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FEDERAL RESERVE BULLETIN

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Recent Price Developments

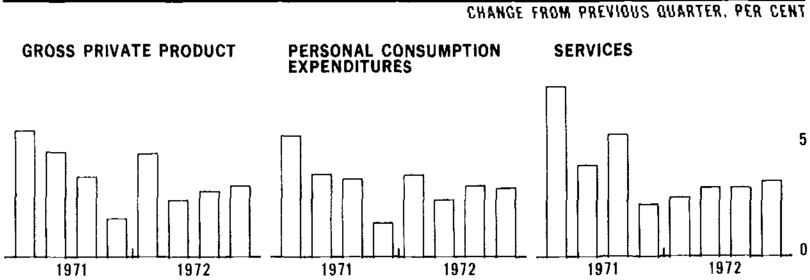
Price increases accelerated in the opening months of 1973 after more than a year of reduced inflation. Extremely large advances in food prices have contributed disproportionately to the faster rise in both the retail and the wholesale indexes. However, wholesale prices of industrial commodities have also begun to rise more briskly, particularly those of materials and fuels. Although consumer prices have shown less acceleration, the advance in February was the sharpest in many years. This reflected mainly rises in food prices but appreciable increases also occurred among other commodities and services.

The slower rate of price rise in 1972 reflected economic conditions as well as the Phase II stabilization program. The inflationary climate had cooled somewhat in response to a prolonged period in which manpower and industrial capacity were substantially in excess of demands. Moderate demand in some markets in 1972, coupled with controls, inhibited price increases for many products. Increases in compensation per manhour were reduced by adherence to the wage guidelines and by the fact that there were fewer large collective bargaining settlements than in the two previous years. Since at the same time there was a strong cyclical upturn in activity that led to rapid gains in output per manhour, the rise in unit labor costs moderated. Reduced cost pressures, particularly among highly fabricated materials and finished goods, helped to limit price rises.

The extent of the improvement in over-all price performance of the private economy in 1972 is shown by the rise in the fixed-weight index for the gross private product, including both consumption and investment. Growth in this index slowed to an annual rate of 3 per cent in the second half of last year from 5 per cent in the first half of 1971 preceding the price freeze.

However, trends in farm and food prices partially offset the improvement in other sectors of the private economy last year and

1 | PRICE INCREASES moderated in 1972



1967 expenditure weights. Seasonally adjusted Commerce Dept data at annual rates. Latest figures, Q4.

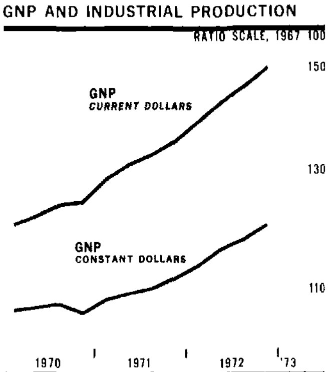
in recent months; in fact, the wholesale price index rose faster in 1972 than in the period immediately preceding the stabilization program, despite a better record in the industrial sector. In the consumer price index, increases in food prices have also offset a decline in the rate of price advance for services and nonfood commodities since November 1971.

In January the President announced some important changes in the stabilization program. The new program—referred to as Phase III—was intended to maintain, with some modifications, the basic price and wage standards of Phase II.

THE ECONOMIC CLIMATE

Economic growth during Phase II was vigorous. In the second half of 1972 real gross national product rose at a rate of about 7.5 per cent and the pace has continued rapid so far this year. Industrial production also rose substantially further in January and February. Consumer demand is growing as income and employment expand, and plans to invest in plant and equipment indicate that business expenditures this year may rise 14 per cent compared with the 9 per cent gain in 1972. Housing starts are expected to drop from recent peak rates, but in January and February they were still at a very advanced level. Although inventory investment was stepped up last year, stocks are still low relative to final sales.

GNP AND INDUSTRIAL PRODUCTION



Constant dollars—1958 prices. GNP: Commerce Dept data; latest figures, Q4. Industrial production FR data; latest figures, January preliminary and February estimated. Seasonally adjusted.

With these rapid gains, economic activity has moved closer to its potential. The unemployment rate dropped to 5 per cent late last year, and bottlenecks in skilled labor and in materials, transportation, and plant capacity are appearing in some industries and areas. Thus, further expansion in real output this year is likely to be accompanied by a faster rise in unit costs than in 1972.

Higher rates of industrial activity abroad also contribute to the advance in prices in this country. Price and wage increases in other major industrial countries have accelerated to rates above those in the United States, and international demands for metals and other raw materials have intensified. Recently, moreover, the adjustments in international currencies have caused some prices to rise.

OBJECTIVES OF PHASE II

Phase II, initiated in November 1971, was designed to relax the freeze, which began in mid-August, in a manner that would allow necessary readjustments in prices and wages without permitting the resumption of earlier rates of inflation. A wage guideline limiting increases to 5.5 per cent in 1972 was established—6.2 per cent including fringe benefits. Since productivity per manhour was expected to rise 3 per cent or more during 1972, the rise in unit costs of production was anticipated to be about 2 to 3 per cent. Therefore, the target of reducing price increases to 2 to 3 per cent by the end of last year was consistent with an increase in real wages. Profits were also expected to rise since, in general, business was permitted to increase prices to cover increases in labor and other costs and the usual margin or mark-up. Only if profit margins exceeded the average of the best 2 of the 3 fiscal years preceding the August freeze was cost-absorption required.

The rate of wage increase did decline under this program. Although a number of large wage settlements reflecting "catch-ups" followed the end of the freeze and wage rate increases accelerated again late in 1972, for the year as a whole such increases were close to the guidelines. Including fringe benefits and the rise in the employers' payroll taxes, hourly compensation of employees in the private economy rose about 6.5 per cent from 1971 to 1972. The rise in costs of production last year was substantially reduced by a rapid increase in output per manhour—4.7 per cent in the private nonfarm economy—as well as by the more moderate wage advance.

TABLE 1

INCREASES IN LABOR COSTS—PRIVATE NONFARM ECONOMY

Change from previous period, per cent

Period	Output per manhour	Compensation per manhour	Unit labor costs
1969	−.4	7.0	7.2
1970	.6	7.2	6.6
1971	3.6	7.1	3.4
1972	4.7	6.5	1.7

SOURCE: Dept. of Labor

PRICES IN PHASE II

In view of the complexity of influences affecting prices, it is difficult to distinguish the impact of the freeze and Phase II in slowing inflation from that of market forces. Nevertheless, it is evident that controls had more impact on prices of finished goods than on those of materials and that they were associated with a dramatic slowing of the inflationary rise in the cost of consumer services.

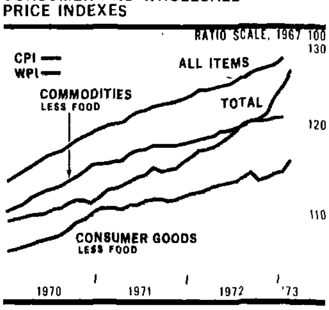
Among consumer goods, Price Commission decisions had a significant effect on prices of durable commodities, especially in retarding the advance for passenger cars. Lower prices for automobiles, following the removal of the manufacturers' excise tax in 1971, along with the cyclical recovery spurred a sizable rise in automobile makers' sales and profits last year. Since profits of some producers appeared to be nearing (or were possibly at) the profit-margin limitation in the third quarter, the Price Commission scaled down the price increases requested to offset the cost of Government-required equipment on 1973 models and delayed permission for a rise until December. No price increase was approved in 1972 for the largest producers to cover increased labor and materials costs. As a result seasonally adjusted prices of passenger cars, after quality adjustment, dropped in the fourth quarter.

Under Phase II, the rise in consumer service costs slowed markedly, despite the obvious difficulties of monitoring price increases for many services. Medical care was subject to special regulations, under which the advance in its cost was greatly reduced. And the rise in rents—also under special guidelines—slowed substantially.

The stabilization program, however, was not a decisive factor in controlling prices of materials traded on organized markets, partly because some of these are of agricultural origin and thus exempt from control. Others, such as nonferrous metals and scrap, steel scrap, and certain manmade textiles had already suffered sizable declines in prices before August 1971. Thus their legal price ceilings were based on the higher, May 1970, levels. For a number of products the upper limit of permitted price increases was not reached.

The divergence among price movements in different segments of the economy between the pre-stabilization period and Phase II was reflected in differing rates of advance for the major indexes used to indicate price trends.

CONSUMER AND WHOLESALE PRICE INDEXES



Dept of Labor data; latest figures, consumer, January; wholesale, February. Seasonally adjusted

From December 1971 to December 1972, the consumer price index rose 3.4 per cent compared with 6.5 per cent for the wholesale price index. Sharp rises for materials, which do not enter the CPI, as well as for farm products, most of which do not enter it directly, accounted in large part for the rapid inflation in wholesale prices. The inclusion in the CPI of consumer services—a sector in which price advances slowed markedly last year—also contributed to a lower average price advance at the consumer level. However, consumer finished goods, except foods, rose only a little more than 2 per cent in the WPI, about the same rate as for comparable components in the CPI.

The comprehensive fixed-weight index for the private economy and the index for its most important component, personal consumption expenditures, showed even greater improvement over the pre-stabilization period (as well as lower rates of change in recent quarters) than the consumer price index, as Table 2 indicates. During the first half of 1971, the rate of rise in the consumer price index had already moderated to less than 4 per cent from its rise of about 5.5 per cent during 1970, largely because mortgage interest rates, which had been rising steeply, leveled off in the second half of 1970 and then dropped sharply early in 1971.

TABLE 2

PRICE INCREASES

Percentage changes at seasonally adjusted annual rates[1]

Item	Q4 1970 to Q2 1971	1972			
		Q1	Q2	Q3	Q4
Gross private product[2]	5.0	4.5	2.5	2.9	3.1
Personal consumption expenditures[2]	4.5	3.6	2.5	3.1	3.0
Consumer prices (CPI)[3]	3.8	3.9	2.5	3.6	3.9

[1] 1972 changes are from previous quarter
[2] Fixed-weight index, 1967 weights.
[3] Changes are based on quarterly averages of prices.
SOURCE: Dept. of Commerce, Dept. of Labor.

Since consumer expenditures in the national accounts do not include the cost of home finance, the price index for personal consumption expenditures shows a substantially higher rate of price advance in the pre-stabilization period than does the CPI. In addition, last year the consumer price index component for services rose faster than the personal consumption expenditures measure. Property taxes (up 10 per cent over the 12 months ending December 1972) and mortgage interest costs (which rose in response to an increase in mortgage amounts) contributed to the larger advance in consumer prices; the personal consumption expenditures index excludes these items.

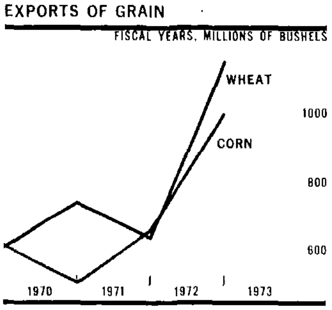
Most of the remaining disparity in price movements lies in the broader coverage of consumer durable goods in the consumer price index, which includes, with substantial weights, the prices of both new and used homes and used cars. These rose faster than other components. (The used-car index, for example, was 7.3 per cent higher in December 1972 than 12 months earlier.) But only the margins on used-car purchases are included in the gross private product, and homeownership costs are not reflected directly; instead the rent index is used as a proxy for the cost of imputed services of owner-occupied homes. Excluding used cars and home purchases, the four-quarter increase in prices of consumer durable goods in the CPI was similar to the increase in the consumer durable goods component of personal consumption expenditures.

For purposes of assessing inflation, the price index for consumer expenditures is, at times, a more significant indicator than the CPI. Interest costs, for example, may rise either as a result of inflation or as the result of attempts to control inflation through reducing liquidity in the economy. The cost of providing shelter or home services may not always be well measured by the costs involved in owning a capital asset such as a home.

FARM AND FOOD PRICES IN 1972

Agricultural prices reflected a rise of 22 per cent in livestock, 13 per cent in meats, and 44 per cent in grains over the 12 months ending in December.

EXPORTS OF GRAIN

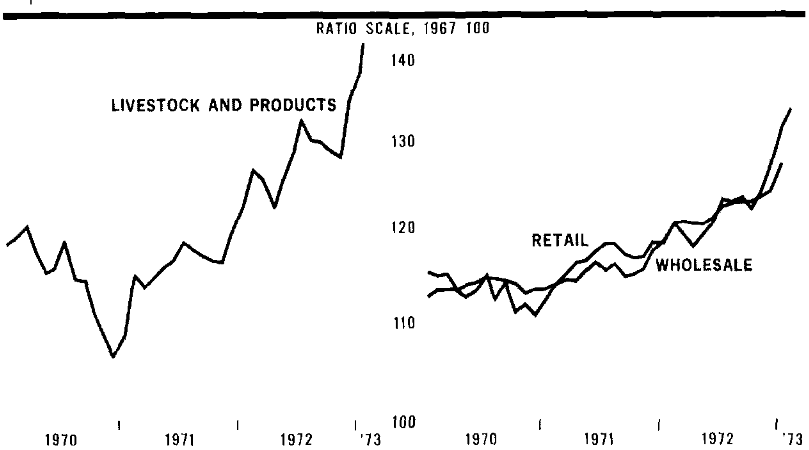


Dept. of Agriculture data. 1973 estimated. Soybeans include bean, and wheat includes grain, equivalents of products.

Corn, wheat, and soybean prices began a sustained and very rapid advance in the autumn. In addition to increased domestic requirements for feed and some weather damage to the soybean crop, the increase in prices reflected export demands resulting from world shortages of food grains and animal feeds. The United States was one of the few nations with sizable exportable stocks, while wheat and rice crops were generally deficient abroad. In the present fiscal year exports of wheat are expected to be about 75 per cent above the average of the preceding 3 years and corn exports to rise almost as much—an expansion sufficient to influence soaring domestic grain prices. Foreign demand for soybean meal for animal feeding has also intensified; this increased demand contributed to a rise of 56 per cent in prices of manufactured animal feeds in 1972.

The advance in livestock prices last year was caused by an unexpectedly large growth in consumer demand combined with a small decline from the preceding year in the supply of meat animals

2 | FOOD PRICES accelerate



Dept. of Labor data for retail and wholesale prices, latest figures: retail, January, wholesale, February Livestock and products and crops and products derived by FR Dept of Agriculture data for farm value of market-basket foods, latest figures, January Retail is food-at-home component of CPI, wholesale is consumer foods.

for slaughter. Although attention has been focused on the advance in beef prices, a more acute problem was a drop in pork supplies as hog production entered the lowest phase of a 3-year cycle. A reduction of 6 pounds per capita in pork consumption was only partially offset by a 3-pound increase in beef (now in a rising phase of the production cycle) and by increased consumption of fish and poultry.

Grocery store food prices rose about 5 per cent from December 1971 to the same month last year—considerably less than the 8 per cent rise in consumer foods at wholesale. To some extent, retail price changes lag behind those at wholesale; in addition, costs of marketing and distribution rose less than wholesale food prices last year. At the grocery store, prices of meat and fish rose more than 10 per cent during the year and fresh fruits and vegetables were more scarce and more costly, particularly in the second half. By autumn, prices of eggs began to climb and those of meat and most other foods began to rise faster.

WHOLESALE INDUSTRIAL PRICES

Although farm and food price increases were the major influence in the advance in wholesale prices over the year ending last December, industrial prices also rose substantially—by 3.6 per cent, compared with a 4.7 per cent seasonally adjusted annual rate in the pre-freeze period of 1971.

For both producers and consumers, prices of finished commodities excluding foods rose only a little more than 2 per cent—reflecting in part Phase II controls on prices of cars and trucks. But prices of materials, particularly those of crude materials, advanced strongly.

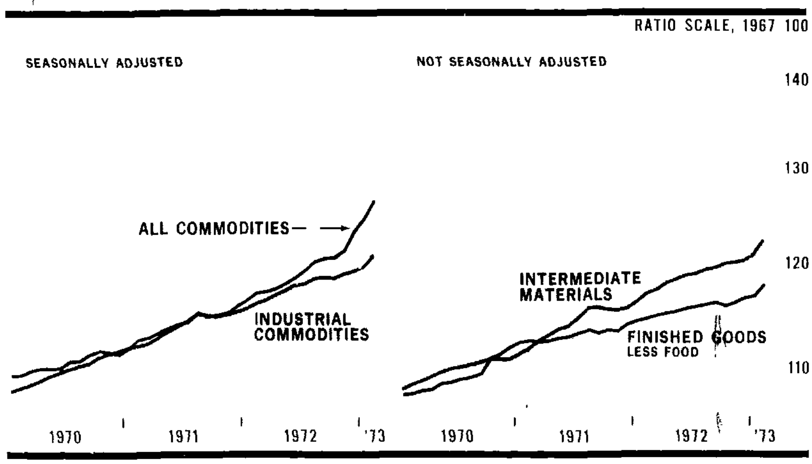
TABLE 3

WHOLESALE INDUSTRIAL PRICES
December 1971 to December 1972
Per cent

Item	Contribution	Price change
Industrial commodities	100.0	3.6
Fuels and related products and power	16.5	6.0
Metals and metal products	15.5	3.0
Lumber and wood products	14.1	12.9
Textile products and apparel	12.0	4.5
Hides, skins, leather, and related products	10.8	22.4
Machinery and equipment	9.8	2.1
Other industrial commodities	21.2	1.9

The inflation in prices of materials reflected rising levels of world economic activity and high domestic demands as well as a faster rise in prices abroad than in the United States. In addition, supplies were subnormal for some materials of agricultural origin, such as wool, cotton, and hides. Environmental problems also affected costs and output of fuels, metals, and other products.

3 | Prices of MATERIALS rise faster than those of FINISHED GOODS



Dept. of Labor data; latest figures February. Crude materials are for further processing and exclude crude foodstuffs, feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco. Intermediate materials include supplies and components but exclude intermediate materials for food manufacturing and manufactured animal feeds. Farm and food products are farm products and processed foods and feeds

Five major product groups—fuels, metals and metal products, lumber and wood products, textiles and apparel, and hides, skins, and leather products—accounted for almost 70 per cent of the rise in the index for industrial commodities in 1972.

Fuel prices rose sharply in 1972 for a variety of reasons. An 8 per cent rise in coal prices reflected higher costs in the mines, arising mainly from wage increases and the cost of tightened Federal safety regulations. In part as a result of higher coal prices, the advance in electricity rates accelerated. Gas fuel prices rose more than 10 per cent and sharply higher rates on new sources of supply were allowed by the Federal Power Commission. Spot shortages of fuel oil—reflecting to some extent the scarcity of other fuels—occurred early last winter, but price increases were restrained by Phase II controls.

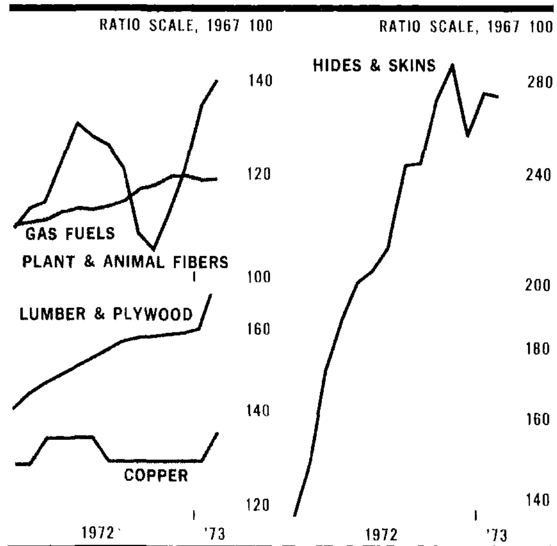
High levels of residential building and rising export demand for logs stimulated a continued advance in lumber and plywood prices last year. Nevertheless, the rise was less than in 1971, and prices of other building materials—some of which were restrained by profit-margin ceilings—also exhibited more moderate gains.

With prices of cotton products up by 10 per cent and of synthetics by almost 6 per cent, prices of textile products increased at the fastest rate in recent years. Raw wool prices more than doubled and wool products rose about one-fifth. Nevertheless, wholesale apparel costs increased relatively little last year.

Markets for metals were relatively weak. Prices of steel mill products rose substantially, but at slower rates than in recent years. Nonferrous metals, which had fallen in price in 1971, moved up slightly.

One of the largest price advances reported last year for a major material was that for hides and skins - almost 100 per cent. A ban on hide exports from Argentina contributed to the second year of rapid increase. Although processors' margins were controlled in Phase II, leather prices rose almost 40 per cent during 1972 and footwear prices 10 per cent, by far the largest rise among apparel groups.

4 | Prices of BASIC MATERIALS show large increases



Dept. of Labor data, latest figures, February.

PHASE III Phase III of the stabilization program, initiated in January of this year, was designed to introduce greater flexibility and to reduce the Government's role while preserving the accomplishments and the objectives of Phase II. A rate of price advance of no more than 2.5 per cent by the end of 1973 was announced as the administration's objective.

It was recognized that many different situations and problems would appear in wage contract negotiations this year, and that larger unions and many more workers would be involved than in 1972 or 1971. Although prospects for noninflationary settlements had been improved by a slower rise in living costs in the last year and a half, sharply rising food prices this winter have become a source of increasing concern to workers. The basic standard for wage increases of 5.5 per cent was retained, but less rigid application of the standard was expected in Phase III.

A number of changes made in the price control program in January eased the impact of regulations on business. The initial responsibility for administration was shifted to business from Government agencies. All pre-notification was abolished outside the food and health industries and, since early March, the oil industry; however, quarterly reports for review by the Cost of Living Council were still required of the largest firms. The Council reserved the right to impose price ceilings on firms or products if price increases should be found to be inconsistent with the stabilization aims. Construction, health services, and food remained under mandatory controls and such controls were reimposed on oil, but rentals were completely exempted.

In addition to changing from mandatory controls to self-administration, Phase III embodied a liberalization of the profit-margin limitation. In Phase II firms computed their margin ceiling by averaging the margins achieved in their best 2 out of 3 fiscal years preceding the August 1971 freeze. For firms in many industries these years were 1968 and 1969, as profits were at a cyclical low in 1970 and 1971. With the recovery in 1971 and 1972, profits rose moderately. Although on the average margins were still below rates in the 1960's, in a number of industries, including several big manufacturing industries, margins were near ceiling levels by the end of Phase II. The profit-margin limitation was modified to allow firms to substitute a year ending during Phase I or Phase II for a less-profitable earlier year in computing the margin ceiling. This change is likely to be of assistance particularly to selected manufacturers of apparel, furniture, alcoholic beverages, automobiles, building supplies, and processed foods.

Another change in Phase III allowed firms to increase prices by an average 1.5 per cent in 1973, if costs have risen that much, regardless of the profit-margin limitation. In Phase II, by contrast, the profit-margin ceiling could be exceeded only if a price increase were avoided entirely.

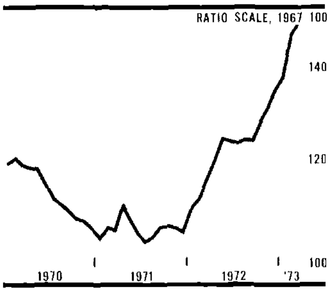
RECENT DEVELOPMENTS

Since December extraordinary advances in farm and food prices have caused both wholesale and retail prices to rise at an accelerated rate.

Industrial commodity prices, seasonally adjusted, rose 1 per cent in February, the sharpest rise in a number of years. Fuel price increases were important in February, including coal, electricity, and gas fuels, and prices of major industrial materials such as metals, textiles, and lumber also advanced. Following the increase in fuel oil prices recorded in the February index, mandatory controls limiting further increases were reimposed on large firms in the industry.

Lumber prices have shot up since mandatory controls were removed in early January. Primary metal markets have also shown much greater activity this year. Prices of steel mill products, which had risen about 2 per cent in January, have increased further, extending the advance to about half of all steel-mill products.

SENSITIVE INDUSTRIAL RAW MATERIALS: SPOT PRICES



Dept of Labor data, latest figures, March

Following a sharp rise in world markets, copper prices have also rebounded this year from substantially lower levels in 1971 and 1972. The U.S. producer's price has now reattained the record levels of 1970. Prices of zinc, lead, and other nonferrous metals have also risen recently.

The increase in farm and food products in February, which included markedly higher prices for livestock, meats, and animal feeds, was one of the largest on record; it brought the 3-month increase since November to 13.5 per cent and the rise since February 1972 to 19 per cent. Wholesale prices of meat, poultry, and fish rose more than 12 per cent between December and February; the rise includes a sharp advance in prices of broilers, production of which was cut back in response to higher feed costs. By mid-March, prices of livestock and meat had risen further to record levels.

Grocery store prices of food rose more than 4 per cent in the first 2 months of this year—not much less than in the entire year ending in December. In February, the rise in food prices was mainly responsible for one of the largest advances in consumer prices in the postwar period, although prices of other commodities also rose faster than in other recent months. Since February further advances in wholesale prices of livestock and meat indicate that the climb in the cost of the consumer food budget is continuing.

Under Phase III of the stabilization program some prices have been raised. The exchange rate realignments in early February are also expected to affect the domestic price level by raising import prices and stimulating exports. Substantial price advances on imported automobiles have already been announced, and prices of commodities traded on world markets—some agricultural commodities, raw materials, and precious and base metals—have been adjusted upward. For many other commodities, the price reaction to exchange rate adjustments will be slow. On the average, price changes of particular goods are not expected to reflect the full range of the drop in the international value of the dollar, and since imports and exports are a small part of the domestic economy, the impact of currency readjustments on the over-all price level will probably be limited. □

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

EXAMINATION OF THE MONEY STOCK CONTROL APPROACH OF BURGER, KALISH, AND BABB

Fred J. Levin—Staff, Federal Reserve Bank of New York

Prepared as a staff paper and revised in February 1973

In recent years growth in the monetary aggregates, particularly the narrowly defined money stock (M_1), has come to play a prominent role in the formulation of monetary policy. Because of this emphasis on the behavior of the aggregates, a number of money stock control models have been developed by economists working within the Federal Reserve System. This paper examines one of these models—that of A. E. Burger, L. Kalish III, and C. T. Babb, of the Federal Reserve Bank of St. Louis—and compares its performance with those of three other models developed within the System.

Section I provides a brief description of the monthly money stock control model of Burger, Kalish, and Babb (BKB). In Section II the model is evaluated on the basis of how well it would perform in controlling the growth in M_1. Section II first discusses the simulation techniques used by BKB to test the performance of their model and compares their simulation procedures with those of others. Then it presents simulation results of the BKB approach for the 1962–69 period and discusses several problems in interpreting these results. The final part of Section II compares the performance of the BKB approach over the 1970–71 period with those of a version of the monthly money market model developed by the staff of the Board of Governors, of the Schadrack-Skinner reduced-form equation, and of one of the forecasting equations suggested by Hamburger. The models are evaluated on the basis of the accuracy of ex ante forecasts. Ex post forecasts are also presented. The differences between the accuracy of the ex post and the ex ante forecasts provide a measure of the degree of ex post bias in the models.

The major findings of this study are:

1. The simulation technique used by BKB to test their model yields approximately the same errors in the growth of M_1 as the more conventional simulation procedure.

2. On the basis of simulation results over the 1962–69 period, it appears that the BKB approach would provide only poor control of monthly growth rates in M_1. On the other hand, within the framework used here, the results furnish evidence that application of this model would result in reasonably close control of growth in quarterly-average levels of M_1.

3. The Schadrack-Skinner and Hamburger equations perform better than the BKB approach for predicting monthly growth rates in money over the 1970–71 period, but for quarterly predictions the forecasting accuracy of these three models is indistinguishable. On the other hand, the model used by the Board's staff does substantially worse than any of the other models tested. Since the Schadrack-Skinner equation uses the Federal funds rate as its policy variable while the Hamburger and BKB models use the net source base, the simulation results provide little basis for choosing between the Federal funds rate and base targeting as a means of controlling the money stock.

4. The degree of ex post bias varies considerably among the models tested. Thus, it is important that ex ante rather than ex post forecasts be used to judge their performances. □

Treasury and Federal Reserve Foreign Exchange Operations

This twenty-second joint interim report reflects the Treasury-Federal Reserve policy of making available additional information on foreign exchange operations from time to time. The Federal Reserve Bank of New York acts as agent for both the Treasury and the Federal Open Market Committee of the Federal Reserve System in the conduct of foreign exchange operations.

This report was prepared by Charles A. Coombs, Senior Vice President in charge of the Foreign Department of the Federal Reserve Bank of New York, and Special Manager, System Open Market Account. It covers the period September 1972 to March 1973. Previous reports have been published in the March and September BULLETINS *of each year beginning with September 1962.*

In mid-July 1972 the exchange markets were still suffering under the impact of the massive flows of funds generated by the sterling crisis. As this speculative wave crested, the Federal Reserve for the first time since August 15, 1971, undertook active intervention in the exchange markets. On U.S. initiative and with the approval of the German Federal Bank, the first exchange operation was launched on July 19 in the form of repeated offerings by the Federal Reserve Bank of New York of German marks in the New York market. Subsequently, intervention was also undertaken in a second European currency, the Belgian franc. These actions, coupled with the demonstrated readiness of other central banks to defend their exchange rates, helped to generate a gradual strengthening of the dollar over the late summer, despite large accumulating deficits in the U.S. balance of payments on both trade and over-all account. Consequently fears of a breakdown in the Smithsonian arrangement that had plagued the market for so many months began to recede.

In this setting, the sharp rise in U.S. money market rates that began in late August was a further boost to market confidence. At about the same time, moreover, the market was beginning to react to signs of improvement in the U.S. trade position, which had deteriorated badly in the first half of the year. Finally, it became clear that the winds of inflation were blowing increasingly strongly throughout Western Europe at a time when U.S. efforts to curb inflation were demonstrating growing success. Thus, as the International Monetary Fund's annual meeting at the end of September approached, the dollar was showing increasing strength and the exchange markets were more relaxed than they had been for some time.

The IMF meeting was conducted in an atmosphere of cooperation that generated new optimism regarding progress on monetary reform and helped further to calm the exchange markets. In particular, the speech of Treasury Secretary Shultz to the meeting was seen as marking a major step forward, as the Secretary set forth a number of specific proposals for consideration in a statement that was widely regarded as conciliatory and cooperative in tone. The Fund meeting concluded with the appointment of a Committee of Twenty, broadly representative of the Fund membership, to consider monetary reform and the appointment of a Committee of Deputies to carry on the detailed discussions looking toward a preliminary report to be ready for the 1973 annual meeting.

At the beginning of October the Swiss authorities decided to sell off some of the dollars they had acquired earlier in the year, in large part with the objective of absorbing excess domestic liquidity. The market interpreted the sales, however, as putting a floor under the Swiss franc and as indicating that other European central banks also would take advantage of any further improvement in the dollar to reduce their holdings.

TABLE 1

FEDERAL RESERVE RECIPROCAL CURRENCY ARRANGEMENTS

In millions of dollars

Institution	Amount of facility, Mar 9, 1973
Austrian National Bank	200
National Bank of Belgium	600
Bank of Canada	1,000
National Bank of Denmark	200
Bank of England	2,000
Bank of France	1,000
German Federal Bank	1,000
Bank of Italy	1,250
Bank of Japan	1,000
Bank of Mexico	130
Netherlands Bank	300
Bank of Norway	200
Bank of Sweden	250
Swiss National Bank	1,000
Bank for International Settlements:	
Swiss francs/dollars	600
Other authorized European currencies/dollars	1,000
Total	11,730

In general, European monetary authorites saw the improvement of the dollar as providing them with an opportunity to move more forcefully in the fight against increasingly virulent inflation. Thus, over the course of the fall monetary policy in Europe was tightened progressively, both through changes in reserve requirements and through increases in discount rates. The consequent rise in European interest rates became a disturbing influence on the exchange markets as it threatened to erode the inducement to move funds to the United States. Moreover, in the background loomed the persistent massive trade surplus of Japan. As Japanese official reserves rose steadily day after day, the markets became increasingly persuaded that a further adjustment in the yen exchange rate was unavoidable. Nevertheless, the growing inflow of funds for investment in U.S. securities markets helped hold the dollar steady with respect to most of the continental currencies through December. In midmonth, however, there was a sharp setback to confidence with the release of figures showing a deterioration in the U.S. trade position in November, the first weakening after several months of steady improvement.

January began on a worrisome note, with no significant improvement in the dollar despite the passing of year-end pressures. Later in the month, the exchange market atmosphere deteriorated rapidly, in part because of apprehension over the risk of renewed inflationary pressures in the United States and the sharp drop in U.S. stock prices. The international financial community, which had been concerned almost exclusively with European inflation, shifted the focus of its attention once again to the problem of controlling the rise in prices in this country. In this context, the markets became concerned that interest rates in the United States might not be permitted to rise sufficiently, even though short-term market rates of interest were rising sharply at the time.

In this atmosphere, the January 20 decision of the Italian authorities to introduce a two-tier market for the lira had psychological repercussions extending far beyond the Italian market. The immediate impact was felt in Switzerland, in part because of the close financial ties between the two countries, but also because the Swiss franc among all the European currencies was the only one close to its Smithsonian ceiling. The battle against inflation in Switzerland had for some months been fought largely with monetary policy and, as liquidity conditions had tightened steadily, the Swiss franc had been bid up close to its ceiling. In these circumstances, efforts by Italian banks to adjust to the new exchange system by purchasing Swiss francs to cover outstanding indebtedness contributed to strong demand for francs and the National Bank took in some $270 million as the rate moved up to its ceiling. With further heavy dollar inflows expected, the Swiss authorities feared that their anti-inflationary efforts would be undermined if they continued to defend the intervention level. It was decided, therefore, to permit the Swiss franc to float temporarily until the market had a chance to calm down. When the franc immediately jumped well above its Smithsonian ceiling, speculative pressures began to emerge in other markets, particularly in Germany where the mark began to advance rapidly.

In the nervous and uncertain climate that was beginning to develop, the U.S. and German authorities quickly agreed on a cooperative effort involving intervention in the market by the Federal Reserve to slow the rise in the mark and maintain an orderly market. When data were released on January 24 showing a further increase in the U.S. trade deficit for December, the mark began to rise more rapidly and the Federal Reserve Bank of New York began offering marks in the New York market. Over the course of the day, some $30 million of marks was sold at progressively higher rates and by the close the mark had eased from its peak level of the day. Over the next 2 days, the Federal Reserve made further modest sales and the mark moved slightly lower.

On the following Monday, German trade data were released showing the substantial growth in the trade surplus during 1972, and the mark again began to move up strongly in heavy demand. The Federal Reserve intervened again in an effort to keep the mark off its ceiling, where a progressive build-up of speculation might well occur. The market became increasingly gloomy, however, and the mark reached its ceiling on Thursday, February 1, forcing the German Federal Bank to intervene for the first time in this period. The Federal Reserve followed up this intervention with additional sales of marks in New York. At the same time, the Dutch guilder also began to rise sharply, and the New York Bank entered the market and sold guilders to slow the rise in the rate. Until this point, all intervention in the New York market had been for Federal Reserve account, based on existing mark and guilder balances accumulated during the latter part of 1972. On Friday, February 2, the last of the available mark balances was sold and, in addition, mark sales were made for U.S. Treasury account out of its existing balance.

Over the course of the following week, intervention continued in an effort to keep the mark from rising unduly high above its ceiling in New York in a deteriorating market climate. Reports, though false, that the United States had suggested a floating of the mark and that Germany was considering a two-tier market, and the assertion by a prominent U.S. Congressman that the dollar was still generally overvalued, contributed to the growing conviction in the market that the existing pattern of exchange rates would not survive. In this atmosphere the flow of funds into Germany assumed increasingly massive proportions. By the close on Friday, February 9, the German Federal Bank's reserve gain for the seven trading days of the month had mounted to nearly $6 billion while sales of marks in the New York market by the Federal Reserve Bank of New York came to a total of $318.6 million. These sales were covered by $167.4 million of Federal Reserve balances, $46.6 million of Treasury balances, and Federal Reserve drawings of $104.6 million on the swap

TABLE 2

FEDERAL RESERVE SYSTEM ACTIVITY UNDER ITS RECIPROCAL SWAP LINES

In millions of dollars equivalent

Transactions with	System swap drawings, Jan 1, 1972	Drawings, or repayments (–) 1972 I	1972 II	1972 III	1972 IV	1973 Jan. 1–Mar. 9	System swap drawings, Mar 9, 1973
National Bank of Belgium	455.0	.....	.....	10.2	35.0	.....	390.0
		.....	-20.0	10.2	55.0	25.0	
Bank of England	715.0	.....	.....	.....	.....	.....	
		.....	52.0	663.0	.....	.....	
German Federal Bank	50.0	.....	.....	.....	.....	104.6	.....
		.....	.....	50.0	.....	104.6	
Swiss National Bank	1,000.0	.....	.....	.....	.....	.....	565.0
		.....	300.0	.....	130.0	-5.0	
Bank for International Settlements: Swiss francs	600.0	.....	.....	.....	.....	.....	600.0
		.....	.....	.....	.....	.....	
Belgian francs	35.0	.....	.....	.....	.....	.....	.....
		.....	.....	.....	-35.0	.....	
Total	2,855.0	.....	.....	10.2	35.0	104.6	1,555.0
		.....	372.0	723.2	-220.0	134.6	

line with the German Federal Bank. In addition, $20.4 million worth of guilders had been sold.

With intensive international negotiations under way, the decision was made over the weekend to close the European and Japanese exchange markets on the following Monday and Tuesday. On the evening of Monday, February 12, Treasury Secretary Shultz announced that the dollar would be devalued by 10 per cent and that, in addition to those currencies already floating, it was understood the Japanese yen would be allowed to float temporarily. During the international discussions it became clear that there was widespread agreement that the exchange rate realignment should be fully adequate to accomplish the common objective of placing international payments firmly on the road to equilibrium. In recognition of this agreement almost all developed nations then operating on the basis of par values or central values allowed the market relationships between their currencies and the dollar to reflect the full devaluation of the dollar. When the exchange markets reopened, the European currencies traded well below their new central rates, but there was no immediate unwinding of the earlier flows of funds.

At the beginning of the following week, however, the dollar reached its ceiling against the mark and the German Federal Bank was able to sell nearly $1 billion while the Federal Reserve covered its swap commitments. Nevertheless, it was clear already that the devaluation had come as a profound shock to dollar holders around the world. Thus, while some traders took profits in marks and Swiss francs, there were significant new flows of funds into those currencies. Despite the major adjustment in exchange rates as a result of the dollar devaluation, there continued to be widespread discussion of the possibility of a joint float of the European Community (EC) currencies in the event of any renewed inflow. Moreover, the market situation was exacerbated by the continued floating of the Swiss franc, which by then had appreciated much more than other European currencies.

In short, the markets were unconvinced that the crisis was over, and indeed by Friday, February 23, the dollar had fallen to its new floor against the mark, French franc, guilder, and Belgian franc. After the weekend there was a brief respite, but on Thursday, March 1, there was an unprecedented rush into the continental currencies in which European central banks had to purchase more than $3.6 billion to maintain the exchange rate limits. That night it was announced that the exchange markets would be officially closed until further notice, and arrangements were made for an emergency meeting of the European finance ministers over the weekend. Exchange markets in Europe and Japan remained officially closed during the week of March 5–9, with the dollar generally quoted below its new floor rates in light trading.

During the period under review, the U.S. authorities made further progress in paying down foreign-currency indebtedness incurred prior to August 15, 1971. In view of the calmer conditions that emerged for the dollar late last summer, the Federal Reserve began a program of systematically purchasing in the market on a modest daily basis, first Swiss francs and later Belgian francs, and by early 1973 had made aggregate swap repayments of $135 million

TABLE 3

DRAWINGS AND REPAYMENTS ON FEDERAL RESERVE SYSTEM BY ITS SWAP PARTNERS

In millions of dollars

Banks drawing on System	Drawings on System, Jan. 1, 1972	Drawings, or repayments (–) 1972 I	II	III	IV	Drawings on Federal Reserve System, Dec. 31, 1972
Bank for International Settlements (against German marks)	. . .	{ 8.0 { –8.0	6.0 –6.0	1.0 –1.0	4.0 } –4.0 }	. . .
Total		{ 8.0 { –8.0	6.0 –6.0	1.0 –1.0	4.0 } –4.0 }	. . .

TABLE 4
U.S. TREASURY SECURITIES, FOREIGN CURRENCY SERIES
In millions of dollars equivalent

Issued to—	Outstanding, Jan. 1, 1972	Issues, or redemptions ( )					Outstanding Mar. 9, 1973
		1972				1973	
		I	II	III	IV	Jan 1–Mar. 9	
German Federal Bank	612.0	......	......	......	......	......	153.0
		76.5	......	76.5	153.0	153.0	
German banks	153.0	......	......		......		......
		......	......	......	153.0	......	
Swiss National Bank	1,215.4	......	......	......	......	......	1,253.8
		......	......	......	......	......	
Bank for International Settlements[1]	164.8	......	......	......	......	......	171.6
		......	......	......	......	......	
Total	2,145.2	......	......	......	......	......	..
		76.5	......	-76.5	-306.0	153.0	

[1] Denominated in Swiss francs.
NOTE.—Discrepancies in totals result from minor valuation adjustments and from rounding.

equivalent to the Swiss National Bank and $80 million to the National Bank of Belgium (Table 2). A $35 million equivalent Belgian franc swap commitment to the Bank for International Settlements (BIS) was consolidated at maturity in November with commitments to the National Bank of Belgium. As of March 9, System swap commitments totaled $1,555 million equivalent, or 49 per cent less than the $3,045 million peak of August 1971. For its part, the U.S. Treasury repaid at maturity three German mark-denominated securities with marks either in balance or purchased from the German Federal Bank (Table 4). Other foreign-currency-denominated securities were renewed when they matured. As of March 9, outstanding U.S. Treasury foreign-currency-denominated securities totaled nearly $1.6 billion equivalent.

GERMAN MARK

In June and July 1972, the German mark had borne the brunt of the massive speculative rushes, first out of sterling and then, after sterling was allowed to float, out of the dollar. In meeting this demand for marks while keeping the rate within official intervention limits—of both the Smithsonian Agreement and the EC narrow-band arrangement—the German Federal Bank had been obliged to take in $4.5 billion of foreign exchange. Pressures remained strong until, in a meeting in London on July 17 and 18, the EC finance ministers made clear their determination to maintain the Smithsonian rate structure. Then, on July 19 the Federal Reserve resumed operations in defense of the dollar by offering marks in the New York market.

The System's total offerings of marks in July and August were fairly substantial but, as the market backed away from these offerings, the actual sales amounted to a modest $21.4 million equivalent. The sales were made out of previously accumulated balances. As the mark continued to decline, the Federal Reserve subsequently began to purchase marks in the market to build up its balances.

By early September, there was a decided improvement in the atmosphere for the dollar. At the same time that the markets tended to calm down, the exchange control measures taken by the German authorities earlier in 1972 began to bite. Consequently, during the course of September, the German mark continued to ease, along with most other continental European currencies. This decline accelerated late in the month, as the markets responded favorably to developments at the annual IMF meeting in Washington. The decline of the spot mark continued into early October and the rate reached $0.3109¼, only ¼ per cent above its Smithsonian central rate.

Throughout the period of decline of the mark, traders had been watching for any sign that the German Federal Bank might openly enter the market as a seller of dollars, and on October 2, when the Swiss National Bank sold a substantial amount of dollars, the market came to expect that the German Federal Bank would soon follow suit. The selling of marks quickly dried up, some traders actually began buying marks in anticipation of somewhat higher rates, and the spot mark advanced to about ½ per cent above the central rate before leveling off. By this time, Germany's current account had slipped into deficit—even though the trade account remained in substantial surplus—and German investors were purchasing an increasing volume of U.S. securities. With the mark still away from its ceiling, the German Federal Bank took the opportunity to sell modest amounts of dollars on a day-to-day basis.

Meanwhile, the domestic economy had entered a new phase of expansion, accompanied by unrelieved upward pressure on wages and prices. In addition, as the domestic liquidity generated by previous hot money inflows had been only partly sterilized by higher reserve requirements, the money market remained relatively easy. Thus, the liquidity situation and economic tendencies in Germany suggested the need for policies of domestic restraint. To some extent, the movement of the mark away from its ceiling, together with tightened exchange controls, provided the authorities with room to maneuver, but the German authorities remained sensitive to the implications that a move to credit restraint might have for the exchange markets. The massive speculative inflows of 1971–72 were only slowly being unwound, and an increase in interest rates in Frankfurt could dampen any further reversal of the outflows and perhaps even trigger a new wave of money inflows.

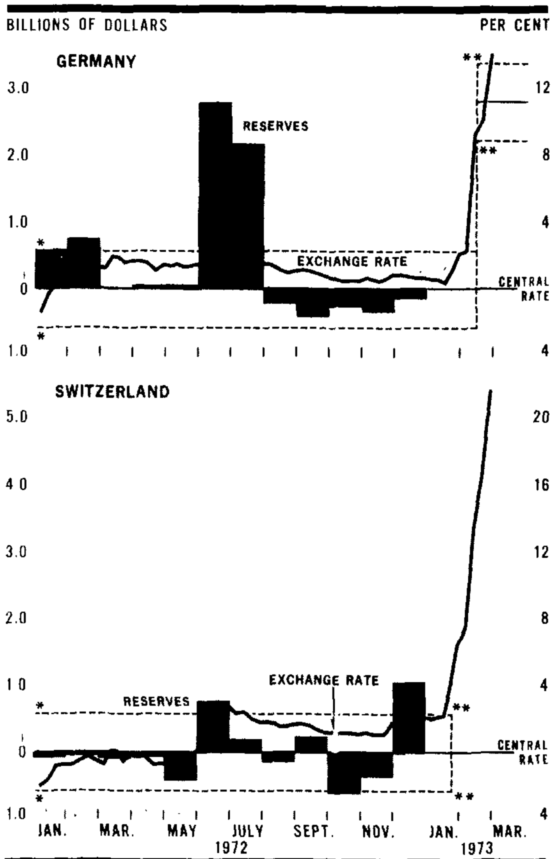
Against this background, the German authorities moved cautiously to tighten domestic liquidity. On three separate occasions—October 9, November 3, and December 1—the German Federal Bank raised its lending rates, hiking the discount rate from 3 per cent to 4½ per cent and the Lombard rate from 4 per cent to 6½ per cent. Moreover, significant reductions in the discount quotas of the banks were announced. The progressive tightening of monetary policy in Germany came at a time when other EC central banks were moving in the same direction, as had been agreed by the EC finance ministers in late October.

The market took this tightening of monetary policy in stride as the dollar continued generally firm in Europe. Despite occasional fluctuations in the rate provoked by developments outside Germany, the mark traded in a range of ½ to ¾ per cent above the Smithsonian central rate. It also remained comfortably within the EC band, trading during most of the fall below the Danish krone, the Belgian franc, and until December the French franc. Taking advantage of relatively attractive rates, the Federal Reserve continued to make small daily purchases of marks in the market to provide balances for intervention in the exchange markets should the need arise.

At the start of the new year, the mark eased further and by Friday, January 19, was trading only ¼ per cent above its central rate, the lowest level since October. Over that weekend, however, the Italian authorities introduced a two-tier market for the lira, and on January 23 the Swiss authorities decided to allow the Swiss franc to float. In response to the sharp jump in the Swiss franc, the German mark was quickly bid up by 1¼ per cent and other European currencies rose as well.

Over the next few days, in cooperation with the German Federal Bank and with the full concurrence of the U.S. Treasury, the Federal Reserve intervened in the New York market, selling marks in order to prevent the rate from reaching its ceiling and generating more speculative flows. Although the rate backed off temporarily in response to this intervention, the continuing rise in the Swiss franc relative to other European rates tended to pull the mark and other currencies along. Moreover, the market was aware that the mark was now the major European currency that was neither floating nor on a split market basis, and there was widespread discussion of a test of the resolve of the German authorities to hold to the Smithsonian intervention point. Demand for marks continued to swell in a deteriorating market atmosphere. On February 1 and 2, the rate reached the ceiling and the German Federal Bank was obliged to take in more than $1 billion over the 2 days. By that time, the Federal Reserve also was intervening in New York more

1A CHANGES IN EXCHANGE RATES AND OFFICIAL TRANSACTIONS



*Upper and lower intervention limits established in Dec. 1971.

**For Germany, upper and lower intervention limits around new central rate established on Feb. 13, 1973, following proposed devaluation of U.S. dollar; for Switzerland, intervention limits suspended on Jan. 23, 1973.

NOTE.—Movements in exchange rates are measured as percentage deviations of weekly averages of New York noon offered rates from the middle or central rates established under the Smithsonian Agreement of Dec. 18, 1971. Changes in reserves are computed from the figures published in the International Monetary Fund's *International Financial Statistics*. Changes for Jan. 1972 include that year's allocations of SDR's.

forcefully than before in order to keep the mark from going through its ceiling.

That weekend, the German authorities imposed tough, new restrictions against capital inflows. Nevertheless, by the following Monday, the crisis had escalated with news reports that the United States had suggested a floating of the mark. Subsequent reports that Germany was considering a two-tier market and the assertion by a prominent U.S. Congressman that the dollar was overvalued stirred up even greater speculation in the market. Over the week of February 5–9, the German Federal Bank purchased a further $4.9 billion in holding to the Smithsonian ceiling for the mark, while the Federal Reserve continued to intervene in New York on each day after the European close. For the period January 24–February 9, sales of German marks by the New York Bank amounted to $318.6 million equivalent, of which $167.4 million represented sales from System balances, $46.6 million from U.S. Treasury balances, and $104.6 million from Federal Reserve drawings under the swap line with the German Federal Bank. Over that weekend, there were intensive international negotiations in an effort to resolve the crisis.

Official exchange market dealings were suspended in Germany on Monday, February 12, although commercial banks traded marks at considerable premiums over the Smithsonian ceiling. That evening, Treasury Secretary Shultz announced the proposed devaluation of the U.S. dollar, and on the following day the German authorities announced that there would be no change in the gold value of the German mark. As a result, the central rate for the mark appreciated by the full 11.1 per cent commensurate with the dollar's devaluation. At the same time, new intervention limits were set for the mark at 2¼ per cent on either side of the central rate.

When regular trading in marks resumed on February 14, there was an enormous overhang of speculative holdings of marks, largely in the form of deposits with German banks. Thus, although the exchange markets remained nervous and unsettled, and other currencies traded well away from the new floors against the dollar, the mark came on offer. It reached its new floor on February 19–21, and the German Federal Bank sold nearly $1 billion. At the same time, the Federal Reserve purchased sufficient marks from the German Federal Bank to repay the swap drawings entered into prior to the devaluation of the dollar. Subsequently, in the continuing atmosphere of uncertainty in the exchange markets, the mark was bid up sharply, reaching its new ceiling on February 23. Although the rate was off the ceiling in the first part of the following week, the atmosphere continued to deteriorate, and on Thursday, March 1, the German Federal Bank took in a record amount of more than \$2.6 billion. The German authorities then closed the market, and a new round of discussions began.

During the period under review, the U.S. Treasury purchased from the German Federal Bank sufficient marks to redeem at maturity in October and in February two \$153 million equivalent mark-denominated securities held by that bank. In addition, the Treasury utilized balances acquired prior to the mark revaluation of 1969 to pay off at their December maturity \$153 million equivalent of mark-denominated securities that had been issued in 1968 to German banks.

SWISS FRANC

By early July, in the wake of sterling's float, the Swiss authorities had resumed official dealings on the basis of the Smithsonian central rate and limits but had also imposed a battery of new controls to discourage capital inflows. Nevertheless, in the generalized speculative turmoil that had continued through midmonth, the Swiss National Bank had been obliged to take in \$1.3 billion at the Smithsonian ceiling. In the subsequent turnaround, the franc had edged away from its ceiling. The decline had been gradual at first but became more pronounced after mid-August, when the general atmosphere in the exchanges improved and traders reportedly were beginning to reduce some of the long positions in francs taken the month before. The Swiss franc liquidity generated by the July inflows also had helped soften the spot rate as there was some switching out of francs, on which interest rates were minimal. The reversal had been far from complete, however, and the franc had held well above its central rate.

The Swiss authorities had mainly relied upon adjustment in reserve requirements to mop up a portion of liquidity created by the July inflows of foreign exchange. These measures were not sufficient, however, to restrict credit expansion that, by September, had already exceeded the limits set forth in a previous gentlemen's agreement. Consequently, the authorities feared that, in the absence of strong restraints on lending, the excess liquidity still in the hands of the banks would compound the severe inflationary pressures long troubling the economy. Several additional measures were discussed with the banks in late August and early September. But, as the exchange market was still in tenuous balance, the authorities chose simply to grant greater access to the Swiss capital market to foreigners and to increase the proportion of such borrowings that had to be converted into dollars at the central bank.

By late September the markets were responding favorably to the improved atmosphere of the IMF annual meeting. In the general strengthening of the dollar that developed at that time, the cutting out of long positions in francs accelerated and the franc rate dropped to within 1 per cent of its central rate. As the rate continued to fall, the Swiss National Bank on October 2 sold more than \$200 million in the exchange market, with the dual objective of mopping up excess bank liquidity and reducing its dollar reserves. This substantial intervention not only had its expected impact on domestic liquidity, but also tended to reinforce market expectations that a further strengthening of the dollar might be resisted by official dollar sales by the Swiss or by other European central banks. Consequently, the spot franc turned upward and remained away from the lowest point at which the National Bank had intervened, a level which traders began to view as an effective floor for the franc for the time being.

The markets were generally quieter in October, and the National Bank suspended the requirement that banks maintain either long or balanced over-all foreign exchange positions. Nevertheless, by then the various measures taken by the Swiss authorities to absorb liquidity were beginning to bite. To prevent a squeeze from developing at the end of October, the National Bank provided some \$145 million in short-dated swaps and released a further \$100 million equivalent of francs through temporary adjustments in reserve requirements. With the demand for franc liquidity thus defused, the spot exchange rate moved on an easier trend into early November.

As Switzerland's rate of inflation was running in excess of 7 per cent, political pressures were building for effective measures to bring it under control. In the absence of strong fiscal powers in the hands of the Confederation, the focus of the anti-inflationary effort turned increasingly to monetary policy. On November 22, the central bank informed the banks—which were already heavily loaned up and were beginning to position themselves for month-end needs—that it would not provide swaps as it had in October. The prospect of renewed pressure at the month-end led to a brief run-up of the spot franc until a recalculation of required reserves led to a sufficient injection of francs by the National Bank to turn the situation around.

In late November, however, the Swiss National Bank indicated firmly that it would provide only part of the banks' year-end needs, with 1-month swaps beginning on December 4 and with 7-day swaps later in the month. This move was intended to reinforce the central bank's earlier attempts to reduce bank liquidity at the same time that the Government was developing a comprehensive anti-inflationary package to be presented to Parliament the following week. As the market assessed the need for francs for the year-end and awaited the Government's package, rumors that the Italian lira would be allowed to float touched off rumors of a possible float or revaluation of the Swiss franc as part of the Government's program. The Swiss franc rose to within ½ per cent of its ceiling by the time the Government formally announced its plans for curbing inflation on December 4. The package was heavily weighted with monetary measures, including proposed statutory authority for the National Bank to impose lending ceilings and new reserve requirements. In addition, it included controls of bond issues, a 3-year extension of the export deposit scheme, limits on depreciation allowances, and the establishment of an office of price "surveillance." Since a float or revaluation of the franc had been excluded, the franc rate dropped back briefly. The rate firmed again after midmonth, however, as Swiss banks began bidding actively for francs for year-end purposes. The National Bank ultimately provided them with $1.2 billion in swaps and, although the franc reached its Smithsonian ceiling on December 27, the central bank did not have to take in dollars on an outright basis.

Meanwhile, from the late summer, the Federal Reserve had been making modest day-to-day purchases of francs in the market. These francs were used in partial repayments of outstanding swap drawings with the Swiss National Bank. By the year-end, outstanding drawings in Swiss francs had been reduced by $130 million, and a further $5 million repayment was made in early January. As a result, on March 9, 1973, total indebtedness in Swiss francs stood at $1,165 million, including $600 million with the BIS, all incurred before August 15, 1971.

Even after the passing of the year-end, the Swiss franc remained firm as the liquidity squeeze at the banks continued unabated. Early in January, before the year-end swaps had been liquidated, the banks began to position themselves once more against the possibility of a squeeze for balances at the month-end. Under its new powers the National Bank established a stiff 6 per cent limit on credit expansion by the banks for the year ending July 31, 1973. Nevertheless, with heavy loan commitments already on their books, the banks were hoping for a permanent infusion of franc liquidity through outright dollar purchases by the National Bank. Instead, the National Bank announced that it would provide temporary assistance at the end of January and would lift the requirement that a proportion of all loans to foreigners be converted into foreign exchange at the central bank. Despite these measures, the banks' appetite for liquidity was not satisfied, and by midmonth the franc was just ¼ percentage point away from its upper limit.

On Friday, January 19, the National Bank announced increases in its discount rate by ¾ percentage point to 4½ per cent and in its Lombard rate by ½ percentage point to 5¼ per cent. These increases, the first since 1969, reinforced the Swiss banks' concern over their liquidity positions, especially as the hikes were to come into effect just as the bulk of the remaining year-end swaps was to be unwound on the following Monday, January 22.

Over that weekend, the Italian authorities announced that they were instituting a two-tier market for the lira. This immediately added to tensions in the market for Swiss francs, mainly because it introduced a new element of uncertainty, but also because Italian banks began buying Swiss francs to repay indebtedness. The franc thus quickly moved toward its upper limit. The Swiss National Bank tried to stop the rise by purchasing \$200 million, thereby supplying enough francs for the banks to unwind their remaining swap commitments. The pressure continued, however, and with growing evidence of speculative demand developing the central bank announced that the franc counterpart to further intervention would be placed in blocked accounts on its books. The National Bank then purchased another \$70 million, while dealers quickly began to trade unblocked balances at rates as high as 1 per cent above the Smithsonian ceiling amidst rumors that the franc would be floated. At the opening the next morning, the Swiss National Bank announced:

> Monetary measures abroad caused on Monday, January 22, a heavy demand for Swiss francs which is partly of a speculative nature. In view of the risk of fresh massive inflows of foreign exchange which would entail a corresponding money creation, the Swiss National Bank in agreement with the Federal Council has today decided not to take up intervention purchases in the dollar market. It will stay away from the market until things have quieted down again.

This action effectively allowed the Swiss franc to float in the exchanges. Later in the day, the Swiss authorities followed up by reimposing the requirement that banks maintain balanced or long foreign currency positions.

With a substantial amount of unsatisfied demand for francs already overhanging the market, and with the possibility of a further rise in the rate now attracting other bidders, the spot franc shot upward and continued to climb throughout that week. The rise in the Swiss franc in turn put upward pressure on the currencies of Switzerland's major trading partners, which were still committed to the Smithsonian central rates and intervention points. As time passed and the Swiss authorities took no further action either to bring the franc rate down or to fix a new central rate and limits, the Swiss franc rose to nearly 8 per cent above the Smithsonian central rate by February 9, even as the focus of speculative attention shifted to the German mark. With the U.S. announcement on February 12 of a proposed new special drawing right (SDR) parity for the dollar which would correspond to an 11.1 per cent appreciation of foreign currencies against the dollar, the Swiss franc moved up quickly to trade 0.6 per cent above such a level. Although the authorities of several of Switzerland's major trading partners quickly set new central rates and limits based on the U.S. devaluation, the Swiss Government decided to wait until the market had settled down before establishing new benchmarks for the franc. The markets did not settle down, however, and with the heavy new flow out of dollars the spot franc was pushed up to about 24¾ per cent above the Smithsonian central rate.

STERLING

Following the British Government's decision in June to allow sterling to float, the rate had dropped sharply, reaching as low as \$2.41¼ before firming up to trade in a wide range around \$2.45. Although the British current account had slipped into deficit, the gradual covering of short positions taken in June tended to buoy the rate. A rough balance lasted well into September, but late that month the technical support that had been provided by the unwinding of speculative positions dried up, and sterling became more vulnerable to downward pressures.

By then, the Government was engaged in extensive negotiations with the leaders of industrial and labor organizations in a final effort to slow an escalating domestic wage-price spiral through voluntary restraints. At times, negotiations seemed to be showing signs of progress and sterling would be bid up sharply in the market, but at other times there were indications of a possible stalemate and sterling would come on offer. On balance, market pessimism dominated, and by the first week of October sterling had fallen to around the \$2.42 level.

In the meantime, the British authorities were also striving to check excessive monetary growth. In the summer and early fall the Treasury bill rate had risen sharply to a level well above the bank rate, which remained at 6 per cent. On October 9 the Bank of England announced that in lieu of the bank rate it would adopt a floating minimum lending rate, to be fixed at ½ percentage point above the average discount rate set on the weekly tender for Treasury bills rounded up to the nearest ¼ percentage point. The traditional method of setting the central bank's lending rate remained available to the authorities, but they indicated that reliance would be placed on the minimum lending rate that would follow market rates. That week, the rate was set at 7¼ per cent, 1¼ percentage points above the previous bank rate.

Rising interest rates in London, however, were unable to offset the growing pessimism over the inflationary outlook and the escalation of wage demands, as the Government's wage–price negotiations with labor and industrial leadership dragged on through mid-October without signs of any success. The market was becoming increasingly skeptical that anything positive would come out of these talks and feared that, if the negotiations should fail and the Government should impose statutory controls, disruptive action by militant labor groups could weaken or undercut the controls.

In this atmosphere, new selling pressure developed on October 19, triggered by reports of a possible slowdown by electrical workers and the release of figures showing a marked increase in the rate of wage inflation to 16½ per cent for the preceding 12 months. Over the next several days, spot sterling spiraled downward, passing through several expected resistance points—including the $2.40 and $2.38 pre-Smithsonian parity and floor, respectively—while press and market commentary now suggested that a new parity might eventually have to be set as low as $2.25 or even $2.20. The actual low point was hit on Friday, October 27, when the spot rate reached $2.32 in London before recovering to trade a cent or two higher. During the downswing, the Bank of England sold moderate amounts of dollars but did not attempt to hold the rate at any particular level.

Shortly thereafter, the British Government's efforts to negotiate voluntary restraint on prices and wages broke down completely when the labor leadership formally rejected the Government's proposed price–wage guidelines. This rejection initially led to a new sell-off of sterling. Later on, when it had become apparent that the Government would turn to statutory controls and that such controls would not generate widespread labor unrest, sterling recovered to around $2.35. On November 6, Prime Minister Heath introduced legislation calling for a comprehensive standstill of prices, wages, rents, and dividends. The standstill was effective immediately and was to have an initial term of 90 days following the passage into law of legislation, with provision for a 60-day extension. During the period of the standstill, the Government would continue negotiations with unions and the employers to work out a longer-term incomes policy.

As the market took stock of the prospects for success of this policy, spot sterling traded over a fairly wide range. At first, it dropped in response to labor's highly critical initial reaction to the Government's standstill. Then sterling was boosted by a further rise in domestic interest rates sparked by the Bank of England's November 9 call for special deposits of 1 per cent of total bank liabilities. By midmonth, with labor seemingly more resigned to the inevitability of the standstill, sterling began to show a somewhat firmer undertone for a time and the spot rate rose to $2.35¾. But some dealers remained unconvinced and began to increase their short positions in sterling, taking the rate down below $2.34 before a modest demonstration of support by the Bank of England steadied the rate.

On December 21 the Bank of England again tightened the monetary screws, issuing a call for additional special deposits amounting to a further 2 per cent of eligible liabilities. Domestic credit markets responded strongly to this announcement, and the next tender rate was pushed sharply higher. Consequently, the Bank of England's floating minimum lending rate, which had earlier increased in several steps to 8 per cent, rose a full percentage point to 9 per cent. As these increases spread to bank lending and deposit rates more generally, sterling was bid up again over $2.35 and held firm around that level through the year-end and into January.

On January 17, Prime Minister Heath announced the Government's plans for a longer-term anti-inflation policy. The current price standstill would be extended through April, and the freeze on wages and dividends would be extended through March. In the meantime, Parliament would be asked to pass legislation for Phase II statutory controls. The legislation provided for a price commission and a pay board to enforce a series of interim limits on price and pay increases. Also in the package were limits on dividends, business profit margins, and rents. Although provisions were made for possible modifications of these limits next fall, the legislation was drafted in terms of a 3-year period. The program was well received in the market and sterling edged up to \$2.35¼ by January 19.

Following the introduction of a dual exchange market in Italy and the floating of the Swiss franc, sterling was caught up in the growing turmoil in the exchanges. Traders had to weigh several conflicting considerations. Sterling had effectively depreciated by some 10 per cent against other currencies, and this was expected to improve the competitiveness of British exports. On the other hand, there was still no way of knowing how effective the Phase II measures might be in curbing the entrenched inflation. In the meantime, liquidity conditions in London were likely to be extremely tight, partly because of the special deposit calls by the Bank of England and partly because of normal seasonal factors. Moreover, the United Kingdom had become an EC member and the pound now appeared linked more than ever to the other EC currencies, although sterling remained outside the EC currency support arrangements. As one or another of these considerations dominated the market, sterling moved erratically but, when strong demand emerged for continental European currencies and particularly for the German mark, the sterling rate was ratcheted upward, reaching as high as \$2.39 by Thursday, February 1. Over the next few days, sterling fluctuated along with continental currencies as the exchange crisis intensified but by February 9 was trading at \$2.38¾.

While the negotiations which led to the devaluation of the dollar were proceeding, the London exchange market was closed on February 12 and the British authorities announced that sterling would continue to float for the time being. When the market was reopened the following day, sterling quotations were higher, and on February 14, the pound reached \$2.47¾, some 5 per cent below its Smithsonian central rate. As the exchanges remained highly nervous in the wake of the dollar devaluation, sterling moved widely from day to day and even from hour to hour between \$2.43 and \$2.48. Then, as the turmoil built up to a peak on Thursday, March 1, the rate moved above \$2.50. In the following week, with the markets officially closed, sterling settled back to trade around \$2.46.

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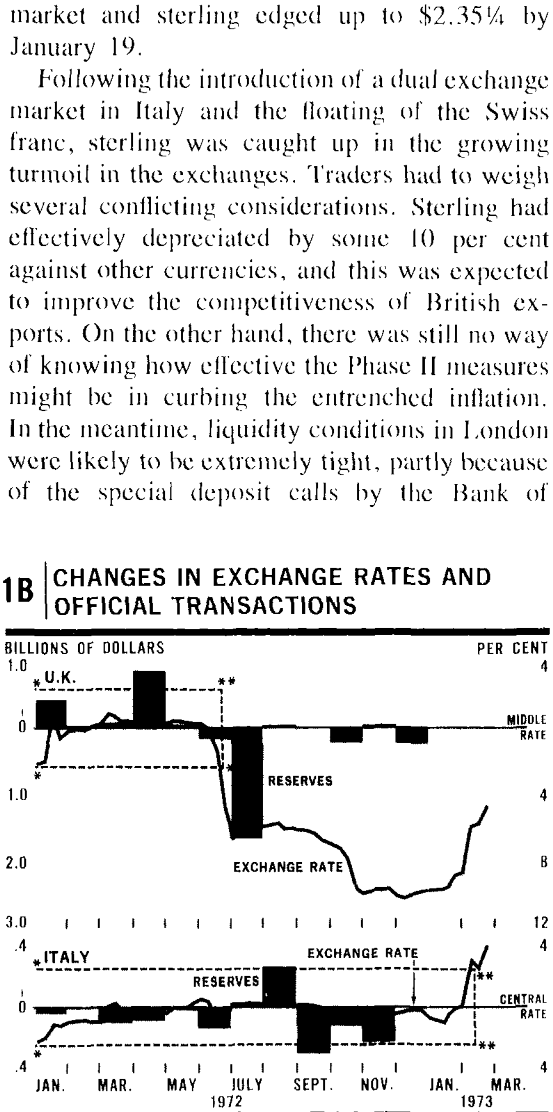


*Upper and lower intervention limits established in Dec. 1971

**For the United Kingdom, intervention limits suspended June 23, 1972; for Italy, intervention limits suspended on Feb. 13, 1973

For Note see Chart 1A, p 148

ITALIAN LIRA

Through most of 1972 the Italian authorities faced the policy dilemma of economic stagnation coupled with strong wage and price inflation. A severe profit squeeze cut into investment, and sporadic strikes tended to keep one sector or another of the economy operating below full capacity. The Italian current account remained in surplus, but the general nervousness over the situation led to a build-up of adverse leads and lags on commercial transactions. Moreover, private capital outflows from Italy remained substantial, in reaction to the political and economic uncertainties, to recurring rumors that the lira would be devalued or floated, and later to widening differentials between domestic and foreign interest rates.

Following the floating of sterling in June, the Italian authorities had been given an exemption from the formal EC procedures for intervention to maintain the 2¼ per cent band. This exemption permitted intervention in defense of the lira to be carried out in dollars rather than in other EC currencies in order to avoid using gold in repayments of possible debts in those currencies. Heavy intervention had been necessary in July, but the markets had calmed down by early September and the Italian authorities had more than offset the July reserve losses with borrowings in Euro-dollar markets by Italian entities.

The lira continued at or near the bottom of the EC band throughout the early fall, and as the dollar strengthened against other EC currencies the lira dropped below its Smithsonian central rate. The exemption from intervention in EC currencies was extended for another 3 months at the end of September, and the Italian authorities were obliged to sell dollars from time to time to keep the lira rate within the 2¼ per cent EC band.

Meanwhile, negotiations had begun on new wage contracts for nearly one quarter of Italy's labor force and, with price inflation running about 8 per cent per annum, labor threatened to strike if its substantial claims were not met. At the same time, the persistent economic sluggishness and high unemployment rate had not responded to the expansionary monetary and fiscal policies then in force. In these circumstances, the Italian authorities did not join other EC governments in tightening domestic monetary conditions, thereby underscoring the serious problems in the Italian economy.

By late November commentators in the market, the press, and political circles were talking increasingly of an exchange rate adjustment through devaluation, a float, or complete withdrawal from the EC arrangements. As this talk became more widespread, heavy leads and lags built up against the lira and speculative capital outflows accelerated. At the same time, the Danish krone, then at the top of the EC band, strengthened markedly on a covering of short positions in that currency and the lira required a sizable amount of support to remain within the band. The situation came to a head on November 30 when rumors that Italy was planning to withdraw from the EC band or to float generated heavy selling in New York. In short order the rate was pushed sharply lower and the Bank of Italy had to intervene very heavily to bring it back within the EC band the next day.

This speculative squall passed quickly, however. The Italian authorities, aware that much of the selling of lire had reflected adverse leads and lags, raised the domestic Lombard rate from 3½ per cent to 5½ per cent in an effort to discourage Italian banks from lending lire for such purposes. In financing the outflows, Italian banks had experienced a sharp increase in foreign currency liabilities to residents, while building up correspondingly large increases in foreign currency claims on nonresidents. Since the authorities had directed the banks not to maintain net foreign asset positions vis-a-vis nonresidents, the exchange authorities provided swaps to the banks, taking in dollars and supplying lire at current rates. These measures helped calm the market and allowed the authorities to recover the recent reserve losses. Toward mid-December the banks found themselves short of lira liquidity because of a bank strike, and the Bank of Italy provided additional lire against dollars swapped on a similar basis.

At the beginning of the new year, Italy's partial exemption from the EC intervention arrangements lapsed. The Italian authorities were once again obliged to support the lira in Community currencies rather than dollars, it having been agreed, however, to postpone gold settlements of possible debts with other EC countries. The lira came on offer and the rate quickly dropped to the point of requiring support against the Danish krone and the Belgian franc, the two currencies at the top of the EC band. By the end of the first week in January, this intervention had tended to pull the band down relative to the dollar and, as the band moved, the lira slid to roughly 1 per cent below its Smithsonian central rate. Intervention was substantial at times, and there were growing expectations in the market that the Italian authorities would soon be obliged to take exchange rate action to resolve the situation.

On Saturday, January 20, the Bank of Italy announced a two-part package to contain speculative pressures. First, a two-tier market was established in which all current-account transactions would be channeled through the officially supported commercial market and all capital transactions would pass through a financial market in which the exchange rate would float. Second, the Italian authorities sharply reduced the period for settlement of export and import payments in an effort to stop and even reverse the build-up of leads and lags against the lira.

There was initial confusion in the market as traders had to sort out the new accounting procedures as well as to evaluate their positions in connection with the split market for a lira payment. The commercial lira moved sharply above its central rate while the financial lira dropped to a substantial discount. Then, when the Swiss franc was floated and the exchanges generally were dominated by speculative flows, the lira fell off, once again extending the EC snake to its limit. The other EC currencies rose and eventually reached their upper limits against the dollar, with the result that the commercial lira was correspondingly pulled to its Smithsonian central rate. Further intervention in the EC currencies was required to keep the rate from falling below that level but not on a massive scale.

Following the announcement on February 12 of the proposed devaluation of the U.S. dollar, the Italian authorities responded by allowing the commercial lira to float rather than moving directly to a new central rate vis-a-vis the dollar. They nevertheless maintained the distinction between the commercial and financial markets, both of which were now on a floating-rate basis. The commercial lira did not join in the general rise in rates against the dollar until early March, and during the first week in March it was still trading only some 4 per cent above its Smithsonian central rate.

FRENCH FRANC

By late summer, economic activity in France was advancing rapidly, spurred in part by a strong rise in exports. At the same time, however, inflation had begun to accelerate and, in view of the large inflows of funds in June and July, the monetary authorities were struggling to maintain control over domestic liquidity. The French money market was nevertheless firmer than those in several other European centers, and that firmness, together with strong underlying payments position, helped to keep the franc at the top of the EC band and close to its Smithsonian upper limit. Indeed, as the atmosphere for the dollar generally improved in September and early October, the Bank of France moved to tighten monetary conditions further by progressively raising its money market intervention rates and by raising reserve requirements against bank loans above a base level to 15 per cent. Consequently, although the franc remained comfortably away from its upper intervention point, it did not get so low as other continental European rates relative to the dollar.

The sudden sharp downturn of sterling after mid-October forced market participants to reassess their views of the relationship between the pound and continental European currencies. The French franc, which was still at the top of the EC band, was particularly vulnerable. Consequently, on October 26, the commercial franc came on offer and dropped sharply, reaching about 1¼ per cent above its central rate before leveling off. On October 30, the EC finance ministers met and agreed on the need for concerted action to combat inflation in their countries. Subsequently, on November 2, the Bank of France announced a ¾ percentage point increase in its bank rate to 6½ per cent, a move which was explained by Finance Minister Giscard d'Estaing as illustrative of the French Government's willingness to cooperate with recommendations of the EC ministers. The French authorities subsequently followed up with further measures of restraint, including another increase in reserve requirements against loans by banks, and these actions helped keep the commercial franc firm in quiet trading through mid-November.

By that time, interest rates elsewhere in Europe had risen to the extent that there was no longer much relative advantage in holding French francs and funds were accordingly switched out of the financial franc and into other

European currencies. Moreover, the U.S. securities markets were attracting investment money from Europe, and French investors were moving large amounts into Wall Street at a time when nonresidents of France were also selling French securities. Consequently, the financial franc, which for sometime had been trading at a substantial premium over the commercial rate, had fallen back sharply to trade occasionally at a small discount vis-a-vis that rate.

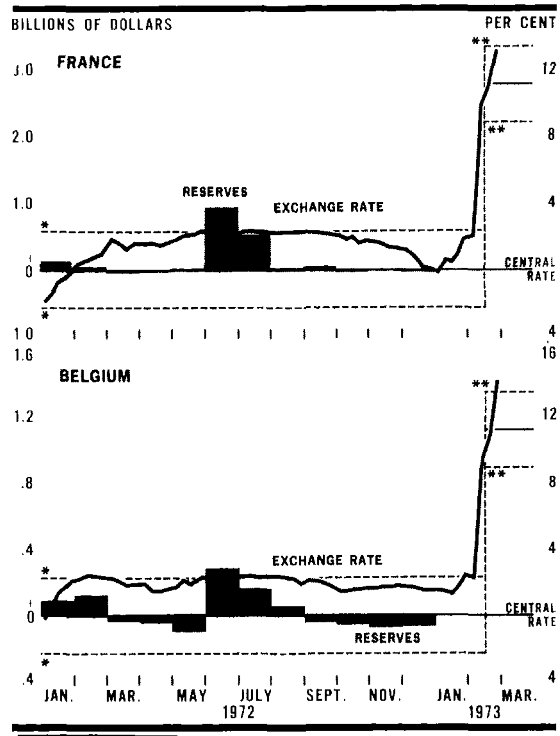
By late November there was renewed concern over inflationary pressures in France, especially after the release of the consumer price index for October showing a rise of 11 per cent on an annual basis, and the authorities took further steps to dampen that rise. On November 30, the Bank of France raised its discount and Lombard rates by a full percentage point to 7½ per cent and 9 per cent, respectively. Then on December 7 the Government announced a new anti-inflationary program, including the imposition of ceilings on the expansion of bank credit and a cut in the value-added tax (with a special public bond issue to offset the revenue shortfall resulting from the tax cut).

These measures bolstered the franc only temporarily, however, as the market had already become nervous over election polls in France indicating the growing potential vote for the parties of the left in the March parliamentary elections. Toward mid-December such polls set off a sharp spasm of selling, which pushed the commercial franc down by more than a full percentage point against the dollar to below the Smithsonian central rate and temporarily to the bottom of the EC band. Simultaneously, the financial franc also moved down sharply, with a widening discount against the commercial franc. Selling pressure did not last, however, and the markets turned quieter toward the end of December and in early January, with the commercial franc hovering close to the central rate. The next round of polls was somewhat more favorable to the Government, and President Pompidou and Finance Minister Giscard d'Estaing made strong statements arguing the fundamental strength of the franc. The spot franc then recovered somewhat, and by mid-January was holding around ½ per cent above its Smithsonian central rate.

In the speculative turmoil following the introduction of a split market for the Italian lira and the subsequent floating of the Swiss franc, the French franc was bid up sharply to trade once again at or near its Smithsonian upper limit. The financial franc also rose and moved to a premium over the commercial rate once again. There was no significant flow of funds into France, however, and during the next 3 weeks the intervention of the Bank of France at the Smithsonian limit was very small. In part, continuing uncertainties over the election outcome tended to give pause to the market. In addition, much of the speculation was over the possibility of the introduction of a two-tier market in Germany, and the French two-tier system already in force tended to divert speculative pressures away from the franc.

Following Treasury Secretary Shultz's announcement of the devaluation of the U.S. dol-

1C CHANGES IN EXCHANGE RATES AND OFFICIAL TRANSACTIONS



*Upper and lower intervention limits established in Dec. 1971

**Upper and lower intervention limits around new central rate established on Feb. 14, 1973

For Note see Chart 1A, p. 148

lar, the French authorities quickly reaffirmed the franc's gold parity and established a new central rate of $0.2172 for the French franc, allowing the full 11.1 per cent appreciation in terms of the dollar. The franc immediately moved up to trade well within its new band and, although the market was still somewhat nervous over the upcoming elections, the spot rate was bid up to its ceiling on February 23. The Bank of France intervened on a small scale that day, and the rate eased. Then, on March 1 and 2, before the market was closed, the Bank of France had to take in nearly $500 million.

BELGIAN FRANC

The Belgian franc emerged from the turmoil of last July relatively strong and traded near its Smithsonian upper limit through early August, even though the dollar was improving against most other major European currencies. In part, the commercial franc was bolstered by a steadily increasing current-account surplus, reflecting significant export growth at a time when Belgium's imports were still cyclically low. At the same time, a special deposit of reserves at the central bank absorbed the excess liquidity created by earlier official purchases of dollars and sterling.

With the franc rate holding at the ceiling while exchange rates elsewhere in Europe were easing, on August 10 the Federal Reserve initiated a probing action in the New York exchange market to see whether some shift of expectations could be generated that would pry the Belgian franc loose from its ceiling. Over the course of several days, the Federal Reserve placed offers of Belgian francs in the New York market at the current rate and, as the market backed away, moved these offers down. On this basis, $10.2 million equivalent was sold and, as had been agreed at the outset of the operation, the Federal Reserve covered these sales by drawing on its swap line with the National Bank of Belgium. As the dollar improved generally over the next weeks, the franc continued to ease on its own and the Federal Reserve was able to purchase sufficient amounts of francs in the market to repay the swap drawings by early September. The financial franc, which had been trading at a premium of ½ per cent above the commercial rate in mid-August, dropped almost to parity with the official rate by early September.

Over the next 2 months the Belgian franc, while holding at or near the top of the EC band, moved roughly in sympathy with the other continental European currencies. Thus, the commercial franc declined sharply in late September and the early days of October, before firming to about ¾ per cent from its ceiling through the end of October. Meanwhile, the financial franc had fallen quite sharply, to trade at a discount vis-à-vis the commercial rate, in response to sizable Belgian purchases of U.S. securities and corporate outflows.

Throughout last fall economic activity in Belgium expanded, led in part by the rise in exports, but—as elsewhere in Europe—the rate of inflation also was rising sharply. Consequently, the Belgian authorities were quite prepared to join with other EC central banks in anti-inflationary measures. The National Bank hiked its lending rates by ½ percentage point on November 23 and by another ½ percentage point on December 21, bringing the basic discount rate to 5 per cent. The National Bank also negotiated new provisions for special deposits this time to include financial institutions other than commercial banks. The announcement of these measures, which would ultimately absorb domestic liquidity, contributed to keeping the franc firm in the exchange markets, with the commercial rate trading in a range of ½ to ¾ per cent from its Smithsonian ceiling until late in December, when it eased slightly.

Meanwhile, beginning in early October, the Federal Reserve had begun a program of modest daily purchases of Belgian francs in the market to repay drawings outstanding on the swap line since prior to August 15, 1971. Using the francs thus acquired, the System repaid $55 million of Belgian franc swap indebtedness through the end of 1972 and $25 million more in early 1973. These repayments reduced total commitments to the National Bank to $390 million equivalent, including $35 million originally drawn on the BIS but consolidated in November into System swap commitments to the National Bank of Belgium.

At the start of 1973 the Italian authorities resumed full participation in the EC currency support arrangements—the "snake in the tunnel"—thereby undertaking to support the lira in EC currencies rather than exclusively in dollars. As the EC band became extended to its full 2¼ per cent width, with the Belgian franc (and the Danish krone) at the top and the lira at the bottom, the arrangements obliged the National Bank of Belgium and the Bank of Italy to intervene in each other's currency (providing francs against lire). This infusion of francs into the market tended to drag the franc rate down against the dollar to a low of 1¼ per cent above its Smithsonian central rate at one point in mid-January.

The Belgian franc snapped upward temporarily after the introduction by the Italian authorities of a dual market system for the lira on January 22. Then, in the more generalized unsettlement following the floating of the Swiss franc, the rate for the Belgian franc continued to rise, in concert with other European currencies. Late in January the Belgian franc reached its upper limit, and the Belgian authorities took in some $250 million through February 9.

Following Treasury Secretary Shultz's announcement of the proposed devaluation of the dollar, the Belgian authorities set a new central rate of $0.024793 for the franc that allowed fully for that devaluation. New intervention points were also established at 2¼ per cent on either side of the new central rate. In the subsequent period of disorderly trading the commercial franc was also bid up to its upper limit, with substantial intervention by the Belgian authorities on March 1. Thereafter, the exchange market was officially closed and the franc traded slightly over its new ceiling.

DUTCH GUILDER

Following the large foreign exchange inflows of the early summer, the money and credit markets in the Netherlands were awash with liquidity. Consequently, there was an outflow of funds from the Netherlands, which led to an easing of the guilder despite improvement in the underlying balance of payments situation. By the end of August the guilder had fallen to within ½ per cent of its Smithsonian central rate. Since the Belgian franc had remained close to its ceiling, the spread between the two currencies reached 1½ per cent and, under the terms of the Benelux agreement linking the two currencies, the Netherlands Bank was obliged to sell Belgian francs against guilders to prevent the spread from widening still further.

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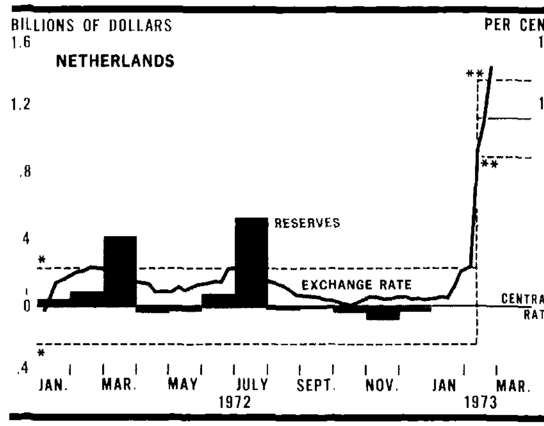


*Upper and lower intervention limits established in Dec. 1971.

**Upper and lower intervention limits around new central rate established on Feb. 14, 1973

For Note see Chart 1A, p. 148

Early in September, the Netherlands Bank moved to reassert greater control over domestic credit conditions in view of the persistence of a high rate of inflation, since inflation remained a major problem even though economic activity continued sluggish. Under a gentlemen's agreement with the commercial banks and postal authorities, minimum reserve requirements against deposit liabilities were introduced for the first time since 1963. The bank made it clear, however, that it intended to allow the market to remain sufficiently liquid to avoid triggering new inflows of foreign funds. It underscored this intention by cutting its discount rate from 4 per cent to 3 per cent and, similarly, by lowering other lending rates 1 percentage point to bring them more into line with the very low rates prevailing in the Amsterdam market.

Domestic liquidity remained plentiful for the time being, however, and the guilder declined even further. The Belgian franc also eased somewhat during this period, but the Benelux band was still stretched to its limit and the

Netherlands Bank continued to have to intervene in francs. The Dutch authorities then moved to speed up their absorption of domestic liquidity by undertaking open market sales of securities on September 12. In response, the Dutch money market tightened, the guilder steadied, and with the Belgian franc weakening the spread between the two currencies narrowed. During subsequent weeks the Netherlands Bank was able to purchase francs to settle with the National Bank of Belgium part of the debt arising out of the earlier intervention; nevertheless, a portion of the obligation was settled in reserve assets.

Late in October, the EC finance ministers agreed on a combined effort to bring inflation under control in their respective countries. On November 3 the Netherlands Bank raised its discount rate by 1 percentage point, back to 4 per cent. At the same time the Dutch Government continued discussions with labor and employer groups to negotiate voluntary limits on wage and price increases. With these negotiations at a critical stage and the recovery of the Dutch economy still tentative, the Netherlands Bank did not follow the next rounds of increases in discount rates on the European continent in December and early January. Even so, the money market in Amsterdam held firm, and the guilder remained steady vis-à-vis the other EC currencies and the dollar.

After January 22, the guilder was caught up in the generalized rush into European currencies that followed the introduction of a split market for the Italian lira and the floating of the Swiss franc. As the movement out of dollars gathered steam, it tended to focus on those currencies that were neither floating nor trading in split markets. The guilder, with only a very limited version of the two-tier market (the "O" guilder circuit for foreigners' purchases of Dutch securities), and also with close traditional ties to the German mark, came into relatively heavy demand. By the end of January, the guilder was bid up to its Smithsonian ceiling. In the opening days of February, the Federal Reserve, utilizing \$20.4 million equivalent of balances accumulated in the market last fall, began to sell guilders in the New York market to provide some resistance to this advance and maintain an orderly market. Nevertheless, as the mark came under unusually heavy pressure, the Netherlands Bank was forced to take in sizable amounts of dollars. By Friday, February 9, its intervention had swelled to just under \$400 million.

After Treasury Secretary Shultz announced the proposed change in the U.S. parity on February 12, the Netherlands authorities set a new central rate that fully reflected an 11.1 per cent appreciation of the guilder relative to the dollar. There were no reflows, however, and the guilder quickly moved up to trade near its new central rate. As the market situation deteriorated over the next weeks, the guilder continued to rise and, by February 28, the Netherlands Bank was obliged once again to absorb dollars. After taking in more than \$750 million by the close of business on March 1, the Dutch authorities joined other European governments in suspending official dealings as intensive international negotiations began.

JAPANESE YEN

Japan remained in massive payments surplus throughout 1972, as the trade surplus grew further. To be sure, some of this widening reflected the immediate terms-of-trade effects of the 1971 revaluation and, for the early part of the year at least, the sluggishness of the Japanese economy. Nevertheless, there was a general conviction in the exchange markets that the yen was still undervalued. Consequently, the yen continued in strong demand throughout the late summer and early fall, partly because of the underlying payments surplus, but also because of commercial leads and lags and outright speculation in favor of the yen.

While rejecting further direct action on the exchange rate, the Japanese authorities took several measures during the fall to bring Japan's external position into better balance. In September, the Bank of Japan abolished the remaining vestiges of longstanding export promotion measures, whereby the authorities made low-interest loans against export trade bills and discounted yen-denominated export usances. Then, on October 20 the Japanese Government announced a five-point program, including across-the-board reduction in import duties, increases in some import quotas, a voluntary export restraint plan, and a supplemental budget designed to shift resources out of export production and into public goods and services. On the same date, it decided to impose statutory controls on foreign portfolio investments in Japan. Nevertheless, the yen remained pinned to its upper limit, and the Bank of Japan continued to purchase sizable amounts of dollars almost daily. To slow the growth of official reserves, the Ministry of Finance continued its program of depositing dollars with the Japanese exchange banks so as to enable them to repay short-term dollar liabilities to U.S. banks. Taken together, in September and October a further $600 million was so deposited, while official reserves increased by a net of $1,424 million.

The massive inflows continued through November and into December, although the Bank of Japan's daily dollar purchases tended to slacken somewhat. In part, this slowdown reflected the Finance Ministry's efforts to prevent abnormal prepayments for Japanese ships and to promote outflows of Japanese funds for investment abroad. Moreover, speculation on an early revaluation of the yen died down when parliamentary elections were scheduled in Japan for early December and traders began to believe that action on the exchange rate was not likely until after those elections.

Furthermore, the Japanese economy was expanding rapidly by then and there was an unusually sharp jump in wholesale prices. The trade accounts, while still in substantial surplus, were beginning to show some influence both of the revaluation itself and of the pick-up in the Japanese economy. The yen nevertheless remained at its ceiling until late in December, when the Japanese banks found themselves short of dollars for year-end needs. The spot rate then eased below its ceiling for the first time since June, and the Bank of Japan was able to sell modest amounts of dollars. In November and December, official reserves showed a further rise of $569 million after the placement of an additional $800 million of special deposits by the Ministry of Finance with the exchange banks.

Early in 1973, the yen held marginally away from its ceiling, reflecting seasonal slack in conversions of Japanese export receipts and a partial unwinding of leads and lags. The yen continued to trade quietly, even as the turmoil in the European exchange markets flared up after mid-January. It was only after continental European currencies had reached their Smithsonian limits requiring massive official intervention, that the Japanese yen returned to its ceiling and the Bank of Japan also began to absorb dollars. In the 8 trading days through February 9, total intervention by the Bank of Japan amounted to $1.1 billion. With negotiations among governments on the question of the alignment of exchange rates then in progress, the Japanese authorities closed the exchange market on Saturday, February 10, until further notice.

In the course of these discussions, the Japanese Government decided that the yen would be allowed to float temporarily, although the Bank of Japan was still prepared to intervene to moderate movements in the rate. When full-scale trading resumed on February 14, the yen rose sharply and soon reached 17¾ percentage points above its Smithsonian central rate. The market then quieted and the yen tended to settle back. However, in the renewed crisis atmosphere that developed in the exchanges at the end of February, the yen again rose sharply.

CANADIAN DOLLAR

Through the late summer and early fall the market for the Canadian dollar remained in rough balance, with the rate moving narrowly between $1.01½ and $1.01¾. Canadian money market rates were generally lower than those elsewhere, and the Canadian current-account deficit had deepened, but substantial long-term capital inflows continued to support the exchange rate. The parliamentary election of October 30, in which neither major party in Canada achieved a clear majority, was a jolt to the market. The immediate response was heavy professional selling, and the Bank of Canada acted to steady the market. The pressure soon passed, however, and the rate settled around the $1.01½ level through much of November. The political situation nevertheless continued to be a matter of concern in the market, as traders expected that the new Canadian minority government would pursue more expansionary economic policies in response to the evident concerns of the electorate.

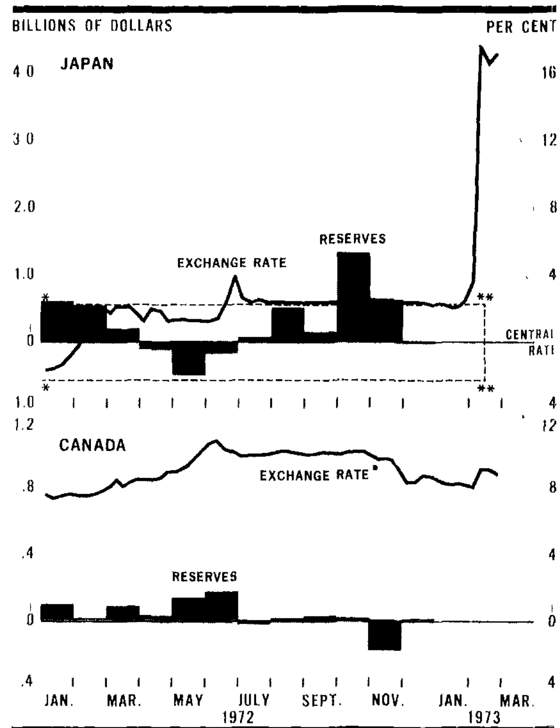
On November 27, the Canadian-chartered banks announced a reduction in their rates on certificates of deposit by ⅛ to ¼ percentage point. These reductions, though modest in size, had a substantial impact on the exchange market, as they were unexpected and occurred at a time when interest rates were rising sharply in the United States and Europe. Consequently, on the next trading day, the Canadian dollar came on offer in the market.

Meanwhile, traders were still concerned over the political situation in Canada, U.S. commercial interests were beginning to repatriate funds for year-end purposes, and conversions of Canadian borrowings abroad had tapered off. Thus, when offers appeared in the market, there were few buyers, and the selling snowballed. The Bank of Canada continued its policy of intervening to maintain an orderly market, but the rate dropped 1½ cents, reaching \$0.99¾ on December 7 before staging a partial recovery. There were, however, wide fluctuations in the rate through the balance of the year. Over November and December, Canada's official reserves declined by \$180 million.

By early January the market had settled down, with trading generally around the \$1.00 level. At that point, expectations were for a continuing softness of the Canadian dollar, partly for seasonal reasons and partly because there were still a few large foreign borrowings by Canadian entities in the pipeline. Moreover, Canadian credit markets were liquid, and there were continuing expectations that the Government's upcoming budget message would chart an expansionary course. Consequently, the Canadian dollar was largely ignored in the speculative turmoil that erupted in late January in the markets for European currencies and for the Japanese yen, and the spot rate for the Canadian dollar continued to fluctuate narrowly near \$1.00 through February 9.

The following Monday, February 12, however, with widespread reports that the U.S. Government was negotiating an exchange rate realignment with the governments in Europe and

1E | CHANGES IN EXCHANGE RATES AND OFFICIAL TRANSACTIONS



*Upper and lower intervention limits established in December 1971.

**Intervention limits suspended on Feb. 14, 1973.

■ Measured as percentage deviations from the \$0.92½ official parity established in May 1962. The Canadian dollar has been floating since June 1, 1970.

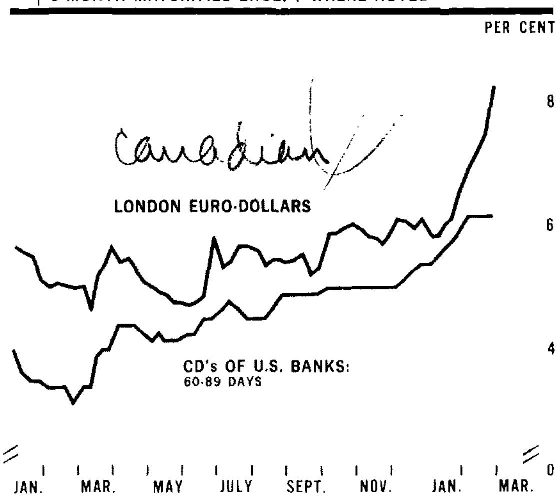
For Note see Chart 1A, p. 148

Japan, the Canadian dollar came into strong demand. After Treasury Secretary Shultz's announcement that night of the proposed devaluation of the U.S. dollar, Canadian Finance Minister Turner issued a statement that the Canadian authorities were prepared to take strong measures to keep the Canadian dollar from rising relative to the U.S. dollar. When a wave of demand for Canadian dollars developed on the following day, the Bank of Canada intervened heavily, buying U.S. dollars. The spot rate reached \$1.01¼ before turning around following the reopening of European exchange markets. The rate then fell sharply, and the Bank of Canada was just as active in the market when the Canadian dollar moved down as it had been on the way up. The rate bottomed out just below \$1.00¾ and fluctuated within a relatively narrow range through the rest of February.

