	*	10
June	210	95	1	8	21	4	17	148	23	*	8		*	31
July	36	9	4	8	41	34	12	33	4	2	1	*	*	4
Aug.	27	6	4	6	17	16	45	62	9	1	1	1	*	44
Sept.	149	7	4	3	15	18	80	127	10	*	*	*	*	12
Oct.	120	36	7	1	35	4	54	138	5	3	2	*	*	28
Nov.	132	2	30	18	1	46	42	138	6	1	1	*	*	*
Dec.	289	56	30	*	14	49	60	210	8	3	29	1	*	38
1973—Jan.	248	12	*	2	29	38	73	149	1	6	31	*	*	60
Feb.	270	6	4	2	30	46	60	149	36	1	110	*	*	26
Mar.[p]	777	45	3	3	7	2	158	193	*	4	621	*	*	42
Apr.[p]	360	33	2	*	40	96	94	73	15	4	199	*	*	68

NOTE.—Statistics include State and local govt. securities, and securities of U.S. Govt. agencies and corporations. Also includes issues of new debt securities sold abroad by U.S. corporations organized to finance direct investments abroad.

19. NET PURCHASES OR SALES BY FOREIGNERS OF LONG-TERM FOREIGN SECURITIES, BY AREA

(In millions of dollars)

Period	Total	Intl. and regional	Total foreign countries	Europe	Canada	Latin America	Asia	Africa	Other countries
1970	915	254	662	50	586	11	129	6	20
1971[r]	992	310	682	31	275	46	366	57	32
1972[r]	612	90	522	508	651	72	272	66	29
1973—Jan.–Apr.[p]	129	46	175	48	181	84	39	*	3
1972—Apr.	28	7	21	65	13	31	33	3	5
May[r]	82	7	90	75	138	[illegible]	21	9	2
June[r]	274	10	284	26	201	15	93	*	*
July[r]	79	78	1	36	23	2	62	*	2
Aug.	93	1	94	50	49	1	5	*	2
Sept.[r]	42	6	36	47	3	9	24	*	1
Oct.[r]	46	16	30	76	73	2	23	*	2
Nov.[r]	57	11	46	49	4	8	8	*	*
Dec.	167	9	176	16	158	29	23	2	1
1973—Jan.	126	9	135	11	67	70	9	*	*
Feb.	48	2	50	3	41	16	27	*	*
Mar.[p]	110	23	87	19	34	8	25	*	1
Apr.[p]	-161	16	177	22	188	6	5	*	*

20. FOREIGN CREDIT AND DEBIT BALANCES IN BROKERAGE ACCOUNTS

(Amounts outstanding; in millions of dollars)

End of period	Credit balances (due to foreigners)	Debit balances (due from foreigners)
1970—June	334	182
Sept.	291	203
Dec.	349	281
1971—Mar.	511	314
June	419	300
Sept.	333	320
Dec.	311	314
1972—Mar.	325	379
June	312	339
Sept.	286	336
Dec.	366	396
1973—Mar.[p]	310	357

NOTE.—Data represent the money credit balances and money debit balances appearing on the books of reporting brokers and dealers in the United States, in accounts of foreigners with them, and in their accounts carried by foreigners.

Notes to Tables 21a and 21b on following pages:

[1] Total assets and total liabilities payable in U.S. dollars amounted to $12,604 million and $12,926 million, respectively, on Feb. 28, 1973.

NOTE.—Components may not add to totals due to rounding.

For a given month, total assets may not equal total liabilities because some branches do not adjust the parent's equity in the branch to reflect unrealized paper profits and paper losses caused by changes in exchange rates, which are used to convert foreign currency values into equivalent dollar values.

21a. ASSETS OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

Location and currency form	Month-end	Total	Claims on U.S.: Total	Claims on U.S.: Parent bank	Claims on U.S.: Other	Claims on foreigners: Total	Claims on foreigners: Other branches of parent bank	Claims on foreigners: Other banks	Claims on foreigners: Official institutions	Claims on foreigners: Nonbank foreigners	Other
IN ALL FOREIGN COUNTRIES											
Total, all currencies	1970—Dec.	47,363	9,740	7,248	2,491	36,221	6,887	16,997	695	11,643	1,403
	1971—Dec.	61,334	4,798	2,311	2,486	54,752	11,211	24,550	1,167	17,823	1,785
	1972—Feb.	61,816	4,116	1,742	2,374	55,839	11,013	25,615	1,118	18,093	1,861
	Mar.	65,033	4,565	2,085	2,480	58,653	10,633	28,066	1,173	18,781	1,815
	Apr.	63,755	4,846	2,426	2,421	57,091	10,542	26,354	1,179	19,015	1,817
	May	64,375	4,619	2,080	2,539	57,946	10,463	27,061	1,276	19,146	1,810
	June	69,623	4,854	2,279	2,576	62,901	11,459	30,586	1,342	19,514	1,867
	July	69,963	4,058	1,514	2,544	63,941	11,622	30,419	1,407	20,492	1,965
	Aug.	72,856	4,504	1,759	2,745	66,268	11,655	31,821	1,566	21,225	2,084
	Sept.	73,414	4,927	2,242	2,685	66,140	11,335	32,153	1,538	21,114	2,346
	Oct.	74,805	4,967	2,239	2,728	67,608	11,343	33,104	1,550	21,612	2,230
	Nov.	76,241	4,456	1,824	2,632	69,425	11,350	34,203	1,577	22,295	2,360
	Dec.	80,034	4,735	2,124	2,611	73,031	11,717	36,738	1,665	22,910	2,268
	1973—Jan.	81,200	4,926	2,327	2,600	74,007	11,946	36,797	1,621	23,643	2,267
	Feb.	87,987	4,327	1,565	2,762	81,104	12,273	42,204	1,747	24,881	2,555
Payable in U.S. dollars	1970—Dec.	34,619	9,452	7,233	2,219	24,642	4,213	13,265	362	6,802	525
	1971—Dec.	40,182	4,541	2,305	2,236	35,064	6,659	18,006	864	9,536	577
	1972—Feb.	39,915	3,864	1,732	2,132	35,369	6,637	18,510	821	9,400	682
	Mar.	42,993	4,300	2,062	2,238	38,065	6,725	20,604	843	9,891	631
	Apr.	41,353	4,562	2,387	2,176	36,123	6,358	19,015	881	9,870	668
	May	41,935	4,393	2,063	2,330	36,889	6,475	19,575	936	9,903	653
	June	44,905	4,585	2,260	2,325	39,669	6,598	22,049	914	10,108	651
	July	45,034	3,811	1,488	2,324	40,523	7,260	21,666	984	10,613	700
	Aug.	47,175	4,263	1,741	2,523	42,184	7,320	22,717	1,063	11,085	728
	Sept.	47,749	4,667	2,221	2,445	42,204	7,048	23,040	1,104	11,012	879
	Oct.	48,995	4,669	2,216	2,453	43,565	7,391	23,560	1,085	11,528	761
	Nov.	49,631	4,173	1,803	2,371	44,664	7,439	24,123	1,083	12,019	793
	Dec.	54,058	4,473	2,102	2,371	48,768	8,083	26,907	1,128	12,651	817
	1973—Jan.	54,197	4,592	2,303	2,289	48,829	8,094	26,764	1,063	12,908	777
	Feb.	57,631	3,987	1,534	2,452	52,716	8,551	29,829	1,097	13,239	929
IN UNITED KINGDOM											
Total, all currencies	1970—Dec.	28,451	6,729	5,214	1,515	21,121	3,475	11,095	316	6,235	601
	1971—Dec.	34,552	2,694	1,230	1,464	30,996	5,690	16,211	476	8,619	862
	1972—Feb.	34,712	2,247	1,044	1,204	31,617	5,584	17,097	454	8,482	848
	Mar.	37,104	2,503	1,312	1,190	33,810	5,380	19,177	491	8,762	790
	Apr.	36,126	2,738	1,574	1,163	32,585	5,269	17,945	507	8,865	803
	May	36,311	2,441	1,282	1,160	33,119	5,209	18,304	585	9,020	750
	June	39,452	2,298	1,199	1,099	36,307	5,604	21,096	568	9,039	846
	July	39,463	1,876	810	1,066	36,741	5,742	20,946	546	9,507	847
	Aug.	40,596	2,117	1,078	1,039	37,538	5,688	21,411	595	9,844	941
	Sept.	40,565	2,325	1,252	1,073	37,144	5,651	21,319	650	9,523	1,097
	Oct.	41,649	2,409	1,386	1,023	38,201	5,751	22,157	630	9,662	1,040
	Nov.	41,600	1,939	907	1,032	38,643	5,490	22,671	584	9,898	1,018
	Dec.	43,684	2,234	1,138	1,096	40,430	5,659	23,983	609	10,179	1,020
	1973—Jan.	44,347	2,585	1,466	1,118	40,796	5,637	24,333	574	10,252	966
	Feb.	48,533	1,945	848	1,097	45,487	5,887	28,473	585	10,542	1,102
Payable in U.S. dollars	1970—Dec.	22,574		6,596		15,655	2,223	9,420		4,012	323
	1971—Dec.	24,428		2,585		21,493	4,135	12,762		4,596	350
	1972—Feb.	23,816		2,153		21,254	3,960	13,058		4,237	409
	Mar.	26,097		2,401		23,324	3,926	14,865		4,534	372
	Apr.	24,967		2,620		21,943	3,708	13,754		4,481	404
	May	24,928		2,356		22,195	3,577	14,101		4,517	377
	June	27,114		2,210		24,535	3,931	15,983		4,621	366
	July	26,680		1,791		24,494	4,097	15,589		4,808	395
	Aug.	27,185		2,036		24,734	4,013	15,768		4,953	415
	Sept.	27,253		2,246		24,532	4,004	15,811		4,717	476
	Oct.	27,978		2,307		25,244	4,169	16,249		4,827	427
	Nov.	27,865		1,846		25,579	4,049	16,399		5,132	439
	Dec.	30,381		2,146		27,787	4,326	17,976		5,485	447
	1973—Jan.	30,652		2,468		27,778	4,184	18,069		5,526	405
	Feb.	32,746		1,814		30,423	4,568	20,219		5,637	508
IN THE BAHAMAS											
Total, all currencies	1970—Dec.	4,815	1,173	455	717	3,583		2,119		1,464	59
	1971—Dec.	8,493	1,282	505	778	7,119		3,798		3,320	92
	1972—Feb.	8,375	994	107	888	7,271		3,816		3,455	110
	Mar.	8,828	1,178	126	1,052	7,542		4,030		3,513	108
	Apr.	8,621	1,244	204	1,040	7,269		3,780		3,489	108
	May	9,097	1,361	195	1,166	7,618		4,183		3,435	117
	June	10,075	1,552	295	1,257	8,396		4,825		3,571	128
	July	10,329	1,409	110	1,298	8,786		4,924		3,863	134
	Aug.	11,516	1,530	118	1,413	9,846		5,682		4,164	139
	Sept.	11,909	1,612	221	1,391	10,145		5,926		4,219	152
	Oct.	12,026	1,739	251	1,489	10,129		5,843		4,286	157
	Nov.	12,330	1,586	221	1,365	10,577		6,209		4,368	167
	Dec.	13,091	1,496	225	1,272	11,419		6,965		4,454	175
	1973—Jan.	13,065	1,387	182	1,206	11,496		6,754		4,742	181
	Feb.	[1]13,559	1,461	83	1,378	11,860		7,189		4,671	238

For notes see p. A-85.

