FEDERAL RESERVE
BULLETIN

MAY 1974

A copy of the Federal Reserve Bulletin is sent to each member bank without charge; member banks desiring additional copies may secure them at a special $2.00 annual rate. The regular subscription price in the United States and its possessions, Bolivia, Canada, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, Guatemala, Haiti, Republic of Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, El Salvador, Uruguay, and Venezuela is $6.00 per annum or 60 cents per copy; elsewhere, $7.00 per annum or 70 cents per copy. Group subscriptions in the United States for 10 or more copies to one address, 50 cents per copy per month, or $5.00 for 12 months.

The Bulletin may be obtained from the Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D. C. 20551, and remittance should be made payable to the order of the Board of Governors of the Federal Reserve System in a form collectible at par in U. S. currency. (Stamps and coupons not accepted.)

COVER: Photograph of the Constitution Avenue entrance of the Federal Reserve Building in Washington, D.C. The building, completed in 1937, houses the Board of Governors of the Federal Reserve System and its staff. In the two-tone reproduction of the photograph, the gray color is printed as a combined "line conversion" with a light value halftone and the orange is overprinted with a darker value halftone.

FEDERAL RESERVE BULLETIN

NUMBER 5 □ VOLUME 60 □ MAY 1974

CONTENTS

The Federal Reserve BULLETIN is issued monthly under the direction of the staff editorial committee. This committee is responsible for opinions expressed except in official statements and signed articles. Direction for the art work is provided by Mack Rowe.

Financial Developments in the First Quarter of 1974

This report, which was sent to the Joint Economic Committee of the U.S. Congress, highlights the important developments in financial markets during the winter and early spring.[1]

Real gross national product declined during the first quarter of 1974, in large part because of the direct and indirect effects of the fuel shortage. At the same time, rapid inflation raised current-dollar expenditures and sharply increased the book values of inventories to be financed, and it was accompanied by intense business demands for credit. Interest rates, which had declined in January and in early February, began rising around the middle of the quarter as credit demands swelled and the Federal Reserve restricted reserve availability in order to resist excessive growth of the monetary aggregates. On balance, short-term rates were little changed over the 3 months, but long-term rates, with the exception of those on mortgages, rose significantly and exceeded the peaks reached in the summer of 1973. Short- and long-term rates rose considerably further in April, and the Federal Reserve discount rate was raised to 8 per cent on April 24.

The narrowly defined money stock, M_1, contracted slightly in January, but expanded rapidly in February and March, recording a 6.7 per cent seasonally adjusted annual rate of growth from the fourth quarter to the first quarter. The broader measures of the money stock, M_2 and M_3, grew at more rapid rates, owing to the continued strength of consumer-type time and savings deposits at commercial banks and nonbank thrift institutions. In seeking lendable funds, banks also made increased use of large negotiable certificates of deposit (CD's) and nondeposit sources.

[1] The report incorporates revisions in money stock and related measures based on new benchmark data for nonmember banks, as well as benchmark adjustments and seasonal factor revisions for deposits at nonbank thrift institutions.

MONETARY AGGREGATES

Between December and March, nonborrowed and total reserves rose at annual rates of less than 2 per cent, the slowest quarterly growth in more than a year. Although reserves available to support private nonbank deposits (RPD's) expanded faster than in the final quarter of 1973, most of the RPD increase went to support growth of large CD's and nondeposit liabilities.

As the quarter progressed, banks reduced their holdings of excess reserves and sought additional reserves through borrowings from Federal Reserve Banks and from other commercial banks. The Federal funds rate—the cost of reserves lent by one bank to another—began to rise in mid-February, after having declined moderately since the preceding October. By the end of March the rate reached almost 10 per cent, and it continued upward in April.

Measured on a quarterly average basis, M_1 (currency plus private demand deposits) expanded at a 6.7 per cent annual rate in the first 3 months of 1974, slightly above the 6.3 per cent rate for

TABLE 1

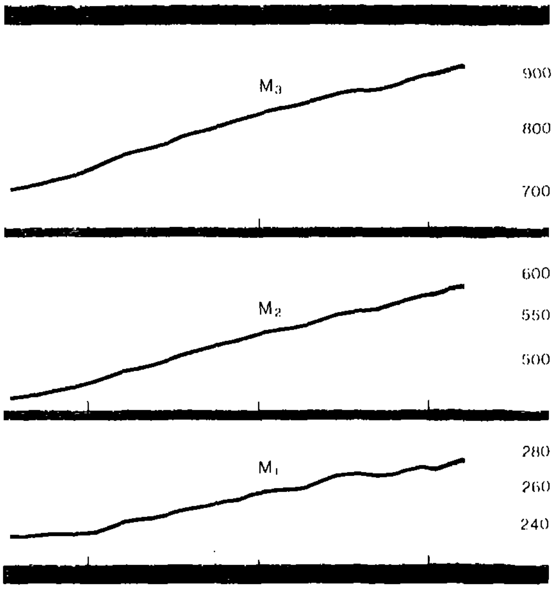
CHANGES IN SELECTED MONETARY AGGREGATES

In per cent, quarterly figures are seasonally adjusted annual rates

Item	1972	1973	1973 Q2	1973 Q3	1973 Q4	1974 Q1
Member bank reserves						
Total	10.6	7.8	6.9	10.6	6.1	1.7
Nonborrowed	7.7	7.2	7.0	11.3	13.4	1.5
Available to support private nonbank deposits[1]	10.1	9.3	12.5	14.2	1.4	6.2
Concepts of money[2] *calculated from*						
End-month of quarter:						
M_1	8.7	6.1	11.5	..	8.9	7.1
M_2	11.1	8.9	11.1	5.3	11.0	9.9
M_3	13.0	8.8	10.6	5.1	9.8	9.4
Quarterly average:						
M_1	7.7	6.3	7.5	5.6	4.5	6.7
M_2	10.9	8.9	8.8	7.9	8.9	9.9
M_3	12.9	8.9	9.0	7.5	7.9	9.4
Time and savings deposits at						
Commercial banks (other than large CD's)	13.5	11.4	10.6	10.6	12.6	12.5
Nonbank thrift institutions	16.6	8.6	9.7	4.6	7.6	8.6
Bank credit proxy, adjusted[3]	11.6	10.6	12.6	10.5	3.3	8.5
MEMO (Change in billions of *dollars, seasonally adjusted*)						
Large CD's	10.4	19.4	7.4	1.7	3.9	4.9
U.S. Government demand deposits at member banks	---	1.2	2.3	.3	.1	1.2

[1] Total reserves less required reserves for U.S. Government and interbank deposits.
[2] M_1 is currency plus private demand deposits adjusted
M_2 is M_1 plus bank time and savings deposits adjusted other than large CD's.
M_3 is M_2 *plus deposits at mutual savings* banks and savings and loan associations.
[3] Total member bank deposits plus funds provided by Euro dollar borrowings and bank-related commercial paper.
NOTE. Changes are calculated from the average amounts outstanding in the last month of each quarter, except the quarterly average calculation of concepts of money, which are based on changes in the average amounts outstanding for a quarter. Annual rates of growth of reserves have been adjusted for changes in reserve requirements.

CHART 1 **CONCEPTS OF MONEY**



Seasonally adjusted monthly averages.
M_1 is currency plus private demand deposits adjusted.
M_2 is M_1 plus commercial bank time and savings deposits adjusted other than large CD's.
M_3 is M_2 plus deposits at mutual savings banks and savings and loan associations.

all of 1973. On an end-month-of-quarter basis, the December to March expansion of M_1 was at a 7.1 per cent annual rate. Although the end-month-of-quarter measure frequently is a more sensitive indicator of short-run movements of the money stock, the quarterly average rate is comparable, analytically, with the measurement of other economic aggregates such as GNP.