EURO-DOLLAR

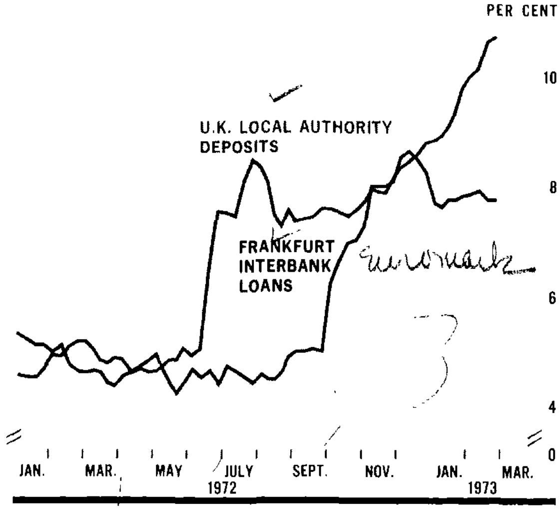
During the closing months of 1972, Euro-dollar rates tended to rise more in line with the gradual advance of money rates in the United States than with the steeper upswing of interest rates in major European financial centers. Throughout the year the supply of Euro-dollars had steadily expanded. The continuing U.S. payments deficit had further increased the volume of dollars in foreign hands, and some of those funds were deposited in the Euro-dollar market. Moreover, private and official sources in countries outside the Group of Ten that had significant balance of payments surpluses added to the Euro-dollar pool. The Japanese banks, their resources bolstered by dollar deposits with them by the Japanese authorities, were notably active in the market, stepping up both their direct loans to customers and their loan participations. Further, there was a record volume of new issues in the Euro-bond market in 1972, and issuers placed large portions of the proceeds of these bond sales in the Euro-dollar market until needed for actual outlays. Partly offsetting these new supplies of funds were withdrawals from the market by investors wishing to take advantage of the higher interest rates in domestic European money markets or, in view of continuing currency uncertainties, to reduce their dollar exposure.

2 | YIELD COMPARISONS
3-MONTH MATURITIES EXCEPT WHERE NOTED



Euro-dollars are weekly averages of daily rates, CD's, Wednesday data.

3 | YIELD COMPARISONS
3-MONTH MATURITIES



Weekly averages of daily rates.

On the demand side, the sharply tightened credit conditions in European financial centers might have led to even greater borrowings of Euro-dollars during the fall and early winter, except for the various measures taken in almost every European country to prevent inflows from abroad. The impact of controls was most strongly felt in Germany, where the *Bardepot*—a 50 per cent reserve requirement against new foreign borrowings—often inhibited German firms from borrowing Euro-dollars. Constraints on capital inflows were enforced in other continental countries and, consequently, demand from European corporate customers expanded at only a fraction of the rate of domestic credit expansion. By contrast, the demand from the developing countries and, to a growing extent, from East European countries expanded greatly. These borrowers, mostly public or semipublic enterprises, raised funds principally for medium-term maturities.

U.S. banks continued to be active on both sides of the Euro-dollar market but did not add greatly to the net supplies coming into the market or to demands on the market. Thus, although U.S. banks' liabilities to their branches showed fairly wide week-to-week fluctuations, outstanding liabilities at the year-end were still around \$1.5 billion. The U.S. banks tended to be most active at the short end of the maturity structure, borrowing overnight Euro-dollars from foreign banks or their foreign branches to meet immediate reserve needs. In addition, for protracted periods the New York agencies of Canadian banks and branches of other foreign banks took advantage of arbitrage opportunities afforded by lower rates on overnight Euro-dollars to make placements in the Federal funds market.

The general balance of demand and supply in the Euro-dollar market that had prevailed during most of the fall months was upset during the massive rush out of dollars and into European currencies that developed in January and early February 1973. As the crisis in the foreign exchange markets gathered strength, traders liquidated earlier placements in the Euro-dollar market or even bid for additional Euro-dollars to finance purchases of other currencies. This subjected the Euro-dollar market to a severe squeeze, and rates rose across the board. Even after the announcement of the proposed devaluation of the dollar on February 12, Euro-dollar rates continued to shoot upward, with the 3-month rate reaching as high as 9¼ per cent by March 1. Thereafter, the immediate pressures eased somewhat, and early in the following week the 3-month rate declined somewhat. □

Statements to Congress

Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Joint Economic Committee, February 20, 1973.

It is a pleasure to meet once again with the Joint Economic Committee to present the views of the Board of Governors on the condition of the national economy.

The past year has witnessed a remarkable expansion of economic activity. The physical output of goods and services rose 7.6 per cent over the past four quarters, and production in the industrial sector advanced even faster. The number of persons employed in civilian jobs has of late averaged about 2½ million above year-earlier levels. Last month, the rate of unemployment fell to 5 per cent, or nearly a full percentage point below the level of a year ago.

Economic expansion during the past year was also well balanced, and employment therefore recovered in practically all major sectors of the economy. Consumers have been spending freely on a wide array of goods and services. The housing industry has defied earlier predictions of an impending decline. Business expenditures for capital equipment have risen substantially. And inventory investment, a laggard in this recovery, has also joined the economic advance of late.

As we see the state of business, the current expansion has considerable momentum. Consumer buying and business investment in fixed capital are both likely to continue their upward course. Business firms, moreover, will need to add substantially to their inventories in coming months to accommodate a rising pace of sales. A good increase in physical output during 1973 thus appears in prospect. As production increases, the demand for labor will grow, and we may look forward with some confidence to further declines in unemployment during 1973.

While we have been experiencing robust expansion in the domestic economy, our foreign trade has proved singularly disappointing. True, exports rose substantially last year, but the dollar value of our imports increased even more. The vigor of our economic expansion was a major cause of the rise in imports. Other factors were also at work, including the explosive increase in energy requirements that caused our oil imports to grow.

Our over-all international economic accounts have continued to be seriously out of balance. The Smithsonian Agreement of December 1971 was recognized by all concerned as a temporary arrangement, but it was also felt that it would give the nations of the world sufficient time to rebuild the monetary system on a permanent basis. As events have turned out, less was achieved through the Smithsonian Agreement than we or other nations expected from it. Serious conversations on international monetary reform have been under way for several months, but they have gone forward much too slowly. Meanwhile, another monetary crisis developed in recent weeks. The reasons for its precise timing may be debated, but there can be no doubt about the underlying cause—namely, the huge continuing deficit in the balance of payments of the United States, which has had its counterpart in the persistent surpluses of other countries.

The progress we need in our international accounts is enormous, and the way to a lasting solution does not depend on us alone. The devaluation of the dollar announced last week, together with the realignment of exchange rates accepted by other countries, should prove helpful over the longer run. Prompt action is now needed to revise the par value of the dollar and to adopt new legislation to promote expansion of international trade and to help restore equilibrium in our international transactions.

In the months immediately ahead, opposite influences will play on our foreign trade. The currency realignment will have a perverse influence until demand patterns become readjusted to the new structure of exchange rates. On the other hand, the expansion of economic activity abroad will tend to bolster our exports in coming months. Also, our underlying competitive position in world markets should improve as a result of recent trends in costs and prices in the United States and abroad.

In most industrialized nations, inflation last year was proceeding at a pace substantially faster than in the United States. Our own inflationary problem, though worrisome, has thus far been under better control. In the first half of 1971, prior to the imposition of wage and price controls, the rate of inflation was about 5 per cent, judging by comprehensive price measures for goods and services produced in the private sector. The inflation rate slowed to 3½ per cent in the first half of 1972 and to about 3 per cent in the latter half of last year.

This moderation in the pace of inflation has resulted from reduced pressure of rising costs on prices. Unit labor costs in the private nonfarm sector rose last year by only 1.6 per cent, compared with 3.4 per cent in 1971 and 6.6 per cent in 1970. The improvement stemmed mainly from larger increments to productivity, but a somewhat slower advance in wages was also a factor.

The progress we have thus far made in moderating inflation is, however, insufficient. There is no room for complacency when the average level of prices is still rising quite rapidly, when it appears likely that productivity improvements will fall short of last year's fast pace, when wage rate increases—if we may judge from the closing months of last year—are becoming larger again, when imported goods are going to cost more as a result of the recent devaluation of the dollar, and when American families are facing sharply higher grocery bills.

The unhappy recent rise in food prices is especially disturbing. This should not, however, blind us to the remarkable accomplishment of the past year and a half—a period when price advances became smaller while real output and employment were growing very briskly. This is an unusual pattern of behavior in an advanced phase of a business-cycle expansion.

Let me turn next to the role that monetary policy has played in recent developments.

A year ago, as the committee will remember, unemployment was still nearly 6 per cent of the labor force, and industrial production had not yet regained pre-recession levels. With an effective wage and price policy in place, the central task of monetary policy was to promote expansion in economic activity on a sufficient scale to reduce the gap between actual rates of production and our full employment potential.

There can be no doubt that ample availability of credit contributed materially to the expansion of economic activity over the past year. For example, the impressive rise in consumer purchases of new autos and other durable goods could hardly have occurred without a pronounced increase in consumer instalment credit. Again, the exceptional growth of residential mortgage loans contributed powerfully to sustaining new housing construction at record levels. I am also convinced that the stability of long-term interest rates strengthened investor confidence and facilitated the expansion of business capital investment; the weakness of this sector, it may be recalled, had seriously restricted economic recovery during 1971.

Early in 1972, monetary policy sought to make up for the shortfall in the growth of money balances in late 1971. The rate of monetary expansion was, therefore, high in the first quarter of 1972. As the year progressed, evidence accumulated that economic expansion was quickening and that increasing demands for credit were putting upward pressure on short-term market interest rates. This gave rise to some concern about the market for longer-term securities. It nevertheless was clear that efforts to prevent a rise of short-term market rates would result in excessively rapid expansion of the monetary aggregates.

Federal Reserve policy therefore tolerated the rise in short-term market interest rates that began last March and has continued since then. By the end of 1972, yields on Treasury bills, commercial paper, Federal funds, and on other short-term market instruments had increased about 2 percentage points from their lows, and some further upward adjustment has occurred since the beginning of this year.

Past experience indicates that a rise in short-term market interest rates is usually followed by slower growth of the monetary aggregates. This was an objective of monetary policy during 1972, and the rate of increase in the narrowly defined money stock—that is, demand deposits plus currency in public circulation—did in fact moderate during the late summer and early fall of 1972. Late in the year, however, additions to money balances spurted to a pace well above what the Federal Open Market Committee desired.

The precise causes of the unusual increase in money stock last December are still somewhat elusive. One known factor is that the revenue-sharing checks received by States and localities temporarily raised the cash balances of these governmental units. It may also be that a change during November in Federal Reserve regulations governing bank remittances for cash letters contributed to the spurt. In any event, the December bulge in money growth proved to be short-lived. This January the narrowly defined money stock showed no further increase.

Increases in the money stock are very uneven over time, and rates of increase must be measured over more than a few months to determine the thrust of monetary policy. Thus, the narrowly defined money stock grew by 7.4 per cent from the fourth quarter of 1971 to the fourth quarter of 1972. This was actually a little less than the increase in real output of goods and services and far less than the 11 per cent rise in the dollar value of output. If the money stock had grown at a significantly lower rate, we would probably have experienced smaller gains in real output and employment last year, and unemployment would be at a higher level now.

In view of the lag in the workings of monetary policy, the Federal Reserve did, however, deem it desirable to move gradually toward a less expansive monetary policy during 1972. In the first quarter, the reserves for supporting bank-deposit expansion came entirely from open market operations. But as the year moved on, a sharp reduction occurred in the additions to nonborrowed reserves—from a 12 per cent annual rate in the first half of the year to 2 per cent in the second. Member banks reacted to this more reluctant provision of reserves as they customarily do—that is, by borrowing more at the discount window. There are, however, limits to such a process. Bankers know that they cannot rely on these borrowings in more than limited amounts or for more than limited time periods.

Developments have thus been under way for some time that should result in somewhat slower growth of the monetary aggregates. The Federal Reserve has also taken other restraining actions. Late in November, the Board raised margin requirements to forestall excessive use of credit in the stock market, and we thereby also indicated our concern about potential inflationary developments. And in January, the discount rate was raised to bring it into better alignment with market rates of interest. This move served notice to the banking system and to the public at large that supplies of money and credit were being brought under a tauter rein.

The current economic expansion has entered a more sensitive phase, in which new problems may be encountered. A substantial further increase of real output is needed to provide employment opportunities for a growing labor force, and to make possible further progress in reducing unemployment. However, with labor and capital resources being utilized more fully, the expanding demand for goods and services could begin to pull prices upward and thereby reinforce prevailing cost-push pressures. In the absence of monetary and fiscal restraint, excess aggregate demand might easily re-emerge and touch off a new round of inflation.

This must not be permitted to happen. The hard-won gains our Nation has made in the struggle against inflation must not be frittered away. To do so would sap the confidence of our people in the integrity of government. We must also be mindful of the fact that inflation is now being resisted abroad by more stringent monetary policies and also by incomes policies in some countries. If the potential benefits of the new exchange rate realignment are to be realized, the rate of inflation in the United States must be reduced further. For monetary policy, these considerations indicate a need to practice greater moderation during 1973 in the provision of new supplies of money and credit.

The Federal Reserve will remain mindful, nevertheless, of its responsibility to support further gains in real output and employment. Success in that endeavor will mean continued expansion in business activity, and thus rising credit demands. Market interest rates may, therefore, rise further, as they typically do in the expanding phase of the business cycle. But it is my hope and expectation that sharp increases in long-term rates can be avoided.

I can assure this committee of two things. First, the Federal Reserve recognizes that in order to keep the monetary and credit aggregates under good control, it will be necessary to avoid efforts to hold open market interest rates at artificially low levels. Second, the Federal Reserve does not intend to permit severe stringencies to develop in the credit markets or to try to correct for every error in public or private policies.

The proper role of monetary policy in the achievement of our national economic objectives is a comparatively modest one. Monetary policy can help to establish a financial climate in which prosperity and stable prices are attainable. But it cannot guarantee the desired outcome; the task is much too large.

The course of fiscal policy certainly has a vital bearing on reaching our national economic objectives. It now appears that Federal budget outlays in fiscal 1973 will be held to $250 billion—or some $6 billion below what the staff of the Joint Committee on Reduction of Federal Expenditures estimated just a few months ago. This would be a welcome achievement. Furthermore, the proposed budget for fiscal 1974 calls for a balance between revenues and expenditures at full employment.

However, the administration's budget for fiscal 1974 can hardly be called austere. After all, total outlays are scheduled to rise an additional $19 billion, or 8 per cent. The national interest would be well served in present circumstances if the Congress saw fit to stay at or below the expenditure limits proposed by the President. It is also highly important, as the members of this committee well know, that congressional procedures be reformed so that Federal spending can be brought under better control.

Early evidence of better control over Federal expenditures would go a long way toward assuring the public that excess aggregate demand will not re-emerge in 1973 and in later years. But there are times when overheating of the economy originates in the private sector. At such times, flexible fiscal tools can help to curb private spending.

Some months ago, the Board of Governors urged the Congress to consider a variable investment tax credit as a means of improving the conduct of economic stabilization policy. The essence of the proposal is that the President be given authority to initiate changes in the investment tax credit. At the same time, Congress would retain its traditional control over taxes and act as a full partner in making the needed adjustments. For example, the President might be permitted to change the tax credit within a specified range—say, between zero and 10 or 15 per cent, subject to modification or disapproval within 60 days by Congress.

This proposal, the Board believes, would facilitate making the timely adjustments required for a more effective stabilization policy. Prompt action by the Congress on a flexible investment tax credit would make it possible to use this instrument, if it were needed, to curb the growth of business capital expenditures later on in this expansion.

Improved policies of managing aggregate demand, important though they be, will not of themselves suffice to assure prosperity without inflation. Structural reforms are also needed. Not a few of our corporations and trade unions now have the power to exact rewards that exceed what could be achieved under conditions of active competition. As a result, substantial upward pressure on costs and prices may emerge long before excess aggregate demand has become a problem.

There is no easy path to meaningful structural reform. Genuine progress would require that we undertake to curb abuses of economic power by both business firms and trade unions, besides re-appraising a host of laws and governmental regulations that interfere with the competitive process.

Let me turn to the role that private policies must play to ensure that inflationary developments do not frustrate governmental efforts to promote prosperity without inflation.

Since August 1971 our Nation has been engaged in a new effort to influence wage and price decisions through direct controls. In its present phase, greater reliance is placed on self-discipline in abiding by rules of appropriate behavior. Phase III, however, is hardly a voluntary program. Several areas of the economy remain under mandatory control. Furthermore, the President has indicated his firm intention to take whatever action that may be necessary to achieve compliance with the objectives of the program. He has ample authority to do so under the Economic Stabilization Act.

Yet, in the final analysis, the workability of any form of controls in an economy as large and complex as ours depends on public acceptance of the need for controls and on cooperation of the participants in the program. Phase II was successful in moderating wage rates and prices because of the widespread support it received from the American public, including business firms and the trade unions. Phase III will enjoy a reasonable measure of success if that spirit of cooperation continues, and if labor and management join together to increase productivity and to hold down increases in wage rates and prices.

Our Nation's financial institutions must also make their contribution if the stabilization program is to succeed. It will be in their own interest, as well as in the national interest, to manage their lending policies more cautiously in the months ahead. Any rapid rise in commitments for future lending, for example, would increase the exposure of individual financial institutions to a liquidity squeeze, and at the same time contribute to an inflationary round of spending on the part of businesses and other borrowers.

Wise bankers will shun the temptation that arises during a period of business expansion to step up their lending activities. If excessive extensions of credit are averted through exercise of prudence by lenders and borrowers, the need for strong monetary restraints will not arise.

In recent weeks, I have felt a sense of concern developing across the Nation about the ability of the United States to deal with the problems that prosperity creates. This concern is understandable. We live in troubled times, and memories are still fresh of the damage produced by inflation during the latter years of the 1960's. But there is no need to be afraid of prosperity. Our national economic policies are now set on a course that promises to bring us closer to the goal of a prosperous economy with stable prices. If we persevere, as we must, that objective can be realized. □

Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Committee on Banking, Housing and Urban Affairs, U.S. Senate, February 27, 1973.

The Board of Governors of the Federal Reserve System supports prompt enactment of S. 929, the bill to amend the Par Value Modification Act of 1972.

The bill proposes a new par value for the dollar in the International Monetary Fund. This proposed change will have several financial and accounting consequences. The value of the Treasury's reserve assets will be written up by 11.1 per cent, or about $1.4 billion. The dollar value of our subscriptions and contributions to several international financial institutions will need to be increased. In addition, there will be an increase in the dollar value of certain Treasury and Federal Reserve liabilities connected with operations in foreign currencies. The net result of these financial and accounting adjustments will be to leave budgetary expenditures and the over-all dollar assets and liabilities of the U.S. Government little changed.

The Federal Reserve System will be affected by these financial and accounting adjustments in two ways. First, the Treasury will be able to issue new gold certificates to the Federal Reserve Banks in an amount equal to the increase in the book value of the Treasury gold stock. To the extent that the Treasury does so, its cash balance will rise. A subsequent return of the Treasury cash balance to previous levels would, of itself, result in an equivalent increase in bank reserves; but such an increase can be readily offset—in whole or in part—by Federal Reserve open market operations.

The other effect on the transactions and accounts of the Federal Reserve will occur in connection with settlement of commitments under the reciprocal currency arrangements with foreign central banks. Use of a "swap" arrangement by the Federal Reserve entails an obligation to deliver a specified amount of foreign currency at a future date. Similar commitments have been undertaken by the Treasury on its debt securities denominated in foreign currencies.

As of February 12, 1973, the Federal Reserve had outstanding swap drawings of \$1.66 billion, almost all of which were originally undertaken prior to August 15, 1971. Inasmuch as the dollar prices of the affected currencies—Swiss francs, Belgian francs, and German marks—were further increased as a result of the currency realignment of February 12, there will be an additional cost to the Federal Reserve in liquidating these drawings. The cost attributable to the February 12th realignment is presently estimated at nearly \$200 million. The total cost attributable to both the Smithsonian realignment and this February's realignment is estimated at less than \$400 million.

The purpose of the swap transactions carried out prior to August 15, 1971, was to defer or reduce declines in reserve assets that would otherwise have occurred. The losses incurred at the time these swaps are settled reduce the earnings of the Federal Reserve System that are turned over to the Treasury. But against these losses the Treasury has a roughly offsetting profit on the gold and other reserve assets that it still holds because foreign central banks were willing to accept Federal Reserve swap drawings instead of demanding reserve assets from the Treasury.

The fundamental cause of the exchange market crisis that preceded the February 12th decision to propose a change in the par value of the dollar was the large and persistent deficit in the U.S. balance of payments and, as its counterpart, persistent surpluses of foreign countries. Our deficit of about \$10 billion to \$11 billion on official reserve transactions in 1972 was less than the huge \$30 billion deficit of 1971, but it was still enormous by any historical standard. As a consequence, the liabilities of the United States to foreign monetary authorities rose to \$61 billion by the end of last year.

Against this background, it is not surprising that exchange markets were sensitive to recent economic developments. Publication of our November and December trade figures, which indicated that the trade deficit during 1972 would reach nearly \$7 billion, had an unsettling effect on financial opinion. Recent sharp increases in wholesale prices coincided with doubts voiced in the public press about the effectiveness of Phase III. Financial sentiment may also have been adversely affected by the continuance of a large Federal budget deficit at a time of rapid economic expansion.

In late January confidence in the stability of exchange markets deteriorated when the Italian Government adopted a two-tier market and the Swiss authorities decided to let their currency float. As excitement mounted in exchange markets, particularly in the case of the German mark, close consultation was maintained by our Government with other governments. The Federal Reserve System and the Treasury undertook some intervention in German marks and Dutch guilders in a cooperative effort with other central banks to maintain order in exchange markets. Then, when large-scale speculation failed to diminish, the President decided on February 6 to take the lead in trying to find a resolution of the crisis by promptly exploring alternative courses of action with other countries. On Monday, February 12, Secretary Shultz announced that an agreement had been reached.

As you know, the President has proposed a devaluation of the dollar by 10 per cent—that is to say, the value of the dollar in terms of gold or SDR's would decline by 10 per cent. Stated differently, our official price of gold would rise by 11.1 per cent or from $38.00 to $42.22 per ounce, and the price of SDR's would likewise rise by 11.1 per cent or from $1.09 to $1.21. The bill you are now considering will give formal effect to the devaluation. It should be noted that the newly proposed official price of gold, like the old official price, is an accounting measure and must not be confused with the market price of gold.

The response of foreign countries to the proposed devaluation of the dollar has on the whole been favorable. A large number of countries have left unchanged the value of their currency in terms of gold, thereby allowing their currency to appreciate against the dollar by the full amount of the dollar devaluation. Many other countries have devalued part or all of the way with the dollar, but in most cases these actions appear to be consistent with their balance of payments situation. Countries with floating currencies—which now include Japan, the United Kingdom, Italy, Canada, and Switzerland—have so far intervened in their exchange markets on only a small scale. In view of the need to correct the existing pattern of payments imbalances, it is particularly encouraging that the Japanese yen has appreciated not only against the dollar but also by a significant amount against other major currencies.

When these recent exchange-rate changes are taken together with those embodied in the Smithsonian realignment, it is clear that the U.S. competitive position has improved substantially. The balance of payments effects resulting from this improvement, however, will be fully felt only after a considerable lag. Indeed, in the months immediately ahead, the effect of the devaluation on the dollar value of imports is likely to be perverse. The reason is that dollar import prices go up quickly, while businesses and consumers will take time to cut back on the quantities that are imported.

The foreign trade figures just released for January show improvement. Nevertheless, there should be neither surprise nor anxiety if the trade deficit remains large in the next few months. Later this year, and more so in 1974, we can confidently expect our foreign trade and payments position to improve. The combination of the Smithsonian realignment and the recent exchange-rate changes have placed us squarely on the road back toward equilibrium in our balance of payments.

We must guard, however, against taking that improvement for granted. The deficit in our international transactions, while welcome in the early postwar years, has persisted since 1950. The few signs of improvement that have appeared now and then have proved evanescent. By now, the deficit in our balance of payments has seeped into the thinking of people concerned with finance around the entire world. The persistence of this deficit, its recent huge size, and the associated surpluses elsewhere have weakened the international monetary system and have caused uncertainty to spread among traders. Restoration of confidence in the international financial order is essential. Indeed, confidence in our own economy will be strengthened if we set for our Nation a firm and definite goal for the balance of payments—namely, to end the deficit within a period of 1 to 3 years.

The recent realignment of exchange rates, as I have already noted, has put us well on the road towards equilibrium in the balance of payments. To stay firmly on that road, we must make sure that our economic policies, taken as a whole, are realistically adjusted to our needs.

It cannot be emphasized too strongly that changes in exchange rates are not—and can never be—a substitute for sound domestic policies. The primary task of economic policy this year is to steer our expanding economy onto a noninflationary course. This goal is essential for domestic reasons, and it is no less vital for our international position. Unless our recent success in reducing the rate of inflation is extended, the improvement in the balance of payments that will result from the devaluation of the dollar may gradually be eroded away. Moreover, a vigorous effort to increase productivity and curb inflation is more than ever necessary since Americans now have to pay more for their imported goods. With the prices of foodstuffs soaring and uneasiness about wages spreading, we must use all the tools in our arsenal—monetary policy, fiscal policy, and incomes policy—to achieve faster progress toward general price stability.

There is a second need that requires the attention of the Congress. The President has indicated that he will shortly be submitting new trade legislation. According to the Secretary of the Treasury, the President's recommendations will include authority to lower U.S. trade restrictions as part of a mutual reduction of trade barriers with other countries. They will also provide authority for raising U.S. barriers if that proves necessary to achieve fair access of our products into foreign markets, to provide safeguards against disruption of particular domestic markets, or to protect our international financial position against large and persistent deficits. If it should turn out that inadequate progress is being achieved in reducing the deficit in the U.S. balance of payments, this latter authority should be available for use; for we must leave no doubt about our determination to bring the long series of deficits in our balance of payments to a scheduled end. However, any deviation from a liberal commercial policy should be limited and strictly temporary so that over the longer run we and other countries may continue to gain the benefits of a growing volume of international trade and investment.

There is a third need that we should keep in mind—namely, the importance of maintaining an environment that is conducive to private enterprise and investment. The recent upsurge of economic activity has made Americans seeking permanent investments more willing to put their dollars to work at home rather than abroad. It has also led to substantial foreign investment in American enterprises last year. Such foreign investment needs to be encouraged. Among other things, the proposal recently put forward by Congressman Mills for elimination of the withholding tax on interest and dividend payments to foreigners deserves serious study.

While we apply ourselves with zeal and diligence, as I trust we shall, to putting a halt to the deficits in our international accounts, we must simultaneously intensify our efforts to reform international monetary and trading relationships. The behavior of exchange markets since mid-January has poignantly demonstrated once again the urgent need for reaching early agreement on the framework of a new international monetary system. The United States Government has put forward a plan that promises to promote effective and more orderly adjustment of payments imbalances in the future. Other countries should be equally forthcoming in putting their views forward. The essential thing is to move at a faster pace toward agreement on a monetary system that will not be prone to recurring crises.

In conclusion, I want to share with you a sentiment I expressed last week to the Joint Economic Committee. I have recently felt a sense of concern developing across the Nation about the ability of the United States to deal with its economic problems. This concern is understandable, for we live in troubled times and our problems are not simple. But I have every confidence in our Nation's ability to resolve its problems as long as business, labor, and all branches of our Government remain willing to work together toward the basic economic objective of prosperity without inflation.

Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Joint Study Committee on Budget Control, March 6, 1973.

In a year when the Congress is demonstrating a determination to reform its procedures, your committee faces a challenge worthy of its talents. You have the opportunity to enable the Congress to turn its power of the purse into a truly effective instrument for stabilizing our economy.

The fiscal policies of this Government—its total outlays, the priorities they reflect, and their relationship to revenues—bear significantly on the lives of the people you represent. Income levels, the cost of living, the balance of international payments, and even the quality of life in this country are directly and substantially affected by the Federal budget. If you can develop procedures that will enable

Members of the Congress to vote on an over-all fiscal policy that adequately reflects congressional priorities, you will revitalize representative government in this country. I am pleased to have been asked to discuss these issues with you.

Thoughtful people everywhere are aware of the need for more effective congressional review of the budget. A recent indication of this fact is Senator Mansfield's statement on February 8, disclosing that "all the new Senators of the class of 1973" had written to him and to Senator Scott urging that reform of the congressional budgetary process be given "top priority." In this letter 13 new Senators, from both political parties, fresh from election victories in States from Maine to Idaho, unanimously and "wholeheartedly" agreed that the "Congress has the obligation to set priorities under which expenditures are to be authorized by this Nation, and present procedures of the Congress do not in fact achieve that aim." They concluded with this perceptive comment: "The first step toward establishing priorities has to be setting a ceiling on appropriations and expenditures. This must be done first, rather than last. Unless we do this, we are not really budgeting at all."

Yet along with this awareness of the need for better budgetary procedures, there is concern and even cynicism about the prospects for achieving them. We hear speculation that the President does not really believe the Congress will heed his call for a ceiling on expenditures but expects, instead, the Congress to overspend and thus become responsible for a tax increase that would then be inevitable. The Congress, by its own actions, has lent some support to this pessimistic view. The early response of the House and Senate to the President's efforts to hold outlays for fiscal 1973 to $250 billion has been to pass bills requiring release of some of the impounded funds. And the Ervin bill restricting the authority to impound funds seems likely to pass the Senate soon. Thus, people are understandably concerned that the Congress, in exercising its unquestioned right to determine priorities among national needs, may produce budget deficits that no one wants—not the President, not the Congress, and not the people you represent.

The problem is too acute to allow its solution to be frustrated by acrimonious debate about who is to blame. Representative Mahon recognized this in a challenging discussion of our budget problems in *Nation's Business* last April. Let me quote a few key sentences from his paper: "Who is to blame for this distressing record? The President? The Congress? The American people? I think nearly all of us are. Large segments of the population tend to demand more and more government services, and at the same time there is a demand for lower taxes."

I believe the American people understand that Government spending, taxes, inflation, and interest rates are all interrelated. If they seem to favor more spending and lower taxes at the same time, it may well be because congressional procedures lead to votes on taxes and spending as though they were unrelated issues. Members are asked, in effect, to cast a number of separate votes for or against cleaner air, for or against better schools, and for or against a host of other good things Government can help to provide. A vote does not occur on the question of whether expenditures for a particular category are desired strongly enough to raise taxes, or to cut back on another category. Until votes can be cast on such questions, we cannot be sure what answers people generally would give.

At present, the decision-making process that results in a unified budget being presented by the administration has no counterpart in the Congress. Instead, the decisions that determine the ultimate shape of the budget are made by acting (or at times taking no action) on a large number of separate measures—160 for fiscal 1973, as recently reported by your committee. Only after the results of these separate votes are determined can we put the pieces together and discover what kind of a budget has emerged. In this process, Members of the Congress have no opportunity to express the wishes of their constituents on choices such as what total expenditures should be or whether more should be spent for housing or for education or for health care. Choices of this type are of greater importance to the electorate as a whole than the single proposals on which congressional votes actually occur.

Some of the choices that the 93rd Congress will have to make can be readily anticipated. The economy is expanding vigorously. We can look forward to a good increase in physical output and further reductions in unemployment in 1973. Thus, there is no need at this stage of the expansion for further fiscal stimulus, and the administration has therefore recommended that the budget be brought into balance at full employment. Along with the new prosperity, however, we have some old problems. Persistent inflation— albeit at a somewhat diminished pace— is one of them, and the chronic deficit in our international balance of payments is another.

The recent devaluation of the dollar, combined with the Smithsonian realignment, has now placed us on the road back toward equilibrium in our balance of payments. We cannot, however, take that improvement for granted. Indeed, confidence in our own economy will be strengthened if we set a firm and definite goal for the balance of payments— namely, to end the deficit within a period of 2 to 3 years. And while devaluation will help in restoring payments equilibrium, it will also add to upward pressures on our prices at a time when both domestic and international considerations require a determined effort to restore price stability. The level of Federal spending and the way it is financed will have an important bearing on our ability to solve these persistent problems of inflation and international imbalance.

Yet, sizable deficits in the Federal budget continue to plague us. The administration estimates that outlays, if held to $250 billion, will exceed revenues by $25 billion for fiscal 1973. And while the administration has recommended that the budget be brought into a position of full-employment balance for fiscal 1974, outlays are still scheduled to rise another $19 billion, and the unified budget deficit is expected to be about $13 billion.

In addition to its implications for employment, price stability, and our international payments position, the budget is bound to leave its mark on interest rates. With credit demands strengthening because of the marked advance in economic activity, interest rates have been moving up. Treasury financing requirements, stemming from large budget deficits, have added to the pressures on credit markets. So far the advance in interest rates has been mainly confined to short-term credit. But our chances of continuing to avoid significant increases in long-term rates will depend heavily on whether Treasury demands for credit can be held at moderate levels.

It is clear to me that your committee fully realizes the pressing need to re-establish order in our Federal finances. The question is not whether it must be done but how. A solution requires a firm ceiling on expenditures or a tax increase, or some combination of the two. There are several reasons, I believe, for choosing a curb on spending in preference to a tax increase.

First, government expenditures— counting outlays by State and local governments as well as Federal—have been rising much faster than our national production so that an increasingly large fraction of the wealth that our citizens produce is being devoted to the support of government. In 1929 total government spending amounted to about 10 per cent of the dollar value of our national output. Since then the figure has risen to 20 per cent in 1940, 30 per cent in 1965, and 35 per cent in 1972. It is time to call a halt.

Second, the expansion in government outlays has not produced the kind of benefits the public has a right to expect. As government assumes wider responsibilities, it becomes increasingly apparent that we must have a better system of controls to screen out low-priority programs and to ensure that high-priority programs operate efficiently. The best way to get effective controls of that kind is for the Congress to decide that one-third of our national output is quite enough for the tax collector.

Third, I have the impression that the American people feel that they are already carrying a sufficiently heavy tax burden and will strongly resist any increase. If that impression is correct, raising taxes may not be a realistic alternative to a ceiling on spending.

In its interim report of February 7, your committee has sketched out a tentative plan to achieve better control over expenditures as a part of an over-all plan for reviewing tax and expenditure policies. You have already accomplished much in the short time your committee has been in existence, and I find your report most encouraging.

Under this tentative plan, the Congress would establish two over-all spending ceilings early in the session. One would govern total outlays for the ensuing fiscal year, which stem in part from obligational authority previously enacted. The other would limit new obligational authority, which will form the basis for expenditures not only in the ensuing fiscal year but in later years as well. Each of these comprehensive ceilings would be accompanied by subceilings for major categories of expenditures so as to reflect congressional priorities and to assist in achieving compliance with the over-all ceilings.

Your report notes that earlier experiments with rubbery ceilings have failed and that procedures must therefore be developed to assure reasonable compliance with the ceilings. Representative Findley's proposal, H. Res. 17, which would amend the rules of the House to require a two-thirds vote for passage of any bill that would exceed the previously determined ceiling for the particular category of expenditure, has much to commend it in my view, provided it is expanded to assure participation by the Senate in establishing the ceilings—as your report contemplates.

Representative Reuss has suggested a somewhat different procedure—namely, that the over-all ceilings and subceilings established early in the session be treated as tentative so that appropriations bills and other measures providing new obligational authority could be passed as now by majority vote even though they breached the ceilings. Thus, the tentative ceilings would help to guide action on individual spending measures, but adjustments would be made late in the session in the form of a final budget statute. This proposal seeks to achieve flexibility and an opportunity for late-session review, as proposed by your report, without destroying the effectiveness of the ceilings established early in the session.

I recognize that it may be too much to expect the House and Senate to agree early in the session, on the basis of limited information, on ceilings for major categories of expenditure that could be overridden only by a two-thirds vote. It may therefore be necessary to rely, as Representative Reuss has suggested, on action late in the session to set the over-all ceilings and subceilings in their final form.

For the reasons I have mentioned, I would hope that where the tentative over-all ceilings are exceeded, the late-session adjustment would usually take the form of reduced spending authority rather than a tax increase. But there may be circumstances where the Congress should consider accepting a higher deficit than originally contemplated or financing expenditure over-runs by raising taxes. The essential point, to my mind, is that the Congress should take one of these courses deliberately in full awareness of its consequences.

Moreover, if reliance is placed on a final budget statute for the needed adjustments, special rules would seem to be required in order to assure that such a measure is in fact brought to the floor and acted on. Rules such as those that speed consideration of resolutions relating to reorganization plans would seem to be useful in this connection.

As an alternative approach, you may wish to consider a procedure by which the Congress would adopt a joint resolution establishing over-all spending ceilings as early in the session as possible, but in no event later than June 30. The resolution would set firm over-all ceilings on outlays and new obligational authority for the coming year and direct the Executive to submit within 45 days a detailed budgetary plan for complying with these ceilings. The plan would take effect within 45 days after its submission unless either House meanwhile passed a resolution disapproving the plan. With reasonable cooperation between the Executive and the Congress, which would of course include consultation with the House and Senate budget committees proposed in your report, such a procedure would assure that the ceilings were effective and that they also adequately reflected congressional priorities. Again, rules would be needed, analogous to those for reorganization plans, to give each House the opportunity to vote on a resolution of disapproval if it so wished.

In developing better budgeting procedures, it may be that the Federal Government could use-fully adopt some of the techniques of the States, where budgets are subject to a relatively firm discipline. I have tried to learn something about State procedures through conversations with State officials and others familiar with the subject.

It appears that State legislatures are normally subject to a very powerful constraint namely, elected officials of all parties recognize a balanced budget as a prerequisite to re election. Some States permit deficits for capital expansion but a deficit on current account, even where permitted by law, poses political risks that officials are reluctant to take. The general acceptance of the need for a balanced budget enables the leadership to keep the legislature in session until it is achieved. I am not advocating that the Congress repair to the banner of a balanced budget at all times. But we do need a new sense of discipline one that recognizes that a constantly stimulative fiscal policy is more apt to produce inflation than new jobs.

One important means by which the States achieve fiscal restraint is by granting considerably larger power to the governors than the Congress has granted to the President. The item veto is authorized in a number of States, and because of the shorter legislative sessions, the pocket veto is a more powerful weapon. In some States the legislature is not permitted to increase spending above the level requested in the budget unless it also provides for a new source of revenue. And nearly all governors impound funds frequently. However, it appears that impounding generally involves measures such as reducing the number of State employees or stretching out construction rather than terminating programs.

Experience at the State level thus suggests that where over-all outlays are subject to careful scrutiny, impounding when it occurs -- takes a form that is consistent with spending priorities established by the legislature. If the President and the Congress will work together to hold total outlays at a level reasonably related to revenues, there should be no occasion for resort to impounding on a broad scale.

The Congress has made it clear that it does not wish to emulate the States by strengthening the powers of the Executive Branch to trim total outlays to acceptable levels. And the Congress is better equipped than are the State legislatures to play a strong role in fiscal policy. But the Congress can preserve and strengthen its powers only by exercising them. Procedures that produce deficits that the Congress itself does not desire invite corrective actions by the Executive.

In the long run there would seem to be no political advantage to either the Executive or the Congress in battling over budgetary prerogatives, particularly if the result is bad budgets. Let peace be declared; let the Congress play a greater role in reviewing the budget and perhaps even become involved in the preparation of the budget. Eight States have established means for doing this, generally through a board most of whose members are legislators. While the mechanisms established in these States would have to be modified for application at the Federal level, perhaps some means could be found that would be mutually satisfactory to the Congress and to the President.

Involving the Congress in budget preparation should help to accomplish speedier action on budget proposals. Both the President's budget message and your committee's interim report recognize the need to reduce or eliminate the delays that have required increasing use of continuing resolutions and have frustrated efforts to make the budget a really useful management tool. For programs that operate under statutory authority that is renewed annually, enactment of the authorization bills a year in advance, as recommended in your report, would eliminate a major cause of delay in considering the related appropriations bills. Cooperation and consultation between the Executive and the Congress in formulating the budget should also help to expedite its enactment.

Your report recognizes the need to provide the Congress with better information about the effects of existing and proposed legislation, not only in the current year, but up to 3 to 5 years ahead. This would extend to the Federal Government procedures already established in some States and should prove highly beneficial, particularly if it is buttressed by your proposal for House and Senate committees on the budget, assisted by nonpartisan, professional staffs. Indeed, the President has already taken useful steps in this direction. Thus, in his most recent budget message, he presents estimates—for individual agencies and in functional detail—of the outlays for fiscal 1975 as well as for fiscal 1973 and 1974.

Finally, I feel that any discussion of better budget procedures would be incomplete without some mention of zero-base budgeting. Traditionally, officials in charge of an established program have not been required to make a case for their entire appropriation request each year. Instead, they have had to justify only the increase they seek above last year's level. Substantial savings could undoubtedly be realized if both the administration and the Congress treated each appropriation request as if it were for a new program. Such a procedure will undoubtedly be difficult to achieve, not only because it will add heavily to the burdens of budget-making, but also because it will be resisted by those who fear loss of benefits they now enjoy. But this reform is so clearly necessary that I believe we will eventually come to it, and I commend to your attention Senator Brock's bill, S. 40, which provides for zero-base budgeting for all major expenditure programs at least once in every 3 years.

The thoughts I have expressed today are my own, not necessarily those of the Board of Governors of the Federal Reserve System. And, needless to say, I disclaim any special expertise in regard to congressional procedures. But procedural questions at times have great substantive significance, and this is one of those occasions. I accepted your invitation because as a concerned citizen, with some knowledge of economics, I have believed for some time—and recent events have reinforced the belief—that better congressional control of the budget is absolutely essential to maintain the vitality of our economic and political system. □

Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Subcommittee on International Finance, of the Committee on Banking and Currency, House of Representatives, March 7, 1973.

The Board of Governors of the Federal Reserve System supports prompt enactment of H.R. 4536, the bill to amend the Par Value Modification Act of 1972.

The bill proposes a new par value for the dollar in the International Monetary Fund. This proposed change will have several financial and accounting consequences. The value of the Treasury's reserve assets will be written up by 11.1 per cent, or about $1.4 billion. The dollar value of our subscriptions and contributions to several international financial institutions will need to be increased. In addition, there will be an increase in the dollar value of certain Treasury and Federal Reserve liabilities connected with operations in foreign currencies. The net result of these financial and accounting adjustments will be to leave budgetary expenditures and the over-all dollar assets and liabilities of the U.S. Government little changed.

The Federal Reserve System will be affected by these financial and accounting adjustments in two ways. First, the Treasury will be able to issue new gold certificates to the Federal Reserve Banks in an amount equal to the increase in the book value of the Treasury gold stock. To the extent that the Treasury does so, its cash balance will rise. A subsequent return of the Treasury cash balance to previous levels would, of itself, result in an equivalent increase in bank reserves; but such an increase can be readily offset—in whole or in part—by Federal Reserve open market operations.

The other effect on the transactions and accounts of the Federal Reserve will occur in connection with settlement of commitments under the reciprocal currency arrangements with foreign central banks. Use of a "swap" arrangement by the Federal Reserve entails an obligation to deliver a specified amount of foreign currency at a future date. Similar commitments have been undertaken by the Treasury on its debt securities denominated in foreign currencies.

As of February 12, 1973, the Federal Reserve had outstanding swap drawings of $1.66 billion, almost all of which were originally undertaken prior to August 15, 1971. Inasmuch as the dollar prices of the affected currencies—Swiss francs, Belgian francs, and German marks—were further increased as a result of the currency realignment of February 12, there will be an additional cost to the Federal Reserve in liquidating these drawings. The cost attributable to the February 12th realignment is presently estimated at nearly $200 million. The total cost attributable to both the Smithsonian realignment and this February's realignment is presently estimated at less than $400 million.

The purpose of the swap transactions carried out prior to August 15, 1971, was to defer or reduce declines in reserve assets that would otherwise have occurred. The losses that are incurred at the time these swaps are settled reduce the earnings that the Federal Reserve System turns over to the Treasury. But against these losses the Treasury has a roughly offsetting profit on the gold and other reserve assets that it still holds because foreign central banks were willing to accept Federal Reserve swap drawings instead of demanding reserve assets from the Treasury.

The fundamental cause of the exchange market crisis that preceded the February 12th decision to propose a change in the par value of the dollar was the large and persistent deficit in the U.S. balance of payments and, as its counterpart, persistent surpluses of foreign countries. Our deficit of about $10 billion to $11 billion on official reserve transactions in 1972 was less than the huge $30 billion deficit of 1971, but it was still enormous by any historical standard. As a consequence, the liabilities of the United States to foreign monetary authorities rose to $61 billion by the end of last year.

Against this background it was not surprising that exchange markets were sensitive to current economic developments. Publication of our November and December trade figures, which indicated that the trade deficit during 1972 would reach nearly $7 billion, had an unsettling effect on financial opinion. Recent sharp increases in wholesale prices coincided with doubts voiced in the public press about the effectiveness of Phase III. Financial sentiment may also have been adversely affected by the continuance of a large Federal budget deficit at a time of rapid economic expansion.

In late January confidence in the stability of exchange markets deteriorated when the Italian Government adopted a two-tier market and the Swiss authorities decided to let their currency float. Excitement mounted rapidly in exchange markets, particularly in the case of the German mark. When large-scale speculation failed to diminish, the President decided on February 6 to take the lead in trying to find a resolution of the crisis by promptly exploring alternative courses of action with other countries. On Monday, February 12, Secretary Shultz announced that an agreement had been reached.

As you know, the President has proposed a devaluation of the dollar by 10 per cent— that is to say, the value of the dollar in terms of gold or SDR's would decline by 10 per cent. Stated differently, our official price of gold would rise by 11.1 per cent or from $38.00 to $42.22 per ounce, and the price of SDR's would likewise rise by 11.1 per cent or from $1.09 to $1.21. The bill you are now considering will give formal effect to the devaluation. It should be noted that the newly proposed official price of gold, like the old official price, is an accounting measure and must not be confused with the market price of gold.

The immediate response of foreign governments to the proposed devaluation of the dollar was generally in accord with our expectations. A large number of countries left unchanged the value of their currency in terms of gold and SDR's, thereby allowing their currency to appreciate against the dollar by the full amount of the dollar devaluation. Many other countries devalued part or all of the way with the dollar, but in most cases these actions appear to be consistent with their balance of payments situations. In view of the need to correct the existing pattern of payments imbalances, it was particularly encouraging that the Japanese yen appreciated not only against the dollar but also significantly against other major currencies.

In the week immediately following February 12, the mood in exchange markets was relatively calm. However, uneasiness soon returned to the markets and large speculative movements of capital again took place last week. On Thursday, March 1, the German central bank was forced to purchase over $2.5 billion in support of its new exchange rate; other European central banks also intervened in substantial amounts. In the face of this speculative onslaught, most exchange markets in Europe and Japan were closed down on Friday.

The Finance Ministers of the European Economic Community met to discuss this situation last Sunday. At that time they decided to leave foreign exchange markets closed this entire week, while further deliberations by finance ministers and central bankers were going forward. As you probably know, meetings have been scheduled on Friday of this week in Paris. The Government of the United States will be represented at these meetings, and I feel sure that a determined effort will be made on all sides to achieve a constructive resolution of the crisis.

In view of current uncertainties, the immediate objective shared by all countries is to restore confidence and order in financial markets.

Speedy passage of H.R. 4536 will remove one source of uncertainty. The Treasury, acting in the President's behalf, undertook a commitment in the negotiations leading to the February 12th realignment. Adoption of the bill that you are now considering will contribute to the restoration of confidence.

The United States can also help to restore confidence in international financial order by making sure that our policies, taken as a whole, are realistically adjusted to our needs. The primary task of economic policy this year is to steer our expanding economy onto a noninflationary course. This goal is essential for domestic reasons, and it is no less vital for our international position. Unless our recent success in reducing the rate of inflation is extended, the improvement in the balance of payments that will result from the devaluation of the dollar may gradually be eroded away. A determined effort to increase productivity and curb inflation will also play an important role in eliminating the instabilities now plaguing exchange markets.

At the same time, the restoration of confidence requires that we intensify our efforts to reform international monetary and trading relationships. The behavior of exchange markets since mid-January has poignantly demonstrated once again the urgent need for reaching early agreement on the framework of a new international monetary system. It would be easy to dawdle away one, two, or more years on discussions of how to improve the monetary system. But the world cannot afford such a luxury. Whatever the difficulties, ways to resolve them must be found—and quickly. The essential thing is to move at a much faster pace toward rebuilding the monetary system so that it will not be prone to recurring crises.

When exchange markets gyrate, as they have been doing in recent days, it is easy to lose sight of underlying developments. The currency parities that resulted from the February 12 agreement appear to be basically sound. When these exchange-rate changes are taken together with the Smithsonian realignment, it is clear that the U.S. competitive position has improved substantially. Thus, although the deficit in our trade and payments will remain large during an initial period of a few months, we can confidently expect progress in reducing the deficit later this year, and more so in 1974. The two realignments together have placed us firmly on the road toward equilibrium in our balance of payments. □

Law Department

Statutes, regulations, interpretations, and decisions

INTERPRETATION OF REGULATION K

INTERNATIONAL JOINT ACCOUNT ARBITRAGE INCIDENTAL TO SECURITIES BUSINESS ABROAD

A question has been raised with the Board as to whether a foreign subsidiary of a corporation organized under section 25(a) of the Federal Reserve Act (an "Edge corporation") may participate with a member firm of the New York Stock Exchange in the operation of an international arbitrage joint account of the kind authorized by Rule 437 of the New York Stock Exchange with permission of the Exchange. The Edge corporation's investment in the foreign subsidiary was made subject to the Board's standard condition that the subsidiary should not engage in any activities that would not be permissible if it were a corporation organized under section 25(a) not "engaged in banking" within the meaning of section 211.2(d) of this Part (Regulation K). For the reasons hereinafter stated, the Board believes that, under appropriate conditions, such participation in an international arbitrage account is not prohibited by either section 25(a) of the Federal Reserve Act or Regulation K.

The foreign subsidiary on whose behalf the inquiry was made was a foreign bank that is engaged in the business of dealing in securities outside the United States, including securities that are issued by corporations chartered in the United States and are listed on the New York Stock Exchange. The international arbitrage joint account will be operated in accordance with the rules of the New York Stock Exchange. The foreign bank would post to the joint account transactions executed by it in foreign markets in securities listed on the Exchange. Purchases and sales in foreign markets would be made primarily from or to foreign-owned financial institutions dealing in securities. The member firm of the Exchange would execute orders on the Exchange reversing those transactions on the same business day, thereby eliminating long or short positions in the joint account before the end of the New York trading day. The foreign bank and the member firm would share equally in profits and losses on the operations of the account.

The question posed involves an interpretation of paragraph 10 of section 25(a) and section 211.5(b) of Regulation K. Paragraph 10 of section 25(a) prohibits an Edge corporation from carrying on any part of its business in the United States except such as, in the Board's judgment, shall be incidental to its international or foreign business. (With regard to the permissible operations of foreign subsidiaries of Edge corporations, the effect of paragraph 10, under the Board's standard condition mentioned above, is to duplicate the prohibition contained in paragraph 8 of section 25(a) against investment by an Edge corporation in any corporation transacting any business in the United States except such as, in the Board's judgment, may be incidental to its international or foreign business.) Section 211.5(b) of Regulation K prohibits an Edge corporation, with certain exceptions not material to this ruling, from engaging in the business of selling or distributing securities in the United States or underwriting any portion thereof so sold or distributed.

International arbitrage involves engaging in the business of buying or selling securities in one market with the intent of reversing such transactions in a market in a country different from that in which the original transaction has taken place, in order to profit from price differences between such markets. In the Board's judgment, the participation by a foreign subsidiary of an Edge corporation in an international arbitrage joint account, as described above, with a member firm of the New York Stock Exchange would not place that foreign subsidiary in the business of selling or distributing securities in the United States, or involve it in carrying on any part of its business in the United States except such as may be incidental to its international or foreign business, if the account is operated subject to the following restrictions: (i) transactions in the United States shall be confined to those that reverse prior transactions initiated in foreign markets, (ii) purchases and sales of securities outside the United States shall be made only from or to foreign residents not controlled by any U.S. company, (iii) transactions shall be confined to *bona fide* arbitrage as defined for purposes of Rule 437 of the New York Stock Exchange, (iv) the joint account shall be regularly settled between the participants at no greater than quarterly intervals, and (v) in no event will orders be placed for the joint account in securities being underwritten by the foreign subsidiary. Under such circumstances, the Board is of the opinion that a foreign subsidiary of an Edge corporation may engage in international joint account arbitrage as an incident to its dealings in securities outside the United States consistently with section 25(a) and Regulation K.

Full information concerning the volume and the nature of the transactions in such an account and enabling assessment of compliance with the foregoing restrictions shall be available and will be reviewed during examinations of an Edge corporation whose foreign subsidiary participates in an international arbitrage joint account. Such information shall be retained in the Edge corporation's records for at least three years after such transactions are executed.

ORDERS UNDER SECTION 3 OF BANK HOLDING COMPANY ACT

WYOMING BANCORPORATION, CHEYENNE, WYOMING

ORDER APPROVING ACQUISITION OF BANK HOLDING COMPANY AND ACQUISITION OF INSURANCE AGENCY

Wyoming Bancorporation, Cheyenne, Wyoming, has applied for the Board's approval under § 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) of the indirect acquisition of 88 per cent of the shares of The First National Bank of Meeteetse, Meeteetse, Wyoming ("Bank").

At the same time, Applicant 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 voting shares of First State Corporation, Cody, Wyoming ("Company").

Applicant states that Company would engage in the activities of a general insurance agency in a community that has a population not in excess of 5,000 persons and that, although Company engages in the activities of a general insurance agency in one community of more than 5,000 persons, the Company will limit its activities in that community, as described hereinafter, to conform to those activities which have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(9)).

Notice of receipt of this application has been published and the time for filing comments and views has expired. The Board has considered the application 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 controls ten banks,[1] holding deposits of $120.9 million, representing 12.56 per cent of the total commercial bank deposits in Wyoming. Consummation of the proposal herein would increase its proportion of State deposits by less than one per cent. (All banking data are as of June 30, 1972.)

Bank, a subsidiary of Company, is the only bank located in Meeteetse, a community of approximately 460 persons, and had deposits as of June 30, 1972 of approximately $1.6 million. Applicant's subsidiary bank nearest to Bank is located approximately 135 miles southwest of Meeteetse, and this distance appears to have precluded the development of competition between the two banks. Bank is located 39 miles southeast of Cody where First State Bank, a proposed subsidiary of Applicant, is located. Although banks in Cody do compete in Meeteetse, Bank and First State Bank do not compete with each other due to their common ownership. In any case, Bank is not presently an aggressive competitor, having a loan-to-deposit ratio of 27.4 per cent. Consummation of the proposed transaction therefore will not eliminate any existing competition; nor will consummation have an adverse effect on the development of competition in view of the absence of a probability that the common ownership of Bank and First State Bank will dissolve in the future and the lack of foreseeable economic or population growth of the Meeteetse area.

Considerations relating to financial and managerial resources and prospects of Applicant and Bank appear to be satisfactory and consistent with approval. Bank's ultraconservative lending policies have limited the availability of credit to resi-

[1] By Order of this date, the Board has approved Applicant's proposed acquisition of First State Bank, Cody, Wyoming. Upon consummation of that acquisition, Applicant would control eleven banks.

dents of Meeteetse, forcing those residents to turn to Cody banks to meet their credit needs. Consummation of the proposed transaction should have the effect of liberalizing the lending policies of Bank in a reasonable manner. Accordingly, considerations relating to the convenience and needs of the communities involved support approval of the transaction. It is the Board's judgment that the transaction would be in the public interest and that the application to acquire Bank should be approved.

Company does a general insurance agency business as Linton Insurance Agency on the premises of Bank and as First State Insurance on the premises of First State Bank in Cody. Both agencies presently sell a variety of insurance coverage, including homeowners, automobile, fire, general liability, bonds, and other coverage.

As indicated before, Meeteetse has a population of 460. Linton Insurance Agency appears to compete with only one insurance agency in Meeteetse; that agency is primarily engaged in the sale of automobile insurance coverage. Consummation of the proposed transaction is not expected to have any immediate effect on the operations of Linton Insurance Agency, and Applicant is not engaged in a general insurance agency business in the Meeteetse area. The lack of growth in the Meeteetse area has been noted above. The Board concludes that Applicant's acquisition of the general insurance agency operations of Linton Insurance Agency will not have an adverse effect on existing or future competition in the general insurance agency business in that area. The Board expects rather that, through its association with other insurance agencies in Applicant's system, Linton Insurance Agency will be able to offer expanded insurance services and to represent larger insurance companies, thereby increasing competition in the general insurance agency business in Meeteetse and better serving the insurance needs of Meeteetse residents.

Company initiated operations of First State Insurance in 1967 and has been permitted to continue its general insurance agency operations, despite Company's status as a bank holding company and the fact that the population of Cody (5,161 according to the 1970 Census) exceeds 5,000, under the "grandfather" clause in section 4(a)(2) of the Act. However, "grandfather" rights may not be transferred, and Applicant, not having been engaged, directly or indirectly, in general insurance agency operations on June 30, 1968, may not acquire those rights. Applicant is aware of this and has agreed that, upon consummation of the proposed transactions, it will cease the general insurance sales activities of First State Insurance, initiate only sales of insurance that the Board has by regulation and interpretation determined to be closely related to banking, and not to undertake the renewal of any policy previously sold, the sale of which would not be permitted by section 225.4(a)(9) of Regulation Y and the Board's interpretation of that section (12 CFR 225.128). This limitation of the activities of First State Insurance will eliminate First State Insurance as an alternative source of general insurance services in Cody and may result in inconvenience to certain customers of First State Insurance. However, Cody is served by a number of general insurance agencies which together are capable of meeting and fulfilling the general insurance needs of Cody residents. The adverse effects of the proposed acquisition are minimal and are outweighed by the expected ability of First State Insurance deriving from its affiliation with Applicant to bring larger insurance underwriters into the Cody area and by the gains in efficiency which Applicant is expected to bring to its operations.

The Board notes the legislative policy stated in the National Bank Act that national banks in communities of less than 5,000 persons may sell insurance (12 U.S.C. 92) and the provisions of section 106 of the Bank Holding Company Act Amendments of 1970 which prohibit banks from tying an extension of credit to the purchase of insurance from the bank or its bank holding company. The Board finds that approval of Applicant's proposals to acquire the operations of Linton Insurance Agency, and to engage in insurance sales activities limited to those permissible under section 225.4(a)(9) of Regulation Y through the instrumentality of First State Insurance, is unlikely to result in any undue concentration of resources, decreased or unfair competition, conflicts of interests, unsound banking practices, or other significant adverse effects on the public interest. Furthermore, in the Board's judgment, the benefits to the public resulting from approval of these proposals lends weight to approval. On the basis of the foregoing and other facts reflected in the record, the balance of the public interest factors the Board must consider regarding the acquisition of Company is favorable and the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The acquisition of Bank 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 Kansas City pursuant to delegated authority. The determination as to Company's insurance agency activities is subject to the Board's authority to require reports by, and make examinations of, holding companies and their subsidiaries and to require 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.

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

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, Sheehan, and Bucher.

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

PALMER BANK CORPORATION, SARASOTA, FLORIDA

ORDER APPROVING ACQUISITION OF BANK

Palmer Bank Corporation, Sarasota, 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 100 per cent of the voting shares (less directors' qualifying shares) of Gulf Gate Palmer Bank, Sarasota, Florida ("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 light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the twenty-first largest banking organization in Florida, controls four subsidiary banks with aggregate deposits of $147.5 million representing 0.9 per cent of total commercial bank deposits within Florida. (All banking data are as of June 30, 1972 adjusted to reflect bank holding company acquisitions and formations approved through December 31, 1972). Acquisition of the proposed new Bank will have no immediate effect on Applicant's share of commercial bank deposits in the State.

Since Bank is a proposed new bank, no existing competition would be eliminated by consummation of the proposal nor would concentration be significantly increased in any relevant area. Bank would be located south of Sarasota and would be competing in the Sarasota banking market (approximated by the City of Sarasota and surrounding environs), in which market Applicant controls 37.3 per cent of deposits. Applicant's four subsidiary banks are all located in the Sarasota area, the nearest being approximately 3.1 miles northeast of the Bank. At the present time, there are five banking organizations in the Sarasota market, including three multi-bank holding companies controlling nine banks, one banking group controlling two banks, and one independent bank. Although Applicant is the largest banking organization in the market, it does not appear that consummation of the proposal would confer a position of market dominance upon Applicant to the detriment of competing banks. The eighth and eleventh largest banking organizations in Florida rank second and fourth in the Sarasota banking market and control 35.6 and 7.8 per cent, respectively, of market deposits. It appears that approval of this proposal would not foreclose the opportunity for entry or growth by other banking organizations. The Board concludes that competitive considerations are consistent with approval.

The financial and managerial resources and future prospects of Applicant and its subsidiary banks are regarded as generally satisfactory. Bank, as a proposed new bank, has no financial or operating history; however, its prospects as a subsidiary of Applicant appear favorable and are consistent with approval of the application. It appears that the major banking needs of the area are being adequately served at the present time. However, Bank would be able to provide an additional source of convenient banking services to the area. Considerations relating to the convenience and needs of the area to be served are consistent with approval. It is the 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) Gulf Gate Palmer Bank, Sarasota, Florida, 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 Atlanta pursuant to delegated authority.

By order of the Board of Governors, effective February 13, 1973.

Voting for this action: Chairman Burns and Governors Mitchell, Daane, Brimmer, Sheehan, and Bucher. Voting against this action: Governor Robertson.

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

DISSENTING STATEMENT OF
GOVERNOR ROBERTSON

I do not concur with the majority in their approval of Applicant's proposal. I believe that, in the absence of an obvious public need for additional banking services, the acquisition of a *de novo* bank by the largest banking organization in the Sarasota market will result in accentuating and firming concentration in this banking market and preclude deconcentration.

Applicant, by virtue of the 37.3 per cent of market deposits which its four subsidiary banks hold, is the largest banking organization in a market in which the two largest of the five banking organizations operating therein hold almost 73 per cent of the deposits. Any expansion by either of these two banking organizations should be subjected to the closest scrutiny under public interest standards.

I would deny the application.

FIRST FLORIDA BANCORPORATION, TAMPA, FLORIDA

ORDER APPROVING MERGER OF BANK HOLDING COMPANIES

First Florida Bancorporation, Tampa, Florida ("First Florida"), a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(5) of the Act (12 U.S.C. 1842(a)(5)) to merge with United Bancshares of Florida, Inc., Miami Beach, Florida ("United"), under the certificate of incorporation of First Florida and the title of United First Florida Banks, Inc.

Notice of receipt of the application, affording an 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 some eight months ago. The nature and scope of the subject proposal, hereafter discussed, including its likely direct and indirect effect on banking competition in Florida, has necessitated an unusual amount of staff analysis and Board study with the noted lengthy processing period. In this process, the Board has considered the entire record, including 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)).

First Florida controls 28 banks with aggregate deposits of $587.2 million representing 3.4 per cent of deposits of commercial banks in Florida, and is the sixth largest banking organization in the State.[1] United controls six banks with total deposits of $384.3 million representing 2.3 per cent of aggregate deposits in the State, and is Florida's twelfth largest banking organization. Consummation of the proposed merger would result in First Florida's control of 5.7 per cent of total State deposits, and the resulting organization would become the State's fifth largest banking organization. Of course these percentages have no significance other than indicating the relative size of the named organizations. The State of Florida is not a banking market in any meaningful sense; it is a political entity which encompasses a large number of banking markets some of which are interrelated.

All of First Florida's present subsidiary banks are located in the northern two-thirds of Florida, and it is represented in several of the major banking markets in that portion of the State. It is dominant in none. Its shares of total deposits and the market size of the most significant related areas are as follows: Jacksonville $1,467 million (6 per cent); Lakeland $521 million (9 per cent); Melbourne $310 million (21 per cent); Orlando $1,102 million (7 per cent); and Tampa $2,772 million (7 per cent). United, on the other hand, is concentrated in southern Florida. Five of its subsidiaries are located in the Dade County banking market, where it is the third largest banking organization holding approximately 9 per cent of deposits, and its remaining subsidiary is located in the nearby West Palm Beach area. Since the closest subsidiary banks of the proponents are over 50 miles apart and the remaining subsidiaries are more than 100 miles apart, and considering the nature of the bank, consummation of the proposal could not eliminate any significant amount of competition.

The United States Department of Justice, in commenting on this proposal, agreed that it would eliminate no significant existing competition. With respect to the effect of the proposal on potential competition, the Department felt that consumma-

[1] Banking data are as of June 30, 1972, and reflect holding company formations and acquisitions approved through December 31, 1972, except data for First Florida are to date.

tion of the proposal would eliminate the possibility that First Florida would enter the Dade County market through the establishment of a *de novo* bank or "foothold" bank already in the market and the possibility of United entering the Tampa banking market through the same means. It therefore felt that consummation of the proposal would have an adverse effect on potential competition with respect to Dade County and Tampa. Furthermore, the Department felt that the proposed merger "could trigger a wave of consolidations among other large Florida bank holding companies and would have a significantly adverse effect on the competitive structure of banking throughout the State."

The Board recognizes that consummation of the proposal would foreclose the possibility that United would expand to become a Statewide competitor of First Florida. However, the Board believes that a substantial adverse effect on potential competition occurs only where there is a probability rather than a possibility that substantial competition would develop between the banking organizations involved in the absence of the proposal. Taking into account the time lag involved in attempting to establish competitive effectiveness through a "foothold" or *de novo* entry, we do not believe that the record in this case reflects a probability that, absent this proposal, United would expand to become a Statewide competitor of First Florida in the reasonably foreseeable future. Furthermore, with respect to any particular market, such as the Tampa market, the Board does not believe that the record establishes that such entry is more than a possibility.

With respect to Dade County the Board believes that, absent this proposal, it is probable that First Florida would enter *de novo* or through the acquisition of one of the smaller banks or banking groups in that market. However, due to the structure of banking in Dade County we do not believe that the foreclosure of First Florida's entry as an independent competitor would have any substantial adverse effects on competition in that market. Banking in Dade County has been becoming more and more competitive. While the largest banking organization in the market holds approximately 24 per cent of market deposits, the next five banking organizations hold market shares ranging from approximately 10 per cent to approximately 5 per cent. In addition to these six organizations, the second and fourth largest banking organizations in the State established a competitive presence in the market during 1972. Further, Edge Act subsidiaries of some of the nation's largest banks compete aggressively in Miami for international banking business.

While consummation of the present proposal would eliminate First Florida as another potential entrant, the retail banking customers in Dade County are presently served by 46 banking organizations. Foreclosure of the possibility of a forty-seventh could hardly have adverse effects on competition for retail business. As to the customer in need of wholesale and regional banking services, the proposal, rather than being anticompetitive, should in fact be procompetitive by creating a fifth institution in the Miami market with established relationships in Jacksonville, Tampa, Orlando, Melbourne and other Florida communities and having in the aggregate resources of approximately $1 billion.

With respect to the question whether the proposal will have a significantly adverse effect on competition due to the fact that it "could trigger" similar consolidations among large Florida holding companies, the Board believes that each application before it should be decided on the merits of that particular application. As we have previously stated, each subsequent application must also receive the approval of the Board and will be analyzed on the basis of the competitive structure of the market and other facts existing at the time of Board consideration (57 Federal Reserve BULLETIN 348).

The financial conditions and managerial resources of First Florida, United, and their respective groups of banks are generally satisfactory and their prospects appear favorable. These considerations are consistent with approval of the applications. The primary banking needs of the areas served by both holding companies appear to be adequately met at the present time. However, consummation of the proposal would create another regional organization with resources more appropriate to meeting inter-regional needs. At the same time, the Board does not believe that there would be any noticeable adverse effects on the competitive structure of Florida banking if there were 26 rather than 27 organizations with deposits of over $100 million. Considerations relating to the convenience and needs of the communities to be served lend some weight toward approval. It is the Board's judgment that the proposed transaction is in the public interest and 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 Atlanta pursuant to delegated authority.

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

Voting for this action: Chairman Burns and Governors Mitchell, Daane, and Sheehan. Voting against this action: Governors Robertson, Brimmer, and Bucher.

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

DISSENTING STATEMENT OF GOVERNOR BRIMMER

I would deny this application. To approve the merger of these two bank holding companies would not be in the public interest. Moreover, it would end a clearly-defined policy followed consistently by the Federal Reserve over the last several years which has sought the development of a well-balanced and competitive banking system in Florida.

The quantitative dimensions of this proposal are far from trivial. First Florida Bancorporation ("First Florida") is the sixth largest banking organization in the State. With 28 banks and total deposits of $587.2 million, it controls 3.4 per cent of commercial bank deposits. United Bancshares of Florida ("United") ranks twelfth in size among banking organizations. It has six banks whose deposits total $384.3 million—giving United 2.3 per cent of aggregate deposits in the State. The combined organization would rank fifth among banking institutions in Florida; it would control 34 banks, $971.5 million of deposits, and 5.7 per cent of aggregate deposits in the State as a whole. Consequently, the Board is not being asked to allow two small and struggling organizations to combine in order to survive in the face of vigorous competition mounted by industry giants.

Instead, two holding companies (one already possessing an extensive network of banks and the other fully capable of independent development) are seeking the Board's approval for an action that would have a substantially adverse effect on potential competition in the Dade County area—and which would produce no significant public benefits.

Evolution of Bank Holding Companies in Florida

The majority's approval of this merger is particularly distressing when the action is viewed against the pattern of Board decisions in holding company cases in Florida over the last several years. Bank holding companies in Florida began to expand in the mid-1960's, but the pace of growth quickened noticeably in 1969. At the end of 1968, there were 10 bank holding companies in the State—controlling 86 banks with $3.8 billion of deposits. Thus, bank holding companies had control of just under one-fifth of all the commercial banks and about one-third of all the deposits in the State. During the next four years, the number of holding companies rose to 29; the number of banks controlled by them climbed to 307, and the volume of deposits expanded to $10.6 billion.[1] So just about half of the banks and over two-thirds of the commercial bank deposits in Florida are under the direction of bank holding companies.

Nevertheless, the banking structure in Florida—until now—has evolved in a balanced and competitive framework. At year-end, 1972, the 29 multi-bank holding companies in Florida had $11.2 billion of deposits, representing 66.6 per cent of the State's total. Yet, as shown in Table 1 the degree of concentration in banking resources remained quite low. For example, the four largest multi-bank holding companies were fairly close together in terms of size. Each had total deposits in the nieghborhood of $1.0 billion, and in combination they held 26.9 per cent of aggregate deposits in the State. The next four largest holding companies (with deposits ranging from $459 million to $771 million) collectively held 14.0 per cent of total Florida deposits. Thus, the eight top-ranking banking groups controlled slightly more than two-fifths of the aggregate commercial bank deposits in the State.

Pattern of Previous Board Decisions in Florida

This relatively modest degree of concentration in banking resources in Florida is by no means accidental. Rather it has resulted from the interaction of several factors which have reinforced each other: (1) as stressed above, the period of intense holding company consolidation in the State is of recent origin; (2) Florida contains a relatively large number of banks with deposits in excess of $100 million—and thus capable of leading sizable holding companies; and (3) Federal Reserve Board decisions in holding company and merger cases have generally prohibited large organizations from significant acquisitions in local markets or from

[1] Deposit data as of June 30, 1972, adjusted for newly chartered banks and holding company formations and acquisitions through December 31, 1972.

Table I

Market Structure and Multi-Bank Holding Company Participation
in Florida, June, 1972 1/

MULTI-BANK HOLDING COMPANIES	Total Deposits & (Number of Banks) ($ millions)	(1) Miami (Dade Cty.)	(2) Tampa St. Pete.	(3) Ft. Laud-erdale	(4) Jackson-ville	(5) West Palm Beach	(6) Orlando	(7) Lakeland-Winter Haven	(8) Sarasota	(9) Daytona Beach	(10) Fort Myers	(11) Melbourne-Titusville	(12) Pensacola	(13) Talla-hasse	(14) Gains-ville	Other Banking Markets
Total Deposits	17,062 (581)	3,774 (79)	2,772 (75)	1,646 (51)	1,467 (33)	1,108 (35)	1,102 (38)	521 (22)	486 (15)	380 (18)	369 (11)	310 (18)	291 (16)	224 (9)	165 (11)	2,447 (150)
Multi-Bank Hldg. Cos	11,356 (307)	2,983 (48)	1,914 (44)	1,141 (27)	1,218 (24)	474 (15)	966 (27)	320 (16)	311 (8)	279 (11)	100 (2)	222 (12)	172 (7)	56 (2)	131 (5)	996 (52)
1. Southeast Bk. Corp.	1,328 (19)	911 (4)	89 (3)	151 (4)	54 (2)		15 (1)					19 (2)				13 (1)
2. First at Orlando	1,125 (32)	139 (4)	144 (4)		30 (1)	65 (2)	426 (7)	19 (1)		68 (3)		47 (3)			37 (1)	151 (6)
3. Barnett Banks of Fla.	1,124 (36)	127 (5)	104 (4)	96 (2)	303 (5)		124 (5)	47 (3)		65 (3)		43 (1)	52 (1)		56 (2)	107 (5)
4. Fla. Nat. Banks of Fla.	1,005 (31)	184 (3)	95 (1)		317 (5)	29 (2)	56 (1)	62 (2)		50 (2)		10 (1)	45 (2)		23 (1)	134 (11)
5. Atlantic Bancorp.	771 (22)				425 (7)	68 (2)	57 (4)	24 (1)		57 (2)					59 (2)	81 (4)
6. First Fla. Bancorp.	587 (28)		180 (5)		90 (4)		81 (4)	46 (4)		40 (1)		66 (3)				84 (7)
7. First Fin. Corp	573 (12)		381 (5)					39 (2)	35 (1)							118 (4)
8. Consolidated Bks.	459 (8)		156 (1)	281 (5)								22 (2)				
9. Ellis Bk. Corp.	447 (16)		119 (6)						133 (3)				11 (1)			184 (6)
10. Exchange Bancorp.	391 (10)		285 (4)					84 (3)								22 (3)
11. Pan Am. Bankshares	388 (11)	200 (6)	43 (2)	23 (1)			91 (1)		31 (1)							
12. United Bancshares	384 (6)	349 (5)				35 (1)										
13. City NB Corp.	374 (3)	374 (3)														
14. Charter Banks	298 (9)		180 (2)								17 (1)	16 (1)	63 (3)		14 (1)	8 (1)
15. Broward Banks	265 (4)			265 (4)												
16. First State Bk. Corp.	231 (5)	231 (5)														
17. Fla. Com. Bkg.	216 (6)	136 (4)				80 (2)										
18. First Banks of Fla.	199 (6)					181 (5)										18 (1)
19. Data Lease Fin. Corp.	199 (4)	92 (1)				76 (2)										31 (1)
20. American Banks	167 (6)	59 (2)	57 (2)	28 (1)												23 (1)
21. Palmer Bk. Corp	148 (4)								148 (4)							
22. First Nat. Bks. of Fla.	145 (4)			145 (4)												
23. Combanks	116 (5)						116 (5)									
24. Citizens Bank	104 (5)	18 (1)		86 (3)												
25. Central Bancorp.	99 (2)	99 (2)														
26. Community Banks	71 (5)		68 (4)													3 (1)
27. Fla. Bancorp.	66 (3)			66 (3)												
28. Jefferson Bancorp.	63 (3)	63 (3)														
29. North American Mortg. Corp.	13 (2)		13 (2)													

1/ Deposit data as of June, 1972, adjusted for newly chartered banks and holding company formations and acquisitions through December 31, 1972, except data for First Florida are through January 31, 1973.

entering new markets through acquisitions of the largest banks in those markets.

Among these three factors, the role of the Federal Reserve Board has been of major significance. In making its decisions, the Board has encouraged the entry of holding companies into new banking markets through the establishment of new banks or through foothold acquisitions. Just how this policy has been carried out in practice can be seen in the evidence summarized in Table 2. The figures show the deposit size of acquired banking organizations in Florida bank holding company cases during the period 1969-72. During these four years, the Board approved 136 acquisitions and denied 13.[2] None of the banks acquired had deposits in excess of $250 million; only two had deposits in the range of $100-250 million, and eight were in the $50-100 million deposit class. In fact, nearly 93 per cent of the banks acquired had deposits of $50 million or less, and 7 per cent exceeded that figure. In other words, the Board's emphasis on foothold acquisitions is clearly evident. Moreover, reflecting the Board's strong encouragement of *de novo* entry into particular markets, almost one-quarter of the acquisitions represented newly launched banks.

The 13 holding company applications denied by the Board reflected the same objective of fostering a balanced and competitive banking structure in Florida. In fact, one of the denials involved a number of elements paralleling those in the present application. In 1971, Southeast Banking Corporation (the largest banking organization in the State with headquarters in Miami) sought to acquire Combanks Corporation which controlled five banks in the Orlando banking market with $85 million in deposits. In denying the application, the Board stressed that both existing and significant potential competition would have been eliminated - since Southeast was most likely to enhance its existing position in the rapidly growing Orlando market by establishing another new bank or through the acquisition of a bank with a smaller volume of deposits (58 Federal Reserve BULLETIN 54).

In pursuit of its goal of encouraging a balanced and competitive banking structure in Florida, Federal Reserve Board members have been remarkably of one mind in deciding holding company cases. This conclusion stands out sharply in the statistics shown in Table 3, which summarize Board votes on Florida bank holding company cases during the period 1969-72. During these four years, 135 of the 149 cases (90 per cent) which came before the Board were decided unanimously. In fact, there were no dissenting votes at all in the 13 cases in which applications were denied. Among the 136 cases involving approvals, 14 evoked one or more dissents. However, only one

[2] These 149 cases exclude 18 cases involving holding company formations. Figures on such formations are shown in Table 4.

TABLE 2

Size of Acquired Banking Organizations in Florida Bank Holding Company Cases, 1969-72

	Number of Approved Cases							Number of Denied Cases						
		Deposit Size Range of Acquired Organization ($ millions)							Deposit Size Range of Acquired Organization ($ millions)					
Year	Total	Over 250	100-250	50-100	10-50	0-10	New Banks	Total	Over 250	100-250	50-100	10-50	0-10	New Banks
1969	17			1	8	5	3	1		1				
1970	40		1	1	17	14	7	5			2	2	1	
1971	33			3	13	6	11	4			2	2		
1972	46		1	3	21	9	12	3		1		2		
Total	136	0	2	8	59	34	33	13	0	2	4	6	1	0

TABLE 3

Summary of Board Votes on Florida Bank Holding Company Cases, 1969-72

Number of Board Members Voting	Number of Cases Approved					Number of Cases Denied				
	Total	Unanimous	One Dissent	Two Dissents	Three Dissents	Total	Unanimous	One Dissent	Two Dissents	Three Dissents
7	18	14	0	3	1	1	1	0	0	0
6	42	35	7	0	X	2	2	0	0	X
5	51	48	3	0	X	7	7	0	0	X
4	25	25	0	X	X	3	3	0	X	X
Total	136	122	10	3	1	13	13	0	0	0

TABLE 4

Florida Bank Holding Company Formations, 1969-72

Number of Approved Cases[*]

Year	Total	Deposit Size Range of Subsidiary Banks[1] ($ millions) Over 250	100-250	50-100	10-50	0-10	New Banks
1969	4	0	0	1	2	1	0
1970	5	1	1	0	2	1	0
1971	4	1	0	1	2	0	0
1972	5	0	1	1	1	2	0
Total	18	2	2	3	7	4	0

[*] All holding company formations for the four-year period were approved by unanimous votes.

[1] Total deposits of subsidiary banks, excluding lead banks.

case drew three negative votes;[3] three cases drew two negative votes, and in 10 cases only one Member voted to deny.

Given this record of previous Board decisions in Florida holding company cases—and particularly in light of the earlier Southeast/Combanks cases—a troublesome question arises: to what elements in the present case can one point to explain such a dramatic break in the pattern of Board decisions which the majority is willing to make? In all candor, I must say that I cannot identify any elements which would justify approving the present proposal, and I can point to several reasons why it should be denied unanimously.

Adverse Competitive Effects

The majority admits that the merger would have adverse competitive effects in the Dade County banking market. United is not only present and competing in that market, it is the third-ranking organization in the area—with 9.3 per cent of the total deposits, just behind Southeast Banking Corp. (24.2 per cent) and City NB Corp. (9.9 per cent). United has not been sitting by watching as its principal market area expanded. In 1969, it chartered a new bank; in 1970 it acquired an existing bank, and it opened a new bank in 1972. Moreover, among all of Florida banking institutions, United enjoyed one of the fastest internal rates of growth between 1965 and 1970. Thus, any slackening in the group's performance in recent years (as claimed in some of the material submitted to the Board) should be viewed as a temporary lapse from the long-run trend.

[3] This case involved an application by First at Orlando to acquire Citizens Bank of Ocala, a proposed new bank (58 Federal Reserve BULLETIN 292-294).

The Board majority admits that—if this application were denied—First Florida probably would enter the Dade County banking market. However, it concludes that the adverse competitive consequences resulting from approval would not be substantial. I disagree strongly. In the first place, I believe that—if this application were denied—it is virtually certain that First Florida would be attracted to the Miami market—either *de novo* or through a foothold acquisition. The company is already represented in six of the State's major banking markets, and its pace of expansion continues brisk. In 1972, it acquired one existing bank and opened three *de novo* banks. So far this year, it has acquired one existing bank, and it has another application pending for a proposed acquisition.

Market Structure of Florida Banking

Since this basic issue of potential competition between First Florida and United is at the core of this application, two fundamental questions must be answered: (1) What is the likelihood of First Florida entering the Dade County market—the home base of United? (2) How probable is it that United will attempt to expand into the Tampa market—the home base of First Florida—or into other markets in which First Florida is already competing? To answer these questions, one should have at least a rough appreciation of the market structure of commercial banking in Florida and of the pattern of holding company participation in those markets. To facilitate this understanding, the 14 largest banking markets in the State have been identified in Table 1. The 29 multi-bank holding companies in the State have also been identified, as have been the number of banks and the amount of deposits they have in each of the principal market areas.

Several features stand out in these data. Of the 14 market areas, six are most important—each having \$1.0 billion or more of total deposits. These are (1) Miami-Dade County (\$3.8 billion); (2) Tampa-St. Petersburg (\$2.8 billion); (3) Fort Lauderdale (\$1.6 billion); (4) Jacksonville (\$1.5 billion); (5) West Palm Beach (\$1.1 billion); and (6) Orlando (\$1.1 billion). In all of these six markets, multi-bank holding companies play an important role, and in four of them these companies have two-thirds or more of the total deposits. In these six markets (plus two others: Lakeland and Melbourne-Titusville), at least six multi-bank holding companies have one or more subsidiaries. Still another important fact stands out in Table 1: Of the 29 multi-bank holding companies in

Florida, only 12 have confined themselves to the acquisition of subsidiaries in a single banking market– while 17 have entered at least two of the 14 principal markets identified. Moreover, two of the 29 companies have entered 10 of the 14 markets, and 8 of them have bank subsidiaries in five or more of these markets. Finally, each of the top four holding companies has at least one subsidiary in the Miami, Tampa, Jacksonville, and Orlando markets.

Focusing specifically on the Miami-Dade County banking market, the following features should be noted. Of the 29 multi-bank holding companies in the State, 14 have subsidiaries in that market; only four of these companies are purely local institutions, and 10 are active in other markets around the State. Furthermore, of the 8 multi-bank holding companies that are active in five or more of the 14 leading markets, only two--First Florida and Atlantic Bancorporation-do not have subsidiaries in the Miami-Dade County area. It will also be noted that United has approximately the same volume of deposits as Pan American Bancshares ($384 million vs. $388 million, respectively). However, United has extended itself into only one other market while Pan American has moved into five of the State's 14 principal banking markets.

The foregoing analysis of the structure of Florida's banking markets and the pattern of holding company participation point to an inescapable conclusion: both First Florida and United are caught up in a rapidly expanding network of multi-bank holding companies vigorously extending themselves into the State's principal banking markets. Neither First Florida nor United can afford to stand aside from this development. Instead, one should anticipate that United--under the impact of increasing banking competition (not only in Dade County but in the State as a whole) would find it mandatory to extend its reach into other major metropolitan areas. Otherwise it would atrophy and decline---a prospect which United obviously would resist. Moreover, as the majority admits, First Florida can be expected to enter the Miami banking market in any case. This market extension almost certainly would occur regardless of the Board's action in this case. The only result of approving this application is to endorse and permit the consummation of a seriously anti-competitive merger carrying no substantial public benefits.

Lack of Public Benefits

In fact, the parties themselves do not claim that the merger would make available any new services not already available in the relevant markets. They simply argue that– in combination– they can service their customers more efficiently. While the combined organization could raise capital more advantageously, this is not a public benefit sufficient to offset the substantially adverse competitive impact of the merger. Neither is the situation improved by the purported pro-competitive result claimed by the majority. They assert that ". . . as to the customer in need of wholesale and regional banking services, the proposal, rather than being anti-competitive, should in fact be pro-competitive by creating a fifth institution in the Miami market with established relationships in Jacksonville, Tampa, Orlando, Melbourne and other Florida communities and having in the aggregate resources of approximately $1 billion." This argument in support of anti-competitive banking combinations was declared invalid by the United States Supreme Court nearly a decade ago. In the Philadelphia National Bank-Girard Trust case, the merger parties attempted to overcome the anti-competitive effects of the proposal in the local area by emphasizing the beneficial competitive effects in the "wholesale" banking markets. The Court, in prohibiting the merger in June, 1963, rejected this argument. In so doing it observed that ". . . If anti-competitive effects in one market could be justified by pro-competitive consequences in another, the logical upshot would be that every firm in an industry could, without violating Section 7, embark on a series of mergers that would make it in the end as large as the industry leader. For if all the commercial banks in the Philadelphia area merged into one, it would be smaller than the largest bank in New York City."[1] This conclusion holds in the case of Florida banks today for they, too, in combination, would not even equal the second largest bank in New York.

Financial Conditions and Managerial Resources

The financial condition of the two holding companies and their managerial resources would enable them to expand independently of each other. The capital position of both groups of banks is generally satisfactory. Their managements are also quite able. Although United is the smaller of the merging organizations, its Chairman and President would become President and Chief Executive Officer of the combined group. The second ranking officer of the combined group would be Applicant's President, who would become Chairman of

[1] *United States* v. *Philadelphia National Bank, et al.*, 374 U.S. 321 at 370 (1962).

the Executive Committee. Other senior officers and directors would also be drawn from the two existing organizations. In general, the record shows that First Florida and United have a sizable cadre of able officials who are fully capable of expanding further the frontiers of their own organizations. Commercial banking in Florida would be far better off if they were left to do so separately.

Concluding Observations

Finally, I come away from the record in this case with a strong conviction. On the basis of the Board's record in previous Florida bank holding company cases—and after examining stage-by-stage the evidence presented in this case—I would have predicted the denial of this application by a substantial majority of the Board—and perhaps by a unanimous vote. It was impossible for me to overlook the obviously anti-competitive consequences, and I could not fail to see the complete lack of any public benefits. I admit that considerable private benefits would accrue to the holding companies and their stockholders. However, these are not the factors which the Board must weigh under the Bank Holding Company Act. For the foregoing reasons, I would deny the application.

Dissenting Statement of Governor Bucher

Approval of this application can only have an adverse effect on the structure of Florida banking. First Florida is a rapidly growing banking organization. Fourteen of its 28 subsidiaries have been acquired in the last three years and, in addition to the present proposal, it has plans to acquire three additional banks in the near future. Its net income for 1971 showed an increase of over 25 per cent from the previous year. United has not undertaken as widespread expansion as First Florida. However, it is presently capable of doing so. It is a viable and growing organization with its internal growth ranking among the best in the State. The net result of the Board's action is to eliminate one viable competitor in the Florida banking market. In doing so, the Board overlooks its previously stated recognition that one of the primary objectives of Congress in enacting § 3 of the Bank Holding Company Act was to "encourage a framework for banking structure consisting of as many separate and competitive banking organizations as can effectively and efficiently serve the convenience and needs of the banking public" (54 Federal Reserve Bulletin 925).

The Board's action has the almost immediate effect of reducing the number of competitors in the Dade County market. The Dade County market is the State's major banking market and is one of the most attractive for entry as the ratio of population to banking office is 40 per cent greater than for the State as a whole. Additionally, the area ranks first in per capita income. The majority itself recognizes that were the proposal to be denied, First Florida would certainly enter the Dade County market in the near future. Such entry of an additional competitor would be far preferable to the acquisition of the third largest banking organization in the market.

Rather than seeing this proposal as an erosion of the highly competitive structure of Dade County banking, the majority finds it procompetitive as to the wholesale banking market. I believe that the market for such specialized services is already highly competitive and the addition of one more element in this market would have only a minor procompetitive effect. This is particularly true since, despite having deposits of approximately $1 billion, the resulting institution would still be relatively small compared to the major competitors in the national banking market. Any such effect is outweighed by the adverse effects on potential competition in local banking markets throughout the State.

Further, I am greatly concerned as to the effects of this approval on the long-term competitive structure of Florida banking. I feel it is clear that, absent this proposal, First Florida and United would be Statewide competitors in the relatively near future. The majority sees no adverse effects from this proposal in that there would still be 26 banking organizations with deposits over $100 million. The proposal does not, however, merge two $100 million institutions, but rather merges a $587 million and a $384 million institution, the sixth and twelfth largest institutions in the State, respectively. As an indication of the magnitude of the proposal, a review of all Board decisions for the period 1956 through 1972 indicates that the Board has only approved two holding company formations where the resulting organization was larger than involved in this case. With respect to bank holding company acquisitions or mergers, only two have been approved where the deposits of the acquired institution were larger than those of United. There are only 17 holding companies in Florida with deposits over $200 million. Were all proposed mergers of which the Board has knowledge to be approved, as well as all reasonably likely mergers, there would only be 10 remaining holding companies with deposits in excess of $200 million.

I realize that each application must be examined on its merits. However, this proposal is part of a clearly developing trend toward concentration in the Florida banking structure. Any such proposal should only be approved on a clear showing that approval is required by considerations bearing upon the public convenience and needs. The record in this case is devoid of any such considerations favoring approval. I would, therefore, deny the application.

Dissenting Statement of Governor Robertson

As indicated by the majority, this case has received an extraordinary amount of attention, as befits a case of this importance. I agree with Governor Brimmer and Governor Bucher that the application should be denied. My reasons are essentially the same as theirs, and hence there is no purpose to be served by reiteration. However, I would add just a note.

To my dissent in the application of First International Bancshares, Inc., Dallas, Texas, to form a bank holding company through acquisition of successors to First National Bank in Dallas and Houston-Citizens Bank & Trust Company, Houston (approved by the Board in November 1972) (F.R. Bulletin, December 1972, p. 1028 *et seq.*) I attached an article by Art Buchwald describing an absurdly ludicrous result of mergers and mergers on top of mergers. I did so because, in a humorous way, Mr. Buchwald had put his finger on a real and important problem. At the time I did not regard the piece as in any way prophetic. Now I am not so sure, because if I were the commanding official of a bank holding company, I would read the decision in this case as letting down the bars. No longer would I think in terms of applying for permission to buy a bank here, another one there, and another one somewhere else. That takes time and lots of hard work. I would short-cut the laborious task of getting "big" by working toward a merger with another holding company, and thus acquire a whole parcel of banks at one time (as here). But why should I think small? Why should I think in terms of acquiring just one holding company in my State? Why not try to buy up several companies—maybe all but one of them—and merge them into mine? (I would want at least one to remain unaffiliated so that the Department of Justice could not assert that I was eliminating *all* competition, and possibly institute a legal action which would stymie the whole venture.)

By this means I could achieve my principal purpose (which the majority opinion here seems to endorse), namely, to have a pool of lendable funds big enough to meet the borrowing desires of the biggest corporate businesses. I could do that by pooling the lendable funds of all my controlled banks—and profitably too, because it costs less to handle a few big loans than to handle many small ones.

Of course, if I loaned a large portion of the funds of my banks to the big borrowers, there might not be enough left over to take care of local housing needs, small businesses, and consumers. But let someone else worry about that. Maybe they will be taken care of by the saving and loan associations, the mutual savings banks, or the smaller commercial banks which have the ability and grit (of which it takes a lot these days) to remain independent of holding companies.

However, I am not the commanding official of a bank holding company; rather, I am just one of seven Federal Reserve Governors, with just one vote to cast out of seven. I cast it on the side of denial.

FIRST WISCONSIN BANKSHARES CORPORATION, MILWAUKEE, WISCONSIN

Order Approving Acquisition of Bank

First Wisconsin Bankshares Corporation, Milwaukee, Wisconsin, 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 First Wisconsin Bank of Waukesha, Waukesha, Wisconsin, a proposed new bank ("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 17 banks with aggregate deposits of $1.7 billion, representing 16 per cent of the total deposits held by commercial banks in Wisconsin, and is the largest banking organization in the State. (All banking data are as of December 31, 1971, and reflect acquisitions and formations approved by the Board through July 25, 1972.) Bank is a proposed new bank and its acquisition by Applicant would not increase the concentration of banking resources nor have any significant adverse effect on any competing bank in the relevant areas.

The proposed bank is to be located in the City of Waukesha in the Milwaukee banking market wherein Applicant holds 32.4 per cent of total deposits as the largest of 43 banking organizations represented in this market. However, Applicant is not presently represented in the City of Waukesha which has a population of approximately 40,000, and under the State's branching laws its subsidiaries are not permitted to branch into the area of the proposed bank's location.

The 1970 census indicates that Waukesha is the third fastest growing city in Wisconsin with over 40,000 population. Its 1960-1970 increase in population of 34.2 per cent represented a growth in population almost three times that of the State as a whole. Waukesha County had a population growth during this same period of 46.2 per cent. The population to banking offices within the Waukesha area is 8,000 as compared with 5,000 for the State. In view of the rapidly increasing population, and economic expansion taking place within the Waukesha area, it appears that the area can support other financial institutions.

Applicant's nearest subsidiary banking offices are located nine miles northeast and 10 miles southeast of Bank. Since Bank is a proposed new bank, no present competition would be eliminated by consummation of this proposal, nor does it appear likely that competition would develop in the future. Competitive considerations are consistent with approval of the application.

The financial condition of Applicant and its subsidiary banks are considered to be generally satisfactory especially in view of Applicant's plan for the capital augmentation of its subsidiary banks. The managerial resources of Applicant and its group of banks are also considered to be generally satisfactory and prospects for the group appear favorable. Bank, as a proposed new bank, has no operating history but projected earnings and growth for the new bank under Applicant's control appear favorable. Banking factors are consistent with approval of the application.

The primary banking needs of the Waukesha area appear to be satisfactorily served at the present time. However, Applicant proposes to enable the new bank to offer a number of more sophisticated services to include investment counseling and portfolio analysis, international banking, municipal finance, lease financing, and data processing. Applicant also points to the need for convenient banking services in the southern sector of the city since all present banking offices are located in the downtown and extreme northeast sections of Waukesha. Considerations relating to the convenience and needs of the communities to be served are consistent with and lend some support toward approval of the application.

Objections to the proposed acquisition of Bank have been raised by financial institutions in the area. They argue there is no present requirement for the establishment of a bank in the area to serve public conveniences, and further that Applicant's dominant position and large resources enable it to operate Bank at a loss for a longer period of time in order to preempt a position in the market. It is the opinion of the Board, however, that the Waukesha area is capable of supporting the proposed new bank and that the consummation of this proposal should not be regarded as the preemption of a bank site by Applicant in the Waukesha area. Additionally, the record indicates that there are no other proposals pending at the present time to establish a bank in the area. It is the 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 Wisconsin Bank of Waukesha, Waukesha, Wisconsin, 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 Chicago, pursuant to delegated authority.

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

Voting for this action: Chairman Burns and Governors Mitchell, Daane, Brimmer, Sheehan, and Bucher. Voting against this action: Governor Robertson.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

DISSENTING STATEMENT OF GOVERNOR ROBERTSON

The Board in approving this application has conferred on Applicant, the largest State banking organization, the opportunity to further dominate the Milwaukee banking market by permitting its entry into the Waukesha City area. I am firmly convinced that consummation of this proposal will result in the foreclosure of a substantial amount of future competition and in a further increase in the unconscionably high level of concentration of banking resources presently vested in Applicant in the Milwaukee area. I, therefore, have voted to deny the application.

In considering this proposal, I have become more acutely aware of Applicant's dominance over banking in the State of Wisconsin. It holds 16 per cent of the total deposits of commercial banks in the State, whereas the second and third largest banking organizations hold deposits representing 6.7 and 6.3 per cent, respectively. Furthermore, turning locally to the Milwaukee banking market where the new bank is to be located, we find that Applicant already controls $1.2 billion in deposits, representing 32.4 per cent of the market's gross deposits. The second and third largest banking organizations represented in this market control $574 and $473 million in deposits, representing market shares of 15.8 and 13.0 per cent, respectively less than half the percentage of deposits held by Applicant. Seven other banking organizations hold market deposits ranging from $209 to $67 million, and 33 other banking organizations with less than $60 million deposits are attempting to compete in this market area.