21b. LIABILITIES OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

Total	To U.S.			To foreigners						Month-end	Location and currency form
	Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Nonbank foreigners	Other		
											IN ALL FOREIGN COUNTRIES
47,354	2,575	716	1,859	42,812	6,426	24,829	4,180	7,377	1,967	1970—Dec.	Total, all currencies
61,336	3,114	669	2,445	56,124	10,773	31,081	5,513	8,756	2,098	1971—Dec.	
61,816	3,167	776	2,391	56,632	10,645	30,694	6,208	9,085	2,018	1972—Feb.	
65,033	3,046	635	2,411	59,925	10,363	33,710	6,311	9,521	2,062	Mar.	
63,755	2,978	621	2,356	58,726	10,097	32,379	6,617	9,635	2,051	Apr.	
64,374	2,819	562	2,256	59,648	10,055	33,114	6,649	9,830	1,908	May	
69,622	3,086	646	2,440	64,592	11,069	36,113	7,223	10,187	1,944	June	
69,963	3,212	736	2,476	64,712	11,283	35,860	7,176	10,393	2,039	July	
72,855	3,263	680	2,583	67,392	11,510	37,327	7,841	10,714	2,200	Aug.	
73,413	3,262	727	2,535	67,892	11,123	38,331	8,039	10,400	2,258	Sept.	
74,804	3,256	716	2,539	69,206	11,204	38,477	8,236	11,289	2,342	Oct.	
76,239	3,233	802	2,432	70,513	11,146	39,324	8,401	11,642	2,493	Nov.	
80,035	3,559	1,000	2,559	73,842	11,344	42,531	8,486	11,483	2,634	Dec.	
81,200	3,414	836	2,578	75,273	11,746	42,260	9,236	12,032	2,513	1973—Jan.	
87,987	3,967	1,132	2,835	80,884	11,901	46,371	9,388	13,224	3,136	Feb.	
36,086	2,334	657	1,677	32,509	4,079	19,816	3,737	4,877	1,243	1970—Dec.	Payable in U.S. dollars
42,033	2,674	511	2,163	38,083	6,653	22,069	4,433	4,928	1,276	1971—Dec.	
42,557	2,740	641	2,099	38,605	6,853	21,742	4,783	5,226	1,212	1972—Feb.	
45,603	2,642	507	2,135	41,736	6,945	24,433	4,957	5,402	1,225	Mar.	
43,663	2,589	514	2,075	39,877	6,560	22,854	5,202	5,260	1,197	Apr.	
44,223	2,411	439	1,973	40,754	6,648	23,603	5,170	5,333	1,058	May	
47,834	2,671	523	2,148	44,142	7,277	25,807	5,656	5,401	1,021	June	
47,460	2,754	611	2,143	43,634	7,507	24,766	5,777	5,584	1,072	July	
49,437	2,800	549	2,252	45,464	7,660	25,862	6,252	5,690	1,173	Aug.	
50,085	2,793	605	2,188	46,088	7,401	26,545	6,331	5,811	1,204	Sept.	
51,335	2,789	582	2,207	47,313	7,706	26,776	6,567	6,264	1,233	Oct.	
52,139	2,753	651	2,102	48,082	7,741	27,241	6,734	6,365	1,305	Nov.	
56,375	3,104	848	2,256	51,811	8,178	30,253	6,913	6,467	1,459	Dec.	
56,405	2,995	693	2,302	52,114	8,400	29,234	7,680	6,800	1,297	1973—Jan.	
60,888	3,466	954	2,511	55,813	8,783	32,022	7,809	7,200	1,609	Feb.	
											IN UNITED KINGDOM
28,451	1,339	116	1,222	26,520	2,320	16,533	3,119	4,548	592	1970—Dec.	Total, all currencies
34,552	1,660	111	1,550	32,128	3,401	19,137	4,464	5,126	763	1971—Dec.	
34,712	1,582	114	1,468	32,371	3,417	18,705	4,788	5,461	759	1972—Feb.	
37,104	1,525	78	1,447	34,787	3,209	20,989	4,996	5,594	792	Mar.	
36,126	1,340	68	1,272	33,980	3,056	19,893	5,172	5,859	807	Apr.	
36,311	1,397	105	1,291	34,090	3,154	19,908	5,158	5,871	824	May	
39,452	1,447	147	1,300	37,102	3,160	22,144	5,542	6,256	903	June	
39,463	1,497	150	1,347	37,075	3,464	21,720	5,565	6,326	892	July	
40,596	1,498	153	1,345	38,165	3,423	22,236	6,007	6,499	933	Aug.	
40,565	1,457	136	1,321	38,074	3,139	22,746	6,102	6,087	1,034	Sept.	
41,649	1,465	136	1,329	39,225	3,060	23,001	6,309	6,854	959	Oct	
41,600	1,481	132	1,349	39,149	2,928	22,769	6,340	7,112	969	Nov.	
43,684	1,456	113	1,343	41,232	2,961	24,776	6,453	7,042	997	Dec.	
44,347	1,501	107	1,394	41,933	3,277	23,959	7,285	7,412	913	1973—Jan.	
48,533	1,844	264	1,580	45,628	3,157	27,038	7,517	7,915	1,062	Feb.	
23,005	1,208	98	1,110	21,495	1,548	13,684	2,859	3,404	302	1970—Dec.	Payable in U.S. dollars
24,845	1,412	23	1,389	23,059	2,164	14,038	3,676	3,181	374	1971—Dec.	
24,765	1,377	50	1,327	22,985	2,081	13,670	3,824	3,411	403	1972—Feb.	
26,971	1,327	19	1,308	25,220	2,093	15,694	4,041	3,392	424	Mar.	
25,599	1,154	26	1,129	24,027	1,852	14,465	4,233	3,477	419	Apr.	
25,787	1,202	58	1,144	24,168	2,054	14,610	4,141	3,363	417	May	
27,729	1,250	103	1,147	26,017	2,070	15,874	4,560	3,513	462	June	
27,130	1,294	103	1,190	25,393	2,197	15,000	4,641	3,554	444	July	
27,625	1,271	100	1,171	25,887	2,140	15,217	4,981	3,549	467	Aug.	
27,586	1,230	86	1,144	25,825	1,926	15,376	4,957	3,567	531	Sept.	
28,477	1,245	80	1,165	26,759	1,942	15,597	5,216	4,004	473	Oct.	
28,558	1,270	92	1,178	26,778	1,959	15,383	5,280	4,155	510	Nov.	
30,933	1,276	72	1,203	29,121	2,008	17,478	5,349	4,287	536	Dec.	
30,926	1,335	72	1,264	29,091	2,234	16,205	6,162	4,490	500	1973—Jan.	
33,966	1,661	226	1,436	31,714	2,188	18,360	6,394	4,771	591	Feb.	
											IN THE BAHAMAS
4,815	542			4,183	488	2,872		823	90	1970—Dec.	Total, all currencies
8,495	750			7,557	1,649	4,784		1,124	188	1971—Dec.	
8,375	855			7,378	1,526	4,674		1,178	142	1972—Feb.	
8,828	832			7,868	1,429	5,134		1,305	128	Mar.	
8,621	959			7,538	1,471	4,926		1,140	125	Apr.	
9,096	812			8,141	1,454	5,356		1,330	144	May	
10,075	997			8,943	1,809	5,903		1,231	136	June	
10,329	1,043			9,126	1,633	6,169		1,323	160	July	
11,515	1,121			10,238	1,885	6,898		1,455	156	Aug.	
11,909	1,137			10,616	1,935	7,188		1,493	156	Sept.	
12,025	1,053			10,801	1,928	7,422		1,452	171	Oct.	
12,329	934			11,230	1,982	7,862		1,386	166	Nov.	
13,091	1,220			11,703	1,964	8,395		1,344	168	Dec.	
13,065	1,137			11,761	1,875	8,503		1,383	167	1973—Jan.	
13,559	1,186			12,144	2,223	8,394		1,527	230	Feb.	

For notes see p. A-85.

22. LIABILITIES OF U.S. BANKS TO THEIR FOREIGN BRANCHES AND FOREIGN BRANCH HOLDINGS OF SPECIAL U.S. GOVERNMENT SECURITIES

(Amounts outstanding; in millions of dollars)

Wednesday	Liabilities[1]
1967	
Mar. 29	3,412
June 28	3,166
Sept. 27	4,059
Dec. 27	4,241
1968	
Mar. 27	4,920
June 26	6,202
Sept. 25	7,104
Dec. 31 (1/1/69)	6,039
1969	
Mar. 26	9,621
June 25	13,269
Sept. 24	14,349
Dec. 31	12,805
1970	
Mar. 25	11,885
June 24	12,172
Sept. 30	9,663
Dec. 30	7,676

Wednesday	Liabilities[1]	Liab. plus sec.[2]
1971		
Mar. 31	2,858	4,358
June 30	1,492	4,500
Sept. 29	2,475	3,578
Dec. 29	909	....
1972		
Jan. 26	1,419	....
Feb. 23	1,068	....
Mar. 29	1,532	....
Apr. 26	1,374	....
May 31	1,465	....
June 28	1,443	....
July 26	1,345	....
Aug. 30	1,270	....
Sept. 27	2,023	....
Oct. 4	1,619	....
11	1,544	....
18	1,890	....
25	1,415	....
Nov. 1	1,387	....
8	1,338	....
15	1,841	....
22	1,464	....
29	1,745	....
Dec. 6	1,618	....
13	1,705	....
20	1,807	....
27	1,406	....

Wednesday	Liabilities[1]
1973	
Jan. 3	1,121
10	1,625
17	1,419
24	1,800
31	1,413
Feb. 7	1,391
14	694
21	1,157
28	790
Mar. 7	1,465
14	1,419
21	1,290
28	1,127
Apr. 4	1,011
11	1,203
18	1,193
25	1,116
May 2	1,238
9	1,073
16	1,721
23	1,492
30	1,345

[1] Represents gross liabilities of reporting banks to their branches in foreign countries.

[2] For period Jan. 27, 1971 through Oct. 20, 1971, includes U.S. Treasury Certificates Eurodollar Series and special Export-Import Bank securities held by foreign branches. Beginning *July 28, 1971, all of the securities held were U.S. Treasury Certificates Eurodollar Series.*

23. MATURITY OF EURO-DOLLAR DEPOSITS IN FOREIGN BRANCHES OF U.S. BANKS

(End of month; in billions of dollars)

Maturity of liability	1973 Jan.	1973 Feb.	1973 Mar.
Overnight	1.61	2.30	2.40
Call	3.19	3.50	3.37
Other liabilities, maturing in following calendar months after report date:			
1st	12.56	14.11	15.42
2nd	6.74	7.89	7.10
3rd	6.66	5.82	5.56
4th	3.28	2.96	3.70
5th	2.65	3.39	3.26
6th	3.15	2.94	2.96
7th	.74	.51	.61
8th	.43	.54	.74
9th	.48	.75	.56
10th	.56	.43	.38
11th	.39	.37	.65
12th	.33	.61	.80
Maturities of more than 1 year	1.56	1.63	1.77
Total	**44.32**	**47.74**	**49.26**

NOTE.—Includes interest-bearing U.S. dollar deposits and direct borrowings of all branches in the Bahamas and of all other foreign branches *for which such deposits and direct borrowings* amount to $50 million or more.

Details may not add to totals due to rounding.

24. DEPOSITS, U.S. TREAS. SECURITIES, AND GOLD HELD AT F.R. BANKS FOR FOREIGN OFFICIAL ACCOUNT

(In millions of dollars)

End of period	Deposits	Assets in custody: U.S. Treas. securities[1]	Assets in custody: Earmarked gold
1970	148	16,226	12,926
1971	294	43,195	13,815
1972—May	157	46,453	[2]15,542
June	257	47,176	15,542
July	160	51,522	15,542
Aug.	192	51,676	15,530
Sept.	193	50,997	15,531
Oct.	192	51,821	15,531
Nov.	188	51,874	15,530
Dec.	325	50,934	15,530
1973—Jan.	310	50,118	15,526
Feb.	455	56,914	15,522
Mar.	327	[3]59,389	15,519
Apr.	328	[3]58,255	15,513
May	289	58,015	15,511

[1] Marketable U.S. Treasury bills, certificates of indebtedness, notes, and bonds and nonmarketable U.S. Treasury securities payable in dollars and in foreign *currencies.*

[2] Increase results from change in par value of the U.S. dollar on May 8, 1972.

[3] Includes $15 million increase in Mar. and $160 million increase in Apr. in dollar value of foreign currency obligations revalued to reflect market exchange rates.

NOTE.—Excludes deposits and U.S. Treas. 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.

25. SHORT-TERM LIQUID CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars: Deposits	Payable in dollars: Short-term investments[1]	Payable in foreign currencies: Deposits	Payable in foreign currencies: Short-term investments[1]	United Kingdom	Canada
1968	1,638	1,219	87	272	60	979	280
1969 [2]	1,319	952	116	174	76	610	469
	1,491	1,062	161	183	86	663	534
1970	1,141	697	150	173	121	372	436
1971—Dec.[2]	1,648	1,092	203	234	120	577	587
	1,504	1,075	127	234	68	577	443
1972—Apr.	1,899	1,315	200	273	112	667	707
May	1,935	1,347	206	299	84	713	608
June	1,984	1,382	199	312	92	710	572
July	2,084	1,517	194	318	55	753	565
Aug.	2,279	1,608	217	392	61	761	709
Sept.	2,106	1,533	170	359	45	690	604
Oct.	2,036	1,475	171	332	57	683	551
Nov.	2,085	1,510	178	343	55	657	593
Dec.[2] r	1,963	1,444	169	307	42	700	485
	1,991	1,575	45	328	42	722	484
1973—Jan.	2,163	1,681	71	346	65	799	605
Feb. r	2,570	1,906	138	394	131	830	964
Mar.	2,563	1,912	137	367	147	933	832

[1] Negotiable and other readily transferable foreign obligations *payable on* demand or having a contractual maturity of not more than 1 year from the date on which the obligation was incurred by the foreigner.

[2] Data on the two lines for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

NOTE.—Data represent the liquid assets abroad of large nonbanking concerns in the United States. They are a portion of the total claims on foreigners reported by *nonbanking concerns in the United States and are* included in the figures shown in Tables 26 and 27.

26. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(End of period. Amounts outstanding; in millions of dollars)

Area and country	Liabilities to foreigners					Claims on foreigners				
	1971	1972				1971	1972			
	Dec.r	Mar.r	June r	Sept.r	Dec.p	Dec.r	Mar.r	June r	Sept.r	Dec.p
Europe:										
Austria	5	5	6	2	2	14	17	16	15	20
Belgium-Luxembourg	65	104	108	82	75	60	45	64	63	62
Denmark	2	3	5	5	9	15	18	20	19	28
Finland	2	2	2	3	4	18	19	19	16	23
France	136	123	139	145	165	202	196	207	188	221
Germany, Fed. Rep. of	117	88	104	130	136	192	197	191	200	176
Greece	4	5	5	14	24	34	36	36	30	39
Italy	103	107	99	108	118	186	181	184	174	193
Netherlands	69	86	65	79	102	68	66	66	71	78
Norway	5	6	5	5	9	13	16	17	19	18
Portugal	16	9	2	3	4	16	23	21	20	21
Spain	65	65	70	63	83	124	102	117	130	138
Sweden	17	16	13	14	12	40	35	37	45	56
Switzerland	104	73	97	119	119	63	60	59	57	79
Turkey	2	2	3	2	3	9	9	11	8	47
United Kingdom	890	929	981	943	932	940	954	985	992	1,042
Yugoslavia	3	4	6	5	7	13	10	10	11	15
Other Western Europe	2	1	2	2	2	13	13	10	11	14
Eastern Europe	4	5	3	9	3	28	25	22	47	42
Total	1,611	1,634	1,714	1,733	1,808	2,046	2,023	2,093	2,117	2,310
Canada	181	189	185	183	208	781	1,045	936	996	899
Latin America:										
Argentina	18	18	18	16	19	54	48	50	52	59
Brazil	19	18	19	24	35	147	138	152	163	175
Chile	14	21	16	17	18	46	39	41	33	33
Colombia	7	7	6	6	8	45	40	38	39	41
Cuba	*	*	*	1	1	1	1	1	1	1
Mexico	22	17	18	21	27	151	133	143	154	180
Panama	5	8	6	5	8	21	19	22	20	19
Peru	7	8	6	5	5	34	31	32	36	40
Uruguay	2	3	3	2	6	5	6	5	7	4
Venezuela	16	18	17	17	17	81	77	75	74	89
Other L.A. republics	32	27	32	30	35	99	94	106	96	91
Bahamas [1]	289	356	357	293	303	366	313	442	519	520
Neth. Antilles and Surinam	3	5	6	9	10	9	8	10	11	12
Other Latin America	5	12	6	6	7	24	22	18	23	23
Total	439	518	512	453	499	1,083	968	1,133	1,226	1,289
Asia:										
China, Rep. of (Taiwan)	18	23	25	26	28	41	45	45	51	67
Hong Kong	11	11	11	12	12	23	21	23	22	24
India	26	13	7	7	7	35	28	32	36	32
Indonesia	10	6	5	6	12	28	29	25	32	33
Israel	10	9	9	11	12	22	21	17	18	31
Japan	173	189	188	223	149	405	442	451	452	456
Korea	13	12	16	16	20	68	56	61	57	63
Philippines	5	8	6	5	15	48	62	67	63	49
Thailand	3	4	4	5	5	15	18	15	14	15
Other Asia	142	109	104	140	149	145	171	174	172	201
Total	412	383	374	451	410	830	894	911	918	972
Africa:										
Egypt	1	1	1	1	25	9	9	6	7	7
South Africa	31	26	37	17	7	41	42	46	45	51
Zaire	1	1	1	2	1	6	5	7	7	5
Other Africa	35	30	31	37	59	99	75	74	64	78
Total	67	59	71	57	92	155	129	133	122	140
Other countries:										
Australia	42	50	54	46	47	80	83	97	92	88
All other	8	9	11	11	13	17	26	18	18	20
Total	50	58	66	57	60	98	109	116	110	108
International and regional	*	*	*	*	*	4	2	5	8	5
Grand total	2,761	2,842	2,922	2,933	3,075	4,997	5,170	5,328	5,498	5,722

[1] Includes Bermuda.

NOTE.—Reported by exporters, importers, and industrial and commercial concerns and other nonbanking institutions in the United States. Data exclude claims held through U.S. banks, and intercompany accounts between U.S. companies and their foreign affiliates.

27. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Liabilities: Total	Liabilities: Payable in dollars	Liabilities: Payable in foreign currencies	Claims: Total	Claims: Payable in dollars	Claims: Payable in foreign currencies: Deposits with banks abroad in reporter's name	Claims: Payable in foreign currencies: Other
1968—Sept.	1,678	1,271	407	3,907	3,292	422	193
Dec.	1,608	1,225	382	3,783	3,173	368	241
1969—Mar.	1,576	1,185	391	4,014	3,329	358	327
June	1,613	1,263	350	4,023	3,316	429	278
Sept.	1,797	1,450	346	3,874	3,222	386	267
Dec.[1]	1,786	1,399	387	3,710	3,124	221	365
	2,124	1,654	471	4,159	3,532	244	383
1970—June	2,387	1,843	543	4,457	3,868	234	355
Sept.	2,512	1,956	557	4,361	3,756	301	305
Dec.	2,677	2,281	496	4,160	3,579	234	348
1971—Mar.	2,437	1,975	462	4,515	3,909	232	374
June	2,375	1,937	438	4,708	4,057	303	348
Sept.	2,564	2,109	454	4,894	4,186	383	326
Dec.[1] r	2,704	2,229	475	5,185	4,535	318	333
	2,761	2,298	463	4,997	4,459	290	247
1972—Mar. r	2,842	2,404	437	5,170	4,550	318	302
June r	2,922	2,450	472	5,328	4,681	376	270
Sept. r	2,933	2,435	498	5,498	4,836	432	230
Dec. p	3,075	2,584	491	5,722	5,087	397	238

[1] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

28. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONBANKING CONCERNS

(Amounts outstanding; in millions of dollars)

End of period	Total liabilities	Claims: Total	United Kingdom	Other Europe	Canada	Brazil	Mexico	Other Latin America	Japan	Other Asia	Africa	All other
1968—Sept.	767	1,625	43	313	376	198	62	251	126	142	82	32
Dec.	1,129	1,790	147	306	419	194	73	230	128	171	83	38
1969—Mar.	1,285	1,872	175	342	432	194	75	222	126	191	72	43
June	1,325	1,952	168	368	447	195	76	216	142	229	72	40
Sept.	1,418	1,965	167	369	465	179	70	213	143	246	71	42
Dec.[1]	1,725	2,215	152	433	496	172	73	388	141	249	69	42
	2,304	2,363	152	442	562	177	77	420	142	271	75	46
1970—Mar.	2,358	2,744	159	735	573	181	74	458	158	288	71	47
June	2,587	2,757	161	712	580	177	65	477	166	288	76	54
Sept.	2,785	2,885	157	720	620	180	63	586	144	284	73	58
Dec.	3,102	2,950	146	708	669	183	60	618	140	292	71	64
1971—Mar.	3,177	2,983	154	688	670	182	63	615	161	302	77	72
June	3,172	2,982	151	687	677	180	63	625	138	312	75	74
Sept.	2,939	3,019	135	672	765	178	60	597	133	319	85	75
Dec.[1] r	3,159	3,118	128	705	761	174	60	652	141	327	86	85
	3,122	3,118	128	705	767	174	60	653	136	325	86	84
1972—Mar. r	3,077	3,191	129	713	787	175	60	665	137	359	81	85
June r	3,309	3,194	108	707	797	180	58	668	136	361	86	93
Sept. r	3,482	3,222	128	690	809	176	62	659	132	383	89	96
Dec. p	3,625	3,319	137	709	833	178	58	668	152	389	87	109

[1] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Ceylon (rupee)	Denmark (krone)	Finland (markka)	France (franc)
1968	111.25	3.8675	2.0026	92.801	16.678	13.362	23.761	20.191
1969	111.10	3.8654	1.9942	92.855	16.741	13.299	23.774	19.302
1970	111.36	3.8659	2.0139	95.802	16.774	13.334	23.742	18.087
1971	113.61	4.0009	2.0598	99.021	16.800	13.508	23.758	18.148
1972	119.23	4.3228	2.2716	100.937	16.057	14.384	24.022	19.825
1972—May	119.10	4.3277	2.2737	101.120	16.650	14.332	24.084	19.944
June	119.10	4.3421	2.2758	102.092	16.772	14.336	24.136	19.937
July	119.10	4.3674	2.2814	101.630	15.878	14.368	24.035	19.990
Aug.	119.11	4.3470	2.2795	101.789	15.611	14.438	24.020	19.986
Sept.	119.10	4.3354	2.2742	101.730	15.600	14.388	24.015	19.977
Oct.	119.07	4.3102	2.2640	101.756	15.605	14.453	23.562	19.906
Nov.	119.09	4.3064	2.2685	101.279	15.026	14.510	24.022	19.839
Dec.	120.74	4.3172	2.2670	100.326	14.936	14.601	24.000	19.657
1973—Jan.	127.16	4.3203	2.2665	100.071	14.904	14.536	23.986	19.671
Feb.	135.46	4.8582	2.3981	100.440	15.407	15.386	24.728	20.987
Mar.	141.29	4.8759	2.5378	100.333	15.774	16.275	25.628	22.191
Apr.	141.50	4.8380	2.4895	99.928	15.777	16.099	25.872	21.959
May	141.50	4.9082	2.5356	99.916	15.883	16.241	25.277	22.341

Period	Germany (Deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)	Malaysia (dollar)	Mexico (peso)	Netherlands (guilder)
1968	25.048	13.269	239.35	.16042	.27735	32.591	8.0056	27.626
1969	25.491	13.230	239.01	.15940	.27903	32.623	8.0056	27.592
1970	27.424	13.233	239.59	.15945	.27921	32.396	8.0056	27.651
1971	28.768	13.338	244.42	.16174	.28779	32.989	8.0056	28.650
1972	31.364	13.246	250.08	.17132	.32995	35.610	8.0000	31.153
1972—May	31.454	13.763	261.24	.17175	.32854	35.446	8.0000	31.124
June	31.560	13.754	256.91	.17142	.33070	35.475	8.0000	31.296
July	31.634	13.072	244.47	.17208	.33219	35.918	8.0000	31.424
Aug.	31.382	13.030	245.02	.17203	.33204	36.026	8.0000	31.158
Sept.	31.318	13.016	244.10	.17199	.33209	36.110	8.0000	30.969
Oct.	31.184	12.806	239.48	.17145	.33221	36.063	8.0000	30.869
Nov.	31.215	12.540	235.05	.17109	.33224	36.124	8.0000	30.964
Dec.	31.262	12.467	234.48	.17146	.33196	35.531	8.0000	30.962
1973—Jan.	31.288	12.494	235.62	.17079	.33136	35.523	8.0000	31.084
Feb.	33.273	12.910	242.75	.17421	.36041	37.679	8.0000	33.119
Mar.	35.548	13.260	247.24	.17604	.38190	39.922	8.0000	34.334
Apr.	35.252	13.255	248.37	.16971	.37666	40.307	8.0000	33.890
May	35.841	13.340	253.05	.17100	.37786	40.333	8.0000	34.488

Period	New Zealand (dollar)	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
1968	111.37	14.000	3.4864	139.10	1.4372	19.349	23.169	239.35
1969	111.21	13.997	3.5013	138.90	1.4266	19.342	23.186	239.01
1970	111.48	13.992	3.4978	139.24	1.4280	19.282	23.199	239.59
1971	113.71	14.205	3.5456	140.29	1.4383	19.592	24.325	244.42
1972	119.35	15.180	3.7023	129.43	1.5559	21.022	26.193	250.08
1972—May	119.41	15.214	3.7075	133.82	1.5492	21.032	25.903	261.24
June	119.13	15.303	3.7083	132.63	1.5509	21.101	26.320	256.91
July	119.31	15.367	3.7178	125.26	1.5754	21.134	26.561	244.47
Aug.	119.45	15.335	3.7211	125.28	1.5752	21.160	26.449	245.02
Sept.	119.33	15.209	3.7221	125.26	1.5754	21.146	26.403	244.10
Oct.	119.21	15.141	3.7080	124.47	1.5750	21.078	26.332	239.48
Nov.	119.45	15.144	3.7140	127.52	1.5753	21.076	26.346	235.05
Dec.	119.53	15.187	3.7248	127.57	1.5753	21.080	26.526	234.48
1973—Jan.	119.52	15.128	3.7280	127.55	1.5755	21.092	26.820	235.62
Feb.	126.87	16.038	3.8562	134.91	1.6355	21.935	29.326	242.75
Mar.	132.21	16.954	4.1005	141.43	1.7183	22.582	31.084	247.24
Apr.	132.99	16.428	3.9563	141.70	1.7217	22.161	30.821	248.37
May	132.34	17.196	4.0050	141.647	1.7224	22.567	31.494	253.05

NOTE.—Averages of certified noon buying rates in New York for cable transfers. For description of rates and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of May 31, 1972		Changes during the last 12 months												Rate as of May 31, 1973
			1972							1973					
	Per cent	Month effective	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	
Argentina	18.0	Feb. 1972													18.0
Austria	5.0	Jan. 1970						5.5							5.5
Belgium	4.0	Mar. 1972						4.5	5.0					5.50	5.50
Brazil	18.0	Feb. 1972													20.0
Canada	4.75	Oct. 1971											5.25	5.75	5.75
Ceylon	6.5	Jan. 1970													6.5
Chile	7.0	Jan. 1972													7.0
China, Rep. of (Taiwan)	9.25	May 1971													9.25
Colombia	8.0	May 1963													8.0
Costa Rica	5.0	June 1966													5.0
Denmark	7.0	Jan. 1972	8.0				7.0								7.0
Ecuador	8.0	Jan. 1970													8.0
Egypt	5.0	May 1962													5.0
El Salvador	4.0	Aug. 1964													4.0
Ethiopia	6.50	Aug. 1970													6.50
Finland	7.75	Jan. 1972													7.75
France	5.75	Apr. 1972						7.5							7.5
Germany, Fed. Rep. of	3.0	Feb. 1972					3.5	4.5		5.0				6.0	6.0
Ghana	8.0	July 1971													8.0
Greece	6.5	Sept. 1969													6.5
Honduras	4.0	Feb. 1966													4.0
Iceland	5.25	Jan. 1966													5.25
India	6.0	Jan. 1971												7.0	7.0
Indonesia	6.0	May 1969													6.0
Iran	7.0	Oct. 1969													7.0
Ireland	4.81	Dec. 1971	5.19		6.19	7.19	7.44								7.44
Italy	4.0	Apr. 1972													4.0
Jamaica	5.0	Dec. 1971	6.0							7.0					7.0
Japan	4.75	Dec. 1971	4.25										5.0	5.5	5.5
Korea	13.0	Jan. 1972													13.0
Mexico	4.5	June 1942													4.5
Morocco	3.50	Nov. 1951													3.50
Netherlands	4.0	Mar. 1972				3.0		4.0							4.0
New Zealand	6.0	Mar. 1972													6.0
Nigeria	4.50	June 1968													4.50
Norway	4.5	Sept. 1969													4.5
Pakistan	6.0	May 1972													6.0
Peru	9.5	Nov. 1959													9.5
Philippine Republic	10.0	June 1969													10.0
Portugal	3.75	Feb. 1971							4.0			5.5			4.0
South Africa	6.5	Mar. 1971			6.0										5.5
Spain	5.0	Oct. 1971													5.0
Sweden	5.0	Nov. 1971						5.0							5.0
Switzerland	3.75	Sept. 1969								4.50					4.50
Thailand	5.0	Oct. 1959													5.0
Tunisia	5.0	Sept. 1966													5.0
Turkey	9.0	Sept. 1970										8.0			8.0
United Kingdom	5.0	Sept. 1971	6.0				7.50		9.0	8.75		8.5			†8.5
Venezuela	5.0	Oct. 1970													5.0
Vietnam	18.0	Sept. 1970													18.0

NOTE.—Rates shown are mainly those at which the central bank either discounts or makes advances against eligible commercial paper and/or govt. securities for 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. Other rates for some of these countries follow:

Argentina—3 and 5 per cent for certain rural and industrial paper, depending on type of transaction;

Brazil—8 per cent for secured paper and 4 per cent for certain agricultural paper;

Chile—Various rates ranging from 1 per cent to 17 per cent; 20 per cent for loans to make up reserve deficiencies.

Colombia—5 per cent for warehouse receipts covering approved lists of products, 6 and 7 per cent for agricultural bonds, and 12 and 18 per cent for rediscounts in excess of an individual bank's quota;

Costa Rica—5 per cent for paper related to commercial transactions (rate shown is for agricultural and industrial paper);

Ecuador—5 per cent for special advances and for bank acceptances for agricultural purposes, 7 per cent for bank acceptances for industrial purposes, and 10 per cent for advances to cover shortages in legal reserves;

Ethiopia—5 per cent for export paper and 6 per cent for Treasury bills.

Honduras—Rate shown is for advances only.

Indonesia—Various rates depending on type of paper, collateral, commodity involved, etc.;

Japan—Penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;

Morocco—Various rates from 3 per cent to 4.6 per cent depending on type of paper, maturity, collateral, guarantee, etc.

Peru—3.5, 5, and 7 per cent for small credits to agricultural or fish production, import substitution industries and manufacture of exports; 8 per cent for other agricultural, industrial and mining paper;

Philippines—6 per cent for financing the production, importation, and distribution of rice and corn and 7.75 per cent for credits to enterprises engaged in export activities. Preferential rates are also granted on credits to rural banks; and

† *United Kingdom*—On Oct. 9, 1972, the Bank of England announced: "With effect from Friday October 13th the Bank's minimum lending rate will until further notice be the average rate of discount for Treasury bills established at the most recent tender plus one half percent rounded to the nearest one quarter percent above. Although the rate will therefore be automatically determined by this formula it will for convenience be made known each Friday afternoon concurrently with and in the same manner as the results of the Treasury bill tender. The regular weekly bank rate announcement will be discontinued from now on." Therefore, the minimum lending rate as of last Friday of the month will be carried in place of Bank rate.

Venezuela—2 per cent for rediscounts of certain agriculture paper, 4½ per cent for advances against government bonds, and 5½ per cent for rediscounts of certain industrial paper and on advances against promissory notes or securities of first-class Venezuelan companies.

Vietnam—10 per cent for export paper; treasury bonds are rediscounted at a rate 4 percentage points above the rate carried by the bond; and there is a penalty rate of 24 per cent for banks whose loans exceed quantitative ceilings.

OPEN MARKET RATES

(Per cent per annum)

Month	Canada: Treasury bills, 3 months[1]	Canada: Day-to-day money[2]	United Kingdom: Prime bank bills, 3 months[3]	United Kingdom: Treasury bills, 3 months	United Kingdom: Day-to-day money	United Kingdom: Clearing banks' deposit rates[4]	France: Day-to-day money[5]	Germany, Fed. Rep. of: Treasury bills, 60–90 days[6]	Germany, Fed. Rep. of: Day-to-day money[7]	Netherlands: Treasury bills, 3 months	Netherlands: Day-to-day money	Switzerland: Private discount rate
1971	3.62	3.76	6.41	5.57	4.93	3.84	5.84	4.54	6.10	4.34	3.76	5.24
1972	3.55	3.65	6.06	5.02	4.83	3.84	....	3.04	4.30	2.15	1.97	4.81
1972—May	3.67	3.73	4.83	4.27	4.56	2.50	5.32	2.75	2.95	1.98	3.03	4.75
June	3.61	3.64	5.86	5.21	3.92	2.93	3.81	2.75	2.65	1.90	1.53	4.75
July	3.48	3.45	6.82	5.60	4.99	4.18	3.78	2.75	2.24	1.09	.86	4.75
Aug.	3.47	3.54	6.71	5.79	5.13	5.25	3.76	2.75	4.48	.70	.60	4.75
Sept.	3.57	3.52	7.18	6.44	5.27	5.25	3.89	2.75	4.83	1.11	.54	4.75
Oct.	3.57	3.64	7.34	6.74	5.47	5.25	5.16	3.25	6.07	1.95	2.61	4.75
Nov.	3.61	3.71	7.28	6.88	5.70	5.25	6.33	3.75	5.71	3.13	3.31	4.75
Dec.	3.66	3.71	8.08	7.76	6.23	5.57	7.32	4.25	6.69	3.12	3.20	4.75
1973—Jan.	3.79	3.72	8.76	8.49	7.66	6.55	7.23	4.75	5.58	3.16	2.78	5.00
Feb.	3.91	3.93	9.34	8.14	8.31	7.30	7.71	....	2.18	2.33	1.55	5.00
Mar.	4.28	4.21	9.76	8.16	7.52	7.50	....	....	11.37	1.53	.61	5.00
Apr.	4.69	4.53	8.64	7.87	7.20	7.25	....	....	....	....	....	5.00
May	5.23	4.67	8.35	7.20	8.29	7.11	....	....	....	1.22	.77	....