The month-to-month behavior of M_1 during the first quarter of 1974 was quite erratic, owing in part to special factors. For example, a holiday-related build-up of deposits of foreign banks that had raised M_1 in late December reversed itself in January. In February and in March, sizable income tax refunds and a net redemption of maturing Treasury debt resulted in an abrupt shift of demand deposit ownership from the Government to the private sector.

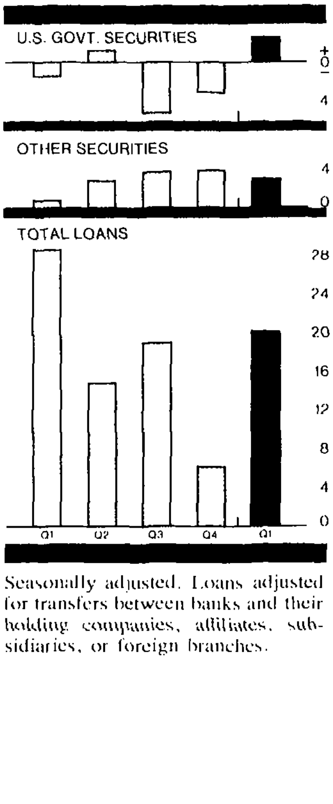
Bank time and savings deposits other than large CD's grew rapidly, particularly in January and February, boosting M_2 growth for the quarter to a 9.9 per cent annual rate. Inflows to 4-year certificates accounted for a substantial proportion of consumer-type deposit growth at commercial banks. The same was true at nonbank thrift institutions, where deposits rose moderately and contributed to M_3 growth at a 9.4 per cent annual rate in the first quarter.

In the latter part of the quarter, when business loan demands surged, commercial banks greatly increased their reliance on sales of large CD's in order to obtain lendable funds. In addition, banks borrowed more heavily from their foreign branches, taking advantage of relatively low Euro-dollar rates. They also sold assets to bank holding company affiliates, which had acquired funds in the commercial paper market.

BANK USES OF FUNDS

Total loans and investments of commercial banks expanded rapidly between December and March, but the composition of bank credit growth shifted as the quarter progressed. Prior to the sharp jump in business loans during March, bank credit growth was buoyed by substantial increases, on a seasonally adjusted basis, in bank holdings of U.S. Treasury and other securities. Growth of real estate loans slackened further in the first quarter, but less so than did consumer loan growth. The relative weakness of these two loan categories reflects the fact that residential construction and consumer durables (especially autos) accounted for much of the first-quarter decline in real GNP.

BANK CREDIT
COMPONENTS



Seasonally adjusted. Loans adjusted for transfers between banks and their holding companies, affiliates, subsidiaries, or foreign branches.

Total short-term business borrowings, as measured by the sum of bank commercial and industrial loans and dealer-placed commercial paper, grew at an average annual rate of 25 per cent between December and March. The causes of the exceptional strength of over-all business credit demands throughout the quarter are not as yet completely clear, but it appears that requirements for the financing of inventories and accounts receivable played a major role. To a degree, the large increase in book values of inventories simply reflected the process of replacing depleted stocks with higher-priced goods. In many instances, however, the physical volume of inventories expanded as well. In industries most adversely affected by the energy shortage this accumulation was involuntary, but firms in other industries added voluntarily to stocks of raw materials and supplies in anticipation of further price rises and shortages. Another factor boosting short-term credit demands in the latter part of the quarter was postponements and cancellations

TABLE 2

RATE SPREADS AND CHANGES IN BUSINESS LOANS AND COMMERCIAL PAPER

Month	Prime rate less 30-59-day commercial paper rate (per cent)	Amounts[1]			Annual percentage rate of change in total[3]
		Business loans at all commercial banks[2]	Dealer placed commercial paper	Total	
1974 Jan.	.42	2.2	1.6	3.8	26.7
Feb.	.85	1.3	1.7	3.0	20.6
Mar.	.07	5.7	2.1	3.6	24.3

[1] Seasonally adjusted changes, in billions of dollars, based on last Wednesday-of-month data.
[2] Adjusted for outstanding amounts of loans sold to affiliates.
[3] Measured from end-of-month to end-of-month.

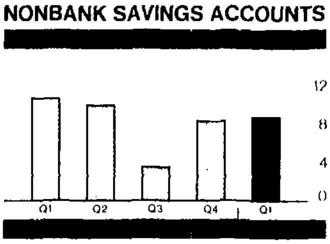
of planned bond issues, because of the rise in long-term rates. Finally, there is some evidence that the uneven performance of earnings among industry groups resulted in cash-flow problems for individual firms that necessitated additional external financing.

The fact that business credit demands were so heavily directed toward commercial banks in March seems to have been caused by the lag in increases in the bank prime rate as compared with commercial paper rates. As commercial paper became the more expensive source of funds, corporations paid down outstanding paper and drew upon bank lines of credit.

NONBANK INTERMEDIARIES AND MORTGAGE MARKETS

Deposits at savings and loan associations and mutual savings banks grew at a seasonally adjusted annual rate of 8.7 per cent between December and March, maintaining essentially the same rate of gain as over the preceding 3-month period. Higher-yielding certificate deposits continued to account for all of the growth in total deposits; passbook savings remained well below the peak recorded last spring, prior to the increase in deposit rate ceilings in July. The inflows of new money were strongest early in the quarter, and during January and February the thrift institutions were able to reduce their indebtedness, to increase their holdings of liquid assets, and to halt the year-long downtrend in mortgage loan commitments outstanding.

NONBANK SAVINGS ACCOUNTS



Seasonally adjusted.

With the rise in interest rates on market instruments in the latter part of the quarter, net inflows of new money slackened, and borrowing from the Federal home loan banks picked up. In early April, mutual savings banks in New York City experienced significant deposit losses as market rates moved higher. Sample data

TABLE 3
NET CHANGE IN MORTGAGE DEBT OUTSTANDING

In billions of dollars, seasonally adjusted annual rates

Change	1973 Q1	1973 Q2	1973 Q3	1973 Q4	1974 Q1[p]
By type of debt:					
Total	79	76	70	57	58
Residential	59	55	49	37	39
Other[1]	20	21	22	20	19
At selected institutions:					
Commercial banks	17	20	19	16	12
Savings and loans	34	35	25	12	22
Mutual savings banks	6	7	5	4	4
Insurance companies	2	2	5	7	4
FNMA GNMA	2	2	6	3	2

[1]Includes commercial and other nonresidential as well as farm properties.
[p]Partially estimated
NOTE Details may not sum to totals because of rounding.

suggest that savings and loans suffered small deposit outflows, net of interest credited, in the same period.

Net mortgage debt formation remained near the reduced rate of the fourth quarter of last year on a seasonally adjusted basis. Savings and loan associations increased their rate of mortgage acquisition, apparently in part through expanded purchases in the secondary market. Direct and indirect financing by the Federally sponsored credit agencies declined further in the first quarter because private lenders were able to meet the limited demand for mortgage loans in a housing market that continued to suffer from economic and energy-related uncertainties.