In 1968 the Board denied an application by Applicant to establish a new bank in the Milwaukee banking market which was to have been located in the southwestern portion of Milwaukee County, and at that time Applicant controlled 12 banks with $1.3 billion in total deposits.[1] In the Statement which accompanied the denial Order, the Board indicated its views concerning considerations applicable to such a proposal by the State's largest banking organization, as follows:

> Determination of the competitive effects of a proposed holding company acquisition, whether the proposal is one to acquire an existing bank or a new bank to be organized under the holding company's direction, turns on the issue of whether consummation of the proposal will result in a substantially less competitive banking market than is likely to exist or develop in the event that the proposal is not consummated. In the present case, consummation of the proposal would result in expansion of the dominant banking organization in Milwaukee County and would tend to preclude entry which could lessen the extent of Applicant's dominance in the county, and provide competition to offices of Applicant's present subsidiaries which serve the immediate area
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> In view of present concentration in Milwaukee County banking and the desirability of encouraging the development of new sources of competition, it seems clear that if Applicant's proposal had involved an attempt to acquire a new bank chartered by independent interests, the standards of the Act would require a finding that competition would be substantially lessened by the proposal's consummation. But the law is no less opposed to a proposal which suppresses the development of competition than to one which eliminates competition which already exists. In every case, the test is the probable effect which the acquisition would have on future competition in the relevant market. On the present record, it appears probable that consummation of Applicant's proposal would result in a substantially less competitive and significantly more concentrated banking market in the immediate area and in Milwaukee County than would likely develop if the proposal were not consummated. The Board is therefore precluded from approving the application unless such anticompetitive effects are clearly outweighed in the public interest by the proposal's effect in meeting the convenience and needs of the community to be served.

The Board approved the acquisition by Applicant in June 1970[2] of a proposed new bank in the Madison banking market. Applicant then controlled 14 banks with aggregate deposits of $1.4 billion, two of which subsidiaries held 32 per cent of the Madison banking market. The Board's Statement cited an economic need for the new bank in a shopping center soon to be opened and noted that only First Wisconsin Bankshares Corporation had evidenced an interest in the establishment of a convenient banking service for this area. I voted to deny that application, and the Dissenting Statement pointed out that the effect of the proposal would be to perpetuate the dominance of the largest banking organization in Wisconsin; foreclose the opportunity for the establishment of competitive banking facilities at the proposed location; increase the concentration of banking resources in the relevant areas; and would restrict the development of nearby banking offices established by smaller competing banks.

Although the principal objections set forth in the Dissenting Statement discussed above are applicable to the present application, there are distinguishing facts which make the present case even more objectionable. In my opinion, the record in this application established no present need for the new bank, whereas in the Madison case the new bank was to be located in an almost completed shopping center where it afforded more convenient banking services to those customers.

Applicant presently maintains 21 banking offices in the Milwaukee market, the closest is nine miles from the proposed site of Bank on the southern fringe of the City of Waukesha, less than two miles from downtown Waukesha. The new bank is to be located on a six and a half acre tract which Applicant states will be developed as

[1] 1968 Federal Reserve BULLETIN 1024; banking data are as of December 31, 1967

[2] 1970 Federal Reserve BULLETIN 586.

a shopping center. The area is not densely populated at the present time, but a condominium development is under construction with plans for completion of 170 units within three years. Applicant also states that its projected service area for the new bank is based upon the "imminent completion of the Circumferential Highway, . . . the western leg north to I-94 is planned for completion in 1975." However, there is a conflicting report from the Chief Planning Engineer of the Waukesha District Office indicating that there are no scheduled plans for the construction of the western leg of the highway at the present time but that it is still under consideration by the city and county authorities. It is apparent, therefore, that only a banking organization of substantial size could afford to support a new bank in this essentially undeveloped area for the long period of time required for its operations to become profitable.

The acquisition by Applicant of the proposed new bank represents an expansion of its dominant position in the Milwaukee banking market, and would become a deterrent to new entry in that area, thereby denying the market a means for increasing competition and for lessening the high level of concentration of banking resources present therein. I oppose most strongly the adverse competitive effects of this proposal on area banking, and I find nothing in the record indicating it is justified on the basis of serving any needs of or public benefits to the area residents. I, therefore, have voted to deny the establishment of a new bank by the largest banking organization in the State and in the Milwaukee market, and, thereby to increase Applicant's dominance over that market's banking.

NORTHWEST BANCORPORATION MINNEAPOLIS, MINNESOTA

ORDER APPROVING ACQUISITION OF BANK

Northwest Bancorporation, Minneapolis, Minnesota, 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 90 per cent or more of the voting shares of Farmers and Merchants State Bank of Stillwater, Stillwater, Minnesota ("Bank").

As required by § 3(b) of the Act, the Board gave written notice of receipt of the application to the Commissioner of Banks of the State of Minnesota and requested his views and recommendation thereon. The Commissioner did not formally object to the application but did suggest the desirability of a public hearing at which interested persons might express their views. Notice of receipt of the application was published in the Federal Register on August 3, 1971 (36 F.R. 14285) which provided an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the Department of Justice for its consideration.

In view of the numerous comments received by the Board concerning this proposal, the Board determined that a public oral presentation with respect to this matter would be in the public interest. On November 18, 1971, notice of such public oral presentation to be held in Minneapolis, was published in the Federal Register (36 F.R. 22027). Subsequently, the Commerce Commission of the State of Minnesota unanimously recommended that the Board deny the application and requested a formal hearing. By notice published in the Federal Register on December 28, 1971 (36 F.R. 25071), the Board directed that a public hearing be held commencing on February 28, 1972, at the Federal Reserve Bank of Minneapolis, before the Honorable Dent D. Dalby, Administrative Law Judge. All persons desiring to give testimony, present evidence or otherwise participate in the hearing held in Minneapolis, Minnesota, on February 28–March 3, 1972, were afforded an opportunity to do so. The time for filing comments and views has expired and all those received, as well as the entire record of the hearing, including the transcript, exhibits, exceptions, rulings, all briefs and memoranda filed in connection with the hearing, and the Recommended Decision, findings of fact, and conclusions of law filed by the Administrative Law Judge have been considered by the Board.

It is hereby *ordered* for the reasons set forth in the Board's Statement of this date, that the said application be and hereby is approved, provided that 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 Minneapolis pursuant to delegated authority.

By order of the Board of Governors, effective February 26, 1973.

Voting for this action: Chairman Burns and Governors Mitchell, Daane, Sheehan, and Bucher. Voting against this action: Governors Robertson and Brimmer.

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

STATEMENT

Nature of transaction. Northwest Bancorporation, Minneapolis, Minnesota, a registered bank holding company, has applied to the Board of Governors, pursuant to § 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), for prior approval of the acquisition of 90 per cent or more of the voting shares of Farmers and Merchants State Bank of Stillwater, Stillwater, Minnesota.

Views and recommendation of supervisory authority. As required by § 3(b) of the Act, the Board gave written notice of receipt of the application to the Commissioner of Banks of the State of Minnesota and requested his views and recommendation thereon. The Commissioner did not formally object to the application but did suggest the desirability of a public hearing at which interested persons might express their views.

Public Hearing. Notice of receipt of the application was published on August 3, 1971, in the Federal Register (36 F.R. 14285), providing an opportunity for interested persons to submit comments and views on the proposed transaction. Numerous comments concerning the proposal were received by the Board and, on November 18, 1971, notice of a public oral presentation to be held in Minneapolis was published in the Federal Register (36 F.R. 22027).

Subsequently, the Commerce Commission of the State of Minnesota unanimously recommended denial of the application and requested a formal hearing. The Board concluded that such a hearing would be in the public interest and, by notice published in the Federal Register on December 28, 1971 (36 F.R. 25071), the Board directed that a public hearing be held commencing on February 28, 1972, at the Federal Reserve Bank of Minneapolis before the Honorable Dent D. Dalby, Administrative Law Judge.

A trial of the issues was held before the Administrative Law Judge in Minneapolis from February 28 through March 3, 1972. All persons desiring to give testimony, present evidence, or otherwise participate were afforded an opportunity to do so. The voluminous transcript of testimony and the numerous exhibits placed into the record attest to the extensive participation by interested persons.

Statutory consideration. Section 3(c) of the Act provides that the Board shall not approve an acquisition that would result in a monopoly or would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Nor may the Board approve a proposed acquisition, the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the communities to be served. In each case, the Board is required to take into consideration the financial and managerial resources and future prospects of the bank holding company and the banks concerned, and the convenience and needs of the communities to be served.

Competitive effect of proposed transaction. Applicant controls 78 banks located variously in Minnesota, Iowa, Montana, Nebraska, North Dakota, South Dakota, and Wisconsin. Within Minnesota, Northwest controls 48 banks with aggregate deposits of approximately $2.2 billion, representing 24 per cent of the total commercial bank deposits in that State.[1] Applicant is the second largest banking organization and bank holding company in Minnesota. The largest organization, First Bank System, controls 50 banks with close to 29 per cent of total commercial bank deposits in that State.

As we have previously stated in our Order of January 31, 1968, approving Applicant's application to acquire The First National Bank of Ely (54 Federal Reserve BULLETIN 222, at 223):

> Against this background of present concentration, any proposed acquisition by one of the largest organizations warrants careful consideration of the effect which consummation of the proposal would have in further expanding the size and scope of such organization, in addition to consideration of the probable effect of the proposal on competition in markets which presently are served or potentially could be served by the organization's subsidiary banks or by the bank involved.

Farmers and Merchants, as of year-end 1970, had deposits of less than $7 million,[2] an amount equal to .08 per cent of total deposits in the State. The proposed acquisition therefore postures no significant effect on Applicant's overall size, either in absolute or relative terms.

The town of Stillwater (population 10,191- 1970 census) is located about 18 miles northeast

[1] As of December 31, 1970. All banking data are as of this date unless otherwise noted.

[2] Deposit figure does not include $2.3 million in temporary (two days) public funds which were withdrawn subsequent to year-end.

of downtown St. Paul and is the county seat of Washington County, which forms the eastern edge of the Twin Cities area and is the least populated county in the seven-county metropolitan area. The county's present population, according to 1970 census data, is 82,948, an increase of 58 per cent since 1960. However, the bulk of the increase stems from the southern portions of the county, in the Cottage Grove and Woodbury areas. Stillwater, situated in the northeastern quadrant of the county, is connected to the Metropolitan Twin Cities Freeway System by a four-lane highway. The major employer for Stillwater residents is Andersen Corporation (a large manufacturer of window units), located in Bayport, three miles south of Stillwater. The prospect for industry growth in the Stillwater area is slim, due to the lack of available sites within the present city boundaries and the strict Minnesota anti-pollution laws which discourage development along the St. Croix River, which forms the eastern edge of the city and the boundary between Minnesota and Wisconsin.

The principal competitive issue posed at the hearing centered upon the delineation of the relevant geographic area, or "section of the country" within which the competitive effects of Applicant's proposal should be measured. Protestants contend that the relevant competitive area is a seven-county area or at least the five-county Twin Cities SMSA, either of which includes Washington County; and that, because of Applicant's extensive commercial bank holdings in the relevant area, no further expansion by Applicant through acquisition of area banks should be permitted. The Administrative Law Judge found the Twin Cities SMSA to be the relevant market. However, the Board concludes that the actual and potential banking market of Bank is much more limited than the area proposed by competitors and found by the Administrative Law Judge as the relevant competitive market area. Much of Protestants' evidence on this point related to governmental boundaries incorporating Stillwater within the Twin Cities SMSA. Evidence of this type is not persuasive in the absence of a showing that the governmental boundaries have genuine economic significance in terms of delineation of a relevant banking market. Stillwater is physically separated from the central urban mass of Minneapolis and St. Paul by a six-to-eight-mile strip of farmland and, historically, urban growth from the Twin Cities area toward Stillwater has been very slow in comparison with growth in other directions. Such restricted growth appears to be due, at least in significant part, to the lack of adequate sewerage facilities. The present corridor of undeveloped land is not expected to be developed for a number of years. Moreover, further growth is more likely to move to the south of Stillwater, to the Cottage Grove area, and more likely will serve to channel some growth away from Stillwater rather than toward it.

It appears that banks in Stillwater do not significantly compete with banks in St. Paul and Minneapolis. The record shows that Stillwater banks are not responsive to changes in services by Twin City banks and that, to the extent that introduction of a banking service into the Minneapolis-St. Paul area was followed by the introduction of such service into Stillwater, a significant time lag intervened. After giving due consideration to the findings, conclusions, and reasoning of the Administrative Law Judge, and after close examination of the entire record in this case, the Board concludes that the Twin Cities SMSA is not the relevant market for examining the competitive effects of the proposed acquisition.

Applicant does not presently control any bank in Washington County. Northwest's banking subsidiary closest to Bank is located in downtown St. Paul, 18 miles from Bank. A survey of customers of Bank and of Applicant's subsidiaries within a 25-mile radius of Bank indicates that there is some overlapping of the service areas, but with no significant competitive consequences.

Bank competes with two other independent banks in Stillwater, namely, First National Bank ($32 million in deposits), and Cosmopolitan State Bank ($10 million in deposits), and also with First State Bank in Bayport ($9 million in deposits). Bank's proportionate share of the deposits held by the four competing banks has declined from 14 per cent at year-end 1966 to 12 per cent at year-end 1970. Bank is the smallest and least aggressive bank in Stillwater, where the largest bank is approximately five times Bank's size. In the Board's view, Applicant's proposal contemplates nothing more than a "foothold" entry into a market dominated by another organization. The most likely effect of the acquisition would be to strengthen Bank and enable it to compete more aggressively in Stillwater. The only alternative to Applicant's entry through such small bank is by entry *de novo.* The projected population growth of Washington County might appear to make entry attractive. However, the projected population growth is likely to be centered to the south of Stillwater in the

Cottage Grove area. Also, the small compact size of downtown Stillwater seems to preclude *de novo* entry in that area. Furthermore, Stillwater appears to be adequately serviced with no need for any new banking offices. Finally, it may be noted that the Comptroller of the Currency, in June 1967, denied an application for a new bank charter in a proposed shopping center on the south side of Stillwater and it appears that, since the 1967 denial, there has been no material change in the need for additional banking services. On the facts of record, particularly the distances separating Bank from Applicant's subsidiaries, the number of banks located in the intervening areas and the prohibitions of Minnesota law against branch banking, it appears that consummation of the proposal would not foreclose significant potential competition.

The Department of Justice, in commenting on this application, stated that "'eventual deconcentration' [in Minnesota] can most likely come about through the development of regional holding companies" and the likelihood of entry into this market by small holding companies would be diminished if Applicant's proposed acquisition were approved. However, commencing with 1945, Applicant's share of commercial bank deposits in the Twin Cities SMSA has been on the decline, from 34.0 per cent at year-end 1961 to 31.4 per cent at year-end 1970. While the decline is not as great as some might favor, nevertheless, the trend is downward.

The Department of Justice's second argument in opposition to this application is that approval of this application would result in a transfer of the "overwhelming dominance enjoyed by [Applicant and First Bank System] from the central city to the rapidly growing suburban areas within the Twin Cities SMSA." It appears from the record that the rapidly growing suburban areas are not in that part of Washington County where Stillwater is located, but rather to the south of Stillwater in the Woodbury and Cottage Grove areas.

The Board concludes that the consummation of the proposed transaction would not result in a monopoly, nor be in furtherance of any combination, conspiracy, or attempt to monopolize the business of banking in any part of the United States, and would not restrain trade, substantially lessen competition, nor tend to create a monopoly in any section of the country.

Convenience and needs of the communities to be served. The financial condition, management, and prospects of Applicant and its present subsidiaries are regarded as satisfactory. It was stipulated by the parties to the hearing that Bank is a viable banking organization and that the present management is competent. Applicant proposes to utilize its considerable personnel resources to strengthen Bank's management, and it is believed that the infusion of additional experienced personnel will enhance Bank's future prospects, especially in view of the fact that Bank's current president contemplates retirement in the near future. Banking factors lend some weight toward approval. There is no evidence that substantial needs of banking customers in Stillwater are going unserved. However, consummation of the proposal will enable Bank to become a viable alternative source of full banking services and Applicant has indicated it will encourage Bank to expand consumer credit and home improvement financing, to commit funds to student loan programs, and to add and improve special types of checking accounts. Considerations relating to the convenience and needs of the communities to be served are consistent with approval and lend some weight toward approval of the application.

Summary and conclusion. On the basis of all relevant facts contained in the record, and in the light of the factors set forth in § 3(c) of the Act, it is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

Dissenting Statement of Governors Robertson and Brimmer

In our judgment, consummation of the proposal will eliminate existing competition and have an adverse effect on the deconcentration of banking resources in the State of Minnesota, particularly in the Twin Cities SMSA. Based upon the facts of record, we would deny the application.

The record shows that Applicant's banking subsidiaries and Bank presently compete to some extent for deposits and, to a somewhat lesser extent, for loans. Thus, we agree with the Administrative Law Judge's finding that consummation of the transaction would eliminate some existing competition. We also agree with his finding that, "The evidence in this case indicates that Washington County, including Stillwater, is a part of the metropolitan marketing area and [will become further integrated into the metropolitan market area] with future population growth. Consummation of Northwest's proposal will increase its already large share of the area market and is inherently likely to lessen competition."

Applicant and First Bank System together hold almost 53 per cent of all commercial banking deposits in Minnesota, with Applicant controlling 24 per cent.[1] The record indicates that the concentration of deposits held by these two organizations is unmatched in any other unit banking or limited branching State. Furthermore, the data presented show that the combined share of deposits held by the third, fourth, and fifth largest organizations in Minnesota is the smallest among all restrictive branching States.

The Administrative Law Judge noted that, while the general trend in unit banking States, including Minnesota, is toward deconcentration, attributable to the chartering of banks in the fast growing suburban areas, nevertheless the deconcentration occurring in Minnesota over the past 15 years is "considerably less proportionately than in most other banking [S]tates. With this extreme concentration, any proposed acquisition by one of the largest banking organizations warrants the most critical scrutiny."

The Twin Cities SMSA is both the banking center for the Upper Midwest and the most rapidly growing area in Minnesota, with a 1970 population of about 1,814,000, representing 48 per cent of Minnesota's population. Over half of the commercial bank deposits in the State is held by banks located in the Twin Cities SMSA. Washington County, the county seat of which is located in Stillwater, experienced a 58 per cent growth rate during the decade of the 1960's. The population of Washington County is projected to increase by over 47 per cent during the 1970's. Thus, concentration and preemption of banking locations take on particular significance in the Twin Cities SMSA.

The competitive imbalance existing in Minnesota as a whole is exceeded by that existing in the Twin Cities area, where 72 per cent of the commercial deposits are controlled by Applicant and First Bank System, their shares, respectively, being 31.4 per cent and 40.2 per cent. Such extreme concentration in the hands of two organizations is virtually unmatched in any other large unit banking SMSA.

Of the 724 banks in Minnesota, 607 are located outside of the Twin Cities SMSA, and 67 of the 607 are affiliates of Applicant or First Bank System. The average size of the 67 banks of Applicant and First Bank System is almost four times as large as the average among the 540 other banks located outside the Twin Cities SMSA. Applicant's and First Bank's affiliates are concentrated in the major population centers. It appears to us that analysis of the banking structure of Minnesota discloses an extreme concentration of resources in the two giant holding companies of Applicant and First Bank System. Moreover, the most critical imbalance exists in the important Twin Cities area. No significant decrease in concentration has occurred there, and thus far no third banking organization has been able to mount an effective challenge to the dominance of Applicant and First Bank System.

In approving the acquisition herein, the Board seems to be forsaking its previously expressed concern with respect to an acquisition by a dominant banking organization and the resulting foreclosure of opportunities for eventual deconcentration. As the Board has stated in *First Wisconsin Bank Shares Corporation* (54 Federal Reserve BULLETIN 645, at 647-648):

> . . . If every newly developing need for banking facilities which arises in a concentrated market were to be filled by the market's dominant organization, any meaningful deconcentration of the market's banking resources would be made impossible, and further concentration might be encouraged. Each application by such an organization to expand within its present trade area, even through acquisition of a new bank, must therefore be examined to determine its probable effect on existing concentration, whether it will foreclose an opportunity for new entry which could provide additional competition and possibly promote a decrease in concentration, and its effect in limiting the development of existing competitors located in or near the area to be served by the new institution.

It is our view that the Administrative Law Judge correctly analyzed the consequences of the proposed acquisition in concluding that:

> . . The two largest banking organizations have preempted many of the good acquisitions, the major banks that are providing correspondent services Banking competition in the metropolitan area and in the State will be promoted by development of the smaller bank holding companies. Acquisition by Northwest of one of the available merger-minded banks, *particularly one in a key location on the eastern edge of the metropolitan area*, would reduce the growth possibilities of the smaller bank holding companies. In this respect, it would have an anticompetitive effect and be contrary to the public interest.

A similar position was taken by the Department of Justice in its letter to the Board advising that such an acquisition "would have an adverse effect on competition in the Twin Cities SMSA." Justice commented that, "The 'eventual deconcentration' can most likely come about through the development of regional holding companies. Besides Applicant and FBS [First Bank System], four holding

[1] All banking data are as of December 31, 1970, unless otherwise noted

companies currently operate in Minnesota. These holding companies are much smaller than the two giants, ranging in size from $35 million to $220 million in deposits. If Applicant is allowed to acquire Stillwater Bank, the likelihood of entry into this attractive suburban area by an existing small holding company, or by a new holding company which might be organized by an independent bank, would tend to be diminished."

Applicant argues that Bank is so small as to render the matter of banking concentration inconsequential. It is true, of course, that Bank's deposits are but a minute fraction of Northwest's banking subsidiaries' deposits. However, as the Administrative Law Judge indicated, approval of the subject acquisition on such a theory would allow Applicant "to acquire most of the commercial banks in Minnesota." To view this acquisition in isolation, attempting thereby to justify it as *de minimis*, would seriously violate the fundamental letter and spirit of the Bank Holding Company Act. As the U. S. Supreme Court said in *U.S. v. Philadelphia National Bank*, 374 U.S. 321, at 365 fn. 42 (1963):

> . . . if concentration is already great, the importance of preventing even slight increases in concentration and so preserving the possibility of eventual deconcentration is correspondingly great

The Board has previously recognized the precedential effect of its determinations. In *Charter New York Corporation* (54 Federal Reserve BULLETIN 925, at 928), the Board said:

> Although each application must be judged on its own merits, sound administrative procedure requires consideration of the precedential effect of determinations made pursuant to the Act. [Citing, *Brown Shoe Co. v. United States*, 370 U.S. 294 (1962).]
>
> While no agency is required to follow precedent which subsequent developments establish to be improvident, it should avoid establishing precedent which, if consistently applied, will clearly do violence to the letter and spirit of the legislation which it has the duty of impartially administering. To do otherwise would be to confer on a particular applicant a competitive advantage which similarly situated applicants would be deprived in the future of the opportunity to overcome, and the unwillingness of a particular applicant to undertake less anticompetitive methods of expansion which are within its capability does not justify such a preference.

Approval of the subject application would encourage Applicant to expect approval of significant expansion by a series of small increases.

It is our view that eventual deconcentration of this highly concentrated market in the Twin Cities SMSA is critically dependent upon a regulatory policy that effectively restricts expansion by dominant banking organizations in areas of their most extreme concentration (in the absence of overriding procompetitive considerations). Such policy would afford smaller banking organizations an opportunity to grow and develop the capability to compete effectively. We believe that such a policy requires denial of this application.

On the facts of this case, we believe that the adverse effect that consummation of the transaction is likely to have on competition, and the absence of substantial benefit to the public, impel denial of the application.

UNITED STATES OF AMERICA BEFORE THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM WASHINGTON, D.C.

RECOMMENDED DECISION

Northwest Bancorporation, Minneapolis, Minnesota, a registered bank holding company, has applied to the Board of Governors, pursuant to § 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)), for prior approval of the acquisition of 90 per cent or more of the voting shares of Farmers and Merchants State Bank, Stillwater, Minnesota.

Public Hearing. Notice of receipt of the application was published in the Federal Register on August 3, 1971, (36 Federal Register 14285), providing an opportunity for interested persons to submit comments and views on the proposal. On November 18, 1971, notice of a public oral presentation was published in the Federal Register. (36 Federal Register 22027). The Board concluded that a hearing would be in the public interest and on December 20, 1971, issued an order pursuant to § 262.3(f) of the Board's Rules of Procedure (12 CFR § 262.3(f)) setting the matter for hearing.

A prehearing conference was held on January 31, 1972, at Minneapolis. The State of Minnesota and 12 banking organizations entered appearances in opposition to the application. At the conference the issues were defined, as subsequently set forth in a Prehearing Conference Order dated February 16, 1972. Pursuant to the hearing notice, a trial on the issues was held at Minneapolis from February 28 through March 3, 1972. All persons desiring to present evidence, or otherwise participate, were permitted to do so. Briefs were filed by some of the parties on August 28, 1972.

Views and Recommendations of Supervisory Authority. As required by § 3(b) of the Act, the Board gave written notice of receipt of the application to the Minnesota Commissioner of Banks. The Commissioner did not object to the application but recommended a public hearing. By letter dated

December 9, 1971, the Minnesota Commerce Commission unanimously disapproved the proposed acquisition.

Statutory Considerations. Section 3(c) of the Act confers upon the Board broad discretionary authority in shaping banking policy with reference to bank holding company acquisitions and mergers. It enjoins approval of "any acquisition or merger or consolidation . . . which would result in a monopoly, or would be in the furtherance of any combination or conspiracy to monopolize or attempt to monopolize the business of banking in any part of the United States" or "any other proposed acquisition or merger or consolidation . . . whose effect . . . may substantially lessen competition, or tend to create a monopoly, or which . . . would be in restraint of trade, unless . . . the anticompetitive effects . . . are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served." But in granting or denying approval of a proposed acquisition, the Board is required only [also] to "take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned and the convenience and needs of the community to be served."

Competitive Effect of Proposed Acquisition. Northwest Bancorporation is a bank holding company located in Minneapolis, Minnesota. It controls 48 subsidiary banks in Minnesota with aggregate deposits of $2.2 billion, and 30 subsidiary banks in the states of Iowa, Nebraska, South Dakota, North Dakota, Montana and Wisconsin.[1] Fifteen of the subsidiary banks, with deposits of $1.5 billion, are located in the Twin Cities Standard Metropolitan Statistical Area.[2]

Commercial banking in Minnesota is highly concentrated. Northwest controls 24 percent of the commercial bank deposits in the State, and 28.8 per cent of those in the metropolitan area. It and the First Bank System, Inc., control 52.8 per cent of the commercial bank deposits of the State, and over 70 per cent of those in the metropolitan area. The State's remaining four bank holding companies control only 7 per cent of the State's commercial deposits.

[1] These and all subsequent figures are as of December 31, 1970, unless otherwise indicated

[2] The Twin Cities Standard Metropolitan Statistical Area consists of Anoka, Dakota, Hennepin (which includes Minneapolis), Ramsey (which includes St Paul) and Washington (which includes Stillwater) Counties

First Bank System holds a larger share of the commercial deposits in its metropolitan statistical area than does the largest banking organization in any other metropolitan statistical area in the sixteen unit banking states with deposits of more than one billion dollars. Northwest, the second largest banking organization in Minnesota, also holds a higher percentage of such commercial bank deposits than does the first largest of any other statistical area, with deposits of more than one billion dollars, with but one exception.

The general trend in unit banking states, including Minnesota, is toward deconcentration attributable to the chartering of independent banks in the faster growing suburban areas. Deconcentration over the past 15 years in Minnesota, a drop of approximately 3.3 percentage points, is considerably less proportionately than in most other unit banking states. With this extreme concentration, any proposed acquisition by one of the largest banking organizations warrants the most critical scrutiny. As the Supreme Court stated:

> . . . if concentration is already great, the importance of preventing even slight increases in concentration and so preserving the possibility of eventual deconcentration is correspondingly great. *United States* v. *Philadelphia National Bank*, 374 U.S. 321, 365 fn. 42 (1963).

Farmers and Merchants, with deposits of $6.8 million (exclusive of temporary deposits of State School Funds), is the smallest of three commercial banks in Stillwater, Washington County, Minnesota. The other banks, Cosmopolitan State Bank and First National Bank, are not subsidiaries of a bank holding company. Cosmopolitan has deposits of $9.6 million. First National Bank has deposits of $32 million. There are seven other banks in Washington County with deposits ranging from 2.1 million to $8.5 million. Total deposits of all commercial banks in the county amount to $89.6 million.

A question posed at the hearing is, what is the relevant geographic area or relevant market area within which the competitive effects of Northwest's proposal should be measured. Protestants' evidence was directed to showing that the relevant market encompasses the seven-county planning area or, at least, the five-county metropolitan statistical area. Northwest contends that the relevant area is that which surrounds Stillwater, including the communities of Oak Park Heights and Bayport.

The Twin Cities Standard Metropolitan Statistical Area is the fifteenth largest metropolitan area in the nation. Its population increased from 1,482,000 in 1960 to 1,814,000 in 1970. The area contains 48 per cent of Minnesota's entire population. Washington County has a population of 83,000 with a 10 year population growth rate of 58.2 per cent. The population of the county is projected to increase at 47.3 per cent during the next decade.

Stillwater, the capital of Washington County, is located on the eastern edge of the metropolitan area, 20 miles from downtown St Paul. It is on the St. Croix River which divides Minnesota and Wisconsin. Its population is about 10,200, with a 10-year growth rate of 22.6 per cent. Stillwater is separated from the populated area of St. Paul by a 6 to 8 mile corridor of sparsely populated rural land. It is linked to Washington County and the remaining communities of the metropolitan area by a four-lane highway system, affording quick access to every part of the area.

Data from a U. S. Census of Population shows that in 1960 (the latest figures available) 53 per cent of Washington County's labor force and 23 per cent of Stillwater's worked outside the county. Sixteen per cent of Stillwater's labor force works in St. Paul. Washington County is included in the metropolitan area to coordinate planning and development by the Metropolitan Council, Metropolitan Transit Commission, the Metropolitan Sewer Service Board, and the Metropolitan Park Board.

As of May 1971, twelve of Northwest's subsidiaries, located within a 25 mile radius, obtained $1,353,872 of deposits from 340 customers from the zip code area in eastern Washington County that includes Stillwater, or 2.68 per cent of the Stillwater commercial deposits, and as of June 21, 1971, two of Northwest's St. Paul subsidiaries had 181 loans totaling $946,587 to the zip code area residents. As of April 30, 1971, Farmers and Merchants obtained $156,086, or 2.55 percent of its deposits from the service areas of Northwest's metropolitan area banks and $50,702, or 1.48 per cent of its loans (exclusive of purchased loans) from customers in that area.

The Supreme Court commented on the proof required to show the competitive effect of a posed merger:

We noted in *Brown Shoe Co., supra* (370 U.S. at 315), that "[t]he dominant theme pervading congressional consideration of the 1950 amendments [to § 7] was a fear of what was considered to be a rising tide of economic concentration in the American economy." This intense congressional concern with the trend toward concentration warrants dispensing, in certain cases, with elaborate proof of market structure, market behavior, or probable anticompetitive effects. Specifically, we think that a merger which produces a firm controlling an undue percentage share of the relevant market, and results in a significant increase in the concentration of firms in that market, is so inherently likely to lessen competition substantially that it must be enjoined in the absence of evidence clearly showing that the merger is not likely to have such anticompetitive effects. *United States* v. *Philadelphia National Bank, supra*, 362.

The evidence in this case indicates that Washington County, including Stillwater, is a part of the metropolitan relevant marketing area and will experience greater integration with future population growth. Consummation of Northwest's proposal will increase its already large share of the area market and is inherently likely to lessen competition.

There is another competitive aspect that should be considered. The two largest banking organizations have preempted many of the good acquisitions, the major banks that are providing correspondent services. Banking competition in the metropolitan area and in the State will be promoted by development of the smaller bank holding companies. Acquisition by Northwest of one of the available merger-minded banks, particularly one in a key location on the eastern edge of the metropolitan area, would reduce the growth possibilities of the smaller bank holding companies. In this respect, it would have an anticompetitive effect and be contrary to the public interest.

Northwest contends that the Stillwater Bank is so small as to render the matter of banking concentration inconsequential. When compared to the total deposits of Northwest's subsidiaries, Farmers and Merchants' deposits are but a minute fraction. But the average deposits of all commercial banks in Minnesota, not affiliated with the two large holding companies, is only $6,878,000 ($5,474,000 excluding those in the metropolitan area). The adoption of Northwest's *de minimis* argument would open the door to the large holding companies to acquire most of the commercial banks in Minnesota.

As aptly stated by the Court in the *Brown Shoe Co.* case:

We can only eat an apple a bite at a time The end result of consumption is the same whether it be done by quarters, halves, three-quarters, or the whole, and is finally determined by our own appetites. A nibbler soon can consume the whole with a bite here and a bite there So, whether we nibble delicately, or gobble ravenously, the end result is, or can be, the same. *U. S* v. *Brown Shoe Co.*, 179 Fed. Sup. 721, 740 (1959); aff'd, 370 U.S. 294 (1962).

Financial and Managerial Prospects. The financial condition, management and future prospects of Northwest and its subsidiaries are satisfactory. Farmers and Merchants is sound financially but has failed to achieve a growth equivalent to its competition.

During the past 25 years the commercial bank market in Stillwater has increased 350 per cent. Cosmopolitan has increased its share of the market by 395 per cent, and First National by 370 per cent, but Farmers and Merchants' increase has only been 240 per cent. The anticipated combined growth of Stillwater and Washington County indicates favorable growth and earning prospects for Farmers and Merchants.

Convenience and Needs of the Community. As to whether the anticompetitive effects of an acquisition would be clearly outweighed by the probable effects in meeting the convenience and needs of the community, it should be noted that the evidence does not indicate any presently unsatisfied banking need in the Stillwater community.

The Northwest does not propose any change in the officers or directors of Farmers and Merchants. It does propose, in the event of acquisition, that Farmers and Merchants will aggressively solicit residential estate loans, commit funds under the Federal Government Guaranteed Student Loan Programs, have a stronger emphasis on consumer needs, including an insured home improvement loan program. Northwest proposes to provide, through its mortgage subsidiary, a secondary outlet for the sale of Farmers and Merchants mortgages.

Summary and Conclusion. On the basis of all relevant facts contained in the record and in the light of the factors set forth in § 3(c) of the Act, the proposed transaction would not be in the public interest. The application should be disapproved.

DENT D. DALBY,
Administrative Law Judge.

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

FIRST VIRGINIA BANKSHARES CORPORATION, FALLS CHURCH, VIRGINIA

ORDER APPROVING ACQUISITION OF BENSON INVESTMENT CORPORATION

First Virginia Bankshares Corporation, Falls Church, Virginia, 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 the successor by merger to Benson Investment Corporation, Birmingham, Alabama ("Benson"), a company that engages in the activities of a finance company and acts as an agent with respect to sales of credit life and disability insurance on borrowers in connection with its loans, and casualty insurance on property securing such loans. Such activities have been determined by the Board to be closely related to banking or managing and controlling banks (12 CFR 225.4(a)(1) and (9)).

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 23294). The time for filing comments and views has expired, and the Board has considered all comments received, including those of an Alabama insurance agency and a Georgia bank, in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant controls 21 banks in Virginia with aggregate deposits of $643.4 million, comprising 6.6 per cent of the State's total commercial bank deposits.[1] Benson is a consumer and commercial finance company operating 24 offices in Alabama, Florida, Louisiana, Georgia, and South Carolina with total assets of $6.0 million. Each of Applicant's subsidiary banks engages in the making of small loans to individuals. However, none of those banks operate in geographic areas served by Benson. Conversely, Benson does not operate in areas served by subsidiaries of Applicant. Therefore, it appears that consummation of the proposal would not eliminate any existing competition between Applicant and Benson. No adverse competitive effects would appear to result from removal of Applicant or Benson as a potential competitor of the other because neither is considered a likely *de novo* entrant into the other's markets, and there are several other potential competitors in the product and geographic markets that both serve.

During the course of its consideration of this application, the Board has received, from an Alabama insurance agency and a Georgia bank, adverse comments on the application. Both question the need for the proposed acquisition and suggest that Applicant may resort to the use of "coercive tactics aimed at its borrowers" to promote its insurance sales. However, irrespective of Board action on this application, Benson will engage in the sale of credit-related insurance as it has in the past. Applicant has indicated that a borrower from Benson is, and will continue to be, free to secure insurance coverage from any insurance agent.

The Georgia bank further contends that consummation of the proposed transaction would result in an undue concentration of resources and suggests that Applicant may attempt to acquire a

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

bank located in Georgia, Alabama, Louisiana, South Carolina, or Florida. However, Benson is a relatively small finance company, and its largest market share in any of the markets in which it competes is less than 10 per cent. That market is approximated by the city of Montgomery, Alabama, where it is the second largest finance company, based on total loans outstanding, competes with other national and Statewide finance companies and may not be characterized as dominant. Applicant is the sixth largest bank holding company in Virginia. But for a small office in Orlando, Florida,[2] Applicant neither operates nor is generally known in the States in which Benson operates. Consummation of the proposed transaction will not, in the Board's judgment, result in an undue *concentration of resources in any section of the* country. The suggestion that Applicant may eventually acquire a bank located outside of Virginia is unfounded in that such an acquisition would, in effect, be prohibited, by section 3(d) of the Act.[3]

The Georgia Bank also contends that, upon the affiliation of Benson with Applicant, Benson's offices would constitute branch offices of Applicant's lead bank in violation of Georgia law. The Board has repeatedly stated that a State's restrictive branch banking laws are not automatically applicable to bank holding company operations, and the Board, in this case, has found, based upon the facts of record, that Benson will not be operated in such a manner that it and any banking subsidiary of Applicant could be characterized as being engaged in unitary operations. The Board, therefore, concludes that the offices of Benson will not constitute branch offices of any banking subsidiary of Applicant.

Finally, it is contended that no public benefits will flow from consummation of the proposed transaction. The Board disagrees. Applicant's advantage over Benson in issuing commercial paper and longer-term debentures may increase resources available to Benson, thereby permitting expansion of Benson's loan volume and geographic scope of operations. Such expansion would increase competition and public convenience.

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 February 13, 1973.

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

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

FIRST NATIONAL HOLDING CORP., ATLANTA, GEORGIA

ORDER DENYING ACQUISITION OF KENNESAW FINANCE CO. OF CANTON, CANTON, GEORGIA

First National Holding Corp., Atlanta, Georgia, 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 and § 225.4(b)(2) of the Board's Regulation Y, to acquire through its wholly-owned subsidiary, Dixie Finance Co., Inc., all of the voting shares of Kennesaw Finance Co. of Canton, Canton, Georgia (hereinafter "Company").[1]

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 26060). The time for filing comments and views has expired, and none have been received.

The company engages in the activities of *making, acquiring, or servicing loans or other extensions* of credit for personal, family, or household

[2] Benson operates its only Florida office in Jacksonville, Florida, where, it is estimated it has a market share of 2.7 per cent and competes with several offices of the nation's major consumer finance companies. The geographic markets of Applicant's and Benson's Florida offices do not overlap.

[3] Section 3(d) provides, in pertinent part

. . . no application shall be approved under this section which will permit any bank holding company or any subsidiary thereof to acquire, directly, or indirectly, any voting shares of, *interest in, or all or substantially all of the assets of any* additional bank located outside the State in which the operations of such bank holding company's banking subsidiaries were principally conducted on the effective date of this amendment [December 31, 1970] . . .

[1] The Applicant has also applied for approval to acquire Kennesaw Finance Co. of Villa Rica, Villa Rica, Georgia. That application is being approved, this date, in a separate Order of the Board.

purposes and acting as insurance agent or broker for sale of credit life, accident and health and property damage insurance in connection with the extensions of credit. Such activities have been determined by the Board to be closely related to the business of banking (12 CFR 225.4(a)(1),(2) and (9)(ii)(a)).

Applicant's banking subsidiary, First National Bank of Atlanta ("First National"), is the third largest bank in the State of Georgia and holds deposits of $870.1 million, representing 9.9 per cent of total State deposits.

The general conditions of Applicant and First National are satisfactory; the management of both institutions is competent. The financial and managerial conditions of the Company are generally satisfactory. The volume of its loan business and related insurance business has increased moderately in recent years with operations being profitable. The financial backing of the Applicant would enable the Company to grow more rapidly and compete more effectively in its market.

These favorable aspects of the proposed acquisitions, however, are not sufficient to overcome the substantial adverse competitive effects which would follow if the application were approved, since Applicant would acquire the second largest consumer finance company in a market, where it now controls the third largest. The Company has only one office, in Canton, Cherokee County, Georgia. Cherokee County is the relevant market and the Company competes there with four other consumer finance companies and four banks. One of the competing finance companies is the Canton office of the Applicant's subsidiary, Dixie Finance Company, whose office is located 3.5 miles from the Company's office. At year end 1971 the Company had outstanding instalment loans of $300,000, representing 13.5 per cent of the market and Dixie Finance had outstanding instalment loans of $275,000, representing 12.4 per cent of the same market. Consummation of the proposed acquisition would, therefore, have a substantial adverse effect on competition; it would increase the market share of Applicant's subsidiary from 12.4 to 25.9 per cent; it would remove a direct competitor, an alternative source of loans which could be especially adverse for those customers unable to secure bank loans and others who have traditionally dealt with consumer finance companies.

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

By order of the Board of Governors, effective February 20, 1973.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, Sheehan, and Bucher.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

U. N. BANCSHARES, INC., SPRINGFIELD, MISSOURI

ORDER APPROVING ENTRY DE NOVO IN MORTGAGE BANKING

U. N. Bancshares, Inc., Springfield, Missouri ("Bancshares"), a bank holding company within the meaning of the Bank Holding Company Act of 1956, has proposed under § 4(c)(8) of the Act and § 225.4(b)(1) of the Board's Regulation Y to engage *de novo* in the activity of mortgage banking through a newly-formed subsidiary, Missouri Mortgage & Investment Co., Springfield, Missouri. Notice of the proposal, affording opportunity for interested persons to express comments and views, was duly published in newspapers of general circulation in Springfield, Missouri, in accordance with the regulatory provision. The only opposition to the proposal was received from Central Mortgage Company, Inc., Springfield, Missouri ("Central"), which itself is a registered bank holding company.[1]

The Federal Reserve Bank of St. Louis determined that Central's comments were not of such nature as to warrant advising Bancshares not to consummate the proposal. Central was advised, however, that it could seek Board review of this decision in accordance with the provisions of section 265.3 of the Board's Rules Regarding Delegation of Authority (12 CFR 265.3). Thereafter, Central petitioned the Board for such a review. In accordance with the procedures set forth in section 265.3, review by the Board was authorized and Bancshares was notified not to consummate its proposal. The proposal has now been reviewed by the Board and its findings and decision are set forth hereinafter

Bancshares controls three banks, including The Union National Bank of Springfield ("Union

[1] Central controls the Citizens Bank of Warrensburg, Warrensburg, Missouri, which has deposits of $14.6 million.

Bank''), and Springfield National Bank (''Springfield Bank''), both located in Springfield, Missouri.[2] Union Bank and Springfield Bank hold combined deposits of approximately $120 million,[3] representing 36 per cent of the total commercial deposits of the eight banks located in Springfield.

Central's opposition to Bancshares' proposal is based principally on allegations of unfair competition and on undue concentration of resources. In support of its charge of unfair competition, Central claims that Bancshares, through its subsidiary, Union Bank, hired Central's key employee in each of its major areas of operation real estate and commercial loans and was now offering other officers of Central positions with the new mortgage company. In addition, it is claimed that Bancshares acquired confidential information pertaining to Central through its banking subsidiary's computer services operation, including, among other things, the names of those investors interested in investing money in the Springfield area; the aggregate dollar amount of each investor's loans as well as the number of loans that Central services for each of such investors; the service fee rate paid to Central on such loans and the type of loans which are most profitable. In essence, Central claims that Bancshares, by obtaining this information through the banking operations of a subsidiary and by hiring key personnel of Central, is guilty of unfair competition which, if permitted, may eventually eliminate Central as a competitive mortgage banker. Finally, Central's protest is founded on a claim that there is no need for another mortgage company in Springfield, and to allow Bancshares to consummate its proposal will result in an undue concentration of financial resources in the Springfield area.

The question as to whether Bancshares has, indeed, engaged in unfair competition turns on whether Bancshares conspired with and induced Central's employees to terminate their employment in order to join its own organization. The mere fact that an employee took employment with an actual or potential competitor is not sufficient to justify a finding of unfair competition. As noted by the Missouri Supreme Court in *National Rejectors, Inc.*, v. *Trieman*, 409 S.W. 2d 1 (1966), two conflicting public policies must be considered in each case: One policy seeks to protect the public from unfair competition- the other favors free competition in the economic sphere. As the Court explained:

> It is necessary that there be a balancing of the equities between these two rights, for if the former is carried to its extreme it will deprive a man of his right to earn a living; while conversely, the latter right if unchecked, would probably make a mockery of the fiduciary concept, with its concomitants of loyality and fair play. Id. at 39.

Further, a *per se* violation of section 1 of the Sherman Act has been found where key employees were induced to leave their employment to join a new corporation that was established to compete with their former employer. *Atlantic Heel Co.* v. *Allied Heel Co.*, 284 F.2d 879 (1960). Nonetheless, in *Metal Lubricants Co.* v. *Engineered Lubricant Co.*, 411 F.2d 426 (1969), the Court stated:

> The mere fact that the defendants decided to leave their employ and enter into competition with their employer is not sufficient evidence to establish unfair and inequitable dealings so as to sustain a claim of unfair competition under the Sherman Act.

In the situation before the Board, it is evident that, while two employees have moved from Central to Bancshares' subsidiary, Union Bank, Central has lost employees to other institutions as well. Furthermore, it appears that Central's executive vice-president was unhappy with his employer and that he would have left his employment whether or not he joined Bancshares.[4] Central contends that Bancshares induced its employee to leave its employment, but Bancshares' management contends that the employee sought employment with them of his own volition. In any event, the Board does not view the employment practices involved herein as rising to the level of a contract, combination or conspiracy in restraint of trade. Nevertheless, the Board believes it appropriate and in the public interest to condition its approval of Bancshares' proposal on the requirement that Bancshares not conspire with and induce any employee of a competing organization to leave the employee's present employment to join Bancshares' mortgage banking subsidiary.

A second method by which Central claims Bancshares would unfairly compete is through its access to confidential data of Central which Union Bank obtained in the ordinary course of supplying data processing services. At the time Central contracted for these data processing services, Union Bank itself made mortgage loans in the Springfield

[2] Applicant's third bank, Pulaski County Bank, Richland, Missouri, (deposits of $7.4 million) is located 80 miles distant and in a separate banking market

[3] Deposit data are as of June 30, 1972

[4] In this connection, it is noted that the employee made known his desire to terminate his employment through an undated letter of resignation, giving Central time to find a replacement.

area and thus was in competition with Central. Central's business data pertaining to its mortgage servicing operations is confidential and was accepted by Union Bank on this basis. Approval of the present proposal would not remove that confidentiality. Notwithstanding, the Board is deeply concerned with any case in which the operation of one or more nonbanking subsidiaries by a bank holding company may give rise to a possible unfair method of competition. Therefore, in view of the potential conflicts of interests situation that might arise, the Board believes it appropriate and in the public interest to condition its approval of Bancshares' proposal on the requirement that any data pertaining to Central's mortgage loans, now in the custody of Union Bank, not be made available, either directly or indirectly, to any person who could, in any manner, use such information to compete with Central.

Finally, Central opposes Bancshares' entry into mortgage banking on the ground that it will result in an undue concentration of financial resources in the Springfield area. As stated above, Bancshares' two subsidiary banks in Springfield hold 36 per cent of the total deposits of the eight Springfield banks. Two of these banking competitors, Commerce Bank of Springfield (deposits $98.3 million) and Southern Missouri Trust Bank (deposits $38.7 million), have at their disposal not only the far greater lending capacity of their parent organizations[5] but also the availability of subsidiary mortgage companies. Other competitors offering real estate financing in Springfield include eight mortgage companies and seven savings and loan associations. As of June 30, 1972, the savings and loan associations in Springfield had total resources of $271 million. The Board concludes that Bancshares' share of commercial bank deposits in the Springfield area does not represent an undue concentration of financial resources and that its entry into mortgage banking is not likely to result in such a concentration.

Congress authorized the Board in § 4(c)(8) of the Bank Holding Company Act to differentiate between those nonbanking activities commenced *de novo* and activities commenced by the acquisition of a going concern. In the instant proposal, Bancshares seeks to expand internally through a newly-formed mortgage banking subsidiary and thus add a new decision-maker in the Springfield mortgage loan market. Such entry, in the Board's view, is procompetitive as it brings an added element of competition into the Springfield market which would not otherwise exist. Moreover, Bancshares' entry into mortgage banking may provide an increased quantity of mortgage funds for this area. On balance, the Board concludes that these public benefits outweigh any possible adverse effect on competition.

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 proposal of Bancshares to engage in mortgage banking through a new subsidiary, Missouri Mortgage & Investment Co., is hereby approved on the condition that (1) Bancshares not conspire with and induce any employee of a competing organization to terminate his present employment to join Missouri Mortgage & Investment Co., and (2) that confidential data pertaining to Central's mortgage loans, now in the custody of Union Bank, not be made available, directly or indirectly, to any person who could, in any manner, use such information to compete with Central. This determination is subject to the Board's authority to require reports by, and make examinations of, holding companies and their subsidiaries and 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 February 21, 1973.

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

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

INDUSTRIAL NATIONAL CORPORATION, PROVIDENCE, RHODE ISLAND

ORDER APPROVING ACQUISITION OF SOUTHERN DISCOUNT COMPANY

Industrial National Corporation, Providence, Rhode Island, 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 and § 225.4(b)(2) of the Board's Regulation Y to acquire all of the shares of Southern

[5] Commerce Bank of Springfield is controlled by Commerce Bancshares, Inc., Kansas City, Missouri, while Southern Missouri Trust Bank is controlled by Mercantile Bancorporation, Inc., St. Louis, Missouri.

Discount Company, Atlanta, Georgia ("Southern Discount"), and to indirectly acquire through that acquisition Henson Financial Corporation ("Henson Financial"), a Georgia corporation, and Consumer Life Insurance Company, Inc. ("Consumer Life"), an Arizona corporation. Southern Discount engaged in the activities of (1) making consumer loans or extensions of credit and purchasing instalment sales finance contracts, and generally engaging in the business of a consumer finance company, including the discounting of consumer finance paper and (2) acting as agent for the sale of credit life and accident and health insurance sold to consumer finance borrowers. Henson Financial will confine its activities to acting as agent in the sale of (1) uniform commercial code nonfiling insurance and (2) property damage insurance for collateral securing loans related to the consumer finance activities of Southern Discount. Consumer Life engages in underwriting credit life and accident and health insurance directly related to extensions of credit by Southern Discount. Such activities have been determined by the Board to be closely related to the business of banking (12 CFR 225.4(a)(1), (9) and (10)).

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 16834). The time for filing comments and views has expired and none have been timely received.

Applicant, the parent holding company of Industrial National Bank of Rhode Island, has consolidated assets of $1.2 billion. Bank's total deposits of about $943 million make Applicant the largest banking organization in Rhode Island, with over 50 per cent of the commercial bank deposits in the State.[1] Applicant also has nonbanking subsidiaries engaged principally in mortgage banking, factoring, personal property leasing, data processing, and investment advisory services, but has no present consumer finance subsidiaries.

Southern Discount has total consolidated assets of $35.5 million and is the 69th largest independent finance company in the United States as of year-end 1971. It presently operates 67 small loan offices in the five southeastern States of Georgia, Florida, North Carolina, South Carolina, and Tennessee. Nearly 85 per cent of Southern Discount's total volume of business in fiscal 1971 (ending June 30, 1971) was derived from its consumer loan business. The closest office of Applicant's banking subsidiaries to offices of Southern Discount is over 500 miles distant. Southern Discount does not have a dominant position in any of the various markets in which it engages in making small loans. Rather, it appears that its market share with only a few exceptions is rather small in each case and that the acquisition of Southern Discount by Applicant can be considered as a "foothold" acquisition in the great majority of local markets in which it operates. Consummation of the proposal would have no significant adverse effects on existing or potential competition.

Southern Discount on its own and through its wholly-owned subsidiary, Henson Financial, acts as agent for the sale of credit-related insurance. However, it does not appear to be a significant competitor in this product line in any of the areas it operates, nor does Applicant have any subsidiary operating as an agent for credit-related insurance. For these reasons it does not appear that acquisition of Southern Discount and Henson Financial by Applicant would have significantly adverse effects on either existing or potential competition.

Consumer Life engages in the activity of underwriting credit life insurance and credit accident and health insurance which is directly related to extensions of credit by Southern Discount. Consumer Life is a qualified underwriter in Florida, Georgia, North Carolina, South Carolina and Tennessee. It had total assets as of June 30, 1971 of $12.5 million, and for the fiscal year ending that date had premium income of approximately $1.4 million. Affiliation of Consumer Life with Applicant would have no significantly adverse effect on either existing or potential competition as Consumer Life does not appear to be a significant factor in its product line in any of the areas it operates, nor does Applicant presently engage in such activity.

In adding credit life underwriting to the list of permissible activities for bank holding companies, the Board stated that, "To assume 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." Applicant has committed itself to within 90 days reduce the rates charged by Consumer Life

[1] All banking data are as of December 31, 1971

to its policyholders by 5 per cent on all credit accident and health insurance written by it in all States in which it offers such policies. Furthermore, the rates charged by Consumer Life on its credit life insurance policies will be reduced by Applicant by amounts varying from approximately 7 per cent to 20 per cent in the various States. Additionally, Applicant will make an ongoing effort to determine if further benefits can be offered to the consumer. It is the Board's judgment that these benefits to the public outweigh any possible adverse effects.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under §4(c)(8) is favorable. Accordingly, the application is hereby approved. This determination is subject 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 February 22, 1973.

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

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

FOURTH FINANCIAL CORPORATION, WICHITA, KANSAS

ORDER APPROVING RETENTION OF FOURTH FINANCIAL INSURANCE COMPANY

Fourth Financial Corporation, Wichita, Kansas, 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 and § 225.4(b) (2) of the Board's Regulation Y, to retain the voting shares of Fourth Financial Insurance Company, Phoenix, Arizona ("Company"), a company that engages in the underwriting, as reinsurer, of credit life and disability insurance in connection with extensions of credit by Applicant's subsidiary bank.

Notice of the application, affording opportunity for interested persons to submit comments and views, was duly published (37 Federal Register 2542). The time for filing comments and views has expired and all received have been considered, including those presented orally and in writing in connection with a Board hearing on March 24, 1972, pertaining to the underwriting of credit life and accident and health insurance in general, and this application in particular.

Effective December 11, 1972, the Board amended § 225.4 of Regulation Y to add the activity of "acting as underwriter for credit life insurance and credit accident and health insurance which is directly related to extensions of credit by the bank holding company system" to the list of activities the Board has determined to be closely related to banking.

Applicant owns 100 per cent (less directors' qualifying shares) of Fourth National Bank and Trust Co., Wichita, Kansas ("Bank"), the largest bank in the Wichita market with total deposits of $279.3 million representing 31.6 per cent of market deposits. Bank also ranks as the largest bank in Kansas with 4.9 per cent of the State's commercial bank deposits. (All banking data are as of June 30, 1972, unless otherwise noted.)

Company, an Arizona Corporation, is a limited capital stock life insurance company which first began business in September, 1970. Company acts as reinsurer of credit life and disability insurance policies made available by Bank in connection with its extensions of credit. Credit life and disability insurance is generally made available by banks and other lenders and such insurance is designed to assure repayment of a loan in the event of death or disability of the borrower.

Prior to Company's organization, Bank sold credit life and disability insurance policies in connection with its extensions of credit and received a commission from the insurer on the sale of each policy. After Company was organized, Bank continued to sell such policies, but no longer received commission income. Rather, the insurer "ceded" or "assigned" such policies to Company with certain larger policies "retroceded" or "reassigned" in part back to the insurer so as to avoid Company being exposed to liabilities in excess of those permitted by Arizona law.[1] As of December 31, 1971, Company had total assets of $143 thousand and for the year ending that same date, Company received gross premiums of $130 thousand. During 1971 the total amount of insurance risk retroceded was approximately $4 thousand.

[1]The maximum amounts which may be insured by a limited capital stock life insurance company under Arizona law are $3,000 on any one life and $5,000 on any total disability claim

Because of Company's growth, Applicant now proposes that it become a fully-qualified underwriter authorized to write insurance in Kansas. Approval of Applicant's proposed retention does not appear to eliminate any competition in the underwriting of credit life and disability insurance.

In connection with its addition of 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.

In the subject application, Applicant has stated that Company and the direct insurer which issues the credit life and disability policies made available by Bank will reduce the rates charged for credit life and disability insurance by 15 per cent. Such rate reduction is expected to go into effect within 30 days of the approval of the application and Applicant states that such rates would be 15 per cent below the prevailing rates in the Wichita area. In addition, Applicant claims other less demonstrable benefits, such as improved claims handling, will result from approval of its application. The Board believes that the reduced cost of such insurance coverage is procompetitive and in the public interest. The Board concludes that such benefits outweigh any possible adverse effects of approval of the application.

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. Accordingly, the application is hereby approved. This determination is subject 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 February 22, 1973.

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

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

ORDERS NOT PRINTED IN THIS ISSUE

During February 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.

ORDERS UNDER SECTION 3(a)(1) OF BANK HOLDING COMPANY ACT—APPLICATIONS FOR FORMATION OF BANK HOLDING COMPANY

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
First National Company of Missouri Valley, Inc., Missouri Valley, Missouri	The National Bank of Missouri, Missouri Valley, Missouri	2/20/73	38 F.R. 5512 3/1/73
Manufacturers National Corporation, Detroit, Michigan	Manufacturers National Bank of Detroit, Detroit, Michigan	2/8/73	38 F.R. 4532 2/15/73
Oakland Banshares, Inc., Oakland, Iowa	Oakland Savings Bank, Oakland, Iowa	2/12/73	38 F.R. 4818 2/22/73
Peninsular Holding Corporation of Michigan, Grand Rapids, Michigan	Union Bank and Trust Company (National Association), Grand Rapids, Michigan	2/6/73	38 F.R. 4363 2/13/73

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

Applicant	*Banks(s)*	*Board action (effective date)*	*Federal Register citation*
First National Holding Corp., Atlanta, Georgia	Kennesaw Finance Co. of Villa Rica, Villa Rica, Georgia	2/20/73	38 F.R. 5284 2/27/73
	Woods-Tucker Leasing Corporation, Hattiesburg, Mississippi	2/27/73	38 F.R. 635 3/7/73
Oakland Banshares, Inc., Oakland, Iowa	Spencer Insurance Agency, Oakland, Iowa	2/12/73	38 F.R. 4818 2/22/73
Wyoming Bancorporation, Cheyenne, Wyoming	Greeley Finance Company of Colorado, Greeley, Colorado	2/8/73	38 F.R. 4541 2/15/73

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*
First National State Bancorporation, Newark, New Jersey	Somerset Hills & County National Bank, Basking Ridge, New Jersey	2/27/73	38 F.R. 6236 3/7/73
First Union, Incorporated, St. Louis, Missouri	Citizens Bank of Pacific, Pacific, Missouri	2/12/73	38 F.R. 4734 2/21/73
	The First National Bank of Independence, Independence, Missouri	2/22/73	38 F.R. 5513 3/1/73
Florida National Banks of Florida, Inc., Jacksonville, Florida	Bank of Commerce of Florida, Fort Lauderdale, Florida	2/12/73	38 F.R. 4817 2/22/73
Indian Head Banks Inc., Nashua, New Hampshire	The Lakeport National Bank of Laconia, Laconia (P.O. Lakeport), New Hampshire	2/1/73	38 F.R. 3627
National Bancshares Corporation of Texas, San Antonio, Texas	The First National Bank of Eagle Pass, Eagle Pass, Texas	2/27/73	38 F.R. 6236 3/7/73
Wyoming Bancorporation, Cheyenne, Wyoming	First State Bank, Cody, Wyoming	2/08/73	38 F.R. 4546 2/15/73

BOARD REVIEW UNDER THE GRANDFATHER PROVISO IN SECTION 4(a)(2) OF THE BANK HOLDING COMPANY ACT

FIRST NATIONAL BANK VOTING TRUST, HOLLYWOOD, FLORIDA

"GRANDFATHER" PRIVILEGES UNDER BANK HOLDING COMPANY ACT

Section 4 of the Bank Holding Company Act (12 U.S.C. 1843) provides certain privileges ("grandfather" privileges) with respect to nonbanking activities of a company that, by virtue of the 1970 Amendments to the Bank Holding Company Act, became subject to the Bank Holding Company Act. Pursuant to § 4(a)(2) of the Act, a "company covered in 1970" may continue to engage, either directly or through a subsidiary, in nonbanking activities that such a company was lawfully engaged in on June 30, 1968 (or on a date subsequent to June 30, 1968, in the case of activities carried on as a result of the acquisition by such company or subsidiary, pursuant to a binding written contract entered into on or before June 30, 1968, of another company engaged in such activities at the time of the acquisition), and has been continuously engaged in since June 30, 1968 (or such subsequent date).

Section 4(a)(2) of the Act provides, *inter alia*, that the Board of Governors of the Federal Reserve System may terminate such grandfather privileges if, having due regard to the purposes of the Act, the Board determines that such action is necessary to prevent undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices. With respect to a company that controls a bank with assets in excess of $60 million on or after December 31, 1970, the Board is required to make such a determination within a two-year period.

Notice of the Board's proposed review of any grandfather privileges of the First National Bank Voting Trust, Hollywood, Florida, and an opportunity for interested persons to submit comments and views or request a hearing, has been given (37 F.R. 22414). The time for filing comments, views, and requests has expired, and all those received have been considered by the Board in light of the factors set forth in § 4(a)(2) of the Act.

In connection with the Board's review of the operations of First National Bank Voting Trust ("Trust"), relating to a possible termination of grandfather privileges, the facts presented to the Board indicate that the Trust does not constitute a "company" as defined in § 2(b) of the Bank Holding Company Act. The evidence before the Board shows that the Trust does not participate in the management or policies of First National Bank of Hollywood (apart from voting for the election of directors) and is a 10-year voting trust that, by its terms, will terminate on or before May 19, 1974. Accordingly, as presently organized and administered, the First National Bank Voting Trust does not constitute a "bank holding company" under the Act and the question of the termination of grandfather privileges of First National Bank Voting Trust is moot.

This conclusion is based upon facts presented to the Board, and any material change in those facts may result in a different conclusion.

Board of Governors, December 29, 1972.

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

ALASKA BANCSHARES, INC., ANCHORAGE, ALASKA

DETERMINATION REGARDING "GRANDFATHER" PRIVILEGES UNDER BANK HOLDING COMPANY ACT

Section 4 of the Bank Holding Company Act (12 U.S.C. 1843) provides certain privileges ("grandfather" privileges) with respect to nonbanking activities of a company that, by virtue of the 1970 Amendments to the Bank Holding Company Act, became subject to the Bank Holding Company Act. Pursuant to § 4(a)(2) of the Act, a "company covered in 1970" may continue to engage, either directly or through a subsidiary, in nonbanking activities that such company was lawfully engaged in on June 30, 1968 (or on a date subsequent to June 30, 1968, in the case of activities carried on as a result of the acquisition by such company or subsidiary, pursuant to a binding written contract entered into on or before June 30, 1968, of another company engaged in such activities at the time of the acquisition), and has been continuously engaged in since June 30, 1968 (or such subsequent date).

Section 4(a)(2) of the Act provides, *inter alia*, that the Board of Governors of the Federal Reserve System may terminate such grandfather privileges if, having due regard to the purposes of the Act, the Board determines that such action is necessary to prevent undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices. With respect to a company that controls a bank with assets of \$60 million on or after December 31, 1970, the Board is required to make such a determination within a two-year period.

Notice of the Board's proposed review of the grandfather privileges of Alaska Bancshares, Inc., Anchorage, Alaska, and an opportunity for interested persons to submit comments and views or request a hearing, has been given (37 F.R. 22414). The time for filing comments, views, and requests has expired, and all those received have been considered by the Board in light of the factors set forth in § 4(a)(2) of the Act.

On the evidence before it, the Board makes the following findings. Alaska Bancshares, Inc.,[1] Anchorage, Alaska ("Registrant"), became a bank holding company on December 31, 1970, as a result of the 1970 Amendments to the Act, by virtue of Registrant's ownership of approximately 50 per cent of the voting shares of Alaska State Bank, Anchorage, Alaska ("Bank") (assets of \$66 million as of December 31, 1970). Bank, which became a subsidiary of Registrant in 1962, had total deposits of approximately \$62 million as of December 31, 1971, representing about 9½ per cent of the total deposits in the State and giving Bank a rank of third in the State. Bank's offices in Anchorage and Fairbanks rank fourth and third, respectively, of five banks in each of these cities. Bank is not regarded as one of the dominant financial institutions in the State but is a significant competitor. While Bank's present financial condition appears to be satisfactory, the evidence of record in this case points to areas of legitimate concern involving practices of Registrant's management that have potential for impairing Bank's financial condition. Exemplifying one action of management that is of concern to the Board is the relationship that exists between Bank as a subsidiary of Alaska Bancorporation (parent of Registrant) and North Slope Oil Company, Inc., also a subsidiary of Alaska Bancorporation, a relationship that might lead to financial difficulties for the Bank through the use of Bank's resources to further the interests of the North Slope venture. Registrant has no grandfather benefits with respect to the North Slope activity and, in view of the aforesaid adverse aspects of Bank's and Registrant's relationships with North Slope, Registrant is urged to take steps to terminate its affiliation with North Slope at the earliest practicable time.

Registrant engages directly in real estate development, insurance agency activities, mortgage financing, and acts as investment adviser and management consultant to Bank. On the basis of the facts presented, these activities were commenced before June 30, 1968 and have been conducted continuously since that date. Registrant's investment adviser and management consultant and adviser services appear to be limited exclusively to Bank; on this basis, these activities appear to be exempt, under § 4(c)(1)(C), from the general prohibitions of § 4 of the Act. Through Bank's 100 per cent owned subsidiary (Alaska State Bank Building Corporation, Anchorage, Alaska), Registrant owns real property used principally by Bank, an activity that appears to be exempt under § 4(c)(1)(A) of the Act.

Registrant's nonbanking activities, for which grandfather privileges seem applicable, appear to be limited in scope and not to affect significantly the market position of Bank. The real estate development activities consist of holding property in two subdivisions near Anchorage with a book value of \$48,000. The insurance agency and mortgage financing activities apparently produced gross income of \$16,000 and \$2,800, respectively, during the first half of 1972. These grandfathered activities of Registrant do not now evidence an undue concentration of resources nor decreased or unfair competition. On the other hand, the Board is concerned about Registrant's management, about the unhealthy debt position of Registrant and its parent organization, and about the burdensome aspect of Registrant's interest commitments, particularly in the light of Registrant's reported annual cash income (as reported for calendar years 1970 and 1971), which appears to be short for servicing Registrant's debt. Because the nonbank grandfathered activities apparently have not affected the Bank in any significant adverse respect; and since 38 per cent of Registrant's income derives from said nonbanking activities, so that measures looking to a curtailment of Registrant's nonbanking grandfathered actitivies might have an adverse effect on Bank and might tend to weaken Registrant's financial structure, the Board has concluded that, at this time, Registrant should not be required to relinquish its grandfather privileges. However, Registrant's real estate activities are limited to the two subdivisions now owned. Also, Registrant is

[1]Alaska Bancorporation, Anchorage, Alaska, which owns over 65 per cent of the voting shares of Alaska Bancshares, became a bank holding company by virtue of the 1970 Amendments to the Bank Holding Company Act. However, Alaska Bancorporation was incorporated on July 16, 1969 and acquired its interest in Alaska Bancshares on August 5, 1969. Alaska Bancorporation acquired 100 per cent of the voting shares of Alaska North Slope Oil Company, Inc., Anchorage, Alaska, on July 18, 1969. Alaska Bancorporation neither claims nor is entitled to grandfather benefits.

urged to take immediate and effective steps to improve its financial condition and its management and to avoid any pressure on the Bank to pay out excessive dividends or engage in any other unsound banking practice. And Applicant is alerted to the intent of the Board to require termination of grandfather benefits if it determines that such action is necessary to prevent unsound banking practices (or any of the other evils described in the Act).

It is the Board's judgment that, at this time, termination of the grandfather privileges of Registrant is not necessary in order to prevent an undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. However, this determination is not authority to enter into any activity that was not engaged in on June 30, 1968 and continuously thereafter, or any activity that is not the subject of this determination.

A significant alteration in the nature or extension of Registrant's activities or a change in location thereof (significantly different from any described in this determination) will be cause for a re-evaluation by the Board of Registrant's activities under the provisions of § 4(a)(2) of the Act, that is, whenever the alteration or change is such that the Board finds that a termination of the grandfather privileges is necessary to prevent an undue concentration of resources or any of the other evils designated in the Act. No merger, consolidation, acquisition of assets other than in the ordinary course of business, nor acquisition of any interest in a going concern, to which the Registrant or any nonbank subsidiary thereof is a party, may be consummated without prior approval of the Board. Further, the provision of any credit, property, or service by the Registrant or any subsidiary thereof shall not be subject to any condition which, if imposed by a bank, would constitute an unlawful tie-in arrangement under § 106 of the Bank Holding Company Act Amendments of 1970.

The determination herein does not preclude a later review, by the Board, of Registrant's nonbank activities and a future determination by the Board in favor of termination of grandfather benefits of Registrant. The determination herein is subject to the Board's authority to require modification or termination of the activities of Registrant or any of its nonbanking 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.

By determination of the Board of Governors, effective December 29, 1972.

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

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

ZIONS UTAH BANCORPORATION, SALT LAKE CITY, UTAH

DETERMINATION REGARDING "GRANDFATHER" PRIVILEGES UNDER BANK HOLDING COMPANY ACT

Section 4 of the Bank Holding Company Act (12 U.S.C. 1843) provides certain privileges ("grandfather" privileges) with respect to nonbanking activities of a company that, by virtue of the 1970 Amendments to the Bank Holding Company Act, became subject to the Bank Holding Company Act. Pursuant § 4(a)(2) of the Act, a "company covered in 1970" may continue to engage, either directly or through a subsidiary, in nonbanking activities that such a company was lawfully engaged in on June 30, 1968 (or on a date subsequent to June 30, 1968, in the case of activities carried on as a result of the acquisition by such company or subsidiary, pursuant to a binding written contract entered into on or before June 30, 1968 of another company engaged in such activities at the time of the acquisition), and has been continuously engaged in since June 30, 1968 (or such subsequent date).

Section 4(a)(2) of the Act provides, *inter alia*, that the Board of Governors of the Federal Reserve System may terminate such grandfather privileges if, having due regard to the purposes of the Act, the Board determines that such action is necessary to prevent undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. With respect to a company that controls a bank with assets in excess of $60 million on or after December 31, 1970, the Board is required to make such a determination within a two-year period.

Notice of the Board's proposed review of the grandfather privileges of the Zions Utah Bancorporation, Salt Lake City, Utah, and an opportunity for interested persons to submit comments and views or request a hearing, has been given (37 F.R. 22414 and 25204). The time for filling comments, views, and requests has expired, and all those received have been considered by the Board in light of the factors set forth in § 4(a)(2) of the Act.

On the evidence before it, the Board makes the following findings. Zions Utah Bancorporation, Salt Lake City, Utah ("Registrant"), became a bank holding company on December 31, 1970, as a result of the 1970 Amendments to the Act, by virtue of Registrant's ownership of approximately 52 per cent of the outstanding voting shares of Zions First National Bank, Salt Lake City, Utah ("Bank") (assets of $325.9 million as of December 31, 1970). Bank control of which was acquired by Registrant in April 1960,[1] had total deposits of $339.2 million (as of December 31, 1971), representing about 16 per cent of the total deposits in commercial banks in Utah. On the basis of its share of deposits, Bank ranks third of thirteen banks in the Salt Lake County market, with about 21 per cent of the deposits therein, and fourth of five banks in the Provo banking market, with about 14 per cent of deposits therein. While Bank is a significant competitor among the State's banking organizations, it does not appear to be dominant. Bank's management financial condition and prospects are regarded as satisfactory, and the Board has found no evidence of unsound banking practices.

Registrant (consolidated assets of about $342 million in 1970) engages directly in insurance agency activities and real estate business, and apparently has engaged in such activities continuously since before June 30, 1968. Registrant's insurance agency activities consist of writing credit life insurance almost entirely for loans made by Registrant's subsidiaries and casualty insurance for property pledged as collateral against such loans. Registrant's principal real estate activity is the development of an industrial park in a 170 acre area acquired in 1955 in Salt Lake City. Registrant engages in the consumer finance business in Utah and has been engaged therein continuously since before June 30, 1968, through The Lockhart Company, Salt Lake City, and Lockhart Finance Company, Salt Lake City (both acquired in January 1966), and in Colorado through the following nonbanking subsidiaries: Rocky Mountain Industrial Bank, Colorado Springs (acquired in January 1966); Littleton First Industrial Bank, Littleton (acquired in May 1968); Fort Collins First Industrial Bank, Fort Collins (acquired in October 1971); Guaranty Industrial Bank, Loveland (acquired in November 1971); Arvada First Industrial Bank, Arvada (acquired in December 1971); and First Industrial Bank, Longmont (acquired in December 1971).[2] The two finance company subsidiaries located in Utah (combined assets of about $21 million in 1970) compete with over 150 lending offices of other small loan companies operating in Utah, including offices of two large national corporations engaged in consumer finance, and do not apear to be large enough to affect the position of Bank in the Utah markets served by it. The two finance company subsidiaries located in Colorado, which are eligible for grandfather benefits, had combined assets of less than $6 million in 1970, and are not regarded as significant competitors in the markets served by Registrant's banking subsidiary.

Through the Lockhart companies, Registrant also engages in the equipment leasing business. The Lockhart Company conducts such activities directly, and the Lockhart Finance Company engages in such activities through a wholly-owned subsidiary formed in 1966, Zions Leasing Company, Salt Lake City, Utah (assets of about $3 million as of December 1970). In addition, Registrant operates real estate business (Lockhart Realty Company, Salt Lake City, Utah), which was acquired in January 1966, and now limits its activities to collecting payments on contracts of sale of real estate previously made. The equipment leasing activities and the current real estate operations of Lockhart Realty appear eligible for grandfather benefits, and the nature and scope of such activities are such that curtailment or divestiture of such activities is not required.

Registrant also owns an electrical supplies distributing business and a company engaged in the sale of money orders. These businesses were not acquired by Registrant prior to June 30, 1968, and are not eligible for grandfather benefits.

On the basis of the foregoing and all the facts before the Board, it appears that the volume, scope, and nature of the activities of Registrant and its subsidiaries do not demonstrate an undue concentration of resources, decreased or unfair competition, conflicts of interest nor unsound banking practices.

There appears to be no reason to require Registrant to terminate its grandfathered interests. It is the Board's judgment that, at this time, termina-

[1]Registrant acquired all of the remaining shares of Bank in April 1972.

[2]Registrant received approval of the Reserve Bank of San Francisco pursuant to delegated authority to acquire three finance companies during 1971, under the provisions of § 4(c)(8) of the Act and § 225.4(b)(1) of the Board's Regulation Y.

tion of the grandfather privileges of Registrant is not necessary in order to prevent undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices. However, this determination is not authority to enter into any activity that was not engaged in on June 30, 1968 and continuously thereafter, or any activity that is not subject to this determination. Nor is this determination authority for Registrant to acquire any additional real property or additional types of insurance agency activity.

A significant alteration of the nature or extension of Registrant's activities or a change in location thereof (significantly different from any described in this determination) will be cause for a re-evaluation by the Board of Registrant's activities under the provisions of § 4(a)(2) of the Act, that is, whenever the alteration or change is such that the Board finds that a termination of the grandfather privileges is necessary to prevent an undue concentration of resources or any of the other evils designated in the Act. No merger, consolidation, acquisition of assets other than in the ordinary course of business, nor acquisition of any interest in a going concern, to which the Registrant or any nonbank subsidiary thereof is a party, may be consummated without prior approval of the Board. Further, the provision of any credit, property, or service by the Registrant or any subsidiary thereof shall not be subject to any condition which, if imposed by a bank, would constitute an unlawful tie-in arrangement under § 106 of the Bank Holding Company Act Amendments of 1970.

The determination herein does not preclude a later review by the Board, of Registrant's nonbank activities and a future determination by the Board in favor of termination of grandfather benefits of Registrant. The determination herein is subject to the Board's authority to require modification or termination of the activities of Registrant. The determination herein is subject to the Board's authority to require modification or termination of the activities of Registrant or any of its nonbanking 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.

By determination of the Board of Governors, effective January 4, 1973.

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

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

CONTRACT LEASING CORPORATION, CLAYTON BANKSHARES CORPORATION, ST. LOUIS, MISSOURI

DETERMINATION REGARDING "GRANDFATHER" PRIVILEGES UNDER BANK HOLDING COMPANY ACT

Section 4 of the Bank Holding Company Act (12 U.S.C. 1843) provides certain privileges ("grandfather" privileges) with respect to nonbanking activities of a company that, by virtue of the 1970 Amendments to the Bank Holding Company Act, became subject to the Bank Holding Act. Pursuant to § 4(a)(2) of the Act, a "company covered in 1970" may continue to engage, either directly or through a subsidiary, in nonbanking activities that such company was lawfully engaged in on June 30, 1968 (or on a date subsequent to June 30, 1968, in the case of activities carried on as a result of the acquisition of such company or subsidiary, pursuant to a binding written contract entered into on or before June 30, 1968, of another company engaged in such activities at the time of the acquisition), and has been continuously engaged in since June 30, 1968 (or such subsequent date).

Section 4(a)(2) of the Act provides, *inter alia*, that the Board of Governors of the Federal Reserve System may terminate such grandfather privileges if, having due regard to the purposes of the Act, the Board determines that such action is necessary to prevent undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. With respect to a company that controls a bank with assets in excess of $60 million on or after December 31, 1970, the Board is required to make such a determination within a two-year period.

Notice of the Board's proposed review of the grandfather privileges of Contract Leasing Corporation, St. Louis, Missouri, and of Clayton Bankshares Corporation, St. Louis, Missouri, and an opportunity for interested persons to submit comments and views or request a hearing, has been given (37 F.R. 22414). The time for filing comments, views, and requests has expired, and all those received have been considered by the Board in light of the factors set forth in § 4(a)(2) of the Act.

On the evidence before it, the Board makes the following findings. Contract Leasing Corporation, St. Louis, Missouri ("Contract Leasing"), owns approximately 34 per cent of Clayton Bankshares Corporation, St. Louis, Missouri ("Clayton"), and has owned such shares continuously since before June 30, 1968. Each of these companies became a bank holding company on December 31, 1970, as a result of the 1970 Amendments to the Act, by virtue of Clayton's ownership of approximately 95 per cent of the outstanding voting shares of Clayton Bank, Clayton, Missouri ("Bank") (assets of $62 million as of December 31, 1970). Bank, control of which was acquired by Clayton in 1958, had total deposits of approximately $84 million as of December 31, 1971, representing 5.0 per cent of the total deposits in the 45 commercial banks in St. Louis County and 1.4 per cent of the total deposits in the St. Louis market, and was the nineteenth largest bank in the State. Bank's management, financial condition, and prospects are regarded as satisfactory, and the Board has found no evidence of any unsound banking practices.

Contract Leasing[1] reports that it does not engage directly in any activities except for its ownership of shares of Clayton.

Clayton owns the real property on which Bank and its drive-in facility are located.[2] In addition, Clayton engages directly in the following activities: conducting audits of affiliated banks and preparing reports to the respective boards of directors of those banks; providing and supervising messenger and delivery service between affiliated banks and affiliated corporations; supervising new business development, instalment loan, and bank operations of affiliated banks; and supervising automation operations of the affiliated banks. It appears that all of the above activities have been engaged in continuously since June 30, 1968, and are eligible for retention by virtue of the grandfather privileges of Contract Leasing and Clayton ("Registrants").

Through its banking subsidiary, Clayton has a one-third interest in one nonbanking subsidiary, Databank Corporation, St. Louis, Missouri, a company providing data processing services to Bank and two affiliated banks. Although Databank Corporation was acquired after June 30, 1968, and thus is not eligible for grandfather benefits, Registrants' retention of their indirect interest in this subsidiary of Bank appears to be permissible under § 4(c)(5) of the Act.

In view of the size of the assets held by Contract Leasing and Clayton ($.8 million and $3.6 million, respectively, as of December 31, 1970), it appears that continuation of their nonbanking activities would not result in an undue concentration of resources; and, in view of the facts herein, particularly the fact that Registrants perform services only for Bank and affiliated banks and corporations, it appears that continuation of the aforesaid nonbanking and banking activities of Registrants would not result in decreased or unfair competition, conflicts of interest or unsound banking practices.

On the basis of the foregoing and all the facts before the Board, it appears that the volume, scope, and nature of the activities of Registrants and their subsidiaries do not demonstrate an undue concentration of resources, decreased or unfair competition, conflicts of interest nor unsound banking practices.

There appears to be no reason to require Registrants to terminate their grandfathered interests. It is the Board's judgment that, at this time, termination of the grandfather privileges of Registrants is not necessary in order to prevent an undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. However, this determination is not authority to enter into any activity that was not engaged in on June 30, 1968 and continuously thereafter, or any activity that is not the subject to this determination, nor is this determination authority for Registrants to provide services for banks in addition to those Registrants have been serving since before June 30, 1968.

A significant alteration in the nature or extension of Registrants' activities or a change in location thereof (significantly different from any described in this determination) will be cause for a re-evaluation by the Board of Registrants' activities under the provisions of § 4(a)(2) of the Act, that is, whenever the alteration or change is such that the Board finds that a termination of the grandfather privileges is necessary to prevent an undue concentration of resources or any of the other evils designated in the Act. No merger, consolidation, acquisition of assets other than in the ordinary course of business, nor acquisition of any interest in a going concern, to which the Registrants or

[1]On the facts before the Board to the effect that a Mr. James owns 100 per cent of the voting shares of Contract Leasing, this holding company may be entitled to the exemption in § 4(c)(ii) of the Act, by virtue of which the general prohibitions of § 4 against nonbanking activities are not applicable to a holding company covered in 1970 more than 85 per cent of the voting shares of which was owned on June 30, 1968, and continuously thereafter by members of the same family.

[2]Section 4(c)(1)(A) of the Act enables a bank holding company to hold shares of a company engaged solely in holding or operating properties used wholly or substantially by any banking subsidiary of such bank holding company in the operations of such banking subsidiary or acquired for such future use.

any nonbank subsidiary thereof is a party, may be consummated without prior approval of the Board. Further, the provision of any credit, property, or service by the Registrants or any subsidiary thereof shall not be subject to any condition which, if imposed by a bank, would constitute an unlawful tie-in arrangement under § 106 of the Bank Holding Company Act Amendments of 1970.

The determination herein does not preclude a later review, by the Board, of Registrants' nonbank activities and a future determination by the Board in favor of termination of grandfather benefits of Registrants. The determination herein is subject to the Board's authority to require modification or termination of the activities of Registrants or of their nonbanking subsidiary 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.

By determination of the Board of Governors, effective January 5, 1973.

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

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

FIRST OKLAHOMA BANCORPORATION, INC., OKLAHOMA CITY, OKLAHOMA

"GRANDFATHER" PRIVILEGES UNDER BANK HOLDING COMPANY ACT

Section 4 of the Bank Holding Company Act (12 U.S.C. 1843) provides certain privileges ("grandfather" privileges) with respect to nonbanking activities of a company that, by virtue of the 1970 Amendments to the Bank Holding Company Act, became subject to the Bank Holding Company Act. Pursuant to § 4(a)(2) of the Act, a "company covered in 1970" may continue to engage, either directly or through a subsidiary, in nonbanking activities that such company was lawfully engaged in on June 30, 1968 (or on a date subsequent to June 30, 1968, in the case of activities carried on as a result of the acquisition by such company or subsidiary, pursuant to a binding written contract entered into on or before June 30, 1968, of another company engaged in such activities at the time of the acquisition), and has been continuously engaged in since June 30, 1968 (or such subsequent date).

Section 4(a)(2) of the Act provides, *inter alia*, that the Board of Governors of the Federal Reserve System may terminate such grandfather privileges if, having due regard to the purposes of the Act, the Board determines that such action is necessary to prevent undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. With respect to a company that controls a bank with assets in excess of $60 million on or after December 31, 1970, the Board is required to make such a determination within a two year period.

Notice of the Board's proposed review of any grandfather privileges of First Oklahoma Bancorporation, Inc., Oklahoma City, Oklahoma, and an opportunity for interested persons to submit comments and views or request a hearing, has been given (37 F.R. 22414 and 25204). The time for filing comments, views, and requests has expired, and all those received have been considered by the Board in light of the factors set forth in § 4(a)(2) of the Act.

The facts before the Board show that First Oklahoma Bancorporation, Inc., Oklahoma City, Oklahoma ("Registrant"), became a bank holding company on December 31, 1970, as a result of the 1970 Amendments to the Act, by virtue of Registrant's ownership of more than 50 per cent of the outstanding voting shares of The First National Bank and Trust Company of Oklahoma City, Oklahoma City, Oklahoma ("Bank") (assets of $567 million as of December 31, 1970). However, the Board's review of Registrant further shows that Registrant does not constitute a "company covered in 1970" as defined in § 2(b) of the Bank Holding Company Act. Section 2(b) of the Act defines "company covered in 1970" as a "company which becomes a bank holding company as a result of the enactment of the Bank Holding Company Act Amendments of 1970 and which would have been a bank holding company on June 30, 1968, if those amendments had been enacted on that date." Registrant was already a registered multi-bank holding company on June 30, 1968,[1] and the enactment of the 1970 Amendments on June 30, 1968 would not have caused Registrant to become a bank holding company nor altered Registrant's status under the Act. On this

[1]Registrant became a multi bank on January 8, 1968, when it acquired more than 50 per cent of the voting shares of Bank and of The Idabel National Bank, Idabel, Oklahoma, pursuant to the Board's order of November 30, 1962 (1962 Federal Reserve BULLETIN 1608). Registrant sold its interest in Idabel Bank on September 27, 1968, and ceased to be a bank holding company as then defined.

basis, the Board concludes that Registrant does not fit within the definition of a "company covered in 1970," that Registrant is not eligible for grandfather benefits, and that the question of termination of grandfather privileges, under the proviso in § 4(a)(2) of the Act, is moot.

The conclusion contained herein is limited to the matter of Registrant's entitlement to "grandfather" privileges and the subject of termination under the proviso in § 4(a)(2) of the Act; and does not affect any authority that Registrant may have to engage in nonbanking activities pursuant to other provisions of the Bank Holding Company Act, or pursuant to Board approval of an application.

Board of Governors, January 10, 1973.

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

PERPETUAL CORPORATION, PIERCE NATIONAL LIFE INSURANCE COMPANY LOS ANGELES, CALIFORNIA

"GRANDFATHER" PRIVILEGES UNDER BANK HOLDING COMPANY ACT

Section 4 of the Bank Holding Company Act (12 U.S.C. 1843) provides certain privileges ("grandfather" privileges) with respect to nonbanking activities of a company that, by virtue of the 1970 Amendments to the Bank Holding Company Act, became subject to the Bank Holding Company Act. Pursuant to § 4(a)(2) of the Act, a "company covered in 1970" may continue to engage, either directly or through a subsidiary, in nonbanking activities that such company was lawfully engaged in on June 30, 1968 (or on a date subsequent to June 30, 1968, in the case of activities carried on as a result of the acquisition by such company or subsidiary, pursuant to a binding written contract, entered into on or before June 30, 1968, of another company engaged in such activities at the time of the acquisition), and has been continuously engaged in since June 30, 1968 (or such subsequent date).

Section 4(a)(2) of the Act provides, *inter alia*, that the Board of Governors of the Federal Reserve System *may terminate such grandfather privileges* if, having due regard to the purposes of the Act, the Board determines that such action is necessary to prevent undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. With respect to a company that controls a bank with assets in excess of $60 million on or after December 31, 1970, the Board is required to make such a determination within a two-year period.

Notice of the Board's proposed review of the grandfather privileges of Perpetual Corporation ("Perpetual") and of Pierce National Life Insurance Company ("Pierce"), both of Los Angeles, California, and an opportunity for interested persons to submit comments and views or request a hearing has been given (37 Federal Register 22414). The time for filing comments, views and requests has expired, and all those received have been considered by the Board in light of the factors set forth in § 4(a)(2) of the Act.

On the evidence before it, the Board makes the following findings. Perpetual reports that it is a non-operating holding company, with its only activity being that of holding stock of its subsidiaries. It owns 100 per cent of the voting shares of Pierce, which is the immediate parent of Houston-Citizens Bank & Trust Company, Houston, Texas ("Houston-Citizens") (assets of about $228 million as of December 31, 1970).[1] On December 31, 1970, Perpetual and Pierce (Registrants) controlled directly or indirectly about 63 per cent of the outstanding voting shares of Houston-Citizens and each became a bank holding company on that date as a result of the 1970 Amendments to the Bank Holding Company Act. However, neither Perpetual nor Pierce would have been a bank holding company on June 30, 1968, if the 1970 Amendments to the Act had been enacted on that date.

Section 2(b) of the Act defines "company covered in 1970" as a "company which becomes a bank holding company as a result of the enactment of the Bank Holding Company Act Amendments of 1970 and *which would have been a bank holding company on June 30, 1968, if those Amendments had been enacted on that date*" (emphasis supplied). Registrants owned only 24.86 per cent of Houston-Citizens on June 30, 1968; and the enactment of the 1970 Amendments on June 30, 1968, in itself would not have caused either Per-

[1] On November 30, 1972, the Board approved the formation of First International Bancshares, Inc., Dallas, Texas ("First International"); and approved Perpetual's application to acquire 7 *per cent of the voting shares of First International in* exchange for Perpetual's shares of Houston-Citizens. (1972 Federal Reserve BULLETIN 1028, 1034). The president of Perpetual will serve as a director of First International. Because of this interlock between the transferor (Perpetual) and the transferee (First International), the transferred shares of Houston-Citizens will be deemed to be controlled by Perpetual (by virtue of § 2(g)(3) of the Act) and Perpetual will continue to be a bank holding company.

petual or Pierce to become a bank holding company or altered the status of either under the Act. Thus, neither Perpetual nor Pierce is a "company covered in 1970", and neither is entitled to grandfather benefits under § 4(a)(2) of the Act.

On the basis of the facts presented, the Board concludes that neither Perpetual nor Pierce is a "company covered in 1970"; that neither company is eligible for grandfather benefits; and that, on this basis, the question of the termination of grandfather privileges of either company is moot.

Board of Governors, January 12, 1973.

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

FIRST NATIONAL BANK IN DALLAS, DALLAS, TEXAS

"GRANDFATHER" PRIVILEGES UNDER BANK HOLDING COMPANY ACT

Section 4 of the *Bank Holding Company Act* (12 U.S.C. 1843) provides certain privileges ("grandfather" privileges) with respect to nonbanking activities of a company that, by virtue of the 1970 Amendments to the Bank Holding Company Act, became subject to the Bank Holding Company Act. Pursuant to § 4(a)(2) of the Act, a "company covered in 1970" may continue to engage, either directly or through a subsidiary, in nonbanking activities that such a company was lawfully engaged in on June 30, 1968 (or on a date subsequent to June 30, 1968, in the case of activities carried on as a result of the acquisition by such company or subsidiary, pursuant to a binding written contract entered into on or before June 30, 1968, of another company engaged in such activities at the time of the acquisition), and has been continuously engaged in since June 30, 1968 (or such subsequent date).

Section 4(a)(2) of the Act provides, *inter alia*, that the Board of Governors of the Federal Reserve System may terminate such grandfather privileges if, having due regard to the purposes of the Act, the Board determines that such action is necessary to prevent undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. With respect to a company that controls a bank with assets in excess of $60 million on or after December 31, 1970, the Board is required to make such a determination within a two-year period.

Notice of the Board's proposed review of the grandfather privileges of First National Bank in Dallas, Dallas, Texas,[1] and an opportunity for interested persons to submit comments and views or request a hearing has been given (37 F.R. 22414). The time for filing comments, views, and requests has expired, and all those received have been considered by the Board in light of the factors set forth in § 4(a)(2) of the Act.

On the evidence before it, the Board makes the following findings. First National Bank in Dallas, Dallas, Texas ("Registrant") (about $1.5 billion in deposits as of December 31, 1971), became a bank holding company on December 31, 1970, as a result of the 1970 Amendments to the Act, by virtue of Registrant's ownership of approximately 26 per cent of Guaranty Bank, Dallas, Texas (formerly South Oak Cliff Bank), which shares Registrant acquired in 1966 in the regular course of collecting a debt previously contracted. Guaranty Bank had total deposits of approximately $34 million as of June 30, 1972, representing 0.5 per cent of the total commercial deposits in the Dallas banking market. The management, financial condition and prospects of Registrant and Guaranty Bank are regarded as satisfactory, and the Board has found no evidence of any unsound banking practices.

In addition, First National Bank in Dallas controls indirectly, through First National Securities Company in Dallas, Registrant's trusteed affiliate, stock interests ranging between 11 per cent and 24.9 per cent of each of thirteen banks, all of which are located in the Dallas area. These banks control total deposits of approximately $266 million.

In addition to its commercial bank activities, Registrant, a national bank, has direct or indirect interests in a small business investment company, an Edge Act corporation, a data processing company, and a company engaged solely in the managing and servicing of buildings occupied or to be occupied wholly or substantially by Registrant. It appears that Registrant's interests in the small business investment company and the building management company were acquired prior to June 30, 1968, and have been held by Registrant continuously since that time; and these companies would be eligible for grandfather benefits.[2] However-

[1] First National Bank in Dallas does not control a bank with assets in excess of $60 million but is itself such a bank (assets of $2.1 billion as of December 31, 1970).

[2] Registrant's interests in the Edge Act corporation and data processing company were acquired after June 30, 1968, and these companies would not be eligible for grandfather benefits. However, these companies may be eligible for retention under other provisions of § 4 of the Act

ever, the activities of these companies appear to be exempt, under provisions of § 4(c) of the Act, from the general prohibitions in § 4 against nonbanking interests of a bank holding company. On this basis, the Board finds that Registrant[3] does not need to rely on grandfather privileges under the proviso in § 4(a)(2) of the Act in order to continue such nonbanking activities; and the question of termination of grandfather privileges is moot.

Board of Governors, January 12, 1973.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

FIRST RAILROAD & BANKING COMPANY OF GEORGIA, AUGUSTA, GEORGIA

DETERMINATION REGARDING "GRANDFATHER" PRIVILEGES UNDER BANK HOLDING COMPANY ACT

Section 4 of the Bank Holding Company Act (12 U.S.C. 1843) provides certain privileges ("grandfather" privileges) with respect to nonbanking activities of a company that, by virtue of the 1970 Amendments to the Bank Holding Company Act, became subject to the Bank Holding Company Act. Pursuant to § 4(a)(2) of the Act, a "company covered in 1970" may continue to engage, either directly or through a subsidiary, in nonbanking activities that such a company was lawfully engaged in on June 30, 1968 (or on a date subsequent to June 30, 1968, in the case of activities carried on as a result of the acquisition by such company or subsidiary, pursuant to a binding written contract entered into on or before June 30, 1968, of another company engaged in such activities at the time of the acquisition), and has been continuously engaged in since June 30, 1968 (or such subsequent date).

Section 4(a)(2) of the Act provides, *inter alia*, that the Board of Governors of the Federal Reserve System may terminate such grandfather privileges if, having due regard to the purposes of the Act, the Board determines that such action is necessary to prevent undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. With respect to a company that controls a bank with assets in excess of $60 million on or after December 31, 1970, the Board is required to make such a determination within a two-year period.

Notice of the Board's proposed review of the grandfather privileges of First Railroad & Banking Company of Georgia, Augusta, Georgia, and an opportunity for interested persons to submit comments and views or request a hearing, has been given (37 F.R. 22414 and 25204). The time for filing comments, views, and requests has expired, and all those received have been considered by the Board in light of the factors set forth in § 4(a)(2) of the Act.

On the evidence before it, the Board makes the following findings. First Railroad & Banking Company of Georgia, Augusta, Georgia ("Registrant"), became a bank holding company on December 31, 1970, as a result of the 1970 Amendments to the Act, by virtue of Registrant's ownership of more than 99 per cent of the outstanding voting shares of Georgia Railroad Bank & Trust Company, Augusta, Georgia ("Bank") (assets of $192 million, as of December 31, 1970). Registrant was organized in 1953 to acquire Georgia Railroad & Banking Company, Augusta, Georgia ("Georgia Railroad") and, upon acquisition of Georgia Railroad in 1954, gained control of Bank, almost all of whose shares were owned by Georgia Railroad. Bank had total deposits of about $186 million (as of June 30, 1972), representing about 2.0 per cent of total deposits in commercial banks in Georgia. Based on deposits within the Augusta market as of June 30, 1972, Bank is the largest banking institution in the market with about 44 per cent of deposits there. Bank's management, financial condition, and prospects appear to be satisfactory and the Board has found no evidence of any unsound banking practices.

Registrant (consolidated assets of about $217 million as of December 31, 1971) engages directly in acquiring, and holding for development, property contiguous to its railroad yards in Augusta and has been engaged in this activity continuously since before June 30, 1968. In addition, Registrant has three nonbanking subsidiaries, which are engaged in nonbanking activities that appear eligible for grandfather benefits, namely, Georgia Railroad, First Georgia Development Corporation, Atlanta, Georgia ("Development Corporation"), and First Georgia Building Corporation, Augusta, Georgia ("Building Corporation").