[1] Based on average yield of weekly tenders during month.
[2] Based on weekly averages of daily closing rates.
[3] Data for 1968 through Sept. 1971 are for bankers' acceptances, 3 months.
[4] Data for 1968 through Sept. 1971 are for bankers' allowance on deposits.
[5] Rate shown is on private securities.
[6] Rate in effect at end of month.
[7] Monthly averages based on daily quotations.
[8] Bill rates in table are buying rates for prime paper.

NOTE.—For description and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

ARBITRAGE ON TREASURY BILLS

(Per cent per annum)

Date	United States and United Kingdom: Treasury bill rates: United Kingdom (adj. to U.S. quotation basis)	United States and United Kingdom: Treasury bill rates: United States	United States and United Kingdom: Treasury bill rates: Spread (favor of London)	United States and United Kingdom: Premium (+) or discount (−) on forward pound	United States and United Kingdom: Net incentive (favor of London)	United States and Canada: Treasury bill rates: Canada: As quoted in Canada	United States and Canada: Treasury bill rates: Canada: Adj. to U.S. quotation basis	United States and Canada: Treasury bill rates: United States	United States and Canada: Treasury bill rates: Spread (favor of Canada)	United States and Canada: Premium (+) or discount (−) on forward Canadian dollars	United States and Canada: Net incentive (favor of Canada)
1972											
Dec. 1	7.05	4.82	2.23	−2.93	.70	3.70	3.62	4.82	1.20	.12	−1.08
8	7.37	4.98	2.39	3.03	−.64	3.70	3.62	4.98	1.36	.26	−1.10
15	7.33	4.97	2.36	3.49	1.13	3.67	3.59	4.97	1.38	.24	1.14
22	8.32	5.09	3.23	3.58	−.35	3.61	3.53	5.09	1.56	.42	−1.14
29	8.19	5.05	3.14	3.54	.40	3.66	3.58	5.05	1.47	.44	−1.03
1973											
Jan. 5	8.17	5.05	3.12	3.29	.17	3.72	3.64	5.05	1.41	.52	−.89
12	8.15	5.19	2.96	−3.50	.54	3.75	3.66	5.19	1.53	.68	−.85
19	8.08	5.42	2.66	−3.66	−1.00	3.78	3.69	5.42	−1.73	.96	−.77
26	8.01	5.67	2.34	3.65	−1.31	3.89	3.80	5.67	1.87	1.08	−.79
Feb. 2	8.00	5.69	2.31	−4.04	1.73	3.93	3.84	5.69	−1.85	1.36	.49
9	7.98	5.30	2.68	3.00	.32	3.92	3.83	5.30	1.47	1.48	.01
16	7.96	5.31	2.65	3.78	1.13	3.88	3.79	5.31	1.52	1.74	.22
23	7.95	5.44	2.51	3.39	.88	3.91	3.82	5.44	1.62	1.78	.66
Mar. 2	8.01	5.68	2.33	2.82	.49	4.05	3.96	5.68	1.72	2.06	.34
9	8.11	5.76	2.35	3.78	1.43	4.15	4.05	5.76	1.71	2.35	.64
16	7.99	6.04	1.95	3.73	1.78	4.28	4.18	6.04	1.86	2.31	.45
23	7.87	6.21	1.66	3.32	1.66	4.42	4.31	6.21	1.90	2.31	.41
30	7.83	6.22	1.61	2.77	1.16	4.50	4.39	6.22	1.83	r2.52	r.69
Apr. 6	7.77	6.34	1.43	2.57	1.14	4.48	4.37	6.34	1.97	2.16	.19
13	7.35	6.12	1.23	2.15	−.92	4.75	4.63	6.12	1.49	1.48	.01
20[1]	....	....	....	....	....	....	....	....	....	....	....
27	7.56	6.13	1.43	−1.86	.43	4.86	4.82	6.13	−1.31	1.68	.37
May 4	7.56	6.16	1.40	2.13	.73	5.02	4.89	6.16	1.27	1.54	.27
11	7.26	6.04	1.22	1.80	.58	4.99	4.86	6.04	1.18	1.30	.12
18	7.15	6.22	.93	1.80	.87	5.70	5.06	6.22	1.16	1.48	.32
25	7.08	6.46	.62	1.52	.90	5.20	5.06	6.46	1.40	1.48	.08

[1] No data because of holiday on Good Friday.

NOTE.—*Treasury bills:* All rates are on the latest issue of 91-day bills. U.S. and Canadian rates are market offer rates 11 a.m. Friday; U.K. rates are Friday opening market offer rates in London.

Premium or discount on forward pound and on forward Canadian dollar: Rates per annum computed on basis of midpoint quotations (between bid and offer) at 11 a.m. Friday in New York for both spot and forward pound sterling and for both spot and forward Canadian dollars.

All series: Based on quotations reported to F.R. Bank of New York by market sources.

For description of series and for back figures, see Oct. 1964 BULLETIN, pp. 1241–60. For description of adjustments to U.K. and Canadian Treasury bill rates, see notes to Table 1, p. 1257, and to Table 2, p. 1260, Oct. 1964 BULLETIN.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

(In millions of dollars; valued at $35 per fine ounce through Apr. 1972 and at $38 per fine ounce thereafter)

End of period	Estimated total world[1]	Intl. Monetary Fund	United States	Estimated rest of world	Algeria	Argentina	Australia	Austria	Belgium	Brazil	Burma	Canada	Chile
1965	[2]43,230	[3]1,869	13,806	27,285	6	66	223	700	1,558	63	84	1,151	44
1966	43,185	2,652	13,235	27,300	6	84	224	701	1,525	45	84	1,046	45
1967	41,600	2,682	12,065	26,855	155	84	231	701	1,480	45	84	1,015	45
1968	40,905	2,288	10,892	27,725	205	109	257	714	1,524	45	84	863	46
1969	41,015	2,310	11,859	26,845	205	135	263	715	1,520	45	84	872	47
1970	41,275	4,339	11,072	25,865	191	140	239	714	1,470	45	63	791	47
1971	[r]41,175	4,732	10,206	[r]26,235	192	90	259	729	1,544	46	22	792	47
1972—Apr.	....	5,331	9,662	....	192	70	259	729	1,544	46	20	767	....
May	....	5,761	10,490	....	208	76	282	791	1,682	50	18	836	....
June	[r]44,825	5,761	10,490	[r]28,575	208	130	283	792	1,682	50	16	834	....
July	....	5,761	10,490	....	208	130	285	793	1,682	50	16	834	....
Aug.	....	5,765	10,488	....	208	130	283	792	1,672	50	16	834	....
Sept.	[r]44,875	5,777	10,487	[r]28,610	208	152	283	792	1,648	50	16	834	....
Oct.	....	5,777	10,487	....	208	152	282	792	1,636	50	16	834	....
Nov.	....	5,778	10,487	....	208	152	282	792	1,642	50	16	834	....
Dec.	44,925	5,830	10,487	28,610	208	152	281	792	1,638	50	12	834	....
1973—Jan.	....	5,830	10,487	....	208	152	281	793	1,621	50	12	834	....
Feb.	....	5,830	10,487	....	208	152	281	793	1,621	50	....	834	....
Mar.	[p]44,875	5,830	10,487	[p]28,560	208	....	282	793	1,621	....	....	834	....
Apr.[p]	....	5,830	10,487	....	208	....	281	793	....	....	....	834	....

End of period	China, Rep. of (Taiwan)	Colombia	Denmark	Egypt	Finland	France	Germany, Fed. Rep. of	Greece	India	Iran	Iraq	Ireland	Israel
1965	55	35	97	139	84	4,706	4,410	78	281	146	110	21	56
1966	62	26	108	93	45	5,238	4,292	120	243	130	106	23	46
1967	81	31	107	93	45	5,234	4,228	130	243	144	115	25	46
1968	81	31	114	93	45	3,877	4,539	140	243	158	193	79	46
1969	82	26	89	93	45	3,547	4,079	130	243	158	193	39	46
1970	82	17	64	85	29	3,532	3,980	117	243	131	144	16	43
1971	80	14	64	85	49	3,523	4,077	98	243	131	144	16	43
1972—Apr.	80	14	64	85	49	3,523	4,077	98	243	131	144	16	43
May	87	15	69	92	53	3,826	4,437	132	264	142	156	17	47
June	87	16	69	92	53	3,826	4,437	132	264	142	156	17	47
July	87	16	69	92	53	3,826	4,437	132	264	142	156	17	47
Aug.	87	16	69	92	53	3,826	4,437	132	264	142	156	17	47
Sept.	87	16	69	92	53	3,826	4,436	132	264	142	156	17	43
Oct.	87	16	69	92	53	3,826	4,436	132	264	142	156	17	42
Nov.	87	16	69	92	53	3,826	4,436	132	264	142	156	17	44
Dec.	87	16	69	92	53	3,826	4,459	133	264	142	156	17	43
1973—Jan.	87	16	69	92	53	3,834	[r]4,468	133	264	142	156	17	41
Feb.	87	16	69	92	53	3,834	[r]4,468	133	....	142	156	17	41
Mar.	....	16	69	92	53	3,834	[r]4,468	133	....	142	156	17	41
Apr.[p]	....	16	69	....	53	3,834	4,468	133	....	....	156	17	....

End of period	Italy	Japan	Kuwait	Lebanon	Libya	Malaysia	Mexico	Morocco	Netherlands	Norway	Pakistan	Peru	Philippines
1965	2,404	328	52	182	68	2	158	21	1,756	31	53	67	38
1966	2,414	329	67	193	68	1	109	21	1,730	18	53	65	44
1967	2,400	338	136	193	68	31	166	21	1,711	18	53	20	60
1968	2,923	356	122	288	85	66	165	21	1,697	24	54	20	62
1969	2,956	413	86	288	85	63	169	21	1,720	25	54	25	45
1970	2,887	532	86	288	85	48	176	21	1,787	23	54	40	56
1971	2,884	679	87	322	85	58	184	21	1,909	33	55	40	67
1972—Apr.	2,884	735	89	322	85	58	174	21	1,908	33	55	40	68
May	3,131	801	104	350	93	63	188	23	2,079	36	60	43	73
June	3,131	801	98	350	93	63	188	23	2,079	36	60	41	72
July	3,131	801	94	350	93	63	188	23	2,079	36	60	41	72
Aug.	3,131	801	94	350	93	63	188	23	2,079	36	60	41	72
Sept.	3,130	801	94	350	93	63	188	23	2,078	36	60	41	72
Oct.	3,130	801	94	350	93	63	188	23	2,078	36	60	41	72
Nov.	3,130	801	94	350	93	63	188	23	2,059	36	60	41	71
Dec.	3,130	801	94	350	93	63	188	23	2,059	37	60	41	71
1973—Jan.	3,134	801	94	350	93	63	188	23	2,059	37	60	41	71
Feb.	3,134	801	94	350	93	63	....	23	2,059	37	60	41	71
Mar.	3,134	801	94	307	93	63	....	23	2,059	37	60	41	71
Apr.[p]	3,134	801	94	297	93	....	....	....	2,059	37	60	....	....

For notes see end of table.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS—Continued

(In millions of dollars; valued at $35 per fine ounce through Apr. 1972 and at $38 per fine ounce thereafter)

End of period	Portugal	Saudi Arabia	South Africa	Spain	Sweden	Switzerland	Thailand	Turkey	United Kingdom	Uruguay	Venezuela	Yugoslavia	Bank for Intl. Settlements [4]
1965	576	73	425	810	202	3,042	96	116	2,265	155	401	19	−558
1966	643	69	637	785	203	2,842	92	102	1,940	146	401	21	−424
1967	699	69	583	785	203	3,089	92	97	1,291	140	401	22	−624
1968	856	119	1,243	785	225	2,624	92	97	1,474	133	403	50	−349
1969	876	119	1,115	784	226	2,642	92	117	1,471	165	403	51	−480
1970	902	119	666	498	200	2,732	92	126	1,349	162	384	52	−282
1971	921	119	410	498	200	2,909	82	130	775	148	391	51	310
1972—Apr.	925	119	412	498	200	2,909	82	127	751	156	391	51	347
May	1,004	129	471	541	217	3,158	89	127	816	169	425	56	365
June	1,004	129	507	541	217	3,158	89	122	816	169	425	56	304
July	1,004	129	543	541	217	3,158	89	122	816	169	425	56	276
Aug.	1,021	129	580	541	217	3,158	89	122	800	169	425	56	276
Sept.	1,021	129	601	541	217	3,158	89	122	800	169	425	56	267
Oct.	1,021	129	636	541	217	3,158	89	122	800	169	425	56	267
Nov.	1,021	129	662	541	217	3,158	89	122	800	169	425	56	255
Dec.	1,021	129	681	541	217	3,158	89	136	800	....	425	56	218
1973—Jan.	1,022	129	706	542	220	3,162	89	136	....	....	425	56	218
Feb.	1,022	131	711	....	220	3,162	89	136	....	....	425	56	214
Mar.	1,022	131	714	....	220	3,162	89	136	....	....	425	56	214
Apr.[p]	....	131	720	....	220	3,162	89	136	....	....	425	56	214

[1] Includes reported or estimated gold holdings of international and regional organizations, central banks and govts. of countries listed in this table, and also of a number not shown separately here, and gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; excludes holdings of the U.S.S.R., other Eastern European countries, and China Mainland.

The figures included for the Bank for International Settlements are the Bank's gold assets net of gold deposit liabilities. This procedure avoids the overstatement of total world gold reserves since most of the gold deposited with the BIS is included in the gold reserves of individual countries.

[2] Adjusted to include gold subscription payments to the IMF made by some member countries in anticipation of increase in Fund quotas, except those matched by gold mitigation deposits with the United States and United Kingdom; adjustment is $270 million.

[3] Excludes gold subscription payments made by some member countries in anticipation of increase in Fund quotas: for most of these countries the increased quotas became effective in Feb. 1966.

[4] Net gold assets of BIS, i.e., gold in bars and coins and other gold assets minus gold deposit liabilities.

NOTE.—For back figures and description of the data in this and the following tables on gold (except production), see "Gold," Section 14 of *Supplement to Banking and Monetary Statistics*, 1962.