FUNDS RAISED IN SECURITIES MARKETS

Corporations seeking long-term funds to finance capital outlays and to improve liquidity ratios placed heavy demands on the capital markets in the first quarter. Bond offerings were the highest in nearly 3 years and might have been even greater had not several large scheduled offerings been canceled after interest rates began to rise in late February and in March. Bond financings by banks and other financial firms, which had increased sharply in the final quarter of 1973, rose further; manufacturers' bond offerings remained close to their elevated fourth-quarter rate. Stock issuance declined from the fourth-quarter rate, reflecting in part the relatively high cost of equity funds in the still depressed stock markets.

TABLE 4
OFFERINGS OF NEW SECURITY ISSUES

In billions of dollars, seasonally adjusted annual rates

Type of issue	1973 Q1	1973 Q2	1973 Q3	1973 Q4	1974 Q1[e]
Corporate securities—Total	34	32	30	38	39
Bonds	17	23	23	26	31
Stocks	16	9	8	12	8
State and local government bonds	23	24	23	26	23

[e] Estimated.
NOTE—Details may not sum to totals because of rounding.

State and local governmental units were also substantial borrowers in the bond markets. Total offerings fell moderately from the fourth-quarter rate and were about the same as in the first quarter of 1973.

Credit demands of the Federal sector eased substantially in the first quarter. The Treasury financed a significant part of its deficit by reducing its cash balances, which were large at the end of December. The Federally sponsored credit agencies had a reduced

TABLE 5

FEDERAL GOVERNMENT BORROWING AND CASH BALANCE

Quarterly totals, in billions of dollars, not seasonally adjusted

Item	1973				1974
	Q1	Q2	Q3	Q4	Q1
Budget surplus, or deficit	9.5	[illegible]	1.1	5.0	7.1
Net cash borrowings, or repayments ( )	8.4	6.5	.7	6.7	3.4
Other means of financing[1]	2.9	1.5	2.5	.4	1.7
Change in cash balance	1.8	.3	4.3	2.1	2.0
MEMO: Net borrowings by Federally sponsored credit agencies[2]	[illegible]	5.0	6.1	3.2	0[3]

[1] Checks issued less checks paid and other accrued items.

[2] Includes debt of the Federal Home Loan Mortgage Corporation, Federal home loan banks, Federal land banks, Federal intermediate credit banks, banks for cooperatives, and FNMA (including discount notes and securities guaranteed by the Government National Mortgage Association).

[3] Estimated.

need for funds primarily because of their sharply limited participation in the mortgage markets. The Federal Home Loan Bank System paid down nearly $1½ billion of maturing debt.

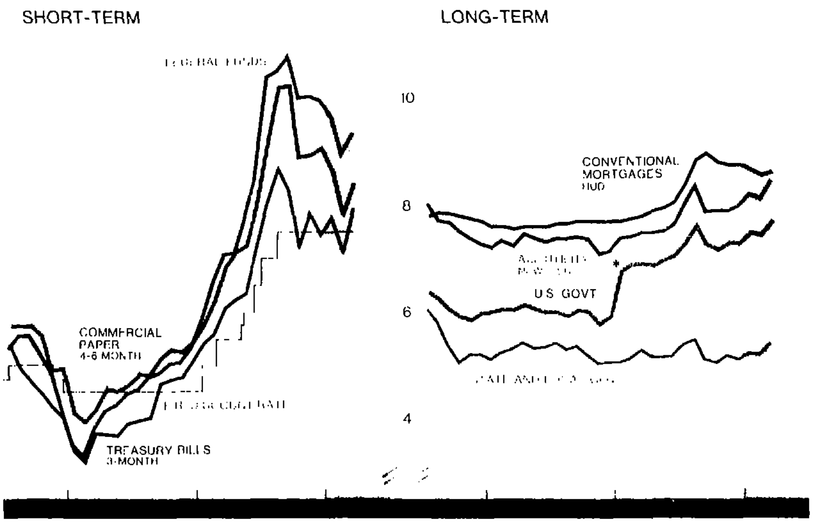
INTEREST RATES

Most private short-term interest rates traced a U-shaped pattern over the first 3 months of the year, declining 1 to 1¼ percentage points between early January and mid-February, and then rising again to finish the quarter roughly unchanged on balance. The initial decline was fostered by an easing of bank reserve positions—reflected in a decline in the Federal funds rate—and by market expectations that the Federal Reserve would be encouraging further rate declines in light of the slowdown in economic activity. This expectation was largely reversed in late February when reserve positions tightened again and the Federal funds rate began to rise. A surge in short-term credit demands by businesses toward the end of March and in April pushed interest rates toward the peak levels reached in the summer of 1973.

Interest rate movements in the long-term debt markets to a considerable degree mirrored those in short-term markets. However, the large calendars of new corporate and State and local government security issues and the persistence of strong inflationary expectations limited the decline in long-term rates in the first part of the quarter. Rates on new high-grade utility issues declined only ¼ of a percentage point before rising by more than 1 point between mid-February and early April. Simultaneously, the *Bond Buyer* municipal bond yield average dipped only slightly before rising ½ of a percentage point by early April. Corporate and Treasury bond yields in April reached their highest levels since 1970.

The continued strength of deposit flows at thrift institutions delayed and limited the impact of changes in market interest rates

CHART 2 INTEREST RATES



*Level of series was affected by issue of new 20 year U.S. Government bond in January.

Monthly averages except for conventional mortgages (based on quotations for one day each month). Yields: U.S. Treasury bills, market yields on 3 month issues; prime commercial paper, dealer offering rates; Conventional mortgages, rates on first mortgages in primary markets, unweighted and rounded to nearest 5 basis points, from Dept. of Housing and Urban Development; Corporate bonds, weighted averages of new publicly offered bonds rated Aaa, Aa, and A by Moody's Investors Service and adjusted to an Aaa utility basis; U.S. Govt. bonds, market yields adjusted to 20-year constant maturity by U.S. Treasury; State and local govt. bonds (20 issues, mixed quality), *Bond Buyer*.

on mortgage rates during the first quarter. The average offering rate on conventional mortgage commitments for new homes declined from 8.75 per cent in late December to 8.55 per cent in late February, and rebounded to only 8.60 per cent by the end of March. The average auction yield on Federal National Mortgage Association forward commitments to purchase Government-insured home mortgages—a more sensitive indicator of mortgage market conditions—declined from 8.71 per cent in mid-January to 8.43 per cent in late February. It remained at 8.44 per cent in early March, and then rose to 8.62 per cent later in the month. In recognition of the rise in mortgage rates, the ceiling rates on mortgages underwritten by the Federal Housing and Veterans Administrations were raised by ¼ of a percentage point in April to 8½ per cent. □

Numerical Specifications of Financial Variables and Their Role in Monetary Policy

The policy record of the Federal Open Market Committee (FOMC) for the meeting held January 21–22, 1974—published in the BULLETIN for April, pages 275–83—differs from earlier policy records in that it contains the numerical specifications that guide open market operations in the period between Committee meetings for the money stock as narrowly defined (M_1), the money stock more broadly defined (M_2), reserves against private nonbank deposits (RPD's), and the Federal funds rate. Specifications adopted at the meeting held on February 20 are contained in the policy record published in this BULLETIN.

Earlier policy records had contained numerical specifications only for RPD's. Following extensive discussion, and in light of the further development of the operating procedures followed by the FOMC, the Committee concluded that it would be appropriate also to publish specifications for other financial variables, beginning with the policy record for the first meeting of 1974.

Specifications for M_1, M_2, and RPD's are expressed as ranges of tolerance covering rates of growth for a 2-month period, including the month of the meeting and the subsequent month. For the January meeting, these specifications cover the January–February period; for the February meeting, they cover the February–March period. The 2-month ranges of tolerance for aggregates adopted at these two meetings are tabulated on page 335.