[3] On November 30, 1972, the Board approved the application of First International Bancshares, Inc., Dallas, Texas, to become a bank holding company through the acquisition of the successor by merger to Registrant, and the successor by merger to Houston-Citizens Bank & Trust Company, Houston, Texas (1972 Federal Reserve BULLETIN 1028). The decision reflected herein is limited to the Board's review of the nonbanking activities of Registrant, and no decision is made at this time with respect to the applicability of any of the exemptions under the Act to First International Bancshares, Inc.

Georgia Railroad (incorporated in 1833) conducted both a banking and railroad business until 1881 when the railroad properties, together with controlling stock interests in two railroads, were leased. Thereupon, Georgia Railroad became a non-operating carrier with a banking division which in 1892 was incorporated as Bank. Continuously since 1881, Georgia Railroad has been a non-operating carrier and lessor of the properties and securities which it owns. Development Corporation (80 per cent of voting shares of which are held by Registrant) was formed in 1964 to develop the real property of Georgia Railroad that was no longer required for railroad purposes. The real estate activities of Registrant and its subsidiaries have been confined to acquiring and holding for development property contiguous to its railroad yards in Augusta, to owning and leasing railroad property, and to promoting development (as distinguished from engaging in development) of its property no longer required for railroad purposes. Building Corporation (a wholly owned subsidiary of Registrant formed in 1966) provides service personnel for Bank's buildings. The activities of Building Corporation appear to be exempt under the provisions of section 4(c)(1) of the Bank Holding Company Act and, on that basis, no grandfather privileges under the proviso in section 4(a)(2) of the Act are needed to enable Registrant to continue such activities.

In addition, Registrant has minority interests entitled to grandfather benefits in three other corporations: CSRA Capital Corporation, Augusta, Georgia (acquired in 1962); Strawberry Hill, Inc., Augusta, Georgia (acquired in May 1968); and State Real Estate Investment Trust, Greenwood, South Carolina (acquired in 1964). CSRA Corporation is a small business investment company (11.9 per cent of whose shares are owned by Bank) and Registrant's investment appears to be exempt under the provisions of section 4(c)(5) of the Act and section 225.4(c) of Regulation Y and, on that basis, no grandfather privileges are needed to enable Registrant to continue such investment. Strawberry Hill, Inc. (about 14 per cent of which was acquired by Registrant in May 1968) was formed as a community project to develop a tract of land adjacent to Fort Gordon, Georgia, to provide adequate housing for military personnel. When the project is completed, Strawberry Hill Corporation is expected to be dissolved. Finally, through Georgia Railroad, Registrant holds about 13 per cent of shares of State Real Estate Investment Trust, a small, closely held real estate investment trust. Neither Georgia Railroad nor Registrant has any role in the management of the Trust and the shares are held solely as an investment. There appears to be no reason to require Registrant to terminate its investments in Strawberry Hill or in State Real Estate Investment Trust.

On the basis of the foregoing and all the facts before the Board, it appears that the volume, scope, and nature of the activities of Registrant and its subsidiaries, do not demonstrate an undue concentration of resources, decreased or unfair competition, conflicts of interest nor unsound banking practices.

There appears to be no reason to require Registrant to terminate its grandfathered interests. It is the Board's judgment that, at this time termination of the grandfather privileges of Registrant is not necessary in order to prevent an undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. However, this determination is not authority to enter into any activity that was not engaged in on June 30, 1968 and continuously thereafter, or any activity that is not the subject of this determination. Nor is this determination authority for Registrant to engage in land development, or to engage in the general real estate business, or to acquire additional shares of any company if the Registrant's holdings in said company will exceed 5 per cent of the outstanding voting shares of such company.

A significant alteration in the nature or extension of Registrant's activities or a change in location thereof (significantly different from any described in this determination) will be cause for a re-evaluation by the Board of Registrant's activities under the provisions of § 4(a)(2) of the Act, that is, whenever the alteration or change is such that the Board finds that a termination of the grandfather privileges is necessary to prevent an undue concentration of resources or any of the other evils designated in the Act. No merger, consolidation, acquisition of assets other than in the ordinary course of business, nor acquisition of any interest in a going concern, to which the Registrant or any nonbank subsidiary thereof is a party may be consummated without prior approval of the Board. Further, the provision of any credit, property, or service by the Registrant or any subsidiary thereof shall not be subject to any condition which, if imposed by a bank, would constitute an unlawful tie-in arrangement under § 106 of the Bank Holding Company Act Amendments of 1970.

The determination herein does not preclude a later review by the Board of Registrant's nonbank activities and a future determination by the Board in favor of termination of grandfather benefits of Registrant. The determination herein is subject to the Board's authority to require modification or termination of the activities of Registrant or any of its nonbanking subsidiaries or of Registrant's grandfathered investments 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.

By determination of the Board of Governors, effective January 22, 1973.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, Sheehan, and Bucher.

(Signed) TYNAN SMITH,
Secretary of the Board.

[SEAL]

KEYSTONE CONSOLIDATED INDUSTRIES, INC., PEORIA, ILLINOIS

DETERMINATION REGARDING "GRANDFATHER" PRIVILEGES UNDER BANK HOLDING COMPANY ACT

Section 4 of the Bank Holding Company Act (12 U.S.C. 1843) provides certain privileges ("grandfather" privileges) with respect to nonbanking activities of a company that, by virtue of the 1970 Amendments to the Bank Holding Company Act, became subject to the Bank Holding Company Act. Pursuant to § 4(a)(2) of the Act, a "company covered in 1970" may continue to engage, either directly or through a subsidiary, in nonbanking activities that such a company was lawfully engaged in on June 30, 1968 (or on a date subsequent to June 30, 1968, in the case of activities carried on as a result of the acquisition by such company or subsidiary, pursuant to a binding written contract entered into on or before June 30, 1968, of another company engaged in such activities at the time of the acquisition), and has been continuously engaged in since June 30, 1968 (or such subsequent date).

Section 4(a)(2) of the Act provides, *inter alia*, that the Board of Governors of the Federal Reserve System may terminate such grandfather privileges if, having due regard to the purposes of the Act, the Board determines that such action is necessary to prevent undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. With respect to a company that controls a bank with assets in excess of $60 million on or after December 31, 1970, the Board is required to make such a determination within a two-year period.

Notice of the Board's proposed review of the grandfather privileges of the Keystone Consolidated Industries, Inc., Peoria, Illinois, and an opportunity for interested persons to submit comments and views or request a hearing, has been given (37 F.R. 22414). The time for filing comments, views, and requests has expired, and all those received have been considered by the Board in light of the factors set forth in § 4(a)(2) of the Act.

On the evidence before it, the Board makes the following findings. Keystone Consolidated Industries, Inc., Peoria, Illinois ("Registrant"), became a bank holding company on December 31, 1970, as a result of the 1970 Amendments to the Act, by virtue of Registrant's ownership of 50 per cent of the voting shares of Jefferson Trust and Savings Bank of Peoria ("Bank") (assets of approximately $90 million, as of December 31, 1970). Bank, control of which was acquired by Registrant in December, 1947, had total deposits of approximately $85 million, as of December 31, 1971, ranks second among 43 banks located in the Peoria, Illinois SMSA, and controls 11 per cent of the total deposits in commercial banks in the area. The larger bank in the area is almost two and one-half times as large as Bank. Bank's management, financial condition and prospects are regarded as generally satisfactory and the Board has found no evidence of unsound banking practices.

Registrant (assets of $191 million, as of June 30, 1972) is an integrated steel company engaged in operations in the United States, Canada, Mexico, and the United Kingdom. Registrant engages directly in the production of low and high carbon steel and the conversion of it into billets, bars, rods, and wire products, the manufacture of cabinet hardware, automotive and appliance hardware, locks, locksets, casters, and household and office furniture, and the production of fasteners such as screws, bolts, nuts and cold headed parts. It appears that all of these direct nonbanking activities were commenced by Registrant[1] before June 30, 1968 and have been engaged in continuously thereafter. In addition, Registrant has acquired several nonbanking subsidiaries (going concerns)

[1]Registrant states it was incorporated in Delaware in 1958 to effect a re-incorporation of Keystone Steel and Wire Company, an Illinois corporation whose earlier predecessor was established in 1889; and that Registrant's charter was amended in 1968 changing the company's name to Keystone Consolidated Industries, Inc.

engaged in the same activities, namely, Waterloo Metal Stampings, Ltd., Kitchener, Ontario, Canada ("Waterloo"), Hillcrest Engineering Limited, Birmingham, England ("Hillcrest"), Tornillos Especiales de Mexico, Naucalpan de Juarez, Mexico ("Tornillos"), and Keysteel International Limited, Toronto, Ontario, Canada ("Keysteel"). Broderick & Bascom Rope Co., Overland, Missouri ("Broderick"), another subsidiary of Registrant, manufactures steel and wire rope. Broderick (acquired in July, 1968), Waterloo (acquired in March, 1969), and Hillcrest[2] (acquired in March, 1969) are not entitled to grandfather benefits.[3] Keysteel, acquired June 2, 1964, is inactive and therefore has no grandfather benefits. Tornillos, which was acquired in April, 1965, manufactures screws, nuts and bolts for Mexican markets and qualifies under the grandfather provision in § 4(a)(2) of the Act.

Registrant's 1969 purchase of the Chicago Heights plant of the Inland Steel Co. apparently constituted a product extension; on this basis, no grandfather privileges accrue under the proviso in § 4(a)(2) of the Act.[4] Registrant's 20 per cent interest in Weld-Loc (a company apparently engaged in a product line in which Registrant did not engage on June 30, 1968), an interest that was acquired after June 30, 1968, is not entitled to grandfather privileges.[5]

Registrant conducts business throughout the United States (26 plants located variously in 13 States) and is a company listed on the New York Stock Exchange. However, Registrant is not regarded as a dominant force in its product market, where it competes with a large number of companies of various sizes, including a number of companies larger than Registrant. Registrant (with about 2 per cent of the aggregate work force in the Peoria area) is not the dominant employer in the Peoria area nor does Registrant derive a significant portion of its business from that area (less than 1 per cent of Registrant's total sales). It appears that the combination of Registrant's banking and nonbanking activities has not served to eliminate any significant actual or potential competition; nor is there evidence of a current undue concentration of resources, decreased or unfair competition or conflicts of interest.

On the basis of the foregoing and all the facts before the Board, it appears that the volume, scope, and nature of the activities of Registrant and its subsidiaries do not demonstrate an undue concentration of resources, decreased or unfair competition, conflicts of interest nor unsound banking practices.

There appears to be no reason to require Registrant to terminate its grandfathered interests. It is the Board's judgment that, at this time, termination of the grandfather privileges of Registrant is not necessary in order to prevent an undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices. However, this determination is not authority to enter into any activity or product extension that was not engaged in on June 30, 1968 and continuously thereafter, or any activity that is not the subject of this determination.

Although the Board regards the resources now subject to Registrant's control as not constituting an undue concentration of resources such as requires a termination of grandfathered activities, the Board is concerned with the size and scope of Registrant's nonbanking activities. A significant alteration in the nature or extension of Registrant's activities or a change in location thereof (significantly different from any described in this determination) will be cause for a re-evaluation by the Board of Registrant's activities under the provisions of § 4(a)(2) of the Act, that is, whenever the alteration or change is such that the Board finds that a termination of the grandfather privileges is necessary to prevent an undue concentration of resources or any of the other evils at which the Act is directed. No merger, consolidation, acquisition of assets other than in the ordinary course of business, nor acquisition of any interest in a going concern, to which the Registrant or any nonbank subsidiary thereof is a party, may be consummated without prior approval of the Board. Further, the provision of any credit, property, or service by the Registrant or any subsidiary thereof shall not be subject to any condition which, if imposed by a bank, would constitute an unlawful tie-in arrangement under § 106 of the Bank Holding Company Act Amendments of 1970.

The determination herein does not preclude a later review, by the Board, of Registrant's nonbank activities and a future determination by the

[2]Carridine & Miles Ltd., Birmingham, England (50 per cent of the shares are owned by Registrant), serves only as a holding company for Hillcrest.

[3]On this basis, Registrant would be required to divest itself of its interests (over 5 per cent) in these companies by January 1, 1981, or cease to be a bank holding company.

[4]On these facts and under § 4(a)(2) of the Act, Registrant is required to divest such product extension activity by January 1, 1981, or cease to be a bank holding company.

[5]On these facts and under § 4(a)(2) of the Act, Registrant is required to divest its interest (over 5 per cent) in Weld-Loc by January 1, 1981, or cease to be a bank holding company.

Board in favor of termination of grandfather benefits of Registrant. The determination herein is subject to the Board's authority to require modification or termination of the activities of Registrant or any of its nonbanking 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 determination of the Board of Governors, effective February 23, 1973.

Voting for this action: Chairman Burns and Governors Robertson, Mitchell, Daane, Brimmer, Sheehan, and Bucher

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

GRANDFATHER REVIEWS NOT PRINTED IN THIS ISSUE

The Board has also conducted a review under the grandfather proviso in Section 4(a)(2) of the Bank Holding Company Act, with respect to each of the companies listed below. The results of the reviews have been published in the Federal Register. Copies are available upon request to Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Company	*Date*	*Federal Register Citation*
Frank P. Doyle Trust, Article IX, Santa Rosa, California	12/26/72	38 F.R. 919 1/5/73
Potomac Securities Corp., Silver Spring, Maryland	12/26/72	38 F.R. 919 1/5/73
International Equities, Inc., New York, New York	12/26/72	38 F.R. 919 1/5/73
Alexandria Shares Corp., Alexandria, Virginia	12/26/72	38 F.R. 919 1/5/73
Virginia Bankshares, Inc., Richmond, Virginia	12/26/72	38 F.R. 919 1/5/73
Marine Bancorporation, Seattle, Washington	12/26/72	38 F.R. 919 1/5/73
The Hong Kong and Shanghai Banking Corporation, Hong Kong	12/26/72	38 F.R. 919 1/5/73
First Bancorporation, Reno, Nevada	12/26/72	38 F.R. 919 1/5/73
Amalgamated Associates Co., Chicago, Illinois	12/26/72	38 F.R. 919 1/5/73
Amalgamated Investments Co., Chicago, Illinois	12/26/72	38 F.R. 919 1/5/73
First Highland Corp., Highland Park, Illinois	12/26/72	38 F.R. 919 1/5/73
Financial Network Corp., Milwaukee, Wisconsin	12/26/72	38 F.R. 919 1/5/73
Sumitomo Bank, Ltd. Osaka, Japan	12/26/72	38 F.R. 920 1/5/73
Hopeton Holding Corp., Wilmington, Delaware	12/26/72	38 F.R. 920 1/5/73
Financial Investments Corp., Chicago, Illinois	12/26/72	38 F.R. 920 1/5/73
First National Bank of Cicero Corp., Oak Park, Illinois	12/26/72	38 F.R. 920 1/5/73
Investment Securities Corp., Lexington, Kentucky	12/26/72	38 F.R. 920 1/5/73

GRANDFATHER REVIEWS NOT PRINTED IN THIS ISSUE (Continued)

Company	*Date*	*Federal Register Citation*
Tennessee Shares Corp., Cheverly, Maryland	12/26/72	38 F.R. 920 1/5/73
Independent Bancorporation, Minneapolis, Minnesota	12/26/72	38 F.R. 920 1/5/73
Mercantile Commerce Co., St. Louis, Missouri	12/26/72	38 F.R. 920 1/5/73
Barclay's Bank, Ltd., London, England	12/26/72	38 F.R. 920 1/5/73
Royal Bank of Canada, Montreal, Canada	12/26/72	38 F.R. 920 1/5/73
Industrial Bank of Japan, Ltd., Tokyo, Japan	12/26/72	38 F.R. 920 1/5/73
U T Securities Corp., New York, New York	12/26/72	38 F.R. 920 1/5/73
Southeastern Shares Corp., New York, New York	12/26/72	38 F.R. 920
National Bank of Greece, S.A., Athens, Greece	12/26/72	38 F.R. 920 1/5/73
Financial General Corp., Richmond, Virginia	12/26/72	38 F.R. 920 1/5/73
Coronado Financial Corp., Kansas City, Missouri	12/26/72	38 F.R. 920 1/5/73
Columbia Union Bancshares, Kansas City, Missouri	12/26/72	38 F.R. 920 1/5/73
Bankshares of Indiana, Inc., Merrillville, Indiana (formerly Indiana Industries, Inc., Gary, Ind.)	12/26/72	38 F.R. 920 1/5/73
Delta Loan & Finance Company, St. Louis, Missouri	12/27/72	38 F.R. 1151 1/9/73
Estate of James Millikin, Deceased, Decatur, Illinois	12/29/72	38 F.R. 1153 1/9/73
The Sealy & Smith Foundation for the John Sealy Hospital, Galveston, Texas	12/29/72	38 F.R. 1155 1/9/73
Zachary Taylor Life Insurance Company, Shreveport, Louisiana	12/29/72	38 F.R. 1156 1/9/73
Houston National Co., Houston, Texas	1/2/73	38 F.R. 1235 1/10/73
Minnesota Small Loan Company, Minneapolis, Minnesota	1/4/73	38 F.R. 1308 1/11/73
The Charles Stewart Mott Foundation, Flint, Michigan	1/5/73	38 F.R. 1537 1/15/73
South St. Louis Investment Company or Hampton Bankshares Corporation, both of St. Louis, Missouri	1/5/73	38 F.R. 1541 1/15/73
Memphis Trust Company, Memphis, Tennessee	1/23/73	38 F.R. 3012 1/31/72
Wasatch National, Inc., Ogden, Utah	2/15/73	38 F.R. 5208 2/26/73
The Western and Southern Life Insurance Company, Cincinnati, Ohio	2/26/73	38 F.R. 6104 3/6/73

Directors of Federal Reserve Banks and Branches

Following is a list of the directorates of the Federal Reserve Banks and branches as at present constituted. The list shows, in addition to the name of each director, his principal business affiliation, the class of directorship, and the date when his term expires. Each Federal Reserve Bank has nine directors: three Class A and three Class B directors, who are elected by the stockholding member banks, and three Class C directors, who are appointed by the Board of Governors of the Federal Reserve System. Class A directors are representative of the stockholding member banks. Class B directors must be actively engaged in their district in commerce, agriculture, or some industrial pursuit, and may not be officers, directors, or employees of any bank. For the purpose of electing Class A and Class B directors, the member banks of each Federal Reserve district are classified by the Board of Governors of the Federal Reserve System into three groups, each of which consists of banks of similar capitalization, and each group elects one Class A and one Class B director. Class C directors may not be officers, directors, employees, or stockholders of any bank. One Class C director is designated by the Board of Governors as Chairman of the Board of Directors and Federal Reserve Agent and another as Deputy Chairman. Federal Reserve branches have either five or seven directors, of whom a majority are appointed by the Board of Directors of the parent Federal Reserve Bank; the others are appointed by the Board of Governors of the Federal Reserve System. One of the directors appointed by the Board of Governors at each branch is designated annually as Chairman of the Board in such manner as the Federal Reserve Bank may prescribe.

Names followed by footnote 1 ([1]) are Chairmen and those by footnote 2 ([2]) are Deputy Chairmen.

District 1—FEDERAL RESERVE BANK OF BOSTON

		Term expires Dec. 31
Class A:		
Ralph A. McIninch	President, Merchants National Bank of Manchester, N.H.	1973
Mark C. Wheeler	President, New England Merchants National Bank, Boston, Mass.	1974
William M. Honey	President, The Martha's Vineyard National Bank, Vineyard Haven, Mass.	1975
Class B:		
G. William Miller	President, Textron, Providence, R.I.	1973
W. Gordon Robertson	Bangor, Maine	1974
Alfred W. Van Sinderen	President, The Southern New England Telephone Co., New Haven, Conn.	1975
Class C:		
John M. Fox	President, Chief Executive Officer, H. P. Hood & Sons, Charlestown, Mass.	1973
James S. Duesenberry [1]	Chairman, Department of Economics, Harvard University, Cambridge, Mass.	1974
Louis W. Cabot [2]	Chairman of the Board, Cabot Corporation, Boston, Mass.	1975

District 2—FEDERAL RESERVE BANK OF NEW YORK

		Term expires Dec. 31
Class A:		
David C. Rockefeller	Chairman of the Board, The Chase Manhattan Bank, New York, N.Y.	1973
Norman Brassler	Chairman of the Board, Chief Executive Officer, New Jersey Bank, N.A., Passaic, N.J.	1974
Newman E. Wait, Jr.	President, Adirondack Trust Company, Saratoga Springs, N.Y.	1975
Class B:		
Maurice F. Granville	Chairman of the Board, Texaco, Inc., New York, N.Y.	1973
(Vacancy)		1974
Jack B. Jackson	President, J. C. Penney Company, Inc., New York, N.Y.	1975
Class C:		
Alan J. Pifer	President, Carnegie Corporation of New York, New York, N.Y.	1973
Roswell L. Gilpatric[1]	Partner, Cravath, Swaine & Moore, New York, N.Y.	1974
Frank R. Milliken[2]	President, Kennecott Copper Corporation, New York, N.Y.	1975

BUFFALO BRANCH

Appointed by Federal Reserve Bank:		
William B. Anderson	President, The First National Bank of Jamestown, N.Y.	1973
Angelo A. Costanza	President, Chief Executive Officer, Central Trust Company, Rochester, N.Y.	1973
Theodore M. McClure	President, The Citizens National Bank and Trust Company, Wellsville, N.Y.	1974
Claude F. Shuchter	President, Chief Executive Officer, Manufacturers and Traders Trust Company, Buffalo, N.Y.	1975
Appointed by Board of Governors:		
Rupert Warren[1]	President, Trico Products Corporation, Buffalo, N.Y.	1973
Norman F. Beach	Vice President, General Manager, Kodak Park Division, Eastman Kodak Company, Rochester, N.Y.	1974
Donald Nesbitt	Owner-Operator, Silver Creek Farms, Albion, N.Y.	1975

District 3—FEDERAL RESERVE BANK OF PHILADELPHIA

Class A:		
Richard A. Herbster	President, Lewistown Trust Company, Lewistown, Pa.	1973
(Vacancy)		1974
John H. Hassler	President, The City National Bank and Trust Company of Salem, N.J.	1975
Class B:		
(Vacancy)		1973
C. Graham Berwind, Jr.	President, Chief Executive Officer, Berwind Corporation, Philadelphia, Pa.	1974
Bernard D. Broeker	Executive Vice President, Bethlehem Steel Corporation, Bethlehem, Pa.	1975

District 3—FEDERAL RESERVE BANK OF PHILADELPHIA—Continued

		Term expires Dec. 31
Class C:		
JOHN R. COLEMAN[1]	President, Haverford College, Haverford, Pa.	1973
EDWARD W. ROBINSON, JR.	President, Provident Home Industrial Mutual Life Insurance Co., Philadelphia, Pa.	1974
EDWARD J. DWYER[2]	Chairman, Chief Executive Officer, ESB Incorcorporated, Philadelphia, Pa.	1975

District 4—FEDERAL RESERVE BANK OF CLEVELAND

Class A:		
EDWARD W. BARKER	President, First National Bank of Middletown, Ohio	1973
A. BRUCE BOWDEN	Vice Chairman of the Board, Mellon National Bank and Trust Company, Pittsburgh, Pa.	1974
DAVID L. BRUMBACK, JR.	President, Van Wert National Bank, Van Wert, Ohio	1975
Class B:		
JOHN L. GUSHMAN	Chairman of the Board, Chief Executive Officer, Anchor Hocking Corporation, Lancaster, Ohio	1973
DONALD E. NOBLE	President, Chief Executive Officer, Rubbermaid Incorporated, Wooster, Ohio	1974
RENE C. MCPHERSON	Chairman, Chief Executive Officer, Dana Corporation, Toledo, Ohio	1975
Class C:		
J. WARD KEENER[2]	Chairman of the Executive Committee, The B. F. Goodrich Company, Akron, Ohio	1973
HORACE A. SHEPARD[1]	Chairman of the Board, Chief Executive Officer, TRW Inc., Cleveland, Ohio	1974
OTIS A. SINGLETARY	President, University of Kentucky, Lexington, Ky.	1975

CINCINNATI BRANCH

Appointed by Federal Reserve Bank:		
WILLIAM S. ROWE	President, The Fifth Third Bank, Cincinnati, Ohio	1973
E. PAUL WILLIAMS	President, Second National Bank, Ashland, Ky.	1974
PAUL W. CHRISTENSEN, JR.	President, The Cincinnati Gear Company, Cincinnati, Ohio	1975
ROBERT E. HALL	President, The First National Bank and Trust Company, Troy, Ohio	1975
Appointed by Board of Governors:		
CLAIR F. VOUGH	Vice President, Office Products Division, IBM Corporation, Lexington, Ky.	1973
GRAHAM E. MARX[1]	President, General Manager, The G. A. Gray Company, Cincinnati, Ohio	1974
PHILLIP R. SHRIVER	President, Miami University, Oxford, Ohio	1975

District 4—FEDERAL RESERVE BANK OF CLEVELAND—Continued

PITTSBURGH BRANCH

Appointed by Federal Reserve Bank:

		Term expires Dec. 31
MERLE E. GILLIAND	Chairman of the Board, Chief Executive Officer, Pittsburgh National Bank, Pittsburgh, Pa.	1973
CHARLES F. WARD	President, Gallatin National Bank, Uniontown, Pa.	1974
ROBINSON F. BARKER	Chairman of the Board, Chief Executive Officer, PPG Industries, Inc., Pittsburgh, Pa.	1975
JERRY A. HALVERSON	President, The First National Bank and Trust Co. of Wheeling, W. Va.	1975

Appointed by Board of Governors:

ROBERT E. KIRBY[1]	President, Industry and Defense Company, Westinghouse Electric Corporation, Pittsburgh, Pa.	1973
RICHARD M. CYERT	President, Carnegie-Mellon University, Pittsburgh, Pa.	1974
DOUGLAS GRYMES	President, Koppers Company, Inc., Pittsburgh, Pa.	1975

District 5—FEDERAL RESERVE BANK OF RICHMOND

Class A:

THOMAS P. MCLACHLEN	President, McLachlen National Bank, Washington, D.C.	1973
EDWARD N. EVANS	President, Farmers & Merchants National Bank of Cambridge, Md.	1974
JOHN H. LUMPKIN	Chairman, Chief Executive Officer, The South Carolina National Bank, Columbia, S.C.	1975

Class B:

H. DAIL HOLDERNESS	President, Carolina Telephone and Telegraph Company, Tarboro, N.C.	1973
HENRY C. HOFHEIMER, II	Chairman, Virginia Real Estate Investment Trust, Norfolk, Va.	1974
OSBY L. WEIR	General Manager, Metropolitan Washington Baltimore Area Sears, Roebuck and Co., Bethesda, Md.	1975

Class C:

STUART SHUMATE[2]	President, Richmond, Fredericksburg and Potomac Railroad Company, Richmond, Va.	1973
E. CRAIG WALL, SR.	Chairman of the Board, Canal Industries, Inc., Conway, S.C.	1974
ROBERT W. LAWSON, JR.[1]	Senior Partner, Charleston Office, Steptoe & Johnson, Charleston, W. Va.	1975

BALTIMORE BRANCH

Appointed by Federal Reserve Bank:

J. STEVENSON PECK	Chairman of the Board, Union Trust Company of Maryland, Baltimore, Md.	1973
JAMES J. ROBINSON	Executive Vice President, Bank of Ripley, W. Va.	1973
TILTON H. DOBBIN	President, Chairman of the Executive Committee, Maryland National Bank, Baltimore, Md.	1974
J. R. CHAFFINCH, JR.	President, The Denton National Bank, Denton, Md.	1975

District 5—FEDERAL RESERVE BANK OF RICHMOND—Continued

BALTIMORE BRANCH—Continued

Appointed by Board of Governors:

		Term expires Dec. 31
JOHN H. FETTING, JR.[1]	President, A. H. Fetting Company, Baltimore, Md.	1973
JAMES G. HARLOW	President, West Virginia University, Morgantown, W. Va.	1974
DAVID W. BARTON, JR.	President, Barton-Gillet Company, Baltimore, Md.	1975

CHARLOTTE BRANCH

Appointed by Federal Reserve Bank:

H. PHELPS BROOKS, JR.	President, The Peoples National Bank, Chester, S.C.	1973
C. C. CAMERON	Chairman of the Board, President, First Union National Bank of North Carolina, Charlotte, N.C.	1973
L. D. COLTRANE, III	President, The Concord National Bank, Concord, N.C.	1974
WILLIAM W. BRUNER	Chairman, President, First National Bank of South Carolina, Columbia, S.C.	1975

Appointed by Board of Governors:

CHARLES W. DEBELL[1]	General Manager, North Carolina Works, Western Electric Company, Inc., Winston-Salem, N.C.	1973
CHARLES F. BENBOW	Vice President, R. J. Reynolds Industries, Inc., Winston-Salem, N.C.	1974
ROBERT C. EDWARDS	President, Clemson University, Clemson, S.C.	1975

District 6—FEDERAL RESERVE BANK OF ATLANTA

Class A:

A. L. ELLIS	Chairman of the Board, First National Bank, Tarpon Springs, Fla.	1973
JACK P. KEITH	President, First National Bank of West Point, Ga.	1974
SAM I. YARNELL	Chairman, American National Bank and Trust Co., Chattanooga, Tenn.	1975

Class B:

HOSKINS A. SHADOW	President, Tennessee Valley Nursery, Inc., Winchester, Tenn.	1973
OWEN COOPER	President, Mississippi Chemical Corporation, Coastal Chemical Corporation, Yazoo City, Miss.	1974
GEORGE W. JENKINS	Chairman, Publix Super Markets, Inc., Lakeland, Fla.	1975

Class C:

JOHN C. WILSON[1]	President, Horne-Wilson, Inc., Atlanta, Ga.	1973
H. G. PATTILLO[2]	President, Pattillo Construction Company, Inc., Decatur, Ga.	1974
F. EVANS FARWELL	President, Milliken and Farwell, Inc., New Orleans, La.	1975

District 6—FEDERAL RESERVE BANK OF ATLANTA—Continued

BIRMINGHAM BRANCH

Appointed by Federal Reserve Bank:

		Term expires Dec. 31
WALLACE D. MALONE, JR.	President, Chairman of the Board, The First National Bank of Dothan, Ala.	1973
C. LOGAN TAYLOR	Chairman of the Board, The First State Bank of Oxford, Ala.	1973
W. EUGENE MORGAN	President, Chief Executive Officer, The First National Bank of Huntsville, Ala.	1974
JOHN T. OLIVER	President, First National Bank, Jasper, Ala.	1975

Appointed by Board of Governors:

DAVID MATHEWS[1]	President, University of Alabama, University, Ala.	1973
WILLIAM C. BAUER	President, South Central Bell, Birmingham, Ala.	1974
FREDERICK G. KOENIG, JR.	President, Chief Executive Officer, Alabama By-Products Corporation, Birmingham, Ala.	1975

JACKSONVILLE BRANCH

Appointed by Federal Reserve Bank:

MALCOLM C. BROWN	President, Chairman of the Board, Florida First National Bank at Brent, Pensacola, Fla.	1973
A. CLEWIS HOWELL	President, Marine Bank & Trust Company, Tampa, Fla.	1973
GUY W. BOTTS	Vice Chairman of the Board, Barnett Bank of Jacksonville, N.A., Jacksonville, Fla.	1974
MICHAEL J. FRANCO	Chairman of the Board, City National Bank of Miami, Fla.	1975

Appointed by Board of Governors:

HENRY CRAGG[1]	Vice President, The Coca-Cola Company Foods Division, Winter Park, Fla.	1973
GERT H. W. SCHMIDT	President, TeLeVision 12 of Jacksonville, Fla.	1974
JAMES E. LYONS	President, Lyons Industrial Corporation, Winter Haven, Fla.	1975

NASHVILLE BRANCH

Appointed by Federal Reserve Bank:

DAN B. ANDREWS	President, First National Bank, Dickson, Tenn.	1973
EDWARD G. NELSON	President, Commerce Union Bank, Nashville, Tenn.	1973
W. BRYAN WOODARD	President, Kingsport National Bank, Kingsport, Tenn.	1974
ROBERT E. CURRY	President, First National Bank of Pulaski, Tenn.	1975

Appointed by Board of Governors:

JAMES W. LONG[1]	President, Robertson County Farm Bureau, Springfield, Tenn.	1973
EDWARD J. BOLING	President, The University of Tennessee, Knoxville, Tenn.	1974
JOHN C. TUNE	Partner, Butler, McHugh, Butler, Tune & Watts, Nashville, Tenn.	1975

District 6—FEDERAL RESERVE BANK OF ATLANTA—Continued

NEW ORLEANS BRANCH

Appointed by Federal Reserve Bank:

		Term expires Dec. 31
TOM A. FLANAGAN, JR.	President, Lakeside National Bank of Lake Charles, La.	1973
LAWRENCE A. MERRIGAN	President, The Bank of New Orleans and Trust Company, New Orleans, La.	1973
ARCHIE R. MCDONNELL	President, Citizens National Bank, Meridian, Miss.	1974
ERNEST F. LADD, JR.	Chairman, The Merchants National Bank, Mobile, Ala.	1975

Appointed by Board of Governors:

BROADUS N. BUTLER	President, Dillard University, New Orleans, La.	1973
FRED ADAMS, JR.[1]	President, Cal-Maine Foods, Inc., Jackson, Miss.	1974
EDWIN J. CAPLAN	President, Caplan's Men's Shops, Inc., Alexandria, La.	1975

District 7—FEDERAL RESERVE BANK OF CHICAGO

Class A:

MELVIN C. LOCKARD	President, First National Bank, Mattoon, Ill.	1973
FLOYD F. WHITMORE	President, The Okey-Vernon National Bank, Corning, Iowa	1974
EDWARD BYRON SMITH	Chairman of the Board, The Northern Trust Company, Chicago, Ill.	1975

Class B:

HOWARD M. PACKARD	Vice Chairman, S. C. Johnson & Son, Inc., Racine, Wis.	1973
JOHN T. HACKETT	Executive Vice President, Cummins Engine Company, Inc., Columbus, Ind.	1974
OSCAR G. MAYER	Chairman of the Board, Oscar Mayer & Company, Madison, Wis.	1975

Class C:

JOHN W. BAIRD	President, Baird & Warner, Inc., Chicago, Ill.	1973
WILLIAM H. FRANKLIN[1]	Chairman of the Board, Caterpillar Tractor Co., Peoria, Ill.	1974
PETER B. CLARK[2]	Chairman of the Board, President, Publisher, The Evening News Association, Detroit, Mich.	1975

DETROIT BRANCH

Appointed by Federal Reserve Bank:

ELLIS B. MERRY	Chairman of the Board, National Bank of Detroit, Mich.	1973
HAROLD A. ELGAS	President, Gaylord State Bank, Gaylord, Mich.	1974
JOSEPH B. FOSTER	President, Chief Executive Officer, Ann Arbor Bank, Ann Arbor, Mich.	1975
ROLAND A. MEWHORT	Chairman, Manufacturers National Bank of Detroit, Mich.	1975

Appointed by Board of Governors:

L. WM. SEIDMAN	Resident Partner, Seidman & Seidman, Grand Rapids, Mich.	1973
TOM KILLEFER	Vice President, General Counsel, Chrysler Corporation, Detroit, Mich.	1974
W. M. DEFOE[1]	Chairman of the Board, Defoe Shipbuilding Company, Bay City, Mich.	1975

District 8—FEDERAL RESERVE BANK OF ST. LOUIS

		Term expires Dec. 31
Class A:		
BRADFORD BRETT	President, The First National Bank of Mexico, Mo.	1973
EDWIN S. JONES	Chairman of the Board, First National Bank in St. Louis, Mo.	1974
WM. E. WEIGEL	Executive Vice President, 1st National Bank and Trust Company, Centralia, Ill.	1975
Class B:		
FRED I. BROWN, JR.	President, Arkansas Foundry Company, Little Rock, Ark.	1973
JAMES M. TUHOLSKI	President, Mead Johnson & Company, Evansville, Ind.	1974
EDWARD J. SCHNUCK	Chairman of the Board, Schnuck Markets, Inc., Bridgeton, Mo.	1975
Class C:		
HARRY M. YOUNG, JR.	Melrose Farms, Herndon, Ky.	1973
FREDERIC M. PEIRCE[1]	Chairman of the Board, Chief Executive Officer, General American Life Insurance Company, St. Louis, Mo.	1974
SAM COOPER[2]	President, HumKo Products, Division of Kraftco Corporation, Memphis, Tenn.	1975

LITTLE ROCK BRANCH

Appointed by Federal Reserve Bank:		
EDWARD M. PENICK	President, Chief Executive Officer, Worthen Bank & Trust Company, N.A., Little Rock, Ark.	1973
WILL H. KELLEY	Chairman, The State First National Bank of Texarkana, Ark.	1974
THOMAS G. VINSON	President, First National Bank, Batesville, Ark.	1975
FIELD WASSON	President, The First National Bank, Siloam Springs, Ark.	1975
Appointed by Board of Governors:		
ROLAND R. REMMEL[1]	Chairman of the Board, Southland Building Products Co., Little Rock, Ark.	1973
AL POLLARD	President, Al Pollard & Associates, Little Rock, Ark.	1974
W. M. PIERCE	President, Arkansas Business Development Corporation, Little Rock, Ark.	1975

LOUISVILLE BRANCH

Appointed by Federal Reserve Bank:		
HAROLD E. JACKSON	President, The Scott County State Bank, Scottsburg, Ind.	1973
HUGH M. SHWAB	Chairman of the Boards, First National Bank of Louisville, The Kentucky Trust Company, Louisville, Ky.	1974
HERBERT J. SMITH	President, The American National Bank & Trust Company of Bowling Green, Ky.	1975
TOM G. VOSS	President, The Seymour National Bank, Seymour, Ind.	1975
Appointed by Board of Governors:		
WILLIAM H. STROUBE[1]	Associate Dean, College of Science and Technology, Western Kentucky University, Bowling Green, Ky.	1973
JAMES C. HENDERSHOT	President, Chief Operating Officer, Reliance Universal Inc., Louisville, Ky.	1974
JAMES H. DAVIS	Chairman, Chief Executive Officer, Porter Paint Company, Louisville, Ky.	1975

District 8—FEDERAL RESERVE BANK OF ST. LOUIS—Continued

MEMPHIS BRANCH

Appointed by Federal Reserve Bank:

		Term expires Dec. 31
J. J. WHITE	President, Helena National Bank, Helena, Ark.	1973
GARNER L. HICKMAN	Chairman, President, The First National Bank of Oxford, Miss.	1974
RIDLEY ALEXANDER	Chairman, The Second National Bank of Jackson, Tenn.	1975
C. BENNETT HARRISON	Chairman of the Board, Union Planters National Bank of Memphis, Tenn.	1975

Appointed by Board of Governors:

ALVIN HUFFMAN, JR.[1]	President, Huffman Brothers Incorporated, Blytheville, Ark.	1973
C. WHITNEY BROWN	President, S. C. Toof & Company, Memphis, Tenn.	1974
JEANNE L. HOLLEY	Assistant Professor of Business Education and Office Administration, University of Mississippi, University, Miss.	1975

District 9—FEDERAL RESERVE BANK OF MINNEAPOLIS

Class A:

PHILIP H. NASON	Chairman of the Board, The First National Bank of Saint Paul, Minn.	1973
ROY H. JOHNSON	President, The First National Bank of Negaunee, Mich.	1974
DAVID M. SMITH	President, 1st National Bank, River Falls, Wis.	1975

Class B:

DALE V. ANDERSEN	President, Mitchell Packing Company, Inc., Mitchell, S.D.	1973
JOHN H. BAILEY	President, The Cretex Companies, Inc., Elk River, Minn.	1974
DAVID M. HESKETT	President, Montana-Dakota Utilities Co., Bismarck, N.D.	1975

Class C:

RUSS B. HART	President, Hart-Albin Company, Billings, Mont.	1973
BRUCE B. DAYTON[2]	Chairman of the Board, Dayton Hudson Corporation, Minneapolis, Minn.	1974
DAVID M. LILLY[1]	Chairman of the Board, The Toro Company, Minneapolis, Minn.	1975

HELENA BRANCH

Appointed by Federal Reserve Bank:

RICHARD D. RUBIE	President, Missoula Bank of Montana, Missoula, Mont.	1973
ROBERT I. PENNER	President, Citizens First National Bank, Wolf Point, Mont.	1974
JOHN REICHEL	President, 1st National Bank in Bozeman, Mont.	1974

Appointed by Board of Governors:

WILLIAM A. CORDINGLEY[1]	Publisher, Great Falls Tribune, Great Falls, Mont.	1973
WARREN B. JONES[2]	Secretary-Treasurer, Two Dot Land and Livestock Company, Harlowton, Mont.	1974

District 10—FEDERAL RESERVE BANK OF KANSAS CITY

		Term expires Dec. 31
Class A:		
C. MOSE MILLER	Chairman of the Board, President, The Farmers and Merchants State Bank, Colby, Kans.	1973
JOHN A. O'LEARY	Chairman of the Board, The Peoples State Bank, Luray, Kans.	1974
ROGER D. KNIGHT, JR.	Chairman of the Board, United Banks of Colorado, Inc., Denver, Colo.	1975
Class B:		
ALFRED E. JORDAN	Vice President, Trans World Airlines, Inc., Kansas City, Mo.	1973
FRANK C. LOVE	President, Kerr-McGee Corporation, Oklahoma City, Okla.	1974
CECIL O. EMRICH	President, C. O. Emrich Enterprises, Norfolk, Nebr.	1975
Class C:		
ROBERT T. PERSON[2]	President, Chairman of the Board, Public Service Company of Colorado, Denver, Colo.	1973
ROBERT W. WAGSTAFF[1]	Chairman of the Board, President, Coca-Cola Bottling Company of Mid-America, Kansas City, Mo.	1974
HAROLD W. ANDERSON	President, World Publishing Company, Omaha World Herald, Omaha, Nebr.	1975

DENVER BRANCH

Appointed by Federal Reserve Bank:		
JOHN W. HAY, JR.	President, Rock Springs National Bank, Rock Springs, Wyo.	1973
DALE R. HINMAN	Chairman of the Board, The Greeley National Bank, Greeley, Colo.	1974
ROBERT L. TRIPP	President, Albuquerque National Bank, Albuquerque, N.M.	1974
Appointed by Board of Governors:		
MAURICE B. MITCHELL[1]	Chancellor, University of Denver, Colo.	1973
EDWARD R. LUCERO	Executive Director, Colorado Economic Development Association, Denver, Colo.	1974

OKLAHOMA CITY BRANCH

Appointed by Federal Reserve Bank:		
W. H. McDONALD	Chairman of the Executive Committee, The First National Bank and Trust Company of Oklahoma City, Okla.	1973
HUGH C. JONES	Executive Vice President, The Bank of Woodward, Okla.	1974
MARVIN MILLARD	Chairman of the Board, National Bank of Tulsa, Okla.	1974
Appointed by Board of Governors:		
JOSEPH H. WILLIAMS[1]	President, Chief Operating Officer, The Williams Companies, Tulsa, Okla.	1973
HARLEY CUSTER	General Manager, Oklahoma Livestock Marketing Association, Oklahoma City, Okla.	1974

District 10—FEDERAL RESERVE BANK OF KANSAS CITY—Continued

OMAHA BRANCH

Appointed by Federal Reserve Bank:

		Term expires Dec. 31
S. N. Wolbach	President, The First National Bank of Grand Island, Nebr.	1973
Glenn Yaussi	Chairman of the Board, National Bank of Commerce Trust & Savings, Lincoln, Nebr.	1973
Edward W. Lyman	President, The United States National Bank of Omaha, Nebr.	1974

Appointed by Board of Governors:

A. James Ebel[1]	Vice President, General Manager, Cornhusker Television Corporation, Lincoln, Nebr.	1973
Edward F. Owens	President, Paxton & Vierling Steel Company, Carter Lake, Nebr.	1974

District 11—FEDERAL RESERVE BANK OF DALLAS

Class A:

J. V. Kelly	Chairman of the Board, The Peoples National Bank of Belton, Tex.	1973
A. W. Riter, Jr.	President, The Peoples National Bank of Tyler, Tex.	1974
Robert H. Stewart, III	Chairman of the Board, First International Bancshares, Inc., Dallas, Tex.	1975

Class B:

Carl D. Newton	Chairman of the Board, Fox-Stanley Photo Products, Inc., San Antonio, Tex.	1973
Hugh F. Steen	President, El Paso Natural Gas Company, El Paso, Tex.	1974
Thomas W. Herrick	President, Mesa Agro Inc., Amarillo, Tex.	1975

Class C:

John Lawrence[2]	Chairman of the Board, Dresser Industries, Inc., Dallas, Tex.	1973
Chas. F. Jones[1]	Dean, College of Business Administration, University of Houston, Tex.	1974
Charles T. Beaird	Chairman of the Board, Beaird-Poulan, Shreveport, La.	1975

EL PASO BRANCH

Appointed by Federal Reserve Bank:

Cullen J. Kelly	President, The First National Bank of Midland, Tex.	1973
Wayne Stewart	President, First National Bank in Alamogordo, N.M.	1974
Reed H. Chittim	President, Chief Executive Officer, First National Bank of Lea County, Hobbs, N.M.	1975
Sam D. Young, Jr.	President, El Paso National Bank, El Paso, Tex.	1975

Appointed by Board of Governors:

Herbert M. Schwartz[1]	President, Popular Dry Goods Co., Inc., El Paso, Tex.	1973
Gage Holland[2]	Gage Holland Ranch, Marathon, Tex.	1974
Allan B. Bowman	President, General Manager, Banner Mining Company, Tucson, Ariz.	1975

District 11—FEDERAL RESERVE BANK OF DALLAS—Continued

HOUSTON BRANCH

		Term expires Dec. 31
Appointed by Federal Reserve Bank:		
KLINE MCGEE	Chairman of the Board, Southern National Bank of Houston, Tex.	1973
SETH W. DORBANDT	Chairman of the Board, President, First National Bank in Conroe, Tex.	1974
BOOKMAN PETERS	President, The City National Bank of Bryan, Tex.	1975
NAT S. ROGERS	President, First City National Bank of Houston, Tex.	1975
Appointed by Board of Governors:		
M. STEELE WRIGHT, JR.[1]	Chairman of the Board, Texas Farm Products Company, Nacogdoches, Tex.	1973
R. M. BUCKLEY[2]	President, Director, Eastex Incorporated, Silsbee, Tex.	1974
ALVIN P. THOMAS	President, Prairie View A&M College, Prairie View, Tex.	1975

SAN ANTONIO BRANCH

Appointed by Federal Reserve Bank:		
RAY M. KECK, JR.	Chairman of the Board, President, Union National Bank of Laredo, Tex.	1973
LEON STONE	President, The Austin National Bank, Austin, Tex.	1974
RICHARD W. CALVERT	President, National Bank of Commerce of San Antonio, Tex.	1975
W. O. ROBERSON	President, First National Bank at Brownsville, Tex.	1975
Appointed by Board of Governors:		
IRVING A. MATHEWS[1]	Chairman of the Board, Chief Executive Officer, Frost Bros., Inc., San Antonio, Tex.	1973
MARSHALL BOYKIN, III[2]	Partner, Wood, Boykin & Wolter, Corpus Christi, Tex.	1974
P. J. MORALES, JR.	Executive Vice President, General Manager, Morales Feedlots, Inc., Devine, Tex.	1975

District 12—FEDERAL RESERVE BANK OF SAN FRANCISCO

Class A:		
A. W. CLAUSEN	President, Chief Executive Officer, Bank of America NT&SA, San Francisco, Calif.	1973
CARL E. SCHROEDER	President, The First National Bank of Orange County, Orange, Calif.	1974
JAMES E. PHILLIPS	President, First National Bank in Port Angeles, Wash.	1975
Class B:		
MARRON KENDRICK	President, Chairman of the Board, Schlage Lock Company, San Francisco, Calif.	1973
CHARLES R. DAHL	President, Chief Executive Officer, Crown Zellerbach, San Francisco, Calif.	1974
JOSEPH ROSENBLATT	Honorary Chairman of the Board, The Eimco Corporation, Salt Lake City, Utah	1975

District 12—FEDERAL RESERVE BANK OF SAN FRANCISCO—Continued

		Term expires Dec. 31
Class C:		
O. MEREDITH WILSON[1]	President, Director, Center for Advanced Study in the Behavioral Sciences, Stanford, Calif.	1973
MAS OJI	President, Oji Bros. Farm, Inc., Yuba City, Calif.	1974
JOSEPH F. ALIBRANDI[2]	President, Whittaker Corporation, Los Angeles, Calif.	1975

LOS ANGELES BRANCH

Appointed by Federal Reserve Bank:

CARL E. HARTNACK	President, Security Pacific National Bank, Los Angeles, Calif.	1973
LINUS E. SOUTHWICK	President, Valley National Bank, Glendale, Calif.	1973
RAYBURN S. DEZEMBER	Chairman of the Board, President, American National Bank, Bakersfield, Calif.	1974
W. GORDON FERGUSON	President, National Bank of Whittier, Calif.	1975

Appointed by Board of Governors:

EDWARD A. SLOAN[1]	President, Sloan's Dry Cleaners, Los Angeles, Calif.	1973
RUTH HANDLER	President, Mattel, Inc., Hawthorne, Calif.	1974
LELAND D. PRATT	President, Kelco Company, San Diego, Calif.	1975

PORTLAND BRANCH

Appointed by Federal Reserve Bank:

LEROY B. STAVER	Chairman of the Board, Chief Executive Officer, United States National Bank of Oregon, Portland, Oreg.	1973
FRANK L. SERVOSS	President, Crater National Bank of Medford, Oreg.	1974
JAMES H. STANARD	Vice President, First National Bank of McMinnville, Oreg.	1974

Appointed by Board of Governors:

FRANK ANDERSON[1]	Farmer, Heppner, Oreg.	1973
JOHN R. HOWARD	President, Lewis and Clark College, Portland, Oreg.	1974

SALT LAKE CITY BRANCH

Appointed by Federal Reserve Bank:

JOSEPH BIANCO	Chairman of the Board, President, Bank of Idaho, Boise, Idaho	1973
RODERICK H. BROWNING	President, Bank of Utah, Ogden, Utah	1974
ROY W. SIMMONS	President, Zions First National Bank, Salt Lake City, Utah	1974

Appointed by Board of Governors:

THEODORE C. JACOBSEN[1]	Chairman of the Board, Jacobsen Construction Company, Inc., Salt Lake City, Utah	1973
SAM H. BENNION	Secretary-Treasurer, V-1 Oil Company, Inc., and Weathertite Block Co., Idaho Falls, Idaho	1974

District 12—FEDERAL RESERVE BANK OF SAN FRANCISCO—Continued

SEATTLE BRANCH

Appointed by Federal Reserve Bank:

		Term expires Dec. 31
JOSEPH C. BAILLARGEON	Chairman of the Board, Chief Executive Officer, Seattle Trust & Savings Bank, Seattle, Wash.	1973
HARRY S. GOODFELLOW	President, Old National Bank of Washington, Spokane, Wash.	1974
ROBERT C. WHITWAM	President, American National Bank of Edmonds, Wash.	1974

Appointed by Board of Governors:

THOMAS T. HIRAI[1]	President, Quality Growers Company, Inc., Woodinville, Wash.	1973
C. HENRY BACON, JR.	Vice Chairman of the Board, Simpson Timber Company, Seattle, Wash.	1974

Announcements

CHANGES IN BOARD STAFF

The Board of Governors of the Federal Reserve System has announced the following changes and appointments, effective January 7, 1973:

Joseph R. Coyne, who has served as a Special Assistant to the Board since 1968, has been named an Assistant to the Board.

Robert S. Plotkin, who was appointed an Adviser in the Legal Division in January 1972, has been designated an Assistant General Counsel.

Griffith L. Garwood, Chief of the Truth-in-Lending Section, has been appointed an Adviser in the Division of Supervision and Regulation. Mr. Garwood, who received an LL.B. degree from the University of Michigan Law School, joined the Board's staff in 1968.

John Nicoll, who was appointed to the Board's staff in June 1972, has been named an Assistant General Counsel. A graduate of Yale Law School, Mr. Nicoll was with the Empire National Bank, Newburgh, New York, prior to his employment at the Board.

Andrew F. Oehmann, who joined the Board's staff in August 1972, has been appointed Special Assistant to the General Counsel. A graduate of Georgetown University Law School, Mr. Oehmann has engaged in the private practice of law in Washington, D.C., and was with the Department of Justice for a number of years.

In addition the Board has named Chester B. Feldberg, who is on loan to the Board, as an Assistant Secretary in the Office of the Secretary on a temporary basis, effective March 6. He replaces Michael A. Greenspan who resigned.

CHANGE IN THE DISCOUNT RATE

The Board of Governors on February 23, 1973, approved actions by the directors of the Federal Reserve Banks of New York, Philadelphia, St. Louis, and Kansas City increasing the discount rates of those Banks from 5 per cent to 5½ per cent, effective February 26.

A similar increase was approved for the Federal Reserve Banks of Cleveland, Atlanta, Richmond, Dallas, Chicago, and Minneapolis, effective February 27; for the Federal Reserve Bank of Boston, effective February 28; and for the Federal Reserve Bank of San Francisco, effective March 2. At that time, the rate was 5½ per cent at all Reserve Banks.

This action was taken in recognition of the recent rise in short-term open market interest rates which is an outgrowth of strong credit demands generated by continued rapid economic expansion. In this situation and in view of recent developments in the foreign exchange markets, the Board concluded that an increase in the discount rate—to bring it into closer alignment with short-term rates generally—was called for in furtherance of the objectives of economic stabilization.

CHANGE IN LABOR RELATIONS PANEL

The Board of Governors on March 6, 1973, announced a change in membership of the Federal Reserve System Labor Relations Panel. Effective immediately, Governor Jeffrey M. Bucher has been designated a Panel member replacing Governor George W. Mitchell.

The Federal Reserve System Labor Relations Panel, formed in January 1970 pursuant to Section J of the Board's Statement of Policy on Unionization and Collective Bargaining for the Federal Reserve Banks, is composed of one public member, Mr. William E. Simkin, who is the Panel Chairman, and two members of the Board of Governors, Governor J. Dewey Daane and Governor Bucher.

AUTO STATISTICS REVISION, 1960–72

The automobile credit statistics published in the Federal Reserve release G.26 (volume of auto credit extended, average size of note, and number financed) have been revised for the period 1960–72. The revision reflects benchmark revisions in the extensions data between 1965 and 1970 and the inclusion of a trading-day adjustment in the seasonally adjusted series. The revision also reflects discontinuance of an ad hoc adjustment that had been used to eliminate refinanced paper from the data. Tables of the revised data may be obtained from the Mortgage, Agricultural, and Consumer Finance Section, Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

National Summary of Business Conditions

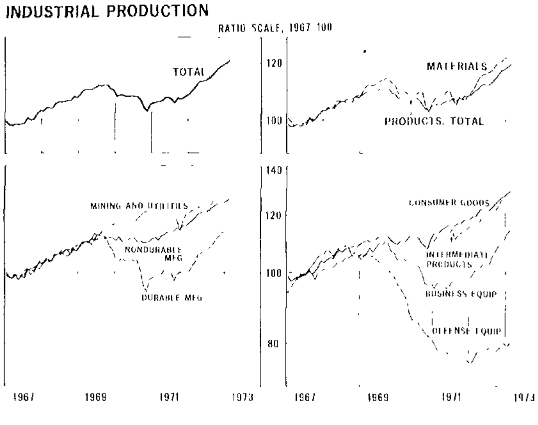
Released for publication March 16

Industrial production and nonfarm employment advanced further in February. Retail sales declined and the wholesale price index rose. Commercial bank credit, time and savings deposits, and the money stock increased. Between mid-February and mid-March, yields in the money and security markets rose.

INDUSTRIAL PRODUCTION

Industrial production increased 0.8 per cent in February following a 0.6 per cent rise in January. At 120.8 per cent (1967 = 100), the total index in February was 9.8 per cent above a year earlier. *Output gains were mainly in consumer goods and business equipment.*

INDUSTRIAL PRODUCTION



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

Auto assemblies rose 4 per cent and were at an annual rate of 10.1 million units. March production schedules indicate little change from the February level. *Output of furniture and most other home goods* rose in February and production of household appliances was maintained at record levels. Output of nondurable consumer goods increased further. Gains in production of business equipment were widespread and output of defense equipment also advanced. Production of industrial materials rose only marginally.

EMPLOYMENT

Nonfarm payroll employment rose substantially in February with strong gains in construction, durable goods manufacturing, trade, and services. The average factory workweek rebounded to 41.0 hours following declines in the two previous months. The unemployment rate edged up 0.1 percentage point to 5.1 per cent, as civilian labor force growth slightly outpaced employment gains.

RETAIL SALES

The value of retail sales declined 1 per cent in February but was almost 14 per cent above a year earlier, according to the advance report. Sales at durable goods stores were down somewhat and sales at nondurable goods stores were unchanged.

WHOLESALE AND CONSUMER PRICES

The wholesale price index, seasonally adjusted, increased 1.6 per cent between January and February. Farm and food products rose 3.2 per cent and industrial commodities rose 1.0 per cent as prices of both finished goods and industrial materials increased sharply.

The consumer price index rose 0.5 per cent, seasonally adjusted, in January as food costs spurted up 1.9 per cent. Other commodity prices were unchanged and service costs advanced a moderate 0.2 per cent. The January index was 3.7 per cent above a year earlier.

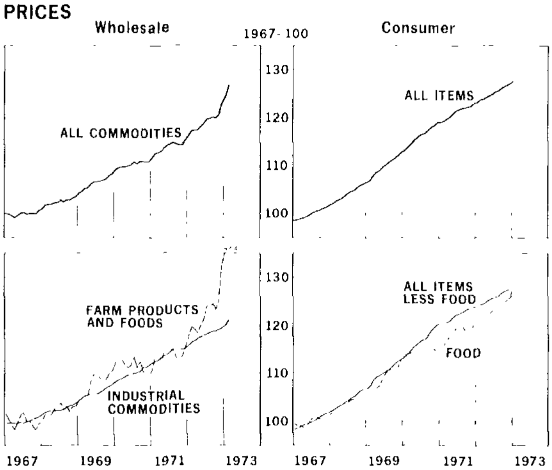
BANK CREDIT, DEPOSITS, AND RESERVES

Commercial bank credit, after adjustment for transfers of loans between banks and their affiliates, continued to rise rapidly in February, increasing at an annual rate of over 20 per cent. *Loan growth* was exceptionally sharp and reflected, in particular, further heavy borrowing by businesses. Consumer and real estate loans continued strong and loans to nonbank financial institutions also rose. Banks reduced substantially their holdings of U.S. Treasury securities and added only nominally to their holdings of other securities.

The narrowly defined money stock increased at an annual rate of 6.1 per cent in February following little change in January. Growth in time and savings deposits other than large negotiable CD's—at an annual rate of 5.7 per cent—was well below the pace of other recent months reflecting a substantial reduction in the rate of inflow of consumer type time and savings deposits. Sales of large CD's, however, were exceptionally heavy in February and outstanding holdings rose $4.5 billion.

Net borrowed reserves averaged about $1,380 million over the 4 weeks ending February 28 compared with $940 million in January. Member bank borrowings increased further and excess reserves declined somewhat.

PRICES



Bureau of Labor Statistics. "Farm products and foods" is BLS "Farm products, and processed foods and feeds." Latest figures: Consumer, January; Wholesale, February

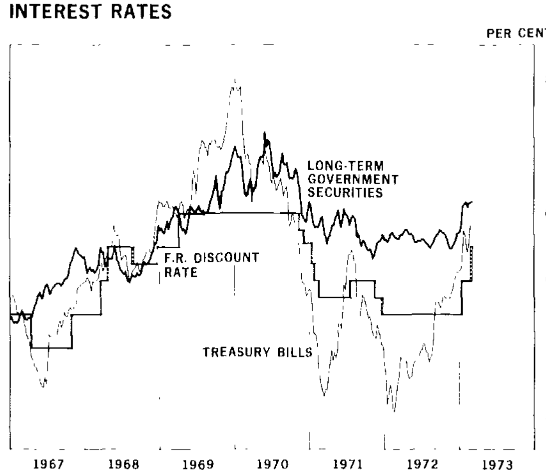
SECURITY MARKETS

Treasury bill rates rose by about 60 to 90 basis points between mid-February and mid-March. The 3-month bill was bid at around 6.05 per cent in the middle of March, compared with about 5.40 per cent a month earlier. Yields on intermediate-term Treasury coupon issues advanced by some 25 to 35 basis points, while long-term Government bond rates rose by 5 to 10 basis points.

Yields on recently offered and new long-term corporate and municipal securities increased on balance from mid-February to mid-March on a relatively light volume of offerings.

Common stock prices declined on moderate volume during the same period.

INTEREST RATES



Discount rate, range or level for all F.R. Banks. Weekly average market yields for U.S. Govt. bonds maturing in 10 years or more and for 90-day Treasury bills. Latest figures, week ending Mar. 10.

Financial and Business Statistics

CONTENTS

Continued on next page

U.S. STATISTICS—Continued

INTERNATIONAL STATISTICS:

TABLES PUBLISHED PERIODICALLY:

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							Gold stock	Special Drawing Rights certificate account	Treasury currency outstanding
	U.S. Govt. securities [1]			Loans	Float [2]	Other F.R. assets [3]	Total [4]			
	Total	Bought outright	Held under repurchase agreement							
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
1965—Dec.	40,885	40,772	113	490	2,349	...	43,853	13,799	...	5,565
1967—Dec.	48,891	48,810	81	238	2,030	...	51,268	12,436	...	6,777
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—Feb.	69,966	69,862	104	33	2,959	957	73,994	9,851	400	7,795
Mar.	69,273	69,133	140	99	2,948	780	73,181	9,588	400	7,859
Apr.	70,939	70,770	169	109	3,031	990	75,171	9,588	400	7,922
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.p	72,307	72,082	225	1,593	2,525	1,004	77,569	10,410	400	8,353
Week ending—										
1972—Dec. 6	71,335	70,788	547	589	2,503	1,062	75,582	10,410	400	8,283
13	70,910	70,547	363	805	3,016	1,083	75,903	10,410	400	8,290
20	71,399	71,014	385	1,221	3,217	1,144	77,088	10,410	400	8,294
27	70,646	70,646	...	1,118	4,636	1,186	77,656	10,410	400	8,299
1973—Jan. 3	71,737	71,150	587	1,751	4,046	1,255	78,912	10,410	400	8,303
10	71,629	71,573	56	688	4,557	1,276	78,233	10,410	400	8,314
17	71,949	71,555	394	1,298	3,773	1,311	78,434	10,410	400	8,319
24	72,092	71,555	537	1,097	2,830	1,383	77,503	10,410	400	8,326
31	72,957	72,343	614	1,309	1,653	1,373	77,411	10,410	400	8,331
Feb. 7	71,973	71,905	68	1,232	2,596	1,322	77,207	10,410	400	8,343
14	72,058	71,884	174	1,991	2,170	1,337	77,664	10,410	400	8,347
21p	72,569	72,083	486	1,670	2,716	662	77,862	10,410	400	8,352
28p	72,629	72,457	172	1,479	2,701	694	77,626	10,410	400	8,371
End of month										
1972—Dec.	71,230	[6] 71,119	111	1,981	3,974	1,260	78,551	10,410	400	8,313
1973—Jan.	73,394	[6] 72,444	950	1,310	2,383	1,339	78,567	10,410	400	8,343
Feb.p	73,947	[6] 73,286	661	1,565	2,483	735	78,963	10,410	400	8,386
Wednesday										
1972—Dec. 6	70,741	[6,7] 70,231	510	274	3,702	1,149	75,947	10,410	400	8,285
13	72,867	[6] 71,180	1,687	995	4,190	1,144	79,363	10,410	400	8,294
20	71,374	[6,7] 70,741	633	1,442	4,063	1,175	78,212	10,410	400	8,294
27	69,545	[6,7] 69,545	...	1,435	4,103	1,219	76,371	10,410	400	8,302
1973—Jan. 3	73,615	[6] 71,361	2,254	891	4,146	1,274	80,119	10,410	400	8,305
10	71,509	[6] 71,509	...	830	4,627	1,302	78,344	10,410	400	8,316
17	72,275	[6] 71,616	659	1,072	4,399	1,380	79,274	10,410	400	8,320
24	73,298	[6] 71,768	1,530	2,008	2,899	1,522	79,868	10,410	400	8,328
31	73,394	[6] 72,444	950	1,310	2,383	1,339	78,567	10,410	400	8,343
Feb. 7p	70,399	[6,7] 70,399	...	967	3,265	1,304	76,016	10,410	400	8,347
14p	72,519	[6] 71,884	635	2,766	2,423	1,397	79,335	10,410	400	8,347
21p	72,116	[6,7] 71,928	188	393	2,836	671	76,195	10,410	400	8,355
28p	73,947	[6] 73,286	661	1,565	2,483	735	78,963	10,410	400	8,386

For notes see 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[8]	
										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.
42,206	808	683	154	231	389	....	18,747	3,972	22,719	1965—Dec.
47,000	1,428	902	150	451	−204	....	20,753	4,507	25,260	1967—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.
59,681	436	2,421	172	683	....	2,273	26,374	5,548	31,922	1972—Feb.
60,137	388	933	170	597	....	2,247	26,555	5,366	31,921	Mar.
60,717	405	1,688	200	615	....	2,313	27,144	5,421	32,565	Apr.
61,182	573	2,170	185	574	....	2,289	27,347	5,465	32,812	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	[8] 31,774	Nov.[8]
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	25,401	6,032	31,712	Feb.[p]
										Week ending—
65,175	349	1,098	241	611	....	2,510	24,691	5,868	[8]31,009	1972—Dec. 6[8]
65,874	356	1,350	252	662	....	2,318	24,191	6,427	31,068	13
66,191	352	1,389	278	578	....	2,335	25,069	5,889	31,408	20
66,575	346	1,689	280	591	....	2,385	24,899	6,092	31,441	27
66,553	346	1,715	322	767	....	2,213	26,109	6,216	32,604	1973—Jan. 3
66,023	350	1,707	287	673	....	2,254	26,064	6,163	32,506	10
65,493	366	1,664	291	606	....	2,326	26,817	6,913	34,009	17
64,809	372	2,303	306	614	....	2,411	25,823	6,409	32,511	24
64,229	377	2,671	278	636	....	2,535	25,825	6,452	32,556	31
64,277	378	3,018	277	639	....	2,598	25,175	6,380	31,834	Feb. 7
64,673	378	3,233	290	614	....	2,396	25,238	6,296	31,813	14
64,743	385	2,501	270	657	....	2,430	26,038	5,659	31,976	21[p]
64,565	389	3,071	372	671	....	2,506	25,234	5,793	31,306	28[p]
										End of month
66,516	345	1,855	325	840	....	2,143	25,647	6,216	[8]32,142	1972—Dec.[8]
64,312	372	2,747	310	674	....	2,576	26,727	6,452	33,458	1973—Jan.
64,692	390	2,073	455	633	....	2,574	27,342	5,793	33,414	Feb.[p]
										Wednesday
65,682	361	1,188	284	547	....	2,590	24,390	5,868	[8]30,708	1972—Dec. 6[8]
66,237	359	1,525	259	612	....	2,318	27,157	6,427	34,034	13
66,545	359	1,145	271	546	....	2,364	26,087	5,889	32,426	20
66,990	361	2,264	296	657	....	2,399	22,516	6,092	29,058	27
66,526	343	1,048	320	713	....	2,252	28,033	6,216	34,528	1973—Jan. 3
65,933	363	1,961	305	845	....	2,270	25,793	6,163	32,235	10
65,313	376	1,842	288	633	....	2,367	27,586	6,913	34,778	17
64,603	386	2,207	264	593	....	2,459	28,494	6,409	35,182	24
64,312	372	2,747	310	674	....	2,576	26,727	6,452	33,458	31
64,612	385	3,253	245	651	....	2,612	23,415	6,380	30,074	Feb. 7[p]
64,923	388	2,809	332	615	....	2,468	26,958	6,296	33,533	14[p]
64,868	396	3,358	275	681	....	2,461	23,321	5,659	29,259	21[p]
64,692	390	2,073	455	633	....	2,574	27,342	5,793	33,414	28[p]

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..

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

7 Reflects securities sold, and scheduled to be bought back, under matched sale/purchase transactions.

8 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..

RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks					Reserve city banks[3] — New York City					Reserve city banks[3] — City of Chicago				
	Reserves			Borrowings at F.R. Banks	Free reserves[1]	Reserves			Borrowings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves
	Total held[1]	Required[2]	Excess[1]			Total held	Required[2]	Excess			Total held	Required[2]	Excess		
1939—Dec.	11,473	6,462	5,011	3	5,008	5,623	3,012	2,611	....	2,611	1,141	601	540	....	540
1941—Dec.	12,812	9,422	3,390	5	3,385	5,142	4,153	989	....	989	1,143	848	295	....	295
1945—Dec.	16,027	14,536	1,491	334	1,157	4,118	4,070	48	192	-144	939	924	14	....	14
1950—Dec.	17,391	16,364	1,027	142	885	4,742	4,616	125	58	67	1,199	1,191	8	5	3
1960—Dec.	19,283	18,527	756	87	669	3,687	3,658	29	19	10	958	953	4	8	-4
1965—Dec.	22,719	22,267	452	454	-2	4,301	4,260	41	111	-70	1,143	1,128	15	23	-8
1967—Dec.	25,260	24,915	345	238	107	5,052	5,034	18	40	-22	1,225	1,217	8	13	-5
1968—Dec.	27,221	26,766	455	765	-310	5,157	5,057	100	230	-130	1,199	1,184	15	85	-70
1969—Dec.	28,031	27,774	257	1,086	-829	5,441	5,385	56	259	-203	1,285	1,267	18	27	-9
1970—Dec.	29,265	28,993	272	321	-49	5,623	5,589	34	25	9	1,329	1,322	7	4	3
1971—Dec.	31,329	31,164	165	107	58	5,774	5,749	25	35	-10	1,426	1,425	1	8	-7
1972—Feb.	31,922	31,798	124	33	91	5,775	5,807	-32	5	-37	1,446	1,442	4	....	4
Mar.	31,921	31,688	233	99	134	5,815	5,758	57	71	-14	1,434	1,443	-9	4	-13
Apr.	32,565	32,429	136	109	27	5,938	5,940	-2	48	-50	1,482	1,476	6	5	1
May	32,812	32,708	104	119	-15	6,045	6,031	14	50	-36	1,514	1,505	9	12	-3
June	32,539	32,335	204	94	110	5,956	5,922	34	6	28	1,488	1,489	-1	....	-1
July	33,021	32,874	147	202	-55	6,129	6,097	32	15	17	1,510	1,502	8	6	2
Aug.	33,148	32,893	255	438	-183	6,000	5,994	6	116	-110	1,510	1,500	10	11	-1
Sept.	33,003	32,841	162	514	-352	5,981	5,952	29	136	-107	1,512	1,513	-1	12	-13
Oct.	33,803	33,556	247	574	-327	6,148	6,087	61	59	2	1,564	1,542	22	45	-23
Nov.[1]	31,774	31,460	314	606	-292	5,927	5,923	4	64	-60	1,438	1,452	-14	19	-33
Dec.	31,353	31,134	219	1,049	-830	6,005	6,025	-20	301	-321	1,492	1,479	13	55	-42
1973—Jan.	32,962	32,620	342	1,165	-823	6,535	6,440	95	193	-98	1,563	1,561	2	108	-106
Feb.p	31,712	31,537	175	1,593	-1,418	6,128	6,142	-14	324	-338	1,486	1,499	-13	105	-118
Week ending—															
1972—Feb. 2	32,435	32,190	245	16	229	5,936	5,880	56	....	56	1,460	1,451	9	....	9
9	31,892	31,842	50	42	8	5,733	5,825	-92	22	-114	1,439	1,445	-6	....	-6
16	32,257	31,946	311	18	293	6,078	5,895	183	....	183	1,450	1,466	-16	....	-16
23	31,823	31,693	130	14	116	5,686	5,789	-103	....	-103	1,453	1,427	26	....	26
Aug. 2	33,139	32,897	242	363	-121	6,052	6,051	1	144	-143	1,485	1,498	-13	11	-24
9	33,133	33,003	130	287	-157	6,037	6,038	-1	39	-40	1,533	1,518	15	35	-20
16	33,326	33,072	254	382	-128	6,138	6,102	36	76	-40	1,503	1,516	-13	....	-13
23	32,822	32,782	40	348	-308	5,860	5,935	-75	79	-154	1,497	1,485	12	....	-12
30	32,978	32,751	227	477	-250	5,986	5,901	85	86	-1	1,472	1,482	-10	....	-10
Sept. 6	33,362	32,566	796	837	-41	6,213	5,885	328	260	68	1,568	1,488	80	4	76
13	32,520	32,635	-115	149	-264	5,866	5,949	-83	....	-83	1,483	1,516	-33	4	-37
20	33,017	32,811	206	717	-511	6,032	5,981	51	345	-294	1,557	1,528	29	28	1
27	33,053	33,016	37	550	-513	5,870	5,919	-49	59	-108	1,465	1,497	-32	17	-49
Oct. 4	33,731	33,501	230	436	-206	6,154	6,107	47	47	....	1,589	1,563	26	39	-13
11	33,710	33,352	358	535	-177	6,100	6,088	12	36	-24	1,570	1,547	23	77	-54
18	34,098	33,977	121	434	-313	6,312	6,295	17	....	17	1,560	1,591	-31	17	-48
25	33,555	33,405	150	765	-615	5,937	5,976	-39	185	-224	1,526	1,501	25	62	-37
Nov. 1	33,704	33,499	205	555	-350	6,002	5,964	38	2	36	1,499	1,514	-15	7	-22
8	33,694	33,570	124	959	-835	6,037	6,069	-32	192	-224	1,546	1,526	20	31	-11
15[1]	32,132	31,346	786	494	292	6,267	6,071	196	....	196	1,465	1,476	-11	11	-22
22	30,539	30,350	189	419	-230	5,845	5,863	-18	1	-19	1,421	1,395	26	15	11
29	30,728	30,388	340	572	-232	5,709	5,683	26	80	-54	1,374	1,404	-30	23	-53
Dec. 6	31,009	30,673	336	589	-253	5,930	5,909	21	43	-22	1,487	1,454	33	75	-42
13	31,068	30,824	244	805	-561	5,933	5,909	24	206	-182	1,438	1,462	-24	13	-37
20	31,408	31,202	206	1,221	-1,015	6,111	6,094	17	422	-405	1,511	1,477	34	21	13
27	31,441	31,252	189	1,118	-929	5,929	5,966	-37	278	-315	1,475	1,474	1	....	1
1973—Jan. 3	32,604	32,044	560	1,751	-1,191	6,535	6,386	149	713	-564	1,570	1,560	10	279	-269
10	32,506	32,380	126	688	-562	6,431	6,452	-21	66	-87	1,555	1,565	-10	19	-29
17	34,009	33,668	341	1,298	-957	6,829	6,783	46	201	-155	1,670	1,653	17	189	-172
24	32,511	32,545	-34	1,097	-1,131	6,254	6,336	-82	260	-342	1,502	1,528	-26	19	-45
31	32,556	32,103	453	1,309	-856	6,413	6,209	204	....	204	1,511	1,496	15	110	-95
Feb. 7	31,834	31,687	147	1,232	-1,085	6,048	6,126	-78	221	-299	1,491	1,498	-7	16	-23
14	31,813	31,625	188	1,991	-1,803	6,217	6,218	-1	709	-710	1,536	1,519	17	178	-161
21p	31,976	31,530	446	1,670	-1,224	6,364	6,216	148	155	-7	1,513	1,504	9	104	-95
28p	31,306	31,306	....	1,479	-1,479	5,909	6,007	-98	211	-309	1,444	1,474	-30	122	-152

For notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS—Continued

(In millions of dollars)

Other reserve city banks[3]					Country banks[3]					Period
Reserves			Borrowings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves	
Total held	Required[2]	Excess			Total held	Required[2]	Excess			
3,140	1,953	1,188	....	1,188	1,568	897	671	3	668	1939—Dec.
4,317	3,014	1,303	1	1,302	2,210	1,406	804	4	800	1941—Dec.
6,394	5,976	418	96	322	4,576	3,566	1,011	46	965	1945—Dec.
6,689	6,458	232	50	182	4,761	4,099	663	29	634	1950—Dec.
7,950	7,851	100	20	80	6,689	6,066	623	40	583	1960—Dec.
9,056	8,989	67	228	-161	8,219	7,889	330	92	238	1965—Dec.
10,081	10,031	50	105	-55	8,901	8,634	267	80	187	1967—Dec.
10,990	10,900	90	270	-180	9,875	9,625	250	180	70	1968—Dec.
10,970	10,964	6	479	-473	10,335	10,158	177	321	-144	1969—Dec.
11,548	11,506	42	264	-222	10,765	10,576	189	28	161	1970—Dec.
12,198	12,233	-35	22	-57	11,931	11,757	174	42	132	1971—Dec.
12,578	12,573	5	12	-7	12,123	11,976	147	16	131	1972—Feb.
12,559	12,533	26	9	17	12,113	11,954	159	15	144	Mar.
12,820	12,804	16	22	-6	12,325	12,209	116	34	82	Apr.
12,874	12,898	-24	31	-55	12,379	12,274	105	26	79	May
12,746	12,739	7	40	-33	12,349	12,185	164	48	116	June
12,849	12,890	-41	64	-105	12,533	12,385	148	117	31	July
12,980	12,908	72	134	-62	12,658	12,491	167	177	-10	Aug.
12,805	12,807	-2	195	-197	12,705	12,569	136	171	-35	Sept.
13,131	13,107	24	240	-216	12,960	12,820	140	230	-90	Oct.
12,057	12,058	-1	248	-249	12,022	12,027	-5	275	-280	Nov.[1]
11,729	11,771	-42	429	-471	11,699	11,859	-160	264	-424	Dec.
12,237	12,270	-33	578	-611	12,348	12,349	-1	286	-287	1973—Jan.
11,828	11,859	-31	694	-725	11,991	12,037	-46	470	-516	Feb.p
										Week ending—
12,686	12,688	-2	....	2	12,353	12,171	182	16	166	1972—Feb. 2
12,577	12,567	10	....	10	12,143	12,005	138	20	118	9
12,602	12,636	-34	1	-35	12,127	11,949	178	17	161	16
12,583	12,537	46	....	46	12,101	11,940	161	14	147	23
12,942	12,870	72	96	-24	12,660	12,478	182	112	70	Aug. 2
12,982	13,005	-23	95	-118	12,581	12,442	139	118	21	9
13,039	12,990	49	170	-121	12,646	12,464	182	136	46	16
12,837	12,844	-7	95	-102	12,628	12,518	110	174	-64	23
12,810	12,829	-19	120	-139	12,710	12,539	171	271	-100	30
12,914	12,720	194	329	-135	12,667	12,473	194	244	-50	Sept. 6
12,614	12,744	-130	13	-143	12,557	12,426	131	132	-1	13
12,766	12,775	-9	241	-250	12,662	12,527	135	103	32	20
12,885	12,867	18	260	-242	12,833	12,733	100	214	-114	27
13,058	13,057	1	125	-124	12,930	12,774	156	225	69	Oct. 4
13,174	13,033	141	229	-88	12,866	12,684	182	193	-11	11
13,286	13,322	-36	233	-269	12,940	12,769	171	184	-13	18
13,114	13,046	68	272	-204	12,978	12,882	96	246	-150	25
13,061	13,042	19	261	-242	13,142	12,979	163	285	-122	Nov. 1
13,009	13,049	-40	447	-487	13,102	12,926	176	289	-113	8
12,281	12,190	91	192	-101	11,669	11,609	60	291	231	15[1]
11,328	11,415	-87	136	-223	11,495	11,677	-182	267	-449	22
11,502	11,508	-6	226	-232	11,693	11,793	-100	243	-343	29
11,502	11,544	-42	118	-160	11,640	11,766	-126	353	-479	Dec. 6
11,632	11,666	-34	300	-334	11,615	11,787	-172	286	-458	13
11,728	11,808	-80	514	-594	11,608	11,823	-215	264	-479	20
11,793	11,874	-81	654	-735	11,794	11,938	-144	186	-330	27
12,135	12,052	83	525	-442	12,085	12,046	39	234	-195	1973—Jan. 3
12,075	12,182	-107	420	-527	12,166	12,181	-15	183	-198	10
12,718	12,742	-24	635	-659	12,513	12,490	23	273	-250	17
12,061	12,226	-165	511	-676	12,415	12,455	-40	307	-347	24
12,034	12,044	-10	806	-816	12,319	12,354	-35	393	-428	31
11,883	11,906	-23	584	-607	12,133	12,157	-24	411	-435	Feb. 7
11,822	11,897	-75	664	-739	11,959	11,991	-32	440	-472	14
11,820	11,817	3	928	-925	12,000	11,993	7	483	-476	21p
11,768	11,814	-46	598	-644	11,906	12,011	-105	548	-653	28p

[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.

[2] Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.

[3] As of Nov. 9, 1972, the definition of reserve city and country banks was changed (see July 1972 BULLETIN, p. 626). The classifications employed here are the same as prior to the change in definition, so these series are continuous over time.

NOTE.—Averages of daily figures. Monthly data are averages of daily figures within the calendar month; they are not averages of the 4 or 5 weeks ending on Wed. that fall within the month. Beginning with Jan. 1964 reserves are estimated except for weekly averages.

Total reserves held: Based on figures at close of business through Nov. 1959; thereafter on closing figures for balances with F.R. Banks and opening figures for allowable cash; see also note 3 to preceding table.

Required reserves: Based on deposits as of opening of business each day.

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

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													
1973—Jan. 3	−18	1,280	8,775	−10,073	70.5	14,258	5,483	4,302	9,956	1,181	2,307	199	2,108
10	42	266	10,887	−11,111	77.7	15,949	5,062	4,181	11,768	881	2,221	93	2,128
17	30	765	10,551	−11,287	75.0	14,972	4,421	3,486	11,487	935	1,851	248	1,603
24	−98	439	9,542	−10,079	71.5	14,217	4,675	3,644	10,573	1,031	1,724	455	1,268
31	195	479	7,879	−8,163	58.9	13,035	5,156	4,167	8,868	989	1,629	388	1,241
Feb. 7	73	424	8,743	−9,093	66.5	13,854	5,111	4,161	9,693	950	2,010	307	1,703
14	31	1,239	8,963	−10,171	73.3	15,062	6,099	4,390	10,672	1,709	1,628	362	1,266
21	257	710	8,957	−9,410	68.1	15,767	6,809	4,670	11,097	2,140	1,492	445	1,048
28	31	591	8,897	−9,457	69.7	14,394	5,497	4,131	10,263	1,366	2,069	373	1,696
8 in New York City													
1973—Jan. 3	136	626	4,467	−4,957	86.1	5,072	605	605	4,467	....	1,650	57	1,594
10	61	66	5,184	−5,189	89.2	5,768	584	584	5,184	....	1,521	52	1,469
17	59	173	5,129	−5,243	85.8	5,646	517	517	5,129	....	1,207	84	1,123
24	−29	252	4,199	−4,480	78.7	5,053	854	854	4,199	....	1,184	149	1,035
31	161	....	3,485	−3,324	59.7	4,572	1,086	1,068	3,504	19	1,112	145	967
Feb. 7	8	172	3,523	−3,686	66.9	4,452	929	929	3,523	....	1,287	169	1,118
14	−5	677	4,906	−4,906	87.4	5,211	988	987	4,224	....	1,157	220	937
21	155	100	4,582	−4,527	80.5	5,621	1,039	915	4,706	124	1,021	253	768
28	−20	138	3,470	−3,628	67.0	4,478	1,008	908	3,570	99	1,391	247	1,144
38 outside New York City													
1973—Jan. 3	−154	655	4,307	−5,116	60.0	9,186	4,879	3,697	5,489	1,181	656	142	515
10	−20	200	5,703	−5,923	69.8	10,181	4,478	3,597	6,584	881	700	41	659
17	−30	593	5,422	−6,044	67.7	9,326	3,904	2,969	6,357	935	644	164	480
24	−69	187	5,343	−5,599	66.6	9,164	3,821	2,790	6,374	1,031	540	306	234
31	34	479	4,394	−4,839	58.4	8,464	4,070	3,100	5,364	970	517	243	274
Feb. 7	65	252	5,220	−5,407	66.1	9,402	4,182	3,232	6,170	950	724	139	585
14	36	562	4,740	−5,265	63.8	9,851	5,111	3,403	6,448	1,709	471	143	329
21	102	610	4,376	−4,883	59.5	10,146	5,770	3,755	6,391	2,016	472	192	280
28	50	453	5,427	−5,829	71.5	9,916	4,489	3,223	6,693	1,266	678	126	552
5 in City of Chicago													
1973—Jan. 3	17	279	1,544	−1,805	124.2	2,067	523	460	1,607	63	164	....	164
10	4	18	1,997	−2,012	138.1	2,837	840	801	2,035	38	174	....	174
17	12	189	2,023	−2,200	142.9	2,690	667	627	2,063	40	175	....	175
24	−7	18	2,176	−2,202	155.3	2,692	515	489	2,203	27	165	....	165
31	4	99	1,558	−1,652	119.1	2,322	765	739	1,583	26	123	....	123
Feb. 7	4	7	2,112	−2,115	152.1	2,746	635	635	2,112	....	128	....	128
14	21	163	2,314	−2,456	174.0	2,874	561	556	2,318	4	157	....	157
21	22	93	2,019	−2,089	149.4	2,798	780	767	2,032	13	227	....	227
28	−11	107	2,140	−2,258	165.2	2,819	679	679	2,140	....	320	....	320
33 others													
1973—Jan. 3	−171	376	2,764	−3,311	46.8	7,119	4,355	3,237	3,882	1,118	492	142	350
10	−23	182	3,706	−3,911	55.7	7,345	3,639	2,796	4,549	843	526	41	485
17	−42	403	3,399	−3,844	52.0	6,637	3,238	2,342	4,295	895	468	164	364
24	−62	169	3,167	−3,398	48.6	6,473	3,306	2,301	4,171	1,004	375	306	69
31	30	380	2,837	−3,186	46.2	6,142	3,305	2,360	3,781	945	393	243	151
Feb. 7	61	245	3,109	−3,292	48.5	6,656	3,547	2,598	4,058	950	596	139	457
14	16	399	2,426	−2,809	41.0	6,977	4,551	2,846	4,130	1,704	314	143	172
21	80	517	2,357	−2,793	41.1	7,347	4,990	2,988	4,359	2,003	245	192	53
28	62	346	3,287	−3,571	52.6	7,097	3,810	2,544	4,553	1,266	358	126	231

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 carryover 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]			Loans to member banks— Under Sec. 10(b) [2]			Loans to all others under last par. Sec. 13 [3]		
	Rate on Feb. 28, 1973	Effective date	Previous rate	Rate on Feb. 28, 1973	Effective date	Previous rate	Rate on Feb. 28, 1973	Effective date	Previous rate
Boston	5½	Feb. 28, 1973	5	6	Feb. 28, 1973	5½	[4] 7½	Feb. 28, 1973	7
New York	5½	Feb. 26, 1973	5	6	Feb. 26, 1973	5½	7½	Feb. 26, 1973	7
Philadelphia	5½	Feb. 26, 1973	5	6	Feb. 26, 1973	5½	7½	Feb. 26, 1973	7
Cleveland	5½	Feb. 27, 1973	5	6	Feb. 27, 1973	5½	7½	Feb. 27, 1973	7
Richmond	5½	Feb. 27, 1973	5	6	Feb. 27, 1973	5½	[4] 7½	Feb. 27, 1973	7
Atlanta	5½	Feb. 27, 1973	5	6	Feb. 27, 1973	5½	[4] 7½	Feb. 27, 1973	7
Chicago	5½	Feb. 27, 1973	5	6	Feb. 27, 1973	5½	[4] 7½	Feb. 27, 1973	7
St. Louis	5½	Feb. 26, 1973	5	6	Feb. 26, 1973	5½	[4] 7½	Feb. 26, 1973	7
Minneapolis	5½	Feb. 27, 1973	5	6	Feb. 27, 1973	5½	[4] 7½	Feb. 27, 1973	7
Kansas City	5½	Feb. 26, 1973	5	6	Feb. 26, 1973	5½	[4] 7½	Feb. 26, 1973	7
Dallas	5½	Feb. 27, 1973	5	6	Feb. 27, 1973	5½	[4] 7½	Feb. 27, 1973	7
San Francisco	5	Jan. 15, 1973	4½	5½	Jan. 15, 1973	5	7	Jan. 15, 1973	6½

[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 5½ per cent 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

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
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

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
1969—Apr. 4	5½–6	6
8	6	6
1970—Nov. 11	5¼–6	6
13	5¾–6	5¼
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
In effect Feb. 28, 1973	5 –5½	5½

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: Reserve city Over 5	Net demand: Other 0–5	Net demand: Other Over 5	Time[3] (all classes of banks): Savings	Time: Other time 0–5	Time: 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 Feb 28, 1973	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 balances above a specified base due from domestic offices to their foreign branches. Effective Jan. 7, 1971, the applicable reserve percentage was increased from the original 10 per cent to 20 per cent. Regulation D imposes a similar reserve requirement on borrowings above a specified base from foreign banks by domestic offices of a member bank. For details concerning these requirements, see Regulations D and M and appropriate supplements and amendments thereto.

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.

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.

MARGIN REQUIREMENTS

(Per cent of market value)

Period: Beginning date	Period: Ending date	For credit extended under Regulations T (brokers and dealers), U (banks), and G (others than brokers, dealers, or banks): On margin stocks T	On margin stocks U	On margin stocks G	On convertible bonds T	On convertible bonds U	On convertible bonds 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.

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	6¾
180 days to 1 year			6¼	7
1 year or more				7½

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 The rates in effect beginning Jan. 21 through June 23, 1970, were 6¼ per cent on maturities of 30–59 days and 6½ per cent on maturities of 60–89 days. Effective June 24, 1970, maximum interest rates on these maturities were suspended until further notice.

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.

DEPOSITS, CASH, AND RESERVES OF MEMBER BANKS

(In millions of dollars)

Four weeks ending Dec. 27, 1972

Item	All member banks	Reserve city banks: New York City	City of Chicago	Other [3]	Country banks [3]
Gross demand—Total	213,771	44,530	8,349	76,457	84,436
Interbank	26,572	12,698	1,344	9,280	3,250
U.S. Govt.	5,696	980	283	2,203	2,231
Other	181,504	30,852	6,723	64,974	78,955
Net demand [1]	164,589	28,958	6,737	58,211	70,683
Time	240,230	30,081	10,215	86,166	113,768
Demand balances due from domestic banks	14,967	4,147	143	3,045	7,632
Currency and coin	6,069	514	133	1,916	3,506
Balances with F.R. Banks	24,713	5,462	1,345	9,748	8,158
Total reserves held [2]	31,232	5,976	1,478	11,664	11,664
Required	*30,988*	*5,970*	*1,467*	*11,723*	*11,829*
Excess [2]	*244*	*6*	*11*	*59*	*-165*

Four weeks ending Jan. 24, 1973

Item	All member banks	Reserve city banks: New York City	City of Chicago	Other [3]	Country banks [3]
Gross demand—Total	220,422	45,452	8,589	78,753	87,629
Interbank	27,415	12,580	1,412	9,782	3,641
U.S. Govt.	6,471	953	298	2,628	2,592
Other	186,537	31,919	6,878	66,344	81,395
Net demand [1]	169,062	29,655	6,889	59,477	73,042
Time	243,421	30,431	10,211	87,327	115,452
Demand balances due from domestic banks	15,351	4,044	146	3,148	8,014
Currency and coin	6,426	532	141	2,052	3,700
Balances with F.R. Banks	26,203	5,980	1,433	10,195	8,595
Total reserves held [2]	32,908	6,512	1,574	12,247	12,295
Required	*32,659*	*6,489*	*1,577*	*12,301*	*12,293*
Excess [2]	*249*	*23*	*3*	*54*	*2*

1 Demand deposits subject to reserve requirements are gross demand deposits minus cash items in process of collection and demand balances due from domestic banks.

2 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.

3 As of Nov. 9, 1972, the definition of reserve city and country banks was changed (see July 1972 BULLETIN, p. 626). The classifications employed here are the same as prior to the change in definition, so these series are continuous over time.

NOTE.—Averages of daily figures, close of business.

CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1973					1973		1972
	Feb. 28	Feb. 21	Feb. 14	Feb. 7	Jan. 31	Feb. 28	Jan. 31	Feb. 29
Assets								
Gold certificate account	10,303	10,303	10,303	10,303	10,303	10,303	10,303	9,475
Special Drawing Rights certificate account	400	400	400	400	400	400	400	400
Cash	366	363	364	357	353	366	353	326
Loans:								
Member bank borrowings	1,565	393	2,766	967	1,310	1,565	1,310	6
Other	...	...	...	...	...	...	...	...
Acceptances:								
Bought outright	79	76	76	81	82	79	82	63
Held under repurchase agreements	154	103	154	...	59	154	59	...
Federal agency obligations:								
Bought outright	1,294	1,311	1,311	1,311	1,311	1,294	1,311	727
Held under repurchase agreements	33	34	41	...	61	33	61	...
U.S. Govt. securities:								
Bought outright:								
Bills	31,652	30,277	30,429	28,944	30,989	31,652	30,989	28,299
Certificates—Special	...	...	...	...	...	...	...	...
Other	...	...	...	...	...	...	...	...
Notes	36,839	36,839	36,681	36,681	36,681	36,839	36,681	36,034
Bonds	3,501	3,501	3,463	3,463	3,463	3,501	3,463	3,365
Total bought outright	[1]71,992	[1,2]70,617	[1]70,573	[1,2]69,088	[1]71,133	[1]71,992	[1]71,133	[1,2]67,698
Held under repurchase agreements	628	154	594	...	889	628	889	...
Total U.S. Govt. securities	72,620	70,771	71,167	69,088	72,022	72,620	72,022	67,698
Total loans and securities	75,745	72,688	75,515	71,447	74,845	75,745	74,845	68,494
Cash items in process of collection	[p]8,272	[p]9,883	9,117	8,963	8,264	[p]8,272	8,264	10,431
Bank premises	194	195	195	194	194	194	194	154
Other assets:								
Denominated in foreign currencies	4	4	4	6	92	4	92	17
All other	537	472	1,198	1,104	1,053	537	1,053	485
Total assets	[p]95,821	[p]94,308	97,096	92,774	95,504	[p]95,821	95,504	89,782
Liabilities								
F.R. notes	56,955	57,165	57,220	56,900	56,589	56,955	56,589	52,549
Deposits:								
Member bank reserves	[p]27,342	[p]23,321	26,958	23,415	26,727	[p]27,342	26,727	25,525
U.S. Treasurer—General account	2,073	3,358	2,809	3,253	2,747	2,073	2,747	884
Foreign	455	275	332	245	310	455	310	137
Other:								
All other	633	681	615	651	674	633	674	677
Total deposits	[p]30,503	[p]27,635	30,714	27,564	30,458	[p]30,503	30,458	27,223
Deferred availability cash items	5,789	7,047	6,694	5,698	5,881	5,789	5,881	7,716
Other liabilities and accrued dividends	695	648	729	641	675	695	675	521
Total liabilities	[p]93,942	[p]92,495	95,357	90,803	93,603	[p]93,942	93,603	88,009
Capital accounts								
Capital paid in	801	801	801	800	797	801	797	753
Surplus	793	793	793	793	793	793	793	742
Other capital accounts	285	219	145	378	311	285	311	278
Total liabilities and capital accounts	[p]95,821	[p]94,308	97,096	92,774	95,504	[p]95,821	95,504	89,782
Contingent liability on acceptances purchased for foreign correspondents	239	233	222	209	198	239	198	267
Marketable U.S. Govt. securities held in custody for foreign and international accounts	32,067	33,250	32,659	31,819	30,155	32,067	30,155	29,317
Federal Reserve Notes—Federal Reserve Agents' Accounts								
F.R. notes outstanding (issued to Bank)	61,476	61,593	61,608	61,708	61,931	61,476	61,931	56,759
Collateral held against notes outstanding:								
Gold certificate account	2,191	2,241	2,241	2,241	2,021	2,191	2,021	2,445
U.S. Govt. securities	61,370	61,320	61,320	61,385	61,625	61,370	61,625	56,025
Total collateral	63,561	63,561	63,561	63,626	63,646	63,561	63,646	58,470

[1] See note 6 on p. A-5.