GOLD PRODUCTION

(In millions of dollars; valued at $35 per fine ounce through 1971 and at $38 per fine ounce thereafter)

Period	World production [1]	Africa			North and South America					Asia			Other	
		South Africa	Ghana	Zaire	United States	Canada	Mexico	Nicaragua	Colombia	India	Japan	Philippines	Australia	All other [1]
1966	1,445.0	1,080.8	24.0	5.6	63.1	114.6	7.5	5.2	9.8	4.2	19.4	15.8	32.1	62.9
1967	1,410.0	1,068.7	26.7	5.4	53.4	103.7	5.8	5.2	9.0	3.4	23.7	17.2	28.4	59.4
1968	1,420.0	1,088.0	25.4	5.9	53.9	94.1	6.2	4.9	8.4	4.0	21.5	18.5	27.6	61.6
1969	1,420.0	1,090.7	24.8	6.0	60.1	89.1	6.3	3.7	7.7	3.4	23.7	20.0	24.5	60.0
1970	1,450.0	1,128.0	24.6	6.2	63.5	84.3	6.9	4.0	7.1	3.7	24.8	21.1	21.7	54.1
1971[p]	....	1,098.7	24.4	6.0	52.3	79.1	5.3	3.7	6.6	4.1	27.0	22.2	23.5	....
1972[p]	....	1,109.8	....	....	54.3	77.2	....	....	7.1	....	....	....	....	....
1972—Mar.	....	91.8	....	[2]1.2	....	6.6	.5	....	.5	.3	2.6	....	2.0	....
Apr.	....	93.2	....	....	....	7.5	....	....	.6	.3	2.4	....	2.4	....
May	....	94.4	....	....	....	6.8	....	....	.6	.4	2.4	....	2.3	....
June	....	94.3	....	[2]1.0	....	6.2	....	....	.7	.3	2.5	....	2.5	....
July	....	94.4	....	....	....	6.4	....	....	.5	.4	2.8	....	2.6	....
Aug.	....	94.1	....	....	....	5.9	....	....	.6	.3	2.8	....	2.8	....
Sept.	....	93.9	....	....	....	6.3	....	....	.6	.3	3.1	....	2.2	....
Oct.	....	94.2	....	....	....	6.3	....	....	.5	.3	2.7	....	2.1	....
Nov.	....	91.5	....	....	....	6.0	....	....	.7	....	....	....	....	....
Dec.	....	84.3	....	....	....	6.3	....	....	.5	....	....	....	....	....
1973—Jan.	....	88.2	....	....	....	6.2	....	....	.8	....	....	....	....	....
Feb.	....	86.5	....	....	....	6.1	....	....	....	....	....	....	....	....
Mar.	....	88.5	....	....	....	6.3	....	....	....	....	....	....	....	....

[1] Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

[2] Quarterly data.

OPERATING RATIOS BY SIZE OF BANK AND BY RATIO OF TIME TO TOTAL DEPOSITS

(Averages of individual ratios expressed as percentages)

Item	All groups	Size group—Total deposits (in thousands of dollars)							Ratio of time deposits to total deposits (per cent)			
		5,000 and under	5,000–10,000	10,000–25,000	25,000–50,000	50,000–100,000	100,000–500,000	Over 500,000	Under 40	40–49	50–59	60 and over
Summary ratios:												
Percentage of equity capital plus all reserves:												
Income after taxes and before securities gains (losses)[1]	10.38	7.97	9.91	10.90	11.29	11.13	10.86	10.45	10.17	10.38	10.51	10.34
Net income	*10.90*	*8.35*	*10.42*	*11.53*	*11.84*	*11.64*	*11.15*	*10.67*	*10.54*	*10.91*	*11.04*	*10.87*
Percentage of net income:												
Cash dividends paid	27.73	25.58	24.10	25.75	28.76	33.50	36.81	45.48	35.09	27.58	26.82	26.89
Sources and disposition of income:												
Percentage of total assets:												
Total operating expenses	5.05	5.10	5.01	5.08	5.09	5.09	4.96	4.70	4.31	4.90	5.12	5.22
Salaries, wages, and fringe benefits	1.35	1.62	1.37	1.29	1.28	1.31	1.34	1.32	1.69	1.50	1.39	1.19
Interest on time and savings deposits	2.36	2.11	2.37	2.49	2.46	2.41	2.14	1.77	1.08	1.87	2.33	2.86
Occupancy expense of bank premises, net	.20	.19	.17	.19	.21	.23	.23	.22	.23	.23	.21	.17
All other operating expenses	1.14	1.18	1.10	1.11	1.14	1.14	1.25	1.39	1.31	1.30	1.19	1.00
Total operating income	6.16	6.12	6.15	6.22	6.21	6.15	6.02	5.76	5.72	6.06	6.22	6.25
Income after taxes and before securities gains (losses)[1]	.84	.75	.85	.86	.86	.83	.83	.78	.99	.85	.84	.80
Net income	.88	.78	.89	.91	.91	.87	.85	.80	1.02	.90	.88	.84
Percentage of total operating income:												
Interest, fees, and other loan income[2]	64.22	62.17	63.54	64.36	65.12	64.81	65.36	67.81	61.81	63.23	64.12	65.20
Securities—Interest and dividends:[3]												
U.S. Treasury securities	13.39	19.03	15.49	13.29	10.94	10.26	8.70	6.54	14.88	12.77	12.97	13.63
Other U.S. Govt. securities (agencies and corporations)	4.98	6.40	5.67	4.85	4.73	4.35	3.46	1.31	3.99	4.55	5.05	5.30
Obligations of States and political subdivisions	8.76	4.89	7.95	9.50	10.15	10.36	9.82	9.03	8.05	8.85	8.86	8.82
All other securities	.78	.84	.68	.68	.88	1.07	.98	.69	.68	.62	.65	.97
(Service charges on deposit accounts[4])	*(3.87)*	*(3.70)*	*(3.96)*	*(4.13)*	*(3.97)*	*(3.67)*	*(3.17)*	*(2.59)*	*(4.94)*	*(4.93)*	*(4.30)*	*(2.90)*
(Trust department income[4])	*(2.19)*	*(1.55)*	*(1.34)*	*(1.65)*	*(1.79)*	*(2.37)*	*(3.61)*	*(5.04)*	*(4.42)*	*(2.77)*	*(2.10)*	*(1.50)*
All other operating income	7.87	6.67	6.67	7.32	8.18	9.15	11.68	14.62	10.59	9.98	8.35	6.08
Total operating income	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Salaries and wages	19.29	24.16	19.81	18.06	17.82	18.32	19.02	19.40	26.09	21.70	19.64	16.61
Officer and employee benefits	2.72	2.52	2.55	2.63	2.81	2.96	3.22	3.56	3.46	2.97	2.72	2.46
Interest on:												
Time and savings deposits	38.62	34.43	38.79	40.45	39.95	39.56	35.70	30.85	19.17	31.44	37.98	46.12
Borrowed money	.59	.16	.13	.21	.48	.80	2.56	6.49	1.50	1.00	.55	.27
(Capital notes and debentures[4])	*(1.12)*	*(.98)*	*(1.12)*	*(1.11)*	*(1.09)*	*(1.08)*	*(1.15)*	*(1.27)*	*(1.16)*	*(1.17)*	*(1.15)*	*(1.09)*
Occupancy expense of bank premises, net	3.29	3.11	2.90	3.19	3.49	3.80	3.92	4.00	4.08	3.90	3.40	2.78
Provision for loan losses	2.07	2.40	2.09	2.01	1.96	1.79	2.04	2.70	2.41	2.44	2.29	1.69
All other operating expenses	15.37	16.20	14.99	15.13	15.50	15.54	15.82	14.98	18.48	17.33	15.73	13.67
Total operating expenses[1]	81.95	82.98	81.26	81.68	82.01	82.77	82.28	81.98	75.19	80.78	82.31	83.60
Income before taxes and securities gains (losses)	18.05	17.02	18.74	18.32	17.99	17.23	17.72	18.02	24.81	19.22	17.69	16.40
Income after taxes and before securities gains (losses)	13.96	12.73	14.28	14.19	14.18	13.83	13.95	13.86	17.90	14.54	13.81	13.00
Net securities gains or losses (−), after taxes	.54	.37	.51	.63	.56	.52	.36	.23	.35	.48	.55	.57
All other income (net)	.05	.07	.03	.07	.07	.05	−.01	.05	.07	.07	.07	.03
Net income[1]	14.55	13.17	14.82	14.89	14.81	14.40	14.30	14.14	18.32	15.09	14.43	13.60

Rates of return (per cent):													
On securities—Interest and dividends:[3]													
U.S. Treasury securities	5.64	5.52	5.67	5.71	5.68	5.65	5.48	5.24	5.50	5.56	5.65	5.70
Other U.S. Govt. securities (agencies and corporations)	4.92	4.38	4.62	4.99	5.14	5.41	5.42	4.91	4.04	4.96	5.07	4.98
Obligations of States and political subdivisions	4.19	4.17	4.15	4.22	4.25	4.16	4.04	4.10	4.01	4.12	4.20	4.24
All other securities	6.16	5.79	5.80	6.14	6.26	6.93	6.68	6.93	5.55	6.36	6.22	6.17
On loans:[2]													
Interest, fees, and other loan income	8.24	8.53	8.42	8.32	8.08	7.90	7.76	7.45	8.39	8.47	8.33	8.04
Net loan losses (−) or recoveries[5]	−.18	−.11	−.18	−.18	−.20	−.17	−.20	−.28	−.14	−.25	−.18	−.16
Ratios on selected types of assets:													
Percentage of total assets:													
Securities:[3]													
U.S. Treasury securities	14.25	20.12	16.45	14.15	11.73	10.91	9.36	7.05	14.71	13.51	13.95	14.67
Other U.S. Govt. securities (agencies and corporations)	5.04	6.42	5.91	5.00	4.66	4.09	3.30	1.30	3.80	4.61	5.12	5.41
Obligations of States and political subdivisions	12.49	6.62	11.09	13.61	14.55	15.14	14.47	12.66	10.90	12.43	12.71	12.69
All other securities	.73	.71	.67	.68	.79	.92	.51	.62	.55	.53	.65	.90
Gross loans[2]	52.60	50.47	51.85	52.63	53.55	53.54	53.99	56.57	48.76	50.77	52.34	54.34
Cash assets	12.48	13.92	12.14	11.65	11.87	12.39	14.73	16.99	18.88	15.37	12.68	9.82
Real estate assets	1.62	1.28	1.47	1.65	1.79	1.86	1.82	1.75	1.54	1.86	1.70	1.48
Percentage of gross loans:[2]													
Commercial and industrial loans	19.21	11.98	14.98	18.03	22.37	26.20	29.64	36.48	23.40	23.84	20.65	15.41
Loans to farmers	13.22	28.32	21.26	11.82	5.43	2.56	2.01	1.11	17.58	13.44	14.30	11.38
Real estate loans	27.83	21.22	25.56	29.61	31.46	32.08	27.81	20.56	13.47	19.21	24.60	36.75
Loans to individuals for personal expenditures	28.01	24.78	25.95	29.71	31.25	29.26	26.38	19.65	27.77	28.98	28.80	27.10
All other loans[2]	11.73	13.70	12.25	10.83	9.49	9.90	14.16	21.90	17.78	14.53	11.65	9.36
Other ratios (per cent):													
Interest and fees on loans to loans	7.80	7.96	7.88	7.89	7.74	7.61	7.44	7.08	7.70	7.92	7.90	7.70
Interest on time and savings deposits to time and savings deposits[6]	4.71	4.61	4.70	4.75	4.75	4.72	4.65	4.57	4.40	4.67	4.76	4.74
Income taxes to net income plus income taxes	18.34	19.91	19.60	18.62	16.70	16.24	16.14	18.98	24.26	19.86	17.84	16.83
Time and savings deposits to total deposits	56.36	50.83	56.23	58.52	58.42	57.92	53.26	47.64	28.01	45.74	55.23	67.51
Total capital accounts and reserves to total assets[7]	8.52	10.21	8.89	8.12	8.05	7.97	8.06	8.22	10.25	8.88	8.37	8.13
Number of banks[8]	5.584	716	1.164	1.865	860	459	379	141	513	928	1.775	2.368

For notes see p. A-101.

OPERATING RATIOS BY RATIO OF TIME TO TOTAL DEPOSITS, BY SIZE OF BANK

(Averages of individual ratios expressed as percentages)

Item	All groups	Banks with ratios of time to total deposits of under 40 percent			Banks with ratios of time to total deposits of 40–49 per cent			Banks with ratios of time to total deposits of 50–59 per cent			Banks with ratios of time to total deposits of 60 per cent and over		
		Size group—Total deposits (in thousands of dollars)											
		5,000 and under	5,000–25,000	Over 25,000	5,000 and under	5,000–25,000	Over 25,000	5,000 and under	5,000–25,000	Over 25,000	5,000 and under	5,000–25,000	Over 25,000
Summary ratios:													
Percentage of equity capital plus all reserves:													
Income after taxes and before securities gains (losses)[1]	10.38	8.56	10.98	10.38	7.28	10.80	10.88	7.88	10.76	11.03	8.05	10.18	11.39
Net income	10.90	8.97	11.41	10.62	7.55	11.45	11.33	8.26	11.35	11.52	8.48	10.75	11.88
Percentage of net income:													
Cash dividends paid	27.73	34.85	30.77	42.21	20.93	24.68	33.89	24.03	23.63	32.80	24.01	25.35	30.68
Sources and disposition of income:													
Percentage of total assets:													
Total operating expenses	5.05	4.18	4.31	4.43	5.19	4.91	4.78	5.30	5.10	5.10	5.38	5.19	5.21
Salaries, wages, and fringe benefits	1.35	2.00	1.65	1.47	1.76	1.51	1.39	1.58	1.37	1.37	1.37	1.17	1.18
Interest on time and savings deposits	2.36	.70	1.20	1.23	1.86	1.90	1.84	2.33	2.37	2.27	2.81	2.89	2.81
Occupancy expense of bank premises, net	.20	.21	.22	.26	.24	.23	.23	.20	.19	.23	.14	.16	.19
All other operating expenses	1.14	1.27	1.24	1.47	1.33	1.27	1.32	1.19	1.17	1.23	1.06	.97	1.03
Total operating income	6.16	5.63	5.78	5.70	5.98	6.17	5.94	6.25	6.25	6.17	6.34	6.24	6.24
Income after taxes and before securities gains (losses)[1]	.84	1.03	1.04	.86	.56	.92	.86	.71	.87	.84	.71	.80	.83
Net income	.88	1.07	1.08	.89	.58	.98	.90	.75	.91	.88	.75	.84	.86
Percentage of total operating income:													
Interest, fees, and other loan income[2]	64.22	58.45	61.17	66.01	60.83	62.66	64.84	62.66	63.60	65.44	64.44	65.31	65.25
Securities—Interest and dividends:[3]													
U.S. Treasury securities	13.39	21.81	15.09	8.00	19.32	13.60	9.34	18.62	13.76	9.76	17.69	14.42	10.82
Other U.S. Govt. securities (agencies and corporations)	4.98	5.51	4.46	1.82	6.86	5.01	3.12	6.43	5.46	3.92	6.65	5.13	5.17
Obligations of States and political subdivisions	8.76	5.32	9.23	8.74	4.15	9.12	10.11	5.07	8.94	10.04	4.84	8.74	10.28
All other securities	.78	.69	.72	.62	1.00	.53	.60	.72	.50	.85	.95	.84	1.22
(Service charges on deposit accounts[4])	*(3.87)*	*(4.96)*	*(5.83)*	*(3.54)*	*(4.69)*	*(5.58)*	*(4.13)*	*(3.56)*	*(4.59)*	*(4.10)*	*(2.70)*	*(2.88)*	*(3.01)*
(Trust department income[4])	*(2.19)*	*(.70)*	*(2.36)*	*(5.57)*	*(.34)*	*(1.20)*	*(3.40)*	*(2.63)*	*(1.06)*	*(2.53)*	*(1.69)*	*(.88)*	*(1.87)*
All other operating income	7.87	8.22	9.33	14.81	7.84	9.08	11.99	6.50	7.74	9.99	5.43	5.56	7.26
Total operating income	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Salaries and wages	19.29	32.36	25.11	21.71	26.76	21.51	20.19	22.91	19.31	19.03	19.46	16.31	16.21
Officer and employee benefits	2.72	3.28	3.40	3.73	2.59	2.84	3.28	2.45	2.56	3.06	2.14	2.41	2.66
Interest on:													
Time and savings deposits	38.62	12.56	21.18	22.21	31.75	31.40	31.38	37.85	38.55	37.13	44.84	46.69	45.48
Borrowed money	.59	.15	.21	4.82	.15	.22	2.38	.20	.21	1.20	.13	.14	.57
(Capital notes and debentures[4])	*(1.12)*	....	*(.04)*	*(1.19)*	*(.84)*	*(1.10)*	*(1.20)*	....	*(1.11)*	*(1.17)*	*(1.02)*	*(1.12)*	*(1.07)*
Occupancy expense of bank premises, net	3.29	3.71	3.97	4.61	4.13	3.72	4.07	3.11	3.17	3.87	2.27	2.65	3.20
Provision for loan losses	2.07	2.43	2.37	2.44	2.68	2.32	2.51	3.04	2.25	2.09	1.72	1.75	1.59
All other operating expenses	15.37	19.40	18.15	18.16	18.56	17.26	17.00	15.15	15.56	16.19	14.22	13.46	13.83
Total operating expenses[1]	81.95	73.89	74.39	77.68	86.62	79.27	80.81	84.71	81.61	82.57	84.78	83.41	83.54
Income before taxes and securities gains (losses)	18.05	26.11	25.61	22.32	13.38	20.73	19.19	15.29	18.39	17.43	15.22	16.59	16.46
Income after taxes and before securities gains (losses)	13.96	19.15	18.63	15.56	9.56	15.66	14.74	11.73	14.17	13.95	11.55	13.03	13.44
Net securities gains or losses (−), after taxes	.54	.27	.46	.24	.26	.54	.49	.38	.64	.49	.50	.59	.54
All other income (net)	.05	.12	.01	.12	.07	.09	.05	.09	.08	.04	.02	.03	.03
Net income[1]	14.55	19.54	19.10	15.92	9.89	16.29	15.28	12.20	14.89	14.48	12.07	13.65	14. 01