For the Federal funds rate (the day-to-day interest cost of reserves borrowed by banks from each other) the specifications are expressed as a range for weekly average levels during the period until the next meeting. In January it was decided that the weekly average Federal funds rate would be permitted to vary in an orderly fashion between 8¾ and 10 per cent until the February meeting; in February the range adopted was from 8¼ to 9½ per cent. These ranges were considered to be consistent with guidelines for the monetary aggregates.

While these short-run specifications guide the System Account Manager in the conduct of open market operations between Committee meetings, they are determined in the context of the Committee's longer-run objectives for monetary aggregates and credit conditions generally. The longer-run financial objectives, in turn, reflect the basic posture of monetary policy as it contributes to achievement of national goals for economic activity, the general price level, and the balance of payments.

LONGER-RUN GOALS

The Committee discusses, and if necessary resets, its longer-run financial objectives at each meeting. In developing these objectives, the Committee is aided by staff presentations of the current economic outlook and, as conditions change, of the differential impacts of alternative monetary policies on economic activity, the general level of prices, unemployment, and the balance of payments. Analysis of the economic outlook and of the implication of alternative policy assumptions makes use of econometric techniques as well as judgmental evaluation of current economic relationships. The analysis takes into account the latest economic evidence on prices, production, employment, and spending; evaluates the impact of fiscal and other governmental policies (such as wage-price controls or housing-support programs); and assesses the relation of economic activity abroad, the balance of payments, and exchange market developments to domestic economic activity and prices.

After a full Committee discussion—in which individual members present their own assessment of the economic outlook and how financial objectives might be adapted to achieve national goals—a set of longer-run financial objectives is adopted. These objectives are usually expressed as growth rates for money and credit aggregates over a period of 6 months or so. They also involve expectations as to associated developments in over-all credit market conditions.

Over the years the monetary aggregates, especially the money stock, have been given increased weight in the formulation of financial objectives. This has the advantage of providing a measure of protection against unexpected, and undesired, shifts in the demand for goods and services. If demands for goods and services, and the accompanying transaction demands for money, turn out to be stronger than desired, the rise in interest rates that would result from efforts to restrain growth in the aggregates would work toward moderating the unexpected strength in spending. On the other hand if demands are weaker than desired, the drop in interest rates that would result from efforts to maintain monetary growth would work to strengthen spending.

The Committee has recognized, however, that the rates of growth in the monetary aggregates that will contribute to attainment of the Nation's economic objectives will vary with economic and financial conditions. The relationship between growth in the monetary aggregates—and especially any particular aggregate such as the narrowly defined money stock—and ultimate economic objectives is itself complex and uncertain. The public's demands for cash or liquidity at any given level of income may shift—as a result, for example, of financial innovations (such as the development of large certificates of deposits (CD's)) or of a changed attitude toward inflation. Or, the volume of spending by business, consumers, or home buyers in response to emerging credit conditions may be unexpectedly strong or weak. Under such circumstances, a modification of policy toward monetary aggregates would be needed to avert the undesirable effects on economic activity that would be associated with excessive tightness or ease in credit markets.

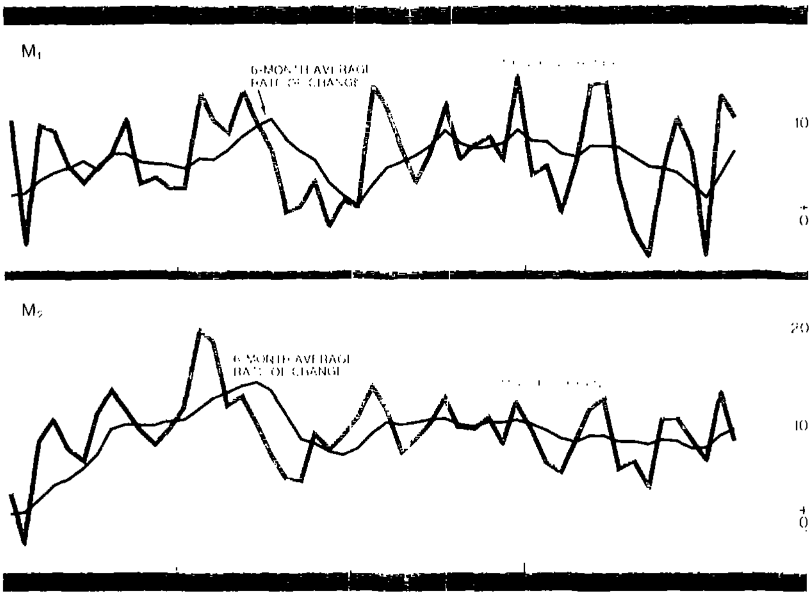
MONETARY AGGREGATES IN THE SHORT RUN

While basic monetary objectives are established for longer-run periods, open market operations require shorter-run guides for purposes of carrying out day-to-day open market operations in the interval between Committee meetings. Monetary aggregates are included among these guides, but their operating role is complicated by the fact that their growth rates tend to be highly variable in the short run, often in unexpected ways. This is because the public's cash inflows and need for credit are quite volatile. In part this is the natural outgrowth of huge flows of funds—some of which may be delayed, and others accelerated, relative to normal—in a large, complex economy such as ours. Thus, the basic thrust of monetary policy is not indicated by monthly, or even bimonthly, changes in monetary aggregates. Rather, these must be averaged out over a longer period of 6 months or so in evaluating the course of monetary policy. The accompanying chart shows how volatile monthly changes in money compare with 6-month average rates of change.

The inherent short-run volatility of the monetary aggregates is one reason why the Committee expresses its short-run guides in terms of ranges of tolerance. In practice, these ranges may vary considerably from month to month. In any particular month, they may be higher or lower than longer-run objectives for the aggregates. This may reflect transitory factors that are influencing money but that are expected to be self-correcting, as for instance, when a sharp drop in U.S. Government deposits results in temporary bulges in private demand balances before the funds are invested in other assets by the holders.

Another reason why short-run guides may differ from longer-run objectives is that there are lags between open market operations and money growth. When current rates of growth in money are relatively high or low, a few months may be required to bring the rates of growth back to levels more consonant with longer-run objectives if associated changes in money market conditions and interest rates gen-

MONEY STOCK MEASURES



Seasonally adjusted annual rates

erally are to be effected in an orderly fashion. This results from the fact that changes in the public's demand for money tend to lag behind the changes in interest rates that make it more or less desirable to hold cash.

The Committee's ranges of tolerance can be made wider or narrower, shaded on the high or low sides, depending on economic and financial circumstances. For example, the 2-month operating ranges might be widened by reducing the low side if a rapid growth in the aggregates had been experienced over the past several months. Thus, the System Account Manager under the circumstances would in effect be instructed to permit a sizable drop in rates of growth in the aggregates over the short term without setting in motion offsetting procedures.

Despite the use of ranges in specifications, experience has shown that large, short-run, and often transitory changes in the monetary and reserve aggregates will frequently result in 2-month rates of growth that are outside the Committee's ranges of tolerance for at least some of the aggregates. There may be unforeseen special factors that are influencing short-term rates of growth. The money stock, for example, may be temporarily affected by unexpectedly large changes in U.S. Government deposits or sizable international flows of funds. The relationship between RPD's and money stock aggregates can also diverge from expectations because banks issue more or fewer large negotiable CD's than anticipated (which, as money market instruments, are not included in the definition of either M_1 or M_2 but are required to be supported by reserves) or hold more or less excess reserves than expected (which are part of RPD's). Or the relationship between M_1 and M_2 can diverge from expectations because of shifts in the public's preferences for cash — currency and demand deposits — as compared with time and savings deposits (other than large CD's).