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

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON FEBRUARY 28, 1973

(In millions of dollars)

Item	Total	Boston	New York	Phila-delphia	Cleve-land	Rich-mond	Atlan-ta	Chi-cago	St. Louis	Minne-apolis	Kan-sas City	Dallas	San Fran-cisco
Assets													
Gold certificate account	10,303	697	1,644	253	751	844	229	2,067	417	313	370	580	2,138
Special Drawing Rights certif. acct.	400	23	93	23	33	36	22	70	15	7	15	14	49
F.R. notes of other banks	1,560	194	315	56	88	131	271	107	26	26	31	74	241
Other cash	366	19	24	13	43	42	44	47	25	6	44	15	44
Loans:													
Secured by U.S. Govt. and agency obligations	1,557	81	635	43	56	60	67	239	48	57	82	10	179
Other	8	......	......	......	......	......	8	......	......	......	......	......	......
Acceptances:													
Bought outright	79	......	79	......	......	......	......	......	......	......	......	......	......
Held under repurchase agreements	154	......	154	......	......	......	......	......	......	......	......	......	......
Federal agency obligations:													
Bought outright	1,294	57	342	65	98	97	72	210	48	25	52	56	172
Held under repurchase agreements	33	......	33	......	......	......	......	......	......	......	......	......	......
U.S. Govt. securities:													
Bought outright	[1]71,992	3,162	19,021	3,630	5,427	5,374	3,979	11,678	2,682	1,400	2,910	3,129	9,600
Held under repurchase agreements	628	......	628	......	......	......	......	......	......	......	......	......	......
Total loans and securities	75,745	3,300	20,892	3,738	5,581	5,531	4,126	12,127	2,778	1,482	3,044	3,195	9,951
Cash items in process of collection	10,121	373	1,585	1,047	587	1,031	1,160	1,114	455	402	638	620	1,109
Bank premises	194	29	7	5	27	13	15	16	14	31	17	12	8
Other assets:													
Denominated in foreign currencies	44	2	[2]14	2	4	2	3	6	1	1	2	2	5
All other	497	22	120	33	33	35	26	66	16	11	20	33	82
Total assets	99,230	4,659	24,694	5,170	7,147	7,665	5,896	15,620	3,747	2,279	4,181	4,545	13,627
Liabilities													
F.R. notes	58,515	3,038	14,635	3,575	4,632	5,209	3,014	9,750	2,279	1,035	2,285	2,217	6,846
Deposits:													
Member bank reserves	27,342	1,057	7,149	979	1,607	1,280	1,677	4,076	857	700	1,069	1,553	5,338
U.S. Treasurer—General account	2,073	84	319	131	165	252	161	183	120	101	127	169	261
Foreign	455	15	[3]195	17	32	18	25	55	12	8	15	19	44
Other:													
All other	633	2	553	16	1	13	8	6	4	1	3	5	21
Total deposits	30,503	1,158	8,216	1,143	1,805	1,563	1,871	4,320	993	810	1,214	1,746	5,664
Deferred availability cash items	7,638	355	1,161	326	494	737	843	1,142	388	373	577	454	788
Other liabilities and accrued dividends	695	30	192	34	51	51	40	109	24	19	27	29	89
Total liabilities	97,351	4,581	24,204	5,078	6,982	7,560	5,768	15,321	3,684	2,237	4,103	4,446	13,387
Capital accounts													
Capital paid in	801	33	207	39	72	43	57	127	27	19	34	43	100
Surplus	793	34	207	39	72	42	55	124	27	18	33	43	99
Other capital accounts	285	11	76	14	21	20	16	48	9	5	11	13	41
Total liabilities and capital accounts	99,230	4,659	24,694	5,170	7,147	7,665	5,896	15,620	3,747	2,279	4,181	4,545	13,627
Contingent liability on acceptances purchased for foreign correspondents	239	10	[4]62	12	22	12	17	38	8	5	10	13	30

Federal Reserve Notes—Federal Reserve Agents' Accounts

Item	Total	Boston	New York	Phila-delphia	Cleve-land	Rich-mond	Atlan-ta	Chi-cago	St. Louis	Minne-apolis	Kan-sas City	Dallas	San Fran-cisco
F.R. notes outstanding (issued to Bank)	61,476	3,253	15,472	3,635	4,845	5,415	3,293	10,097	2,384	1,063	2,369	2,343	7,307
Collateral held against notes outstanding:													
Gold certificate account	2,191	280	......	200	350	501	......	700	155	......	......	5	......
U.S. Govt. securities	61,370	3,010	15,850	3,500	4,700	4,950	3,500	9,900	2,330	1,100	2,450	2,480	7,600
Total collateral	63,561	3,290	15,850	3,700	5,050	5,451	3,500	10,600	2,485	1,100	2,450	2,485	7,600

[1] See note 6 to table at bottom of p. A-5.

[2] After deducting $30 million participations of other Federal Reserve Banks.

[3] After deducting $260 million participations of other Federal Reserve Banks.

[4] After deducting $177 million participations of other Federal Reserve Banks.

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

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Month	Outright transactions in U.S. Govt. securities, by maturity											
	Total			Treasury bills			Others within 1 year			1–5 years		
	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Exch., maturity shifts, or redemptions	Gross purchases	Gross sales	Exch. or maturity shifts
1972—Jan.	915	248	110	499	248	110	16	....	....	187	....	....
Feb.	2,036	3,481	410	1,894	3,481	410	10	....	1,301	73	....	959
Mar.	2,009	298	155	1,829	298	155	11	....	....	92	....	....
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	....	....	....	....	....	....	....

Month	Outright transactions in U.S. Govt. securities—Continued						Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities	Federal agency obligations (net)		Bankers' acceptances		Net change[1]
	5–10 years			Over 10 years										
	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales		Outright	Repurchase agreements	Outright, net	Under repurchase agreements, net	
1972—Jan.	191	....	....	23	....	....	4,722	5,945	−666	165	−101	−4	−181	−787
Feb.	52	....	−2,260	8	....	....	1,694	1,694	−1,854	77	....	−12	....	−1,789
Mar.	31	....	....	47	....	....	2,695	2,022	2,229	83	16	19	61	2,408
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

[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
1968—Dec.	2,061	1,444	....	8	3	....	433	165	1	1	4	3
1969—Dec.	1,967	1,575	....	1	*	....	199	60	125	1	3	4
1970—Dec.	257	154	....	*	*	....	....	98	....	1	*	4
1971—Nov.	15	*	....	4	*	....	....	2	....	1	....	8
Dec.	18	3	....	3	*	....	....	2	....	1	....	8
1972—Jan.	17	3	....	3	*	....	....	2	....	1	....	8
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

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

(In millions of dollars)

Item	Wednesday					End of month		
	1973					1972		1973
	Feb. 28	Feb. 21	Feb. 14	Feb. 7	Jan. 31	Feb. 28	Jan. 31	Feb. 29
Loans—Total	1,565	393	2,765	967	1,310	1,565	1,310	6
Within 15 days	1,559	390	2,762	964	1,307	1,559	1,307	5
16 days to 90 days	6	3	3	3	3	6	3	1
91 days to 1 year	....	....	....	....	....	....	....	....
Acceptances—Total	233	179	230	81	141	233	141	63
Within 15 days	175	123	180	25	80	175	80	20
16 days to 90 days	58	56	50	56	61	58	61	43
91 days to 1 year	....	....	....	....	....	....	....	....
U.S. Government securities—Total	72,620	70,771	71,167	69,088	72,022	72,620	72,022	67,698
Within 15 days[1]	4,609	4,173	7,261	4,945	7,277	4,609	7,277	2,320
16 days to 90 days	20,753	20,414	20,043	15,244	15,674	20,753	15,674	17,134
91 days to 1 year	13,540	12,466	11,725	16,761	16,933	13,540	16,933	15,119
Over 1 year to 5 years	28,021	28,021	24,484	24,484	24,484	28,021	24,484	26,318
Over 5 years to 10 years	4,119	4,119	6,108	6,108	6,108	4,119	6,108	5,647
Over 10 years	1,578	1,578	1,546	1,546	1,546	1,578	1,546	1,160
Federal agency obligations—Total	1,327	1,345	1,352	1,311	1,372	1,327	1,372	727
Within 15 days[1]	47	52	59	....	61	47	61	....
16 days to 90 days	40	38	38	56	55	40	55	6
91 days to 1 year	191	199	199	199	199	191	199	186
Over 1 year to 5 years	611	618	618	618	597	611	597	366
Over 5 years to 10 years	247	247	247	247	269	247	269	99
Over 10 years	191	191	191	191	191	191	191	70

[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—Jan.	12,530.7	5,687.0	2,803.1	6,843.7	4,040.6	83.9	205.3	82.0	56.3	46.2
Feb.	13,027.1	6,013.9	2,913.1	7,013.2	4,100.2	84.5	205.1	82.6	56.2	45.7
Mar.	12,784.6	5,631.4	2,932.9	7,153.2	4,220.3	83.0	195.2	83.3	57.2	46.9
Apr.	13,168.5	5,801.4	3,053.1	7,367.0	4,313.9	85.6	202.1	87.3	58.9	47.8
May	13,399.4	5,939.2	3,148.8	7,460.1	4,311.3	85.5	200.8	89.8	58.7	46.9
June	13,280.3	5,780.8	3,096.4	7,499.5	4,403.1	84.7	199.9	88.1	58.6	47.5
July	12,994.2	5,633.0	2,996.3	7,361.2	4,364.9	82.3	194.4	84.2	57.1	46.7
Aug.	13,969.2	6,151.8	3,233.0	7,817.4	4,584.5	87.5	206.9	90.2	60.2	48.8
Sept.	14,022.8	6,285.1	3,191.0	7,737.6	4,546.6	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. r	14,783.6	6,604.8	3,495.4	8,178.7	4,683.4	90.7	215.7	95.5	61.8	48.9
1973—Jan.	15,629.5	6,855.4	3,764.7	8,774.1	5,009.4	95.0	224.0	101.5	65.5	51.7

[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							Large denomination currency						
		Total	Coin	$1 [2]	$2	$5	$10	$20	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—Jan.	59,429	40,388	6,774	2,281	135	3,083	8,900	19,215	19,042	5,261	13,337	202	235	2	4
Feb.	59,795	40,725	6,812	2,275	135	3,087	9,010	19,405	19,070	5,257	13,371	201	234	2	4
Mar.	60,388	41,182	6,860	2,279	135	3,106	9,110	19,692	19,205	5,275	13,490	200	233	2	4
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

[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, Jan. 31, 1973	Held in the Treasury			Held by F.R. Banks and Agents	Currency in circulation [1]		
		As security against gold and silver certificates	Treasury cash	For F.R. Banks and Agents		1973	1972	
						Jan. 31	Dec. 31	Jan. 31
Gold	10,410	(10,303)	107	....	....	....	....	....
Gold certificates	(10,303)	....	....	[2] 10,302	1	....	....	....
Federal Reserve notes	61,930	....	160	....	5,343	56,428	58,619	52,041
Treasury currency—Total	8,343	....	106	....	353	7,884	7,897	7,389
Standard silver dollars	764	....	45	....	44	675	671	581
Fractional coin	6,965	....	58	....	309	6,599	6,615	6,193
United States notes	323	....	3	....	....	320	320	321
In process of retirement [3]	291	....	....	....	....	290	291	294
Total—Jan. 31, 1973	[4] 80,683	(10,303)	372	10,302	5,697	64,312	....	....
Dec. 31, 1972	[4] 81,214	(10,303)	345	10,302	4,050	....	66,516	....
Jan. 31, 1972	[4] 74,855	(9,875)	505	9,874	5,046	....	....	59,429

[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: M_1 (Currency plus demand deposits)	Seasonally adjusted: M_2 (M_1 plus time deposits at coml. banks other than large time CD's) [1]	Seasonally adjusted: M_3 (M_2 plus deposits at nonbank thrift institutions) [2]	Not seasonally adjusted: M_1 (Currency plus demand deposits)	Not seasonally adjusted: M_2 (M_1 plus time deposits at coml. banks other than large time CD's) [1]	Not seasonally adjusted: M_3 (M_2 plus deposits at nonbank thrift institutions) [2]
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—Jan.	236.2	477.9	735.7	242.8	483.7	741.2
Feb.	239.1	483.9	746.0	236.5	481.3	742.9
Mar.	241.4	488.9	754.8	239.0	487.7	754.0
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	775.5
July	247.7	504.5	783.9	246.6	503.6	784.2
Aug.	248.6	508.4	791.5	245.5	505.1	788.2
Sept.	250.1	512.1	798.9	248.7	510.4	796.8
Oct.	251.6	516.4	806.9	251.2	515.2	805.1
Nov.	252.7	519.8	813.5	254.3	518.7	811.1
Dec.	255.5	525.1	821.8	262.9	530.3	826.3
1973—Jan.	255.4	527.9	828.2	262.6	534.1	834.0
Feb.p	256.7	530.5	834.1	254.0	527.8	830.9
Week ending—						
1973—Jan. 31	254.3	527.7	....	255.5	528.2	....
Feb. 7	256.3	529.0	....	255.8	528.2	....
14	256.4	530.4	....	254.6	528.5	....
21p	258.4	532.5	....	254.2	528.3	....
28p	255.7	529.9	....	251.3	526.0	....

COMPONENTS OF MONEY STOCK MEASURES AND RELATED ITEMS

(In billions of dollars)

Month or week	Seasonally adjusted: Currency	Seasonally adjusted: Commercial banks: Demand deposits	Seasonally adjusted: Commercial banks: Time and savings deposits: CD's [3]	Seasonally adjusted: Commercial banks: Time and savings deposits: Other	Seasonally adjusted: Commercial banks: Time and savings deposits: Total	Seasonally adjusted: Nonbank thrift institutions [4]	Not seasonally adjusted: Currency	Not seasonally adjusted: Commercial banks: Demand deposits	Not seasonally adjusted: Commercial banks: Time and savings deposits: CD's [3]	Not seasonally adjusted: Commercial banks: Time and savings deposits: Other	Not seasonally adjusted: Commercial banks: Time and savings deposits: Total	Not seasonally adjusted: Nonbank thrift institutions [4]	U.S. Govt. deposits [5]
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—Jan.	52.9	183.3	33.2	241.7	274.9	257.8	52.5	190.3	33.7	240.9	274.6	257.5	7.4
Feb.	53.2	185.8	33.7	244.8	278.6	262.1	52.6	184.0	33.6	244.8	278.4	261.6	7.4
Mar.	53.6	187.7	33.8	247.5	281.3	265.9	53.1	185.9	33.3	248.7	282.0	266.3	7.9
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	276.7	6.9
July	54.6	193.1	38.3	256.8	295.0	279.5	55.1	191.5	37.0	257.0	294.0	280.5	7.3
Aug.	54.8	193.8	39.1	259.8	298.9	283.1	55.1	190.5	39.9	259.6	299.5	283.1	5.3
Sept.	55.3	194.8	39.8	262.0	301.9	286.8	55.2	193.5	41.0	261.7	302.7	286.4	5.9
Oct.	55.7	195.9	40.0	264.8	304.8	290.5	55.7	195.5	41.9	264.0	305.9	289.9	6.6
Nov.	56.2	196.5	41.2	267.1	308.4	293.7	56.7	197.7	43.3	264.4	307.7	292.4	6.2
Dec.	56.8	198.7	43.2	269.6	312.8	296.7	57.8	205.0	44.3	267.5	311.7	295.9	7.3
1973—Jan.	57.0	198.4	44.4	272.5	316.9	300.3	56.7	205.9	45.1	271.5	316.6	300.0	8.0
Feb.p	57.5	199.3	48.8	273.7	322.6	303.7	56.7	197.3	48.6	273.8	322.4	303.1	9.6
Week ending—													
1973—Jan. 31	56.7	197.6	45.5	273.4	318.9	....	55.8	199.7	45.8	272.7	318.5	....	9.9
Feb. 7	57.4	198.9	47.3	272.8	320.1	....	56.7	199.1	47.1	272.4	319.5	....	8.6
14	57.4	199.0	48.2	274.0	322.2	....	57.0	197.6	48.0	273.9	321.8	....	9.0
21p	57.7	200.7	49.1	274.1	323.2	....	56.9	197.3	49.0	274.2	323.2	....	10.6
28p	57.3	198.4	50.7	274.2	324.9	....	56.3	195.0	50.5	274.7	325.2	....	10.4

[1] Includes, in addition to currency and demand deposits, savings deposits, time deposits open account, and time certificates of deposits other than negotiable time ~~certificates of deposit~~ issued in denominations of $100,000 or more by large weekly reporting commercial banks.

[2] Includes M_2, plus the average of the beginning and end of month deposits of mutual savings banks and savings and loan ~~shares.~~

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

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

[5] At all commercial banks.

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.

Average of daily figures. Money stock consists of (1) demand deposits at all commercial banks other than those due to domestic commercial banks and the 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 all commercial banks. Time deposits adjusted are time deposits at all commercial banks other than those due to domestic commercial banks and the U.S. Govt.

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		Total	Time and savings	Demand		S.A.	N.S.A.
							Private	U.S. Govt.			Private	U.S. Govt.		
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—Feb.....	31.64	31.60	31.49	29.33	365.7	215.9	145.2	4.6	365.7	215.9	143.7	6.1	369.3	369.3
Mar....	32.02	31.89	31.81	29.66	370.5	217.6	147.2	5.7	370.2	218.1	145.5	6.6	374.3	373.9
Apr.....	32.61	32.47	32.43	29.82	374.5	220.1	147.6	6.8	375.3	219.8	149.0	6.5	378.1	378.8
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.^{p}...	31.64	29.78	31.44	29.29	410.2	248.5	154.5	7.2	408.9	248.5	152.4	8.1	414.7	413.5

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. Required reserves 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. Data for 1968 are not comparable with later data due to the withdrawal from the System on Jan. 2, 1969, of a large member bank.

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[1,2]	Loans				Securities		Total loans and investments[1,2]	Loans				Securities	
		Total[1,2]	Plus loans sold[1,2,3]	Commercial and industrial		U.S. Treasury	Other[2]		Total[1,2]	Plus loans sold[1,2,3]	Commercial and industrial		U.S. Treasury	Other[2]
				Total	Plus loans sold[3]						Total	Plus loans sold[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—Feb. 23....	496.6	328.5	331.5	117.3	119.0	61.0	107.1	492.4	324.3	327.3	116.1	117.8	61.9	106.2
Mar. 29....	505.0	333.8	336.6	118.4	120.2	62.3	108.9	501.5	330.5	333.3	118.4	120.2	62.5	108.5
Apr. 26....	507.4	335.9	338.5	119.9	121.5	62.6	108.9	506.6	335.1	337.8	120.1	121.8	61.9	109.7
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^p....	521.9	348.4	350.7	121.4	122.9	62.3	111.2	522.0	350.9	353.3	122.3	123.7	59.6	111.5
Aug. 30^p....	529.8	356.2	358.6	123.9	125.4	61.4	112.3	526.5	354.5	356.9	122.2	123.8	59.3	112.6
Sept. 27^p....	535.3	360.0	362.3	124.6	126.0	62.0	113.3	534.6	360.6	362.9	124.2	125.7	60.3	113.7
Oct. 25^p....	540.4	367.2	369.4	126.7	128.2	59.9	113.3	540.2	365.5	367.7	125.8	127.3	60.9	113.8
Nov. 29^p...	549.4	373.6	376.1	128.2	129.9	60.6	115.1	549.4	371.8	374.3	127.6	129.2	63.2	114.4
Dec. 31^p....	554.2	376.6	379.2	129.1	130.8	62.0	115.6	568.1	385.6	388.2	132.5	134.2	66.6	115.9
1973—Jan. 31^p...	562.8	384.3	386.9	133.0	134.7	62.0	116.5	563.1	382.0	384.6	131.8	133.5	65.4	115.6
Feb. 28^p...	572.6	395.7	398.8	137.9	140.0	60.2	116.6	568.7	391.6	394.7	136.4	138.5	61.3	115.8

1 Adjusted to exclude domestic commercial interbank loans.

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

3 Loans sold outright by commercial banks to own subsidiaries, foreign branches, holding companies, and other affiliates.

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 this table beginning January 1959 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.—For monthly data on total loans and investments 1959–70, see Dec. 1971 BULLETIN, pp. 974–75. For monthly data, 1948–58, see Aug. 1968 BULLETIN, pp. A-94–A-97. For a description of the seasonally adjusted series see the following Bulletins: July 1962, pp. 797–802; July 1966, pp. 950–55; Sept. 1967, pp. 1511–17; and Dec. 1971, pp. 971–73. For monthly data on commercial and industrial loans, 1959–71, see July 1972 BULLETIN, p. A–109. For description of series, 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.

CONSOLIDATED CONDITION STATEMENT

(In millions of dollars)

Date	Assets									Total assets, net—Total liabilities and capital, net	Liabilities and capital	
	Gold stock and SDR certificates[1]	Treasury currency outstanding	Bank credit								Total deposits and currency	Capital and misc. accounts, net
			Total	Loans net[2]	U.S. Treasury securities				Other securities[4]			
					Total	Coml. and savings banks	Federal Reserve Banks	Other[3]				
1947—Dec. 31	22,754	4,562	160,832	43,023	107,086	81,199	22,559	3,328	10,723	188,148	175,348	12,800
1950—Dec. 30	22,706	4,636	171,667	60,366	96,560	72,894	20,778	2,888	14,741	199,008	184,384	14,624
1967—Dec. 30	11,982	6,784	468,943	282,040	117,064	66,752	49,112	1,200	69,839	487,709	444,043	43,670
1968—Dec 31	10,367	6,795	514,427	311,334	121,273	68,285	52,937	51	81,820	531,589	484,212	47,379
1969—Dec. 31[5]	10,367	6,849	532,663	335,127	115,129	57,952	57,154	23	82,407	549,879	485,545	64,337
1970—Dec. 31	11,132	7,149	580,899	354,447	127,207	64,814	62,142	251	99,245	599,180	535,157	64,020
1971—Dec. 31	10,532	7,627	650,677	386,010	141,547	68,198	70,804	2,545	123,120	668,837	604,415	64,423
1972—Feb. 23	10,000	7,800	643,300	381,000	136,600	65,200	68,900	2,500	125,700	661,100	592,900	68,200
Mar. 29	10,000	7,900	654,600	387,600	138,400	65,900	69,900	2,600	128,700	672,500	607,300	65,200
Apr. 26	10,000	7,900	661,800	392,200	139,100	65,300	71,300	2,600	130,400	679,700	613,800	65,900
May 31	10,800	8,000	667,900	396,800	138,900	64,700	71,600	2,600	132,100	686,700	621,200	65,500
June 30	10,810	8,066	677,406	406,823	137,579	63,655	71,334	2,590	133,004	696,282	630,098	66,184
July 26	10,800	8,100	677,400	407,600	136,400	63,000	70,900	2,600	133,300	696,300	629,800	66,500
Aug. 30p	10,800	8,200	682,000	411,100	136,100	62,700	70,800	2,600	134,800	701,000	631,700	69,200
Sept. 27p	10,800	8,200	690,900	419,500	135,200	63,700	69,000	2,600	136,100	709,900	641,700	68,200
Oct. 25p	10,800	8,200	695,100	420,300	138,600	64,400	71,400	2,800	136,200	714,100	647,200	66,900
Nov. 29p	10,800	8,300	705,000	429,400	138,600	66,600	69,200	2,800	137,000	724,100	657,100	67,000
Dec. 27p	10,800	8,300	721,900	444,400	139,200	68,200	68,200	2,800	138,300	741,100	677,600	63,500
1973—Jan. 31p	10,800	8,300	721,700	439,600	143,700	68,900	72,000	2,800	138,300	740,800	672,900	68,000
Feb. 28p	10,800	8,400	727,300	448,400	140,400	64,800	72,600	2,900	138,600	746,500	679,200	67,300

DETAILS OF DEPOSITS AND CURRENCY

Date	Money stock						Related deposits (not seasonally adjusted)							
	Seasonally adjusted[6]			Not seasonally adjusted			Time				Foreign, net[10]	U.S. Government		
	Total	Currency outside banks	Demand deposits adjusted[7]	Total	Currency outside banks	Demand deposits adjusted[7]	Total	Commercial banks[8]	Mutual savings banks[9]	Postal Savings System[3]		Treasury cash holdings	At coml. and savings banks	At F.R. Banks
1947—Dec. 31	110,500	26,100	84,400	113,597	26,476	87,121	56,411	35,249	17,746	3,416	1,682	1,336	1,452	870
1950—Dec. 30	114,600	24,600	90,000	117,670	25,398	92,272	59,246	36,314	20,009	2,923	2,518	1,293	2,989	668
1967—Dec. 30	181,500	39,600	141,900	191,232	41,071	150,161	242,657	182,243	60,414	....	2,179	1,344	5,508	1,123
1968—Dec. 31	199,600	42,600	157,000	207,347	43,527	163,820	267,627	202,786	64,841	....	2,455	695	5,385	703
1969—Dec. 31[5]	206,800	45,400	161,400	214,689	46,358	168,331	260,992	193,533	67,459	....	2,683	596	5,273	1,312
1970—Dec. 31	209,400	47,800	161,600	219,422	49,779	169,643	302,591	230,622	71,969	....	3,148	431	8,409	1,156
1971—Dec. 31	224,600	51,100	173,500	234,876	53,141	181,735	353,638	271,760	81,877	....	2,719	464	10,698	2,020
1972—Feb. 23	220,400	52,100	168,300	219,300	51,500	167,800	361,700	278,300	83,400	....	2,600	400	7,800	1,100
Mar. 29	230,300	52,600	177,700	227,200	52,100	175,100	367,000	282,100	84,900	....	2,500	400	9,200	900
Apr. 26	227,900	52,700	175,200	227,900	52,200	175,700	370,200	284,800	85,400	....	2,500	400	11,000	1,800
May 31	234,500	53,300	181,200	231,600	53,100	178,500	375,200	289,100	86,100	....	2,900	400	9,000	2,100
June 30	233,900	53,200	180,700	235,121	55,144	179,977	379,696	292,021	87,675	....	3,011	351	9,575	2,344
July 26	233,400	53,500	179,900	233,100	53,600	179,500	382,000	294,200	87,800	....	3,000	300	8,900	2,500
Aug. 30p	236,200	53,400	182,800	234,100	53,700	180,400	388,600	300,400	88,200	....	2,900	300	4,400	1,400
Sept. 27p	236,600	53,600	183,000	235,100	53,700	181,400	391,200	301,900	89,200	....	3,200	300	10,000	1,900
Oct. 25p	239,100	54,600	184,500	240,100	54,500	185,600	394,100	304,400	89,600	....	3,300	400	8,100	1,400
Nov. 29p	244,100	54,400	189,700	247,400	55,400	192,000	396,900	306,700	90,200	....	3,000	400	8,400	1,100
Dec. 27p	252,400	55,400	197,000	260,100	56,600	203,500	402,800	311,300	91,500	....	3,700	400	8,300	2,300
1973—Jan. 31p	244,100	56,000	188,100	247,300	55,200	192,100	408,200	315,900	92,300	....	3,400	400	10,900	2,700
Feb. 28p	246,700	56,400	190,300	245,400	55,700	189,700	415,900	323,200	92,700	....	3,500	400	11,900	2,100

[1] Includes Special Drawing Rights certificates beginning Jan. 1970.

[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-32. See footnote 1 on p. A-23.

[3] After June 30, 1967, Postal Savings System accounts were eliminated from this Statement.

[4] See second paragraph of note 2.

[5] Figures for this and later dates take into account the following changes (beginning June 30, 1969) for commercial banks: (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 note 1.

[6] Series began in 1946; data are available only for last Wed. of month.

[7] Other than interbank and U.S. Govt., less cash items in process of collection.

[8] See first paragraph of note 2.

[9] Includes relatively small amounts of demand deposits. Beginning with June 1961, also includes certain accounts previously classified as other liabilities.

[10] Reclassification of deposits of foreign central banks in May 1961 reduced this item by $1,900 million ($1,500 million to time deposits and $400 million to demand deposits).

NOTE.—For back figures and descriptions of the consolidated condition statement and the seasonally adjusted series on currency outside banks and demand deposits adjusted, see "Banks and the Monetary System," Section 1 of *Supplement to Banking and Monetary Statistics*, 1962, and BULLETINS for Jan. 1948 and Feb. 1960. Except on call dates, figures are partly estimated and are rounded to the nearest $100 million.

For description of substantive changes in official call reports of condition beginning June 1969, see BULLETIN for Aug. 1969, pp. 642–46.

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—Feb. 23...	511,360	343,300	61,860	106,200	96,130	631,330	524,280	31,050	2,990	7,270	204,080	278,890	29,190	47,050	13,799
Mar. 29...	522,790	351,800	62,500	108,490	91,220	639,000	526,150	26,430	2,950	8,740	205,420	282,610	32,850	47,450	13,806
Apr. 26...	525,660	354,120	61,860	109,680	95,040	645,410	533,270	26,140	2,870	10,470	208,490	285,300	31,630	47,780	13,823
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...	542,770	371,740	59,580	111,450	91,380	659,690	544,560	27,310	3,260	8,300	210,930	294,760	34,290	48,970	13,877
Aug. 30...	547,500	375,580	59,300	112,620	91,270	664,710	546,050	27,090	3,350	3,790	210,810	301,010	35,950	49,400	13,898
Sept. 27p..	555,750	381,740	60,290	113,720	90,810	673,100	555,480	26,880	3,890	9,430	212,730	302,550	33,400	49,720	13,910
Oct. 25p..	560,440	385,700	60,930	113,810	101,790	689,800	566,280	29,040	3,760	7,470	220,980	305,030	39,540	50,270	13,911
Nov. 29p..	573,170	395,540	63,210	114,420	90,270	691,600	570,560	27,060	3,920	7,700	224,480	307,400	38,350	50,730	13,924
Dec. 27p..	589,990	409,790	64,670	115,530	97,730	716,920	595,730	30,230	4,030	7,660	241,790	312,020	38,540	51,150	13,927
1973—Jan. 31p..	588,880	407,830	65,410	115,640	94,750	712,580	586,540	29,180	3,660	10,230	226,890	316,580	43,130	52,230	13,940
Feb. 28p..	596,530	419,440	61,330	115,760	97,700	724,340	594,070	29,450	3,930	11,190	225,560	323,940	45,950	52,620	13,940
Member 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—Feb. 23...	400,338	274,508	45,102	80,728	83,258	503,720	413,339	29,738	2,627	5,931	161,031	214,012	28,227	37,340	5,720
Mar. 29...	409,024	281,182	45,486	82,356	78,710	508,747	413,132	25,154	2,590	7,216	161,976	216,196	31,792	37,683	5,713
Apr. 26...	409,925	282,298	44,643	82,984	82,345	513,123	418,730	24,893	2,510	8,939	164,071	218,317	30,406	37,928	5,713
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...	422,102	295,275	42,932	83,895	79,164	522,562	426,242	25,923	2,867	6,953	165,393	225,106	32,725	38,649	5,705
Aug. 30...	425,392	297,851	42,727	84,814	79,057	525,983	426,716	25,742	2,954	2,966	164,851	230,203	34,315	38,979	5,702
Sept. 27...	432,150	303,049	43,506	85,595	78,503	532,624	434,554	25,502	3,495	8,033	166,353	231,171	31,860	39,190	5,703
Oct. 25...	435,460	305,996	43,691	85,773	88,219	546,521	442,792	27,528	3,360	6,172	172,615	233,117	37,745	39,567	5,699
Nov. 29...	446,621	314,463	45,799	86,359	78,553	548,210	446,441	25,759	3,520	6,463	175,739	234,960	36,480	39,966	5,701
Dec. 27...	460,023	326,224	46,794	87,005	85,056	568,903	466,924	28,697	3,637	6,457	189,708	238,425	36,655	40,250	5,704
1973—Jan. 31..	458,764	324,637	47,334	86,793	82,499	565,071	458,942	27,757	3,260	8,461	177,677	241,787	40,255	40,994	5,691
Feb. 28p..	465,065	334,609	43,698	86,758	85,242	575,222	465,395	28,037	3,537	9,364	176,525	247,932	42,912	41,309	5,691
Reserve city member: 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—Feb. 23...	61,856	48,221	5,190	8,445	23,615	91,094	69,674	15,152	1,258	878	28,084	24,302	6,906	7,306	12
Mar. 29...	64,450	50,063	5,567	8,820	21,400	91,687	68,029	11,674	1,231	1,360	28,793	24,971	8,428	7,342	12
Apr. 26...	63,467	49,539	4,825	9,103	21,014	90,364	68,798	11,451	1,162	2,013	28,842	25,330	6,650	7,372	12
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. 27...	74,894	59,090	5,321	10,483	21,169	102,172	78,742	13,712	1,831	1,093	33,731	28,375	8,241	7,972	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

For notes see p. A-23.

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
Reserve city member (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—Feb. 23	17,234	12,505	1,576	3,153	3,311	21,489	15,791	1,509	207	267	6,305	7,503	2,935	1,796	9
Mar. 29	17,668	12,898	1,582	3,188	3,204	21,806	15,912	1,398	191	341	6,462	7,520	3,180	1,820	9
Apr. 26	17,761	12,998	1,510	3,253	3,207	21,858	16,017	1,344	191	465	6,381	7,636	2,972	1,829	9
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. 27	21,208	16,325	1,643	3,240	3,640	25,776	19,417	1,433	231	301	7,332	10,120	3,426	1,876	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
Other reserve city: 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—Feb. 23	146,609	104,067	14,768	27,774	30,945	185,420	148,824	9,901	938	2,492	57,121	78,372	14,927	13,463	156
Mar. 29	149,384	106,665	14,583	28,136	29,082	186,613	147,937	9,004	944	2,889	57,001	78,099	16,508	13,657	156
Apr. 26	149,586	107,362	14,434	27,790	32,579	190,334	151,394	9,079	894	3,839	58,129	79,453	16,766	13,725	157
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	30,832	193,689	153,772	9,688	1,098	2,867	58,980	81,139	17,595	14,011	157
Aug. 30	153,956	112,637	13,501	27,818	31,452	193,592	152,570	9,458	1,150	1,015	58,564	82,383	18,421	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	17,788	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	20,469	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. 27	168,655	124,195	15,615	28,845	33,052	210,331	167,413	10,064	1,180	2,776	67,422	85,971	19,890	14,491	156
1973—Jan. 31 r	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	32,376	211,296	165,050	9,365	1,210	3,942	62,627	87,906	22,434	14,760	156
Country 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—Feb. 23	174,639	109,715	23,568	41,356	25,387	205,717	179,050	3,176	224	2,294	69,521	103,835	3,459	14,775	5,543
Mar. 29	177,522	111,556	23,754	42,212	25,024	208,641	181,254	3,078	224	2,626	69,720	105,606	3,676	14,864	5,536
Apr. 26	179,111	112,399	23,874	42,838	25,545	210,567	182,521	3,019	263	2,622	70,719	105,898	4,018	15,002	5,535
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	182,661	116,565	22,707	43,389	25,745	214,899	186,267	3,208	263	2,606	71,860	108,330	4,512	15,176	5,526
Aug. 30	184,883	118,482	22,613	43,788	25,573	217,197	187,669	3,118	263	1,595	72,564	110,129	4,721	15,331	5,524
Sept. 27	187,134	119,949	22,901	44,284	25,864	219,989	190,396	3,173	395	2,693	73,244	110,891	4,443	15,485	5,524
Oct. 25	189,164	121,498	23,512	44,154	28,204	224,599	194,272	3,485	395	2,509	76,158	111,725	5,161	15,743	5,521
Nov. 29	191,533	123,590	23,756	44,187	24,988	224,349	194,565	3,014	395	2,390	76,235	112,531	5,379	15,836	5,523
Dec. 27	195,266	126,614	24,215	44,437	27,195	230,624	201,352	3,488	395	2,287	81,223	113,959	5,098	15,911	5,526
1973—Jan. 31	195,472	126,055	24,489	44,928	25,931	229,209	199,602	3,235	395	3,376	76,769	115,827	5,751	16,406	5,513
Feb. 28p	197,603	128,535	23,894	45,174	26,294	231,780	201,349	3,199	395	3,474	76,587	117,694	6,082	16,516	5,513

For notes see p. A-23.

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]	Interbank [3]: Demand	Interbank [3]: Time	Other: Demand: U.S. Govt.	Other: Demand: Other	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
1970—Dec. 31..	458,919	312,006	61,438	85,475	92,708	572,682	479,174	30,233	1,874	7,898	208,037	231,132	19,149	42,427	13,502
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
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..	187,251	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..	208,971	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
1970—Dec. 31..	271,760	187,554	34,203	50,004	56,028	340,764	283,663	18,051	982	4,740	122,298	137,592	13,100	24,868	4,620
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
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
1970—Dec. 31..	94,760	66,963	11,196	16,600	25,472	125,460	101,512	11,091	750	1,720	45,734	42,218	5,478	9,232	1,147
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
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
1970—Dec. 31..	92,399	57,489	16,039	18,871	11,208	106,457	93,998	1,091	141	1,438	40,005	51,322	571	8,326	7,735
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

For notes see p. A-23.

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]	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
1970—Dec. 31	3,079	2,132	304	642	934	4,365	2,570	375	101	40	1,298	756	226	532	184
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
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
1970—Dec. 31	95,478	59,621	16,342	19,514	12,143	110,822	96,568	1,466	243	1,478	41,303	52,078	796	8,858	7,919
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

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-24.

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-32.

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 As of Nov. 9, 1972, the definitions of reserve city and country banks were changed (see Nov. 1972 BULLETIN, p. 994). The classifications employed here are the same as those prior to the change in definition, so these 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.

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.

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]	Commercial and industrial	Agricultural[5]	For purchasing or carrying securities: To brokers and dealers	For purchasing or carrying securities: To others	To financial institutions: Banks	To financial institutions: Others	Real estate	Other, to individuals[3]	Other[5]	Investments: U.S. Treasury securities[6]: Total	Bills and certificates	Notes	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
1971—Dec. 31.	517,244	19,954	327,656	118,526	12,497	7,292	3,659	4,591	16,926	81,601	74,514	8,049	64,930	......	......	......	82,420	22,284
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
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
1971—Dec. 31.	514,097	19,623	325,764	117,603	12,482	7,201	3,644	4,405	16,792	81,434	74,263	7,939	64,691	......	......	......	82,099	21,921
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	......	......	......	86,286	24,547
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
1971—Dec. 31.	405,570	15,373	262,826	101,479	7,311	6,895	3,167	4,123	15,713	61,091	55,839	7,207	47,633	......	......	......	65,244	14,494
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	......	......	......	67,777	16,141
New York City:																		
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
1971—Dec. 31.	63,342	774	47,941	26,526	30	4,701	677	1,722	3,997	4,496	4,151	1,641	5,597	......	......	......	7,729	1,302
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	......	......	......	8,491	1,132
City of Chicago:																		
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
1971—Dec. 31.	17,162	621	11,693	6,355	51	527	263	382	1,568	949	1,167	431	1,782	......	......	......	2,688	379
1972—June 30.	18,541	783	12,999	7,179	66	666	225	242	2,015	1,011	1,054	542	1,662	......	......	......	2,771	325
Other reserve city:																		
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
1971—Dec. 31.	149,484	7,771	98,673	40,397	1,630	1,193	1,407	1,671	7,497	22,300	19,405	3,173	15,912	......	......	......	23,459	3,670
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	......	......	......	23,510	4,222
Country:																		
1941—Dec. 31..	12,518	......	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
1971—Dec. 31.	175,582	6,208	104,520	28,201	5,599	474	821	348	2,651	33,347	31,117	1,962	24,343	......	......	......	31,367	9,144
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	......	......	......	33,005	10,463
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
1971—Dec. 31.	111,674	4,581	64,830	17,046	5,187	398	492	468	1,213	20,509	18,675	842	17,297	......	......	......	17,176	7,790
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

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, they 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-32.

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-20—A-23.

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.

For other notes see 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
1971—Dec. 31...	27,478	7,541	25,548	185,907	29,349	2,855	10,169	17,665	10,130	192,581	2,908	529	30,384	242,055	25,912	47,211
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
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
1971—Dec. 31...	27,478	7,532	24,171	184,366	29,145	2,680	10,150	17,547	9,810	191,746	2,792	529	30,303	241,003	25,628	46,731
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
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
1971—Dec. 31...	27,478	5,778	14,893	140,446	28,056	2,556	8,427	12,955	8,587	152,843	2,549	445	23,890	185,553	25,046	37,279
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
New York City:																
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
1971—Dec. 31...	5,362	459	1,806	18,315	12,047	1,779	1,513	909	3,841	26,193	1,186	51	2,060	22,145	5,195	7,285
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
City of Chicago:																
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
1971—Dec. 31...	956	133	202	5,335	1,592	101	363	333	240	6,323	168	1	809	6,749	1,935	1,682
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
Other reserve city:																
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
1971—Dec. 31...	12,264	1,819	4,222	48,063	10,637	604	3,557	3,600	2,533	56,341	933	225	10,516	66,362	14,799	13,197
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
Country:																
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
1971—Dec. 31...	8,896	3,367	8,663	68,733	3,779	73	2,993	8,113	1,973	63,986	263	167	10,505	90,298	3,118	15,114
1972—June 30...	9,084	3,042	8,176	67,101	3,329	72	2,804	8,144	2,255	63,070	395	182	11,480	95,983	4,208	15,831
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
1971—Dec. 31...	....	1,763	10,655	45,462	1,293	299	1,742	4,710	1,543	39,737	359	85	6,494	56,502	866	9,932
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

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.

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: To commercial banks	Federal funds sold: To brokers and dealers involving— U.S. Treasury securities	Federal funds sold: To brokers and dealers involving— Other securities	Federal funds sold: 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															
Feb. 2	281,037	10,718	9,633	723	227	135	189,771	81,782	2,315	1,106	5,093	161	2,479	6,058	7,802
9	280,464	10,958	10,128	515	207	108	189,478	81,819	2,320	964	4,926	163	2,490	6,158	7,856
16	281,544	11,625	10,995	386	177	67	190,115	82,320	2,316	624	5,225	179	2,505	6,207	7,923
23	281,250	10,496	9,568	582	238	108	190,667	82,228	2,332	771	5,388	182	2,494	6,219	7,961
1973															
Jan. 3	327,642	15,144	14,069	413	376	286	227,352	91,442	2,936	978	8,346	272	2,939	7,689	12,835
10	323,132	12,967	11,628	625	435	279	225,371	91,045	2,948	1,184	7,922	302	2,913	7,156	12,625
17	321,671	12,011	10,684	682	466	179	225,398	91,397	2,959	991	7,800	273	2,923	7,348	12,544
24	319,383	11,309	10,255	615	323	116	224,387	91,450	2,975	722	7,454	248	2,932	6,888	12,443
31	323,606	12,098	10,999	611	296	192	227,165	92,314	2,995	1,063	7,750	291	2,903	7,203	12,647
Feb. 7p	324,773	13,169	11,412	1,366	214	177	228,830	93,320	3,007	1,455	7,340	277	2,906	7,049	12,770
14p	327,745	14,143	13,086	598	245	214	231,598	94,681	3,021	942	7,262	248	2,906	7,391	12,976
21p	328,161	14,417	13,116	662	285	354	232,911	95,252	3,015	1,070	7,190	248	2,947	7,450	13,095
28p	328,550	13,298	12,135	719	239	205	234,396	96,215	3,010	897	7,331	272	2,946	7,527	13,325
New York City															
1972															
Feb. 2	59,227	1,340	1,319	......	......	21	44,309	25,067	28	923	3,382	48	607	1,698	1,779
9	58,440	980	936	......	......	44	44,155	25,158	26	800	3,266	49	608	1,779	1,803
16	58,493	1,492	1,437	48	......	7	44,311	25,324	26	490	3,431	49	619	1,819	1,850
23	58,202	669	638	......	......	31	44,610	25,107	26	650	3,575	52	611	1,923	1,892
1973															
Jan. 3	68,644	1,593	1,501	19	......	73	52,618	26,053	48	813	5,021	34	735	2,247	3,553
10	67,305	873	830	4	33	6	51,951	26,078	49	1,016	4,836	45	705	1,988	3,557
17	67,266	934	893	6	29	6	52,017	26,142	51	835	4,703	29	702	2,217	3,609
24	66,654	1,174	1,161	9	......	4	51,291	26,247	55	600	4,434	33	692	1,922	3,580
31	68,430	1,012	972	34	......	6	52,995	26,743	56	913	4,687	53	683	2,200	3,675
Feb. 7p	68,740	1,419	1,360	29	......	30	53,701	27,077	57	1,324	4,501	53	676	2,022	3,726
14p	69,150	1,528	1,452	25	......	51	54,147	27,491	56	813	4,432	43	664	2,178	3,826
21p	69,244	1,521	1,398	27	......	96	54,558	27,565	56	905	4,337	34	684	2,216	3,912
28p	70,171	1,935	1,885	31	......	19	55,149	27,787	55	776	4,434	33	673	2,271	4,004
Outside New York City															
1972															
Feb. 2	221,810	9,378	8,314	723	227	114	145,462	56,715	2,287	183	1,711	113	1,872	4,360	6,023
9	222,024	9,978	9,192	515	207	64	145,323	56,661	2,294	164	1,660	114	1,882	4,379	6,053
16	223,051	10,133	9,558	338	177	60	145,804	56,996	2,290	134	1,794	130	1,886	4,388	6,073
23	223,048	9,827	8,930	582	238	77	146,057	57,121	2,306	121	1,813	130	1,883	4,296	6,069
1973															
Jan. 3	258,998	13,551	12,568	394	376	213	174,734	65,389	2,888	165	3,325	238	2,204	5,442	9,282
10	255,827	12,094	10,798	621	402	273	173,420	64,967	2,899	168	3,086	257	2,208	5,168	9,068
17	254,405	11,077	9,791	676	437	173	173,381	65,255	2,908	156	3,097	244	2,221	5,131	8,935
24	252,729	10,135	9,094	606	323	112	173,096	65,203	2,920	122	3,020	215	2,240	4,966	8,863
31	255,176	11,086	10,027	577	296	186	174,170	65,571	2,939	150	3,063	238	2,220	5,003	8,972
Feb. 7p	256,033	11,750	10,052	1,337	214	147	175,129	66,243	2,950	131	2,839	224	2,230	5,027	9,044
14p	258,595	12,615	11,634	573	245	163	177,451	67,190	2,965	129	2,830	205	2,242	5,213	9,150
21p	258,917	12,896	11,718	635	285	258	178,353	67,687	2,959	165	2,853	214	2,263	5,234	9,183
28p	258,379	11,363	10,250	688	239	186	179,247	68,428	2,955	121	2,897	239	2,273	5,256	9,321

For notes see p. A-30.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Loans (cont.)						Investments						
Other (cont.)						U.S. Treasury securities						
	To commercial banks								Notes and bonds maturing—			
Real estate	Domestic	Foreign	Consumer instalment	Foreign govts.[2]	All other	Total	Bills	Certificates	Within 1 yr.	1 to 5 yrs.	After 5 yrs.	Wednesday
												Large banks—Total
												1972
39,101	809	2,618	24,229	910	15,308	27,881	3,909	....	4,024	16,199	3,749	Feb. 2
39,155	841	2,661	24,177	905	15,043	27,497	3,488	....	4,030	16,199	3,780	9
39,263	833	2,534	24,144	886	15,156	27,156	3,237	....	4,551	15,639	3,729	16
39,343	781	2,603	24,138	910	15,317	27,455	3,612	....	4,609	15,535	3,699	23
												1973
45,992	2,385	3,252	28,139	1,155	18,992	29,133	6,581	....	4,462	15,550	2,540	Jan. 3
46,119	2,377	3,181	28,127	1,148	18,324	28,939	6,384	....	4,556	15,456	2,543	10
46,245	2,287	3,037	28,118	1,150	18,326	28,912	6,429	....	4,583	15,339	2,561	17
46,347	2,270	3,032	28,175	1,179	18,272	28,469	6,173	....	4,540	15,169	2,587	24
46,473	2,636	3,156	28,274	1,187	18,273	28,926	6,500	....	4,689	15,132	2,605	31
46,568	2,776	3,440	28,291	1,203	18,428	27,638	5,341	....	4,789	14,987	2,521	Feb. 7p
46,741	3,096	4,192	28,343	1,223	18,576	27,005	4,820	....	4,777	14,927	2,481	14p
46,897	3,000	4,358	28,395	1,235	18,759	25,813	4,449	....	3,485	15,231	2,648	21p
46,962	2,895	4,415	28,497	1,228	18,876	25,645	4,579	....	3,621	15,047	2,398	28p
												New York City
												1972
4,126	286	1,085	1,940	542	2,798	5,285	955	....	855	3,045	430	Feb. 2
4,130	318	1,144	1,943	549	2,582	5,097	711	....	839	3,073	474	9
4,156	330	1,066	1,926	544	2,681	4,731	621	....	969	2,683	458	16
4,167	234	1,125	1,928	579	2,741	5,012	893	....	990	2,708	421	23
												1973
5,015	582	1,576	2,133	722	4,086	4,701	1,260	....	704	2,560	177	Jan. 3
5,032	539	1,561	2,127	729	3,689	4,915	1,473	....	724	2,589	129	10
5,042	513	1,513	2,130	735	3,796	4,960	1,592	....	729	2,480	159	17
5,069	484	1,515	2,140	749	3,771	4,940	1,545	....	780	2,389	226	24
5,096	788	1,561	2,151	733	3,656	5,137	1,669	....	789	2,442	237	31
5,115	811	1,632	2,149	742	3,816	4,545	1,112	....	943	2,330	160	Feb. 7p
5,141	892	1,924	2,148	730	3,809	4,477	1,023	....	918	2,370	166	14p
5,156	935	2,006	2,149	725	3,878	4,248	922	....	468	2,325	533	21p
5,191	1,053	2,047	2,153	740	3,932	4,182	1,010	....	574	2,210	388	28p
												Outside New York City
												1972
34,975	523	1,533	22,289	468	12,510	22,596	2,954	....	3,169	13,154	3,319	Feb. 2
35,025	523	1,517	22,234	356	12,461	22,400	2,777	....	3,191	13,126	3,306	9
35,107	503	1,468	22,218	342	12,475	22,425	2,616	....	3,582	12,956	3,271	16
35,176	547	1,478	22,210	331	12,576	22,443	2,719	....	3,619	12,827	3,278	23
												1973
40,977	1,803	1,676	26,006	433	14,906	24,432	5,321	....	3,758	12,990	2,363	Jan. 3
41,087	1,838	1,620	26,000	419	14,635	24,024	4,911	....	3,832	12,867	2,414	10
41,203	1,774	1,524	25,988	415	14,530	23,952	4,837	....	3,854	12,859	2,402	17
41,278	1,786	1,517	26,035	430	14,501	23,529	4,628	....	3,760	12,780	2,361	24
41,377	1,848	1,595	26,123	454	14,617	23,789	4,831	....	3,900	12,690	2,368	31
41,453	1,965	1,808	26,142	461	14,612	23,093	4,229	....	3,846	12,657	2,361	Feb. 7p
41,600	2,204	2,268	26,195	493	14,767	22,528	3,797	....	3,859	12,557	2,315	14p
41,741	2,065	2,352	26,246	510	14,881	21,565	3,527	....	3,017	12,906	2,115	21p
41,771	1,842	2,368	26,344	488	14,944	21,463	3,569	....	3,047	12,837	2,010	28p

For notes see p. A-30.

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												
Feb. 2	52,667	8,489	36,837	1,533	5,808	32,493	19,477	3,488	7,043	937	16,294	360,769
9	52,531	8,438	36,703	1,546	5,844	29,959	19,413	3,488	8,862	933	16,021	359,140
16	52,648	8,408	36,706	1,542	5,992	33,385	21,013	3,519	8,658	933	15,786	364,838
23	52,632	8,412	36,667	1,516	6,037	32,783	19,509	3,742	9,399	933	15,881	363,497
1973												
Jan. 3	56,013	9,242	37,925	1,742	7,104	34,668	21,587	4,377	10,459	1,108	17,662	417,503
10	55,855	9,073	38,067	1,738	6,977	28,481	19,574	4,280	9,811	1,106	17,359	403,743
17	55,350	8,960	37,744	1,745	6,901	30,353	21,415	4,144	9,098	1,134	17,181	404,996
24	55,218	8,847	37,650	1,763	6,958	29,201	21,565	4,144	9,169	1,139	17,259	401,680
31	55,417	8,942	37,802	1,770	6,903	30,863	20,055	3,981	9,658	1,143	17,805	407,111
Feb. 7p	55,136	8,702	37,689	1,772	6,973	26,613	17,356	3,678	9,499	1,145	17,952	401,016
14p	54,999	8,643	37,598	1,768	6,990	30,274	20,862	3,994	9,101	1,145	18,354	411,475
21p	55,020	8,599	37,738	1,765	6,918	32,735	17,190	4,081	10,119	1,148	18,247	411,681
28p	55,211	8,579	37,735	1,750	7,147	31,881	21,098	3,924	10,577	1,158	18,662	415,850
New York City												
1972												
Feb. 2	8,293	1,659	5,412	285	937	14,133	4,926	433	1,384	425	5,114	85,642
9	8,208	1,602	5,407	296	903	13,812	4,969	428	3,543	425	5,077	86,694
16	7,959	1,572	5,248	278	861	14,426	5,534	426	3,193	424	4,972	87,468
23	7,911	1,619	5,164	262	866	14,008	4,867	435	3,652	424	5,092	86,680
1973												
Jan. 3	9,732	2,867	5,289	547	1,029	10,071	5,966	502	3,526	545	5,369	94,623
10	9,566	2,763	5,246	538	1,019	9,441	5,166	490	3,935	548	5,137	91,962
17	9,355	2,749	5,062	539	1,005	10,323	5,606	484	3,218	583	5,136	92,616
24	9,249	2,660	5,053	542	994	11,447	5,417	472	3,977	582	5,154	93,703
31	9,286	2,653	5,040	538	1,055	11,929	5,640	475	4,012	584	5,281	96,351
Feb. 7p	9,075	2,530	5,038	517	990	9,059	4,324	459	4,001	586	5,498	92,667
14p	8,998	2,476	5,020	522	980	10,975	5,598	495	3,527	586	5,593	95,924
21p	8,917	2,349	5,066	529	973	10,782	4,879	476	3,899	588	5,827	95,695
28p	8,905	2,224	5,120	508	1,053	11,924	5,383	455	4,239	596	6,056	98,824
Outside New York City												
1972												
Feb. 2	44,374	6,830	31,425	1,248	4,871	18,360	14,551	3,055	5,659	512	11,180	275,127
9	44,323	6,836	31,296	1,250	4,941	16,147	14,444	3,060	5,319	508	10,944	272,446
16	44,689	6,836	31,458	1,264	5,131	18,959	15,479	3,093	5,465	509	10,814	277,370
23	44,721	6,793	31,503	1,254	5,171	18,775	14,642	3,307	5,747	509	10,789	276,817
1973												
Jan. 3	46,281	6,375	32,636	1,195	6,075	24,597	15,621	3,875	6,933	563	12,293	322,880
10	46,289	6,310	32,821	1,200	5,958	19,040	14,468	3,790	5,876	558	12,222	311,781
17	45,995	6,211	32,682	1,206	5,896	20,030	15,809	3,660	5,880	551	12,045	312,380
24	45,969	6,187	32,597	1,221	5,964	17,574	16,148	3,672	5,192	557	12,105	307,977
31	46,131	6,289	32,762	1,232	5,848	18,934	14,415	3,506	5,646	559	12,524	310,760
Feb. 7p	46,061	6,172	32,651	1,255	5,983	17,554	13,032	3,219	5,498	559	12,454	308,349
14p	46,001	6,167	32,578	1,246	6,010	19,299	15,264	3,499	5,574	559	12,761	315,551
21p	46,103	6,250	32,672	1,236	5,945	21,953	12,311	3,605	6,220	560	12,420	315,986
28p	46,306	6,355	32,615	1,242	6,094	19,957	15,715	3,469	6,338	562	12,606	317,026

For notes see p. A-30.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Deposits															
Demand									Time and savings						Wednesday
Total	IPC	States and political subdivisions	U.S. Govt.	Domestic interbank: Commercial	Domestic interbank: Mutual savings	Foreign: Govts., etc.[2]	Foreign: Commercial banks	Certified and officers' checks	Total[6]	IPC: Savings	IPC: Other	States and political subdivisions	Domestic interbank	Foreign govts.[2]	
															Large banks—Total
															1972
146,564	99,963	7,714	4,531	22,211	739	716	2,488	8,202	142,532	55,870	61,364	17,534	2,262	4,993	Feb. 2
143,520	97,979	6,436	4,765	23,783	687	666	2,414	6,790	142,933	56,032	61,442	17,607	2,328	5,038	9
145,910	101,714	6,403	3,193	23,677	686	690	2,325	7,222	143,205	56,218	61,570	17,544	2,318	5,060	16
146,174	100,311	6,323	4,471	24,809	643	753	2,527	6,337	144,122	56,422	62,044	17,717	2,313	5,131	23
															1973
169,768	121,308	7,221	6,469	22,412	984	963	3,456	6,955	160,661	58,572	72,334	19,756	2,953	6,386	Jan. 3
154,963	112,951	6,833	3,501	20,286	1,009	824	3,289	6,270	161,603	58,515	72,601	20,516	2,829	6,508	10
156,747	114,433	6,784	3,388	20,412	894	782	3,251	6,803	161,658	58,373	72,915	20,478	2,770	6,474	17
151,953	108,351	6,366	5,611	19,007	768	936	3,154	7,760	162,536	58,311	73,680	20,606	2,809	6,498	24
156,909	110,248	7,180	6,289	21,992	839	875	3,156	6,330	162,936	58,186	74,310	20,332	2,794	6,685	31
148,485	105,669	6,919	4,700	20,168	781	889	2,999	6,360	164,388	58,175	75,143	20,785	2,909	6,745	Feb. 7p
154,547	108,612	6,851	9,388	18,355	749	758	3,163	6,671	165,250	58,088	75,966	20,731	2,918	6,890	14p
156,859	110,309	6,708	7,064	21,426	772	991	3,077	6,512	166,422	58,110	76,877	20,948	2,920	6,913	21p
157,139	109,360	6,965	7,230	22,512	656	895	3,157	6,364	168,250	58,104	78,197	21,391	2,963	6,916	28p
															New York City
															1972
41,383	21,811	1,173	823	9,880	399	567	1,764	4,966	23,499	5,502	12,333	1,679	1,178	2,695	Feb. 2
42,170	21,995	386	1,007	12,236	370	526	1,695	3,955	23,528	5,532	12,273	1,709	1,209	2,713	9
42,512	23,153	405	548	11,723	358	538	1,625	4,162	23,524	5,562	12,283	1,650	1,196	2,736	16
42,538	22,237	388	843	12,957	332	605	1,736	3,440	23,780	5,600	12,443	1,674	1,194	2,772	23
															1973
43,814	26,795	428	1,193	8,923	569	788	2,240	2,878	27,210	5,627	14,648	2,025	1,653	3,118	Jan. 3
40,137	24,138	370	607	8,685	576	668	2,334	2,759	27,699	5,618	14,819	2,399	1,549	3,184	10
41,574	24,983	539	544	8,834	498	648	2,354	3,174	27,667	5,594	14,982	2,302	1,473	3,188	17
41,878	24,185	350	1,085	8,294	409	797	2,290	4,468	27,798	5,572	15,108	2,301	1,499	3,220	24
43,907	24,973	574	1,187	11,030	463	732	2,285	2,663	28,112	5,549	15,508	2,085	1,488	3,388	31
39,685	23,117	464	917	8,736	420	739	2,151	3,141	29,043	5,543	16,088	2,336	1,596	3,390	Feb. 7p
40,300	23,799	398	1,888	7,460	399	615	2,200	3,541	29,274	5,531	16,280	2,232	1,600	3,529	14p
42,204	24,422	436	1,351	9,216	403	848	2,202	3,326	29,742	5,533	16,764	2,190	1,605	3,546	21p
43,650	24,381	372	1,428	11,031	341	748	2,339	3,010	30,616	5,515	17,451	2,423	1,616	3,509	28p
															Outside New York City
															1972
105,181	78,152	6,541	3,708	12,331	340	149	724	3,236	119,033	50,368	49,031	15,855	1,084	2,298	Feb. 2
101,350	75,984	6,050	3,758	11,547	317	140	719	2,835	119,405	50,500	49,169	15,898	1,119	2,325	9
103,398	78,561	5,998	2,645	11,954	328	152	700	3,060	119,681	50,656	49,287	15,894	1,122	2,324	16
103,636	78,074	5,935	3,628	11,852	311	148	791	2,897	120,342	50,822	49,601	16,043	1,119	2,359	23
															1973
125,954	94,513	6,793	5,276	13,489	415	175	1,216	4,077	133,451	52,945	57,686	17,731	1,300	3,268	Jan. 3
114,826	88,813	6,463	2,894	11,601	433	156	955	3,511	133,904	52,897	57,782	18,117	1,280	3,324	10
115,173	89,450	6,245	2,844	11,578	396	134	897	3,629	133,991	52,779	57,933	18,176	1,297	3,286	17
110,075	84,166	6,016	4,526	10,713	359	139	864	3,292	134,738	52,739	58,572	18,305	1,310	3,278	24
113,002	85,275	6,606	5,102	10,962	376	143	871	3,667	134,824	52,637	58,802	18,247	1,306	3,297	31
108,800	82,552	6,455	3,783	11,432	361	150	848	3,219	135,345	52,632	59,055	18,449	1,313	3,355	Feb. 7p
114,247	84,813	6,453	7,500	10,895	350	143	963	3,130	135,976	52,557	59,686	18,499	1,318	3,361	14p
114,655	85,887	6,272	5,713	12,210	369	143	875	3,186	136,680	52,577	60,113	18,758	1,315	3,367	21p
113,489	84,979	6,593	5,802	11,481	315	147	818	3,354	137,634	52,589	60,746	18,968	1,347	3,407	28p

For notes see p. A-30.

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	Large negotiable time CD's: Issued to IPC's	Large negotiable time CD's: Issued to others	Gross liabilities of banks to their foreign branches
Large banks—Total														
1972														
Feb. 2	23,653	2	1,060	15,401	4,106	85	27,366	190,047	270,595	87,329	33,356	20,572	12,784	1,301
9	24,856	155	1,086	15,010	4,119	76	27,385	189,467	269,495	85,013	33,465	20,498	12,967	1,062
16	27,302	8	1,086	15,783	4,120	76	27,348	189,912	269,716	85,655	33,436	20,518	12,918	1,006
23	25,483	....	1,093	15,063	4,122	76	27,364	190,814	270,901	84,111	34,012	20,852	13,160	1,068
1973														
Jan. 3	35,849	767	2,262	14,481	4,278	70	29,367	226,042	311,188	106,219	43,930	27,718	16,212	1,121
10	35,226	734	2,359	14,723	4,323	70	29,742	224,333	309,127	102,695	44,845	28,021	16,824	1,625
17	34,664	932	2,516	14,560	4,337	73	29,509	224,438	308,700	102,594	44,856	28,109	16,747	1,419
24	33,661	1,789	2,696	15,082	4,338	70	29,555	223,171	306,858	98,314	45,386	28,547	16,839	1,785
31	33,860	1,017	2,675	15,554	4,370	70	29,720	225,628	309,971	97,765	45,783	29,011	16,772	1,413
Feb. 7p	35,111	752	2,772	15,222	4,373	70	29,843	227,811	310,585	97,004	47,111	29,692	17,419	1,391
14p	37,632	2,532	2,452	14,869	4,372	70	29,751	229,559	311,563	96,530	47,956	30,542	17,414	694
21p	36,123	183	2,459	15,424	4,373	69	29,769	231,212	312,045	95,634	48,975	31,363	17,612	1,157
28p	36,537	1,247	2,326	15,932	4,397	63	29,959	232,664	313,520	95,516	50,509	32,325	18,184	784
New York City														
1972														
Feb. 2	6,283	....	169	6,130	1,199	....	6,979	44,044	57,622	16,547	11,066	7,164	3,902	947
9	6,564	155	220	5,881	1,202	....	6,974	43,881	57,186	15,115	11,100	7,098	4,002	739
16	7,161	....	245	5,857	1,201	....	6,968	44,036	56,726	15,815	11,178	7,186	3,992	616
23	6,197	....	280	5,722	1,204	....	6,959	44,407	57,330	14,730	11,374	7,337	4,037	702
1973														
Jan. 3	8,748	180	508	5,388	1,224	....	7,551	52,128	66,561	23,627	14,496	9,512	4,984	784
10	9,119	....	588	5,634	1,236	....	7,549	51,455	65,936	21,404	15,068	9,729	5,339	1,160
17	8,346	....	777	5,487	1,239	....	7,526	51,545	65,860	21,873	15,043	9,831	5,212	1,133
24	8,035	475	912	5,846	1,238	....	7,521	50,820	65,009	21,052	15,127	9,898	5,229	1,459
31	8,439	....	1,107	5,950	1,250	....	7,586	52,247	66,670	19,761	15,314	10,175	5,139	1,122
Feb. 7p	8,294	....	1,162	5,638	1,251	....	7,594	52,949	66,569	20,973	16,394	10,813	5,581	1,095
14p	10,143	1,309	1,005	5,053	1,251	....	7,589	53,331	66,806	19,977	16,603	11,064	5,539	503
21p	8,383	....	950	5,585	1,256	....	7,575	53,746	66,911	20,855	16,980	11,541	5,439	834
28p	8,446	269	972	5,955	1,265	....	7,651	54,146	67,233	19,267	17,798	12,050	5,748	559
Outside New York City														
1972														
Feb. 2	17,370	2	891	9,271	2,907	85	20,387	146,003	212,973	70,782	22,290	13,408	8,882	354
9	18,292	....	866	9,129	2,917	76	20,411	145,586	212,309	69,898	22,365	13,400	8,965	323
16	20,141	8	841	9,926	2,919	76	20,380	145,876	212,990	69,840	22,258	13,332	8,926	390
23	19,286	....	813	9,341	2,918	76	20,405	146,407	213,571	69,381	22,638	13,515	9,123	366
1973														
Jan. 3	27,101	587	1,754	9,093	3,054	70	21,816	173,914	244,627	82,592	29,434	18,206	11,228	337
10	26,107	734	1,771	9,089	3,087	70	22,193	172,878	243,191	81,291	29,777	18,292	11,485	465
17	26,318	932	1,739	9,073	3,098	73	21,983	172,893	242,840	80,721	29,813	18,278	11,535	286
24	25,626	1,314	1,784	9,236	3,100	70	22,034	172,351	241,849	77,262	30,259	18,649	11,610	326
31	25,421	1,017	1,568	9,604	3,120	70	22,134	173,381	243,301	78,004	30,469	18,836	11,633	291
Feb. 7p	26,817	752	1,610	9,584	3,122	70	22,249	174,862	244,016	76,031	30,717	18,879	11,838	296
14p	27,489	1,223	1,447	9,816	3,121	70	22,162	176,228	244,757	76,553	31,353	19,478	11,875	191
21p	27,740	183	1,509	9,839	3,117	69	22,194	177,466	245,134	74,779	31,995	19,822	12,173	323
28p	28,091	978	1,354	9,977	3,132	63	22,308	178,518	246,287	76,249	32,711	20,275	12,436	225

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					Net change during—							
	1973					1973		1972	1972			1972	
	Feb. 28	Feb. 21	Feb. 14	Feb. 7	Jan. 31	Feb.	Jan.	Dec.	IV	III	II	2nd half	1st half
Durable goods manufacturing:													
Primary metals	2,111	2,130	2,145	2,117	2,052	59	34	−14	20	−99	29	−79	88
Machinery	5,007	5,005	4,924	4,809	4,712	295	109	318	496	−101	−75	395	−172
Transportation equipment	2,197	2,260	2,263	2,218	2,205	−8	111	−41	−173	−85	−318	−258	−310
Other fabricated metal products	1,838	1,840	1,820	1,788	1,766	72	7	29	−24	81	−21	57	−14
Other durable goods	3,193	3,154	3,157	2,988	2,891	302	−13	74	−13	82	185	69	340
Nondurable goods manufacturing:													
Food, liquor, and tobacco	3,503	3,474	3,393	3,415	3,359	144	−88	269	640	187	−42	827	−273
Textiles, apparel, and leather	2,936	2,872	2,823	2,751	2,680	256	−14	−94	−351	185	282	−166	567
Petroleum refining	1,077	1,079	1,096	1,089	1,092	−15	115	49	10	−24	−86	−14	−183
Chemicals and rubber	2,316	2,263	2,268	2,163	2,132	184	275	85	−9	−253	−20	−262	−135
Other nondurable goods	1,815	1,762	1,739	1,745	1,739	76	45	4	−65	95	−94	30	−158
Mining, including crude petroleum and natural gas	3,839	3,846	3,855	3,856	3,865	−26	236	−3	−33	58	−66	25	−203
Trade: Commodity dealers	2,034	1,980	2,028	1,997	1,935	99	141	173	481	141	−303	622	−504
Other wholesale	4,895	4,834	4,788	4,685	4,650	245	−4	73	61	155	105	216	5
Retail	5,248	5,137	5,193	5,081	4,912	336	−88	−359	166	307	140	473	405
Transportation	5,618	5,590	5,575	5,543	5,559	59	−31	167	235	−277	30	−42	−14
Communication	2,094	2,038	2,055	2,003	1,979	115	120	123	147	277	195	424	121
Other public utilities	3,897	3,890	3,838	3,744	3,651	246	65	260	531	408	251	939	−79
Construction	4,858	4,850	4,805	4,778	4,762	96	98	63	38	326	324	364	483
Services	9,342	9,279	9,206	9,120	9,070	272	−62	233	558	−64	364	494	764
All other domestic loans	6,365	6,277	6,146	6,011	5,979	386	144	306	168	71	−139	239	−58
Bankers' acceptances	1,213	1,254	1,264	1,204	1,270	−57	−281	207	302	−202	−300	100	−843
Foreign commercial and industrial loans	4,012	3,972	3,934	3,993	3,938	74	58	165	414	77	83	491	164
Total classified loans	79,408	78,786	78,315	77,098	76,198	3,210	977	2,087	3,599	1,345	524	4,944	−9
Total commercial and industrial loans	p96,215	95,252	94,681	93,320	92,314	3,901	1,211	2,461	4,472	1,677	1,327	6,149	1,184

See NOTE to table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding									Net change during—				
	1973		1972							1972				1972
	Feb. 28	Jan. 31	Dec. 27	Nov. 29	Oct. 25	Sept. 27	Aug. 30	July 26	June 28	IV	III	II	I	2nd half
Durable goods manufacturing:														
Primary metals	1,305	1,331	1,268	1,278	1,282	1,303	1,314	1,355	1,370	−35	−67	27	−19	−102
Machinery	2,298	2,264	2,154	2,034	1,907	1,905	1,963	1,931	1,954	249	−49	−113	−218	200
Transportation equipment	1,221	1,247	1,205	1,256	1,201	1,307	1,265	1,243	1,359	−102	−52	−133	−128	−154
Other fabricated metal products	765	749	720	707	680	679	713	710	675	41	4	−11	−27	45
Other durable goods	1,465	1,346	1,239	1,196	1,193	1,188	1,147	1,130	1,182	51	6	37	10	57
Nondurable goods manufacturing:														
Food, liquor, and tobacco	1,322	1,300	1,234	1,191	1,182	1,079	1,079	1,029	926	155	153	19	−114	308
Textiles, apparel, and leather	840	766	723	699	731	711	677	690	654	12	57	15	63	69
Petroleum refining	778	781	698	681	658	679	653	685	694	19	−15	−63	−135	4
Chemicals and rubber	1,438	1,357	1,153	1,143	1,190	1,159	1,178	1,190	1,224	−6	−65	10	−227	−71
Other nondurable goods	1,062	1,004	894	913	939	918	879	856	872	−24	46	−106	−46	22
Mining, including crude petroleum and natural gas	2,821	2,895	2,685	2,726	2,748	2,679	2,724	2,723	2,667	6	12	−205	−167	18
Trade: Commodity dealers	125	125	121	121	123	107	107	110	109	14	−2	−17	11	12
Other wholesale	1,004	979	894	880	876	864	845	886	883	26	−23	−26	8	7
Retail	1,733	1,663	1,592	1,588	1,497	1,444	1,376	1,346	1,298	152	150	−40	−37	298
Transportation	4,276	4,252	4,180	4,070	4,078	4,086	4,188	4,234	4,305	94	−219	−69	−66	−125
Communication	771	748	682	549	537	561	510	511	497	121	64	63	7	185
Other public utilities	2,244	2,060	1,975	1,825	1,759	1,688	1,623	1,455	1,406	287	282	269	−179	569
Construction	1,627	1,622	1,558	1,528	1,520	1,550	1,456	1,397	1,408	8	142	−13	177	150
Services	4,174	4,106	4,026	3,999	3,951	3,862	3,826	3,760	3,719	164	143	45	186	307
All other domestic loans	1,777	1,698	1,597	1,532	1,459	1,554	1,471	1,532	1,423	43	131	−260	252	174
Foreign commercial and industrial loans	2,327	2,356	2,366	2,264	2,177	2,143	2,069	2,033	2,038	223	105	94	−132	328
Total *loans*	p35,373	34,649	32,964	32,180	31,688	31,466	31,063	30,806	30,663	1,498	803	−477	−781	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: Financial business	Nonfinancial business	Consumer	Foreign	All other	Total deposits, IPC
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.	18.8	109.4	64.9	1.5	12.2	206.8
Weekly reporting banks:						
1971—Dec.	14.4	58.6	24.6	1.2	5.9	104.8
1972—Jan.	14.4	56.8	25.4	1.1	5.9	103.7
Feb.	13.7	55.4	24.4	1.1	5.9	100.5
Mar.	14.0	55.9	25.0	1.2	6.0	102.1
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	27.2	1.4	6.6	114.3
1973—Jan.p	15.0	63.1	27.8	1.4	6.8	114.1

[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, 1970	Dec. 31, 1971	June 30, 1972
All commercial	1,131	804	680	595
Insured	1,129	803	677	592
National member	688	433	387	340
State member	188	147	95	79
All member	876	580	482	419
All member—Cont.				
Other reserve city	304	143	112	73
Country	571	437	371	346
All nonmember	255	224	197	177
Insured	253	223	195	173
Noninsured	2	1	2	3

NOTE.—These hypothecated deposits are excluded from Time deposits and Loans at commercial banks beginning with June 30, 1966, as shown in the tables on pp. A-20, A-21, and A-26—A-30 (consumer instalment loans), and in the table at the bottom of p. A-18. 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-22 and A-23 and on pp. A-24 and A-25 (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
1972—Nov. 1	2,414	1,514	900	1,715	296	1,419
8	2,387	1,566	821	1,700	297	1,403
15	2,442	1,591	851	1,748	296	1,452
22	2,412	1,652	760	1,755	301	1,454
29	2,489	1,641	848	1,774	308	1,466
Dec. 6	2,567	1,670	897	1,774	309	1,465
13	2,563	1,639	924	1,787	309	1,478
20	2,653	1,726	927	1,787	309	1,478
27	2,598	1,674	924	1,783	306	1,477
1973—Jan. 3	2,737	1,775	962	1,858	365	1,493
10	2,750	1,819	931	1,790	307	1,483
17	2,691	1,804	887	1,775	296	1,479
24	2,691	1,775	916	1,820	299	1,521
31	2,609	1,734	875	1,822	296	1,526
Feb. 7	2,641	1,711	930	1,841	308	1,533
14	2,694	1,753	941	1,839	308	1,531
21	2,946	2,050	896	1,798	304	1,494
28	3,115	2,072	1,043	1,848	296	1,552

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			
		Bank related	Other[1]	Bank related	Other[2]		Total	Own bills	Bills bought	Own acct.	Foreign corr.		Imports into United States	Exports from United States	All other
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—Feb.	32,579	525	12,262	1,624	18,168	7,935	3,123	2,408	715	63	267	4,482	2,589	1,717	3,629
Mar.	32,681	545	12,233	1,627	18,276	7,985	3,083	2,246	837	143	263	4,496	2,597	1,774	3,613
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	1,814	2,400
Dec.	r34,721	930	11,242	1,707	r20,842	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	21,386	6,564	2,384	1,825	560	141	198	3,841	2,337	1,948	2,279

▶ 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■–5⅝
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■

NOTE.—Beginning Nov. 1971, several banks adopted a floating prime rate keyed to money market variables. ■ denotes prime rate charged by the majority of commercial banks.

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	
	Nov. 1972	Aug. 1972	Nov. 1972	Aug. 1972	Nov. 1972	Aug. 1972	Nov. 1972	Aug. 1972	Nov. 1972	Aug. 1972	Nov. 1972	Aug. 1972
	Short-term											
35 centers	6.33	5.84	7.52	7.27	7.10	6.72	6.60	6.20	6.24	5.91	6.14	5.59
New York City	6.09	5.55	7.34	6.82	6.79	6.37	6.27	5.95	6.01	5.55	6.05	5.47
7 Other Northeast	6.61	6.14	7.78	7.39	7.35	6.89	6.78	6.44	6.41	6.12	6.39	5.81
8 North Central	6.27	5.79	7.22	7.02	6.96	6.47	6.57	6.04	6.17	5.77	6.11	5.63
7 Southeast	6.56	6.06	7.64	7.55	7.15	6.96	6.74	6.30	6.38	6.09	6.21	5.41
8 Southwest	6.36	6.07	7.38	7.14	6.97	6.64	6.52	6.17	6.27	6.17	6.04	5.72
4 West Coast	6.41	5.82	7.79	7.61	7.31	6.95	6.71	6.39	6.30	5.96	6.24	5.53
	Revolving credit											
35 centers	6.11	5.83	6.87	6.78	6.81	6.51	6.47	5.93	6.27	5.83	6.05	5.81
New York City	6.01	5.82	7.51	7.06	6.35	6.21	6.27	5.73	6.19	5.61	5.99	5.83
7 Other Northeast	6.22	5.69	6.26	7.68	6.92	6.38	6.23	6.09	6.09	5.75	6.21	5.62
8 North Central	6.12	6.12	8.14	7.02	6.86	6.35	6.42	5.79	6.35	6.11	6.03	6.15
7 Southeast	6.20	5.66	5.97	6.07	6.55	6.30	7.93	6.13	5.84	5.62	5.75	5.44
8 Southwest	6.50	6.42	6.98	6.93	6.76	6.63	6.75	6.28	6.55	6.37	6.36	6.47
4 West Coast	6.14	5.72	7.14	6.98	6.90	6.68	6.42	5.97	6.29	5.75	6.08	5.67
	Long-term											
35 centers	6.67	6.31	7.43	7.47	7.15	6.80	6.82	6.51	6.76	6.27	6.61	6.28
New York City	6.26	5.87	7.14	5.87	7.03	6.29	6.08	6.18	5.78	5.74	6.29	5.85
7 Other Northeast	6.74	6.59	7.37	7.64	7.10	6.94	6.70	6.73	6.66	6.42	6.73	6.54
8 North Central	7.35	6.59	6.94	6.79	7.09	6.82	7.29	6.67	7.90	6.52	7.30	6.58
7 Southeast	7.79	7.37	9.67	6.67	7.15	6.17	7.51	7.07	7.88	....	8.25	8.23
8 Southwest	6.72	6.36	6.81	8.60	7.14	7.57	7.20	6.69	6.17	5.54	6.76	6.45
4 West Coast	6.38	6.49	7.42	7.62	7.44	6.66	6.67	6.07	6.77	6.82	6.27	6.46

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[5]		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)	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—Feb.	3.81	3.93	3.78	3.52	3.29	3.180	3.20	3.594	3.63	4.06	4.07	5.51
Mar.	4.10	4.17	4.03	3.95	3.83	3.723	3.73	4.086	4.12	4.43	4.54	5.74
Apr.	4.55	4.58	4.38	4.43	4.17	3.723	3.71	4.218	4.23	4.65	4.84	6.01
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
Week ending—												
1972—Nov. 4	5.13	5.25	5.13	5.10	5.06	4.767	4.74	5.141	5.08	5.27	5.25	6.10
11	5.13	5.25	5.13	5.00	5.25	4.668	4.71	4.957	5.04	5.18	5.18	6.05
18	5.15	5.25	5.13	5.00	4.89	4.775	4.76	5.070	5.07	5.17	5.16	6.00
25	5.25	5.25	5.13	5.00	4.97	4.776	4.82	5.050	5.10	5.20	5.24	6.02
Dec. 2	5.25	5.25	5.13	5.00	5.03	4.886	4.88	5.178	5.18	5.25	5.35	6.04
9	5.28	5.38	5.13	5.10	5.17	4.945	5.00	5.230	5.25	5.27	5.39	6.05
16	5.33	5.40	5.18	5.13	5.29	5.099	5.05	5.309	5.27	5.22	5.42	6.04
23	5.50	5.50	5.35	5.20	5.38	5.087	5.15	5.297	5.36	5.26	5.49	6.09
30	5.56	5.59	5.38	5.25	5.34	5.111	5.13	5.313	5.34	5.39	5.55	6.12
1973—Jan. 6	5.63	5.63	5.38	5.38	5.61	5.163	5.16	5.396	5.42	5.44	5.61	6.16
13	5.63	5.63	5.40	5.43	5.66	5.155	5.19	5.412	5.47	5.45	5.70	6.22
20	5.78	5.78	5.53	5.58	5.86	5.277	5.40	5.540	5.63	5.52	5.80	6.27
27	5.88	5.90	5.75	5.80	6.03	5.633	5.67	5.760	5.81	5.66	5.91	6.38
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

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 U.S. Government securities 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			New-issue Aaa utility	Seasoned issues						Dividend/price ratio		Earnings/price ratio
		Total[1]	Aaa	Baa		Total[1]	By selected rating		By group			Pre-ferred	Com-mon	Com-mon
							Aaa	Baa	Indus-trial	Rail-road	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	4.64	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	5.34	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	5.82	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	6.51	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	7.36	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	8.51	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	7.94	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	7.63	7.21	8.16	7.35	7.99	7.74	7.27	2.84	....
1972—Feb.	5.67	5.29	5.01	5.63	7.34	7.68	7.27	8.23	7.39	8.00	7.84	6.67	2.92	....
Mar.	5.66	5.31	4.99	5.61	7.24	7.66	7.24	8.24	7.35	8.03	7.81	6.76	2.86	5.42
Apr.	5.74	5.45	5.16	5.79	7.45	7.71	7.30	8.24	7.42	8.04	7.87	6.91	2.83	....
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	....
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	....
Week ending—														
1973—Jan. 6	5.72	5.19	4.95	5.45	....	7.47	7.11	7.90	7.23	7.90	7.49	7.22	2.65	....
13	5.83	5.11	4.90	5.40	7.29	7.47	7.12	7.89	7.24	7.88	7.50	7.22	2.65	....
20	5.98	5.08	4.85	5.30	7.45	7.48	7.15	7.90	7.27	7.85	7.50	7.23	2.67	....
27	6.08	5.14	4.90	5.40	7.40	7.50	7.18	7.91	7.30	7.85	7.52	7.28	2.72	....
Feb. 3	6.13	5.21	5.00	5.45	7.36	7.54	7.20	7.95	7.33	7.87	7.55	6.87	2.74	....
10	6.16	5.25	5.05	5.50	7.46	7.56	7.22	7.97	7.34	7.91	7.62	6.82	2.80	....
17	6.10	5.10	4.85	5.40	7.34	7.57	7.23	7.97	7.35	7.92	7.61	6.96	2.77	....
24	6.15	5.13	4.90	5.40	....	7.57	7.22	7.97	7.35	7.92	7.60	6.93	2.78	....
Mar. 3	6.16	5.23	5.00	5.45	....	7.57	7.25	7.97	7.35	7.92	7.60	6.92	2.86	....
Number of issues[2]	10	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 Investors Service. (3) *Corporate*: New-issue Aaa utility rates 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 two 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 preceding page 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. 31–22.5; **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.

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-55.

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
1972p	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—Feb.	68.32	83.8	66.7	105.24	116.86	45.66	57.41	58.45	63.36	52.80	38.56	73.74	27.52	18,817	6,328
Mar.	68.43	84.1	66.2	107.69	119.73	46.48	57.73	59.96	65.18	53.71	38.56	77.15	28.03	18,351	5,680
Apr.	67.66	82.5	65.1	108.81	121.34	47.38	55.70	60.65	66.10	55.50	37.48	80.36	28.24	18,402	5,584
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	r25.35	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
Week ending—															
1973—Feb. 3	64.24	86.1	65.7	115.40	129.27	41.35	57.93	62.04	68.54	42.96	40.48	77.17	26.75	16,596	3,706
10	63.95	85.9	65.6	114.04	127.68	40.86	57.68	62.57	67.70	42.46	40.05	74.57	25.49	17,197	3,766
17	64.44	87.0	65.7	115.47	129.41	40.96	57.79	62.23	68.52	43.02	40.20	75.05	25.50	17,059	3,503
24	64.03	86.2	65.5	114.42	128.20	40.66	57.42	61.53	67.74	42.37	39.87	74.02	25.21	14,734	3,466
Mar. 3	63.91	85.3	65.3	111.62	125.01	39.04	56.50	59.94	65.89	40.53	39.21	72.49	24.75	17,175	3,968

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—Jan.	7.62	.95	26.5	75.0	37.3	27.6	7.45	.82	24.9	74.7	32.5	24.1
Feb.	7.45	1.02	27.0	76.5	37.2	27.8	7.35	.79	25.4	75.8	33.1	24.8
Mar.	7.38	.84	27.2	76.2	37.7	28.2	7.31	.77	25.1	75.6	32.7	24.4
Apr.	7.38	.83	27.2	76.0	38.3	28.5	7.30	.78	25.2	75.3	33.6	24.9
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.r	7.51	.92	27.5	78.0	37.9	29.0	7.45	.86	26.4	76.8	34.0	25.7
1973—Jan.	7.53	.92	27.4	78.4	37.9	29.1	7.46	.82	26.2	77.2	34.0	25.7

For notes see opposite page.

STOCK MARKET CUSTOMER FINANCING

(In millions of dollars)

End of period	Margin credit at brokers and banks [1]										Other security credit at banks [4]	Free credit balances at brokers [5]	
	Regulated [2]									Unregulated [3]			
	By source			By type									
	Total	Brokers	Banks	Margin stock		Convertible bonds		Subscription issues		Nonmargin stock credit at banks		Margin accts.	Cash accts.
				Brokers	Banks	Brokers	Banks	Brokers	Banks				
1972—Jan.	6,850	5,989	861	5,700	789	252	56	37	16	1,182	1,313	448	2,040
Feb.	7,427	6,477	950	6,180	877	256	56	41	17	1,170	1,327	434	2,108
Mar.	7,847	6,896	951	6,620	883	240	53	36	15	1,158	1,294	442	2,070
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

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 NYSE. 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 Board of Governors of the Federal Reserve System's list of OTC 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—Jan.	5,700	8.7	13.5	27.1	32.6	8.5	9.6
Feb.	6,180	8.4	12.4	25.9	35.1	8.5	9.7
Mar.	6,620	7.6	11.2	22.3	38.5	10.6	9.7
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

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		Total balance (millions of dollars)
		60 per cent or more	Less than 60 per cent	
1972—Jan.	36.8	55.9	7.3	5,780
Feb.	35.1	57.0	7.9	5,910
Mar.	35.8	56.0	8.1	5,990
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

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
1963	36,007	607	5,863	440	5,074	912	799	49,702	44,606	943	4,153	.....	.....	.....	.....	2,549
1964	40,328	739	5,791	391	5,099	1,004	886	54,238	48,849	989	4,400	.....	.....	.....	.....	2,820
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—Dec.	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—Jan.[4]	62,258	3,224	3,261	433	18,417	1,246	1,802	90,641	82,327	1,962	6,352	1,045	676	409	1,442	3,572
Feb.	62,517	3,523	3,306	459	19,055	1,255	1,808	91,924	83,269	2,229	6,427	1,277	759	533	1,414	3,983
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	64,333	3,439	3,397	642	20,857	1,332	1,948	95,947	87,027	2,254	6,667	1,612	925	540	1,603	4,679
July	64,771	3,642	3,376	691	21,193	1,298	1,945	96,916	87,714	2,536	6,665	1,579	956	557	1,629	4,721
Aug.	65,324	3,512	3,353	806	21,389	1,327	1,935	97,646	88,130	2,780	6,736	1,572	824	549	1,647	4,593
Sept.	65,826	3,421	3,393	843	21,556	1,361	1,992	98,392	89,174	2,431	6,787	1,740	716	583	1,637	4,675
Oct.	66,298	3,481	3,451	866	21,497	1,303	1,986	98,882	89,558	2,518	6,806	1,667	718	617	1,660	4,662
Nov.	66,815	3,503	3,419	894	21,648	1,321	1,996	99,595	90,112	2,610	6,873	1,624	753	631	1,658	4,666
Dec.	67,413	2,956	3,509	899	21,855	1,667	2,060	100,359	91,393	2,028	6,939	1,593	713	609	1,624	4,539

[1] Also includes securities of foreign governments and international organizations and nonguaranteed issues of U.S. Govt. agencies.

[2] See note 8, p. A-19.

[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 NAMSB which were *net of valuation reserves* For most items, however, the differences are relatively small.

NOTE.—National Assn. of Mutual Savings Banks 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:												
1963	141,121	12,438	5,813	3,852	2,773	60,780	53,645	7,135	50,544	4,319	6,655	6,385
1964	149,470	12,322	5,594	3,774	2,954	63,579	55,641	7,938	55,152	4,528	7,140	6,749
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 r	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—Dec. r	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—Jan.	223,312	11,325	4,594	3,535	3,196	101,350	80,087	21,263	75,517	7,097	17,074	10,949
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	5,187	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

[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[4]	
	Mortgages	Investment securities[1]	Cash	Other[2]		Savings capital	Reserves and undivided profits	Borrowed money[3]	Loans in process	Other	Made during period	Outstanding at end of period
1961	68,834	5,211	3,315	4,775	82,135	70,885	5,708	2,856	1,550	1,136	....	1,872
1962	78,770	5,563	3,926	5,346	93,605	80,236	6,520	3,629	1,999	1,221	....	2,193
1963	90,944	6,445	3,979	6,191	107,559	91,308	7,209	5,015	2,528	1,499	....	2,572
1964	101,333	6,966	4,015	7,041	119,355	101,887	7,899	5,601	2,239	1,729	....	2,549
1965	110,306	7,414	3,900	7,960	129,580	110,385	8,704	6,444	2,198	1,849	....	2,707
1966	114,427	7,762	3,366	8,378	133,933	113,969	9,096	7,462	1,270	2,136	....	1,482
1967	121,805	9,180	3,442	9,107	143,534	124,531	9,546	4,738	2,257	2,462	....	3,004
1968	130,802	[1] 11,116	2,962	9,571	152,890	131,618	10,315	5,705	2,449	2,803	....	3,584
1969 [5]	140,232	10,873	2,438	8,606	162,149	135,538	11,228	9,728	2,455	3,200	807	2,812
1970 [5]	150,331	13,020	3,506	9,326	176,183	146,404	11,991	10,911	3,078	3,799	1,602	4,393
1971—Dec.	174,385	18,293	2,783	10,842	206,303	174,472	13,187	9,048	5,072	4,524	2,345	7,237
1972—Jan.	175,838	19,691	2,785	10,926	209,240	177,738	13,250	8,053	4,874	5,325	2,508	7,510
Feb.	177,614	20,682	2,829	11,144	212,269	180,556	13,248	7,275	4,853	6,337	3,354	8,659
Mar.	180,145	21,427	2,521	11,291	215,384	184,843	13,261	6,759	5,077	5,444	4,110	9,864
Apr.	182,711	21,449	2,551	11,440	218,151	186,617	13,262	6,847	5,283	6,142	4,047	10,837
May	185,431	22,070	2,456	11,691	221,648	188,826	13,257	6,802	5,608	7,155	4,545	11,793
June	188,884	21,644	2,414	11,865	224,807	192,564	13,583	7,273	5,887	5,500	4,198	11,663
July	191,642	22,130	2,367	11,942	228,081	194,770	13,577	7,216	5,997	6,521	c4,205	11,878
Aug.	194,955	22,113	2,208	12,125	231,401	196,571	13,569	7,512	6,100	7,649	4,106	11,876
Sept.	197,881	22,018	2,084	12,277	234,260	199,966	13,586	8,080	6,119	6,509	3,767	11,908
Oct.	200,554	22,390	2,258	12,457	237,659	202,012	13,587	8,327	6,086	7,647	3,731	11,959
Nov.	203,266	22,505	2,245	12,689	240,705	203,889	13,592	8,503	6,067	8,654	3,777	12,007
Dec.p	206,367	21,839	2,673	12,691	243,570	207,290	14,749	9,847	6,215	5,459	3,169	11,341

[1] 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 FHLBB stock. 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 note 1.

[3] Consists of advances from FHLBB and other borrowing.

[4] Insured savings and loan assns. only. Data on outstanding commitments are 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.

[5] Balance sheet data for all operating savings and loan associations were revised by the Federal Home Loan Bank Board for 1969 and 1970.

NOTE.—Federal Home Loan Bank Board 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—Jan.	7,238	3,412	156	7,139	1,949	1,647	17,977	17,442	2,098	1,867	5,785	5,537	7,970	7,063
Feb.	6,515	3,805	115	6,731	2,014	1,696	18,220	17,814	2,149	1,840	5,720	5,591	8,039	7,186
Mar.	5,992	4,342	113	6,730	2,008	1,708	18,342	17,992	2,267	1,840	5,967	5,689	8,139	7,186
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

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 below. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

OUTSTANDING ISSUES OF FEDERALLY SPONSORED AGENCIES, JANUARY 31, 1972

Agency, and date of issue and maturity	Coupon rate	Amount (millions of dollars)
Federal home loan banks		
Bonds:		
2/25/70 – 2/26/73	8.35	350
5/23/71 – 2/26/73	5.70	400
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
8/25/69 – 8/25/74	7.65	180
8/25/72 – 8/26/74	5⅝	400
11/25/69 – 11/25/74	8.00	225
1/26/71 – 2/25/75	6.10	250
8/25/70 – 5/26/75	8.05	265
7/27/70 – 8/25/75	7.95	300
12/18/70 – 11/25/75	6.50	350
11/27/72 – 2/25/75	5⅞	400
8/27/71 – 2/25/76	7⅜	300
6/25/71 – 5/25/77	6.95	200
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
Federal Home Loan Mortgage Corporation		
Bonds:		
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	......	1,091
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
9/29/70 – 10/1/90	8.63	200
Federal National Mortgage Association—Cont.		
Debentures:		
11/10/70 – 3/12/73	7.30	450
12/12/69 – 3/12/73	8.30	250
6/12/61 – 6/12/73	4¼	146
7/10/70 – 6/12/73	8.35	350
7/12/71 – 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
3/10/72 – 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
1/16/73 – 10/30/80	5.47	5
12/11/72 – 12/10/80	6.60	300
6/29/72 – 1/29/81	6.15	156
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:		
8/1/72 – 2/1/73	4.90	447
10/2/72 – 4/2/73	5.40	375
11/1/72 – 5/1/73	5.45	331
12/4/72 – 6/4/73	5.30	350
1/2/73 – 7/2/73	5.60	347
10/1/70 – 10/1/73	7.30	100
Federal intermediate credit banks		
Debentures:		
5/1/72 – 2/1/73	4.95	487
3/2/70 – 3/1/73	7.75	203
6/1/72 – 3/1/73	4.80	489
7/3/72 – 4/2/73	4.80	489
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	353
9/1/70 – 7/2/73	5.55	200
11/1/72 – 8/1/73	5.65	540
1/2/73 – 10/1/73	5.70	591
12/4/72 – 9/4/73	5.45	491
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
Federal land banks		
Bonds:		
2/20/63 – 2/20/73–78	4⅛	148
4/20/72 – 4/23/73	5.20	433
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	4½	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
4/20/65 – 4/21/75	4⅜	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
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

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—Jan.	r17,605	....	....	r19,481	r−1,876	−1,269	r−476	−1,508	r−377	....	r141	−191	r1,047	r2,590
Feb.	15,239	18,589	175	18,764	−3,525	1,169	568	1,450	286	....	1	−4,018	−208	−702
Mar.	15,237	20,000	327	20,327	−5,090	3,312	−103	−683	97	....	3,795	591	−16	1,869
Apr.	24,534	19,113	−515	18,598	5,935	−2,039	−44	−1,770	1,746	....	−2,059	4,047	1,338	1,508
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

End of period	Selected balances: Treasury operating balance: F.R. Banks	Treasury operating balance: Tax and loan accounts	Treasury operating balance: Other depositaries[5]	Treasury operating balance: Total	Federal securities: Public debt securities	Federal 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	....
Month:											
1972—Jan.	2,860	8,118	[5] 134	11,112	422,862	10,570	84,037	22,522	825	326,017	39,701
Feb.	884	6,075	134	7,094	424,032	11,137	85,486	22,839	825	326,019	39,883
Mar.	1,293	6,391	2	7,685	427,343	11,034	84,804	22,935	825	329,814	40,109
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	....
1973—Jan.	2,749	8,317	310	11,376	450,068	11,787	95,024	23,332	825	342,674	....

[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), FICB, and banks for cooperatives (beginning Dec. 1968).