Rates of return (per cent):													
On securities—Interest and dividends: [3]													
U.S. Treasury securities	5.64	5.49	5.58	5.39	5.39	5.65	5.50	5.57	5.73	5.57	5.58	5.71	5.71
Other U.S. Govt. securities (agencies and corporations)	4.92	3.65	4.24	4.09	4.24	4.91	5.27	4.52	5.06	5.27	4.73	4.78	5.44
Obligations of States and political subdivisions	4.19	3.92	4.03	4.05	3.78	4.21	4.11	4.33	4.20	4.16	4.34	4.22	4.24
All other securities	6.16	5.07	5.57	5.98	7.32	5.97	6.57	5.30	6.00	6.88	5.86	6.10	6.41
On loans: [2]													
Interest, fees, and other loan income	8.24	8.66	8.60	7.80	8.74	8.73	8.03	8.63	8.46	8.00	8.26	8.12	7.82
Net loan losses (−) or recoveries [5]	−.18	.06	−.20	−.24	−.34	.24	−.23	−.16	.17	−.21	−.06	−.17	−.17
Ratios on selected types of assets:													
Percentage of total assets:													
Securities: [3]													
U.S. Treasury securities	14.25	21.34	14.94	8.07	20.44	14.40	9.85	20.19	14.73	10.55	19.22	15.48	11.64
Other U.S. Govt. securities (agencies and corporations)	5.04	5.12	4.34	1.70	6.93	5.21	2.97	6.41	5.67	3.81	6.90	5.35	5.02
Obligations of States and political subdivisions	12.49	6.95	12.61	11.91	5.59	12.72	14.42	6.87	12.74	14.71	6.71	12.55	14.95
All other securities	.73	.46	.59	.58	.65	.48	.56	.66	.59	.74	.91	.82	1.03
Gross loans [2]	52.60	44.99	47.92	53.68	48.08	50.12	52.59	51.04	51.73	53.74	54.13	54.25	54.59
Cash assets	12.48	19.72	17.52	20.24	15.99	14.69	16.10	13.06	12.31	13.13	10.48	9.59	10.01
Real estate assets	1.62	.97	1.68	1.86	1.71	1.79	2.00	1.23	1.64	1.94	1.29	1.44	1.60
Percentage of gross loans: [2]													
Commercial and industrial loans	19.21	13.52	21.22	36.20	13.38	20.72	31.81	12.36	18.29	27.22	10.14	13.81	20.13
Loans to farmers	13.22	32.39	18.35	2.36	29.01	16.28	4.08	32.64	17.08	3.57	22.09	13.54	3.84
Real estate loans	27.83	10.46	13.90	15.62	16.00	18.86	20.81	18.15	23.88	27.98	32.25	36.47	38.77
Loans to individuals for personal expenditures	28.01	26.15	30.44	25.05	26.28	30.44	27.89	23.41	28.92	30.48	24.47	26.69	28.73
All other loans [2]	11.73	17.48	16.09	20.77	15.33	13.70	15.41	13.44	11.83	10.75	11.05	9.49	8.53
Other ratios (per cent):													
Interest and fees on loans to loans	7.80	7.90	7.84	7.28	8.11	8.10	7.61	8.09	7.99	7.69	7.83	7.74	7.57
Interest on time and savings deposits to time and savings deposits [6]	4.71	4.06	4.49	4.52	4.62	4.67	4.70	4.78	4.79	4.72	4.69	4.75	4.73
Income taxes to net income plus income taxes	18.34	23.51	23.81	25.69	19.54	20.25	19.42	18.98	19.00	15.63	18.90	17.76	14.43
Time and savings deposits to total deposits	56.36	18.97	30.31	32.89	45.89	45.82	45.58	55.00	55.44	54.97	67.20	67.80	67.08
Total capital accounts and reserves to total assets [7]	8.52	12.36	9.83	8.90	10.49	8.85	8.34	9.63	8.29	8.07	9.38	8.12	7.73
Number of banks [5]	5.584	137	231	145	119	469	340	211	955	609	249	1.374	745

For notes see p. A-101.

OPERATING RATIOS BY FEDERAL RESERVE DISTRICT

(Averages of individual ratios expressed as percentages)

Item	All districts	Boston	New York	Phila-delphia	Cleve-land	Rich-mond	Atlanta	Chicago	St. Louis	Minne-apolis	Kansas City	Dallas	San Fran-cisco
Summary ratios:													
Percentage of equity capital plus all reserves:													
Income after taxes and before securities gains (losses)[1]	10.38	9.49	9.52	9.59	10.13	11.06	11.58	9.93	10.56	10.07	10.72	10.92	9.13
Net income	10.90	9.92	9.88	10.11	10.57	11.64	12.16	10.53	11.20	10.56	11.08	11.46	9.99
Percentage of net income:													
Cash dividends paid	27.73	38.94	32.08	31.39	30.28	27.26	25.14	26.58	25.64	25.87	27.44	25.46	27.98
Sources and disposition of income:													
Percentage of total assets:													
Total operating expenses	5.05	5.24	5.09	4.89	4.87	5.01	5.11	5.07	4.68	5.27	5.06	5.00	5.91
Salaries, wages, and fringe benefits	1.35	1.78	1.44	1.10	1.14	1.33	1.41	1.25	1.20	1.29	1.47	1.45	1.81
Interest on time and savings deposits	2.36	1.68	2.29	2.67	2.48	2.37	2.19	2.62	2.29	2.82	2.22	2.04	2.33
Occupancy expense of bank premises, net	.20	.31	.25	.16	.16	.20	.21	.19	.17	.16	.18	.22	.30
All other operating expenses	1.14	1.47	1.11	.96	1.09	1.11	1.30	1.01	1.02	1.00	1.19	1.29	1.47
Total operating income	6.16	6.39	6.06	5.92	6.00	6.24	6.27	6.07	5.83	6.30	6.27	6.17	6.84
Income after taxes and before securities gains (losses)[1]	.84	.83	.78	.82	.88	.91	.90	.77	.86	.74	.88	.90	.69
Net income	.88	.87	.81	.86	.92	.96	.95	.81	.91	.78	.91	.95	.74
Percentage of total operating income:													
Interest, fees, and other loan income[2]	64.22	69.27	64.88	66.69	65.19	66.58	61.70	62.75	60.81	63.42	65.22	64.43	66.60
Securities—Interest and dividends:[3]													
U.S. Treasury securities	13.39	9.20	11.37	12.61	15.69	11.57	11.06	15.50	17.05	14.74	14.16	10.82	9.47
Other U.S. Govt. securities (agencies and corporations)	4.98	2.42	3.69	4.37	3.02	5.58	6.01	5.06	6.79	6.43	3.91	6.06	4.01
Obligations of States and political subdivisions	8.76	7.47	10.45	9.17	9.36	9.07	10.42	8.45	8.69	7.72	8.01	8.83	6.79
All other securities	.78	.86	1.30	2.02	.79	.40	.67	1.19	.56	.40	.36	.69	.40
(Service charges on deposit accounts[4])	*(3.87)*	*(5.36)*	*(3.87)*	*(2.18)*	*(2.67)*	*(2.70)*	*(5.15)*	*(3.06)*	*(2.73)*	*(3.49)*	*(4.62)*	*(5.26)*	*(6.45)*
(Trust department income[4])	*(2.19)*	*(3.47)*	*(2.95)*	*(1.85)*	*(2.39)*	*(2.02)*	*(2.29)*	*(2.07)*	*(1.67)*	*(2.04)*	*(1.69)*	*(1.92)*	*(2.89)*
All other operating income	7.87	10.78	8.31	5.14	5.95	6.80	10.14	7.05	6.10	7.29	8.34	9.17	12.73
Total operating income	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Salaries and wages	19.29	23.98	20.39	16.08	16.69	18.69	19.72	18.10	18.18	17.95	20.88	21.25	23.14
Officer and employee benefits	2.72	4.05	3.37	2.52	2.51	2.75	2.80	2.65	2.47	2.65	2.67	2.36	3.23
Interest on:													
Time and savings deposits	38.62	26.42	37.92	45.42	41.51	38.19	35.18	43.25	39.42	45.04	35.67	33.18	34.63
Borrowed money	.59	.96	1.05	.33	.35	.45	.71	.54	.47	.41	.64	.61	1.30
(Capital notes and debentures[4])	*(1.12)*	*(.95)*	*(1.00)*	*(1.11)*	*(1.09)*	*(1.36)*	*(.88)*	*(1.18)*	*(1.11)*	*(1.13)*	*(1.38)*	*(1.27)*	*(.96)*
Occupancy expense of bank premises, net	3.29	4.93	4.22	2.90	2.82	3.28	3.42	3.23	3.08	2.61	2.88	3.66	4.39
Provision for loan losses	2.07	2.22	2.36	1.36	1.80	1.86	2.28	1.73	1.66	1.42	2.46	3.03	2.68
All other operating expenses	15.37	19.46	14.61	14.13	15.53	15.15	17.34	13.96	14.96	13.67	15.34	16.67	16.59
Total operating expenses[1]	81.95	82.02	83.92	82.74	81.21	80.37	81.45	83.46	80.24	83.75	80.54	80.76	85.96
Income before taxes and securities gains (losses)	18.05	17.98	16.08	17.26	18.79	19.63	18.55	16.54	19.76	16.25	19.46	19.24	14.04
Income after taxes and before securities gains (losses)	13.96	13.21	13.03	14.06	14.90	15.00	14.74	12.89	15.04	12.10	14.46	15.22	10.42
Net securities gains or losses (—), after taxes	.54	.34	.47	.74	.57	.53	.52	.69	.64	.34	.40	.46	.72
All other income (net)	.05	.09	.01	−.01	.03	.09	.12	....	.09	.11	.02	.06	.09
Net income[1]	*14.55*	*13.64*	*13.51*	*14.79*	*15.50*	*15.62*	*15.38*	*13.58*	*15.77*	*12.55*	*14.88*	*15.74*	*11.23*

Rates of return (per cent):													
On securities—Interest and dividends:[3]													
U.S. Treasury securities	5.64	5.60	5.66	5.66	5.58	5.77	5.59	5.72	5.68	5.40	5.62	5.79	5.36
Other U.S. Govt. securities (agencies and corporations)	4.92	4.42	5.40	4.61	4.35	5.34	5.27	4.79	4.83	4.83	4.88	5.14	5.28
Obligations of States and political subdivisions	4.19	4.15	4.18	4.00	4.33	4.01	4.27	4.15	4.13	4.33	4.22	4.15	4.12
All other securities	6.16	6.54	7.00	5.92	6.88	5.80	5.74	6.00	5.14	5.95	6.38	6.27	7.70
On loans:[2]													
Interest, fees, and other loan income	8.24	8.18	7.73	7.54	7.96	8.14	8.60	7.90	8.08	8.14	8.54	8.94	8.91
Net loan losses (−) or recoveries[5]	−.18	−.20	−.25	−.13	−.14	−.13	−.21	.17	−.13	−.11	−.20	−.21	.39
Ratios on selected types of assets:													
Percentage of total assets:													
Securities:[3]													
U.S. Treasury securities	14.25	10.30	12.02	12.99	16.73	12.13	11.99	16.02	17.14	16.99	15.30	11.30	11.09
Other U.S. Govt. securities (agencies and corporations)	5.04	2.22	3.52	4.28	2.93	5.39	6.15	5.04	6.91	6.91	3.87	6.31	4.66
Obligations of States and political subdivisions	12.49	11.66	14.96	12.96	12.96	13.23	14.62	11.93	11.89	11.17	11.54	12.55	10.65
All other securities	.73	.82	1.14	1.89	.72	.43	.67	1.08	.52	.37	.36	.56	.46
Gross loans[2]	52.60	58.90	54.52	56.54	53.83	54.67	49.79	52.34	48.16	52.24	53.09	50.22	56.12
Cash assets	12.48	13.38	11.21	9.31	10.69	11.49	13.71	11.25	13.22	10.27	13.78	16.45	13.16
Real estate assets	1.62	1.99	1.54	1.48	1.53	1.92	2.10	1.49	1.51	1.35	1.32	1.79	2.12
Percentage of gross loans:[2]													
Commercial and industrial loans	19.21	26.58	20.35	14.98	14.16	16.03	23.54	17.36	17.00	17.33	18.39	25.28	25.39
Loans to farmers	13.22	1.31	2.90	3.74	5.48	3.42	3.09	13.57	11.89	24.12	32.00	16.88	7.06
Real estate loans	27.83	28.91	36.13	44.85	37.17	33.20	24.67	33.13	30.41	29.27	14.66	13.86	27.03
Loans to individuals for personal expenditures	28.01	32.24	27.85	25.16	32.14	36.23	34.99	24.79	28.70	22.15	22.93	29.32	28.78
All other loans[2]	11.73	10.96	12.77	11.27	11.05	11.12	13.71	11.15	12.00	7.13	12.02	14.66	11.74
Other ratios (per cent):													
Interest and fees on loans to loans	7.80	7.80	7.41	7.17	7.51	7.84	8.08	7.50	7.67	7.83	8.02	8.34	8.39
Interest on time and savings deposits to time and savings deposits[6]	4.71	4.41	4.39	4.50	4.49	4.62	4.69	4.72	4.77	4.95	4.82	4.91	4.65
Income taxes to net income plus income taxes	18.34	20.32	12.91	15.45	17.32	19.49	16.43	18.47	19.83	19.82	21.32	17.03	20.01
Time and savings deposits to total deposits	56.36	43.67	59.51	66.99	62.32	57.89	52.62	61.74	53.30	63.67	51.43	46.41	57.19
Total capital accounts and reserves to total assets[7]	8.52	9.25	8.88	8.94	8.92	8.76	8.32	8.14	8.54	7.87	8.68	8.73	7.71
Number of banks[8]	5,584	**218**	**321**	**292**	**460**	**358**	**544**	**927**	**428**	**495**	**783**	**619**	**139**

[1] Excludes minority interest in operating income, if any.