A comparison of the ranges of tolerance adopted for the aggregates at the January and February meetings of the FOMC with actual results, shown in the tabulation below, illus-

	January–February		February–March	
	Range of tolerance	Actual	Range of tolerance	Actual
M_1	3–6	4.7	6½–9½	11.8
M_2	6–9	9.9	9½–12½	10.9
RPD's	4¾–7¾	3.3	3½–6½	5.8

trates the inherent variability of these relationships. All figures represent annual percentage rates of change.

Ranges of tolerance for M_1 and M_2 for February–March were higher than for January–February. The higher range of tolerance for M_1 for the February–March period was believed to be consistent with longer-range objectives. It was set in light of the decline that had occurred in M_1 in January. Thus, a relatively high growth rate was required in February–March to compensate for the shortfall. Moreover, it was anticipated that the high growth rate would be temporary, because a decline in U.S. Government deposits was expected to have a transitory upward impact on M_1 growth in February and thereby on the February–March average.

As it happened, growth in M_1 for the February–March period turned out to be well above the upper limits of its range of tolerance, as February growth was influenced by a much sharper-than-anticipated drop in U.S. Government deposits and as growth remained strong in March. At the same time the growth in RPD's was in the upper half of its range of tolerance and growth in M_2 was at the midpoint. In January–February, by contrast, M_1 had been around the midpoint, while M_2 had been above the upper limit and RPD's below the lower limit of their tolerance ranges.

The Committee has recognized the great difficulty in achieving very short-term control over the monetary aggregates. A memorandum submitted by Chairman Burns in connection with hearings held by the Joint Economic Committee of the U.S. Congress on June 27, 1973, discussed the problems encountered in controlling the money stock, particularly in the short run. This memorandum also noted that ". . . precise control of very short-term fluctuations in money is comparatively unimportant, since only the longer-lasting changes in money supply appear to have much economic significance."

The short-run ranges of tolerance are general guides for the conduct of open market policy in inter-meeting periods. If significant inconsistencies develop among the various short-run operating variables, the Chairman of the FOMC is promptly notified and he may call on the Committee to consider modifying its instructions. The Committee's instructions were modified twice following the February 1974 meeting, as explained in the policy record for that meeting published in this BULLETIN. These modifications affected the extent to which the System Account Manager adjusted reserve-supplying operations, with implications for the degree of tightness in money market conditions, in light of the tendency for the aggregates, particularly M_1, to strengthen relative to the ranges of tolerance and in light of the sensitive state of financial markets in the aftermath of a large Treasury refunding.

ROLE OF MONEY MARKET CONDITIONS

Operating procedures of the Federal Open Market Committee have evolved over time. For a number of years money market conditions—defined to include the Federal funds rate and member bank borrowing from Federal Reserve Banks, among other indicators—were taken as the primary guide for day-to-day open market operations. In the 1970's, increased emphasis has been given to monetary aggregates, principally measures of the money stock. In 1972 the FOMC introduced, on an experimental basis, reserves against private nonbank deposits as a guide to reserve provision in the interim between Committee meetings.

With the increased emphasis on reserves and other aggregates, it was expected that money market conditions might fluctuate more widely from day to day than they had in the past, since open market operations would be somewhat more responsive to current changes in the aggregates in order to guard against the development of cumulative overshoots or shortfalls in monetary growth. On the other hand, because of the demonstrated volatility in the aggregates, it was recognized that changes in reserve availability and in money market conditions would need to be effected gradually—avoiding large and abrupt responses to unexpected changes in the aggregates, since these might in any event prove to be self-correcting.

There is little reason to permit sharp short-run swings in interest rates (for example, 4 or 5 percentage points over a month or so) in an effort to smooth out temporary variations in money and credit demand. Such extreme swings, and the associated uncertainties as to credit conditions generally, could reduce the efficiency with which financial markets function and tend to increase financing costs to ultimate borrowers.

The range for the Federal funds rate indicates, in terms of the money market, the extent to which conditions of reserve availability may be adjusted in the period between FOMC meetings, although the Committee may, of course, agree to change the instructions during the intermeeting period. When the Federal Reserve Trading Desk increases the volume of bank reserves by buying securities, the initial effect is to exert downward pressure on the Federal funds rate and on short-term interest rates more generally. On the other hand, when the Trading Desk holds back on reserve provision, the money market tightens.

The range of the Federal funds rate may be narrower or wider, depending on circumstances. If the FOMC is most concerned with moving monetary aggregates back fairly promptly toward longer-run goals, it may specify a wider range for the funds rate than it would otherwise. A narrow range for that rate limits the ability of open market operations to work against an unduly large or small growth in the aggregates. On the other hand, the range for the funds rate may be narrowed at times when there is reason to believe that a greater degree of stability in credit markets needs to be assured—for example, when financial markets are being buffeted by extreme pressures reflecting sudden shifts in flows of funds or in expectations.

The extent to which money market conditions are permitted to fluctuate in the short run is also affected by the unique role of the Federal Reserve System as the Nation's lender of last resort. Liquidity pressures ultimately devolve on the money market, and the Federal Reserve has a responsibility for maintaining orderly conditions in that market.

The numerical specifications for the various short-run operating guides now published reflect the evolution of the System's operating procedures. They indicate that weight is given to monetary aggregates, bank reserves, and money market conditions in operations. The relative importance of each of these variables, however, may vary considerably, depending on the particular economic and financial circumstances that monetary policy appears to be confronting. □

Open Market Operations in 1973

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

The Federal Reserve implemented an active policy of restraint during 1973 to counter the powerful resurgence of inflationary pressures in the economy. The System moved forcefully to limit monetary growth through the conduct of open market operations and through several regulatory changes, bringing short-term rates of interest to unprecedented levels by the summer. The Federal Open Market Committee (FOMC) continued to express its policy intent in terms of quantitative objectives for the deposit and reserve aggregates, although these targets were frequently qualified by concern for domestic financial markets and the international financial situation. The M_1 definition of the money stock—demand deposits and currency in the hands of the public—remained the central focus of policy formulation and implementation. The Committee lowered its longer-run objective for M_1 a number of times during the year in response to the acceleration of demands on the limited capacity of the economy.

The Committee's quantitative objectives for the aggregates continue to be framed with a view to the long-range economic outlook. They are changed relatively infrequently, and reflect the leverage the Committee seeks to exert on underlying economic forces. The FOMC's operational instructions to the Manager convey the thrust of its policy intent and specify a response to emerging patterns of monetary growth. In 1973, the Committee continued its practice of using 2-month tolerance ranges[1] for the deposit and reserve aggregates to generate modifications in the Manager's weekly nonborrowed reserve targets. The tolerance range for growth in reserves to support private deposits (RPD's) was designed to foster the desired growth of M_1 and M_2—M_1 plus time and savings deposits other than large negotiable certificates of deposit (CD's). In practice, the relation between RPD's and these two aggregates often proved hard to predict, leading to somewhat more emphasis on the underlying behavior of the aggregates themselves.

The Committee's instructions to the Manager involved (1) specifying his response to incoming information on the aggregates and (2) specifying a range within which the Federal funds rate was allowed to move in the period between meetings. When the aggregates were strong relative to their prescribed ranges, the Manager was to restrain nonborrowed reserves so that the Federal funds rate would rise, and conversely when the aggregates were weak. Unduly sharp fluctuations in money market conditions were to be avoided.