NOTE.—Half years may not add to fiscal year totals due to revisions in series which 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—Jan.	[r]17,604	[r]6,633	4,318	1	[r]10,950	1,228	158	3,044	124	153	295	3,616	743	259	621	345
Feb.	15,239	7,581	682	1,416	6,846	878	212	4,774	147	545	274	5,740	819	224	596	347
Mar.	15,237	7,782	1,323	5,200	3,905	4,995	273	3,787	167	71	325	4,350	1,130	264	602	263
Apr.	24,534	6,599	8,650	3,284	11,985	5,145	250	3,877	1,153	343	283	5,655	1,091	215	372	342
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

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—Jan.	[r]19,481	[r]6,178	347	259	699	264	813	434	[r]808	6,807	1,023	1,737	[r]391	[r]-278	......
Feb.	18,764	6,333	307	276	298	237	619	254	908	6,938	864	1,714	400	......	-385
Mar.	20,327	7,158	361	310	16	265	876	342	932	7,111	1,045	1,801	401	......	-293
Apr.	18,598	6,738	265	238	196	255	793	9	728	6,936	929	1,792	419	......	-308
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

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 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, 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 which 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											Special issues [5]
		Total	Marketable					Convertible bonds	Nonmarketable				
			Total	Bills	Certificates	Notes	Bonds [2]		Total [3]	Foreign issues [4]	Savings bonds & notes		
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—Feb.	424.0	336.5	261.2	98.1	....	112.9	50.2	2.3	73.0	16.9	55.3		85.6
Mar.	427.3	340.6	265.4	102.4	....	112.9	50.1	2.3	72.9	16.5	55.6		84.9
Apr.	425.3	340.4	263.0	98.3	....	114.7	50.0	2.3	75.1	18.4	55.9		83.1
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

[1] Includes non-interest-bearing debt (of which $621 million on Feb. 28, 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—		Held by private investors									
		U.S. Govt. agencies and trust funds	F.R. Banks	Total	Commercial banks	Mutual savings banks	Insurance companies	Other corporations	State and local govts.	Individuals		Foreign and international [1]	Other misc. investors [2]
										Savings bonds	Other securities		
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—Feb.	424.0	106.2	67.7	250.2	62.1	2.7	6.5	12.1	26.2	54.9	18.7	48.9	18.1
Mar.	427.3	105.5	69.9	251.9	63.3	2.7	6.5	11.6	25.8	55.2	19.5	49.9	17.5
Apr.	425.3	105.5	70.3	249.5	61.9	2.7	6.4	10.5	25.7	55.5	19.1	49.8	17.9
May	427.9	109.1	71.6	247.2	r61.0	2.8	6.3	11.3	25.5	55.8	18.6	49.4	16.6r
June	427.3	111.5	71.4	244.4	r60.5	2.7	6.2	10.3	25.9	56.0	18.0	50.0	14.9r
July	432.4	112.8	70.8	248.8	r60.2	2.7	6.1	10.0	26.5	56.3	18.0	54.6	14.5r
Aug.	435.4	115.4	70.7	249.3	r60.0	2.6	6.0	9.5	26.5	56.6	17.6	55.9	14.6r
Sept.	433.9	113.5	69.7	250.7	r60.8	2.8	6.1	8.9	27.2	56.8	17.2	55.3	15.7r
Oct.	439.9	116.7	70.1	253.1	r61.0	2.7	5.9	10.4	28.0	57.1	17.0	55.8	15.2r
Nov.	444.2	116.1	69.5	258.6	r63.5	2.7	6.1	12.0	27.9	57.4	17.1	56.0	16.1r
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

[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:								
1969—Dec. 31	235,863	118,124	80,571	37,553	73,301	20,026	8,358	16,054
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—Jan.	271,121	131,454	104,901	26,553	88,572	29,142	15,271	6,682
U.S. Govt. agencies and trust funds:								
1969—Dec. 31	16,295	2,321	812	1,509	6,006	2,472	2,059	3,437
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—Jan. 31	19,573	1,649	699	950	6,472	5,506	4,318	1,628
Federal Reserve Banks:								
1969—Dec. 31	57,154	36,023	22,265	13,758	12,810	7,642	224	453
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—Jan. 31	72,022	39,732	31,528	8,204	24,574	6,140	1,440	136
Held by private investors:								
1969—Dec. 31	162,414	79,780	57,494	22,286	54,485	9,912	6,075	12,164
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—Jan. 31	179,526	90,073	72,674	17,399	57,526	17,496	9,513	4,918
Commercial banks:								
1969—Dec. 31	45,173	15,104	6,727	8,377	24,692	4,399	564	414
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—Jan. 31	51,667	17,345	9,447	7,898	27,600	5,621	833	269
Mutual savings banks:								
1969—Dec. 31	2,931	501	149	352	1,251	263	203	715
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—Jan. 31	2,612	494	257	237	1,163	462	316	177
Insurance companies:								
1969—Dec. 31	6,152	868	419	449	1,808	253	1,197	2,028
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—Jan. 31	5,255	763	375	388	1,213	996	1,610	672
Nonfinancial corporations:								
1969—Dec. 31	5,007	3,157	2,082	1,075	1,766	63	12	8
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—Jan. 31	5,493	3,908	3,018	890	1,403	122	51	10
Savings and loan associations:								
1969—Dec. 31	3,851	808	269	539	1,916	357	329	441
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—Jan. 31	3,019	922	578	344	1,180	606	228	83
State and local governments:								
1969—Dec. 31	13,909	6,416	5,200	1,216	2,853	524	1,225	2,893
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—Jan. 31	11,920	7,129	6,122	1,007	2,083	833	1,286	590
All others:								
1969—Dec. 31	85,391	52,926	42,648	10,278	20,199	4,053	2,545	5,665
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—Jan. 31	99,560	59,512	52,877	6,635	22,884	8,856	5,189	3,117

NOTE.—Direct public issues only. Based on Treasury Survey of Ownership.

Beginning with Dec. 1968, certain Govt.-sponsored but privately owned agencies and certain Govt. deposit accounts have been removed from U.S. Govt. agencies and trust funds and added to "All others." Comparable data are not available for earlier periods.

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 5,624 commercial banks, 481 mutual savings banks, and 738 insurance companies combined; (2) about 50 per cent by the 464 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									U.S. Govt. agency securities
	Total	By maturity				By type of customer				
		Within 1 year	1–5 years	5–10 years	Over 10 years	Dealers and brokers		Commercial banks	All other	
						U.S. Govt. securities	Other			
1972—Jan.	3,191	2,268	571	309	44	[1] 879	[2] 391	1,120	[3] 801	623
Feb.	3,260	2,339	652	242	27	913	363	1,170	815	611
Mar.	3,177	2,443	464	241	29	800	437	1,060	881	459
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
Week ending—										
1973—Jan. 3	3,397	2,817	424	121	35	862	311	1,301	923	309
10	3,213	2,443	423	151	197	726	432	1,173	882	481
17	2,871	2,122	486	173	89	702	423	1,060	686	409
24	3,176	2,492	410	156	117	835	511	1,051	780	r635
31	3,191	2,507	440	128	115	842	568	1,075	706	387
Feb. 7	4,348	3,197	778	270	104	1,044	799	1,494	1,010	448
14	4,890	3,320	832	634	104	1,014	1,076	1,698	1,102	711
21	4,094	2,890	690	436	78	709	801	1,243	1,342	768
28	3,424	2,545	600	207	72	777	611	1,048	989	696

1 Beginning Jan. 5, 1972, represents transactions of U.S. Govt. securities dealers.

2 Beginning Jan. 5, 1972, represents transactions of U.S. Govt. securities brokers.

3 Beginning Jan. 5, 1972, includes transactions of dealers and brokers in securities other than U.S. Govt., previously shown under "other" dealers and brokers.

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					U.S. Govt. agency securities
	All maturities	Within 1 year	1–5 years	5–10 years	Over 10 years	
1972—Jan.	5,561	4,665	437	365	94	847
Feb.	4,960	4,094	479	304	83	554
Mar.	4,933	4,710	228	−32	27	489
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
Week ending—						
1972—Dec. 6	5,182	5,051	85	4	42	784
13	5,059	4,970	63	−13	40	578
20	4,621	4,671	−14	−68	32	566
27	5,173	4,990	194	−56	44	397
1973—Jan. 3	5,021	5,052	58	−120	31	398
10	4,878	4,942	26	−207	116	343
17	4,826	5,064	−69	−290	119	254
24	4,705	5,008	−112	−287	96	228
31	4,408	4,710	−93	−294	85	254

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		Corporations[1]	All other
		New York City	Elsewhere		
1972—Jan.	5,714	1,296	904	1,750	1,763
Feb.	5,205	1,456	719	1,344	1,686
Mar.	4,662	1,347	907	949	1,458
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.r	4,848	1,695	808	944	1,399
1973—Jan.	4,520	1,346	794	932	1,449
Week ending—					
1972—Dec. 6	5,346	1,847	925	868	1,707
13	5,305	2,026	742	1,100	1,436
20	4,575	1,460	756	1,028	1,331
27	4,382	1,617	763	819	1,183
1973—Jan. 3	4,530	1,362	830	860	1,479
10	4,543	1,338	749	1,094	1,363
17	4,718	1,468	932	988	1,330
24	4,671	1,378	917	953	1,424
31	4,205	1,320	636	723	1,526

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, FEBRUARY 28, 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**	
Mar. 1, 1973.........	4,202	July 31, 1973.........	1,702	Nov. 15, 1974.....5¾	5,442	Aug. 15, 1973.....4	3,894
Mar. 8, 1973.........	4,206	Aug. 2, 1973.........	1,801	Dec. 31, 1974.....5⅞	2,102	Nov. 15, 1973.....4⅛	4,337
Mar. 15, 1973.........	4,203	Aug. 9, 1973.........	1,801	Feb. 15, 1975.....5¾	4,015	Feb. 15, 1974.....4⅛	2,467
Mar. 22, 1973.........	4,207	Aug. 16, 1973.........	1,803	Feb. 15, 1975.....5⅞	1,222	May 15, 1974.....4¼	2,851
Mar. 29, 1973.........	4,205	Aug. 23, 1973.........	1,801	Apr. 1, 1975.....1½	8	Nov. 15, 1974.....3⅞	1,215
Mar. 31, 1973.........	1,702	Aug. 28, 1973.........	1,803	May 15, 1975.....5⅞	1,776	May 15, 1975-85..4¼	1,206
Apr. 5, 1973.........	4,203	Sept. 25, 1973.........	1,801	May 15, 1975.....6	6,760	June 15, 1978-83..3¼	1,501
Apr. 12, 1973.........	4,205	Oct. 23, 1973.........	1,802	Aug. 15, 1975.....5⅞	7,679	Feb. 15, 1980.....4	2,579
Apr. 19, 1973.........	4,201	Nov. 20, 1973.........	1,802	Oct. 1, 1975.....1½	30	Nov. 15, 1980.....3½	1,898
Apr. 20, 1973†........	2,012	Dec. 18, 1973.........	1,800	Nov. 15, 1975.....7	3,115	Aug. 15, 1981.....7	807
Apr. 26, 1973.........	4,201	Jan. 15, 1974.........	1,804	Feb. 15, 1976.....6¼	3,739	Feb. 15, 1982.....6⅜	2,702
Apr. 30, 1973.........	1,700	Feb. 12, 1974.........	1,801	Feb. 15, 1976.....5⅞	4,945	Aug. 15, 1984.....6⅜	2,353
May 3, 1973.........	4,303			Apr. 1, 1976.....1½	27	May 15, 1985.....3¼	990
May 10, 1973.........	4,303			May 15, 1976.....5¾	2,802	Nov. 15, 1986.....6⅛	1,216
May 17, 1973.........	4,304			May 15, 1976.....6½	2,697	Aug. 15, 1987-92..4¼	3,756
May 24, 1973.........	4,301	**Treasury notes**		Aug. 15, 1976.....7½	4,194	Feb. 15, 1988-93..4	239
May 31, 1973.........	3,604	Apr. 1, 1973.....1½	34	Aug. 15, 1976.....6½	3,881	May 15, 1989-94..4⅛	1,504
June 7, 1973.........	1,897	May 15, 1973.....7¾	5,844	Oct. 1, 1976.....1½	11	Feb. 15, 1990.....3½	4,226
June 14, 1973.........	1,902	May 15, 1973.....4¾	3,792	Nov. 15, 1976.....6¼	4,325	Feb. 15, 1993.....6¾	627
June 21, 1973.........	1,906	Aug. 15, 1973.....8⅛	1,839	Feb. 15, 1977.....8	5,163	Feb. 15, 1995.....3	947
June 22, 1973†........	2,510	Oct. 1, 1973.....1½	30	Apr. 1, 1977.....1½	5	Nov. 15, 1998.....3½	3,332
June 28, 1973.........	1,903	Feb. 15, 1974.....7¾	2,960	Aug. 15, 1977.....7¾	2,264		
June 30, 1973.........	1,701	Apr. 1, 1974.....1½	34	Oct. 1, 1977.....1½	15		
July 5, 1973.........	1,901	May 15, 1974.....7¼	4,334	Feb. 15, 1978.....6¼	8,389	**Convertible bonds**	
July 12, 1973.........	1,902	Aug. 15, 1974.....5⅝	10,284	Nov. 15, 1978.....6	8,207	**Investment Series B**	
July 19, 1973.........	1,902	Sept. 30, 1974.....6	2,060	Aug. 15, 1979.....6¼	4,559	Apr. 1, 1975-80..2¾	2,292
July 26, 1973.........	1,901	Oct. 1, 1974.....1½	42	Nov. 15, 1979.....6⅝	1,603		

† 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—Jan.ʳ..	1,776	1,120	654	....	2	639	545	591	....	1,696	377	147	440	56	......	676
Feb.ʳ..	2,005	1,049	951	....	5	354	977	673	....	1,933	531	78	433	29	......	861
Mar.ʳ.	2,239	1,289	720	225	5	434	954	851	....	2,110	463	134	348	329	......	838
Apr.ʳ..	1,989	1,382	601	....	6	472	549	969	....	1,950	490	229	434	10	......	788
Mayʳ..	2,017	990	1,023	....	3	374	850	792	....	1,950	657	214	306	67	......	705
Juneʳ..	2,270	989	1,064	209	8	246	1,226	799	....	2,000	347	150	533	393	......	576
Julyʳ..	1,805	1,322	481	....	2	647	467	690	....	1,796	327	121	223	154	......	971
Aug.ʳ.	1,966	820	1,138	....	8	468	897	600	....	1,931	444	111	429	162	......	784
Sept.ʳ.	1,726	663	803	257	4	298	1,016	414	....	1,609	238	107	590	270	......	404
Oct.ʳ..	2,200	1,662	533	....	5	487	689	1,025	....	2,147	444	162	409	52	......	1,082
Nov.ʳ.	1,862	1,147	711	....	5	425	572	866	....	1,762	312	215	365	56	......	814
Dec.ʳ..	1,797	872	653	268	4	147	754	895	....	1,507	351	21	204	332	......	599
1973—Jan....	1,902	1,138	763	....	1	602	439	863	....	1,784	363	214	365	117	......	726

[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
1971—Dec.	6,911	443	698	2,058	39	3,673	2,473	1,190	1,283	169	1,031
1972—Jan.	7,188	529	1,401	1,737	316	3,205	2,371	1,767	604	303	531
Feb.	7,302	539	1,325	1,942	126	3,369	2,329	1,917	412	195	846
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.r	9,505	2,530	1,141	1,970	74	3,791	2,336	1,772	565	421	1,033
Nov.r	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

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
1971—Dec.	687	293	246	127	199	33	520	371	311	42	510	335
1972—Jan.	321	71	163	138	268	14	418	115	458	294	742	202
Feb.	428	101	67	104	142	4	388	600	438	60	865	171
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.r	269	114	192	326	152	12	522	758	313	58	887	187
Nov.r	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

[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

Period	Type of issuer											
	Manu-facturing		Commercial and other[2]		Transpor-tation[3]		Public utility		Communi-cation		Real estate and financial[1]	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
1967	7,237	832	1,104	282	1,158	165	3,444	652	1,716	467	1,302	−130
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

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)		
	Sales[1]	Redemp-tions	Net sales	Total[2]	Cash position[3]	Other
1960	2,097	842	1,255	17,026	973	16,053
1961	2,951	1,160	1,791	22,789	980	21,809
1962	2,699	1,123	1,576	21,271	1,315	19,956
1963	2,460	1,504	952	25,214	1,341	23,873
1964	3,404	1,875	1,528	29,116	1,329	27,787
1965	4,359	1,962	2,395	35,220	1,803	33,417
1966	4,671	2,005	2,665	34,829	2,971	31,858
1967	4,670	2,745	1,927	44,701	2,566	42,135
1968	6,820	3,841	2,979	52,677	3,187	49,490
1969	6,717	3,661	3,056	48,291	3,846	44,445
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

Month	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales[1]	Redemp-tions	Net sales	Total[2]	Cash position[3]	Other
1972—Jan.	521	475	46	56,694	3,163	53,531
Feb.	404	514	−110	58,536	3,478	55,058
Mar.	472	667	−195	58,740	3,251	55,489
Apr.	405	655	−250	58,870	2,827	56,043
May	378	585	−207	59,736	2,763	56,973
June	393	544	−151	57,708	3,015	54,693
July	398	424	−26	56,932	3,219	53,713
Aug.	391	582	−191	58,186	3,375	54,811
Sept.	310	442	−132	57,193	3,395	53,798
Oct.	384	411	−27	57,525	3,719	53,806
Nov.	387	645	−258	59,854	3,549	56,305
Dec.	449	619	−170	59,831	3,035	56,796
1973—Jan.	535	666	−131	56,946	3,015	53,931

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]	Quarter	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	1971—I	81.3	38.0	43.2	25.5	17.7	57.5
1967	79.8	33.2	46.6	21.4	25.3	43.0	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
1968	87.6	39.9	47.8	23.6	24.2	46.8	IV	83.2	35.3	48.0	25.2	22.7	63.0
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	1972—I	88.2	38.8	49.5	26.0	23.5	64.8
1971	83.3	37.3	45.9	25.4	20.5	60.3	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

[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: Total	Cash	U.S. Govt. securities	Notes and accts. receivable: U.S. Govt.[2]	Notes and accts. receivable: Other	Inventories	Other	Current liabilities: Total	Notes and accts. payable: U.S. Govt.[2]	Notes and accts. payable: Other	Accrued Federal income taxes	Other
1968	182.3	426.5	48.2	11.5	5.1	168.8	166.0	26.9	244.2	6.4	127.8	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	148.0	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	144.7	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	146.9	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	147.9	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	152.4	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	148.5	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	149.1	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	150.6	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	158.0	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	156.6	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	158.0	13.4	96.8
III	219.1	545.3	57.3	7.6	2.9	222.5	215.2	39.8	326.2	4.7	161.7	15.0	98.9

[1] Figures revised to exclude all financial institutions.

[2] Receivables from, and payables to, the U.S. Govt. exclude amounts offset against each other on corporations' books.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing: Durable	Manufacturing: Nondurable	Mining	Transportation: Railroad	Transportation: Air	Transportation: Other	Public utilities: Electric	Public utilities: Gas and other	Communications	Other[1]	Total (S.A. A.R.)
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 [2]	84.54	15.52	15.65	2.45	1.90	2.52	1.41	14.54	2.57	11.90	20.18	....
1970—IV	21.66	4.26	4.40	.50	.43	.76	.33	3.12	.63	2.81	4.42	78.63
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 [2]	25.30	4.65	4.54	.67	.47	.69	.35	4.07	.78	9.08		92.36
1973—I [2]	21.55	3.94	3.79	.64	.43	.54	.32	3.63	.53	7.73		96.66

[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
1941	37.6	20.7	4.7	12.2	6.4	1.5	4.9	31.2	18.4	11.2	7.2	12.9	8.1	4.8	3.0	28.2
1945	35.5	21.0	2.4	12.1	4.8	1.3	3.4	30.8	18.6	12.2	6.4	12.2	7.4	4.7	4.3	26.5
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	451.2	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
1970—III	443.4	349.7	31.7	61.9	30.8	10.0	20.8	412.5	276.0	228.4	47.7	136.5	111.4	25.1	106.8	305.7
IV	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—Ip	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
IIp	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
IIIp	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
IVp	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—Ip	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	......	......
IIp	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	......	......
IIIp	546.9	434.2	44.3	68.4	35.1	10.4	24.7	511.9	335.1	278.4	56.7	176.8	145.4	31.4	......	......
IVp	564.5	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......

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 FNMA and, beginning fourth quarter 1968, new GNMA as well as FHA, VA, PHA, Farmers Home Admin., and in earlier years, RFC, HOLC, and FFMC. They also include U.S. sponsored agencies—new FNMA, Federal Land Banks, GNMA (Pools), and the FHLMC. 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, Federal National Mortgage Assn., Federal Housing Admin., Public Housing Admin., Veterans Admin., Government National Mortgage Assoc., Federal Home Loan Mortgage Corp., 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
1941	24.2	14.9	9.4	5.9	3.6	2.2
1945	24.3	15.7	8.6	5.7	3.5	2.2
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
1970—IV	338.2	277.1	61.1	58.0	45.8	12.2
1971—Ip	343.3	281.4	61.8	59.7	47.1	12.6
IIp	353.1	289.9	63.2	62.1	49.2	12.9
IIIp	364.0	298.4	65.6	64.3	50.4	13.9
IVp	374.7	306.1	68.6	66.8	52.0	14.9
1972—Ip	382.9	312.9	70.0	68.8	53.3	15.4
IIp	395.8	324.1	71.7	71.3	55.3	16.0
IIIp	408.9	335.6	73.3	73.8	57.3	16.5

1 Structures of five or more units.

NOTE.—Based on data from same source as for "Mortgage Debt Outstanding" table.

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]	
1945	18.6	4.3	4.1	.2	14.3
1963	182.2	65.9	35.0	30.9	116.3
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
1970—IV	280.2	97.2	59.9	37.3	182.9
1971—Ip	283.6	98.3	61.0	37.3	185.3
IIp	290.9	100.4	62.8	37.6	190.5
IIIp	299.7	102.9	64.4	38.5	196.8
IVp	307.8	105.2	65.7	39.5	202.6
1972—Ip	314.1	......	......	......	......
IIp	324.6	......	......	......	......
IIIp	335.1	......	......	......	......

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 [2]						
	Total	Residential				Other non-farm	Farm	Total	Residential				Other non-farm	Farm
		Total	FHA-insured	VA-guaranteed	Conventional				Total	FHA-insured	VA-guaranteed	Conventional		
1941	4,906	3,292	......	......	......	1,048	566	4,812	3,884	......	......	......	900	28
1945	4,772	3,395	......	......	......	856	521	4,208	3,387	......	......	......	797	24
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—II	71,291	44,845	7,800	2,575	34,469	22,392	4,054	56,880	49,260	15,931	12,092	21,237	7,519	101
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[p]	94,614	......	......	......	......	......	......	65,897	......	......	......	......	......	......

[1] Includes loans held by nondeposit trust companies, but not bank trust depts.

[2] Data for 1941 and 1945, except for totals, are special F.R. estimates.

NOTE.—Second and fourth quarters, Federal Deposit Insurance Corporation 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 after 1963 or beginning 1964. For earlier years, the basis for first- and third-quarter estimates included F.R. commercial bank call report data and data from the National Assn. of Mutual Savings Banks.

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[r]	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
1971—Dec.[r]	1,368	1,302	20	12	1,270	66	75,496	69,895	10,767	5,004	54,124	5,601
1972—Jan.	475	447	37	16	394	28	75,517	69,978	10,722	4,986	54,270	5,539
Feb.	436	392	26	12	354	44	75,456	69,940	10,674	4,952	54,314	5,516
Mar.	569	484	24	18	442	85	75,424	69,897	10,599	4,932	54,366	5,527
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

[1] Includes mortgage loans secured by land on which oil drilling or extracting operations are in process.

NOTE.—Institute of Life Insurance data. For loans acquired, the monthly figures may not add to annual totals; and for loans outstanding the end-of-Dec. figures may differ from end-of-year figures because (1) monthly figures represent book value of ledger assets, whereas year-end figures represent annual statement asset values, and (2) data for year-end adjustments are more complete. Beginning 1970 monthly and year-earlier data are on a statement balance basis.

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*)	Contract interest rate (*per cent*)	Maturity (yrs./mos.)	Loan-to-value ratio (per cent)	Capitalization rate (per cent)	Debt coverage ratio	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			Loans outstanding (end of period)			
	Total [1]	New home construction	Home purchase	Total [2]	FHA-insured	VA-guaranteed	Conventional
1945	1,913	181	1,358	5,376	......	......	......
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
1971—Dec.	3,592	573	1,590	174,385	13,798	10,848	149,739
1972—Jan.	2,632	481	1,253	175,838	13,976	11,013	150,849
Feb.	2,849	518	1,400	177,614	14,167	11,264	152,183
Mar.	3,910	712	1,861	180,145	14,450	11,546	154,149
Apr.	3,819	707	1,819	182,711	14,697	11,789	156,225
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.	4,550	678	2,122	206,367	15,639	13,764	176,964

1 Includes loans for repairs, additions and alterations, refinancing, etc. not shown separately.
2 Beginning with 1958, includes shares pledged against mortgage loans; beginning with 1966, includes junior liens and real estate sold on contract; and beginning with 1967, includes downward structural adjustment for change in universe.

NOTE.—Federal Home Loan Bank Board data.

FEDERAL HOME LOAN BANKS

(In millions of dollars)

Period	Advances	Repayments	Advances outstanding (end of period)			Members' *deposits* (end of period)
			Total	Short-term [1]	Long-term [2]	
1945	278	213	195	176	19	46
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—Jan.	186	885	7,238	2,569	4,669	1,948
Feb.	148	871	6,515	2,342	4,173	2,014
Mar.	165	689	5,992	2,125	3,867	2,008
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	4,2[illegible]2	1,442
Sept.	631	189	6,736	2,307	4,[illegible]29	1,443
Oct.	542	233	7,045	2,440	[illegible],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	2,8[illegible]5	5,025	1,306

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.—Federal Home Loan Bank Board 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–Jan.	17,977	....	....	281	7	574	5,558
Feb.	18,220	....	....	324	....	598	5,696
Mar.	18,342	13,654	4,687	316	79	469	5,635
Apr.	18,403	13,744	4,659	246	70	....	5,853
May	18,599	13,923	4,674	321	7	....	6,186
June	18,628	13,952	4,670	223	29	....	5,957
July	18,740	14,013	4,714	258	3	....	....
Aug.	19,023	14,188	4,816	427	....	....	....
Sept.	19,295	14,380	4,888	401	....	....	7,387
Oct.	19,438	14,462	4,939	265	....	....	....
Nov.	19,619	14,558	5,016	315	6	....	....
Dec.	19,791	14,624	5,112	307	12	....	....

NOTE.—Federal National Mortgage Assn. 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—Sept. 5	220.6	151.2	7.64	....	....	....
11	....	....	....	28.7	26.5	7.84
18	295.9	148.1	7.66	....	....	....
Oct. 2	352.8	211.5	7.70	....	....	....
10	....	....	....	42.2	37.2	7.90
16	271.2	224.9	7.73	....	....	....
30	186.4	162.7	7.74	....	....	....
Nov. 6	....	....	....	75.0	68.0	7.90
13	78.7	49.2	7.72	....	....	....
27	60.8	36.2	7.70	....	....	....
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	....	....	....

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. Beginning Oct. 18, 1971, the maturity on new short-term commitments was extended from 3 to 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–Jan.	5,[illegible]16	....	....	....	....	....	....
Feb.	5,3[illegible]0	....	....	....	....	....	....
Mar.	5,2[illegible]	....	....	....	....	....	....
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. r	5,113	....	....	....	....	....	....
1973–Jan.	5,117	....	....	....	....	....	....

NOTE.—Governmental National Mortgage Assn. 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 from the RFC Mortgage Co., the Defense Homes Corp., the Public Housing Admin., and Community Facilities Admin.

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—Jan.	384.1	247.7	....
Feb.	511.2	391.2	200.0
Mar.	528.3	322.5	....
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	....

NOTE.—Government National Mortgage Assn. 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: 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—Jan.	7.78	7.58	7.60	7.49
Feb.	7.60	7.48	7.60	7.46
Mar.	7.52	7.44	7.55	7.45
Apr.	7.51	7.42	7.60	7.50
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	7.60	7.70	7.55

NOTE.—Annual data are averages of monthly figures. The HUD(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. 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-37) 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	1,774
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	5,910	1,676	4,234
1971—Dec.	1,598	358	502	691	47	685	220	465
1972 Jan.	r1,289	420	516	291	62	629	204	425
Feb.	r1,109	366	448	251	44	r560	199	361
Mar.	1,293	349	449	441	54	658	231	427
Apr.	r946	272	381	242	51	509	170	339
May	r913	259	369	229	56	603	185	418
June	1,025	271	372	311	71	848	239	609
July	865	261	374	183	47	662	179	483
Aug.	r1,044	310	440	227	67	764	220	544
Sept.	957	245	340	295	77	749	209	540
Oct.	847	255	343	155	94	711	200	511
Nov.	985	261	331	296	97	777	241	536
Dec.	......	190	245	430	......	705	216	489

1 Monthly figures do not reflect mortgage amendments included in annual totals.

2 Not ordinarily secured by mortgages.

3 Includes 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.—Federal Housing Admin. and Veterans Admin. 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 foreclosure
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
1969—III	2.91	2.18	.47	.26	.25
IV	3.22	2.43	.52	.27	.27
1970—I	2.96	2.14	.52	.30	.31
II	2.83	2.10	.45	.28	.31
III	3.10	2.26	.53	.31	e.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

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
1972	1,788	1,502	286	1,155	321	......	198
1971—Dec.	968	821	147	45	49	7	182
1972—Jan.	979	828	151	17	2	17	182
Feb.	893	844	49	23	104	126	290
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.	1,788	1,502	286	143	87	93	198

NOTE.—Federal Home Loan Mortgage Corp. 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					Noninstalment			
		Total	Automobile paper	Other consumer goods paper	Repair and modernization loans [1]	Personal loans	Total	Single-payment loans	Charge accounts	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—Jan.	137,426	110,757	38,450	34,046	5,399	32,862	26,669	10,649	7,630	8,390
Feb.	136,941	110,510	38,516	33,579	5,403	33,012	26,431	10,752	6,987	8,692
Mar.	137,879	111,257	38,853	33,695	5,437	33,272	26,622	10,843	6,963	8,816
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

[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					Retail outlets		
		Total	Commercial banks	Finance companies [1]	Credit unions	Miscellaneous lenders [1]	Total	Automobile dealers [2]	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—Jan.	110,757	96,894	51,157	28,723	14,636	2,378	13,863	225	13,638
Feb.	110,510	97,135	51,264	28,695	14,702	2,474	13,375	226	13,149
Mar.	111,257	97,934	51,782	28,716	14,910	2,526	13,323	228	13,095
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

[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								Finance companies [1]					
	Total	Automobile paper		Other consumer goods paper			Repair and modernization loans	Personal loans	Total	Automobile paper	Other consumer goods paper		Repair and modernization loans	Personal loans
		Purchased	Direct	Mobile homes	Credit cards	Other					Mobile homes	Other		
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—Jan.	51,157	13,790	9,260	4,467	4,362	4,510	3,203	11,565	28,723	9,459	2,561	3,042	257	13,404
Feb.	51,264	13,844	9,292	4,519	4,291	4,530	3,190	11,598	28,695	9,399	2,571	3,042	258	13,425
Mar.	51,782	14,017	9,442	4,602	4,264	4,585	3,201	11,671	28,716	9,324	2,587	3,063	261	13,481
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

[1] Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies.

See also NOTE to first table on 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—Jan.	17,014	5,716	1,466	1,939	7,893
Feb.	17,176	5,755	1,477	1,955	7,989
Mar.	17,436	5,842	1,499	1,975	8,120
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

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		Charge accounts		Service credit
		Commercial banks	Other financial institutions	Retail outlets	Credit cards [1]	
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—Jan.	26,669	9,342	1,307	5,688	1,942	8,390
Feb.	26,431	9,415	1,337	5,111	1,876	8,692
Mar.	26,622	9,491	1,352	5,102	1,861	8,816
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

[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 first table on 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—Jan.	11,116	9,469	3,089	2,499	4,258	3,773	309	231	3,460	2,966
Feb.	10,952	9,540	3,100	2,777	4,052	3,422	296	247	3,504	3,094
Mar.	11,741	11,746	3,176	3,363	4,453	4,337	323	303	3,789	3,743
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
	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—Jan.	10,015	10,007	2,795	2,713	3,905	4,080	256	245	3,059	2,969
Feb.	10,069	9,787	2,776	2,711	3,878	3,889	253	243	3,162	2,944
Mar.	10,427	10,999	2,831	3,026	3,944	4,221	262	269	3,390	3,483
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
	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—Jan.	1,101	−538	294	−214	353	−307	53	−14	401	−3
Feb.	883	−247	324	66	174	−467	43	4	342	150
Mar.	1,314	747	345	337	509	116	61	34	399	260
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

[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—Jan.	11,116	9,469	4,417	3,843	2,953	2,434	1,687	1,425	2,059	1,767
Feb.	10,952	9,540	4,518	4,009	2,941	2,614	1,700	1,527	1,793	1,390
Mar.	11,741	11,746	4,622	4,777	3,197	3,173	1,887	1,874	2,035	1,922
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
	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—Jan.	10,015	10,007	4,008	3,926	2,777	2,594	1,401	1,432	1,829	2,055
Feb.	10,069	9,787	3,980	3,902	2,787	2,642	1,461	1,365	1,841	1,878
Mar.	10,427	10,999	3,983	4,259	2,971	3,152	1,605	1,614	1,868	1,974
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
	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—Jan.	1,101	−538	409	−83	176	−160	286	−7	230	288
Feb.	883	−247	538	107	154	−28	239	162	−48	−488
Mar.	1,314	747	639	518	226	21	282	260	167	52
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

[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-56.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average[p]	1972 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.[r]	Dec.	1973 Jan.[p]
Total index	100.00	114.4	108.7	110.0	111.2	112.8	113.2	113.4	113.9	115.0	116.1	117.5	118.5	119.2	119.9
Products, total	**62.21**	**113.1**	**108.4**	**109.5**	**110.1**	**111.4**	**112.1**	**112.0**	**112.2**	**113.3**	**114.4**	**115.9**	**117.3**	**117.7**	**118.5**
Final products	*48.95*	*111.2*	*106.4*	*107.6*	*108.2*	*109.8*	*110.2*	*110.1*	*110.1*	*111.3*	*112.4*	*113.9*	*115.0*	*115.6*	*116.6*
Consumer goods	28.53	123.1	118.5	119.6	119.6	122.0	122.2	122.1	122.0	123.1	124.4	125.6	126.8	127.3	128.4
Equipment	20.42	94.5	89.5	90.9	92.4	92.7	93.4	93.3	93.4	94.8	95.8	97.3	98.5	99.2	100.3
Intermediate products	13.26	120.5	115.9	117.0	117.3	117.3	119.3	119.1	120.5	121.2	121.7	123.4	125.9	125.1	125.7
Materials	**37.79**	**116.4**	**109.2**	**110.8**	**113.1**	**115.0**	**115.6**	**116.1**	**116.8**	**117.4**	**119.1**	**120.3**	**120.6**	**121.9**	**122.1**
Consumer goods															
Durable consumer goods	*7.86*	*125.4*	*117.5*	*120.3*	*118.9*	*125.9*	*125.3*	*126.0*	*123.9*	*125.8*	*125.4*	*128.3*	*130.7*	*134.3*	*134.6*
Automotive products	2.84	127.1	116.6	119.5	119.3	128.9	127.4	125.7	124.7	127.1	124.8	130.3	137.5	142.0	136.7
Autos	1.87	112.7	102.8	106.4	104.6	114.3	111.3	108.2	108.2	109.5	109.6	116.9	126.6	133.9	126.0
Auto parts and allied goods	.97	154.7	143.4	144.5	147.5	157.0	158.3	159.3	156.9	160.9	153.9	156.1	158.6	157.2	157.2
Home goods	5.02	124.5	118.1	120.7	118.7	124.2	124.3	126.1	123.5	125.1	125.7	127.2	126.9	130.2	133.4
Appliances, TV, and radios	1.41	124.7	123.8	123.1	115.1	132.2	129.3	125.9	121.6	119.7	123.1	124.0	121.8	136.8	138.1
Appliances and A/C	.92	144.5	143.4	146.9	131.9	149.3	148.2	141.2	138.5	141.8	142.8	147.8	141.9	156.4	157.1
TV and home audio	.49	87.5	87.1	78.3	84.0	100.1	93.7	97.2	89.9	78.6	86.1	79.4	83.9	99.9	102.5
Carpeting and furniture	1.08	132.6	121.7	126.1	127.1	131.3	132.0	134.0	132.6	138.4	134.5	137.6	137.6	138.5	142.5
Misc. home goods	2.53	121.0	113.5	117.2	117.2	116.9	118.2	122.9	120.6	122.4	123.4	124.5	125.2	122.8	126.9
Nondurable consumer goods	*20.67*	*122.2*	*119.0*	*119.3*	*119.9*	*120.5*	*121.0*	*120.6*	*121.3*	*122.1*	*123.9*	*124.5*	*125.3*	*124.7*	*125.9*
Clothing	4.32	107.8	105.8	102.7	105.0	105.0	106.2	106.8	108.0	109.1	110.0	110.3	110.4	111.9	......
Consumer staples	16.34	126.0	122.5	123.7	123.9	124.6	124.9	124.3	124.8	125.5	127.6	128.2	129.2	128.1	129.5
Consumer foods and tobacco	8.37	117.4	115.4	115.5	116.3	116.8	117.2	116.8	116.4	117.6	118.5	118.5	120.3	118.1	119.0
Nonfood staples	7.98	135.0	129.8	132.4	132.0	132.8	133.1	132.2	133.6	133.8	137.2	138.3	138.6	138.4	140.4
Consumer chemical products	2.64	144.3	137.6	144.3	141.4	145.4	144.8	140.2	141.3	141.7	146.4	145.0	143.9	142.5	147.1
Consumer paper products	1.91	114.7	111.4	112.1	113.9	111.4	111.1	112.5	112.5	112.2	115.6	118.6	119.3	120.5	120.5
Consumer fuel and lighting	3.43	139.2	134.2	134.5	134.9	134.8	136.3	136.8	139.4	139.8	141.9	144.0	145.1	145.3	146.3
Residential utilities	2.25	147.5	141.8	142.5	142.3	142.1	143.2	145.0	147.0	147.5	150.3	152.1	154.5	155.6	156.4
Equipment															
Business equipment	*12.74*	*104.3*	*98.4*	*99.9*	*101.3*	*101.3*	*102.5*	*102.4*	*102.1*	*105.0*	*106.7*	*108.5*	*110.1*	*110.7*	*113.1*
Industrial equipment	6.77	99.3	94.1	95.4	96.3	95.7	96.3	97.2	96.7	99.9	102.8	103.7	105.8	106.6	107.9
Building and mining equip.	1.45	101.9	98.0	99.6	101.2	98.4	97.0	98.3	98.0	104.8	105.7	105.4	104.2	106.3	107.3
Manufacturing equipment	3.85	88.6	82.4	83.4	84.5	84.9	85.9	86.7	87.1	89.4	92.6	94.0	96.9	98.0	99.6
Power equipment	1.47	124.6	121.0	122.7	122.0	121.4	122.8	123.5	120.5	122.4	126.3	127.2	130.8	129.4	130.4
Commercial, transit, farm eq.	5.97	110.0	103.3	105.1	107.0	107.6	109.6	108.4	108.3	110.7	111.2	113.8	115.3	115.5	119.1
Commercial equipment	3.30	117.8	109.1	111.9	114.7	114.1	116.4	116.7	117.3	120.0	121.5	122.7	123.2	122.8	124.4
Transit equipment	2.00	96.7	95.1	94.7	95.4	97.0	98.9	94.4	92.5	93.0	93.1	96.8	101.9	101.7	110.9
Farm equipment	.67	110.6	98.6	102.4	103.5	106.8	108.2	109.7	111.2	117.7	114.7	120.3	116.3	120.0	117.4
Defense and space equipment	*7.68*	*78.2*	*74.8*	*76.0*	*77.6*	*78.5*	*78.2*	*78.3*	*78.9*	*77.9*	*77.7*	*78.6*	*79.3*	*80.1*	*79.0*
Military products	5.15	80.6	77.6	78.5	80.7	81.3	81.1	80.4	81.6	79.9	79.3	80.3	81.2	81.4	80.7
Intermediate products															
Construction products	5.93	119.7	115.7	115.8	115.9	116.5	118.0	117.8	119.8	119.3	120.6	123.1	126.1	123.9	125.4
Misc. intermediate products	7.34	121.1	116.1	118.0	118.5	118.0	120.4	120.2	121.1	122.8	122.6	123.6	125.6	126.1	125.8
Materials															
Durable goods materials	*20.91*	*112.1*	*103.5*	*105.8*	*107.8*	*110.4*	*111.1*	*111.1*	*111.5*	*112.6*	*116.0*	*117.4*	*117.7*	*120.1*	*120.7*
Consumer durable parts	4.75	113.1	105.1	107.1	110.2	113.8	112.0	112.0	111.4	114.0	116.3	116.6	115.8	119.9	119.7
Equipment parts	5.41	97.1	88.8	90.7	91.0	95.4	95.3	95.3	98.2	97.8	100.7	102.6	103.6	104.9	104.7
Durable materials nec	10.75	119.3	110.2	112.8	115.2	116.5	118.6	118.6	118.2	119.5	123.6	125.2	125.7	127.9	129.2
Nondurable goods materials	*13.99*	*121.7*	*116.0*	*117.0*	*119.8*	*120.6*	*121.3*	*122.5*	*123.3*	*123.7*	*122.7*	*123.9*	*124.4*	*124.9*	*124.7*
Textile, paper, and chem. mat.	8.58	128.0	120.8	121.5	125.0	125.9	127.1	128.5	130.1	131.1	129.2	130.7	132.7	133.7	133.2
Nondurable materials n.e.c.	5.41	111.6	108.3	109.9	111.4	112.3	112.3	113.1	112.3	111.9	112.4	113.0	111.2	110.9	111.4
Fuel and power, industrial	2.89	121.2	117.4	117.7	118.9	121.6	120.7	121.7	123.5	121.5	125.0	124.3	122.5	119.6	119.9
Supplementary groups															
Home goods and clothing	9.34	116.8	112.4	112.4	112.3	115.3	115.9	117.2	116.3	117.7	118.5	119.4	119.2	121.7	123.5
Containers	1.82	126.8	120.6	123.7	120.3	127.5	127.0	130.2	128.8	125.7	122.6	127.2	134.2	135.1	129.1
Gross value of products in market structure															
(In billions of 1963 dollars)															
Products, total	......	*413.1*	*398.7*	*402.0*	*405.6*	*409.7*	*413.0*	*412.0*	*410.1*	*414.7*	*417.5*	*425.0*	*431.8*	*432.4*	*435.8*
Final products	......	317.7	306.7	309.2	312.3	317.1	318.5	317.5	314.3	319.0	321.7	327.6	332.5	333.7	335.9
Consumer goods	......	223.7	217.4	218.8	220.4	224.8	225.1	224.6	222.5	225.5	226.9	231.0	233.9	234.9	235.3
Equipment	......	94.0	89.2	90.4	91.9	92.4	93.3	93.1	91.8	93.7	94.9	96.8	98.5	98.7	100.6
Intermediate products	......	95.5	92.5	92.9	93.2	92.8	94.5	94.3	95.8	96.0	95.9	97.4	99.2	98.9	100.0

For NOTE see p. A-63.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average[p]	1972 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.[r]	Dec.	1973 Jan.[p]
Manufacturing	88.55	*113.1*	*107.1*	*108.5*	*109.7*	*111.8*	*112.3*	*112.6*	*113.2*	*114.1*	*115.2*	*116.6*	*117.4*	*118.2*	*118.8*
Durable	52.33	107.4	100.4	102.1	103.4	105.8	106.3	106.8	107.7	108.4	109.7	111.4	112.4	113.7	114.2
Nondurable	36.22	121.5	116.8	117.8	118.8	120.3	120.8	121.3	121.0	122.6	123.3	124.3	124.7	124.8	125.3
Mining and utilities	11.45	123.8	120.6	121.6	122.3	122.9	122.6	122.7	123.2	123.8	125.9	126.2	127.2	126.5	126.4
Mining	6.37	108.3	107.3	107.2	108.5	109.0	107.9	108.2	107.9	107.7	110.2	110.0	110.1	108.3	108.7
Utilities	5.08	143.2	137.4	139.7	139.7	140.2	141.1	140.9	142.5	144.1	145.6	146.6	148.7	149.1	148.9
Durable manufactures															
Primary and fabricated metals	12.55	*113.0*	*104.0*	*105.4*	*107.4*	*110.4*	*112.7*	*112.1*	*114.5*	*114.0*	*116.4*	*118.4*	*119.6*	*122.1*	*121.4*
Primary metals	6.61	112.8	102.4	102.6	105.1	110.2	113.5	111.9	114.9	113.6	117.4	119.3	120.2	124.6	122.9
Iron and steel, subtotal	4.23	106.9	95.2	95.9	98.8	105.5	108.3	104.9	107.7	107.3	113.4	114.1	114.3	118.4	116.4
Fabricated metal products	5.94	113.3	106.0	108.6	110.1	110.8	111.9	112.3	114.1	114.4	115.2	117.5	118.8	119.0	119.7
Machinery and allied goods	32.44	*102.1*	*95.7*	*97.3*	*98.4*	*101.1*	*101.0*	*101.6*	*102.0*	*103.1*	*104.1*	*105.7*	*107.0*	*108.2*	*108.8*
Machinery	17.39	105.2	98.5	99.5	100.3	102.6	103.0	104.8	104.8	107.1	108.3	109.6	110.4	112.2	112.3
Nonelectrical machinery	9.17	103.1	95.1	96.2	97.6	98.6	100.4	101.8	102.9	106.1	107.0	108.8	110.6	110.1	110.8
Electrical machinery	8.22	107.5	102.2	103.2	103.3	107.1	105.9	108.0	107.1	108.1	109.7	110.4	110.2	114.5	114.0
Transportation equipment	9.29	98.9	92.0	94.7	95.9	100.4	98.9	97.4	98.2	98.4	99.8	102.1	105.0	106.0	107.1
Motor vehicles and parts	4.56	122.8	114.0	117.7	118.8	125.6	122.6	119.3	121.4	121.6	123.0	127.6	132.0	135.3	137.2
Aerospace and misc. trans. eq.	4.73	75.8	70.8	72.7	73.9	76.1	76.1	76.4	75.9	76.0	77.3	77.5	79.0	77.8	78.2
Instruments	2.07	118.7	111.3	114.5	114.2	116.1	117.3	119.3	119.9	120.9	122.4	122.9	123.3	122.6	126.6
Ordnance, private and Govt.	3.69	86.6	83.2	83.7	86.4	87.3	87.6	87.8	88.0	86.2	84.8	86.3	86.9	87.3	86.2
Lumber, clay, and glass	4.44	*119.7*	*115.5*	*118.0*	*118.1*	*118.1*	*118.2*	*119.0*	*119.1*	*119.6*	*120.5*	*123.0*	*122.8*	*120.8*	*123.6*
Lumber and products	1.65	122.7	122.0	119.7	119.6	119.9	119.1	121.8	121.5	121.1	122.8	128.1	128.2	124.3	128.5
Clay, glass, and stone products	2.79	117.9	111.6	117.0	117.2	117.1	117.5	117.4	117.7	118.7	119.1	120.0	119.7	118.8	120.5
Furniture and miscellaneous	2.90	*122.6*	*115.0*	*117.3*	*118.4*	*119.9*	*120.6*	*122.1*	*123.7*	*126.7*	*126.6*	*126.2*	*126.2*	*126.8*	*129.1*
Furniture and fixtures	1.38	113.1	104.0	108.4	108.7	111.7	110.7	112.8	115.5	117.6	116.7	116.1	117.4	118.3	119.4
Miscellaneous manufactures	1.52	131.2	125.1	125.4	127.2	127.4	129.6	130.6	131.0	135.1	135.6	135.4	134.0	134.5	138.0
Nondurable manufactures															
Textiles, apparel, and leather	6.90	106.2	*102.0*	*101.1*	*103.7*	*106.1*	*104.9*	*105.9*	*104.8*	*106.8*	*108.0*	*109.1*	*109.1*	*109.2*	*109.3*
Textile mill products	2.69	114.5	108.9	107.0	110.9	113.5	112.8	113.9	112.7	116.5	116.6	118.5	118.4	119.9	120.0
Apparel products	3.33	104.2	99.8	100.1	102.7	103.3	102.8	103.0	102.2	104.3	105.5	106.8	109.3	107.5	......
Leather and products	.88	88.1	89.6	86.9	85.4	94.4	89.2	92.2	90.2	86.5	91.6	88.6	80.1	82.9	83.0
Paper and printing	7.92	*115.4*	*111.3*	*112.6*	*112.6*	*112.3*	*114.1*	*115.1*	*115.2*	*116.4*	*115.3*	*118.6*	*120.9*	*120.3*	*119.3*
Paper and products	3.18	126.7	122.2	122.8	122.5	124.4	127.2	126.7	126.9	127.8	124.1	127.9	133.3	134.1	130.5
Printing and publishing	4.74	108.0	103.9	105.8	105.9	104.2	105.3	107.3	107.2	108.7	109.4	112.4	112.6	111.1	111.8
Chemicals, petroleum, and rubber	*11.92*	*137.5*	*129.8*	*132.6*	*133.4*	*136.1*	*137.5*	*137.1*	*137.4*	*139.9*	*141.1*	*141.6*	*140.6*	*142.0*	*144.2*
Chemicals and products	7.86	139.3	131.2	135.1	135.7	137.9	138.9	139.5	139.5	141.3	143.4	143.8	141.5	142.4	144.3
Petroleum products	1.80	120.1	119.3	118.7	117.9	117.0	119.5	117.3	119.5	120.4	120.7	124.1	123.4	124.8	126.6
Rubber and plastics products	2.26	145.0	133.3	135.0	138.1	144.7	146.5	145.0	144.1	150.4	149.6	148.2	151.3	154.3	157.5
Foods and tobacco	9.48	*117.4*	*115.7*	*115.9*	*116.3*	*117.6*	*117.1*	*117.6*	*116.8*	*117.6*	*118.8*	*117.8*	*118.9*	*118.2*	*118.4*
Foods	8.81	118.4	116.5	116.9	117.5	118.6	118.5	119.3	118.3	118.3	120.0	118.2	119.4	119.4	119.7
Tobacco products	.67	104.4	103.8	102.5	101.9	103.9	99.1	96.4	96.7	108.5	103.0	111.8	112.5	102.5	......
Mining															
Metal, stone, and earth minerals	*1.26*	*104.8*	*108.0*	*109.8*	*108.3*	*104.6*	*99.4*	*99.6*	*95.8*	*101.0*	106.5	*106.2*	*113.0*	*114.6*	*114.5*
Metal mining	.51	120.8	128.9	133.7	131.0	122.2	110.7	102.9	102.2	115.2	123.4	122.3	136.7	141.8	137.4
Stone and earth minerals	.75	93.9	93.8	93.5	92.7	92.6	91.7	97.4	91.6	91.4	94.9	95.2	97.0	96.0	99.0
Coal, oil, and gas	*5.11*	*109.2*	*107.1*	*106.5*	*108.6*	*110.0*	*109.9*	*110.5*	*111.0*	*109.3*	*111.1*	*110.9*	*109.2*	*106.8*	*107.3*
Coal	.69	103.2	106.3	99.6	104.1	112.9	105.0	109.1	114.4	97.2	104.2	99.3	101.0	97.1	95.2
Oil and gas extraction	4.42	110.2	107.2	107.6	109.3	109.6	110.7	110.7	110.5	111.2	112.1	112.7	110.5	108.2	109.2
Utilities															
Electric	3.91	149.1	141.2	144.4	144.8	145.6	147.1	146.8	148.6	150.2	152.0	152.8	155.2	155.9	155.2
Gas	1.17	......	......	......	......	......	......	......	......	......	......	......	......	......	......

For NOTE see p. A-63.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1972 average[p]	1972 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.[r]	Dec.	1973 Jan.[p]
Total index	100.00	114.4	106.6	110.3	111.6	113.6	113.4	116.5	109.2	115.4	120.3	121.3	118.7	115.2	117.1
Products, total	**62.21**	**113.1**	**105.5**	**109.0**	**110.0**	**111.7**	**110.8**	**115.2**	**109.1**	**115.2**	**120.7**	**120.8**	**117.1**	**112.4**	**114.9**
Final products	*48.95*	*111.2*	*104.4*	*107.7*	*108.3*	*110.2*	*108.5*	*113.3*	*106.3*	*112.7*	*118.7*	*118.6*	*114.8*	*110.4*	*114.0*
Consumer goods	28.53	123.1	115.7	119.4	119.2	122.4	119.6	126.0	117.0	126.5	133.5	132.7	126.0	119.0	124.6
Equipment	20.42	94.5	88.6	91.4	93.1	93.2	93.1	95.6	91.4	93.4	98.0	99.0	99.2	98.5	99.2
Intermediate products	13.26	120.5	109.4	113.8	116.5	117.4	119.5	122.2	119.2	124.4	128.0	128.7	125.6	119.6	118.5
Materials	**37.79**	**116.4**	**108.3**	**112.4**	**114.5**	**116.6**	**117.7**	**118.7**	**109.4**	**115.8**	**119.6**	**122.1**	**121.4**	**119.9**	**120.7**
Consumer goods															
Durable consumer goods	*7.86*	*125.4*	*117.1*	*122.9*	*121.8*	*128.8*	*126.0*	*129.3*	*107.4*	*119.3*	*133.6*	*139.8*	*134.5*	*122.9*	*133.3*
Automotive products	2.84	127.1	120.7	126.5	126.3	138.2	132.6	133.5	92.8	107.5	136.5	146.3	141.2	121.2	140.3
Autos	1.87	112.7	112.0	117.0	115.1	128.0	121.3	120.1	61.0	78.4	120.6	135.6	132.9	109.8	134.8
Auto parts and allied goods	.97	154.7	137.5	144.8	147.8	157.8	154.3	159.3	153.9	163.3	167.1	166.9	157.0	143.2	150.8
Home goods	*5.02*	*124.5*	*115.1*	*120.8*	*119.3*	*123.5*	*122.3*	*126.9*	*115.6*	*126.0*	*131.9*	*136.2*	*130.8*	*123.9*	*129.3*
Appliances, TV, and home audio	1.41	124.7	123.1	127.2	120.1	131.9	124.9	125.6	109.6	112.2	127.7	142.8	129.1	115.6	137.3
Appliances and A/C	.92	144.5	143.8	150.3	139.3	156.6	146.9	147.4	134.9	128.9	143.5	165.0	143.5	124.7	157.6
TV and home audio	.49	87.5	84.3	83.9	84.1	85.6	83.7	84.8	62.2	80.9	98.2	101.2	102.2	98.4	99.2
Carpeting and furniture	1.08	132.6	123.5	131.4	130.8	131.8	128.3	132.8	114.4	138.7	139.6	139.7	140.8	139.5	141.4
Misc. home goods	2.53	121.0	107.1	112.7	113.9	115.3	118.2	125.2	119.5	128.3	130.9	131.1	127.6	121.9	119.8
Nondurable consumer goods	*20.67*	*122.2*	*115.1*	*118.1*	*118.2*	*119.9*	*117.1*	*124.7*	*120.6*	*129.2*	*133.4*	*130.0*	*122.7*	*117.5*	*121.3*
Clothing	4.32	107.8	100.8	106.6	108.1	113.2	102.7	113.2	97.2	113.5	116.9	114.7	108.2	97.7	......
Consumer staples	16.34	126.0	118.9	121.2	120.9	121.7	120.9	127.8	126.8	133.4	137.8	134.0	126.5	122.7	125.6
Consumer foods and tobacco	8.37	117.4	109.2	111.2	113.0	114.8	114.7	120.8	115.8	123.9	128.7	125.4	118.7	111.4	112.6
Nonfood staples	7.98	135.0	129.0	131.7	129.2	128.9	127.4	135.1	138.3	143.4	147.3	143.0	134.6	134.5	139.2
Consumer chemical products	2.64	144.3	129.3	137.7	135.0	142.3	143.9	152.3	146.9	148.4	159.3	158.3	143.8	132.5	138.3
Consumer paper products	1.91	114.7	106.3	109.1	110.8	110.3	107.9	116.2	114.2	120.4	122.8	124.9	118.5	114.4	113.5
Consumer fuel and lighting	3.43	139.2	141.4	139.6	135.0	129.0	125.5	132.4	145.1	152.4	151.6	141.3	136.4	147.2	154.3
Residential utilities	2.25	147.5	152.3	150.1	144.2	136.3	128.7	137.5	154.6	165.3	163.8	148.1	141.4	156.6	168.1
Equipment															
Business equipment	*12.74*	*104.3*	*96.6*	*100.7*	*102.2*	*102.3*	*102.2*	*105.6*	*99.5*	*103.2*	*110.2*	*111.2*	*110.7*	*108.9*	*111.1*
Industrial equipment	6.77	99.3	93.0	96.2	96.4	95.7	95.7	99.0	96.0	99.5	105.2	105.5	106.3	105.7	106.7
Building and mining equip.	1.45	101.9	97.1	99.5	97.9	99.0	96.3	101.4	98.0	102.3	107.5	107.1	108.4	108.2	106.3
Manufacturing equipment	3.85	88.6	81.4	85.6	86.2	84.8	85.5	88.2	85.2	89.2	93.6	94.9	96.6	97.2	98.4
Power equipment	1.47	124.6	119.3	120.6	121.4	121.2	121.8	124.9	122.3	123.7	133.2	131.8	129.4	125.6	128.6
Commercial, transit, farm eq.	5.97	110.0	100.7	105.8	108.7	109.8	109.6	113.0	103.4	107.4	115.8	117.7	115.6	112.6	116.1
Commercial equipment	3.30	117.8	105.3	110.1	112.6	112.2	114.7	121.9	120.2	122.0	127.2	124.8	123.6	120.6	120.0
Transit equipment	2.00	96.7	93.5	97.3	99.5	104.8	100.9	97.9	78.2	85.2	95.2	104.0	104.6	99.2	109.0
Farm equipment	.67	110.6	99.1	109.9	117.2	113.2	110.0	114.4	95.2	101.0	120.8	123.2	109.0	113.2	118.0
Defense and space equipment	*7.68*	*78.2*	*75.3*	*75.9*	*77.9*	*78.0*	*78.1*	*78.9*	*77.9*	*77.1*	*77.7*	*78.7*	*80.0*	*81.3*	*79.4*
Military products	5.15	80.6	77.8	78.4	81.0	81.1	81.3	81.7	81.0	79.3	79.2	80.0	81.4	82.0	80.9
Intermediate products															
Construction products	5.93	119.7	107.6	113.7	116.9	118.9	120.6	121.9	117.9	120.5	125.5	128.4	124.5	117.3	116.6
Misc. intermediate products	7.34	121.1	110.9	113.9	116.1	116.2	118.7	122.4	120.3	127.5	130.0	129.0	126.5	121.4	120.1
Materials															
Durable goods materials	*20.91*	*112.1*	*102.2*	*107.5*	*110.2*	*112.4*	*113.8*	*114.8*	*103.8*	*109.9*	*116.8*	*118.7*	*118.1*	*118.2*	*119.0*
Consumer durable parts	4.75	113.1	108.8	110.5	111.6	112.9	113.3	112.5	98.5	107.8	117.2	119.4	120.9	125.7	123.9
Equipment parts	5.41	97.1	89.1	92.1	93.7	96.5	95.9	98.9	92.2	95.5	101.7	102.3	102.7	104.0	105.0
Durable materials n.e.c.	10.75	119.3	105.8	114.0	117.8	120.1	123.1	123.9	111.9	118.1	124.3	126.6	124.7	122.1	123.9
Nondurable goods materials	*13.99*	*121.7*	*115.1*	*118.3*	*119.8*	*121.8*	*123.0*	*124.2*	*116.6*	*123.3*	*122.8*	*126.7*	*126.0*	*122.4*	*123.0*
Textile, paper, and chem. mat.	8.58	128.0	120.0	124.3	126.0	128.5	129.6	130.9	120.9	130.1	129.1	133.4	134.2	129.6	130.9
Nondurable materials n.e.c.	5.41	111.6	107.4	108.8	110.0	111.2	112.6	113.6	109.9	112.6	112.8	116.0	113.1	110.9	110.5
Fuel and power, industrial	2.89	121.2	119.4	119.6	119.6	121.8	120.7	120.8	115.2	121.7	124.0	124.4	123.5	120.4	122.1
Supplementary groups															
Home goods and clothing	9.34	116.8	108.5	114.2	114.1	118.7	113.2	120.6	107.1	120.2	125.0	126.3	120.3	111.8	118.2
Containers	1.82	126.8	114.0	123.3	120.3	127.9	128.9	134.2	123.1	130.0	128.0	134.4	133.0	125.0	122.0

For NOTE see p. A-63.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 pro-portion	1972 average[p]	1972 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.[r]	Dec.	1973 Jan.[p]
Manufacturing, total	*88.55*	*113.1*	*104.7*	*109.0*	*110.5*	*112.7*	*112.7*	*115.7*	*107.0*	*113.5*	*118.9*	*120.6*	*118.1*	*114.1*	*115.7*
Durable	52.33	107.4	99.2	103.8	105.5	107.5	107.6	109.4	100.2	105.1	111.9	114.4	113.1	110.6	112.7
Nondurable	36.22	121.5	112.6	116.4	117.8	120.2	120.0	124.9	116.9	125.7	128.9	129.6	125.4	119.1	120.0
Mining and utilities	*11.45*	*123.8*	*121.0*	*121.1*	*120.7*	*120.4*	*120.0*	*122.9*	*124.6*	*130.0*	*130.8*	*126.3*	*123.5*	*124.8*	*127.2*
Mining	6.37	108.3	104.7	105.4	106.4	108.8	109.9	109.7	105.5	109.2	110.8	110.7	109.5	108.0	106.1
Utilities	5.08	143.2	141.5	140.8	138.7	134.9	132.6	139.4	148.6	156.2	155.9	146.0	141.1	146.0	153.7
Durable manufactures															
Primary and fabricated metals	*12.55*	*113.0*	*102.8*	*109.4*	*112.6*	*114.3*	*115.7*	*115.0*	*105.1*	*109.1*	*116.0*	*119.7*	*119.0*	*117.9*	*119.9*
Primary metals	6.61	112.8	101.0	108.6	113.5	117.2	118.9	116.5	101.6	106.9	114.8	119.4	117.6	116.9	121.2
Iron and steel, subtotal	*4.23*	*106.9*	*93.7*	*101.3*	*107.4*	*113.2*	*114.3*	*108.6*	*98.3*	*101.2*	*108.1*	*113.4*	*110.9*	*110.7*	*114.5*
Fabricated metal products	5.94	113.3	104.8	110.2	111.5	111.1	112.2	113.3	109.0	111.5	117.4	120.1	120.5	119.0	118.4
Machinery and allied goods	*32.44*	*102.1*	*95.8*	*99.1*	*100.2*	*102.3*	*101.7*	*104.0*	*94.4*	*98.7*	*106.7*	*108.9*	*107.9*	*106.0*	*108.7*
Machinery	17.39	105.2	97.8	101.7	102.2	103.4	102.9	107.0	100.0	104.1	111.4	112.7	110.5	109.6	111.4
Nonelectrical machinery	9.17	103.1	93.9	99.4	100.2	99.8	100.9	104.7	100.5	103.3	109.4	109.6	109.1	108.8	109.4
Electrical machinery	*8.22*	*107.5*	*102.1*	*104.3*	*104.5*	*107.4*	*105.1*	*109.5*	*99.5*	*105.0*	*113.6*	*116.1*	*112.1*	*110.4*	*113.7*
Transportation equipment	9.29	98.9	94.0	97.5	99.0	103.8	101.7	100.8	81.0	88.3	102.0	107.0	107.9	103.1	109.1
Motor vehicles and parts	4.56	122.8	119.1	123.3	123.8	131.8	128.1	126.0	87.8	102.3	127.1	137.2	137.9	128.9	142.4
Aerospace and misc. trans. eq.	4.73	75.8	69.8	72.6	75.0	76.8	76.3	76.6	74.5	74.9	77.8	77.9	78.9	78.3	77.1
Instruments	2.07	118.7	108.1	111.2	112.3	112.5	116.1	121.8	119.9	123.4	127.3	126.5	123.9	122.5	122.9
Ordnance, private and Govt.	3.69	86.6	83.7	84.0	87.1	87.3	87.8	88.2	87.3	85.2	84.5	85.7	87.0	87.7	86.7
Lumber, clay, and glass	*4.44*	*119.7*	*105.9*	*112.3*	*115.9*	*118.5*	*120.4*	*124.1*	*119.2*	*125.7*	*126.3*	*129.0*	*122.6*	*112.8*	*113.3*
Lumber and products	1.65	122.7	111.1	119.5	121.5	122.1	121.8	126.5	120.5	125.9	128.8	132.8	124.7	111.6	117.1
Clay, glass, and stone products	2.79	117.9	102.8	108.1	112.5	116.3	119.6	122.7	118.4	125.6	124.8	126.7	121.4	113.6	111.0
Furniture and miscellaneous	*2.90*	*122.6*	*111.3*	*118.4*	*118.8*	*119.1*	*118.1*	*123.7*	*114.5*	*127.5*	*131.0*	*131.1*	*130.7*	*126.7*	*126.0*
Furniture and fixtures	1.38	113.1	106.2	113.7	112.7	111.6	108.7	112.1	100.4	115.7	117.9	118.8	120.9	119.5	121.9
Miscellaneous manufactures	1.52	131.2	116.0	122.8	124.4	125.9	126.6	134.3	127.3	138.2	142.9	142.2	139.6	133.2	129.8
Nondurable manufactures															
Textiles, apparel, and leather	*6.90*	*106.2*	*100.4*	*105.4*	*106.7*	*109.9*	*103.9*	*110.9*	*94.4*	*111.4*	*112.8*	*112.2*	*107.5*	*98.5*	*103.8*
Textile mill products	2.69	114.5	106.6	110.3	114.0	115.9	115.8	119.0	102.0	120.7	120.4	120.9	118.4	109.7	111.6
Apparel products	3.33	104.2	98.4	105.3	105.0	109.5	98.7	109.1	92.5	109.2	112.1	110.2	105.8	94.6	......
Leather and products	.88	88.1	88.9	90.6	90.4	93.3	87.3	92.8	78.2	91.3	92.0	92.8	80.7	79.0	82.3
Paper and printing	*7.92*	*115.4*	*105.2*	*109.9*	*111.2*	*112.9*	*114.1*	*117.9*	*111.5*	*120.0*	*120.7*	*124.9*	*122.6*	*113.9*	*112.8*
Paper and products	3.18	126.7	120.7	125.9	125.3	128.1	128.5	130.2	116.1	127.5	123.7	134.5	134.4	124.0	128.9
Printing and publishing	4.74	108.0	94.8	99.2	101.7	102.7	104.4	109.6	108.4	114.9	118.6	118.5	114.7	107.1	102.0
Chemicals, petroleum, and rubber	*11.92*	*137.5*	*126.0*	*131.1*	*132.5*	*135.8*	*138.0*	*141.4*	*134.7*	*140.3*	*144.9*	*145.6*	*141.9*	*138.9*	*139.5*
Chemicals and products	7.86	139.3	126.6	132.0	134.1	138.9	140.7	144.2	138.7	142.4	147.1	146.7	142.1	138.0	138.5
Petroleum products	1.80	120.1	114.4	115.0	113.5	112.1	118.4	121.5	123.8	125.7	126.3	126.3	122.5	122.9	121.4
Rubber and plastics products	2.26	145.0	133.0	140.8	142.2	144.1	144.0	147.6	129.3	144.4	152.3	156.9	156.7	154.6	157.2
Foods and tobacco	*9.48*	*117.4*	*110.8*	*111.4*	*112.9*	*114.2*	*114.1*	*120.1*	*115.2*	*122.7*	*127.5*	*126.0*	*120.0*	*113.4*	*113.3*
Foods	8.81	118.4	111.3	111.8	113.7	115.3	115.3	121.4	117.4	123.2	128.9	126.4	120.5	115.5	114.2
Tobacco products	.67	104.4	103.6	105.5	102.1	99.4	98.1	103.0	86.3	116.7	109.4	120.4	113.4	86.0	......
Mining															
Metal, stone, and earth minerals	*1.26*	*104.8*	*93.1*	*95.4*	*98.0*	*105.3*	*110.8*	*111.6*	*102.2*	*108.7*	*113.1*	*110.2*	*106.1*	*103.8*	*98.7*
Metal mining	.51	120.8	105.8	113.8	114.4	123.5	131.5	129.6	116.7	128.4	133.5	123.2	114.8	114.6	112.8
Stone and earth minerals	.75	93.9	84.4	82.8	86.8	92.8	96.7	99.3	92.3	95.4	99.2	101.3	100.3	96.4	89.1
Coal, oil, and gas	*5.11*	*109.2*	*107.6*	*107.9*	*108.5*	*109.7*	*109.7*	*109.2*	*106.3*	*109.3*	*110.3*	*110.8*	*110.3*	*109.1*	*107.9*
Coal	.69	103.2	105.1	99.9	102.7	114.9	107.1	104.8	87.6	103.5	106.9	106.1	103.2	96.5	94.2
Oil and gas extraction	4.42	110.2	108.0	109.2	109.4	108.9	110.1	109.9	109.2	110.2	110.8	111.6	111.4	111.1	110.0
Utilities															
Electric	3.91	149.1	146.6	145.8	143.5	138.5	136.4	144.9	156.5	166.0	165.4	152.0	145.3	151.6	161.3
Gas	1.17	......	......	......	......	......	......	......	......	......	......	......	......	......	......

NOTE.—Published groupings include series and subtotals not shown separately. A description and historical data will be available at a later date. 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	Industrial production: Market: Total	Market: Products: Final products: Total	Final products: Consumer goods	Final products: Equipment	Market: Products: Intermediate products	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	......	r82.1	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	113.1	111.2	123.1	94.5	120.4	116.4	113.1	......	......	110.5	96.7	130.2	142	125.3	119.8
1972—Jan.	108.7	108.4	106.4	118.5	89.5	115.9	109.2	107.1		r160.0	108.7	94.5	122.2	133	123.2	116.3
Feb.	110.0	109.5	107.6	119.6	90.9	117.0	110.8	108.5	r75.3	155.0	108.9	95.0	124.9	135	123.8	117.3
Mar.	111.2	110.1	108.2	119.6	92.4	117.3	113.1	109.7		159.0	109.4	95.6	125.8	139	124.0	117.4
Apr.	112.8	111.4	109.8	122.0	92.7	117.3	115.0	111.8		167.0	109.7	96.2	128.7	139	124.3	117.5
May	113.2	112.1	110.2	122.2	93.4	119.3	115.6	112.3	r77.4	165.0	110.2	96.8	129.4	142	124.7	118.2
June	113.4	112.0	110.1	122.1	93.3	119.1	116.1	112.6		154.0	110.3	97.1	130.7	141	125.0	118.8
July	113.9	112.2	110.1	122.0	93.4	120.5	116.8	113.2		155.0	110.3	96.3	128.4	143	125.5	119.7
Aug.	115.0	113.3	111.3	123.1	94.8	121.2	117.4	114.1	78.1	180.0	110.8	96.8	131.3	145	125.7	119.9
Sept.	116.1	114.4	112.4	124.4	95.8	121.7	119.1	115.2		187.0	111.1	97.3	133.4	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	134.8	149	126.6	120.0
Nov.	118.5	r117.3	r115.0	r126.8	98.5	r125.9	r120.6	117.4	79.6	177.0	112.2	99.2	137.1	148	126.9	120.7
Dec.	119.2	r117.7	115.6	r127.3	99.2	r125.1	r121.9	118.2		163.0	112.4	r99.8	r138.7	151	127.3	122.9
1973—Jan.	119.9	118.5	116.6	128.4	100.3	125.7	122.1	118.8	......	181.0	112.0	100.0	139.3	155	127.7	124.5
Feb.p	120.8	119.5	117.8	129.3	101.7	126.1	122.4	119.7	......	......	113.3	100.4	142.9	......	......	126.9

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 Department 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	1971r	1972	1972 Jan.r	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1973 Jan.
Total construction 1	**80,188**	**91,877**	**5,977**	**5,607**	**7,284**	**8,100**	**9,098**	**8,478**	**8,067**	**8,875**	**8,197**	**8,225**	**7,248**	**6,464**	**6,795**
By type of ownership:															
Public	23,927	24,404	1,928	1,634	1,686	1,741	2,574	2,517	2,528	2,466	2,017	1,668	1,785	1,650	1,918
Private 1	56,261	67,473	4,050	3,973	5,598	6,359	6,524	5,960	5,538	6,409	6,181	6,557	5,462	4,814	4,877
By type of construction:															
Residential building 1	34,754	45,473	2,650	2,664	3,617	3,971	4,428	4,375	3,864	4,671	4,135	4,298	3,663	3,120	3,195
Nonresidential building	25,574	27,327	1,723	1,799	2,187	2,182	2,908	2,447	2,461	2,458	2,378	3,549	2,184	2,215	2,420
Nonbuilding	19,282	19,077	1,605	1,144	1,480	1,947	1,762	1,655	1,741	1,746	1,684	1,544	1,402	1,132	1,180
Private housing units authorized (In thousands, S.A., A.R.)	1,925	2,130	2,204	2,056	2,007	1,991	1,955	2,121	2,108	2,237	2,265	2,216	2,139	r2,377	2,185

1 Because of improved collection procedures, data for 1-family homes beginning Jan. 1968 are not strictly comparable with those for earlier periods. 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 into 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								Public				
		Total	Residential	Nonresidential						Total	Military	Highway	Conservation & development	Other [2]
				Total	Buildings			Other						
					Industrial	Commercial	Other buildings [1]							
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	8,405	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—Jan.	120,790	88,606	49,594	39,012	4,935	13,272	5,734	15,071		32,184	986	....	1,943	....
Feb.	121,777	90,860	51,922	38,938	4,674	13,247	5,582	15,435		30,917	1,002	....	1,804	....
Mar.	122,912	92,529	53,089	39,440	4,796	13,244	5,993	15,407		30,383	1,186	....	1,918	....
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	119,808	91,525	53,509	38,016	4,592	12,979	5,670	14,775		28,283	1,360	....	1,417	....
Aug.	122,810	93,607	54,314	39,293	4,814	13,406	5,942	15,131		29,203	867	....	1,676	....
Sept.	124,900	94,289	55,476	38,813	4,432	13,490	5,723	15,168		30,611	978	....	1,666	....
Oct.	129,096	96,270	56,353	39,917	4,301	13,770	6,256	15,590		32,826	1,045	....	1,767	....
Nov.[r]	126,703	97,428	57,131	40,297	4,556	13,377	6,230	16,134		29,275	1,205	....	1,719	....
Dec.[r]	132,309	98,259	57,366	40,893	4,788	13,711	6,185	16,209		34,050	1,099	....	1,667	....
1973—Jan.	134,880	102,135	57,834	44,301	5,624	15,774	6,296	16,607		32,745	1,220	....	2,042	....

[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														Mobile home shipments (N.S.A).
	Private (S.A., A.R.)								Private and public (N.S.A.)			Government underwritten (N.S.A.)			
	Total	Region				Type of structure									
		Northeast	North Central	South	West	1-family	2- to 4-family	5- or more-family	Total	Private	Public	Total	FHA	VA	
1963	[r]1,603	261	328	591	430	[r]1,012	589		[r]1,635	[r]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—Jan.[r]	2,439	398	432	1,009	599	1,395	169	875	151	149	2	43	36	8	33
Feb.[r]	2,540	269	523	1,168	581	1,281	200	1,060	154	152	1	36	28	8	40
Mar.[r]	2,313	306	383	1,033	591	1,310	142	861	206	204	2	48	38	11	49
Apr.[r]	2,204	259	381	1,083	482	1,215	146	843	213	212	2	38	29	9	53
May[r]	2,318	282	547	999	489	1,308	125	886	228	226	2	42	32	9	52
June[r]	2,315	337	452	992	534	1,283	137	895	226	223	3	42	32	10	55
July[r]	2,244	303	443	1,009	488	1,319	116	809	208	206	1	36	26	9	48
Aug.[r]	2,424	349	475	1,014	586	1,373	137	914	231	229	2	40	30	10	52
Sept.[r]	2,426	355	474	1,096	501	1,382	125	920	204	203	1	37	28	9	49
Oct.[r]	2,446	372	469	1,125	480	1,315	153	978	218	217	2	34	25	9	54
Nov.[r]	2,395	353	400	1,106	536	1,324	134	937	187	186	1	29	21	8	50
Dec.[r]	2,344	483	326	1,067	468	1,196	127	1,021	151	149	2	48	42	6	38
1973—Jan.	2,468	336	600	1,088	444	1,423	157	888	155	145	1	....	....	....	....

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[3]	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—Feb.	144,895	57,577	88,058	85,518	80,594	77,225	3,369	4,924	5.8
Mar.	145,077	57,163	88,768	86,264	81,216	77,756	3,460	5,048	5.9
Apr.	145,227	57,440	88,647	86,184	81,209	77,895	3,313	4,975	5.8
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

1 Includes self-employed, unpaid family, and domestic service workers.
2 Per cent of civilian labor force.
3 Beginning 1967, data not strictly comparable with previous data. Description of changes available from Bureau of Labor Statistics.

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.

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									
1972—Feb.	71,744	18,612	613	3,494	4,438	15,456	3,874	12,112	13,145
Mar.	72,011	18,685	614	3,512	4,487	15,508	3,885	12,139	13,181
Apr.	72,246	18,790	605	3,493	4,481	15,561	3,892	12,206	13,218
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.[p]	74,155	19,466	611	3,489	4,577	15,939	3,996	12,610	13,467
Feb.[p]	74,596	19,550	614	3,579	4,596	16,061	4,012	12,670	13,514
NOT SEASONALLY ADJUSTED									
1972—Feb.	70,775	18,457	598	3,096	4,367	15,120	3,839	11,967	13,331
Mar.	71,393	18,573	601	3,210	4,442	15,248	3,862	12,066	13,391
Apr.	71,979	18,639	600	3,374	4,445	15,436	3,880	12,218	13,387
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.[p]	73,256	19,276	599	3,144	4,513	15,815	3,956	12,396	13,557
Feb.[p]	73,597	19,391	599	3,171	4,522	15,712	3,976	12,518	13,708

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 the 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]				Not seasonally adjusted[1]			
	1972		1973		1972		1973	
	Feb.	Dec.	Jan.p	Feb.p	Feb.	Dec.	Jan.p	Feb.p
Total	**13,544**	**14,275**	**14,303**	**14,368**	**13,413**	**14,282**	**14,136**	**14,236**
Durable goods	**7,680**	**8,274**	**8,311**	**8,362**	**7,638**	**8,290**	**8,246**	**8,320**
Ordnance and accessories	89	102	101	103	89	103	102	103
Lumber and wood products	519	538	538	542	504	529	519	527
Furniture and fixtures	397	421	425	427	395	426	425	425
Stone, clay, and glass products	515	538	537	544	497	533	518	525
Primary metal industries	940	1,033	1,032	1,026	941	1,021	1,025	1,027
Fabricated metal products	1,022	1,082	1,092	1,105	1,015	1,092	1,086	1,097
Machinery	1,189	1,318	1,323	1,324	1,201	1,315	1,322	1,337
Electrical equipment and supplies	1,198	1,309	1,318	1,335	1,194	1,318	1,316	1,331
Transportation equipment	1,218	1,306	1,310	1,317	1,225	1,326	1,320	1,324
Instruments and related products	266	288	292	295	265	290	291	294
Miscellaneous manufacturing industries	327	339	343	344	313	337	324	330
Nondurable goods	**5,864**	**6,001**	**5,992**	**6,006**	**5,775**	**5,992**	**5,890**	**5,916**
Food and kindred products	1,180	1,175	1,185	1,183	1,107	1,162	1,125	1,110
Tobacco manufactures	60	59	59	61	58	63	59	58
Textile-mill products	857	895	893	900	854	898	889	897
Apparel and related products	1,165	1,172	1,160	1,170	1,167	1,170	1,143	1,172
Paper and allied products	526	547	550	553	521	551	546	547
Printing, publishing, and allied industries	654	660	663	654	654	666	660	654
Chemicals and allied products	576	590	590	588	573	588	585	586
Petroleum refining and related industries	117	119	118	118	114	117	114	115
Rubber and misc. plastic products	469	518	522	526	467	520	519	524
Leather and leather products	260	266	252	253	260	257	251	253

[1] Data adjusted to 1971 benchmark.

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] (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	
	Feb.	Dec.	Jan.p	Feb.p	Feb.	Dec.	Jan.p	Feb.p	Feb.	Dec.	Jan.p	Feb.p
Total	**40.4**	**40.7**	**40.3**	**41.0**	**149.17**	**162.74**	**159.20**	**161.58**	**3.72**	**3.95**	**3.98**	**3.97**
Durable goods	**41.1**	**41.6**	**41.3**	**42.0**	**161.17**	**177.24**	**173.43**	**175.55**	**3.96**	**4.21**	**4.23**	**4.22**
Ordnance and accessories	42.2	42.4	42.4	42.8	170.07	179.32	175.54	178.05	4.03	4.18	4.14	4.16
Lumber and wood products	40.8	39.7	39.9	40.5	129.36	134.52	134.16	138.80	3.21	3.38	3.44	3.47
Furniture and fixtures	40.6	39.9	38.9	40.4	119.00	128.52	120.65	125.14	2.99	3.15	3.15	3.16
Stone, clay, and glass products	42.0	41.5	41.2	42.1	155.74	166.83	162.41	167.27	3.78	4.02	4.03	4.05
Primary metal industries	41.0	42.3	42.4	42.7	186.14	203.94	205.64	206.67	4.54	4.81	4.85	4.84
Fabricated metal products	41.0	41.7	41.4	41.9	157.55	173.87	169.33	171.40	3.89	4.13	4.13	4.14
Machinery	41.4	42.7	42.4	42.7	173.05	192.70	188.26	189.59	4.18	4.44	4.44	4.44
Electrical equipment and supplies	40.6	40.5	40.4	41.4	144.36	155.77	153.14	154.60	3.60	3.79	3.80	3.78
Transportation equipment	41.7	42.8	42.3	43.2	189.88	219.44	209.08	212.57	4.62	5.01	4.99	4.99
Instruments and related products	40.6	40.6	40.5	40.9	148.30	157.03	154.35	154.28	3.68	3.83	3.83	3.80
Miscellaneous manufacturing industries	39.4	39.1	38.7	39.2	120.34	125.69	124.42	125.97	3.07	3.19	3.24	3.23
Nondurable goods	**39.6**	**39.6**	**39.0**	**39.8**	**133.28**	**142.84**	**139.71**	**141.45**	**3.40**	**3.58**	**3.61**	**3.59**
Food and kindred products	40.1	40.4	40.1	40.1	139.83	151.40	149.25	148.13	3.54	3.72	3.75	3.75
Tobacco manufactures	34.1	35.6	34.7	36.7	111.88	126.34	122.09	129.23	3.38	3.49	3.57	3.63
Textile-mill products	41.2	41.2	39.4	41.0	111.11	118.01	111.54	117.10	2.71	2.83	2.86	2.87
Apparel and related products	36.2	35.7	34.5	36.0	92.52	96.03	93.09	97.38	2.57	2.69	2.73	2.72
Paper and allied products	42.6	42.9	42.6	43.1	161.63	175.80	171.74	172.94	3.83	4.06	4.06	4.05
Printing, publishing, and allied industries	37.6	37.7	37.9	38.0	162.19	175.34	170.54	172.21	4.36	4.59	4.56	4.58
Chemicals and allied products	41.8	41.9	41.6	42.0	171.39	182.73	180.94	181.83	4.12	4.33	4.36	4.35
Petroleum refining and related industries	42.2	42.2	42.2	41.6	202.11	210.76	210.41	207.36	4.87	5.03	5.07	5.07
Rubber and misc. plastic products	41.0	41.2	41.3	41.8	143.26	154.75	153.71	154.80	3.52	3.72	3.74	3.73
Leather and leather products	38.5	36.4	37.1	37.9	103.95	101.93	103.04	105.74	2.70	2.74	2.77	2.79

[1] Data adjusted to 1971 benchmark.

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: Furnishings and operation	Apparel and upkeep	Transportation	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
1961	89.6	89.1	90.9	92.9	86.9	91.0	99.4	93.7	90.4	90.6	86.7	81.4	90.6	89.3	88.5
1962	90.6	89.9	91.7	94.0	87.9	91.5	99.4	93.8	90.9	92.5	88.4	83.5	92.2	91.3	89.1
1963	91.7	91.2	92.7	95.0	89.0	93.2	99.4	94.6	91.9	93.0	90.0	85.6	93.4	92.8	90.6
1964	92.9	92.4	93.8	95.9	90.8	92.7	99.4	95.0	92.7	94.3	91.8	87.3	94.5	95.0	92.0
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—Jan.	123.2	120.3	127.3	‡r117.5	137.8	118.7	119.0	119.5	120.2	119.0	124.3	130.5	118.1	121.4	123.5
Feb.	123.8	122.2	127.6	‡r117.8	138.0	118.7	119.4	119.6	120.7	118.3	124.7	131.0	118.4	121.5	124.3
Mar.	124.0	122.4	127.9	‡r118.0	138.2	118.7	119.7	120.1	121.3	118.4	125.0	131.4	118.7	121.7	124.6
Apr.	124.3	122.4	128.2	‡r118.4	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	‡r118.6	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	‡r119.0	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	‡r119.2	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	‡r119.6	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

† Reflects effect of refund of Federal excise tax on new cars.
‡ Indexes affected by refunds of residential telephone series changes in California and 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)

Period	All commodities	Farm products	Processed foods and feeds	Industrial commodities: Total	Textiles, etc.	Hides, etc.	Fuel, etc.	Chemicals, etc.	Rubber, etc.	Lumber, etc.	Paper, etc.	Metals, etc.	Machinery and equipment	Furniture, etc.	Nonmetallic minerals	Transportation equipment[1]	Miscellaneous
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—Jan.	116.3	117.8	117.2	115.9	111.3	117.8	116.0	103.4	109.5	134.9	110.8	121.4	116.5	110.2	124.3	113.4	113.7
Feb.	117.3	120.7	118.8	116.5	112.0	119.1	116.1	103.5	109.2	137.7	111.6	122.6	117.1	110.8	124.6	113.6	114.0
Mar.	117.4	119.7	118.6	116.9	112.1	123.0	116.5	103.4	108.9	139.5	112.3	123.4	117.3	110.9	124.8	113.8	114.2
Apr.	117.5	119.1	117.7	117.3	112.6	127.2	116.9	104.1	108.7	141.1	112.8	123.5	117.6	111.0	125.6	113.7	114.1
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

1 For transportation equipment, Dec. 1968=100.

WHOLESALE PRICES: DETAIL

(1967=100)

Group	1972 Jan.	1972 Nov.	1972 Dec.	1973 Jan.
Farm products:				
Fresh and dried produce	124.9	141.8	134.6	151.2
Grains	94.1	113.6	137.6	135.6
Livestock	132.2	139.5	152.6	159.4
Live poultry	94.3	102.8	103.6	127.9
Plant and animal fibers	109.5	112.2	120.9	134.1
Fluid milk	120.5	123.5	123.6	126.7
Eggs	92.6	123.1	143.9	158.2
Hay and seeds	108.7	124.6	141.6	143.9
Other farm products	118.0	134.0	135.3	136.5
Processed foods and feeds:				
Cereal and bakery products	112.2	118.3	120.1	121.0
Meat, poultry, and fish	125.4	127.9	136.3	145.2
Dairy products	117.3	121.8	123.0	123.8
Processed fruits and vegetables	116.0	123.8	124.7	125.3
Sugar and confectionery	120.1	121.7	122.1	121.5
Beverages and beverage materials	116.4	119.4	119.7	119.8
Animal fats and oils	121.4	134.9	122.9	120.6
Crude vegetable oils	114.2	93.7	99.2	96.3
Refined vegetable oils	121.0	104.6	108.8	110.0
Vegetable oil end products	121.7	121.6	119.2	119.7
Miscellaneous processed foods	113.6	116.1	115.8	116.6
Manufactured animal feeds	103.8	130.5	163.6	166.3
Textile products and apparel:				
Cotton products	116.7	124.2	124.8	126.0
Wool products	92.0	107.1	108.8	114.5
Manmade fiber textile products	105.4	109.5	110.3	111.4
Apparel	113.8	115.9	116.0	116.5
Textile housefurnishings	106.2	109.9	109.9	109.9
Miscellaneous textile products	137.4	118.7	119.9	120.0
Hides, skins, leather, and products:				
Hides and skins	136.0	287.0	255.2	274.0
Leather	120.0	162.6	162.2	162.8
Footwear	118.1	128.5	128.7	129.0
Other leather products	110.6	127.1	128.4	129.3
Fuels and related products, and power:				
Coal	192.7	201.2	205.5	205.5
Coke	150.5	157.0	159.9	162.5
Gas fuels	110.0	119.0	119.2	118.4
Electric power	118.9	123.0	122.9	123.8
Crude petroleum	113.2	114.7	114.7	114.7
Petroleum products, refined	106.1	111.5	112.0	112.3
Chemicals and allied products:				
Industrial chemicals	101.4	100.9	101.0	101.4
Prepared paint	116.2	118.2	118.2	119.4
Paint materials	102.7	105.1	106.3	106.5
Drugs and pharmaceuticals	102.3	103.6	103.7	103.5
Fats and oils, inedible	111.3	123.2	128.2	130.3
Agricultural chemicals and products	90.3	92.4	92.5	93.0
Plastic resins and materials	88.6	89.6	89.3	89.7
Other chemicals and products	112.4	114.1	114.0	113.9
Rubber and plastic products:				
Rubber and rubber products	113.4	114.6	114.6	115.0
Crude rubber	99.2	100.8	101.2	102.7
Tires and tubes	110.3	109.7	109.7	109.7
Miscellaneous rubber products	119.7	122.0	122.0	122.3
Plastic construction products (Dec. 1969=100)	93.7	93.3	93.3	94.0
Unsupported plastic film and sheeting (Dec. 1970=100)	100.0	98.6	98.6	98.7
Laminated sheets, high pressure (Dec. 1970=100)	98.2	97.9	97.9	97.5
Lumber and wood products:				
Lumber	146.9	166.8	167.9	169.0
Millwork	124.9	130.9	130.7	131.4
Plywood	120.2	133.3	132.3	134.1
Other wood products	119.6	130.2	130.5	133.1

Group	1972 Jan.	1972 Nov.	1972 Dec.	1973 Jan.
Pulp, paper, and allied products:				
Pulp, paper and products, excluding building paper and board	111.1	115.3	115.4	116.1
Woodpulp	111.5	111.5	111.5	111.5
Wastepaper	124.9	136.9	133.6	133.8
Paper	114.9	117.3	117.5	117.8
Paperboard	102.7	106.8	107.1	108.2
Converted paper and paperboard	110.3	115.6	115.8	116.6
Building paper and board	104.7	107.2	107.2	107.1
Metals and metal products:				
Iron and steel	126.8	129.0	129.5	131.9
Steelmill products	129.6	130.2	130.2	132.6
Nonferrous metals	114.4	117.2	117.4	117.9
Metal containers	124.2	131.1	131.1	131.1
Hardware	118.4	121.4	121.4	121.7
Plumbing equipment	118.2	120.8	120.8	120.8
Heating equipment	115.9	119.2	119.2	118.8
Fabricated structural metal products	121.6	123.1	123.3	124.4
Miscellaneous metal products	121.3	124.9	124.8	125.2
Machinery and equipment:				
Agricultural machinery and equip.	119.9	122.9	122.9	123.6
Construction machinery and equip.	124.3	126.3	126.3	126.6
Metalworking machinery and equip.	118.5	121.3	121.3	121.8
General purpose machinery and equipment	120.8	123.3	123.4	123.9
Special industry machinery and equipment	122.6	124.5	124.6	124.9
Electrical machinery and equip.	109.5	110.6	110.6	110.9
Miscellaneous machinery	118.3	120.8	121.0	121.1
Furniture and household durables:				
Household furniture	116.0	118.1	118.5	119.1
Commercial furniture	118.3	123.4	123.4	123.6
Floor coverings	98.1	99.1	99.2	99.7
Household appliances	106.9	108.0	107.9	107.8
Home electronic equipment	93.3	92.5	92.3	92.4
Other household durable goods	122.3	126.9	127.0	127.0
Nonmetallic mineral products:				
Flat glass	123.6	122.5	122.5	122.5
Concrete ingredients	124.4	128.5	128.5	129.0
Concrete products	123.4	127.3	127.5	128.5
Structural clay products excluding refractories	114.8	118.8	118.9	120.3
Refractories	127.1	132.1	132.1	136.3
Asphalt roofing	131.2	131.2	131.2	131.2
Gypsum products	113.4	115.0	114.8	117.4
Glass containers	131.5	136.4	136.4	136.4
Other nonmetallic minerals	125.7	127.3	127.3	127.8
Transportation equipment:				
Motor vehicles and equipment	117.9	117.0	118.4	118.2
Railroad equipment	123.7	130.2	131.1	131.8
Miscellaneous products:				
Toys, sporting goods, small arms, ammunition	113.5	115.0	115.1	116.2
Tobacco products	117.4	117.5	117.5	117.5
Notions	111.7	112.9	112.9	112.9
Photographic equipment and supplies	106.4	107.0	107.0	107.3
Other miscellaneous products	113.9	116.9	117.2	118.6

NOTE.—Bureau of Labor Statistics indexes.

GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1971	1972			
										IV	I	II	III	IV
Gross national product	**103.1**	**55.6**	**124.5**	**284.8**	**864.2**	**930.3**	**976.4**	**1,050.4**	**1,151.8**	**1,078.1**	**1,109.1**	**1,139.4**	**1,164.0**	**1,194.9**
Final purchases	*101.4*	*57.2*	*120.1*	*278.0*	*857.1*	*922.5*	*971.5*	*1,046.7*	*1,145.9*	*1,076.4*	*1,108.6*	*1,134.4*	*1,156.0*	*1,184.6*
Personal consumption expenditures	**77.2**	**45.8**	**80.6**	**191.0**	**536.2**	**579.5**	**616.8**	**664.9**	**721.0**	**680.5**	**696.1**	**713.4**	**728.6**	**745.7**
Durable goods	9.2	3.5	9.6	30.5	84.0	90.8	90.5	103.5	116.1	106.1	111.0	113.9	118.6	120.8
Nondurable goods	37.7	22.3	42.9	98.1	230.8	245.9	264.4	278.1	299.5	283.4	288.3	297.2	302.0	310.4
Services	30.3	20.1	28.1	62.4	221.3	242.7	261.8	283.3	305.4	290.9	296.7	302.4	308.0	314.5
Gross private domestic investment	**16.2**	**1.4**	**17.9**	**54.1**	**126.0**	**139.0**	**137.1**	**152.0**	**180.4**	**158.8**	**168.1**	**177.0**	**183.2**	**193.4**
Fixed investment	*14.5*	*3.0*	*13.4*	*47.3*	*118.9*	*131.1*	*132.2*	*148.3*	*174.5*	*157.2*	*167.7*	*172.0*	*175.2*	*183.1*
Nonresidential	*10.6*	*2.4*	*9.5*	*27.9*	*88.8*	*98.5*	*100.9*	*105.8*	*120.6*	*109.8*	*116.1*	*119.2*	*120.7*	*126.1*
Structures	5.0	.9	2.9	9.2	30.3	34.2	36.0	38.4	42.2	38.8	41.3	42.0	41.8	43.7
Producers' durable equipment	5.6	1.5	6.6	18.7	58.5	64.3	64.9	67.4	78.3	71.0	74.8	77.2	79.0	82.3
Residential structures	4.0	.6	3.9	19.4	30.1	32.6	31.2	42.6	54.0	47.3	51.6	52.8	54.4	57.0
Nonfarm	3.8	.5	3.7	18.6	29.5	32.0	30.7	42.0	53.2	46.7	51.0	52.1	53.7	56.1
Change in business inventories	1.7	−1.6	4.5	6.8	7.1	7.8	4.9	3.6	5.9	1.7	.4	5.0	8.0	10.3
Nonfarm	1.8	−1.4	4.0	6.0	6.9	7.7	4.8	2.4	5.6	.8	.1	4.3	7.9	10.1
Net exports of goods and services	**1.1**	**.4**	**1.3**	**1.8**	**2.5**	**1.9**	**3.6**	**.7**	**−4.2**	**−2.1**	**−4.6**	**−5.2**	**−3.4**	**−3.5**
Exports	7.0	2.4	5.9	13.8	50.6	55.5	62.9	66.1	73.7	63.0	70.7	70.0	74.4	79.6
Imports	5.9	2.0	4.6	12.0	48.1	53.6	59.3	65.4	77.9	65.1	75.3	75.2	77.8	83.1
Government purchases of goods and services	**8.5**	**8.0**	**24.8**	**37.9**	**199.6**	**210.0**	**219.0**	**232.8**	**254.6**	**240.9**	**249.4**	**254.1**	**255.6**	**259.3**
Federal	*1.3*	*2.0*	*16.9*	*18.4*	*98.8*	*98.8*	*96.5*	*97.8*	*105.8*	*100.7*	*105.7*	*108.1*	*105.4*	*104.0*
National defense	.....	.....	13.8	14.1	78.3	78.4	75.1	71.4	75.9	71.9	76.7	78.6	75.1	73.2
Other	.....	.....	3.1	4.3	20.5	20.4	21.5	26.3	29.9	28.7	28.9	29.6	30.2	30.8
State and local	7.2	6.0	7.9	19.5	100.8	111.2	122.5	135.0	148.8	140.2	143.7	146.0	150.2	155.2
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**	**754.5**	**766.5**	**783.9**	**796.1**	**811.6**

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*, July 1968, July 1969, July 1970, July 1971, July 1972, and Supplement, Aug. 1966.