[2] Loans include Federal funds sold and securities purchased under agreements to resell.

[3] Excludes trading-account securities.

[4] Averages exclude banks not reporting these items, or reporting negligible amounts.

[5] Net losses for banks on a valuation-reserve basis are the excess of actual losses over actual recoveries credited and charged to valuation reserves; net recoveries are the reverse. For all other banks, net losses are the amount deducted from operating income as an operating expense.

[6] Banks reporting no interest paid on time deposits were excluded in computing this average.

[7] Includes capital notes and debentures and all valuation reserves.

[8] The ratios for 120 member banks in operation at the end of 1972 were excluded from the compilations because of unavailability of data covering the complete year's operations, certain accounting adjustments, lack of comparability, and so forth.

NOTE.—These ratios, being arithmetic averages of the operating ratios of individual member banks, differ in many cases from corresponding ratios computed from aggregate dollar amounts shown in the May 1973 issue of the BULLETIN. Such differences result from the fact that each bank's figures have an equal weight in calculation of the averages, whereas the figures of the many small and medium-sized banks have little influence on the aggregate dollar amounts. Averages of individual ratios are useful primarily to those interested in studying the financial results of operations of individual banks, while ratios based on aggregates show combined results for the banking system as a whole and, broadly speaking, are the more significant for purposes of general analyses of credit and monetary problems.

Figures of revenue, expenses, and so forth, used in the calculations were taken from the annual income and dividends reports for 1972. Balance sheet figures used in the compilations were obtained by averaging the amounts shown in each bank's official condition reports submitted for Dec. 31, 1971, June 30, 1972, and Dec. 31, 1972. Savings deposits are included in the time deposits figures used in these tables.

For details concerning comparability of income and related data for 1969 and earlier years, see BULLETIN for July 1970, pp. 564–72.

BANKING OFFICES AND DEPOSITS OF BANKS IN HOLDING COMPANY GROUPS, DECEMBER 31, 1972

A. Details for 50 States and District of Columbia

State, and class of bank	Number of companies[1]	Number of offices: Banks	Number of offices: Branches	Banks and branches: Total	Banks and branches: As a percentage of all commercial banking offices	Assets: In millions of dollars	Assets: As a percentage of all commercial bank assets	Deposits: In millions of dollars	Deposits: As a percentage of all commercial bank deposits
50 States and District of Columbia—Total	**1,607**	**2,720**	**13,441**	**16,161**	...	**467,487**	...	**379,355**	...
Member	...	1,354	11,206	12,560	...	417,921	...	335,869	...
Nonmember	...	1,366	2,235	3,601	...	49,566	...	43,486	...
Alabama—Total	16	32	177	209	34.5	3,461	44.3	2,948	43.4
Member	...	16	134	150	43.1	2,765	49.7	2,331	48.6
Nonmember	...	16	43	59	22.9	696	31.0	617	30.9
Alaska—Total	2	1	4	5	6.7	78	9.4	70	9.4
Member	...	...	...	...	...	...	...	...	...
Nonmember	...	1	4	5	38.5	78	42.2	70	42.7
Arizona—Total	5	6	227	233	59.3	3,409	54.8	2,929	55.8
Member	...	2	127	129	48.5	2,051	43.7	1,749	44.5
Nonmember	...	4	100	104	81.9	1,358	88.8	1,180	89.3
Arkansas—Total	20	21	37	58	13.1	947	19.6	796	18.8
Member	...	9	27	36	18.6	772	25.2	639	24.3
Nonmember	...	12	10	22	8.8	175	9.9	157	9.8
California—Total	45	48	2,861	2,909	85.5	71,537	92.8	59,259	92.5
Member	...	19	2,591	2,610	89.9	66,830	95.7	55,168	95.4
Nonmember	...	29	270	299	60.0	4,707	65.6	4,091	65.6
Colorado—Total	72	120	18	138	43.4	5,417	76.6	4,624	76.7
Member	...	73	10	83	53.2	4,543	81.8	3,863	81.1
Nonmember	...	47	8	55	34.0	874	57.6	761	60.2
Connecticut—Total	8	10	316	326	58.0	5,214	70.0	4,499	69.8
Member	...	6	215	221	64.1	4,032	78.2	3,476	78.1
Nonmember	...	4	101	105	48.4	1,182	51.6	1,023	51.2
Delaware—Total	3	3	26	29	22.5	345	17.0	312	18.6
Member	...	1	2	3	9.1	12	2.7	10	2.6
Nonmember	...	2	24	26	27.1	333	21.1	302	23.5
District of Columbia—Total	5	3	35	38	30.4	936	25.2	814	25.4
Member	...	2	29	31	27.0	674	19.7	577	19.7
Nonmember	...	1	6	7	70.0	262	87.3	237	87.8
Florida—Total	62	306	20	326	52.4	15,968	71.1	13,964	70.7
Member	...	168	1	169	65.8	11,818	80.4	10,246	79.9
Nonmember	...	138	19	157	43.0	4,150	53.6	3,718	53.7
Georgia—Total	26	36	273	309	34.0	6,878	56.5	5,286	53.2
Member	...	16	240	256	67.7	6,167	79.9	4,697	77.6
Nonmember	...	20	33	53	10.0	711	15.9	589	15.2
Hawaii—Total	1	1	65	66	40.0	893	36.6	779	36.6
Member	...	...	...	...	...	...	...	...	...
Nonmember	...	1	65	66	42.9	893	38.2	779	38.3
Idaho—Total	3	3	78	81	42.0	875	41.7	770	41.2
Member	...	2	78	80	50.0	864	48.5	760	47.9
Nonmember	...	1	...	1	3.0	11	3.5	10	3.6
Illinois—Total	150	143	24	167	12.9	32,704	59.3	25,814	56.6
Member	...	51	12	63	10.8	29,163	66.8	22,641	63.7
Nonmember	...	92	12	104	14.5	3,541	30.8	3,173	31.4
Indiana—Total	26	23	196	219	19.4	5,547	35.2	4,364	32.4
Member	...	13	171	184	29.6	5,008	46.1	3,878	42.7
Nonmember	...	10	25	35	6.9	539	10.9	486	11.0
Iowa—Total	139	157	119	276	27.2	3,926	40.9	3,314	39.5
Member	...	50	50	100	39.8	2,581	54.7	2,105	52.7
Nonmember	...	107	69	176	23.1	1,345	27.6	1,209	27.5
Kansas—Total	110	107	19	126	18.5	2,357	31.7	1,985	30.8
Member	...	38	10	48	20.4	1,525	37.3	1,255	36.4
Nonmember	...	69	9	78	17.5	832	24.8	730	24.5
Kentucky—Total	9	9	43	52	7.1	856	10.6	697	9.9
Member	...	4	37	41	12.8	787	16.7	635	15.7
Nonmember	...	5	6	11	2.7	69	2.1	62	2.1
Louisiana—Total	16	16	87	103	15.2	3,275	31.7	2,679	30.4
Member	...	6	56	62	21.0	2,405	37.3	1,952	36.0
Nonmember	...	10	31	41	10.7	870	22.3	727	21.4
Maine—Total	6	23	181	204	69.6	1,234	68.3	1,074	68.0
Member	...	13	122	135	65.9	849	63.1	739	62.7
Nonmember	...	10	59	69	78.4	385	83.2	335	83.5

For notes see p. A-104.

BANKING OFFICES AND DEPOSITS OF BANKS IN HOLDING COMPANY GROUPS, DECEMBER 31, 1972—Continued

A. Details for 50 States and District of Columbia—Continued

State, and class of bank	Number of companies[1]	Number of offices				Assets		Deposits	
		Banks	Branches	Banks and branches					
				Total	As a percentage of all commercial banking offices	In millions of dollars	As a percentage of all commercial bank assets	In millions of dollars	As a percentage of all commercial bank deposits
Maryland—Total	16	19	344	363	52.0	4,688	59.7	4,050	59.1
Member		8	204	212	52.5	2,492	55.3	2,120	54.6
Nonmember		11	140	151	51.4	2,196	65.5	1,930	65.1
Massachusetts—Total	22	46	506	552	57.1	12,822	79.0	9,948	77.0
Member		29	432	461	65.2	11,883	86.7	9,129	85.0
Nonmember		17	74	91	35.1	939	37.1	819	37.6
Michigan—Total	30	35	311	346	20.9	6,627	22.8	5,809	22.8
Member		22	256	278	21.6	5,841	22.9	5,100	23.0
Nonmember		13	55	68	18.5	786	21.7	709	21.8
Minnesota—Total	107	225	17	242	32.0	9,663	71.2	7,914	69.1
Member		105	9	114	48.7	7,914	84.1	6,351	82.4
Nonmember		120	8	128	24.5	1,749	42.1	1,563	41.7
Mississippi—Total	4	4	58	62	10.6	1,275	26.4	1,073	25.2
Member		3	57	60	27.4	1,264	50.7	1,063	49.4
Nonmember		1	1	2	.5	11	.5	10	.5
Missouri—Total	95	169	65	234	29.0	10,414	62.5	8,389	60.0
Member		65	31	96	42.9	7,681	78.6	6,009	76.2
Nonmember		104	34	138	23.7	2,733	39.7	2,380	39.1
Montana—Total	32	63	8	71	44.9	1,676	68.6	1,467	68.0
Member		43	6	49	47.1	1,471	72.6	1,283	72.0
Nonmember		20	2	22	40.7	205	49.2	184	49.2
Nebraska—Total	115	115	21	136	27.6	2,606	48.5	2,211	47.5
Member		33	13	46	28.6	1,961	55.5	1,629	54.1
Nonmember		82	8	90	27.1	645	35.0	582	35.3
Nevada—Total	3	3	67	70	69.3	1,180	67.3	1,049	67.9
Member		2	57	59	68.6	975	68.2	864	68.8
Nonmember		1	10	11	73.3	205	63.3	185	63.8
New Hampshire—Total	5	11	16	27	17.2	450	29.8	385	29.4
Member		7	12	19	16.7	235	24.7	204	24.8
Nonmember		4	4	8	18.6	215	38.5	181	37.2
New Jersey—Total	19	52	510	562	40.8	10,722	49.3	9,401	48.7
Member		44	492	536	45.7	10,423	54.7	9,137	54.0
Nonmember		8	18	26	12.6	299	11.1	264	11.1
New Mexico—Total	11	27	88	115	51.8	1,724	68.7	1,500	68.2
Member		14	54	68	50.4	1,274	71.0	1,104	70.4
Nonmember		13	34	47	54.0	450	62.9	396	62.7
New York—Total	48	96	2,175	2,271	75.1	125,982	89.2	97,538	89.6
Member		76	2,070	2,146	76.6	122,781	93.2	94,959	92.5
Nonmember		20	105	125	56.3	3,201	34.2	2,579	41.9
North Carolina—Total	7	9	770	779	55.0	8,284	69.2	6,925	68.4
Member		5	584	589	84.1	7,092	89.6	5,872	89.0
Nonmember		4	186	190	26.5	1,192	29.3	1,053	29.8
North Dakota—Total	18	46	24	70	29.0	963	43.6	861	43.8
Member		19	5	24	39.3	632	58.2	564	58.0
Nonmember		27	19	46	25.6	331	29.4	297	29.9
Ohio—Total	39	116	566	682	35.0	12,457	39.7	10,537	39.5
Member		80	460	540	34.8	11,059	39.5	9,313	39.2
Nonmember		36	106	142	35.5	1,398	41.9	1,224	41.5
Oklahoma—Total	48	47	16	63	12.1	3,656	42.4	2,988	40.3
Member		21	11	32	12.4	3,247	51.0	2,626	48.5
Nonmember		26	5	31	11.9	409	18.1	362	18.1
Oregon—Total	5	5	280	285	67.1	5,051	83.2	4,302	82.7
Member		3	258	261	93.9	4,810	97.4	4,084	97.2
Nonmember		2	22	24	16.3	241	21.4	218	21.8
Pennsylvania—Total	23	25	811	836	35.6	24,418	56.0	18,823	52.6
Member		14	723	737	43.7	23,044	66.3	17,613	62.8
Nonmember		11	88	99	14.9	1,374	15.5	1,210	15.6
Rhode Island—Total	10	10	172	182	91.0	2,493	95.1	2,121	95.2
Member		4	96	100	98.0	2,278	99.6	1,941	99.6
Nonmember		6	76	82	83.7	215	64.6	180	64.5

For notes see p. A-104.