The Committee's operational strategy, as implemented by the Manager, initiates a series of reactions in the banking system and in the financial markets. Market participants' assessments of the economic outlook interact with anticipations of monetary policy's likely response to these prospects. Participants have developed a heightened awareness of the System's use of quantitative targets in recent years. They seek to anticipate System-engineered changes in reserve availability and in the Federal funds rate in making trading decisions and portfolio adjustments. These expectations and reactions, together with the institutional setting and underlying economic forces, act as major determinants of monetary and credit flows.

The interplay between the various factors in the monetary process rarely results in smooth growth of the aggregates. In 1973, the narrow

[1] Alan R. Holmes, "Open Market Operations in 1972," Federal Reserve BULLETIN, June 1973, pp. 405–16.

money stock, M_1, increased by 5.7 per cent.[2] While this reflects a moderation from growth in 1972, the quarterly changes were remarkably diverse and often not indicative of underlying economic trends. M_2 expanded at an 8.6 per cent rate. The slower growth compared with the previous year was mainly related to the deceleration in M_1; an upward revision of Regulation Q ceilings in early summer and a temporary suspension of the interest rate constraint on 4-year or longer time deposits in denominations of more than $1,000 sustained the inflow of such deposits at commercial banks.

Of far greater import for both the pattern of interest rates and credit flows was the absence of interest rate ceilings on large CD's during a period of monetary stringency. Demands on the banking system were bolstered during part of the year by the feverish speculative activity in the foreign exchange markets and shifts of borrowers out of the commercial paper market. The adjusted credit proxy, a more inclusive measure of member bank deposit liabilities, registered a 10.6 per cent gain as banks accommodated enormous loan demands over the first two-thirds of the year. Partly for this reason, RPD's increased by 9.2 per cent over the year, well above the growth in M_1. Total loans and investments at all commercial banks rose by 12.6 per cent, just a bit below the 14.6 per cent expansion in 1972.

1973—AN OVERVIEW

The FOMC's policy over the year. In setting its long-run goals for the aggregates, the Committee initially sought to offset the overly rapid monetary expansion of 1972. The surge in spending and the bleak outlook for prices encouraged it to emphasize monetary restraint. At its March meeting, the FOMC lowered its longer-run objective for growth in M_1, and it retained an objective of moderate growth over the remainder of the year.

The Committee's reaction to deviations in money stock growth from the long-run path was influenced by its consideration of shifts in the underlying economic situation. Given continuing indications of a booming economy and the strength shown by the broad measures of the aggregates, it avoided a significant easing of money market conditions after M_1 decelerated in the first quarter. In the spring, the FOMC moved promptly to resist the renewal of rapid monetary growth, which brought expansion in M_1 to an unexpectedly strong 11.9 per cent growth rate in the second quarter from 3.8 per cent in the first. The Committee resisted accommodating the cumulation of bank demands for reserves in the spring and summer by permitting the Federal funds rate to rise more rapidly and even further than originally contemplated at its meetings. It maintained this posture and accepted an emerging shortfall of M_1 growth toward the end of the summer as inflationary pressures persisted.

The Committee began to temper its approach as the cumulative impact of increasing restraint, including sharply higher interest rates, was expected to keep monetary growth weak. It appeared toward the end of the third quarter that the "no growth" quarter just ended would be followed by further sluggishness in the final quarter. The staff suggested that delays in responding to this weakness could require increasingly sharp short-run adjustments to return M_1 to a longer-run path of moderate expansion. The Committee's desire to get back on this moderate growth path was also a response to signs that expansion in real output would slow slightly in the fourth quarter and slacken further in the first half of 1974. Concern that the Mideast oil embargo would significantly worsen these prospects mounted as the year drew to a close. At the same time, growth in the money stock rebounded to a 7.5 per cent rate in the final quarter of the year and the Committee moved cautiously in light of these contrary forces.

The FOMC's operational instructions to the manager over the year. The FOMC stipulated explicit responses to the behavior of the aggregates during the year, underscoring its basic policy intent by adjusting its tolerance

[2] The data on the aggregates in this introductory section reflect the annual revision of the series published in early 1974. The data used subsequently in describing operations during the year are those available at the time.

ranges for RPD's and the aggregates. At its first three meetings of the year and again in June, the Committee reduced the lower ends of the ranges suggested by the staff as consistent with longer-run objectives. In this way, the FOMC indicated its tolerance of relatively slow growth in the near term and forestalled the possibility of a reduction in the prevailing restraint on bank reserve growth. In August, the Committee reduced the entire suggested range for RPD's to indicate its concern with the rapid pace at which this measure had expanded in previous months. Thereafter, given indications of rather weak money stock growth in the months ahead, the FOMC generally raised the upper ends of the tolerance ranges by modest amounts. This increased the potential for some easing of reserve pressures, an intention that the Committee made explicit at its final meeting of the year.

In its instructions to the Manager, the Committee usually indicated that potential divergence between growth in RPD's and the deposit measures be resolved to reflect the higher priority given to the latter, particularly M_1. In any event, a number of factors weakened the correlation between these measures during the year. Since RPD's incorporate a weighting of the different types of private deposits by their respective percentage reserve requirements, it is particularly sensitive to changes in the composition of deposits and to bank liability management. RPD growth was stimulated relative to M_1 over the first two-thirds of the year by the rapid rise in CD's, which, in turn, reflected the sharp rise in bank loans and the suspension of Regulation Q ceilings in mid-May. The System acted to curtail bank credit and monetary expansion by raising reserve requirements on most demand deposits in early July. It imposed marginal reserve requirements on large CD's to take effect in June and increased them in September, before reducing them to their initial level in early December. However, the momentum of bank credit expansion was strong and this increase in reserve ratios bolstered RPD growth in the summer. When monetary expansion subsequently decelerated, RPD growth slowed. The regulatory amendments were thus a further source of variation in the reserve-deposit multiplier over the year, adding to the fluctuations that typically arose from shifts in the distribution of deposits among the different categories of member banks and changes in bank holdings of excess reserves. In view of the FOMC's concern with attaining its objectives for the deposit measures, the Manager found RPD's of lesser importance in the determination of his response to the emerging patterns of monetary growth.

The Manager's implementation of the FOMC's instructions. Open market operations in the first 3 months of the year increased the pressure on bank reserves and money market conditions in a continuation of the response to overly rapid money stock growth in late 1972. In establishing weekly targets for nonborrowed reserves, the Manager was mindful of the Committee's desire to see an orderly movement in the Federal funds rate. The Federal funds rate rose to 7 per cent by mid-March, an increase of about 150 basis points from the start of the year. The Trading Desk acted to reduce nonborrowed reserve targets in relation to reserve requirements during this period. Member bank use of the discount window climbed by $800 million to $1.9 billion, on average, from December to March. For a time, in March and early April, the aggregates, and M_1 in particular, began to weaken relative to their tolerance range, leading to a pause in the move toward restraint.