NATIONAL INCOME

(In billions of dollars)

Item	1929	1933	1941	1950	1968	1969	1970	1971	1972	1971	1972			
										IV	I	II	III	IV
National income	**86.8**	**40.3**	**104.2**	**241.1**	**711.1**	**766.0**	**798.6**	**855.7**	**934.7**	**876.2**	**903.1**	**922.1**	**943.0**	......
Compensation of employees	**51.1**	**29.5**	**64.8**	**154.6**	**514.6**	**566.0**	**603.8**	**644.1**	**705.3**	**660.4**	**682.7**	**697.8**	**710.2**	**730.3**
Wages and salaries	*50.4*	*29.0*	*62.1*	*146.8*	*464.9*	*509.7*	*541.9*	*573.5*	*626.5*	*587.3*	*606.6*	*620.0*	*630.6*	*648.8*
Private	45.5	23.9	51.9	124.4	369.2	405.6	426.8	449.7	491.9	460.9	475.8	487.1	494.8	510.0
Military	.3	.3	1.9	5.0	17.9	19.0	19.6	19.4	20.6	19.4	20.8	20.5	20.4	20.6
Government civilian	4.6	4.9	8.3	17.4	77.8	85.1	95.5	104.4	114.0	107.0	110.0	112.4	115.4	118.1
Supplements to wages and salaries	*.7*	*.5*	*2.7*	*7.8*	*49.7*	*56.3*	*61.9*	*70.7*	*78.8*	*73.0*	*76.1*	*77.8*	*79.6*	*81.5*
Employer contributions for social insurance	.1	.1	2.0	4.0	24.3	27.8	29.7	34.1	38.5	35.0	37.3	38.0	38.8	39.8
Other labor income	.6	.4	.7	3.8	25.4	28.4	32.1	36.5	40.3	38.0	38.8	39.8	40.8	41.8
Proprietors' income	**15.1**	**5.9**	**17.5**	**37.5**	**64.2**	**67.2**	**66.8**	**70.0**	**75.2**	**71.8**	**73.3**	**73.2**	**75.3**	**79.0**
Business and professional	9.0	3.3	11.1	24.0	49.5	50.5	49.9	52.6	55.6	53.8	54.3	54.4	56.2	57.4
Farm	6.2	2.6	6.4	13.5	14.7	16.7	16.9	17.3	19.6	18.1	19.1	18.7	19.1	21.6
Rental income of persons	**5.4**	**2.0**	**3.5**	**9.4**	**21.2**	**22.6**	**23.3**	**24.5**	**25.6**	**25.0**	**25.2**	**24.2**	**26.2**	**26.9**
Corporate profits and inventory valuation adjustment	**10.5**	**−1.2**	**15.2**	**37.7**	**84.3**	**79.8**	**69.9**	**78.6**	**87.3**	**79.4**	**81.8**	**86.1**	**r89.6**	......
Profits before tax	*10.0*	*1.0*	*17.7*	*42.6*	*87.6*	*84.9*	*74.3*	*83.3*	*93.3*	*83.2*	*88.2*	*91.6*	*95.7*	......
Profits tax liability	1.4	.5	7.6	17.8	39.9	40.1	34.1	37.3	40.8	35.3	38.8	40.1	41.8	......
Profits after tax	*8.6*	*.4*	*10.1*	*24.9*	*47.8*	*44.8*	*40.2*	*45.9*	*52.5*	*48.0*	*49.5*	*51.5*	*53.9*	......
Dividends	5.8	2.0	4.4	8.8	23.6	24.3	24.8	25.4	26.4	25.2	26.0	26.2	26.5	26.7
Undistributed profits	2.8	−1.6	5.7	16.0	24.2	20.5	15.4	20.5	26.1	22.7	23.5	25.3	27.3	......
Inventory valuation adjustment	.5	−2.1	−2.5	−5.0	−3.3	−5.1	−4.4	−4.7	−6.0	−3.9	−6.5	−5.5	−6.1	−5.9
Net interest	**4.7**	**4.1**	**3.2**	**2.0**	**26.9**	**30.5**	**34.8**	**38.5**	**41.3**	**39.7**	**40.1**	**40.9**	**41.7**	**42.5**

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	1971	1972			
										IV	I	II	III	IV*p*
Gross national product	**103.1**	**55.6**	**124.5**	**284.8**	**864.2**	**930.3**	**976.4**	**1,050.4**	**1,151.8**	**1,078.1**	**1,109.1**	**1,139.4**	**1,164.0**	**1,194.9**
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	74.5	81.6	86.3	93.8	103.7	97.4	99.7	105.3	104.1	105.6
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	78.6	85.9	93.4	101.9	110.1	105.6	106.7	108.7	111.4	113.7
Business transfer payments	.6	.7	.5	.8	3.4	3.8	4.2	4.6	4.9	4.7	4.8	4.9	5.0	5.0
Statistical discrepancy	.7	.6	.4	1.5	−2.7	−6.1	−4.7	−4.8	.1	−5.2	−4.1	−.1	2.3	......
Plus: Subsidies less current surplus of government enterprises	−.1	......	.1	.2	.7	1.0	1.5	.9	1.7	.7	1.2	1.6	1.8	2.2
Equals: National income	**86.8**	**40.3**	**104.2**	**241.1**	**711.1**	**766.0**	**798.6**	**855.7**	**934.7**	**876.2**	**903.1**	**922.1**	**943.0**	......
Less: Corporate profits and inventory valuation adjustment	10.5	−1.2	15.2	37.7	84.3	79.8	69.9	78.6	87.3	79.4	81.8	86.1	89.6	......
Contributions for social insurance	.2	.3	2.8	6.9	47.1	54.2	57.7	65.3	74.0	66.9	71.9	73.1	74.6	76.3
Excess of wage accruals over disbursements	......	......	......	......	......	......	......	.6	−.5	1.4	−1.4	−.5	−.2	.0
Plus: Government transfer payments	.9	1.5	2.6	14.3	56.1	61.9	75.2	89.0	99.1	92.1	94.4	95.7	97.7	108.5
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	30.9	31.8	31.7	32.0
Dividends	5.8	2.0	4.4	8.8	23.6	24.3	24.8	25.4	26.4	25.2	26.0	26.2	26.5	26.7
Business transfer payments	.6	.7	.5	.8	3.4	3.8	4.2	4.6	4.9	4.7	4.8	4.9	5.0	5.0
Equals: Personal income	**85.9**	**47.0**	**96.0**	**227.6**	**688.9**	**750.9**	**806.3**	**861.4**	**935.9**	**881.5**	**907.0**	**922.1**	**939.9**	**974.6**
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	97.9	116.5	116.7	117.0	140.8	123.0	136.5	139.5	141.1	146.4
Equals: Disposable personal income	**83.3**	**45.5**	**92.7**	**206.9**	**591.0**	**634.4**	**689.5**	**744.4**	**795.1**	**758.5**	**770.5**	**782.6**	**798.8**	**828.2**
Less: Personal outlays	79.1	46.5	81.7	193.9	551.2	596.2	634.7	683.4	740.2	699.2	714.9	732.5	748.0	765.5
Personal consumption expenditures	77.2	45.8	80.6	191.0	536.2	579.5	616.8	664.9	721.0	680.5	696.1	713.4	728.6	745.7
Consumer interest payments	1.5	.5	.9	2.4	14.3	15.8	16.9	17.6	18.2	17.7	17.8	18.0	18.2	18.6
Personal transfer payments to foreigners	.3	.2	.2	.5	.8	.9	1.0	1.0	1.1	1.1	1.0	1.1	1.2	1.2
Equals: Personal saving	**4.2**	**−.9**	**11.0**	**13.1**	**39.8**	**38.2**	**54.9**	**60.9**	**54.8**	**59.3**	**55.7**	**50.1**	**50.8**	**62.8**
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	560.9	565.7	571.4	579.6	597.3

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table opposite.

PERSONAL INCOME

(In billions of dollars)

Item	1971	1972*p*	1972												1973
			Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
Total personal income	**861.4**	**935.9**	**898.9**	**908.5**	**913.6**	**919.4**	**924.0**	**922.9**	**932.9**	**940.0**	**946.8**	**964.6**	**976.2**	**982.9**	**985.4**
Wage and salary disbursements	**572.9**	**627.0**	**602.6**	**609.0**	**612.4**	**617.6**	**619.9**	**624.0**	**625.7**	**630.6**	**636.0**	**643.0**	**648.5**	**654.9**	**662.6**
Commodity-producing industries	206.1	224.6	214.8	217.7	220.1	221.7	222.5	223.5	222.4	225.2	227.8	231.0	233.3	235.8	237.4
Manufacturing only	*160.3*	*175.8*	*165.8*	*169.3*	*171.3*	*173.3*	*173.8*	*175.0*	*174.5*	*176.6*	*178.8*	*181.5*	*183.9*	*186.2*	*186.9*
Distributive industries	138.2	151.5	145.5	148.1	148.0	149.4	149.4	151.4	151.9	152.3	153.0	155.0	156.3	158.0	159.7
Service industries	105.0	116.1	111.2	111.6	112.8	113.9	114.7	115.5	116.9	117.3	118.2	119.3	119.9	121.5	123.0
Government	123.5	134.8	131.2	131.7	131.5	132.5	133.2	133.6	134.5	135.8	137.0	137.7	139.0	139.7	142.6
Other labor income	36.5	40.3	38.5	38.8	39.1	39.5	39.8	40.1	40.5	40.8	41.1	41.4	41.8	42.1	42.4
Proprietors' income	69.9	75.2	72.6	73.2	74.2	74.0	74.0	71.6	74.3	75.4	76.2	77.7	79.5	79.8	79.9
Business and professional	52.6	55.6	54.0	54.1	54.7	54.9	55.3	53.2	55.7	56.3	56.7	57.0	57.4	57.8	58.1
Farm	17.3	19.6	18.6	19.1	19.5	19.1	18.7	18.4	18.6	19.1	19.5	20.7	22.1	22.0	21.8
Rental income	24.5	25.6	25.1	25.2	25.3	25.5	25.6	21.5	25.8	26.3	26.5	27.0	26.7	26.9	26.4
Dividends	25.4	26.4	26.0	26.1	26.0	26.1	26.3	26.3	26.4	26.6	26.5	26.7	26.6	26.8	27.1
Personal interest income	69.6	72.9	70.8	71.0	71.3	72.0	72.7	73.4	73.5	73.4	73.3	73.7	74.5	75.4	75.9
Transfer payments	93.6	104.0	97.6	100.0	100.1	99.7	100.9	101.3	102.2	102.8	103.2	111.6	115.2	113.6	113.2
Less: Personal contributions for social insurance	31.2	35.5	34.3	34.7	34.8	35.0	35.1	35.3	35.5	35.8	36.0	36.4	36.5	36.6	42.1
Nonagricultural income	**837.2**	**909.3**	**873.4**	**882.4**	**887.1**	**893.4**	**898.3**	**897.5**	**907.3**	**914.0**	**920.3**	**937.1**	**947.2**	**953.9**	**956.4**
Agricultural income	**24.2**	**26.6**	**25.6**	**26.0**	**26.5**	**26.0**	**25.8**	**25.4**	**25.5**	**25.9**	**26.5**	**27.6**	**29.0**	**29.0**	**29.0**

NOTE.—Dept. of Commerce estimates. Monthly data are seasonally adjusted totals at annual rates. See also NOTE to table opposite.

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 r	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*	*4.8*	*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-73, 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		1970		1971		1972		
								H1	H2	H1	H2	H1	H2	H1 r	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	10.7	-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-72) 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

Line

1 and 3 Includes issues by financial institutions.

1. U.S. BALANCE OF PAYMENTS

(In millions of dollars)

Line	Credits+, debits−	1970	1971	1971 II	1971 III	1971 IV	1972 I	1972 II	1972 III^p
	Summary—Seasonally adjusted								
1	Merchandise trade balance [1]	2,164	−2,689	−1,012	−472	−1,494	−1,687	−1,948	−1,588
2	Exports	41,963	42,770	10,710	11,479	9,564	11,791	11,445	12,307
3	Imports	−39,799	−45,459	−11,722	−11,951	−11,058	−13,478	−13,393	−13,895
4	Military transactions, net	−3,374	−2,894	−698	−724	−807	−884	−958	−830
5	Travel and transportation, net	−2,061	−2,432	−625	−606	−703	−679	−657	−606
6	Investment income, net [2]	6,259	7,995	2,191	1,711	2,295	1,862	1,770	1,924
7	U.S. direct investments abroad	7,920	9,455	2,464	2,163	2,770	2,307	2,365	2,564
8	Other U.S. investments abroad	3,506	3,443	833	852	881	942	822	857
9	Foreign investments in the United States	−5,167	−4,903	−1,106	−1,304	−1,356	−1,387	−1,417	−1,497
10	Other services, net	574	748	180	182	172	200	192	204
11	**Balance on goods and services [3]**	3,563	727	36	91	−537	−1,188	−1,601	−896
12	Remittances, pensions, and other transfers	−1,474	−1,529	−369	−402	−404	−389	−383	−357
13	**Balance on goods, services, and remittances**	2,089	−802	−333	−311	−941	−1,577	−1,984	−1,253
14	U.S. Government grants (excluding military)	−1,734	−2,045	−477	−544	−588	−601	−535	−538
15	**Balance on current account**	356	−2,847	−810	−855	−1,529	−2,178	−2,519	−1,791
16	U.S. Government capital flows excluding nonscheduled repayments, net [4]	−1,829	−2,117	−681	−442	−385	−330	−269	−477
17	Nonscheduled repayments of U.S. Government assets	244	225	102	72	48	88	17	7
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies	−433	−486	−5	−188	−196	−101	157	189
19	Long-term private capital flows, net	−1,398	−4,079	−1,605	−1,883	330	−1,081	750	−144
20	U.S. direct investments abroad	−4,400	−4,765	−1,277	−1,410	−788	−1,266	−100	−1,132
21	Foreign direct investments in the United States	1,030	−67	1	−374	181	−360	350	259
22	Foreign securities	−942	−909	−372	−249	73	−393	−354	227
23	U.S. securities other than Treasury issues	2,190	2,282	196	606	921	1,067	956	676
24	Other, reported by U.S. banks	198	−814	−214	−308	−165	22	−269	−409
25	Other, reported by U.S. nonbanking concerns	526	194	61	−148	108	−151	167	235
26	**Balance on current account and long-term capital [4]**	−3,059	−9,304	−2,999	−3,296	−1,732	−3,602	−1,864	−2,216
27	Nonliquid short-term private capital flows, net	−482	−2,386	−315	−883	−654	−508	592	−542
28	Claims reported by U.S. banks	−1,023	−1,807	−91	−892	−685	−587	467	−408
29	Claims reported by U.S. nonbanking concerns	−361	−555	−145	−147	−130	−17	103	−118
30	Liabilities reported by U.S. nonbanking concerns	902	−24	−79	156	161	96	22	−16
31	Allocations of Special Drawing Rights (SDR's)	867	717	179	179	179	178	178	177
32	Errors and omissions, net	−1,174	−11,031	−2,586	−5,380	−2,122	800	−1,141	−1,872
33	**Net liquidity balance**	−3,851	−22,002	−5,721	−9,380	−4,329	−3,132	−2,235	−4,453
34	Liquid private capital flows, net	−5,988	−7,763	−745	−2,551	−1,619	−119	1,386	−171
35	Liquid claims	252	−1,072	95	−555	−340	−673	197	−567
36	Reported by U.S. banks	−99	−566	32	−392	−112	−533	312	−449
37	Reported by U.S. nonbanking concerns	351	−506	63	−163	−228	−140	−115	−118
38	Liquid liabilities	−6,240	−6,691	−840	−1,996	−1,279	554	1,189	396
39	To foreign commercial banks	−6,508	−6,908	−892	−1,775	−1,313	476	980	282
40	To international and regional organizations	181	682	198	149	55	25	−72	−34
41	To other foreigners	87	−465	−146	−370	−21	53	281	148
42	**Official reserve transactions balance**	−9,839	−29,765	−6,466	−11,931	−5,948	−3,251	−849	−4,624
	Financed by changes in:								
43	Liquid liabilities to foreign official agencies	7,637	27,615	5,975	10,919	5,774	2,542	1,082	4,601
44	Other readily marketable liabilities to foreign official agencies	−810	−539	−160	−173	−5			
45	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Govt.	535	341	−8	−9	366	280	−2	78
46	U.S. official reserve assets, net	2,477	2,348	659	1,194	−187	429	−231	−55
47	Gold	787	866	456	300	1	544	....	3
48	SDR's	−851	−249	17	−29	−182	−178	−171	−177
49	Convertible currencies	2,152	381	−66	72	2	64	−245	134
50	Gold tranche position in IMF	389	1,350	252	851	−8	−1	185	−15
	Memoranda:								
51	Transfers under military grant programs (excluded from lines 2, 4, and 14)	2,586	3,153	778	701	939	1,205	797	1,323
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	1971 II	1971 III	1971 IV	1972 I	1972 II	1972 III[p]
Balances excluding allocations of SDR's—Seasonally adjusted								
Net liquidity balance	−4,718	−22,719	−5,900	−9,559	−4,508	−3,310	−2,413	−4,630
Official reserve transactions balance	−10,706	−30,482	−6,645	−12,110	−6,127	−3,429	−1,027	−4,801
Balances not seasonally adjusted								
Balance on goods and services (line 11)	3,563	727	251	−1,330	296	−791	−1,463	2,227
Balance on goods, services, and remittances (line 13)	2,089	−802	−131	−1,743	−104	−1,159	−1,859	−2,595
Balance on current account (line 15)	356	−2,847	−655	−2,246	−657	−1,789	−2,441	−3,093
Balance on current account and long-term capital [4] (line 26)	−3,059	−9,304	−3,466	−4,672	93	3,603	−2,271	−3,554
Balances including allocations of SDR's:								
Net liquidity (line 33)	−3,851	−22,002	−6,612	−10,066	−3,466	−2,369	−3,043	−5,274
Official reserve transactions (line 42)	−9,839	−29,765	−6,462	−12,703	−5,882	−2,506	−741	5,544
Balances excluding allocations of SDR's:								
Net liquidity	−4,718	−22,719	−6,612	−10,066	−3,466	−3,079	−3,043	−5,274
Official reserve transactions	−10,706	−30,482	−6,462	−12,703	−5,882	−3,216	−741	−5,544

[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[r]	1972[r]	1973	1970	1971[r]	1972[r]	1973	1970	1971[r]	1972[r]	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	....	3,279	3,564	4,473	....	267	130	−649	....
Mar.	3,375	3,790	3,869	....	3,219	3,628	4,515	....	156	160	−646	....
Apr.	3,410	3,631	3,817	....	3,262	3,774	4,413	....	148	−143	596	....
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 I	1972 II	1972 III	1972 IV
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	[1]1	−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	−544	......	......	......
Grand total	−392	−36	−1,547	−431	−1,009	−1,121	967	−787	−867	−547	−544	......	−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]		Con-vertible foreign curren-cies	Reserve position in IMF [3]	SDR's [4]
		Total [2]	Treasury			
1959...	21,504	19,507	19,456	....	1,997	....
1960...	19,359	17,804	17,767	....	1,555	....
1961...	18,753	16,947	16,889	116	1,690	....
1962...	17,220	16,057	15,978	99	1,064	....
1963...	16,843	15,596	15,513	212	1,035	....
1964...	16,672	15,471	15,388	432	769	....
1965...	15,450	[6]13,806	[6]13,733	781	[6]863	....
1966...	14,882	13,235	13,159	1,321	326	....
1967...	14,830	12,065	11,982	2,345	420	....
1968...	15,710	10,892	10,367	3,528	1,290	....
1969...	[7]16,964	11,859	10,367	[7]2,781	2,324	....
1970...	14,487	11,072	10,732	629	1,935	851
1971...	[8]12,167	10,206	10,132	[8]276	585	1,100
1972...	13,151	10,487	10,410	241	465	1,958

End of month	Total	Gold stock [1]		Con-vertible foreign curren-cies [5]	Reserve position in IMF [3]	SDR's [4]
		Total [2]	Treasury			
1972						
Feb....	12,330	9,662	9,588	276	582	1,810
Mar....	12,270	9,662	9,588	212	586	1,810
Apr....	12,285	9,662	9,588	429	391	1,803
May...	[9]13,345	[9]10,490	[9]10,410	469	[9]428	[9]1,958
June...	13,339	10,490	10,410	457	434	1,958
July...	13,090	10,490	10,410	203	439	1,958
Aug....	13,124	10,488	10,410	234	444	1,958
Sept....	13,217	10,487	10,410	323	449	1,958
Oct....	13,313	10,487	10,410	414	454	1,958
Nov....	13,307	10,487	10,410	403	459	1,958
Dec....	13,151	10,487	10,410	241	465	1,958
1973						
Jan....	13,054	10,487	10,410	140	469	1,958
Feb....	12,926	10,487	10,410	8	473	1,958

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)							IMF holdings of dollars (end of period)		U.S. reserve position in IMF (end of period) [4]
	U.S. transactions with IMF				Transactions by other countries with IMF		Total change	Amount	Per cent of U.S. quota	
	Payments of subscrip-tions in dollars	Net gold sales by IMF [1]	Transac-tions in foreign curren-cies [2]	IMF net income in dollars	Purchases of dollars [3]	Re-purchases in dollars				
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—Feb.	....	....	....	5	....	....	5	6,118	91	582
Mar.	....	....	....	−4	....	....	−4	6,114	91	586
Apr.	....	....	200	−5	....	....	195	6,309	94	391
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

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]: 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]
1959	19,428	500	10,120	9,154	966	....	....	....	4,678	2,940	2,399	541	1,190
1960 [9]	20,994	800	11,078	10,212	866	....	....	....	4,818	2,773	2,230	543	1,525
	21,027	800	11,088	10,212	876	....	....	....	4,818	2,780	2,230	550	1,541
1961 [9]	22,853	800	11,830	10,940	890	....	....	....	5,404	2,871	2,355	516	1,948
	22,936	800	11,830	10,940	890	....	....	....	5,484	2,873	2,357	516	1,949
1962 [9]	24,268	800	12,948	11,997	751	....	200	....	5,346	3,013	2,565	448	2,161
	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]	45,755	1,019	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]	67,681	544	51,209	39,679	1,955	6,060	3,371	144	10,262	4,138	3,691	447	1,528
	67,810	544	50,651	39,018	1,955	6,093	3,441	144	10,950	4,141	3,694	447	1,524
1972—Jan.	69,066	544	51,514	39,581	2,260	6,094	3,441	138	11,171	4,153	3,763	390	1,684
Feb.[r]	69,998	....	52,799	40,679	2,399	6,094	3,441	186	11,373	4,204	3,812	392	1,622
Mar.[r]	71,013	....	53,806	40,980	2,644	6,094	3,723	365	11,464	4,194	3,818	376	1,549
Apr.[r]	72,215	....	54,093	38,723	2,668	8,594	3,723	385	12,433	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]	74,000	....	54,604	38,603	3,292	8,594	3,723	392	13,444	4,475	4,103	372	1,477
July[r]	77,473	....	59,426	39,787	3,516	12,094	3,647	382	12,127	4,492	4,122	370	1,428
Aug.[r]	79,454	....	60,601	40,611	3,881	12,094	3,647	368	12,912	4,418	4,040	378	1,523
Sept.[r]	79,731	....	60,070	39,628	4,117	12,095	3,804	426	13,585	4,630	4,241	389	1,446
Oct.[r]	81,422	....	60,926	40,261	4,457	12,097	3,651	460	14,180	4,823	4,417	406	1,493
Nov.	82,373	....	61,122	40,040	4,834	12,098	3,651	499	14,781	4,745	4,322	423	1,725
Dec.[p]	82,900	....	61,469	39,942	5,236	12,108	3,639	544	14,855	4,950	4,525	425	1,626
1973—Jan.[p]	82,052	....	60,753	38,492	5,798	12,110	3,780	573	14,819	4,890	4,465	425	1,590

[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 nonliquid, $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.

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—Jan.	51,514	30,266	3,974	1,402	14,430	426	1,016
Feb.	52,799	31,190	3,981	1,330	14,792	449	1,057
Mar.	53,806	31,588	4,052	1,323	15,191	457	1,195
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	59,426	36,380	4,446	1,393	14,727	572	1,908
Aug. r	60,601	36,612	4,463	1,415	15,352	652	2,107
Sept. r	60,070	35,985	4,469	1,363	15,291	685	2,277
Oct. r	60,926	35,078	4,468	1,468	16,805	616	2,491
Nov.	61,122	34,608	4,289	1,439	17,372	694	2,720
Dec. p	61,469	34,192	4,279	1,721	17,542	771	2,964
1973—Jan. p	60,753	34,152	4,201	1,717	16,996	673	3,014

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.

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]	55,404	55,018	10,399	5,209	33,025	6,385	386	400	1,372	73	192	210	896
	55,430	55,038	6,460	4,217	33,025	11,336	392	400	1,368	73	192	210	892
1972—Jan.	56,442	56,009	6,157	4,223	33,902	11,727	432	400	1,526	86	203	338	899
Feb.	57,329	56,856	6,019	4,334	34,490	12,013	473	....	1,465	85	167	295	918
Mar.	57,654	57,138	5,991	4,431	34,929	11,787	516	....	1,391	88	189	275	839
Apr.	56,287	55,793	6,460	4,502	32,324	12,507	494	....	1,278	87	198	177	817
May	55,828	55,329	6,570	4,653	31,498	12,608	499	....	1,268	84	186	198	800
June	57,466	56,947	7,217	4,830	31,871	13,029	519	....	1,316	85	238	212	782
July	57,302	56,823	7,320	4,746	32,881	11,876	479	....	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.	58,687	58,208	6,931	4,939	32,714	13,625	478	....	1,233	79	224	145	785
Oct.	60,138	59,600	7,075	5,146	33,071	14,309	538	....	1,281	62	210	204	804
Nov.	60,654	60,112	7,012	5,379	32,774	14,946	543	....	1,512	95	242	380	794
Dec. p	60,734	60,238	8,297	5,630	31,845	14,467	496	....	1,412	86	201	326	800
1973—Jan. p	59,153	58,628	7,461	5,550	30,147	15,470	525	....	1,377	118	172	295	792

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[9]					
	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]	53,632	10,326	5,017	32,415	5,489	386	39,679	1,620	2,504	32,311	3,086	158
	53,662	6,387	4,025	32,415	10,443	392	39,018	1,327	2,039	32,311	3,176	165
1972—Jan.	54,515	6,071	4,020	33,164	10,828	432	39,581	1,185	2,024	33,045	3,161	166
Feb.	55,864	5,934	4,167	34,195	11,095	473	40,679	1,099	2,119	34,092	3,204	167
Mar.	56,262	5,903	4,242	34,654	10,947	516	40,980	1,128	2,148	34,548	2,990	167
Apr.	55,009	6,373	4,304	32,147	11,691	494	38,723	1,246	2,270	32,047	2,993	167
May	54,560	6,486	4,468	31,300	11,808	499	37,850	1,224	2,379	31,209	2,871	167
June	56,150	7,132	4,592	31,659	12,247	519	38,603	1,536	2,469	31,573	2,858	167
July	56,036	7,219	4,485	32,738	11,116	479	39,787	1,521	2,377	32,655	3,064	170
Aug.	57,563	6,566	4,600	33,573	12,368	455	40,611	1,308	2,412	33,499	3,220	171
Sept.	57,454	6,851	4,716	32,569	12,840	478	39,628	1,239	2,454	32,497	3,268	171
Oct.	58,858	7,012	4,935	32,867	13,505	538	40,261	1,335	2,564	32,794	3,398	171
Nov.	59,143	6,917	5,137	32,394	14,152	543	40,040	1,271	2,638	32,315	3,645	171
Dec.p	59,322	8,211	5,429	31,518	13,667	496	39,942	1,583	2,858	31,448	3,881	171
1973—Jan.p	57,776	7,342	5,378	29,852	14,678	525	38,492	1,405	2,858	29,779	4,279	171

End of period	Total	To banks[10]					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]	13,953	10,034	7,047	850	8	2,130	3,691	1,660	1,663	96	274	228
	14,644	10,722	3,400	320	8	6,995	3,694	1,660	1,666	96	271	228
1972—Jan.	14,935	10,904	3,183	335	4	7,382	3,764	1,703	1,660	116	285	267
Feb.	15,184	11,067	3,121	349	4	7,593	3,811	1,714	1,699	99	299	306
Mar.	15,283	11,115	3,093	359	4	7,658	3,818	1,682	1,735	102	299	349
Apr.	16,286	12,106	3,372	352	4	8,379	3,852	1,756	1,682	96	318	327
May	16,710	12,488	3,569	307	3	8,609	3,890	1,693	1,781	88	328	333
June	17,547	13,092	3,797	310	5	8,980	4,103	1,800	1,814	81	409	353
July	16,249	11,817	3,877	286	5	7,649	4,122	1,821	1,821	77	402	309
Aug.	16,951	12,627	3,555	337	6	8,729	4,039	1,702	1,851	67	419	284
Sept.	17,826	13,277	3,837	353	5	9,083	4,241	1,776	1,909	68	489	308
Oct.	18,597	13,813	3,802	439	3	9,569	4,417	1,875	1,933	70	538	368
Nov.	19,103	14,409	3,940	486	5	9,979	4,322	1,706	2,014	75	528	372
Dec.p	19,380	14,529	4,673	546	5	9,305	4,525	1,954	2,025	65	481	325
1973—Jan.p	19,284	14,465	4,159	450	5	9,851	4,465	1,778	2,071	68	548	354

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 Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.

10 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.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.p	Jan.p
Europe:											
Austria	254	276	283	254	261	272	310	279	245	272	268
Belgium-Luxembourg	701	866	864	962	1,159	1,188	1,175	1,159	1,070	1,092	975
Denmark	168	218	203	215	216	209	194	217	254	284	321
Finland	160	151	131	148	176	165	163	161	157	163	152
France	3,150	3,043	3,027	3,514	4,324	4,317	4,422	4,501	4,630	4,442	4,433
Germany	6,596	5,482	5,500	6,483	6,601	6,459	5,819	5,809	5,514	5,347	5,034
Greece	170	163	159	179	168	165	177	195	190	238	210
Italy	1,888	1,627	1,572	1,375	1,424	1,615	1,429	1,346	1,354	1,333	1,085
Netherlands	270	878	861	847	1,488	1,514	1,490	1,460	1,442	1,468	1,356
Norway	685	655	669	654	769	892	873	895	960	978	973
Portugal	303	279	284	269	290	334	356	379	413	416	439
Spain	203	219	206	231	222	192	246	230	223	256	231
Sweden	792	981	1,010	1,044	1,036	1,033	1,068	1,059	1,081	1,184	1,189
Switzerland	3,249	2,942	2,709	2,626	3,623	3,493	3,538	3,073	2,838	2,862	2,924
Turkey	68	36	40	44	55	59	72	71	96	97	109
United Kingdom	7,379	7,954	7,954	7,914	4,945	5,893	5,692	5,683	5,430	5,011	5,513
Yugoslavia	34	94	88	90	87	102	65	56	98	117	82
Other Western Europe[1]	1,391	1,386	1,388	1,367	1,389	1,391	1,446	1,428	1,479	1,483	1,464
U.S.S.R.	14	9	13	10	18	10	14	16	10	11	14
Other Eastern Europe	53	56	58	68	58	57	71	63	58	81	71
Total	27,530	27,316	27,021	28,293	28,310	29,360	28,618	28,080	27,541	27,136	26,843
Canada	3,441	3,722	4,146	3,966	3,727	3,660	3,730	3,969	3,799	3,483	3,888
Latin America:											
Argentina	441	507	465	459	457	500	523	532	547	631	632
Brazil	342	543	576	628	620	550	591	601	564	605	643
Chile	191	132	134	136	136	136	134	135	135	137	132
Colombia	188	184	190	190	196	212	199	192	185	210	210
Cuba	6	7	6	7	6	6	6	6	6	6	7
Mexico	715	668	761	733	788	695	690	671	659	831	783
Panama	154	155	185	154	165	154	156	151	150	167	193
Peru	164	174	167	179	178	178	164	180	183	225	176
Uruguay	108	118	122	117	121	136	137	125	133	140	140
Venezuela	963	851	873	919	831	865	855	924	926	1,083	997
Other Latin American republics	655	695	661	669	673	701	662	747	751	834	839
Bahamas [2]	656	444	440	486	384	416	461	576	576	535	293
Netherlands Antilles and Surinam	87	87	91	94	88	83	88	82	89	86	81
Other Latin America	37	29	43	40	46	45	54	55	57	66	229
Total	4,708	4,593	4,714	4,809	4,688	4,675	4,721	4,979	4,961	5,556	5,354
Asia:											
China, People's Rep. of (China Mainland)	39	39	38	39	39	39	39	39	39	39	39
China, Republic of (Taiwan)	258	338	365	383	426	502	541	590	639	675	679
Hong Kong	312	299	328	311	341	325	315	313	310	318	328
India	89	102	104	105	122	105	91	103	107	98	117
Indonesia	63	89	87	113	98	117	115	114	107	108	98
Israel	150	145	148	140	128	119	134	127	141	177	144
Japan	14,295	14,902	14,017	14,096	13,963	14,156	14,412	15,485	16,152	15,842	14,570
Korea	196	178	196	198	206	235	208	218	201	192	221
Philippines	306	294	337	346	345	364	379	382	394	438	491
Thailand	126	170	174	177	120	141	145	143	128	171	211
Other	595	714	729	706	733	802	797	1,016	965	1,072	951
Total	16,429	17,267	16,525	16,613	16,521	16,904	17,175	18,529	19,182	19,130	17,848
Africa:											
Egypt	24	15	18	19	17	19	23	23	24	24	21
Morocco	9	11	8	11	11	9	9	10	11	12	9
South Africa	78	79	70	76	92	65	71	57	83	115	111
Zaire	12	14	16	18	27	15	18	14	17	21	18
Other	474	542	522	608	620	622	649	595	678	768	573
Total	597	661	635	731	768	729	770	700	814	939	733
Other countries:											
Australia	916	1,405	1,482	1,692	1,977	2,187	2,372	2,553	2,801	3,027	3,046
All other	42	43	39	45	45	47	69	47	46	51	65
Total	957	1,448	1,520	1,737	2,022	2,234	2,441	2,600	2,846	3,078	3,111
Total foreign countries	53,662	55,009	54,560	56,150	56,036	57,563	57,454	58,858	59,143	59,322	57,776
International and regional:											
International[3]	1,327	808	802	819	793	831	746	794	1,030	951	930
Latin American regional	298	333	329	347	300	335	329	320	316	307	298
Other regional[4]	143	138	137	149	173	155	158	167	166	155	149
Total	1,768	1,278	1,268	1,316	1,266	1,322	1,233	1,281	1,512	1,412	1,377
Grand total	55,430	56,287	55,828	57,466	57,302	58,884	58,687	60,138	60,654	60,734	59,153

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	1971		1972	
	Dec.	Apr.	Dec.	Apr.	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	r42	r67	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	r28	23	25	54
Pakistan	38	r28	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				Country or area						
			Total	Official institutions	Banks[1]	Other foreigners	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—Jan.	986	537	449	138	254	58	164	50	30	107	1	84	14
Feb.	1,023	555	468	137	252	79	164	67	31	108	*	82	14
Mar.	1,085	629	456	127	253	78	165	67	30	103	*	72	19
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	165	68	37	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.p	1,000	560	439	94	259	87	165	63	32	136	1	33	10
1973—Jan.p	1,026	600	426	73	258	96	165	61	30	124	1	31	13

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
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.p	Jan.p
Europe:													
Belgium-Luxembourg	6	6	6	6	6	6	6	6	6	6	6	6	6
Sweden	16	16	16	16	16	19	19	17	15	35	85	85	110
Switzerland	53	53	53	52	52	52	49	45	45	45	45	45	45
United Kingdom	279	283	268	280	288	264	265	280	293	308	326	327	327
Other Western Europe	79	79	79	79	79	77	79	79	79	79	79	79	79
Eastern Europe	5	5	5	5	5	5	5	5	5	5	5	5	5
Total	438	441	426	438	445	424	422	432	443	478	545	547	572
Canada	179	179	178	179	166	313	313	372	432	479	559	558	558
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	2,007	2,146	2,391	2,415	2,777	2,901	3,125	3,310	3,481	3,756	4,003	4,380	4,867
Other Asia	10	10	10	10	10	10	10	10	10	10	10	10	10
Total	2,017	2,156	2,401	2,425	2,787	2,912	3,136	3,321	3,492	3,766	4,013	4,391	4,877
Africa	8	8	8	8	8	8	8	127	133	133	133	133	183
All other	*	*	*	*	*	*	*	*	*	*	*	25	25
Total foreign countries	2,650	2,791	3,020	3,057	3,413	3,664	3,886	4,259	4,506	4,863	5,257	5,661	6,223
International and regional:													
International	126	126	126	136	136	136	136	176	186	186	186	186	186
Latin American regional	31	31	32	33	25	26	27	27	27	27	28	28	28
Total	157	157	158	168	161	161	162	203	213	213	214	214	214
Grand total	2,807	2,948	3,177	3,226	3,574	3,825	4,048	4,461	4,719	5,076	5,471	5,875	6,436

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—Feb.	9,658	7,829	32	2,640	20	5,000	22	15	100	1,828	612	......	1,216
Mar.	9,940	8,188	32	2,840	20	5,158	22	15	100	1,752	536	......	1,216
Apr.	12,440	10,688	32	2,840	20	7,658	22	15	100	1,752	536	......	1,216
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

[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.

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.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.p	Jan.p
Europe:											
Austria	11	12	13	15	16	33	8	15	10	8	7
Belgium-Luxembourg	57	66	72	73	73	66	70	87	84	120	67
Denmark	49	52	54	52	50	63	60	52	57	60	58
Finland	135	137	132	126	124	128	120	119	123	118	127
France	263	265	290	316	306	349	317	274	274	332	275
Germany	235	239	231	315	286	229	268	287	296	321	267
Greece	30	28	30	24	25	27	28	27	27	29	34
Italy	160	209	230	200	196	190	173	177	170	255	221
Netherlands	105	100	100	117	97	102	116	104	101	109	93
Norway	67	72	65	64	71	56	52	62	62	69	62
Portugal	12	13	24	21	25	21	27	22	21	19	21
Spain	70	135	149	141	156	160	194	229	215	207	211
Sweden	118	128	132	95	114	120	131	128	123	156	176
Switzerland	145	138	194	148	134	137	180	186	150	125	187
Turkey	3	3	3	3	3	4	7	4	4	6	5
United Kingdom	559	516	518	550	736	666	643	657	729	856	672
Yugoslavia	19	24	27	22	23	21	22	18	16	22	18
Other Western Europe	12	17	19	24	23	25	24	23	19	20	23
U.S.S.R.	28	70	65	57	62	64	55	30	32	41	44
Other Eastern Europe	37	42	43	43	44	40	38	40	38	49	47
Total	2,114	2,266	2,390	2,406	2,563	2,503	2,531	2,543	2,553	2,921	2,614
Canada	1,627	1,961	1,824	1,856	2,299	2,484	2,025	1,681	1,722	1,927	1,939
Latin America:											
Argentina	305	304	316	325	323	339	352	363	357	379	389
Brazil	435	511	543	551	568	602	641	661	633	652	641
Chile	139	108	94	78	77	71	79	58	53	52	54
Colombia	380	379	394	404	395	384	378	384	396	419	407
Cuba	13	13	13	13	13	13	13	13	15	13	12
Mexico	934	1,093	1,035	1,151	1,177	1,160	1,123	1,127	1,168	1,204	1,202
Panama	125	110	121	130	132	137	150	145	179	246	219
Peru	176	163	177	160	157	158	137	138	147	146	129
Uruguay	41	38	38	35	38	40	43	36	38	40	40
Venezuela	268	311	299	314	333	343	335	361	386	384	388
Other Latin American republics	374	376	359	366	357	355	345	353	368	389	393
Bahamas [1]	262	278	265	317	375	420	422	369	401	474	422
Netherlands Antilles and Surinam	18	15	16	16	16	16	15	15	13	14	15
Other Latin America	26	27	24	25	22	29	28	32	33	36	45
Total	3,494	3,725	3,695	3,883	3,982	4,066	4,061	4,055	4,189	4,445	4,357
Asia:											
China, People's Rep. of (China Mainland)	1	2	2	2	2	2	2	2	1	1	2
China, Republic of (Taiwan)	109	172	180	182	178	173	180	187	201	194	209
Hong Kong	70	99	107	111	100	85	85	76	76	94	80
India	21	18	16	16	14	17	18	15	17	14	15
Indonesia	41	39	49	45	44	60	66	74	74	87	87
Israel	129	84	81	78	101	87	78	87	105	105	126
Japan	4,280	3,980	3,685	3,573	3,532	3,474	3,462	3,727	4,011	4,172	4,011
Korea	348	399	377	346	344	342	321	302	317	297	259
Philippines	138	137	138	138	143	144	144	151	160	149	140
Thailand	172	187	181	183	174	187	187	177	183	191	184
Other	252	210	199	221	245	230	229	244	262	302	288
Total	5,560	5,327	5,016	4,894	4,876	4,801	4,774	5,042	5,408	5,606	5,400
Africa:											
Egypt	10	10	11	16	14	12	15	17	16	21	22
Morocco	4	4	4	4	4	4	5	5	4	4	6
South Africa	158	152	161	160	149	142	139	134	145	143	150
Zaire	21	15	18	14	12	12	12	14	10	13	15
Other	99	120	129	124	121	114	124	113	116	127	116
Total	292	301	324	318	300	283	294	283	290	308	309
Other countries:											
Australia	158	169	175	176	210	184	210	229	271	291	272
All other	28	34	31	34	38	41	39	36	36	40	50
Total	186	203	206	211	248	225	249	265	308	331	322
Total foreign countries	13,273	13,784	13,455	13,568	14,267	14,362	13,934	13,869	14,469	15,537	14,941
International and regional	3	3	7	4	3	3	4	6	6	3	3
Grand total	13,277	13,787	13,462	13,572	14,270	14,365	13,938	13,875	14,474	15,540	14,944

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]	13,170	12,328	4,503	223	2,613	1,667	2,475	4,243	1,107	842	549	119	174
	13,277	12,381	3,966	224	2,080	1,662	2,475	4,254	1,686	895	548	173	174
1972—Jan.	13,148	12,315	3,871	209	2,053	1,609	2,473	4,234	1,737	833	501	228	104
Feb.	13,667	12,740	4,023	198	2,055	1,770	2,430	4,394	1,893	926	562	266	98
Mar.	14,047	13,046	4,175	167	2,141	1,867	2,476	4,410	1,985	1,000	579	283	138
Apr.	13,787	13,001	4,451	163	2,354	1,935	2,469	4,252	1,829	785	498	177	111
May	13,462	12,628	4,604	169	2,520	1,915	2,541	3,837	1,646	835	530	187	118
June	13,572	12,738	4,767	162	2,584	2,020	2,650	3,482	1,839	833	486	222	125
July	14,270	13,365	5,062	161	2,791	2,109	2,705	3,227	2,372	905	519	278	108
Aug.	14,365	13,419	4,994	150	2,717	2,127	2,812	3,081	2,533	946	482	338	126
Sept.	13,938	13,051	4,995	143	2,574	2,278	2,889	2,966	2,201	887	431	329	127
Oct.	13,875	13,100	5,163	146	2,666	2,350	2,994	2,961	1,982	775	408	209	158
Nov.	14,474	13,705	5,354	160	2,700	2,495	3,130	3,139	2,082	769	412	219	138
Dec.p	15,540	14,695	5,730	166	2,976	2,589	3,273	3,215	2,478	845	441	223	181
1973—Jan.p	14,944	14,119	5,430	145	2,813	2,472	3,211	3,103	2,375	825	444	253	127

[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	3,664	3,342	575	315	2,452	300	22	130	593	228	1,458	246	583	426
1972—Jan.	3,692	3,373	575	311	2,487	295	24	132	582	256	1,459	241	595	427
Feb.	3,743	3,426	595	324	2,507	292	24	124	593	254	1,477	241	624	430
Mar.	3,842	3,531	644	329	2,559	284	26	131	606	233	1,498	278	651	444
Apr.	3,944	3,622	654	335	2,633	295	27	143	626	230	1,542	290	673	440
May	4,049	3,728	674	335	2,719	291	30	140	638	251	1,584	281	712	444
June	4,194	3,871	719	363	2,788	293	31	139	631	284	1,644	309	740	446
July	4,308	3,995	757	356	2,882	281	32	146	674	283	1,719	294	759	432
Aug.	4,389	4,069	771	398	2,899	287	34	141	671	277	1,788	288	778	446
Sept.	4,529	4,214	796	402	3,017	282	33	128	687	288	1,859	289	802	476
Oct.	4,627	4,300	798	412	3,090	292	35	136	658	335	1,891	302	828	477
Nov.	4,668	4,345	819	432	3,093	291	33	137	662	341	1,875	301	863	490
Dec.p	4,914	4,503	832	431	3,240	375	37	138	707	382	1,992	315	881	500
1973—Jan.p	4,911	4,494	832	441	3,222	379	38	138	737	377	1,951	314	903	491

[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]					U.S. corporate securities [2]			Foreign bonds			Foreign stocks		
	Net purchases or sales													
	Total	Intl. and regional	Foreign			Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales
			Total	Official	Other									
1970	56	-25	82	-41	123	11,426	9,844	1,582	1,490	2,441	-951	1,033	998	35
1971	1,672	130	1,542	1,661	-119	14,573	13,158	1,415	1,687	2,575	-888	1,385	1,434	-49
1972p	3,316	57	3,259	3,281	-22	18,873	14,808	4,065	1,866	2,906	-1,040	2,532	2,099	433
1972—Jan.	248	1	247	305	-58	1,579	1,277	301	127	409	282	191	170	21
Feb.	141	....	141	138	3	1,609	1,312	297	161	241	-80	200	199	1
Mar.	230	1	229	245	-16	2,030	1,527	503	188	250	-62	290	269	20
Apr.	48	11	38	25	13	1,678	1,420	258	162	152	9	197	181	16
May	348	-8	356	350	6	1,346	1,111	235	128	319	-191	245	141	104
June	251	1	251	274	-23	1,648	1,407	241	109	339	-230	226	269	-43
July	223	1	222	224	-2	1,150	1,152	-2	188	100	88	155	163	-8
Aug.	413	40	373	365	9	1,486	1,214	271	129	98	30	242	179	63
Sept.	258	10	247	237	11	1,150	829	321	173	161	12	173	141	32
Oct.	356	....	356	340	17	1,317	903	414	153	204	-51	188	115	74
Nov.	395	1	395	377	18	1,910	1,289	621	136	171	-35	192	110	82
Dec.p	404	....	404	403	1	1,970	1,367	604	211	460	-249	233	162	71
1973—Jan.p	562	....	562	562	*	1,823	1,100	723	191	324	-133	161	155	7

[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
1972p	2,277	373	-51	297	642	694	93	2,047	-78	-32	256	-1	-1	86
1972—Jan.	269	36	29	60	98	2	-7	218	1	11	27	*	*	12
Feb.	153	13	4	37	55	36	6	149	-32	10	20	-1	*	6
Mar.	177	19	-12	27	56	95	*	185	-26	3	8	*	*	7
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	-38	-6	-44	-14	56	14	-41	-36	4	-25	12	*	*	7
Aug.	245	60	-13	8	68	93	27	242	8	-16	4	*	*	6
Sept.	172	36	-7	15	51	63	11	169	-12	1	11	*	*	3
Oct.	294	65	6	24	83	45	20	244	8	2	29	*	-1	12
Nov.	489	85	44	55	61	150	52	447	14	25	-8	*	-1	12
Dec.p	351	49	-3	42	59	132	19	298	-1	8	42	*	*	4
1973—Jan.p	474	32	29	47	138	109	23	378	23	-19	84	*	1	7

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^p	1,788	293	77	65	134	320	355	1,243	82	22	293	2	*	145
1972—Jan.	32	3	2	1	-14	20	38	49	10	-2	3	*	*	28
Feb.	144	-1	-1	-1	-20	102	-11	67	11	-13	51	*	*	27
Mar.	326	5	3	*	29	64	15	116	3	3	192	*	*	18
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.^{p}	253	53	30	*	14	49	60	207	8	3	1	1	*	35
1973—Jan.^{p}	249	12	*	-2	27	38	73	148	1	6	61	*	*	32

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	-937	-310	-627	38	-285	-46	-366	-1	32
1972^p	-608	-90	-518	460	-661	-67	-269	-10	29
1972—Jan.	-261	-241	20	11	-24	-16	5	*	3
Feb.	-79	-11	-68	32	-73	1	-26	-2	*
Mar.	42	18	-60	58	-74	2	-47	5	10
Apr.	25	7	18	65	13	-31	36	3	5
May	87	7	-94	75	-143	-1	21	-9	2
June	-273	10	-283	26	-201	-15	-94	*	*
July	81	78	2	36	23	3	-62	*	2
Aug.	93	-1	94	50	49	1	5	*	2
Sept.	44	6	38	47	3	10	-24	*	1
Oct.	23	16	7	53	-73	2	23	*	2
Nov.	47	11	36	39	-4	8	-8	*	*
Dec.^{p}	178	9	-187	32	-158	-29	27	2	1
1973—Jan.^{p}	-127	9	-136	10	-67	70	9	*	*

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—Mar.	368	220
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.^{p}	365	401

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 $11,005 million and $11,264 million, respectively, on Oct. 31, 1972.

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.			Claims on foreigners					Other
			Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Nonbank foreigners	
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—Oct.	57,496	5,844	3,649	2,195	49,716	10,154	21,923	1,198	16,441	1,937
	Nov.	58,630	5,650	3,341	2,308	51,066	10,416	22,661	1,195	16,795	1,914
	Dec.	61,334	4,798	2,311	2,486	54,752	11,211	24,550	1,167	17,823	1,785
	1972—Jan.	59,926	4,331	1,986	2,345	53,701	10,445	24,464	1,211	17,581	1,894
	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	72,434	4,186	1,524	2,662	66,241	11,848	31,183	1,439	21,772	2,006
	Aug. r	72,856	4,504	1,759	2,745	66,268	11,655	31,821	1,566	21,225	2,084
	Sept. r	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
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—Oct.	38,570	5,600	3,633	1,968	32,617	6,094	16,302	907	9,013	653
	Nov.	39,130	5,368	3,319	2,049	33,118	6,436	16,690	910	9,082	644
	Dec.	40,182	4,541	2,305	2,236	35,064	6,659	18,006	864	9,536	577
	1972—Jan.	38,867	4,070	1,973	2,097	34,169	6,427	17,710	822	9,210	628
	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	46,574	3,923	1,498	2,424	41,929	7,469	22,121	1,015	11,324	723
	Aug. r	47,175	4,263	1,741	2,523	42,184	7,320	22,717	1,063	11,085	728
	Sept. r	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
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—Oct.	33,408	4,116	2,772	1,344	28,458	5,189	14,536	524	8,210	834
	Nov.	33,945	3,845	2,529	1,316	29,203	5,483	15,040	527	8,153	896
	Dec.	34,552	2,694	1,230	1,464	30,996	5,690	16,211	476	8,619	862
	1972—Jan.	33,877	2,514	1,228	1,287	30,447	5,243	16,411	469	8,325	916
	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	41,934	1,969	821	1,148	39,077	5,968	21,745	578	10,786	888
	Aug.	40,596	2,117	1,078	1,039	37,538	5,688	21,411	595	9,844	941
	Sept. r	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
Payable in U.S. dollars	1970—Dec.	22,574	6,596			15,655	2,223	9,420		4,012	323
	1971—Oct.	24,481	4,012			20,069	3,440	11,859		4,771	399
	Nov.	24,561	3,717			20,445	3,918	12,090		4,438	398
	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	369
	July	28,220	1,866			25,936	4,306	16,110		5,520	418
	Aug.	27,185	2,036			24,734	4,013	15,768		4,953	415
	Sept. r	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
IN THE BAHAMAS											
Total, all currencies	1970—Dec.	4,815	1,173	455	717	3,583	2,119			1,464	59
	1971—Oct.	6,586	887	246	641	5,605	3,019			2,585	95
	Nov.	7,264	1,025	r227	798	6,139	3,203			2,936	101
	Dec.	8,493	1,282	505	778	7,119	3,798			3,320	92
	1972—Jan.	7,912	953	157	796	6,866	3,630			3,237	93
	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. r	11,516	1,530	118	1,413	9,846	5,682			4,164	139
	Sept. r	11,909	1,612	221	1,391	10,145	5,926			4,219	152
	Oct.	[1]12,026	1,739	251	1,489	10,129	5,843			4,286	157

For notes see p. A-87.

21b. LIABILITIES OF FOREIGN BRANCHES OF U.S. BANKS

(In millions of dollars)

Total	To U.S.			To foreigners					Other	Month-end	Location and currency form
	Total	Parent bank	Other	Total	Other branches of parent bank	Other banks	Official institutions	Nonbank foreigners			
47,354	2,575	716	1,859	42,812	6,426	24,829	4,180	7,377	1,967	1970—Dec.	IN ALL FOREIGN COUNTRIES ......Total, all currencies
57,496	2,915	474	2,441	52,540	9,802	28,532	5,581	8,626	2,041	1971—Oct.	
58,629	2,870	475	2,395	53,646	10,038	29,363	5,749	8,495	2,113	Nov.	
61,336	3,114	669	2,445	56,124	10,773	31,081	5,513	8,756	2,098	Dec.	
59,920	2,934	654	2,280	54,991	10,324	29,733	5,858	9,075	1,996	1972—Jan.	
61,816	3,167	776	2,391	56,632	10,645	30,694	6,208	9,085	2,018	Feb.	
65,033	3,046	635	2,411	59,925	10,363	33,710	6,331	9,521	2,062	Mar.	
63,755	2,978	621	2,356	58,726	10,097	32,379	6,617	9,635	2,051	rApr.	
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	
72,433	3,348	763	2,585	66,978	11,396	36,673	7,784	11,125	2,107	July	
72,855	3,263	680	2,583	67,392	11,510	37,327	7,841	10,714	2,200	rAug.	
73,413	3,262	727	2,535	67,892	11,123	38,331	8,039	10,400	2,258	rSept.	
74,804	3,256	716	2,539	69,206	11,204	38,477	8,236	11,289	2,342	Oct.	
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
40,742	2,549	352	2,198	36,331	6,154	20,808	4,503	4,866	1,161	1971—Oct.	
40,894	2,523	375	2,148	37,149	6,479	21,133	4,662	4,874	1,221	Nov.	
42,033	2,674	511	2,163	38,083	6,653	22,069	4,433	4,928	1,276	Dec.	
41,317	2,552	542	2,010	37,584	6,710	20,859	4,726	5,289	1,182	1972—Jan.	
42,557	2,740	641	2,099	38,605	6,853	21,742	4,783	5,226	1,212	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	
49,161	2,851	636	2,215	45,207	7,612	25,341	6,315	5,939	1,104	July	
49,437	2,800	549	2,252	45,464	7,660	25,862	6,252	5,690	1,173	rAug.	
50,085	2,793	605	2,188	46,088	7,401	26,545	6,331	5,811	1,204	rSept.	
51,335	2,789	582	2,207	47,313	7,706	26,776	6,567	6,264	1,233	Oct.	
28,451	1,339	116	1,222	26,520	2,320	16,533	3,119	4,548	592	1970—Dec.	IN UNITED KINGDOM ......Total, all currencies
33,408	1,628	104	1,523	31,009	3,250	18,535	4,447	4,777	772	1971—Oct.	
33,945	1,618	77	1,541	31,513	3,106	18,901	4,622	4,885	814	Nov.	
34,552	1,660	111	1,550	32,128	3,401	19,137	4,464	5,126	763	Dec.	
33,877	1,626	132	1,494	31,473	3,296	18,076	4,680	5,421	778	1972—Jan.	
34,712	1,582	114	1,468	32,371	3,417	18,705	4,788	5,461	759	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	
41,934	1,633	177	1,456	39,341	3,577	22,532	6,173	7,059	960	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	rSept.	
41,649	1,465	136	1,329	39,225	3,060	23,001	6,309	6,854	959	Oct.	
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
24,727	1,435	49	1,387	22,875	2,095	14,079	3,660	3,041	417	1971—Oct.	
25,044	1,452	36	1,416	23,166	2,028	14,185	3,813	3,140	426	Nov.	
24,845	1,412	23	1,389	23,059	2,164	14,038	3,676	3,181	374	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	
28,831	1,390	128	1,262	26,966	2,302	15,575	5,180	3,909	475	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	rSept.	
28,477	1,245	80	1,165	26,759	1,942	15,597	5,216	4,004	473	Oct.	
4,815	542			4,183	488	2,872		823	90	1970—Dec.	IN THE BAHAMAS ......Total, all currencies
6,588	628			5,805	1,083	3,551		1,170	155	1971—Oct.	
7,265	599			6,510	1,446	3,943		1,121	155	Nov.	
8,495	750			7,557	1,649	4,784		1,124	188	Dec.	
7,912	621			7,139	1,563	4,369		1,207	151	1972—Jan.	
8,375	855			7,378	1,526	4,674		1,178	142	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	rAug.	
11,909	1,137			10,616	1,935	7,188		1,493	156	rSept.	
1 12,025	1,053			10,801	1,928	7,422		1,452	171	Oct.	

For notes see p. A-87.

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 5	827	....
12	1,377	....
19	974	....
26	1,345	....
Aug. 2	1,829	....
9	1,250	....
16	1,785	....
23	1,846	....
30	1,270	....
Sept. 6	1,508	....
13	1,187	....
20	1,497	....
27	2,023	....

Wednesday	Liabilities[1]
1972—Cont.	
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
1973	
Jan. 3	1,121
10	1,625
17	1,419
24	1,786
31	1,413
Feb. 7	1,391
14	694
21	1,157
28	790

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	1972 Oct.	Nov.	Dec.
Overnight	1.98	1.83	2.08
Call	2.39	2.34	2.11
Other liabilities, maturing in following calendar months after report date:			
1st	10.08	11.01	16.86
2nd	7.06	8.02	5.92
3rd	6.31	4.79	4.91
4th	2.92	3.01	3.23
5th	2.72	2.96	2.64
6th	2.59	2.43	2.27
7th	.57	.44	.77
8th	.40	.67	.58
9th	.66	.57	.38
10th	.50	.35	.23
11th	.33	.23	.52
12th	.21	.49	.29
Maturities of more than 1 year	1.35	1.43	1.43
Total	40.07	40.56	44.22

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]	Earmarked gold
1970	148	16,226	12,926
1971	294	43,195	13,815
1972—Feb.	137	45,699	14,359
Mar.	191	46,837	14,321
Apr.	228	46,836	14,315
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

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.

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—Jan.	1,623	1,132	148	244	100	605	557
Feb.	1,627	1,075	213	238	101	550	650
Mar.	1,804	1,234	177	271	122	655	667
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	2,082	1,514	194	318	55	751	565
Aug.	2,270	1,599	217	392	61	752	709
Sept.	2,098	1,524	170	359	45	681	604
Oct.r	2,030	1,469	171	332	57	677	551
Nov.r	2,057	1,491	167	343	55	634	587
Dec.	1,904	1,385	169	307	42	655	485

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.	Mar.	June	Sept.p	Dec.	Mar.	June	Sept.p
Europe:								
Austria	5	5	6	2	14	17	16	15
Belgium-Luxembourg	65	104	108	82	60	45	64	63
Denmark	2	3	5	5	15	18	20	19
Finland	2	2	2	3	18	19	19	16
France	136	123	139	145	202	196	207	187
Germany, Fed. Rep. of	117	88	104	130	192	197	191	200
Greece	4	5	5	14	34	36	36	30
Italy	103	107	99	108	186	181	184	174
Netherlands	69	79	65	79	68	66	66	71
Norway	5	6	5	5	13	16	17	19
Portugal	16	9	2	3	16	23	21	20
Spain	65	65	70	63	124	102	117	130
Sweden	17	16	13	14	40	35	37	45
Switzerland	104	73	97	118	63	60	59	57
Turkey	2	2	3	3	9	9	11	8
United Kingdom	869	927	981	943	940	954	985	968
Yugoslavia	3	4	6	5	13	10	10	11
Other Western Europe	2	1	2	2	13	13	10	11
Eastern Europe	4	5	3	9	28	25	22	47
Total	1,590	1,625	1,714	1,733	2,046	2,023	2,093	2,091
Canada	181	189	185	178	781	1,045	936	996
Latin America:								
Argentina	18	18	18	16	54	48	50	52
Brazil	19	18	19	24	147	138	152	162
Chile	14	21	16	17	46	39	41	32
Colombia	7	7	6	6	45	40	38	39
Cuba	*	*	*	1	1	1	1	1
Mexico	22	17	18	21	151	134	144	155
Panama	5	8	6	5	21	19	22	20
Peru	7	8	6	5	34	31	32	36
Uruguay	2	3	3	2	5	6	5	7
Venezuela	16	18	17	17	81	77	75	74
Other L.A. republics	32	27	32	30	99	94	106	96
Bahamas [1]	284	351	352	287	366	313	442	510
Neth. Antilles and Surinam	3	5	6	9	9	8	10	8
Other Latin America	5	12	6	6	24	22	18	23
Total	434	513	506	447	1,083	969	1,134	1,215
Asia:								
China, Rep. of (Taiwan)	18	23	25	26	41	45	45	51
Hong Kong	11	11	11	10	23	21	23	22
India	26	13	7	7	35	28	32	36
Indonesia	10	6	5	6	28	29	25	32
Israel	10	9	9	11	22	21	17	18
Japan	173	189	188	223	405	442	451	452
Korea	13	12	16	16	68	56	61	57
Philippines	5	8	6	7	48	62	67	63
Thailand	3	4	4	5	15	18	15	14
Other Asia	142	109	104	140	144	171	174	172
Total	412	383	374	451	830	894	911	918
Africa:								
Egypt	1	1	1	1	9	9	6	7
South Africa	31	26	37	17	41	42	46	45
Zaire	1	1	1	2	6	5	7	7
Other Africa	35	30	31	37	99	76	74	64
Total	67	59	71	57	155	129	133	122
Other countries:								
Australia	42	50	54	46	80	83	97	92
All other	8	9	11	11	17	26	18	18
Total	50	58	66	57	98	109	116	110
International and regional	*	*	*	*	4	2	5	8
Grand total	2,735	2,828	2,917	2,924	4,997	5,171	5,328	5,460

[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			Claims			
	Total	Payable in dollars	Payable in foreign currencies	Total	Payable in dollars	Payable in foreign currencies: Deposits with banks abroad in reporter's name	Payable in foreign currencies: Other
1968—June	1,473	1,056	417	3,855	3,415	210	229
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	2,357	1,937	438	4,708	4,057	303	348
Sept.	2,564	2,109	454	4,894	4,186	383	326
Dec.[1]	2,704	2,229	475	5,185	4,535	318	333
	2,735	2,276	459	4,997	4,459	290	247
1972—Mar.	2,828	2,399	429	5,171	4,551	318	302
June	2,917	2,444	472	5,328	4,682	376	270
Sept.p	2,924	2,425	498	5,460	4,799	432	229

[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	Country or area									
			United Kingdom	Other Europe	Canada	Brazil	Mexico	Other Latin America	Japan	Other Asia	Africa	All other
1968—June	747	1,568	32	288	345	205	67	251	129	134	83	33
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	3,022	135	672	763	178	60	597	133	319	91	75
Dec.[1]	3,149	3,137	128	715	756	174	60	656	141	327	96	85
	3,110	3,139	128	715	763	174	60	657	136	327	96	84
1972—Mar.	3,055	3,224	129	723	781	175	59	669	137	360	104	85
June	r3,308	3,194	108	707	791	180	57	668	136	361	93	93
Sept.p	3,453	3,224	128	690	809	179	61	656	132	382	93	93

[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	Argentina (peso)	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Ceylon (rupee)	Denmark (krone)	Finland (markka)	France (franc)
1968	.28473	111.25	3.8675	2.0026	92.801	16.678	13.362	23.761	20.191
1969	.28492	111.10	3.8654	1.9942	92.855	16.741	13.299	23.774	[1] 19.302
1970	[2] 26.589	111.36	3.8659	2.0139	[3] 95.802	16.774	13.334	23.742	18.087
1971	22.502	113.61	[4] 4.0009	2.0598	99.021	16.800	13.508	23.758	18.148
1972	19.960	119.23	4.3228	2.2716	100.937	16.057	14.384	24.022	19.825
1972—Feb.	[2] 19.960	119.10	4.3108	2.2810	99.528	16.650	14.306	24.099	19.650
Mar.	....	119.10	4.3342	2.2757	100.152	16.650	14.361	24.121	19.835
Apr.	....	119.10	4.3236	2.2672	100.430	16.650	14.301	24.088	19.852
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	[5] 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.	....	[12] 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

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	[6] 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	[7] 28.768	13.338	244.42	.16174	.28779	32.989	8.0056	[7] 28.650
1972	31.364	13.246	250.08	.17132	.32995	35.610	8.0000	31.153
1972—Feb.	31.390	13.638	260.37	.17036	.32769	35.080	8.0000	31.468
Mar.	31.545	13.716	261.81	.17161	.33054	35.409	8.0000	31.384
Apr.	31.468	13.735	261.02	.17138	.32943	35.406	8.0000	31.142
May	31.454	13.763	261.24	.17175	.32854	35.446	8.0000	31.124
June	31.560	13.754	[10] 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	[14] .17421	.36041	37.679	8.0000	33.119

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	1.4272	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	[8] 24.325	244.42
1972	119.35	15.180	3.7023	129.43	1.5559	21.022	26.193	250.08
1972—Feb.	119.39	15.029	3.6690	132.98	1.5170	20.858	25.890	260.37
Mar.	119.29	15.161	3.6930	133.77	1.5369	20.956	25.974	261.81
Apr.	119.36	15.151	3.6950	133.32	1.5487	20.907	25.920	261.02
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	[10] 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	[11] 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	[13] 26.820	235.62
Feb.	126.87	16.038	3.8562	134.91	[14] 1.6355	21.935	29.326	242.75

1 Effective Aug. 10, 1969, the French franc was devalued from 4.94 to 5.55 francs per U.S. dollar.

2 A new Argentine peso, equal to 100 old pesos, was introduced on Jan. 1, 1970. Since Apr. 6, 1971, the official exchange rate is set daily by the Government of Argentina. Average for Feb. 1-27, 1972.

3 On June 1, 1970, the Canadian Government announced that, for the time being, Canada will not maintain the exchange rate of the Canadian dollar within the margins required by IMF rules.

4 Effective May 9, 1971, the Austrian schilling was revalued to 24.75 per U.S. dollar.

5 Danish krone—Sept. 26, 1972, n.a.; Sept. 27 and 28 rates nominal.

6 Effective Oct. 26, 1969, the new par value of the German mark was set at 3.66 per U.S. dollar.

7 Effective May 10, 1971, the German mark and Netherlands guilder have been floated.

8 Effective May 10, 1971, the Swiss franc was revalued to 4.08 per U.S. dollar.

9 Effective Oct. 20, 1971, the Spanish peseta was revalued to 68.455 per U.S. dollar.

10 Effective June 23, 1972, the U.K. pound was floated.

11 South Africa repegged the rand at 127.32 cents Oct. 25, 1972.

12 Effective Dec. 23, 1972, the Australian dollar was revalued to 127.50 cents.

13 Effective Jan. 23, 1973, the Swiss franc was floated.

14 Effective Feb. 13, 1973, the Italian lira and Japanese yen have been floated.

NOTE. Effective Aug. 16, 1971, the U.S. dollar convertibility to gold was suspended; as from that day foreign central banks did not have to support the dollar rate in order to keep it within IMF limits.

During December 1971, certain countries established central rates *against* the U.S. dollar *in place of* former IMF parities.

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 Feb. 28, 1972		Changes during the last 12 months												Rate as of Feb. 28, 1973
			1972										1973		
	Per cent	Month effective	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	
Argentina	18.0	Feb. 1972													18.0
Austria	5.0	Jan. 1970									5.5				5.5
Belgium	4.5	Feb. 1972	4.0								4.5	5.0			5.0
Brazil	20.0	July 1969													20.0
Canada	4.75	Oct. 1971													4.75
Ceylon	6.5	Jan. 1970													6.5
Chile	7.0	Jan. 1972													7.0
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	6.0	Jan. 1972		5.75							7.5				7.5
Germany, Fed. Rep. of	3.0	Feb. 1972								3.5	4.5		5.0		5.0
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													6.0
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	4.5	Oct. 1971		4.0											4.0
Jamaica	5.0	Dec. 1971				6.0							7.0		7.0
Japan	4.75	Dec. 1971				4.25									4.25
Korea	13.0	Jan. 1972													13.0
Mexico	4.5	June 1942													4.5
Morocco	3.50	Nov. 1951													3.50
Netherlands	4.5	Jan. 1972	4.0						3.0		4.0				4.0
New Zealand	7.0	Mar. 1961	6.0												6.0
Nigeria	4.50	June 1968													4.50
Norway	4.5	Sept. 1969													4.5
Pakistan	5.0	June 1965			6.0										6.0
Peru	9.5	Nov. 1959													9.5
Philippine Republic	10.0	June 1969													10.0
Portugal	3.75	Feb. 1971										4.0			4.0
South Africa	6.5	Mar. 1971						6.0							6.0
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
Taiwan	9.25	May 1971													9.25
Thailand	5.0	Oct. 1959													5.0
Tunisia	5.0	Sept. 1966													5.0
Turkey	9.0	Sept. 1970													9.0
United Kingdom	5.0	Sept. 1971				6.0				7.50		9.0	8.75		†8.75
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		United Kingdom				France	Germany, Fed. Rep. of		Netherlands		Switzerland
	Treasury bills, 3 months[1]	Day-to-day money[2]	Prime bank bills, 3 months[3]	Treasury bills, 3 months	Day-to-day money	Clearing banks' deposit rates[4]	Day-to-day money[5]	Treasury bills, 60–90 days[6]	Day-to-day money[7]	Treasury bills, 3 months	Day-to-day money	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—Feb.	3.48	3.79	4.85	4.37	4.43	2.50	5.20	2.75	4.15	3.19	3.38	5.00
Mar.	3.51	3.70	4.77	4.34	4.58	2.50	4.76	2.75	3.88	2.26	.98	5.00
Apr.	3.65	3.68	4.62	4.30	3.82	2.50	4.81	2.75	3.77	1.84	.70	4.75
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	....	3.75	5.71	3.13	3.31	4.75
Dec.	3.66	3.71	8.08	7.76	6.23	5.57	....	4.25	6.69	3.12	3.20	4.75
1973—Jan.	3.76	3.72	8.76	8.49	7.66	6.55	....	....	....	....	....	5.00
Feb.	....	3.93	9.34	8.14	8.31	7.30	....	4.75	5.58	....	....	....

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					United States and Canada					
	Treasury bill rates			Premium (+) or discount (−) on forward pound	Net incentive (favor of London)	Treasury bill rates				Premium (+) or discount (−) on forward Canadian dollars	Net incentive (favor of Canada)
	United Kingdom (adj. to U.S. quotation basis)	United States	Spread (favor of London)			Canada: As quoted in Canada	Canada: Adj. to U.S. quotation basis	United States	Spread (favor of Canada)		
1972											
Sept. 1	5.81	4.48	1.33	−2.70	−1.37	3.49	3.41	4.48	−1.07	−.04	−1.11
8	6.26	4.65	1.61	−2.61	−1.00	3.54	3.46	4.65	−1.19	.06	−1.13
15	6.55	4.61	1.94	−2.79	−.85	3.54	3.46	4.61	−1.15	.00	−1.15
22	6.61	4.60	2.01	−3.20	−1.19	3.57	3.49	4.60	−1.11	.04	−1.07
29	6.53	4.48	2.05	−2.72	−.67	3.62	3.54	4.48	−.94	.20	−.74
Oct. 6	6.53	4.62	1.91	−2.30	−.39	3.57	3.49	4.62	−1.13	.16	−.97
13	6.60	4.78	1.82	−2.47	−.65	3.53	3.45	4.78	−1.33	.28	−1.05
20	6.62	4.68	1.94	−2.62	−.68	3.56	3.48	4.68	−1.20	.08	−1.12
27	6.80	4.65	2.15	−2.82	−.67	3.56	3.48	4.65	−1.17	.04	−1.13
Nov. 3	6.74	4.63	2.16	−2.72	−.56	3.57	3.47	4.63	−1.14	−.08	−1.22
10	6.77	4.64	2.13	−3.07	−.94	3.58	3.50	4.64	−1.14	.10	−1.04
17	6.76	4.69	2.07	−2.59	−.52	3.61	3.53	4.69	−1.16	.12	−1.04
24	6.84	4.77	2.07	−3.02	−.95	3.61	3.53	4.77	−1.24	.16	−1.08
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

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	r41,180	4,732	10,206	r26,240	192	90	259	729	1,544	46	22	792	47
1972—Jan.	....	4,732	10,206	....	192	90	260	729	1,544	46	21	792	47
Feb.	....	5,303	9,662	....	192	90	260	729	1,544	46	21	792	47
Mar.	41,260	5,304	9,662	r26,295	192	70	259	729	1,544	46	20	792	....
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	44,835	5,761	10,490	28,585	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.	44,890	5,777	10,487	28,625	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	....	16	834	....
Dec.	p44,965	5,830	10,487	p28,650	208	....	281	792	1,638	....	....	834	....
1973—Jan.p	....	5,830	10,487	....	208	....	281	793	1,621	....	....	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—Jan.	80	14	64	85	49	3,523	4,077	98	243	131	144	16	43
Feb.	80	14	64	85	49	3,523	4,077	98	243	131	144	16	43
Mar.	80	14	64	85	49	3,523	4,077	98	243	131	144	16	43
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	....	142	156	17	....
Dec.	87	16	69	....	53	3,826	4,459	133	....	142	156	17	....
1973—Jan.p	....	16	69	....	53	3,834	4,344	133	....	142	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—Jan.	2,884	679	87	322	85	58	181	21	1,908	33	55	40	68
Feb.	2,884	711	87	322	85	58	179	21	1,908	33	55	40	68
Mar.	2,884	735	87	322	85	58	177	21	1,908	33	55	40	68
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	....	23	2,059	36	60	41	71
Dec.	3,130	801	94	350	93	63	....	....	2,059	37	60	....	71
1973—Jan.p	3,134	801	94	350	93	63	....	....	2,059	37	60	....	71

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—Jan.	921	119	403	498	200	2,909	82	130	778	146	391	51	332
Feb.	921	119	405	498	200	2,909	82	130	751	146	391	51	333
Mar.	925	119	405	498	200	2,909	82	129	751	156	391	51	354
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.^{p}	....	129	706	....	220	3,162	89	136	....	....	425	56	218

[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	r24.6	6.2	63.5	84.3	6.9	r4.0	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	....	....	....	....	....	....	....	....
1971—Dec.	....	85.7	....	....	....	5.9	.5	....	.5	.3	2.2	....	2.2	....
1972—Jan.	....	95.3	....	....	....	6.5	.4	....	.7	.4	2.6	....	3.3	....
Feb.	....	88.2	....	....	....	6.4	.4	....	.6	.3	2.5	....	2.5	....
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	....	....	....
July	....	94.4	....	....	....	6.4	....	....	.5	....	2.8	....	....	....
Aug.	....	94.1	....	....	....	5.9	....	....	.6	....	2.8	....	....	....
Sept.	....	93.9	....	....	....	6.3	....	....	.6	....	....	....	....	....
Oct.	....	94.2	....	....	....	6.3	....	....	.5	....	....	....	....	....
Nov.	....	91.5	....	....	....	6.0	....	....	....	....	....	....	....	....
Dec.	....	84.3	....	....	....	6.3	....	....	....	....	....	....	....	....

[1] Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

[2] Quarterly data.

NUMBER OF BANKING OFFICES IN THE UNITED STATES

Type of office and type of change	All banks	Commercial banks							Mutual savings banks	
		Total	Member			Nonmember				
			Total	National	State	Total	Insured	Noninsured	Insured [1]	Noninsured
Banks (head office):										
Dec. 31, 1934	16,063	15,484	6,442	5,462	980	9,042	7,699	1,343	68	511
Dec. 31, 1941	14,826	14,278	6,619	5,117	1,502	7,662	6,810	852	52	496
Dec. 31, 1947 [2]	14,714	14,181	6,923	5,005	1,918	7,261	6,478	783	194	339
Dec. 31, 1951	14,618	14,089	6,840	4,939	1,901	7,252	6,602	650	202	327
Dec. 31, 1962	13,938	13,427	6,047	4,503	1,544	7,380	7,072	308	331	180
Dec. 31, 1963	14,078	13,569	6,108	4,615	1,493	7,461	7,177	284	330	179
Dec. 31, 1964	14,266	13,761	6,225	4,773	1,452	7,536	7,262	274	327	178
Dec. 31, 1965	14,309	13,804	6,221	4,815	1,406	7,583	7,320	263	328	177
Dec. 31, 1966	14,274	13,770	6,150	4,779	1,351	7,620	7,385	235	330	174
Dec. 31, 1967	14,222	13,721	6,071	4,758	1,313	7,650	7,439	211	331	170
Dec. 31, 1968	14,179	13,679	5,978	4,716	1,262	7,701	7,504	197	333	167
Dec. 31, 1969	14,158	13,662	5,871	4,669	1,202	7,791	7,595	196	330	166
Dec. 31, 1970	14,181	13,688	5,768	4,621	1,147	7,920	7,735	185	328	165
Dec. 31, 1971	14,273	13,784	5,728	4,600	1,128	8,056	7,875	181	326	163
Dec. 31, 1972	14,413	13,928	5,705	4,613	1,092	8,222	8,016	206	325	160
Branches, additional offices, and facilities:										
Dec. 31, 1934	3,133	3,007	2,224	1,243	981	783	783		126	
Dec. 31, 1941	3,699	3,564	2,580	1,565	1,015	984	932	52	32	103
Dec. 31, 1947 [2]	4,332	4,161	3,051	1,870	1,181	1,110	1,043	67	124	47
Dec. 31, 1951	5,383	5,153	3,837	2,370	1,467	1,316	1,275	41	165	65
Dec. 31, 1962	12,932	12,345	9,649	6,640	3,009	2,696	2,646	50	466	121
Dec. 31, 1963	14,122	13,498	10,613	7,420	3,193	2,885	2,835	50	502	122
Dec. 31, 1964	15,275	14,601	11,457	8,156	3,301	3,144	3,094	50	549	125
Dec. 31, 1965	16,471	15,756	12,298	8,964	3,334	3,458	3,404	54	583	132
Dec. 31, 1966	17,665	16,908	13,129	9,611	3,518	3,779	3,717	62	614	143
Dec. 31, 1967	18,757	17,928	13,856	10,183	3,673	4,072	4,026	46	669	160
Dec. 31, 1968	19,911	19,013	14,553	10,985	3,568	4,460	4,414	46	729	169
Dec. 31, 1969	21,196	20,208	15,204	11,727	3,477	5,004	4,957	47	810	178
Dec. 31, 1970	22,727	21,643	16,191	12,536	3,655	5,452	5,404	48	891	193
Dec. 31, 1971	24,299	23,104	17,085	13,272	3,813	6,019	5,979	40	983	212
Dec. 31, 1972	25,977	24,622	17,954	13,974	3,980	6,668	6,623	45	1,113	242
Changes Jan.–Dec. 31, 1972										
Banks:										
New banks	266	265	66	53	13	199	162	37	1	....
Suspensions	−2	−2	....	....	....	−2	−1	−1	....	....
Ceased banking operations	−1	−1	....	....	....	−1	....	−1	....	....
Consolidations and absorptions:										
Banks converted into branches	−109	−106	−44	−32	−12	−62	−59	−3	....	−3
Other	−12	−10	−5	−4	−1	−5	−5	....	−2	....
Voluntary liquidations [3]	−2	−2	....	....	....	−2	....	−2	....	....
Interclass changes:										
Nonmember to national	....	....	12	12	....	−12	−12	....	....	....
Nonmember to State member	....	....	6	....	6	−6	−6	....	....	....
State member to national	....	....	....	7	−7	....	....	....	....	....
State member to nonmember	....	....	−36	....	−36	36	36	....	....	....
National to State member	....	....	....	−1	1	....	....	....	....	....
National to nonmember	....	....	−22	−22	....	22	22	....	....	....
Noninsured to insured	....	....	....	....	....	....	5	−5	....	....
Net change	*140*	*144*	*−23*	*13*	*−36*	*167*	*142*	*25*	*−1*	*−3*
Number of banks, Dec. 31, 1972	14,413	13,928	5,705	4,613	1,092	8,223	8,017	206	325	160
Branches and additional offices:										
De novo	1,684	1,523	946	707	239	577	570	7	131	30
Banks converted	110	107	68	60	8	39	39	....	....	3
Discontinued	−130	−123	−95	−70	−25	−28	−27	−1	−5	−2
Sale of branch	−1	−1	−3	−1	−2	2	2	....	....	....
Interclass changes:										
Nonmember to national	....	....	59	59	....	−59	−59	....	....	....
Nonmember to State member	....	....	53	....	53	−53	−53	....	....	....
State member to national	....	....	....	22	−22	....	....	....	....	....
State member to nonmember	....	....	−111	....	−111	111	111	....	....	....
National to State member	....	....	....	−28	28	....	....	....	....	....
National to nonmember	....	....	−57	−57	....	57	57	....	....	....
Noninsured to insured	....	....	....	....	....	....	1	−1	....	....
Facilities reclassified as branches	5	5	3	3	....	2	2	....	....	....
Other	18	15	13	13	....	2	2	....	4	−1
Net change	*1,686*	*1,526*	*876*	*708*	*168*	*650*	*645*	*5*	*130*	*30*
Number of branches and additional offices, Dec. 31, 1972	25,769	24,414	17,778	13,810	3,968	6,636	6,591	45	1,113	242
Banking facilities:[4]										
Established	3	3	3	3	....	....	....	....	....	....
Discontinued	−3	−3	−3	−2	−1	....	....	....	....	....
Facilities reclassified as branches	−5	−5	−3	−3	....	−2	−2	....	....	....
Other	−3	−3	−4	−4	....	1	1	....	....	....
Net change	*−8*	*−8*	*−7*	*−6*	*−1*	*−1*	*−1*	....	....	....
Number of facilities, Dec. 31, 1972	208	208	176	164	12	32	32	....	....	....

[1] Insured mutual savings banks figures include one to three member mutual savings banks, 1941 to 1962 inclusive, not reflected in total commercial bank figures.

[2] Series revised as of June 30, 1947. The revision resulted in an addition of 115 banks and nine branches.

[3] Exclusive of liquidations incident to succession, conversion, and absorption of banks.

[4] Provided at military and other Govt. establishments through arrangements made by the Treasury Dept.

NOTE.—Beginning with 1959, figures include all banks in Alaska and Hawaii, but nonmember banks in territories and possesssions are excluded.

NUMBER OF PAR AND NONPAR BANKING OFFICES

F.R. district, State, or other areas	Total		Par						Nonpar (nonmember)	
			Total		Member		Nonmember			
	Banks	Branches and offices	Banks	Branches and offices	Banks	Branches and offices	Banks	Branches and offices	Banks	Branches and offices
Total, including other areas:										
Dec. 31, 1971[1]	13,702	23,296	13,440	23,126	5,728	17,121	7,712	6,005	262	170
Dec. 31, 1972	13,822	24,850	13,643	24,733	5,705	18,001	7,938	6,732	179	117
F.R. districts, Dec. 31, 1972:										
Boston	379	1,775	379	1,775	219	1,193	160	582	...	...
New York	475	3,880	475	3,880	335	3,401	140	479	...	...
Philadelphia	427	1,791	427	1,791	294	1,250	133	541	...	...
Cleveland	778	2,195	778	2,195	463	1,793	315	402	...	...
Richmond	738	3,503	713	3,423	363	2,162	350	1,311	25	30
Atlanta	1,742	1,860	1,693	1,801	575	1,133	1,118	668	49	58
Chicago	2,613	2,589	2,613	2,589	939	1,696	1,674	893	...	...
St. Louis	1,400	1,030	1,345	1,018	430	530	915	488	55	12
Minneapolis	1,378	318	1,378	318	498	163	880	155	...	...
Kansas City	2,105	376	2,105	376	813	225	1,292	151	...	...
Dallas	1,385	290	1,335	274	633	143	702	131	50	16
San Francisco	402	5,244	402	5,244	143	4,312	259	932	...	...
State, Dec. 31, 1972:										
Alabama	277	334	277	334	109	244	168	90	...	...
Alaska	10	70	10	70	5	62	5	8	...	...
Arizona	15	374	15	374	4	265	11	109	...	...
Arkansas	252	193	197	181	81	114	116	67	55	12
California	156	3,258	156	3,258	63	2,866	93	392	...	...
Colorado	244	35	244	35	140	22	104	13	...	...
Connecticut	63	498	63	498	27	318	36	180	...	...
Delaware	18	110	18	110	6	27	12	83	...	...
District of Columbia	14	112	14	112	12	104	2	8	...	...
Florida	575	60	575	60	256	13	319	47	...	...
Georgia	437	483	437	483	71	314	366	169	...	...
Hawaii	7	143	7	143	1	10	6	133	...	...
Idaho	24	170	24	170	13	148	11	22	...	...
Illinois	1,150	148	1,150	148	491	95	659	53	...	...
Indiana	407	719	407	719	180	442	227	277	...	...
Iowa	668	344	668	344	150	101	518	243	...	...
Kansas	607	76	607	76	197	40	410	36	...	...
Kentucky	341	394	341	394	92	230	249	164	...	...
Louisiana	238	443	153	369	60	237	93	132	85	74
Maine	43	248	43	248	25	182	18	66	...	...
Maryland	112	595	112	595	46	363	66	232	...	...
Massachusetts	155	813	155	813	95	613	60	200	...	...
Michigan	331	1,330	331	1,330	204	1,089	127	241	...	...
Minnesota	736	20	736	20	225	9	511	11	...	...
Mississippi	181	406	181	406	45	176	136	230	...	...
Missouri	673	132	673	132	170	56	503	76	...	...
Montana	146	12	146	12	96	9	50	3	...	...
Nebraska	441	48	441	48	133	28	308	20	...	...
Nevada	8	93	8	93	5	81	3	12	...	...
New Hampshire	77	78	77	78	49	64	28	14	...	...
New Jersey	210	1,174	210	1,174	152	1,026	58	148	...	...
New Mexico	71	150	71	150	40	95	31	55	...	...
New York	299	2,698	299	2,698	233	2,535	66	[2] 163	...	...
North Carolina	86	1,331	71	1,304	24	677	47	627	15	27
North Dakota	169	73	169	73	47	16	122	57	...	...
Ohio	505	1,448	505	1,448	335	1,218	170	230	...	...
Oklahoma	437	84	437	84	207	57	230	27	...	...
Oregon	45	380	45	380	8	270	37	110	...	...
Pennsylvania	434	1,917	434	1,917	296	1,393	138	524	...	...
Rhode Island	16	185	16	185	5	98	11	87	...	...
South Carolina	94	499	84	496	24	273	60	223	10	3
South Dakota	159	102	159	102	59	72	100	30	...	...
Tennessee	312	595	312	595	85	359	227	236	...	...
Texas	1,237	94	1,223	94	581	29	642	65	14	...
Utah	52	159	52	159	16	114	36	45	...	...
Vermont	40	98	40	98	24	39	16	59	...	...
Virginia	256	961	256	961	150	742	106	219	...	...
Washington	88	609	88	609	29	512	59	97	...	...
West Virginia	203	8	203	8	119	3	84	5	...	...
Wisconsin	609	297	609	297	164	95	445	202	...	...
Wyoming	71	2	71	2	55	1	16	1	...	...
Other Areas										
American Samoa [3]	...	1	...	1	...	...	...	1	...	...
Puerto Rico [4]	14	204	14	204	...	19	14	185	...	...
Virgin Islands [4]	8	29	8	29	1	28	7	1	...	...
Guam [3]	1	13	1	13	...	8	1	5	...	...

[1] American Samoa and Guam are excluded from Dec. 31, 1971, figures.

[2] Includes 16 New York City branches of three insured nonmember Puerto Rican banks.

[3] American Samoa and Guam assigned to the San Francisco district for check clearing and collection purposes. All member branches in Guam are branches of California and New York banks.

[4] Puerto Rico and the Virgin Islands assigned to the New York District for purposes of Regulation J, "Check Clearing and Collection." Member branches in Puerto Rico and all except eight in the Virgin Islands are branches of banks located in California, New York, and Pennsylvania. Certain branches of Canadian banks (two in Puerto Rico and five in Virgin Islands) are included above in the table as nonmember banks; and nonmember branches in Puerto Rico include eight branches of Canadian banks.

NOTE.—Includes all commercial banking offices in the United States, American Samoa, Guam, Puerto Rico, and the Virgin Islands on which checks are drawn, including 208 banking facilities. Number of banks and branches differs from that in the table on page A-98 of the Mar. 1973 BULLETIN, because this table includes banks in the United States and other areas but excludes banks and trust companies on which no checks are drawn.

MONEY MARKET RATES

(Per cent per annum)

Period, or Week ending	Prime commercial paper[1] 90–119 days	Prime commercial paper[1] 4- to 6-months	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] Rate on new issue	3-month bills[5] Market yield	6-month bills[5] Rate on new issue	6-month bills[5] Market yield	9- to 12-month issues[5] 1-year bill (market yield)	9- to 12-month issues Other[6]	3- to 5-year issues[7]
1972—Jan.	4.02	4.08	3.95	3.92	3.50	3.403	3.38	3.656	3.66	3.82	3.99	5.33
Feb.	3.81	3.93	3.78	3.52	3.29	3.180	3.20	3.594	3.63	4.06	4.07	5.51
Mar.	4.10	4.17	4.03	3.95	3.83	3.723	3.73	4.086	4.12	4.43	4.54	5.74
Apr.	4.55	4.58	4.38	4.43	4.17	3.723	3.71	4.218	4.23	4.65	4.84	6.01
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.	5.06	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
1971—Dec. 25	4.63	4.75	4.50	4.40	3.89	4.023	4.02	4.263	4.26	4.38	4.30	5.43
1972—Jan. 1	4.43	4.50	4.50	4.18	4.05	3.731	3.73	3.952	4.00	4.11	4.15	5.27
8	4.28	4.38	4.20	4.10	3.57	3.735	3.60	4.043	3.92	4.03	4.11	5.31
15	4.05	4.10	3.98	3.88	3.71	3.109	3.17	3.375	3.43	3.65	3.92	5.20
22	3.93	3.98	3.85	3.88	3.54	3.276	3.31	3.452	3.58	3.64	3.94	5.32
29	3.88	3.88	3.80	3.85	3.43	3.493	3.46	3.754	3.71	3.90	4.00	5.47
Feb. 5	3.88	3.98	3.88	3.75	3.23	3.367	3.36	3.733	3.78	4.10	4.05	5.55
12	3.88	4.00	3.78	3.50	3.25	3.141	3.10	3.594	3.56	4.00	3.92	5.51
19	3.75	3.93	3.75	3.45	3.43	3.066	3.05	3.537	3.51	3.95	4.04	5.47
26	3.75	3.88	3.75	3.43	3.34	3.145	3.23	3.513	3.64	4.14	4.21	5.50
Mar. 4	3.83	3.90	3.80	3.60	3.18	3.446	3.45	3.762	3.78	4.18	4.19	5.50
11	3.88	4.00	3.88	3.73	3.43	3.553	3.57	3.796	3.86	4.21	4.22	5.57
18	4.15	4.20	4.03	4.03	3.88	3.845	3.87	4.195	4.27	4.51	4.64	5.84
25	4.25	4.30	4.13	4.13	3.91	3.920	3.82	4.322	4.27	4.50	4.72	5.83
Apr. 1	4.31	4.33	4.20	4.13	4.09	3.849	3.83	4.354	4.36	4.71	4.89	5.92
8	4.45	4.50	4.38	4.40	4.16	3.798	3.81	4.367	4.39	4.82	5.01	6.07
15	4.63	4.63	4.38	4.50	4.18	3.731	3.82	4.223	4.31	4.77	4.96	6.08
22	4.63	4.63	4.38	4.48	4.05	3.849	3.64	4.278	4.19	4.60	4.81	6.02
29	4.50	4.55	4.38	4.33	4.20	3.513	3.55	4.004	4.01	4.39	4.57	5.86
May 6	4.50	4.55	4.38	4.25	4.25	3.604	3.57	3.998	4.03	4.37	4.52	5.72
13	4.45	4.50	4.38	4.25	4.20	3.462	3.59	3.907	4.03	4.42	4.55	5.73
20	4.48	4.50	4.38	4.25	4.32	3.699	3.76	4.118	4.23	4.53	4.67	5.71
27	4.38	4.50	4.38	4.25	4.24	3.825	3.80	4.233	4.18	4.49	4.57	5.62
June 3	4.41	4.50	4.38	4.25	4.38	3.762	3.83	4.106	4.19	4.54	4.66	5.64
10	4.50	4.50	4.38	4.35	4.48	3.861	3.86	4.243	4.25	4.62	4.80	5.71
17	4.53	4.63	4.38	4.38	4.46	3.798	3.87	4.187	4.28	4.62	4.80	5.73
24	4.65	4.65	4.50	4.53	4.39	3.924	3.97	4.328	4.40	4.69	4.89	5.81
July 1	4.80	4.83	4.58	4.70	4.49	4.023	3.97	4.484	4.51	4.98	5.02	5.87
8	4.84	4.88	4.70	4.75	4.61	4.138	4.07	4.688	4.56	4.99	5.01	5.86
15	4.88	4.88	4.75	4.75	4.62	4.102	4.05	4.605	4.55	4.94	4.97	5.85
22	4.85	4.88	4.75	4.75	4.46	3.948	3.93	4.455	4.47	4.86	4.84	5.84
29	4.75	4.80	4.63	4.68	4.54	4.047	3.94	4.585	4.46	4.87	4.79	5.87
Aug. 5	4.68	4.73	4.58	4.63	4.56	3.794	3.79	4.298	4.30	4.78	4.72	5.85
12	4.63	4.70	4.50	4.63	4.69	3.928	3.86	4.431	4.38	4.75	4.71	5.85
19	4.75	4.85	4.58	4.63	4.87	3.956	3.90	4.464	4.46	4.75	4.78	5.87
26	4.85	4.88	4.63	4.75	4.75	4.058	4.13	4.623	4.70	5.02	5.05	5.94
Sept. 2	4.90	4.95	4.63	4.75	4.90	4.332	4.47	4.818	4.92	5.28	5.38	6.11
9	5.00	5.09	4.75	4.75	4.89	4.569	4.71	4.937	5.06	5.36	5.47	6.19
16	5.00	5.13	4.90	4.88	4.69	4.759	4.71	5.074	5.11	5.42	5.47	6.20
23	5.13	5.15	5.00	4.88	4.93	4.633	4.66	5.097	5.14	5.46	5.48	6.15
30	5.13	5.23	5.00	4.88	4.99	4.644	4.60	5.236	5.22	5.52	5.56	6.13
Oct. 7	5.18	5.28	5.00	4.95	5.15	4.601	4.66	5.082	5.16	5.46	5.51	6.11
14	5.25	5.31	5.13	5.00	5.09	4.743	4.79	5.159	5.16	5.39	5.43	6.10
21	5.25	5.33	5.13	5.10	4.91	4.818	4.78	5.127	5.12	5.38	5.42	6.11
28	5.22	5.31	5.19	5.13	5.01	4.712	4.73	5.105	5.10	5.34	5.30	6.10
Nov. 4	5.13	5.25	5.13	5.10	5.06	4.767	4.74	5.141	5.08	5.27	5.25	6.10
11	5.13	5.25	5.13	5.00	5.25	4.668	4.71	4.957	5.04	5.18	5.18	6.05
18	5.15	5.25	5.13	5.00	4.89	4.775	4.76	5.070	5.07	5.17	5.16	6.00
25	5.25	5.25	5.13	5.00	4.97	4.776	4.82	5.050	5.10	5.20	5.24	6.02
Dec. 2	5.25	5.25	5.13	5.00	5.03	4.886	4.88	5.178	5.18	5.25	5.35	6.04
9	5.28	5.38	5.13	5.10	5.17	4.945	5.00	5.230	5.25	5.27	5.39	6.05
16	5.33	5.40	5.18	5.13	5.29	5.099	5.05	5.309	5.27	5.22	5.42	6.04
23	5.50	5.50	5.35	5.20	5.38	5.087	5.15	5.297	5.36	5.26	5.49	6.09
30	5.56	5.59	5.38	5.25	5.34	5.111	5.13	5.313	5.34	5.39	5.55	6.12

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 U.S. Government securities are the revised series described on p. A-35 of the Oct. 1972 BULLETIN.