BANKING OFFICES AND DEPOSITS OF BANKS IN HOLDING COMPANY GROUPS, DECEMBER 31, 1972—Continued

A. Details for 50 States and District of Columbia—Continued

State, and class of bank	Number of companies[1]	Number of offices: Banks	Number of offices: Branches	Banks and branches: Total	Banks and branches: As a percentage of all commercial banking offices	Assets: In millions of dollars	Assets: As a percentage of all commercial bank assets	Deposits: In millions of dollars	Deposits: As a percentage of all commercial bank deposits
South Carolina—Total	7	7	236	243	41.3	1,860	49.8	1,579	49.2
Member	....	4	207	211	72.0	1,697	78.0	1,433	77.2
Nonmember	....	3	29	32	10.8	163	10.5	146	10.8
South Dakota—Total	26	38	72	110	42.1	1,327	59.0	1,183	58.7
Member	....	21	63	84	64.1	1,155	70.3	1,028	70.0
Nonmember	....	17	9	26	20.0	172	28.3	155	28.2
Tennessee—Total	20	42	289	331	36.5	7,375	60.8	6,117	59.1
Member	....	18	220	238	53.6	6,476	75.0	5,327	73.6
Nonmember	....	24	69	93	20.1	899	25.8	790	25.4
Texas—Total	94	153	13	166	12.7	20,918	50.8	16,610	47.9
Member	....	77	....	77	13.1	18,551	59.9	14,505	56.8
Nonmember	....	76	13	89	12.3	2,367	23.2	2,105	23.0
Utah—Total	9	13	125	138	66.3	2,134	74.7	1,822	74.1
Member	....	7	102	109	86.5	1,761	86.8	1,502	86.5
Nonmember	....	6	23	29	35.4	373	45.0	320	44.2
Vermont—Total	2	2	7	9	6.5	107	8.5	96	8.5
Member	....	1	7	8	12.7	65	13.7	58	13.6
Nonmember	....	1	....	1	1.3	42	5.4	38	5.4
Virginia—Total	27	92	742	834	69.7	9,526	76.6	8,161	75.9
Member	....	57	586	643	73.6	8,010	80.2	6,807	79.4
Nonmember	....	35	156	191	59.1	1,516	62.0	1,354	62.1
Washington—Total	5	9	227	236	33.9	3,087	36.6	2,675	37.9
Member	....	7	226	233	43.2	3,063	40.9	2,653	42.5
Nonmember	....	2	1	3	1.9	24	2.5	22	2.7
West Virginia—Total	8	8	....	8	3.8	193	4.3	172	4.4
Member	....	5	....	5	4.1	124	3.8	110	4.0
Nonmember	....	3	....	3	3.4	69	5.5	62	5.6
Wisconsin—Total	54	136	99	235	25.9	7,288	52.2	6,082	50.3
Member	....	47	53	100	38.8	5,218	65.6	4,228	63.5
Nonmember	....	89	46	135	20.7	2,070	34.4	1,854	34.1
Wyoming—Total	19	29	....	29	40.3	664	53.4	590	53.2
Member	....	24	....	24	43.6	598	57.3	532	57.3
Nonmember	....	5	....	5	29.4	66	32.8	58	32.2

B. Summary totals and comparisons

Item	50 States and District of Columbia: Holding company groups	50 States and District of Columbia: All commercial banks	Holding company groups as a percentage of all commercial banks
Number of banking offices—Total	**16,161**	**38,325**	**42.1**
Banks	2,720	13,927	....
Branches	13,441	24,398	....
Deposits (millions of dollars)	**379,355**	**616,592**	**61.5**
Assets (millions of dollars)	**467,487**	**739,591**	**63.2**

[1] Data for individual States represent bank holding companies having subsidiary banks in the respective States rather than bank holding companies whose principal offices are located in such States. Total does not equal sum of State figures because it has been corrected for duplications; that is, holding companies that have subsidiary banks *in more than one* State are included in the total only once.

NOTE.—Companies listed include those that have reported to the Board pursuant to the requirements of the Bank Holding Company Act and include some companies that have filed registration statements but whose holding company status has not yet been determined by the Board. (A list showing the names, offices, total assets, and total deposits of the subsidiary banks in the holding company groups is available upon request.)

Board of Governors and Staff shown on following page.

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Weekly releases	Approximate release day	Date or period to which data refer
Aggregate Reserves and Member Bank Deposits (H.3)	Tuesday	Week ended previous Wednesday
Applications and Reports Received, or Acted on, by the Board (H.2)	Friday	Week ended previous Saturday
Assets and Liabilities of All Commercial Banks in the United States (H.8)	Wednesday	Wednesday, 2 weeks earlier
Capital Market Developments (H.16)	Monday	Week ended previous Friday
Changes in State Member Banks (K.3)	Tuesday	Week ended previous Saturday
Commercial and Industrial Loans Outstanding by Industry (H.12)[2]	Wednesday	Wednesday, 1 week earlier
Condition Report of Large Commercial Banks in New York and Chicago (H.4.3)	Thursday	Previous Wednesday
Condition Report of Large Commercial Banks and Domestic Subsidiaries (H.4.2)[3]	Wednesday	Wednesday, 1 week earlier
Deposits, Reserves, and Borrowings of Member Banks (H.7)	Wednesday	Week ended 3 Wednesdays earlier
Factors Affecting Bank Reserves and Condition Statement of Federal Reserve Banks (H.4.1)	Thursday	Week ended previous Wednesday
Money Stock Measures (H.6)	Thursday	Week ended Wednesday of previous week
Reserve Positions of Major Reserve City Banks (H.5)	Friday	Week ended Wednesday of previous week

Weekly releases (cont.)	Approximate release day	Date or period to which data refer
Selected Interest and Exchange Rates for Major Countries and the United States (H.13)	Thursday	Week ended previous Saturday
Weekly Foreign Exchange Rates (H.10)	Monday	Week ended previous Friday
Weekly Summary of Banking and Credit Measures (H.9)	Thursday	Week ended previous Wednesday; and week ended Wednesday of previous week
Weekly U.S. Government Security Yields and Prices (H.15)	Monday	Week ended previous Saturday
Semimonthly and bimonthly releases		
Finance Rates and Other Terms on Selected Categories of Consumer Instalment Credit Extended by Finance Companies (J.3)	20th of month	2nd month previous
Research Library—Recent Acquisitions (J.2)	1st and 16th of month	Period since last release
Monthly releases		
Assets and Liabilities of All Member Banks by Districts (G.7.1)	14th of month	Last Wednesday of previous month
Automobile Loans by Major Finance Companies (G.25)	7th working day of month	2nd month previous
Automobile Instalment Credit Developments (G.26)	6th working day of month	2nd month previous
Bank Debits, Deposits, and Deposit Turnover (G.6)	25th of month	Previous month
Commercial and Industrial Term Loans Outstanding by Industry (H.12b) **Available only as attachment to weekly H.12 release**	2nd Wednesday of month	Last Wednesday of previous month
Consumer Credit (G.19)	3rd working day of month	2nd month previous
Consumer Instalment Credit at Commercial Banks (G.18)	4th working day of month	2nd month previous
Finance Companies (G.20)	5th working day of month	2nd month previous
Finance Rate and Other Terms on New and Used Car Instalment Credit Contracts Purchased from Dealers by Major Auto Finance Companies (G.11)	30th of month	Previous month
Index Numbers of Wholesale Prices (G.8)	20th of month	Previous month
Industrial Production (G.12.2)	15th of month	Previous month
Industrial Production and Related Data (G.12.3) (Similar data also available annually, see p. A-116)	15th of month	Previous month
Interdistrict Settlement Fund (G.15)	15th of month	Previous month
Interest Rates Charged on Selected Types of Bank Loans (G.10)	15th of month	2nd month previous

Monthly releases (cont.)	Approximate release day	Date or period to which data refer
Maturity Distribution of Euro-Dollar Deposits in Foreign Branches of U.S. Banks (G.17)	1st of month	Last day of 3rd month previous
Maturity Distribution of Outstanding Negotiable Time Certificates of Deposits (G.9)	24th of month	Last Wednesday of previous month
Monthly Foreign Exchange Rates (G.5)	1st of month	Previous month
Open Market Money Rates and Bond Prices (G.13)	6th of month	Previous month
State Member Banks of Federal Reserve System and Nonmember Banks that Maintain Clearing Accounts with Federal Reserve Banks (G.4)	1st week of month	Previous month
(Also annual)	1st week of February	End of previous year
Summary of Equity Security Transactions (G.16)	Last week of month	Release date
U.S. Government Security Yields and Prices (G.14)	4th of month	Previous month

Quarterly releases

Bank Rates on Short Term Business Loans (E.2)	18th of March, June, September, December	1st 15 days of February, May, August, November
Capacity Utilization in Manufacturing (E.5)	21st of January, April, July, October	Previous quarter
Flow of Funds: Seasonally adjusted and unadjusted (Z.1) Seasonally adjusted **only** (Z.1a)	15th of February, May, August, and November	Previous quarter
Volume and Composition of Individuals' Saving (Flow of funds series) (E.8)		
Sales, Profits, and Dividends of Large Corporations (E.6)[4]	10th of April, June, September, December	2nd quarter previous

Semiannual releases

Assets and Liabilities of All Commercial Banks, by Class of Bank (E.3.4)	May and November	End of previous December and June
List of OTC Margin Stocks (E.7)	June 30, December 31	Release date
Assets, Liabilities, and Capital Accounts of Commercial and Mutual Savings Banks Reports of Call (Joint Release of Federal Deposit Insurance Corp., Board of Governors of Federal Reserve System, and Office of Comptroller of the Currency. *Published and distributed by FDIC.*)	May and November	End of previous December and June

Annual releases	Approximate release day	Date or period to which data refer
Bank Debits to Demand Deposit Accounts Except Interbank and U.S. Government Accounts (C.5)	March 25	Previous year
End of Month Demand Deposits Except Interbank and U.S. Government Accounts (C.5a)	March 25	Previous year
Federal Reserve Par List (G.3)	Early November	Previous September 30
(Also monthly supplements)	5th of month	Period since last release
Industrial Production and Related Data *(Available upon request, after being announced)*	November	Previous year
Member Bank Income (C.4)	End of May	Previous year

[1]Release dates are those anticipated or usually met. However, it should be noted 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.

[2]Contains monthly H.12b release on second Wednesday of month.

[3]Contains revised H.4.3 data.

[4]Publication temporarily suspended.

INDEX TO STATISTICAL TABLES

(For list of tables published periodically, but not monthly, see page A 3)

(References are to pages A-4 through A-104 although the prefix "A" is omitted in this index)

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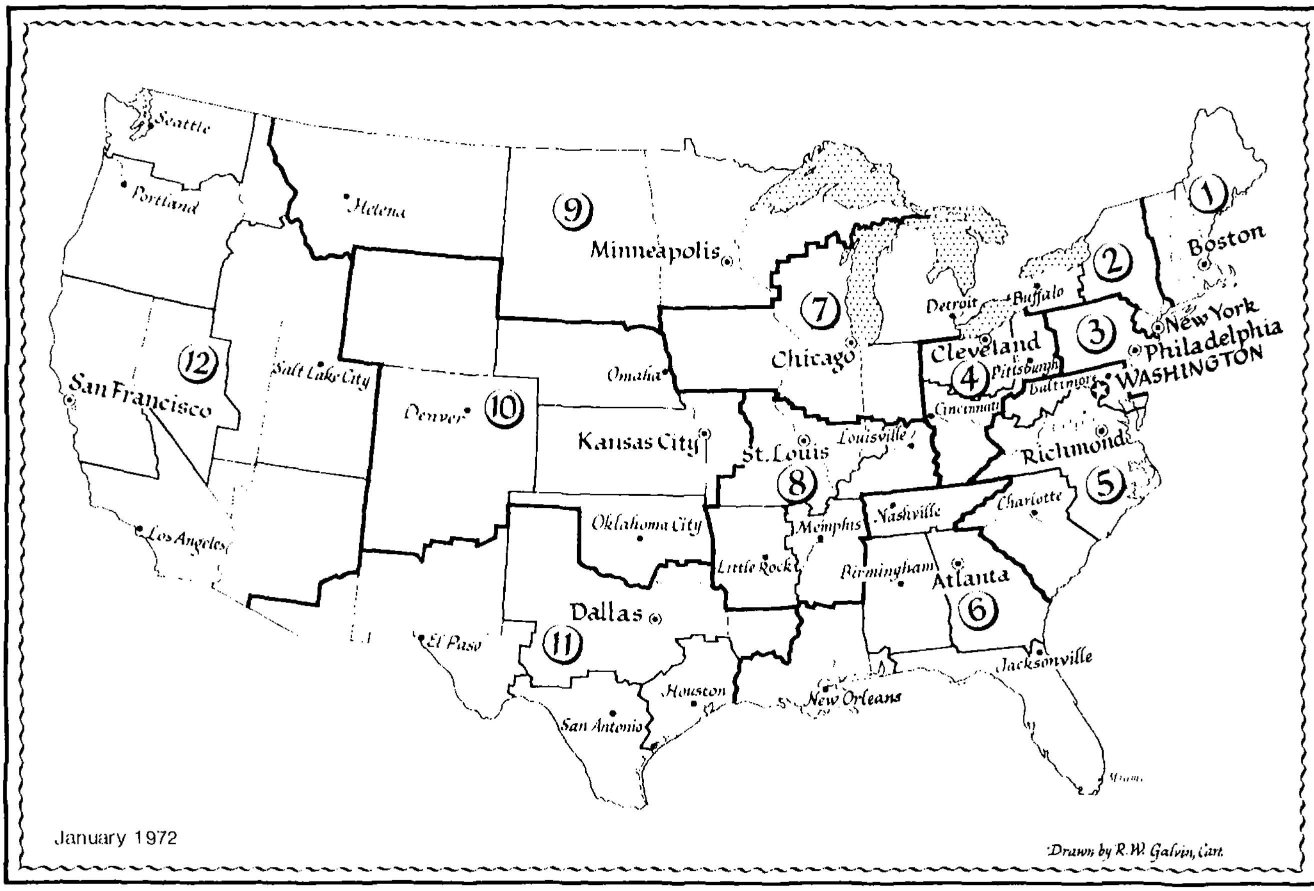
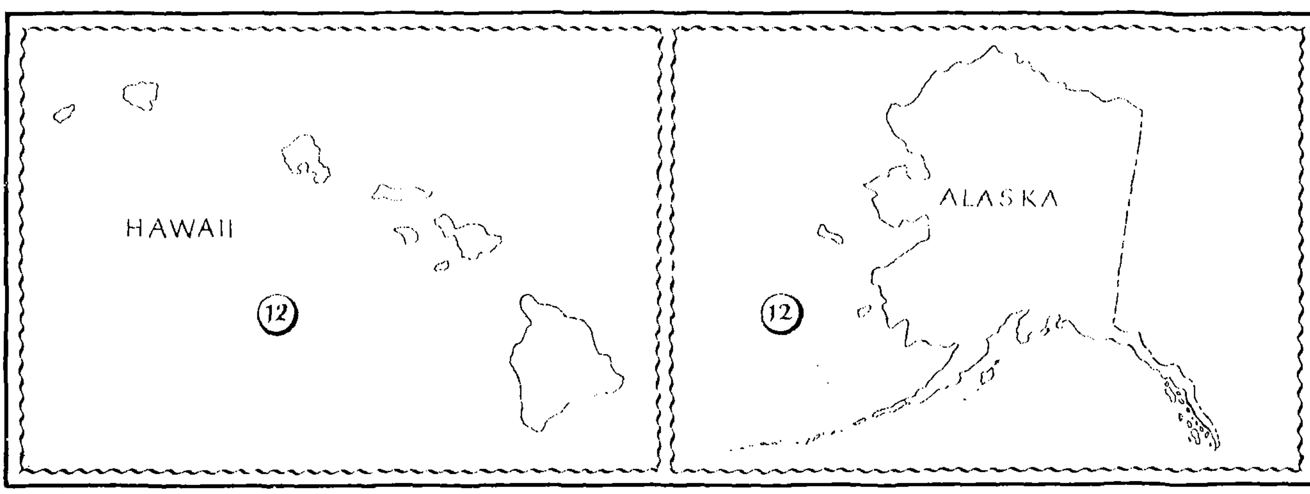
BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



THE FEDERAL RESERVE SYSTEM



Legend

Boundaries of Federal Reserve Districts — Boundaries of Federal Reserve Branch Territories

Board of Governors of the Federal Reserve System

Federal Reserve Bank Cities • Federal Reserve Branch Cities

· Federal Reserve Bank Facilities