Shortly after the April FOMC meeting, growth in the deposit measures appeared to be accelerating and open market operations brought additional pressure on bank reserve positions. Member bank borrowings changed relatively little, on average, but the Federal funds rate responded sharply.[3] The funds rate had reached 8½ per cent by the end of June, when another wave of excessive monetary growth emerged and the Manager moved more aggressively to curtail the expansion of nonborrowed reserves. Enlarged bank demands for reserves, combined

[3] In April, the Federal Reserve began to permit member banks with particularly heavy seasonal reserve outflows to borrow a portion of their reserve needs at the discount window. Since this borrowing privilege is prearranged, it is not included with regular borrowing in this report. Seasonal use of the discount window rose from $5 million to $163 million in August and then declined steadily to $41 million in December.

with some reluctance to increase use of the discount window, caused the Federal funds rate to rise abruptly to over 10 per cent at the beginning of July, a larger increase than had been anticipated at the time. Actions to restrain the availability of nonborrowed reserves continued with little interruption over the summer, although the increase in the average Federal funds rate slowed somewhat, bringing it to 10½ per cent during most of August and 10¾ per cent near the end of that month. The aggregates moved down within their tolerance ranges by early September, and the Manager held his reserve objectives steady until after the September FOMC meeting. While average member bank borrowings rose by an additional $300 million between June and August, it dropped back shortly after the beginning of September, leading to fairly persistent upward pressure on the Federal funds rate.

In response to the FOMC's instructions and weakness in the aggregates, the Manager adopted a more generous approach to the provision of nonborrowed reserves toward the end of September. The Desk provided reserves at a growing pace, and the Federal funds rate, after showing little tendency to decline, moved down to 10 per cent in mid-October. The funds rate rose a bit above 10 per cent in November as M_1 strengthened. But in December the FOMC again voted for a more generous reserve provision, and the rate was just over 9½ per cent at the year-end. While the decline in the Federal funds rate after September was rather modest, the Desk's increased provision of nonborrowed reserves enabled banks to reduce their borrowing to an average of $1.3 billion in the last month of the year from the peak level of $2.1 billion in August.

The securities markets over the year. The intensification of pressures on bank reserve positions in the early part of the year quickly spilled over into the short-term credit markets. Borrowers had strong inducement to switch from open market paper to taking down bank loan commitments as the rise in the bank prime rate was slowed by the activities of the Committee on Interest and Dividends (CID). To help finance loan demand, banks aggressively issued a large volume of CD's.

The rise in CD rates often outdistanced the Federal funds rate, and many banks were reportedly paying 11 per cent for 60- to 89-day prime CD's over most of August and September, more than double the rates offered at the start of the year. Rates on longer CD's adjusted upward after the remaining applicable Regulation Q ceilings were suspended in May, although banks rarely showed an inclination to commit themselves to pay high rates for long periods of time. The introduction of a dual prime rate structure in late April prompted a steady rise in the prime loan rate charged large businesses in the months that followed, bringing it to a record 10 per cent by September. Commercial paper rates were also pushed higher, but activity in this market receded sharply over the first 8 months of the year. Treasury bill rate increases were damped until June by demand from foreign central banks, which periodically depleted dealer inventories. Thereafter, bill rates rose sharply in response to the accelerated rise in the Federal funds rate. The rate on the 3-month issue stood at 9.05 per cent in mid-September, an increase of almost 4 percentage points from the beginning of the year. A series of increases in the Federal Reserve discount rate, which brought this rate to an unprecedented 7½ per cent by mid-August, confirmed the shift to a higher rate structure.

Near the end of September, the Committee's adoption of a less reluctant approach to the reserve provision was followed by a precipitous drop in short-term interest rates. Thereafter, rates fluctuated dramatically in response to conflicting economic developments and changing market assessments of the outlook for System policy. The initial declines were partly eroded by the year-end as the System's moves toward a less restrictive policy stance proved more measured than participants anticipated. Bank offering rates on large CD's fell to as low as 8½ per cent for 3-month maturities by the end of October, but they subsequently moved back to close the year at 9½ per cent. Bank willingness to permit CD's to run off toward the end of the year, in anticipation of further interest rate declines, was facilitated by a shift of borrowers back to the use of commercial paper. Banks reduced the prime rate only marginally, and it thus remained above commercial paper rates in the last 4 months of 1973. Treasury bill rates became particularly volatile, reflecting sensitivity to developments in the foreign exchange markets as well as to domestic monetary influences. The bid rate on the 3-month issue dropped by nearly 200 basis points between early September and early October. Thereafter it rose as high as 8.62 per cent but closed the year at 7.45 per cent.

The long-term debt markets were partly insulated from money market pressures, and yields never reached the levels observed in late 1969 and 1970. The funneling of business credit demands into the banks and sizable internal cash flows, aided by dividend restrictions, kept public offerings of corporate bonds at a modest $13.6 billion in 1973, down $5 billion from the previous year. Bond yields rose moderately through June and then climbed sharply, paralleling the escalation in short-term rates. Yields peaked for the year in early August and then fell sharply, as the view that monetary restraint had reached a plateau set off an anticipatory buying spree. The impact of the Mideast oil embargo on fuel costs and inflation worries generally had a stronger impact on long-term bonds as the year drew to a close and yields rose again. The yield on recent Aaa-utility issues was at 8.10 per cent near the end of December, around ⅞ of a percentage point higher than a year earlier. Trends in the municipal bond market were similar, but yields rose somewhat less toward the year-end as bank interest in tax-exempt securities re-emerged. The *Bond Buyer's* municipal index rose only 5 basis points over 1973 to 5.16 per cent. Government coupon yields generally moved in concert with corporate issues although some additional upward adjustments were related to the Treasury's refinancing of a relatively larger share of 1973 maturities in the long-term bond market. The Treasury's expanded use of long-term borrowing was part of an over-all plan to increase the viability of the long-term Government market by increasing supplies. Over the year, an improvement in the tradability of such issues was apparent.

Treasury cash borrowing fell sharply from $15.3 billion to $7.7 billion during 1973, but sales of Federally sponsored agencies rose by over $10 billion to $14.4 billion. The housing-related agencies became particularly heavy borrowers as the climb in short-term rates eroded deposit flows at the thrift institutions. The steep rise in mortgage commitments from 1970 to early 1973 led to a continued expansion in mortgage lending over the first half of the year. Mortgage rates rose steadily during most of 1973, and rate limitations in a number of States, as well as a drop in thrift institution commitments, limited the growth in mortgage credit toward the end of the year.

JANUARY–MID-APRIL

The Committee's instructions. At its first three meetings of the year, the Committee voted for slower growth in the aggregates over the months ahead than had occurred in the previous 6 months. When the Committee met on January 16, the staff's analysis indicated that it would take time for additional pressure on bank reserve positions to reduce money stock growth from the excessive pace of late 1972. While it was expected that intensified reserve pressures would achieve the moderate expansion in M_1 desired over the months ahead, growth in the near term was expected to remain rapid in view of the accelerated pace of economic activity. The Committee chose tolerance ranges for M_1, M_2, and RPD's that were at least as restrictive as the alternatives presented by the staff and reduced the lower ends of these ranges to indicate its willingness to accept substantially slower growth in the near term. The Committee agreed that open market operations should be directed at restraining reserve growth and anticipated that the Manager would achieve the attendant firming in the money market in advance of the Treasury's February refunding operation.

Money stock growth decelerated sharply in January, but the outlook presented at the February 13 meeting continued to indicate considerable growth in the aggregates over the months ahead. The FOMC again chose more restrictive 2-month tolerance ranges for the aggregates than presented by the staff and anticipated that some additional firming of money market conditions would ensue. Estimates made soon after the meeting indicated that M_1 growth would remain strong while RPD's were beginning to accelerate and were moving above their specified range. In view of this, the Committee agreed on March 1 that the Federal funds rate should be permitted to rise somewhat further than had been contemplated earlier.