BOND AND STOCK YIELDS

(Per cent per annum)

Period, or Week ending	Government bonds: United States (long-term)	Government bonds: State and local: Total[1]	Government bonds: State and local: Aaa	Government bonds: State and local: Baa	Corporate bonds: New-issue Aaa utility	Corporate bonds: Seasoned issues: Total[1]	Corporate bonds: Seasoned issues: By selected rating: Aaa	Corporate bonds: Seasoned issues: By selected rating: Baa	Corporate bonds: Seasoned issues: By group: Industrial	Corporate bonds: Seasoned issues: By group: Railroad	Corporate bonds: Seasoned issues: By group: Public utility	Stocks: Dividend/price ratio: Preferred	Stocks: Dividend/price ratio: Common	Stocks: Earnings/price ratio: Common
1972—Jan.	5.62	5.13	4.84	5.49	7.21	7.66	7.19	8.23	7.34	7.98	7.85	6.57	2.96	....
Feb.	5.67	5.29	5.01	5.63	7.34	7.68	7.27	8.23	7.39	8.00	7.84	6.67	2.92	....
Mar.	5.66	5.31	4.99	5.61	7.24	7.66	7.24	8.24	7.35	8.03	7.81	6.76	2.86	5.42
Apr.	5.74	5.45	5.16	5.79	7.45	7.71	7.30	8.24	7.42	8.04	7.87	6.91	2.83	....
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	5.51	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	....
1971—Dec. 25	5.68	5.18	5.00	5.40	....	7.74	7.23	8.36	7.41	8.12	7.89	6.83	3.02	....
1972—Jan. 1	5.60	5.04	4.75	5.40	....	7.70	7.22	8.31	7.37	8.06	7.88	6.79	2.99	....
8	5.61	5.05	4.75	5.40	7.18	7.67	7.19	8.27	7.36	8.02	7.86	6.68	2.97	....
15	5.57	5.00	4.65	5.40	7.10	7.65	7.17	8.21	7.33	8.00	7.84	6.52	2.95	....
22	5.61	5.16	4.90	5.50	7.18	7.63	7.16	8.18	7.31	7.95	7.82	6.49	2.94	....
29	5.67	5.31	5.05	5.65	7.39	7.67	7.22	8.24	7.36	7.95	7.87	6.57	2.99	....
Feb. 5	5.70	5.36	5.10	5.70	7.22	7.68	7.25	8.26	7.39	7.99	7.85	6.62	2.93	....
12	5.71	5.26	5.00	5.60	7.44	7.70	7.29	8.25	7.42	8.00	7.84	6.71	2.91	....
19	5.65	5.26	5.00	5.60	7.31	7.68	7.28	8.23	7.39	8.01	7.83	6.64	2.91	....
26	5.63	5.29	4.95	5.60	7.35	7.67	7.26	8.21	7.35	8.01	7.83	6.71	2.92	....
Mar. 4	5.62	5.31	5.00	5.60	7.32	7.67	7.25	8.21	7.35	8.03	7.82	6.74	2.86	....
11	5.62	5.18	4.90	5.50	7.08	7.66	7.24	8.22	7.34	8.02	7.81	6.80	2.82	....
18	5.67	5.30	5.00	5.60	7.24	7.66	7.22	8.24	7.34	8.02	7.81	6.78	2.85	....
25	5.68	5.35	5.00	5.65	7.32	7.67	7.24	8.26	7.36	8.04	7.82	6.71	2.87	....
Apr. 1	5.69	5.40	5.05	5.70	7.29	7.67	7.24	8.25	7.37	8.04	7.82	6.75	2.89	....
8	5.73	5.49	5.20	5.80	7.34	7.67	7.25	8.22	7.37	8.02	7.81	6.86	2.82	....
15	5.76	5.54	5.25	5.90	7.46	7.69	7.28	8.22	7.39	8.01	7.84	6.87	2.79	....
22	5.76	5.50	5.20	5.90	7.60	7.74	7.33	8.26	7.46	8.06	7.89	6.94	2.82	....
29	5.71	5.26	5.00	5.55	7.41	7.76	7.36	8.26	7.48	8.06	7.92	6.97	2.88	....
May 6	5.69	5.36	5.10	5.70	7.40	7.73	7.34	8.22	7.45	8.01	7.89	6.91	2.92	....
13	5.69	5.41	5.20	5.70	7.40	7.71	7.33	8.20	7.44	8.00	7.86	6.93	2.94	....
20	5.64	5.35	5.15	5.60	7.29	7.72	7.30	8.25	7.44	8.02	7.89	6.89	2.90	....
27	5.57	5.21	4.90	5.60	7.49	7.70	7.27	8.25	7.40	8.01	7.88	6.92	2.81	....
June 3	5.56	5.15	4.85	5.50	7.22	7.67	7.23	8.22	7.36	7.98	7.86	6.86	2.83	....
10	5.59	5.31	5.00	5.65	7.27	7.67	7.24	8.21	7.36	7.99	7.84	6.88	2.88	....
17	5.59	5.39	5.10	5.75	7.35	7.67	7.25	8.21	7.36	7.99	7.84	6.97	2.86	....
24	5.58	5.46	5.20	5.80	7.30	7.66	7.23	8.18	7.35	7.96	7.83	6.92	2.85	....
July 1	5.61	5.45	5.20	5.80	7.42	7.65	7.21	8.20	7.36	7.99	7.80	6.95	2.90	....
8	5.61	5.51	5.20	5.80	7.35	7.64	7.20	8.19	7.37	7.98	7.77	6.98	2.87	....
15	5.59	5.53	5.25	5.80	7.32	7.66	7.20	8.20	7.38	7.99	7.78	6.99	2.91	....
22	5.56	5.50	5.25	5.75	7.37	7.67	7.20	8.25	7.40	8.00	7.81	7.00	2.92	....
29	5.54	5.45	5.20	5.70	7.48	7.68	7.22	8.27	7.41	8.00	7.82	7.00	2.89	....
Aug. 5	5.51	5.40	5.10	5.70	7.40	7.66	7.22	8.25	7.39	8.00	7.80	6.97	2.84	....
12	5.48	5.35	5.10	5.65	7.37	7.63	7.20	8.23	7.36	7.99	7.73	6.96	2.80	....
19	5.53	5.31	5.05	5.60	7.32	7.60	7.19	8.19	7.35	7.98	7.67	6.90	2.78	....
26	5.56	5.36	5.10	5.65	....	7.59	7.17	8.16	7.34	8.00	7.64	6.79	2.77	....
Sept. 2	5.62	5.41	5.15	5.70	7.41	7.58	7.19	8.15	7.32	8.01	7.63	6.87	2.81	....
9	5.66	5.41	5.15	5.70	7.38	7.58	7.19	8.11	7.34	7.97	7.63	6.98	2.81	....
16	5.68	5.38	5.10	5.70	7.34	7.59	7.23	8.09	7.36	7.96	7.63	7.02	2.84	....
23	5.70	5.41	5.15	5.75	7.44	7.59	7.23	8.09	7.37	7.97	7.63	6.99	2.84	....
30	5.75	5.33	5.08	5.60	7.42	7.60	7.24	8.08	7.37	7.99	7.63	7.01	2.82	....
Oct. 7	5.73	5.25	5.05	5.45	7.44	7.60	7.23	8.08	7.37	7.96	7.64	7.02	2.81	....
14	5.71	5.23	5.00	5.45	7.48	7.59	7.22	8.07	7.36	7.97	7.62	7.03	2.82	....
21	5.70	5.28	5.05	5.50	7.30	7.59	7.21	8.06	7.36	7.98	7.63	7.06	2.86	....
28	5.65	5.18	5.00	5.40	7.34	7.58	7.19	8.05	7.35	7.96	7.63	7.02	2.80	....
Nov. 4	5.59	5.09	4.90	5.35	7.27	7.57	7.18	8.04	7.33	7.96	7.61	6.98	2.75	....
11	5.51	5.18	5.00	5.40	....	7.55	7.16	8.02	7.31	7.96	7.58	6.99	2.74	....
18	5.47	5.12	4.90	5.35	7.12	7.53	7.12	8.00	7.29	7.97	7.56	6.94	2.75	....
25	5.48	5.08	4.85	5.35	6.99	7.49	7.09	7.95	7.25	7.93	7.50	6.90	2.70	....
Dec. 2	5.53	5.10	4.90	5.40	7.05	7.47	7.07	7.96	7.22	7.91	7.49	6.86	2.71	....
9	5.57	5.04	4.85	5.30	7.15	7.46	7.05	7.94	7.20	7.90	7.48	6.90	2.68	....
16	5.60	5.11	4.90	5.35	7.21	7.47	7.08	7.94	7.22	7.91	7.48	6.94	2.67	....
23	5.68	5.19	4.95	5.45	....	7.48	7.10	7.93	7.25	7.91	7.47	6.89	2.73	....
30	5.70	5.19	4.95	5.45	....	7.48	7.11	7.90	7.25	7.89	7.48	6.93	2.71	....

[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.

NOTE.—**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 Investors Service. (3) *Corporate*: New-issue Aaa utility rates 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 noncallable issues—12 industrial and two public utility; common stock ratios on the 500 stocks in the price index. Quarterly earnings are seasonally adjusted at annual rates.

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

(Averages of daily figures; in millions of dollars)

Period or date	Factors supplying reserve funds									
	Reserve Bank credit outstanding							Gold stock	Special Drawing Rights certificate account	Treasury currency outstanding
	U.S. Govt. securities[1]			Loans†	Float[2]	Other F.R. assets	Total[3]			
	Total	Bought outright	Held under repurchase agreement							
1972—Jan.	70,687	70,300	387	20	3,405	1,177	75,415	10,132	400	7,656
Feb.	69,966	69,862	104	33	2,959	957	73,994	9,851	400	7,795
Mar.	69,273	69,133	140	99	2,948	780	73,181	9,588	400	7,859
Apr.	70,939	70,770	169	109	3,031	990	75,171	9,588	400	7,922
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
Week ending—1971—Dec. 29	69,514	68,938	576	216	4,644	1,096	75,627	10,132	400	7,634
1972—Jan. 5	70,658	69,517	1,141	57	4,260	1,078	76,258	10,132	400	7,626
12	70,712	70,211	501	17	3,594	1,125	75,592	10,132	400	7,634
19	71,130	70,560	570	14	3,353	1,181	75,833	10,132	400	7,649
26	70,561	70,561	....	12	3,024	1,228	74,902	10,132	400	7,658
Feb. 2	70,364	70,364	....	16	2,791	1,279	74,526	10,132	400	7,712
9	70,002	70,002	....	42	2,759	1,307	74,180	10,132	400	7,771
16	70,692	70,261	431	18	2,693	1,150	74,667	9,977	400	7,793
23	70,326	70,326	....	14	3,020	574	74,000	9,588	400	7,811
Mar. 1	68,622	68,622	....	67	3,447	662	72,863	9,588	400	7,818
8	68,772	68,772	....	103	2,885	707	72,532	9,588	400	7,834
15	69,110	68,813	297	13	2,932	749	72,901	9,588	400	7,848
22	69,095	69,095	....	115	3,239	797	73,313	9,588	400	7,868
29	69,744	69,615	129	153	2,686	850	73,516	9,588	400	7,882
Apr. 5	70,697	70,109	588	141	2,841	891	74,706	9,588	400	7,894
12	70,704	70,556	148	14	2,894	943	74,668	9,588	400	7,912
19	70,811	70,811	....	43	3,265	996	75,196	9,588	400	7,920
26	71,317	71,130	187	279	3,113	1,045	75,853	9,588	400	7,936
May 3	71,337	71,337	....	117	2,996	1,094	75,627	9,588	400	7,954
10	71,524	71,524	....	87	3,197	1,135	76,030	9,940	400	7,971
17	71,348	71,348	....	39	3,192	968	75,627	10,410	400	7,987
24	71,303	71,303	....	63	3,355	752	75,554	10,410	400	8,008
31	71,530	71,367	163	254	2,951	807	75,630	10,410	400	8,011
June 7	71,643	71,620	23	58	3,297	878	75,962	10,410	400	8,023
14	71,728	71,728	....	94	2,950	896	75,747	10,410	400	8,032
21	71,325	71,325	....	59	3,704	941	76,101	10,410	400	8,055
28	71,658	71,648	10	129	3,497	1,002	76,367	10,410	400	8,057
July 5	72,487	72,431	56	312	3,056	1,010	76,939	10,410	400	8,056
12	71,785	71,688	97	227	3,769	1,061	76,923	10,410	400	8,077
19	72,353	71,988	365	173	3,896	1,115	77,663	10,410	400	8,082
26	71,909	71,909	....	172	3,689	1,156	76,991	10,410	400	8,089
Aug. 2	71,990	71,890	100	363	3,195	1,212	76,832	10,410	400	8,096
9	72,102	71,967	135	287	3,300	1,265	77,037	10,410	400	8,116
16	72,045	71,922	123	382	3,301	1,112	76,922	10,410	400	8,135
23	71,731	71,731	....	348	3,656	670	76,474	10,410	400	8,151
30	71,448	71,356	92	477	3,170	729	75,900	10,410	400	8,153
Sept. 6	71,417	70,872	545	837	3,056	776	76,184	10,410	400	8,161
13	69,408	69,408	....	149	3,783	824	74,225	10,410	400	8,177
20	69,753	69,684	69	717	4,137	899	75,566	10,410	400	8,188
27	70,389	70,389	....	550	3,832	982	75,811	10,410	400	8,196
Oct. 4	71,350	70,939	411	436	3,460	1,068	76,406	10,410	400	8,198
11	71,683	71,548	135	535	3,687	1,120	77,121	10,410	400	8,222
18	71,279	71,279	....	434	4,530	1,203	77,518	10,410	400	8,230
25	71,082	70,899	183	765	4,479	1,269	77,677	10,410	400	8,239
Nov. 1	71,200	71,165	35	555	4,245	1,318	77,400	10,410	400	8,252
8	71,735	71,105	630	959	3,706	1,349	77,896	10,410	400	8,268
15	71,172	70,845	327	494	2,397	1,353	75,528	10,410	400	8,273
22	70,880	70,641	239	419	2,803	958	75,155	10,410	400	8,282
29	70,688	70,645	43	572	2,905	1,008	75,241	10,410	400	8,290
Dec. 6	71,335	70,788	547	589	2,503	1,062	75,582	10,410	400	8,283
13	70,910	70,547	363	805	3,016	1,083	75,903	10,410	400	8,290
20	71,399	71,014	385	1,221	3,217	1,144	77,088	10,410	400	8,294
27	70,646	70,646	....	1,118	4,636	1,186	77,656	10,410	400	8,299

For notes see opposite page.

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

(Averages of daily figures; in millions of dollars)

Factors absorbing reserve funds: Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F.R. Banks: Treasury	Foreign	Other[2]	Other F. R. accounts	Other F.R. liabilities and capital	Member bank reserves: With F.R. Banks	Currency and coin[4]	Total[4]	Period or date
60,201	487	2,821	181	750	....	2,208	26,955	5,910	32,865	1972—Jan.
59,681	436	2,421	172	683	....	2,273	26,374	5,548	31,922	Feb.
60,137	388	933	170	597	....	2,247	26,555	5,366	31,921	Mar.
60,717	405	1,688	200	615	....	2,313	27,144	5,421	32,565	Apr.
61,182	573	2,170	185	574	....	2,289	27,347	5,465	32,812	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	[4] 31,774	Nov.[4]
66,060	350	1,449	272	631	....	2,362	24,830	6,095	31,353	Dec.
61,448	448	2,336	471	708	....	2,301	26,081	5,843	31,924	**Week ending** 1971 Dec. 29
61,026	462	2,548	298	862	....	2,152	27,068	5,746	32,814	1972—Jan. 5
60,689	473	2,760	171	727	....	2,155	26,784	6,009	32,793	12
60,225	486	2,515	148	737	....	2,210	27,694	5,971	33,665	19
59,663	508	3,084	160	724	....	2,259	26,695	5,897	32,592	26
59,395	508	3,053	166	755	....	2,318	26,576	5,859	32,435	Feb. 2
59,577	502	3,072	156	764	....	2,382	26,030	5,862	31,892	9
59,774	472	2,915	142	733	....	2,209	26,593	5,664	32,257	16
59,736	372	2,015	167	592	....	2,216	26,702	5,121	31,823	23
59,696	369	1,339	219	590	....	2,269	26,187	5,427	31,614	Mar. 1
59,871	376	1,031	139	587	....	2,337	26,012	5,453	31,465	8
60,222	377	754	171	596	....	2,169	26,448	5,660	32,108	15
60,257	391	978	189	617	....	2,191	26,546	5,012	31,558	22
60,175	406	886	178	576	....	2,263	26,903	5,316	32,219	29
60,508	414	1,240	206	657	....	2,353	27,210	5,394	32,604	Apr. 5
60,858	403	1,273	255	627	....	2,389	26,764	5,581	32,345	12
60,863	407	1,535	177	596	....	2,220	27,306	5,259	32,565	19
60,633	398	2,413	152	586	....	2,283	27,312	5,354	32,666	26
60,668	403	2,090	191	603	....	2,356	27,259	5,581	32,840	May 3
61,010	748	2,518	136	574	....	2,305	27,049	5,708	32,757	10
61,309	861	1,658	140	576	....	2,210	27,669	5,488	33,157	17
61,208	380	2,265	149	557	....	2,271	27,542	5,104	32,646	24
61,358	375	2,178	323	588	....	2,329	27,299	5,515	32,814	31
61,632	361	2,559	134	611	....	2,415	27,083	5,594	32,677	June 7
61,944	354	2,602	138	588	....	2,203	26,760	5,657	32,417	14
61,958	355	2,435	150	575	....	2,253	27,240	5,356	32,596	21
61,871	354	3,173	154	571	....	2,330	26,780	5,521	32,301	28
62,384	362	2,166	252	722	....	2,372	27,548	5,595	33,143	July 5
63,005	352	2,427	176	599	....	2,364	26,889	5,858	32,747	12
62,829	330	2,388	199	621	....	2,264	27,926	5,369	33,295	19
62,530	335	2,533	271	584	....	2,303	27,334	5,706	33,040	26
62,448	336	2,464	150	611	....	2,377	27,352	5,787	33,139	Aug. 2
62,681	330	2,531	159	633	....	2,379	27,251	5,882	33,133	9
62,921	313	2,132	167	611	....	2,235	27,489	5,837	33,326	16
62,785	315	1,780	177	581	....	2,289	27,507	5,315	32,822	23
62,544	316	1,609	183	584	....	2,351	27,276	5,702	32,978	30
62,868	306	1,215	176	601	....	2,424	27,566	5,796	33,362	Sept. 6
63,227	304	162	195	589	....	2,190	26,544	5,976	32,520	13
62,987	319	675	189	671	....	2,152	27,571	5,446	33,017	20
62,670	336	1,611	198	589	....	2,217	27,197	5,856	33,053	27
62,757	356	1,306	192	663	....	2,278	27,863	5,868	33,731	Oct. 4
63,332	357	1,517	192	664	....	2,331	27,760	5,950	33,710	11
63,616	359	1,033	199	624	....	2,290	28,437	5,661	34,098	18
63,484	366	1,462	221	615	....	2,348	28,230	5,325	33,555	25
63,456	368	1,576	184	608	....	2,414	27,857	5,847	33,704	Nov. 1
63,801	381	1,717	187	626	....	2,483	27,778	5,916	33,694	8
64,471	383	1,181	189	600	....	2,279	25,508	6,174	[4] 32,132	15[4]
64,806	374	1,196	198	595	....	2,332	24,747	5,342	30,539	22
65,142	365	1,171	212	585	....	2,391	24,476	5,802	30,728	29
65,175	349	1,098	241	611	....	2,510	24,691	5,868	31,009	Dec. 6
65,874	356	1,350	252	662	....	2,318	24,191	6,427	31,068	13
66,191	352	1,389	278	578	....	2,335	25,069	5,889	31,408	20
66,575	346	1,689	280	591	....	2,385	24,899	6,092	31,441	27

† Previously referred to as Discounts and advances.
[1] *U.S. Govt. securities include Federal agency obligations.*
[2] 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."
[3] 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 for reserve period 2 weeks previous to report date.
[4] 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.

RESERVES AND BORROWINGS OF MEMBER BANKS

(Averages of daily figures; in millions of dollars)

Period	All member banks					Reserve city banks[3]									
						New York City					City of Chicago				
	Reserves			Borrowings at F.R. Banks	Free reserves[1]	Reserves			Borrow ings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves
	Total held[1]	Required[2]	Excess[1]			Total held	Required[2]	Excess			Total held	Required[2]	Excess		
1972—Jan.	32,865	32,692	173	20	153	6,066	6,058	8	....	8	1,503	1,512	−9	....	−9
Feb.	31,922	31,798	124	33	91	5,775	5,807	−32	5	−37	1,446	1,442	4	....	4
Mar.	31,921	31,688	233	99	134	5,815	5,758	57	71	−14	1,434	1,443	−9	4	−13
Apr.	32,565	32,429	136	109	27	5,938	5,940	−2	48	−50	1,482	1,476	6	5	1
May	32,812	32,708	104	119	−15	6,045	6,031	14	50	−36	1,514	1,505	9	12	−3
June	32,539	32,335	204	94	110	5,956	5,922	34	6	28	1,488	1,489	−1	....	−1
July	33,021	32,874	147	202	−55	6,129	6,097	32	15	17	1,510	1,502	8	6	2
Aug.	33,148	32,893	255	438	−183	6,000	5,994	6	116	−110	1,510	1,500	10	11	−1
Sept.	33,003	32,841	162	514	−352	5,981	5,952	29	136	−107	1,512	1,513	1	12	−13
Oct.	33,803	33,556	247	574	−327	6,148	6,087	61	59	2	1,564	1,542	22	45	−23
Nov.[1]	31,774	31,460	314	606	−292	5,927	5,923	4	64	−60	1,438	1,452	−14	19	−33
Dec.	31,353	31,134	219	1,049	−830	6,005	6,025	−20	301	−321	1,492	1,479	13	55	−42
Week ending—															
1971—Dec. 29	31,924	31,610	314	216	98	5,793	5,799	−6	76	−82	1,511	1,445	66	21	45
1972—Jan. 5	32,814	32,502	312	57	255	6,200	6,120	80	....	80	1,520	1,526	−6	....	−6
12	32,793	32,688	105	17	88	6,055	6,141	−86	....	−86	1,569	1,549	20	....	20
19	33,665	33,447	218	14	204	6,369	6,267	102	....	102	1,526	1,563	−37	....	−37
26	32,592	32,400	192	12	180	5,766	5,848	−82	....	−82	1,475	1,459	16	....	16
Feb. 2	32,435	32,190	245	16	229	5,936	5,880	56	....	56	1,460	1,451	9	....	9
9	31,892	31,842	50	42	8	5,733	5,825	−92	22	−114	1,439	1,445	−6	....	−6
16	32,257	31,946	311	18	293	6,078	5,895	183	....	183	1,450	1,466	−16	....	−16
23	31,823	31,693	130	14	116	5,686	5,789	−103	....	−103	1,453	1,427	26	....	26
May 1	31,614	31,532	82	67	15	5,643	5,679	−36	....	−36	1,411	1,425	−14	....	−14
8	31,465	31,289	176	103	73	5,649	5,658	−9	99	−108	1,435	1,419	16	....	16
15	32,108	31,715	393	13	380	5,982	5,796	186	....	186	1,473	1,479	−6	....	−6
22	31,558	31,691	−133	115	−248	5,605	5,725	−120	95	−215	1,421	1,433	−12	4	−16
29	32,219	31,934	285	153	132	5,911	5,820	91	94	−3	1,442	1,436	6	14	−8
Apr. 5	32,604	32,230	374	141	233	5,991	5,933	58	86	−28	1,521	1,472	49	....	49
12	32,345	32,179	166	14	152	5,963	5,953	10	....	10	1,446	1,482	−36	....	−36
19	32,565	32,624	−59	43	−102	5,947	6,055	−108	23	−131	1,498	1,489	9	....	9
26	32,666	32,448	218	279	−61	5,913	5,824	89	124	−35	1,441	1,456	−15	23	−38
May 3	32,840	32,704	136	117	19	5,862	5,927	−65	60	−125	1,513	1,480	33	....	33
10	32,757	32,566	191	87	104	6,019	5,978	41	49	−8	1,486	1,506	−20	....	−20
17	33,157	32,963	194	39	155	6,223	6,218	5	21	−16	1,566	1,535	31	....	31
24	32,646	32,560	86	63	23	6,007	5,994	13	39	−26	1,443	1,491	−48	....	−48
31	32,814	32,726	88	254	−166	5,975	6,001	−26	51	−77	1,520	1,496	24	54	−30
June 7	32,677	32,346	331	58	273	6,020	5,931	89	....	89	1,490	1,491	−1	....	−1
14	32,417	32,308	109	94	15	5,889	5,920	−31	....	−31	1,506	1,491	15	....	15
21	32,596	32,384	212	59	153	6,047	5,975	72	18	54	1,492	1,497	−5	....	−5
28	32,301	32,177	124	129	−5	5,793	5,809	−16	6	−22	1,480	1,476	4	....	4
July 5	33,143	32,815	328	312	16	6,171	6,097	74	42	32	1,532	1,507	25	....	25
12	32,747	32,524	223	227	−4	6,014	5,991	23	....	23	1,484	1,485	−1	....	−1
19	33,295	33,148	147	173	−26	6,184	6,209	−25	....	−25	1,519	1,530	−11	....	−11
26	33,040	32,961	79	172	−93	6,123	6,124	−1	26	−27	1,501	1,489	12	26	−14
Aug. 2	33,139	32,897	242	363	−121	6,052	6,051	1	144	−143	1,485	1,498	−13	11	−24
9	33,133	33,003	130	287	−157	6,037	6,038	−1	39	40	1,533	1,518	15	35	−20
16	33,326	33,072	254	382	−128	6,138	6,102	36	76	−40	1,503	1,516	−13	....	−13
23	32,822	32,782	40	348	−308	5,860	5,935	−75	79	−154	1,497	1,485	12	....	12
30	32,978	32,751	227	477	−250	5,986	5,901	85	86	−1	1,472	1,482	−10	....	−10
Sept. 6	33,362	32,566	796	837	−41	6,213	5,885	328	260	68	1,568	1,488	80	4	76
13	32,520	32,635	−115	149	−264	5,866	5,949	−83	....	−83	1,483	1,516	−33	4	−37
20	33,017	32,811	206	717	−511	6,032	5,981	51	345	−294	1,557	1,528	29	28	1
27	33,053	33,016	37	550	−513	5,870	5,919	−49	59	−108	1,465	1,497	−32	17	−49
Oct. 4	33,731	33,501	230	436	−206	6,154	6,107	47	47	....	1,589	1,563	26	39	−13
11	33,710	33,352	358	535	−177	6,100	6,088	12	36	−24	1,570	1,547	23	77	−54
18	34,098	33,977	121	434	−313	6,312	6,295	17	....	17	1,560	1,591	−31	17	−48
25	33,555	33,405	150	765	−615	5,937	5,976	−39	185	−224	1,526	1,501	25	62	−37
Nov. 1	33,704	33,499	205	555	−350	6,002	5,964	38	2	36	1,499	1,514	−15	7	−22
8	33,694	33,570	124	959	−835	6,037	6,069	−32	192	−224	1,546	1,526	20	31	−11
15[1]	32,132	31,346	786	494	292	6,267	6,071	196	....	196	1,465	1,476	−11	11	−22
22	30,539	30,350	189	419	−230	5,845	5,863	−18	1	−19	1,421	1,395	26	15	11
29	30,728	30,388	340	572	−232	5,709	5,683	26	80	−54	1,374	1,404	−30	23	−53
Dec. 6	31,009	30,673	336	589	−253	5,930	5,909	21	43	−22	1,487	1,454	33	75	−42
13	31,068	30,824	244	805	−561	5,933	5,909	24	206	−182	1,438	1,462	−24	13	−37
20	31,408	31,202	206	1,221	−1,015	6,111	6,094	17	422	−405	1,511	1,477	34	21	13
27	31,441	31,252	189	1,118	−929	5,929	5,966	−37	278	−315	1,475	1,474	1	....	1

NOTE.—Averages of daily figures. Monthly data are averages of daily figures within the calendar month; they are not averages of the 4 or 5 weeks ending on Wed. that fall within the month.

Total reserves held: Based on closing figures for balances with F.R. Banks and opening figures for allowable cash.

Required reserves: Based on deposits as of opening of business each day.

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

For other notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS—Continued

(Averages of daily figures; in millions of dollars)

Other reserve city banks[3]					Country banks[3]					Period
Reserves			Borrowings at F.R. Banks	Free reserves	Reserves			Borrowings at F.R. Banks	Free reserves	
Total held	Required[2]	Excess			Total held	Required[2]	Excess			
12,954	12,941	13	....	13	12,342	12,181	161	20	141	1972—Jan.
12,578	12,573	5	12	7	12,123	11,976	147	16	131	Feb.
12,559	12,533	26	9	17	12,113	11,954	159	15	144	Mar.
12,820	12,804	16	22	-6	12,325	12,209	116	34	82	Apr.
12,874	12,898	-24	31	-55	12,379	12,274	105	26	79	May
12,746	12,739	7	40	33	12,349	12,185	164	48	116	June
12,849	12,890	41	64	-105	12,533	12,385	148	117	31	July
12,980	12,908	72	134	-62	12,658	12,491	167	177	-10	Aug.
12,805	12,807	-2	195	197	12,705	12,569	136	171	-35	Sept.
13,131	13,107	24	240	216	12,960	12,820	140	230	90	Oct.
12,057	12,058	1	248	-249	12,022	12,027	5	275	-280	Nov.[1]
11,729	11,771	42	429	471	11,699	11,859	-160	264	-424	Dec.
										Week ending—
12,521	12,453	68	58	10	12,099	11,913	186	61	125	1971—Dec. 29
12,871	12,819	52	....	52	12,223	12,037	186	57	129	1972—Jan. 5
12,898	12,927	29	....	29	12,271	12,071	200	17	183	12
13,309	13,327	-18	....	18	12,461	12,290	171	14	157	19
12,932	12,837	95	....	95	12,419	12,256	163	12	151	26
12,686	12,688	2	....	2	12,353	12,171	182	16	166	Feb. 2
12,577	12,567	10	....	10	12,143	12,005	138	20	118	9
12,602	12,636	-34	1	35	12,127	11,949	178	17	161	16
12,583	12,537	46	....	46	12,101	11,940	161	14	147	23
12,464	12,492	-28	57	-85	12,096	11,936	160	10	150	Mar. 1
12,396	12,384	12	....	12	11,985	11,828	157	4	153	8
12,605	12,554	51	2	49	12,048	11,886	162	11	151	15
12,465	12,539	74	8	82	12,067	11,994	73	8	65	22
12,651	12,609	42	21	21	12,215	12,069	146	24	122	29
12,804	12,718	86	....	86	12,288	12,107	181	55	126	Apr. 5
12,740	12,705	35	....	35	12,196	12,039	157	14	143	12
12,816	12,903	87	8	-95	12,304	12,177	127	12	115	19
12,865	12,827	38	86	48	12,447	12,341	106	46	60	26
12,894	12,866	28	2	26	12,571	12,431	140	55	85	May 3
12,815	12,804	11	19	8	12,437	12,278	159	19	140	10
12,966	12,983	17	4	21	12,402	12,227	175	14	161	17
12,884	12,850	34	8	26	12,312	12,225	87	16	71	24
12,920	*12,966*	*46*	*106*	*152*	*12,399*	*12,263*	*136*	*43*	*93*	*31*
12,867	12,791	76	20	56	12,300	12,133	167	38	129	June 7
12,772	12,792	20	44	64	12,250	12,105	145	50	95	14
12,712	12,706	6	12	6	12,345	12,206	139	29	110	21
12,642	12,639	3	67	64	12,386	12,253	133	56	77	28
12,924	12,846	78	126	48	12,516	12,365	151	144	7	July 5
12,827	12,814	13	78	65	12,422	12,234	188	149	39	12
13,046	13,057	11	64	75	12,546	12,352	194	109	85	19
12,783	12,849	-66	33	-99	12,633	12,499	134	87	47	26
12,942	12,870	72	96	24	12,660	12,478	182	112	70	Aug. 2
12,982	13,005	-23	95	118	12,581	12,442	139	118	21	9
13,039	12,990	49	170	121	12,646	12,464	182	136	46	16
12,837	12,844	-7	95	102	12,628	12,518	110	174	-64	23
12,810	12,829	19	120	-139	12,710	12,539	171	271	-100	60
12,914	12,720	194	329	135	12,667	12,473	194	244	-50	Sept. 6
12,614	12,744	130	13	-143	12,557	12,426	131	132	1	13
12,766	12,775	9	241	250	12,662	12,527	135	103	32	20
12,885	12,867	18	260	242	12,833	12,733	100	214	-114	27
13,058	13,057	1	125	124	12,930	12,774	156	225	69	Oct. 4
13,174	13,033	141	229	88	12,866	12,684	182	193	-11	11
13,286	13,322	-36	233	269	12,940	12,769	171	184	-13	18
13,114	13,046	68	272	204	12,978	12,882	96	246	-150	25
13,061	13,042	19	261	242	13,142	12,979	163	285	-122	Nov. 1
13,009	13,049	40	447	487	13,102	12,926	176	289	113	8
12,281	12,190	91	192	101	11,669	11,609	60	291	231	15[1]
11,328	11,415	87	136	223	11,495	11,677	-182	267	-449	22
11,502	11,508	6	226	232	11,693	11,793	-100	243	-343	29
11,502	11,544	-42	118	160	11,640	11,766	-126	353	-479	Dec. 6
11,632	11,666	-34	300	334	11,615	11,787	172	286	-458	13
11,728	11,808	-80	514	594	11,608	11,823	-215	264	-479	20
11,793	11,874	-81	654	735	11,794	11,938	-114	186	-330	27

[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.

[2] Beginning Sept. 12, 1968, amount is based on close-of-business figures for reserve period 2 weeks previous to report date.

[3] As of Nov. 9, 1972, the definition of reserve city and country banks was changed (see July 1972 BULLETIN, p. 626). The classifications employed here are the same as prior to the change in definition, so these series are continuous over time.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS, 1972

(In millions of dollars)

Wednesday	Total loans and investments	Loans														
		Federal funds sold, etc.[1]					Other								
		Total	To commercial banks	To brokers and dealers involving—		To others	Total	Commercial and industrial	Agricultural	For purchasing or carrying securities				To nonbank finan. institutions	
										To brokers and dealers		To others			
				U.S. Treasury securities	Other securities					U.S. Treasury secs.	Other secs.	U.S. Treasury secs.	Other secs.	Pers. and sales finan. cos., etc.	Other
Jan. 5	285,934	12,941	11,695	881	170	195	191,436	83,016	2,322	916	5,067	157	2,470	6,262	7,970
12	282,712	11,152	9,912	730	254	256	190,566	82,555	2,315	914	4,829	152	2,489	6,227	7,958
19	280,615	10,335	9,152	764	248	171	190,070	82,325	2,305	866	4,933	156	2,463	6,187	7,908
26	279,671	10,513	9,263	841	246	163	189,027	81,512	2,315	880	5,021	161	2,479	6,098	7,782
Feb. 2	281,037	10,718	9,633	723	227	135	189,771	81,782	2,315	1,106	5,093	161	2,479	6,058	7,802
9	280,464	10,958	10,128	515	207	108	189,478	81,819	2,320	964	4,926	163	2,490	6,158	7,856
16	281,544	11,625	10,995	386	177	67	190,115	82,320	2,316	624	5,225	179	2,505	6,207	7,923
23	281,250	10,496	9,568	582	238	108	190,667	82,228	2,332	771	5,388	182	2,494	6,219	7,961
Mar. 1	283,969	10,755	9,694	650	220	191	192,213	82,363	2,350	1,031	6,026	190	2,513	6,345	8,037
8	283,777	9,919	8,932	734	172	81	191,742	82,484	2,364	900	5,802	175	2,537	6,094	8,007
15	288,182	11,531	10,445	725	272	89	194,387	83,309	2,372	1,118	6,270	186	2,550	6,531	8,173
22	287,254	11,475	10,350	670	228	227	193,952	83,261	2,393	869	6,183	174	2,538	6,343	8,203
29	288,161	11,892	10,988	490	240	174	194,777	83,627	2,396	683	6,152	169	2,516	6,399	8,307
Apr. 5	290,346	12,173	11,315	491	193	174	195,803	83,789	2,401	639	6,546	170	2,520	6,595	8,271
12	290,101	11,358	10,171	843	194	150	195,826	83,929	2,408	607	6,303	167	2,524	6,638	8,296
19	291,360	11,442	10,143	887	234	178	197,540	84,604	2,436	656	6,696	166	2,528	6,626	8,446
26	287,885	10,091	9,206	616	157	112	197,182	84,664	2,456	466	6,258	194	2,520	6,524	8,400
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
June 7	292,065	11,134	10,084	575	401	74	199,744	84,536	2,528	784	6,903	155	2,567	6,201	8,655
14	293,270	10,917	9,896	667	279	75	200,985	84,593	2,542	836	7,095	154	2,585	6,433	8,856
21	295,384	11,377	10,239	657	317	164	203,112	85,512	2,563	809	7,380	158	2,607	6,701	9,067
28	294,596	11,138	10,079	521	389	149	203,393	†84,954	2,577	645	7,122	156	†2,665	†6,680	†9,363
July 5	298,175	12,901	11,683	638	359	221	205,460	85,427	2,594	589	7,397	158	2,703	7,148	9,619
12	297,303	12,250	9,566	2,228	269	187	205,099	85,268	2,597	1,319	7,118	160	2,687	6,572	9,614
19	296,351	11,951	10,916	536	287	212	205,108	85,300	2,603	653	7,129	155	2,680	6,718	9,642
26	295,960	11,559	10,555	597	250	157	204,812	85,151	2,597	717	7,088	167	2,687	6,504	9,683
Aug. 2	298,432	11,804	10,692	682	252	178	206,666	85,307	2,595	892	7,631	176	2,724	6,400	9,879
9	297,297	11,523	10,326	718	300	179	205,947	85,016	2,590	750	7,249	165	2,733	6,377	9,908
16	298,465	12,069	11,073	583	259	154	206,756	85,261	2,593	862	7,176	165	2,719	6,314	10,043
23	298,912	12,171	10,278	1,496	216	181	206,878	85,158	2,589	970	7,074	185	2,730	6,184	10,167
30	297,748	10,757	9,872	489	226	170	206,960	85,011	2,575	849	7,108	184	2,783	6,284	10,243
Sept. 6	302,765	13,018	10,647	1,909	292	170	209,019	85,340	2,575	1,415	7,370	193	2,802	6,573	10,417
13	304,308	13,376	11,557	1,220	352	247	209,323	85,682	2,576	1,734	7,273	182	2,796	6,366	10,481
20	302,728	11,551	10,085	865	291	310	210,400	86,366	2,584	1,166	7,582	183	2,800	6,363	10,593
27	303,182	11,433	9,703	1,255	291	184	210,736	86,631	2,602	932	7,336	185	2,826	6,324	10,706
Oct. 4	305,207	11,314	10,231	630	295	158	212,792	87,518	2,622	802	7,412	204	2,852	6,554	10,920
11	306,019	12,088	11,144	507	289	148	213,206	87,722	2,626	893	7,164	189	2,845	6,735	10,881
18	304,480	11,333	10,201	589	392	151	213,688	87,762	2,652	1,041	7,526	188	2,834	6,386	11,035
25	304,690	9,497	8,716	427	262	92	214,258	87,528	2,676	863	7,501	189	2,837	6,417	11,167
Nov. 1	309,042	10,825	9,752	567	292	214	216,602	88,014	2,687	853	8,337	190	2,838	6,716	11,518
8	309,824	11,837	10,933	489	308	107	216,639	88,356	2,699	808	7,721	193	2,820	6,614	11,522
15	313,429	13,615	11,117	1,973	353	172	218,311	88,496	2,712	1,459	7,940	190	2,832	6,707	11,736
22	311,490	11,865	10,728	463	378	296	217,670	88,501	2,730	1,003	7,585	193	2,825	6,507	11,619
29	314,146	12,480	11,445	626	284	125	218,272	88,642	2,745	1,265	7,551	203	2,849	6,539	11,710
Dec. 6	316,846	12,817	11,571	791	295	160	220,018	88,794	2,737	1,649	7,790	205	2,843	6,617	11,842
13	318,315	13,212	12,054	658	348	152	220,695	89,374	2,781	887	7,715	207	2,858	6,992	12,155
20	322,157	12,778	11,230	827	464	257	225,178	90,794	2,788	1,154	8,767	220	2,890	7,481	12,513
27	325,375	13,356	11,054	1,424	541	337	227,414	91,103	2,841	1,663	8,615	264	2,911	7,753	12,697
▶ Dec. 27	−311	−11	−11	....	....	....	−189	−92	4	....	....	....	....	−6	−11

For notes see p. A-110.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS, 1972—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
38,713	907	2,942	24,252	894	15,548	28,968	4,368		3,909	16,564	4,127	Jan. 5
38,841	863	2,863	24,217	924	15,419	28,148	3,675		3,968	16,432	4,073	12
38,970	744	2,873	24,179	887	15,274	27,843	3,873		3,913	16,215	3,842	19
39,044	802	2,683	24,209	912	15,129	27,821	3,877		3,899	16,210	3,835	26
39,101	809	2,618	24,229	910	15,308	27,881	3,909		4,024	16,199	3,749	Feb. 2
39,155	841	2,661	24,177	905	15,043	27,497	3,488		4,030	16,199	3,780	9
39,263	833	2,534	24,144	886	15,156	27,156	3,237		4,551	15,639	3,729	16
39,343	781	2,603	24,138	910	15,317	27,455	3,612		4,609	15,535	3,699	23
39,387	954	2,495	24,171	919	15,432	27,927	4,160		4,758	15,468	3,541	Mar. 1
39,507	972	2,505	24,162	889	15,344	28,862	5,188		4,824	15,375	3,475	8
39,658	1,027	2,567	24,182	908	15,536	28,431	4,858		4,836	15,232	3,505	15
39,771	1,065	2,546	24,190	912	15,504	27,989	4,582		4,824	15,209	3,374	22
39,901	1,136	2,683	24,306	943	15,559	27,749	4,483		4,801	15,190	3,275	29
40,031	1,273	2,503	24,400	955	15,710	28,628	4,889		4,836	15,683	3,220	Apr. 5
40,197	1,098	2,532	24,458	931	15,738	28,460	4,796		4,776	15,695	3,193	12
40,396	1,090	2,484	24,568	934	15,910	28,170	4,652		4,738	15,682	3,098	19
40,578	1,089	2,557	24,693	949	15,834	26,776	3,295		4,762	15,627	3,092	26
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
41,384	1,081	2,600	25,213	947	16,190	26,811	3,884		5,034	14,951	2,942	June 7
41,608	1,120	2,561	25,377	976	16,249	26,943	4,040		5,065	14,985	2,853	14
41,823	1,120	2,533	25,477	999	16,363	26,612	4,083		4,800	14,864	2,865	21
41,992	1,366	2,867	25,620	1,032	16,354	26,009	3,625		4,786	14,928	2,670	28
42,122	1,368	2,823	25,728	1,023	16,761	26,225	3,901		4,823	14,728	2,773	July 5
42,307	1,398	2,853	25,759	1,018	16,429	25,696	3,523		4,780	14,694	2,699	12
42,496	1,391	2,953	25,803	1,020	16,565	25,581	3,422		4,841	14,714	2,604	19
42,654	1,302	2,929	25,899	1,011	16,423	25,795	3,497		5,010	14,663	2,625	26
42,846	1,341	3,033	26,036	1,029	16,777	25,770	3,268		5,328	14,489	2,685	Aug. 2
42,974	1,342	3,014	26,122	1,050	16,657	25,466	3,072		5,308	14,415	2,671	9
43,272	1,327	2,996	26,211	1,043	16,774	25,246	2,997		4,281	14,860	3,108	16
43,434	1,432	2,970	26,330	1,034	16,621	25,417	3,131		4,529	14,489	3,268	23
43,517	1,444	2,908	26,465	1,078	16,511	25,651	3,566		4,581	14,324	3,180	30
43,603	1,445	2,912	26,529	1,093	16,752	26,404	4,396		4,522	14,390	3,096	Sept. 6
43,810	1,400	2,833	26,601	1,079	16,510	26,861	4,925		4,555	14,340	3,041	13
43,920	1,440	2,840	26,680	1,102	16,781	26,617	5,027		4,454	14,159	2,977	20
44,112	1,450	2,888	26,777	1,093	16,874	26,307	4,772		4,439	14,112	2,984	27
44,226	1,519	2,900	26,882	1,124	17,257	26,347	4,982		4,397	14,020	2,948	Oct. 4
44,400	1,534	2,860	26,921	1,117	17,319	26,026	4,814		4,359	13,941	2,912	11
44,614	1,568	2,809	27,019	1,122	17,132	25,228	4,176		4,364	13,793	2,895	18
44,802	1,748	2,973	27,105	1,128	17,324	25,955	4,052		4,353	14,668	2,882	25
44,972	1,799	2,825	27,236	1,119	17,498	25,985	4,148		4,324	14,582	2,931	Nov. 1
45,065	1,838	2,875	27,287	1,131	17,710	25,669	3,838		4,369	14,540	2,922	8
45,324	1,839	2,994	27,363	1,132	17,587	26,313	3,703		4,268	15,377	2,965	15
45,545	1,924	2,960	27,438	1,128	17,712	26,597	4,126		4,288	15,224	2,959	22
45,630	1,970	2,929	27,548	1,146	17,545	27,925	5,568		4,458	15,077	2,822	29
45,566	2,043	3,094	27,638	1,146	18,054	28,357	6,110		4,495	15,042	2,710	Dec. 6
45,748	2,126	3,068	27,813	1,146	17,825	28,185	5,957		4,514	15,005	2,709	13
45,860	2,313	3,164	27,953	1,158	18,123	28,201	6,343		4,335	14,958	2,565	20
45,967	2,376	3,222	28,115	1,161	18,726	28,645	6,808		4,413	14,874	2,550	27
--27			--71		14	5	--7		3	12	--3	Dec. 27 ◀

For notes see p. A-110.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS, 1972—Continued

(In millions of dollars)

Wednesday	Investments (cont.) — Other securities — Total	Investments (cont.) — Other securities — Obligations of State and political subdivisions — Tax warrants[3]	Investments (cont.) — Other securities — Obligations of State and political subdivisions — All other	Investments (cont.) — Other securities — Other bonds, corp. stock, and securities — Certif. of participation[4]	Investments (cont.) — Other securities — 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
Jan. 5	52,589	8,483	36,604	1,608	5,894	33,802	19,747	3,744	7,578	826	16,191	367,822
12	52,846	8,489	37,024	1,574	5,759	32,925	20,438	3,959	7,345	885	15,986	364,250
19	52,367	8,201	36,813	1,560	5,793	34,370	21,173	3,795	7,333	890	15,762	363,938
26	52,310	8,242	36,664	1,548	5,856	33,094	19,897	3,796	6,902	923	15,723	360,006
Feb. 2	52,667	8,489	36,837	1,533	5,808	32,493	19,477	3,488	7,043	937	16,294	360,769
9	52,531	8,438	36,703	1,546	5,844	29,959	19,413	3,488	8,862	933	16,021	359,140
16	52,648	8,408	36,706	1,542	5,992	33,385	21,013	3,519	8,658	933	15,786	364,838
23	52,632	8,412	36,667	1,516	6,037	32,783	19,509	3,742	9,399	933	15,881	363,497
Mar. 1	53,074	8,523	36,801	1,549	6,201	35,276	19,403	3,429	10,403	934	16,409	369,823
8	53,254	8,648	36,927	1,552	6,127	31,469	19,727	3,377	9,351	919	16,225	364,845
15	53,833	9,031	37,051	1,549	6,202	33,101	19,781	3,475	9,521	920	16,724	371,704
22	53,838	9,251	36,902	1,521	6,164	28,400	20,044	3,612	8,597	920	16,493	365,320
29	53,743	9,144	36,946	1,567	6.086	27,114	21,726	3,667	8,790	922	16,632	367,012
Apr. 5	53,742	9,190	36,921	1,547	6.084	30,202	21,013	3,372	9,169	933	16,646	371,681
12	54,457	9,428	37,220	1,553	6,256	30,341	19,796	3,650	8,240	933	16,498	369,559
19	54,208	9,196	37,076	1,558	6,378	30,447	20,352	3,699	7,919	933	16,489	371,199
26	53,836	9,188	37,004	1,567	6,077	29,413	23,252	3,760	8,118	943	16,635	370,006
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
June 7	54,376	9,329	37,326	1,552	6,169	27,720	20,593	3,500	8,633	968	16,336	369,815
14	54,425	9,195	37,350	1,603	6,277	30,664	20,753	3,780	9,151	954	16,447	375,019
21	54,283	8,973	37,360	1,580	6,370	30,705	19,974	3,782	9,421	965	16,257	376,488
28	54,056	8,795	37,361	1,572	6,328	29,235	20,568	3,943	8,803	965	16,434	374,544
July 5	53,589	8,449	37,301	1,556	6,283	35,552	21,326	3,456	10,428	961	16,471	386,369
12	54,258	8,856	37,584	1,553	6,265	30,062	17,799	3,894	8,872	986	16,275	375,191
19	53,711	8,534	37,401	1,527	6,249	29,879	21,005	3,775	9,212	992	16,533	377,747
26	53,794	8,881	37,084	1,532	6,297	27,844	20,500	3,893	8,756	991	16,484	374,428
Aug. 2	54,192	8,946	37,276	1,568	6,402	30,039	21,966	3,651	8,389	992	17,074	380,543
9	54,361	9,081	37,285	1,569	6,426	27,030	21,326	3,686	8,112	991	16,639	375,081
16	54,394	9,267	37,182	1,541	6,404	29,385	21,532	3,703	8,505	992	16,450	379,032
23	54,446	9,179	37,347	1,547	6,373	26,076	19,877	3,851	8,334	997	16,357	374,404
30	54,380	9,104	37,273	1,496	6,507	27,023	21,457	3,950	8,554	1,004	16,531	376,267
Sept. 6	54,324	9,089	37,151	1,496	6,588	30,900	18,419	3,664	9,820	1,007	16,787	383,362
13	54,748	9,175	37,456	1,495	6,622	29,215	18,701	3,952	8,824	1,007	16,577	382,584
20	54,160	9,059	36,971	1,515	6,615	30,052	21,819	3,898	8,865	1,010	16,688	385,060
27	54,706	9,479	37,052	1,553	6,622	27,680	19,415	4,003	9,271	1,010	16,752	381,313
Oct. 4	54,754	9,371	37,198	1,533	6,652	31,252	22,191	3,464	9,602	1,017	17,077	389,810
11	54,699	9,358	37,276	1,517	6,548	30,962	20,212	3,824	10,090	1,016	16,949	389,072
18	54,231	9,255	36,972	1,522	6,482	30,502	20,488	3,896	9,709	1,028	16,870	386,973
25	54,980	9,292	37,445	1,588	6,655	31,029	24,087	4,021	9,342	1,064	17,267	391,500
Nov. 1	55,630	9,383	37,651	1,565	7,031	33,089	20,173	3,818	9,457	1,067	17,601	394,247
8	55,679	9,087	37,909	1,662	7,021	32,951	21,528	3,654	10,198	1,071	17,492	396,718
15	55,190	8,833	37,594	1,741	7,022	29,628	17,322	3,836	10,009	1,072	16,946	392,242
22	55,358	8,828	37,772	1,712	7,046	28,708	19,109	3,734	8,861	1,073	16,716	389,691
29	55,469	8,769	37,878	1,763	7,059	29,136	17,809	4,402	10,023	1,076	16,871	393,463
Dec. 6	55,654	8,898	37,907	1,771	7,078	28,841	18,423	3,837	10,309	1,084	17,295	396,635
13	56,223	8,969	38,382	1,800	7,072	28,178	21,174	4,275	9,766	1,084	17,239	400,031
20	56,000	9,039	38,100	1,766	7,095	31,299	19,927	4,184	10,535	1,094	17,379	406,575
27	55,960	8,971	38,142	1,760	7,087	34,192	16,452	4,689	11,291	1,096	17,493	410,588
▶ Dec. 27	−116	....	−113	−9	6	32	....	−9	−5	....	−21	−314

For notes see p. A-110.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS, 1972—Continued

(In millions of dollars)

Deposits: Demand: Total	Demand: IPC	Demand: States and political subdivisions	Demand: U.S. Govt.	Demand: Domestic interbank: Commercial	Demand: Domestic interbank: Mutual savings	Demand: Foreign: Govts., etc.[2]	Demand: Foreign: Commercial banks	Demand: Certified and officers' checks	Time and savings[1]: Total[6]	Time and savings: IPC: Savings	Time and savings: IPC: Other	Time and savings: States and political subdivisions	Time and savings: Domestic interbank	Time and savings: Foreign govts.[2]	Wednesday
152,453	106,524	7,083	4,120	22,819	834	764	2,549	7,760	141,316	55,190	61,054	17,484	2,140	4,980	Jan. 5
148,690	104,767	6,761	3,443	22,270	798	750	2,495	7,406	142,098	55,388	61,440	17,567	2,282	4,988	12
149,096	103,490	6,500	4,584	21,816	663	756	2,454	8,833	142,432	55,605	61,571	17,551	2,287	4,930	19
146,780	99,505	6,492	5,854	22,417	688	701	2,411	8,712	142,834	55,719	61,716	17,636	2,286	4,987	26
146,564	99,963	7,714	4,531	22,211	739	716	2,488	8,202	142,532	55,870	61,364	17,534	2,262	4,993	Feb. 2
143,520	97,979	6,436	4,765	23,783	687	666	2,414	6,790	142,933	56,032	61,442	17,607	2,328	5,038	9
145,910	101,714	6,403	3,193	23,677	686	690	2,325	7,222	143,205	56,218	61,570	17,544	2,318	5,060	16
146,174	100,311	6,323	4,471	24,809	643	753	2,527	6,337	144,122	56,422	62,044	17,717	2,313	5,131	23
151,788	102,735	7,311	3,518	26,500	683	687	2,586	7,768	144,286	56,579	62,077	17,686	2,310	5,151	Mar. 1
144,988	99,463	6,209	3,899	24,357	665	654	2,504	7,237	144,740	56,879	62,261	17,644	2,291	5,194	8
152,257	105,652	6,205	6,127	22,597	669	778	2,618	7,611	143,659	57,104	61,209	17,482	2,253	5,151	15
144,487	100,849	6,593	6,296	20,953	625	667	2,555	5,949	144,026	57,382	61,527	17,291	2,251	5,151	22
143,920	100,608	6,575	5,599	20,190	653	822	2,627	6,846	144,863	57,616	61,916	17,488	2,270	5,133	29
149,108	104,431	6,622	5,061	22,083	917	757	2,559	6,678	144,190	57,811	61,408	17,197	2,183	5,146	Apr. 5
147,023	106,145	6,466	2,938	20,750	832	766	2,516	6,610	144,928	57,633	61,671	17,929	2,193	5,067	12
148,943	105,148	6,275	6,675	19,983	775	746	2,505	6,836	145,770	57,315	61,736	18,996	2,150	5,141	19
146,768	102,707	6,347	7,472	19,941	735	732	2,585	6,249	146,743	57,272	61,870	19,871	2,150	5,134	26
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
140,989	100,936	6,213	3,284	20,221	721	730	2,644	6,240	149,683	57,722	64,813	19,048	2,363	5,280	June 7
146,084	105,671	6,137	2,851	20,698	667	753	2,691	6,616	149,223	57,642	64,895	18,633	2,327	5,263	14
147,987	103,273	6,698	5,589	20,164	639	677	2,819	8,128	149,167	57,735	64,846	18,582	2,265	5,272	21
146,199	102,356	6,872	5,726	20,034	694	902	2,886	6,729	149,647	57,844	65,476	18,310	2,233	5,318	28
157,680	108,396	6,801	4,350	24,532	920	1,175	3,157	8,349	149,325	58,014	65,242	18,035	2,261	5,304	July 5
146,908	105,801	6,312	3,242	20,729	846	958	2,773	6,247	149,863	58,004	65,645	18,092	2,323	5,335	12
148,812	104,317	5,882	6,326	21,691	728	1,038	2,898	5,932	150,871	57,983	66,483	18,204	2,442	5,286	19
145,159	102,608	5,889	5,332	20,396	694	893	2,988	6,359	151,296	57,918	66,882	18,174	2,482	5,375	26
147,378	104,095	6,744	4,472	20,957	747	953	2,959	6,451	152,111	57,892	67,564	18,334	2,474	5,375	Aug. 2
140,911	101,382	5,994	3,401	20,140	700	800	2,926	5,568	152,984	57,924	68,458	18,331	2,433	5,371	9
143,100	104,684	6,261	1,981	20,195	688	774	2,984	5,533	153,472	57,901	68,933	18,297	2,480	5,394	16
138,860	102,011	5,806	2,048	19,350	632	715	2,719	5,579	154,459	57,867	69,792	18,458	2,501	5,368	23
140,450	102,374	6,038	1,715	20,357	682	864	2,999	5,421	155,495	57,827	70,796	18,488	2,542	5,335	30
148,159	106,879	6,542	2,119	22,449	757	800	2,950	5,663	155,340	57,899	70,768	18,289	2,532	5,347	Sept. 6
144,824	106,646	5,990	1,739	20,933	698	791	2,760	5,267	155,706	57,873	70,860	18,388	2,624	5,462	13
148,000	105,517	6,176	5,687	20,249	650	790	3,035	5,896	155,173	57,895	70,215	18,281	2,847	5,433	20
146,133	103,334	6,491	6,479	20,010	692	744	3,077	5,306	156,270	58,069	70,841	18,483	2,913	5,449	27
150,884	105,842	6,595	5,152	22,325	920	774	3,298	5,978	156,476	58,197	70,967	18,414	2,857	5,455	Oct. 4
148,866	107,553	6,115	2,119	22,395	846	898	3,058	5,882	156,838	58,182	71,399	18,301	2,823	5,618	11
146,782	106,323	5,890	3,109	21,162	775	879	3,230	5,414	157,373	58,207	72,051	18,211	2,742	5,641	18
149,977	107,281	6,031	4,381	21,690	804	780	3,147	5,863	157,369	58,160	72,085	18,131	2,795	5,667	25
155,144	109,379	7,403	3,888	21,947	992	849	3,328	7,358	156,686	58,113	71,778	17,780	2,800	5,696	Nov. 1
151,842	106,703	6,555	2,784	23,394	864	836	3,233	7,473	157,864	58,218	72,462	18,085	2,835	5,701	8
151,763	110,154	6,931	3,200	20,819	757	818	2,994	6,090	157,575	58,179	72,271	17,785	2,853	5,846	15
147,861	108,163	6,506	3,831	19,054	700	773	3,095	5,739	158,586	58,237	72,916	18,007	2,914	5,869	22
152,024	108,876	6,483	4,824	20,620	657	829	2,849	6,886	158,858	58,184	73,103	18,008	2,945	5,955	29
154,028	109,290	6,505	4,384	22,542	724	1,018	3,205	6,360	158,633	58,259	72,878	17,875	2,985	6,017	Dec. 6
152,099	111,905	6,751	1,615	20,698	662	983	3,078	6,407	159,867	58,162	73,162	18,767	2,997	6,161	13
160,530	114,452	6,718	5,980	21,062	695	932	3,284	7,407	160,440	58,091	73,199	19,253	3,050	6,226	20
166,145	119,052	7,043	5,073	22,652	744	1,005	3,486	7,090	161,395	58,284	73,567	19,512	3,067	6,329	27
−174	−191	25	−6	−1	−1	....	....	....	−84	10	−94	2	−2	....	Dec. 27 ◄

For notes see p. A-110.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS, 1972—Continued

(In millions of dollars)

Wednesday	Federal funds purchased etc.[7]	Borrowings from—		Other liabilities, etc.[8]	Reserves for—		Total capital accounts	Memoranda						
		F.R. Banks	Others		Loans	Securities		Total loans (gross) adjusted[9]	Total loans and investments (gross) adjusted[9]	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
Jan. 5	27,085	16	1,050	14,859	4,072	76	26,895	191,775	273,332	91,712	33,316	20,637	12,679	1,208
12	26,208	2	1,069	15,007	4,097	77	27,002	190,943	271,937	90,052	33,715	20,947	12,768	1,721
19	24,752	....	1,044	15,290	4,098	76	27,150	190,509	270,719	88,326	33,744	21,027	12,717	1,568
26	22,795	....	1,032	15,165	4,103	76	27,221	189,475	269,606	85,415	33,850	21,031	12,819	1,419
Feb. 2	23,653	2	1,060	15,401	4,106	85	27,366	190,047	270,595	87,329	33,356	20,572	12,784	1,301
9	24,856	155	1,086	15,010	4,119	76	27,385	189,467	269,495	85,013	33,465	20,498	12,967	1,062
16	27,302	8	1,086	15,783	4,120	76	27,348	189,912	269,716	85,655	33,436	20,518	12,918	1,006
23	25,483	....	1,093	15,063	4,122	76	27,364	190,814	270,901	84,111	34,012	20,852	13,160	1,068
Mar. 1	25,358	52	1,212	15,325	4,138	77	27,587	192,320	273,321	86,494	33,765	20,550	13,215	954
8	25,710	695	1,319	15,557	4,139	77	27,620	191,757	273,873	85,263	33,989	20,678	13,311	1,164
15	26,609	15	1,365	16,041	4,135	77	27,546	194,446	276,710	90,432	32,810	19,651	13,159	1,263
22	26,699	721	1,415	16,199	4,134	77	27,562	194,012	275,839	88,838	32,996	19,896	13,100	1,346
29	28,232	991	1,119	16,012	4,148	71	27,656	194,545	276,037	91,017	33,456	20,132	13,324	1,532
Apr. 5	29,691	41	1,192	15,437	4,132	70	27,820	195,388	277,758	91,762	32,845	19,839	13,006	1,130
12	28,846	....	1,248	15,450	4,130	70	27,864	195,915	278,832	92,994	33,379	20,163	13,216	1,052
19	27,237	238	1,211	15,812	4,132	70	27,786	197,749	280,127	91,838	33,964	20,480	13,484	1,279
26	25,736	1,679	1,199	15,861	4,139	70	27,811	196,978	277,590	89,942	34,334	20,627	13,707	1,374
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
June 7	29,725	109	1,455	15,417	4,150	71	28,216	199,713	280,900	89,764	36,106	22,481	13,625	1,192
14	30,090	37	1,482	15,715	4,157	71	28,160	200,886	282,254	91,871	35,813	22,415	13,398	1,525
21	29,535	145	1,518	15,792	4,157	71	28,116	203,130	284,025	91,529	35,452	22,130	13,322	1,740
28	28,934	383	1,621	15,361	4,162	71	28,166	203,086	283,151	91,204	35,846	22,395	13,451	1,442
July 5	30,696	420	1,527	14,132	4,159	71	28,359	205,310	285,124	93,246	35,694	22,330	13,364	824
12	29,362	58	1,651	14,780	4,148	71	28,350	206,385	286,339	92,875	36,358	22,798	13,560	1,375
19	29,495	47	1,646	14,382	4,142	71	28,281	204,752	284,044	90,916	37,047	23,344	13,703	974
26	28,653	593	1,551	14,601	4,159	71	28,345	204,514	284,103	91,587	37,705	23,766	13,939	1,342
Aug. 2	30,164	1,200	1,494	15,440	4,171	71	28,514	206,437	286,399	91,910	38,227	24,067	14,160	1,829
9	31,162	777	1,530	14,933	4,166	71	28,547	205,802	285,629	90,340	38,936	24,862	14,074	1,250
16	31,997	439	1,486	15,810	4,168	71	28,489	206,425	286,065	91,539	39,401	25,254	14,147	1,778
23	30,285	809	1,555	15,661	4,167	71	28,537	207,339	287,202	91,386	40,312	26,047	14,265	1,845
30	29,623	1,178	1,479	15,182	4,183	71	28,606	206,401	286,432	91,355	41,212	26,835	14,377	1,262
Sept. 6	29,475	44	1,544	15,810	4,196	71	28,723	209,945	290,673	92,691	40,927	26,599	14,328	1,508
13	31,991	80	1,513	15,479	4,184	71	28,736	209,742	291,351	92,937	41,164	26,597	14,567	1,187
20	30,297	1,647	1,513	15,519	4,180	72	28,659	210,426	291,203	92,012	40,527	25,853	14,674	1,417
27	27,735	687	1,410	16,142	4,189	71	28,676	211,016	292,029	91,964	41,219	26,314	14,905	2,023
Oct. 4	31,083	935	1,760	15,554	4,176	71	28,871	212,356	293,457	92,155	41,183	26,348	14,835	1,639
11	32,929	326	1,825	15,165	4,175	71	28,877	212,616	293,341	93,390	41,672	26,828	14,844	1,544
18	31,476	351	1,914	16,048	4,170	71	28,788	213,252	292,711	92,009	42,035	27,355	14,680	1,890
25	30,155	2,998	2,162	15,765	4,168	71	28,835	213,291	294,226	92,877	42,277	27,447	14,830	1,415
Nov. 1	30,375	410	2,109	16,232	4,191	71	29,029	215,876	297,491	96,220	41,792	27,170	14,622	1,387
8	34,436	1,332	2,181	15,702	4,192	71	29,098	215,705	297,053	92,713	42,919	27,879	15,040	1,338
15	32,252	25	2,068	15,314	4,191	71	28,983	218,970	300,473	98,116	42,884	27,756	15,128	1,841
22	32,744	118	2,026	14,981	4,199	70	29,106	216,883	298,838	96,268	43,701	28,400	15,301	1,464
29	31,365	525	2,157	15,071	4,208	71	29,184	217,337	300,731	97,444	43,898	28,462	15,436	1,745
Dec. 6	32,768	150	2,237	15,201	4,207	72	29,339	219,221	303,232	98,261	43,665	28,300	15,365	1,618
13	36,026	898	2,128	15,372	4,202	72	29,367	219,727	304,135	101,608	44,173	28,554	15,619	1,705
20	32,866	1,238	2,023	15,922	4,170	71	29,315	224,413	308,614	102,189	44,355	28,520	15,835	1,807
27	31,085	1,293	1,878	15,151	4,139	71	29,431	227,340	311,945	104,228	44,911	28,822	16,089	1,400
▶ Dec. 27	....	....	....	−13	−1	....	−42	−189	−300	−199	....	....	....	....

† A reclassification of loans by a large bank on June 28, 1972, has resulted in a reduction of $357 million in commercial and industrial loans and $18 million in real estate loans. These reductions were offset primarily by increases in following types of loans (in millions):

To nonbank financial institutions:	
Personal finance, etc.	$ 60
Other	187
For purchasing or carrying securities	22
To foreign govts., etc.	20
Other	81

▶ These amounts represent accumulated adjustments originally made to offset the cumulative effect of mergers.

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.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	1972 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Durable goods manufacturing:												
Primary metals	1,317	1,331	1,343	1,368	1,383	1,370	1,355	1,314	1,303	1,282	1,278	1,268
Machinery	2,174	1,997	2,067	2,000	1,981	1,954	1,931	1,963	1,905	1,907	2,034	2,154
Transportation equipment	1,604	1,551	1,492	1,388	1,368	1,359	1,243	1,265	1,307	1,201	1,256	1,205
Other fabricated metal products	696	681	686	693	682	675	710	713	679	680	707	720
Other durable goods	1,116	1,118	1,145	1,162	1,144	1,182	1,130	1,147	1,188	1,193	1,196	1,239
Nondurable goods manufacturing:												
Food, liquor, and tobacco	985	935	907	903	941	926	1,029	1,079	1,079	1,182	1,191	1,234
Textiles, apparel, and leather	555	568	639	655	635	654	690	677	711	731	699	723
Petroleum refining	848	818	757	714	727	694	685	653	679	658	681	698
Chemicals and rubber	1,320	1,303	1,214	1,228	1,235	1,224	1,190	1,178	1,159	1,190	1,143	1,153
Other nondurable goods	1,008	972	978	959	927	872	856	879	918	939	913	894
Mining, including crude petroleum and natural gas	2,927	2,891	2,872	2,870	2,785	2,667	2,723	2,724	2,679	2,748	2,726	2,685
Trade:												
Commodity dealers	119	132	126	126	128	109	110	107	107	123	121	121
Other wholesale	891	858	905	867	888	883	886	845	864	876	880	894
Retail	1,352	1,354	1,342	1,329	1,335	1,298	1,346	1,376	1,444	1,497	1,588	1,592
Transportation, communication, and other public utilities:												
Transportation	4,388	4,305	4,374	4,391	4,276	4,305	4,234	4,188	4,086	4,078	4,070	4,180
Communication	426	410	434	454	420	497	511	510	561	537	549	682
Other public utilities	1,280	1,166	1,137	1,138	1,195	1,406	1,455	1,623	1,688	1,759	1,825	1,975
Construction	1,261	1,331	1,421	1,380	1,375	1,408	1,397	1,456	1,550	1,520	1,528	1,558
Services	3,559	3,563	3,674	3,611	3,573	3,719	3,760	3,826	3,862	3,951	3,999	4,026
All other domestic loans	1,528	1,584	1,683	1,782	1,764	1,423	1,532	1,471	1,554	1,459	1,532	1,597
Foreign commercial and industrial loans	2,000	1,902	1,944	1,986	2,000	2,038	2,033	2,069	2,143	2,177	2,264	2,366
Total loans	31,354	30,770	31,140	31,004	30,762	[1]30,663	30,806	31,063	31,466	31,688	32,180	32,964

NOTE.—Figures are for the last Wednesday of the month.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	1972 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Durable goods manufacturing:												
Primary metals	2,006	2,028	2,066	2,081	2,140	2,138	2,059	1,985	1,989	2,032	2,021	2,021
Machinery	4,231	4,118	4,186	4,335	4,285	4,255	4,196	4,170	4,119	4,036	4,222	4,512
Transportation equipment	2,574	2,627	2,638	2,609	2,482	2,363	2,247	2,221	2,268	2,177	2,128	2,055
Other fabricated metal products	1,635	1,627	1,693	1,718	1,698	1,703	1,698	1,702	1,767	1,783	1,746	1,745
Other durable goods	2,476	2,503	2,599	2,716	2,767	2,815	2,818	2,826	2,922	2,923	2,858	2,873
Nondurable goods manufacturing:												
Food, liquor, and tobacco	2,814	2,799	2,723	2,608	2,606	2,559	2,703	2,732	2,747	2,944	3,100	3,325
Textiles, apparel, and leather	2,189	2,271	2,472	2,607	2,753	2,821	2,934	2,993	3,054	3,012	2,870	2,741
Petroleum refining	1,138	1,140	1,086	1,051	1,062	998	982	939	932	895	902	977
Chemicals and rubber	2,137	2,122	2,136	2,148	2,155	2,113	2,019	1,906	1,885	1,889	1,809	1,774
Other nondurable goods	1,735	1,704	1,757	1,741	1,706	1,665	1,667	1,667	1,703	1,733	1,727	1,693
Mining, including crude petroleum and natural gas	3,731	3,628	3,657	3,692	3,662	3,670	3,620	3,672	3,651	3,677	3,642	3,640
Trade:												
Commodity dealers	1,644	1,568	1,483	1,476	1,405	1,255	1,173	1,230	1,299	1,372	1,562	1,725
Other wholesale	4,324	4,264	4,290	4,347	4,363	4,423	4,452	4,421	4,507	4,629	4,594	4,614
Retail	4,075	4,090	4,252	4,377	4,505	4,565	4,602	4,635	4,720	5,075	5,320	5,196
Transportation, communication, and other public utilities:												
Transportation	5,614	5,564	5,588	5,648	5,576	5,583	5,533	5,412	5,346	5,400	5,392	5,520
Communication	1,394	1,353	1,243	1,328	1,373	1,376	1,600	1,583	1,678	1,784	1,734	1,797
Other public utilities	2,683	2,622	2,488	2,511	2,675	2,664	2,762	2,938	3,078	3,203	3,325	3,502
Construction	3,744	3,906	3,970	4,030	4,095	4,236	4,323	4,398	4,561	4,613	4,615	4,630
Services	7,946	8,009	8,178	8,360	8,343	8,522	8,584	8,531	8,536	8,720	8,837	9,032
All other domestic loans	5,419	5,528	5,708	5,814	5,960	5,752	5,776	5,760	5,641	5,661	5,603	5,701
Bankers' acceptances	2,109	1,916	1,833	1,658	1,661	1,494	1,415	1,288	1,243	1,315	1,331	1,454
Foreign commercial and industrial loans	3,245	3,204	3,257	3,269	3,334	3,365	3,433	3,445	3,484	3,518	3,644	3,805
Total classified loans	68,863	68,591	69,303	70,124	70,606	70,335	70,596	70,454	71,130	72,391	72,982	74,332
Total commercial and industrial loans of large commercial banks	82,352	82,037	83,008	84,247	85,029	[1]84,899	85,287	85,151	86,005	87,633	88,402	90,016

For Wednesday figures and notes, see following two pages.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Industry	Wednesday												
	Jan. 5	Jan. 12	Jan. 19	Jan. 26	Feb. 2	Feb. 9	Feb. 16	Feb. 23	Mar. 1	Mar. 8	Mar. 15	Mar. 22	Mar. 29
Durable goods manufacturing:													
Primary metals	2,035	1,994	1,995	1,999	2,040	2,017	2,024	2,032	2,050	2,047	2,082	2,081	2,068
Machinery	4,215	4,257	4,275	4,177	4,073	4,116	4,184	4,100	4,070	4,096	4,234	4,248	4,283
Transportation equipment	2,586	2,583	2,566	2,561	2,603	2,565	2,653	2,689	2,626	2,602	2,648	2,644	2,670
Other fabricated metal products	1,661	1,643	1,630	1,606	1,619	1,627	1,631	1,630	1,665	1,663	1,713	1,699	1,723
Other durable goods	2,496	2,500	2,463	2,451	2,452	2,503	2,528	2,528	2,526	2,570	2,611	2,639	2,650
Nondurable goods manufacturing:													
Food, liquor, and tobacco	2,821	2,812	2,835	2,789	2,826	2,797	2,773	2,801	2,770	2,768	2,729	2,687	2,662
Textiles, apparel, and leather	2,210	2,174	2,185	2,187	2,218	2,239	2,301	2,326	2,325	2,386	2,531	2,541	2,578
Petroleum refining	1,183	1,119	1,122	1,129	1,151	1,149	1,127	1,135	1,127	1,107	1,070	1,047	1,077
Chemicals and rubber	2,190	2,147	2,125	2,084	2,108	2,105	2,140	2,134	2,145	2,117	2,134	2,144	2,139
Other nondurable goods	1,757	1,731	1,743	1,708	1,700	1,698	1,714	1,705	1,739	1,760	1,766	1,762	1,758
Mining, including crude petroleum and natural gas	3,734	3,743	3,778	3,669	3,669	3,632	3,607	3,604	3,641	3,642	3,657	3,675	3,670
Trade: Commodity dealers	1,641	1,672	1,641	1,623	1,646	1,621	1,536	1,469	1,461	1,477	1,501	1,500	1,475
Other wholesale	4,320	4,319	4,337	4,320	4,286	4,283	4,227	4,261	4,262	4,247	4,277	4,332	4,333
Retail	4,049	4,073	4,093	4,085	4,016	4,040	4,135	4,169	4,191	4,204	4,270	4,210	4,387
Transportation, communication, & other public utilities:													
Transportation	5,728	5,609	5,569	5,548	5,547	5,551	5,594	5,563	5,570	5,591	5,568	5,607	5,602
Communication	1,437	1,456	1,355	1,326	1,361	1,350	1,357	1,342	1,251	1,245	1,222	1,257	1,240
Other public utilities	2,737	2,734	2,687	2,575	2,656	2,628	2,626	2,578	2,580	2,534	2,486	2,444	2,396
Construction	3,712	3,748	3,771	3,745	3,840	3,894	3,950	3,938	3,909	3,947	4,032	3,985	3,976
Services	7,973	7,950	7,913	7,948	7,974	7,944	8,057	8,061	8,076	8,111	8,188	8,240	8,274
All other domestic loans	5,405	5,370	5,457	5,443	5,473	5,538	5,544	5,556	5,662	5,641	5,732	5,768	5,735
Bankers' acceptances	2,268	2,160	2,072	1,938	1,930	1,911	1,926	1,897	1,917	1,899	1,890	1,710	1,751
Foreign commercial & industrial loans	3,251	3,258	3,262	3,207	3,206	3,220	3,213	3,178	3,226	3,233	3,277	3,245	3,306
Total classified loans	69,409	69,052	68,874	68,118	68,394	68,428	68,847	68,696	68,789	68,887	69,618	69,465	69,753
Total commercial & industrial loans of large commercial banks	83,016	82,555	82,325	81,512	81,782	81,819	82,320	82,228	82,363	82,484	83,309	83,261	83,627

Industry	Wednesday												
	Apr. 5	Apr. 12	Apr. 19	Apr. 26	May 3	May 10	May 17	May 24	May 31	June 7	June 14	June 21	June 28
Durable goods manufacturing:													
Primary metals	2,076	2,081	2,088	2,078	2,145	2,140	2,148	2,138	2,130	2,138	2,149	2,169	2,097
Machinery	4,263	4,318	4,391	4,366	4,348	4,292	4,276	4,245	4,264	4,281	4,225	4,305	4,208
Transportation equipment	2,658	2,638	2,609	2,529	2,532	2,540	2,485	2,441	2,412	2,376	2,358	2,368	2,352
Other fabricated metal products	1,718	1,722	1,727	1,705	1,702	1,712	1,709	1,687	1,680	1,688	1,707	1,717	1,702
Other durable goods	2,674	2,720	2,744	2,726	2,773	2,776	2,776	2,751	2,758	2,797	2,808	2,821	2,835
Nondurable goods manufacturing:													
Food, liquor, and tobacco	2,672	2,578	2,596	2,585	2,670	2,612	2,619	2,570	2,562	2,534	2,479	2,602	2,620
Textiles, apparel, and leather	2,606	2,574	2,612	2,634	2,704	2,766	2,777	2,748	2,771	2,785	2,803	2,836	2,860
Petroleum refining	1,104	1,054	1,022	1,025	1,077	1,081	1,067	1,068	1,020	1,030	1,034	936	991
Chemicals and rubber	2,127	2,187	2,141	2,138	2,134	2,145	2,190	2,150	2,158	2,100	2,102	2,133	2,119
Other nondurable goods	1,750	1,718	1,756	1,738	1,758	1,707	1,690	1,685	1,688	1,658	1,668	1,669	1,664
Mining, including crude petroleum and natural gas	3,698	3,700	3,691	3,681	3,648	3,657	3,639	3,685	3,680	3,678	3,702	3,698	3,604
Trade: Commodity dealers	1,494	1,482	1,484	1,444	1,439	1,436	1,403	1,391	1,355	1,311	1,278	1,258	1,172
Other wholesale	4,347	4,325	4,354	4,362	4,356	4,371	4,371	4,352	4,363	4,381	4,384	4,488	4,438
Retail	4,317	4,321	4,418	4,452	4,471	4,483	4,523	4,528	4,518	4,509	4,574	4,649	4,527
Transportation, communication, & other public utilities:													
Transportation	5,656	5,619	5,642	5,674	5,615	5,594	5,595	5,521	5,556	5,558	5,555	5,589	5,632
Communication	1,293	1,328	1,344	1,346	1,416	1,394	1,387	1,381	1,285	1,301	1,353	1,414	1,435
Other public utilities	2,453	2,429	2,532	2,632	2,743	2,670	2,679	2,678	2,604	2,639	2,615	2,756	2,647
Construction	3,978	4,024	4,056	4,062	4,062	4,085	4,084	4,115	4,130	4,187	4,192	4,264	4,300
Service	8,293	8,342	8,414	8,392	8,359	8,369	8,346	8,334	8,307	8,402	8,439	8,609	8,638
All other domestic loans	5,760	5,798	5,856	5,844	6,002	5,952	5,988	5,917	5,942	5,791	5,789	5,831	5,596
Bankers' acceptances	1,762	1,652	1,601	1,618	1,685	1,703	1,639	1,646	1,634	1,552	1,522	1,449	1,451
Foreign commercial & industrial loans	3,249	3,242	3,280	3,307	3,287	3,300	3,332	3,378	3,370	3,357	3,356	3,357	3,389
Total classified loans	69,948	69,852	70,358	70,338	70,926	70,785	70,723	70,409	70,187	70,053	70,092	70,918	70,277
Total commercial & industrial loans of large commercial banks	83,789	83,929	84,604	84,664	85,283	85,223	85,177	84,823	84,637	84,536	84,593	85,512	[1]84,954

For notes see facing page.

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Industry	Wednesday												
	July 5	July 12	July 19	July 26	Aug. 2	Aug. 9	Aug. 16	Aug. 23	Aug. 30	Sept. 6	Sept. 13	Sept. 20	Sept. 27
Durable goods manufacturing:													
Primary metals	2,073	2,053	2,060	2,050	2,012	1,980	1,977	1,978	1,977	2,006	1,989	1,962	1,998
Machinery	4,166	4,193	4,231	4,196	4,127	4,131	4,203	4,193	4,194	4,083	4,110	4,176	4,107
Transportation equipment	2,346	2,246	2,216	2,179	2,227	2,197	2,210	2,238	2,230	2,254	2,256	2,296	2,267
Other fabricated metal products	1,687	1,701	1,708	1,696	1,679	1,677	1,735	1,709	1,711	1,719	1,766	1,801	1,783
Other durable goods	2,821	2,855	2,805	2,793	2,808	2,781	2,837	2,841	2,862	2,909	2,935	2,929	2,917
Nondurable goods manufacturing:													
Food, liquor, and tobacco	2,740	2,680	2,720	2,672	2,717	2,721	2,736	2,756	2,729	2,683	2,718	2,779	2,807
Textiles, apparel, and leather	2,906	2,950	2,944	2,938	2,965	2,988	3,021	3,005	2,988	3,043	3,065	3,064	3,045
Petroleum refining	1,010	977	964	977	967	960	906	944	916	894	939	926	967
Chemicals and rubber	2,042	2,038	2,024	1,972	1,905	1,890	1,907	1,902	1,923	1,892	1,910	1,873	1,866
Other nondurable goods	1,690	1,659	1,639	1,679	1,679	1,661	1,659	1,663	1,675	1,677	1,686	1,690	1,759
Mining, including crude petroleum and natural gas	3,619	3,603	3,612	3,645	3,649	3,672	3,669	3,692	3,679	3,625	3,659	3,658	3,662
Trade: Commodity dealers	1,144	1,174	1,171	1,202	1,183	1,241	1,226	1,246	1,253	1,261	1,325	1,298	1,313
Other wholesale	4,465	4,460	4,438	4,445	4,421	4,436	4,435	4,404	4,413	4,441	4,493	4,502	4,593
Retail	4,524	4,529	4,626	4,730	4,686	4,584	4,638	4,613	4,653	4,651	4,632	4,761	4,834
Transportation, communication, & other public utilities:													
Transportation	5,586	5,579	5,516	5,449	5,461	5,398	5,390	5,382	5,429	5,362	5,314	5,352	5,355
Communication	1,630	1,572	1,598	1,601	1,594	1,591	1,593	1,570	1,569	1,657	1,659	1,682	1,712
Other public utilities	2,743	2,772	2,791	2,742	2,883	2,884	2,926	2,989	3,007	3,116	3,039	3,102	3,055
Construction	4,307	4,331	4,315	4,340	4,345	4,335	4,440	4,443	4,429	4,459	4,556	4,603	4,626
Services	8,634	8,615	8,578	8,507	8,527	8,528	8,559	8,565	8,478	8,496	8,494	8,580	8,574
All other domestic loans	5,761	5,753	5,752	5,837	5,903	5,874	5,763	5,657	5,603	5,639	5,628	5,630	5,667
Bankers' acceptances	1,458	1,434	1,417	1,352	1,355	1,333	1,288	1,243	1,220	1,241	1,228	1,254	1,249
Foreign commercial & industrial loans	3,413	3,420	3,449	3,448	3,452	3,463	3,435	3,444	3,433	3,478	3,482	3,511	3,466
Total classified loans	70,765	70,594	70,574	70,450	70,545	70,325	70,553	70,477	70,371	70,586	70,883	71,429	71,622
Total commercial and industrial loans of large commercial banks	85,427	85,268	85,300	85,151	85,307	85,016	85,261	85,158	85,011	85,340	85,682	86,366	86,631

Industry	Wednesday												
	Oct. 4	Oct. 11	Oct. 18	Oct. 25	Nov. 1	Nov. 8	Nov. 15	Nov. 22	Nov. 29	Dec. 6	Dec. 13	Dec. 20	Dec. 27
Durable goods manufacturing:													
Primary metals	2,008	2,044	2,047	2,029	2,020	2,022	2,030	2,001	2,032	2,022	2,019	2,024	2,018
Machinery	4,047	4,055	4,066	3,975	4,133	4,174	4,233	4,284	4,285	4,399	4,481	4,565	4,603
Transportation equipment	2,222	2,232	2,152	2,104	2,133	2,122	2,124	2,128	2,135	2,057	2,010	2,058	2,094
Other fabricated metal products	1,785	1,799	1,789	1,760	1,759	1,749	1,758	1,737	1,730	1,709	1,734	1,779	1,759
Other durable goods	2,924	2,960	2,912	2,895	2,853	2,880	2,884	2,843	2,830	2,853	2,840	2,894	2,904
Nondurable goods manufacturing:													
Food, liquor, and tobacco	2,882	2,922	2,973	2,998	2,997	3,078	3,078	3,168	3,178	3,220	3,233	3,402	3,447
Textiles, apparel, and leather	3,052	3,058	2,991	2,947	2,924	2,915	2,894	2,828	2,788	2,768	2,757	2,746	2,694
Petroleum refining	907	894	894	884	893	889	897	902	928	950	946	1,036	977
Chemicals and rubber	1,926	1,916	1,871	1,844	1,831	1,827	1,817	1,801	1,772	1,734	1,754	1,752	1,857
Other nondurable goods	1,743	1,726	1,727	1,736	1,723	1,753	1,739	1,732	1,690	1,705	1,693	1,682	1,694
Mining, including crude petroleum and natural gas	3,677	3,645	3,680	3,708	3,634	3,645	3,657	3,640	3,632	3,578	3,596	3,755	3,629
Trade: Commodity dealers	1,320	1,342	1,386	1,441	1,517	1,550	1,540	1,581	1,621	1,660	1,668	1,777	1,794
Other wholesale	4,626	4,630	4,626	4,632	4,621	4,602	4,605	4,562	4,581	4,582	4,591	4,630	4,654
Retail	4,948	4,944	5,157	5,252	5,175	5,294	5,352	5,420	5,359	5,255	5,286	5,242	5,000
Transportation, communication, & other public utilities:													
Transportation	5,425	5,383	5,403	5,388	5,363	5,404	5,374	5,394	5,423	5,434	5,515	5,541	5,590
Communication	1,827	1,808	1,763	1,736	1,738	1,727	1,740	1,727	1,736	1,756	1,765	1,809	1,859
Other public utilities	3,241	3,263	3,163	3,147	3,371	3,324	3,304	3,301	3,326	3,457	3,437	3,526	3,586
Construction	4,584	4,617	4,650	4,602	4,635	4,612	4,628	4,601	4,601	4,603	4,608	4,644	4,664
Services	8,652	8,722	8,743	8,762	8,812	8,822	8,794	8,856	8,899	8,965	8,967	9,064	9,132
All other domestic loans	5,717	5,667	5,644	5,616	5,631	5,593	5,659	5,601	5,529	5,550	5,693	5,726	5,835
Bankers' acceptances	1,302	1,298	1,349	1,310	1,344	1,333	1,306	1,328	1,344	1,394	1,392	1,479	1,551
Foreign commercial & industrial loans	3,503	3,532	3,504	3,533	3,568	3,624	3,664	3,650	3,715	3,697	3,777	3,867	3,880
Total classified loans	72,318	72,457	72,490	72,299	72,675	72,939	73,077	73,085	73,134	73,348	73,762	74,998	75,221
Total commercial and industrial loans of large commercial banks	87,518	87,722	87,762	87,528	88,014	88,356	88,496	88,501	88,642	88,794	89,374	90,794	91,103

[1] Loan reclassification at a large bank on June 28, 1972, resulted in a reduction of $357 million in total commercial and industrial loans and of $464 million in "term" commercial and industrial loans.

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.

Monthly figures are averages of figures for Wednesday dates.

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: Commercial and industrial	By type of loan: All other	Total	By type of loan: Commercial and industrial	By type of loan: All other
1972—Jan. 5	2,858	1,596	1,262	1,654	371	1,283
12	2,827	1,603	1,224	1,629	362	1,267
19	2,773	1,583	1,190	1,622	362	1,260
26	2,994	1,725	1,269	1,601	350	1,251
Feb. 2	3,003	1,731	1,272	1,615	345	1,270
9	2,951	1,753	1,198	1,664	347	1,317
16	2,872	1,735	1,137	1,624	347	1,277
23	2,909	1,718	1,191	1,640	340	1,300
Mar. 1	2,942	1,717	1,225	1,641	347	1,294
8	2,896	1,741	1,155	1,660	363	1,297
15	2,807	1,709	1,098	1,658	360	1,298
22	2,801	1,717	1,084	1,623	358	1,265
29	2,779	1,792	987	1,617	361	1,256
Apr. 5	2,806	1,737	1,069	1,620	358	1,262
12	2,750	1,695	1,055	1,624	363	1,261
19	2,648	1,653	995	1,645	373	1,272
26	2,688	1,677	1,011	1,654	369	1,285
May 3	2,610	1,618	992	1,654	368	1,286
10	2,571	1,612	959	1,659	357	1,302
17	2,485	1,557	928	1,670	362	1,308
24	2,446	1,564	882	1,662	366	1,296
31	2,450	1,472	978	1,675	362	1,313
June 7	2,413	1,513	900	1,702	374	1,328
14	2,346	1,499	847	1,694	366	1,328
21	2,268	1,439	829	1,685	357	1,328
28	2,296	1,422	874	1,680	353	1,327
July 5	2,238	1,298	940	1,671	336	1,335
12	2,217	1,347	870	1,667	331	1,336
19	2,304	1,384	920	1,715	368	1,347
26	2,327	1,426	901	1,692	340	1,352
Aug. 2	2,381	1,433	948	1,693	334	1,359
9	2,481	1,516	965	1,694	320	1,374
16	2,430	1,522	908	1,705	316	1,389
23	2,520	1,518	1,002	1,706	317	1,389
30	2,372	1,543	829	1,693	303	1,390
Sept. 6	2,439	1,530	909	1,707	303	1,404
13	2,412	1,496	916	1,722	312	1,410
20	2,327	1,487	840	1,712	301	1,411
27	2,264	1,466	798	1,709	299	1,410
Oct. 4	2,176	1,386	790	1,718	295	1,423
11	2,224	1,390	834	1,717	295	1,422
18	2,249	1,446	803	1,750	307	1,443
25	2,247	1,448	799	1,743	304	1,439
Nov. 1	2,414	1,514	900	1,715	296	1,419
8	2,387	1,566	821	1,700	297	1,403
15	2,442	1,591	851	1,748	296	1,452
22	2,412	1,652	760	1,755	301	1,454
29	2,489	1,641	848	1,774	308	1,466
Dec. 6	2,567	1,670	897	1,774	309	1,465
13	2,563	1,639	924	1,787	309	1,478
20	2,653	1,726	927	1,787	309	1,478
27	2,598	1,674	924	1,783	306	1,477

NOTE.—Amounts sold under repurchase agreement are excluded. Figures include small amounts sold by banks other than large weekly reporting banks.

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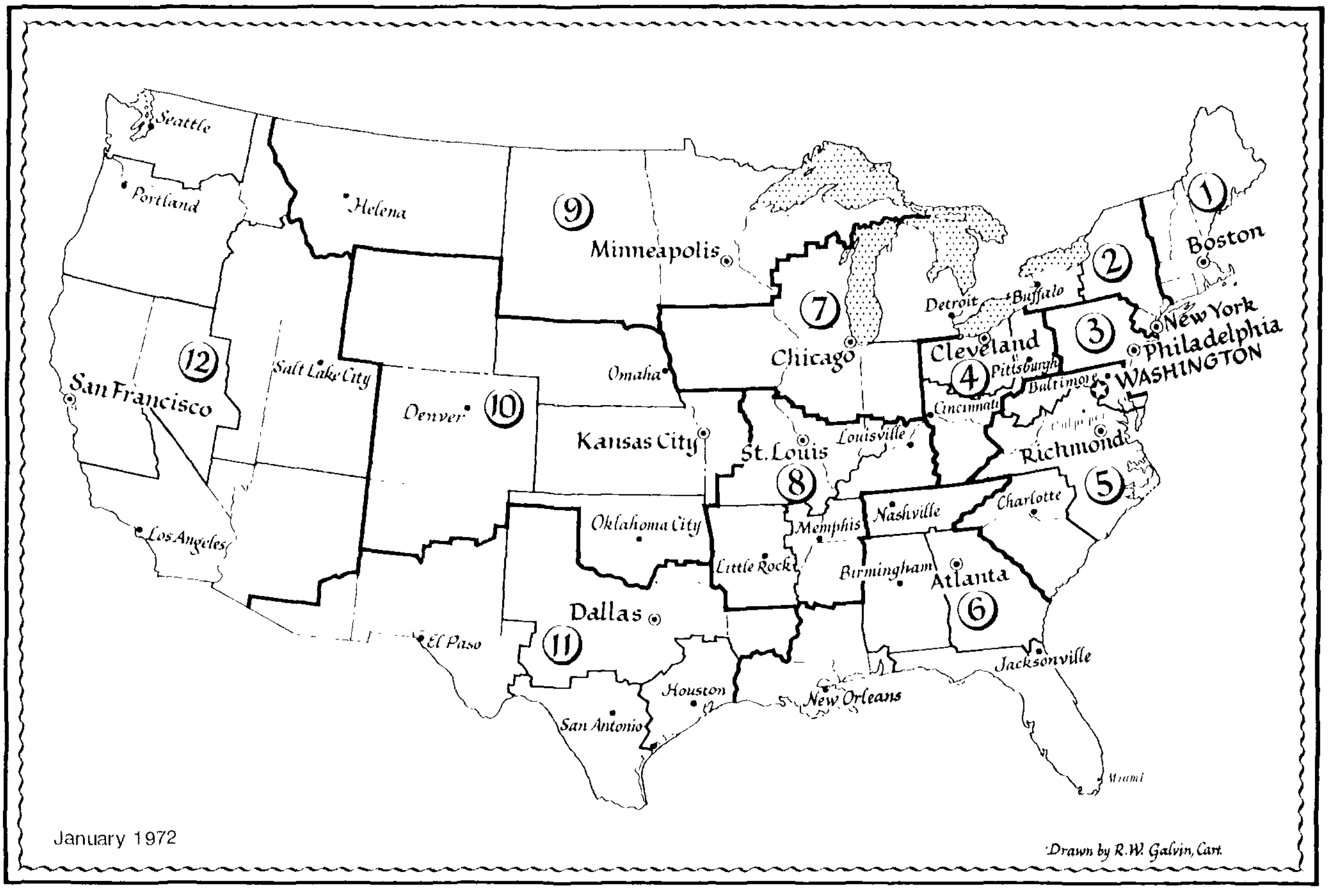
(References are to pages A-4 through A-114 although the prefix "A" is omitted in this index)

BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



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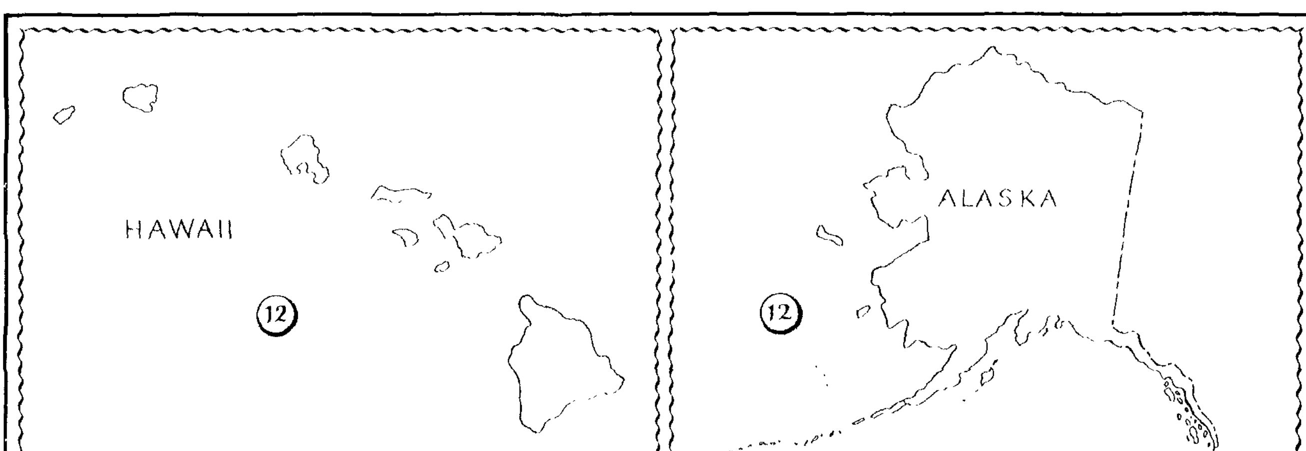

Legend

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