By the time of the March 19–20 FOMC meeting, growth in M_1 and M_2 had moderated, although RPD's and credit proxy growth were well above levels previously indicated. In view of recent sharp price increases and evidence suggesting a continuation of overly rapid economic growth, the Committee reduced its longer-run objective for M_1. While RPD growth was expected to remain rapid, the FOMC chose the lowest 2-month ranges suggested for the money stock measures and reduced the bottom ends of the tolerance ranges for all measures. When M_1 and RPD growth decelerated even more because of weaker-than-expected expansion in private demand deposits, a majority of the Committee agreed, on April 11, to avoid an easing of money market conditions in the days before its April meeting.

The Manager's response. The Manager moved promptly after the January FOMC meeting to limit nonborrowed reserve availability. By the end of January, the Federal funds rate had risen to 6⅜ per cent from 5⅞ per cent 2 weeks earlier. Estimates of M_1 growth steadily moved lower, while RPD's were within the range specified for the 2 months ending in February, and the Desk acted to stabilize conditions in the money market during the refunding operation. The Desk adopted a more reluctant approach to the reserve provision soon after the Committee's February meeting, when estimates of M_1 over February and March indicated that growth would remain strong while larger-than-anticipated time deposit expansion was adding to M_2. At the same time, extraordinarily large gains in negotiable CD's brought credit proxy growth well above earlier expectations and pushed RPD's up to a 5 per cent rate, well above the 2.5 per cent top of the range specified for February and March combined. Accordingly, the Manager continued to hold back on the provision of nonborrowed reserves, anticipating that trading in Federal funds would average around 7 per cent in the weeks leading up to the Committee's meeting in March.

The Manager initially continued with the same reserve strategy after the March meeting, expecting the Federal funds rate to remain around 7 per cent. While record expansion in large CD's boosted credit proxy growth above earlier expectations, a weakness in demand deposits began to moderate growth in the money stock measures and in RPD's. As a result, these two measures began to move below their tolerance ranges toward the end of March. In response, Desk operations were directed at encouraging less money market tautness. While the Manager would have ordinarily continued with this shading of reserve objectives, the Committee decided on April 11 to avoid further modifications until the next meeting.

The Account Management encountered difficulty over much of this period in avoiding unduly sharp fluctuations in money market conditions. While member bank borrowings rose considerably, on average, they sometimes varied by as much as $700 million from week to week. Bank response to anticipations of further increases in the Federal funds rate caused them to build up excess reserves early in a statement week, bidding aggressively for Federal funds and using the discount window heavily over the weekend. Substantially easier money market conditions would then emerge when the hoarded reserves were pressed on the market. The Desk often adapted its operations to this pattern, supplying some reserves early in the week and, on occasion, withdrawing them at the end of the statement period.

The securities markets. Developments in the credit markets in the opening months of the year reflected awareness that the System would respond to the persistence of inflation and the strong pace of money stock growth, leading to higher interest rates. Market participants were quick to note the Desk's reluctance to supply reserves as the Federal funds rate rose above previous levels. Two increases of ½ percentage point each in the Federal Reserve discount rate, bringing it to 5½ per cent by the beginning of March, underscored the System's intent.

The emergence of strong loan demand at banks— bolstered by the low level of the prime rate in relation to rising market rates—and the resulting pressures in the CD market also had an impact on the structure of rates. By mid-March rates paid by major banks on CD's maturing in up to 89 days had risen by around 150 basis points to 7⅛ per cent, and Regulation Q ceilings constrained the availability of funds with a longer maturity. Treasury bill rate increases were tempered by the strength of foreign central bank demand, but rates on most issues still rose by well over 100 basis points. The rate on the 3-month issue reached 6.55 per cent in early April but then moved back down to 6.19 per cent when an easier climate emerged in the money market.

In the long-term debt markets, the pull of short-term interest rates and concern over inflation generated an upward adjustment in yields. But expectations of light corporate and Government borrowing demands kept the rise in yields to modest proportions in the first few months of the year. In its February refunding, the Treasury sold a 3½-year, 6½ per cent note priced to yield 6.60 per cent and auctioned $1 billion of a 6¾-year, 6⅝ per cent note that was awarded at an average yield of 6.74 per cent. Interest in the new issues was initially restrained as dealers were anxious about burdensome financing costs. However, demand from foreign central banks soon spilled over into the Treasury coupon sector, and the market improved in the weeks that followed.

Published data showing a deceleration in money stock growth over the first quarter began to outweigh evidence of continued rapid economic expansion in the formulation of interest rate expectations. The less-than-2 per cent growth first reported in M_1 over the 3 months ending in March, generated the view that the System could soon move to stimulate more rapid expansion. The stability of the funds rate around the 7 per cent level was interpreted as an encouraging sign and when the Desk entered the market to make outright purchases of Treasury bills on April 6 with Federal funds trading at 7⅛ per cent—a rate previously thought to be acceptable—a major rally ensued in the securities markets.

The change in attitudes had the most impact on longer-term securities amid dealer efforts to cover short positions. Expectations of continued modest calendars of bond offerings also helped yields retrace earlier increases. The yield on recently offered Aaa-utility issues was 7.47 per cent in mid-April, around 20 basis points above its level at the start of the year. The *Bond Buyer's* index, at 5.07 per cent, was around its early-January average and down 27 basis points from the level of 1 month earlier. At the same time, the confluence of business demands for short-term credit kept money market rates under some pressure. Rates on large CD's and commercial paper thus increased by another 25 to 35 basis points between the March and April meetings. The 3-month Treasury bill rate rose but then fell back to 6.20 per cent, while rates on longer issues began to experience modest declines.

MID-APRIL TO JUNE

The Committee's instructions. At the Committee's April 17 meeting, demands for money were expected to strengthen in the near term, given the transactions needs of a booming economy. At the same time, the staff thought that the previous rise in interest rates would continue to limit money stock growth so that the reserve conditions consistent in the near term with the FOMC's longer-run objective for M_1 could be achieved without further money market pressure. The broad money supply, M_2, and RPD's were anticipated to slow, and the extraordinarily rapid bank credit expansion of previous months also seemed likely to taper off. Against this background, the Committee voted to seek moderate growth in the aggregates over the months ahead, anticipating that the 2-month expansion rates indicated for the reserve and deposit measures would be associated with little change in the Federal funds rate.

In the months that followed, most aggregates measures exhibited excessive strength. The Committee voted in May to seek slower growth in the aggregates over the months ahead than had occurred in the previous half-year. It responded to signs of further acceleration by raising the upper limit of its constraint on the Federal funds rate at its May meeting and twice in the weeks that followed.

The Manager's response. The Manager moved almost immediately after the April FOMC meeting to adopt a more reluctant approach to the reserve provision when it was projected that M_1 and M_2 growth over April and May would move above acceptable ranges. RPD growth, however, fell below its tolerance range, given a shift in the multiplier. The Desk was soon anticipating that the Federal funds rate would rise to around 7½ per cent, compared with about 7 per cent prevailing just prior to the meeting. The success of the Treasury refunding in early May gave no cause for modifying this approach, although the Committee had provided for this possibility in its directive.

At its May 15 meeting, the Committee retained close to the same 2-month acceptable range for M_1 but the range for RPD's was lowered somewhat from the interval specified the month before, given recent experience and the expectation that higher interest rates would soon curb deposit growth. The upper limit placed on the Federal funds rate was raised.

The Account Manager soon found himself pressing against the Federal funds rate constraint as projected M_1 growth accelerated to a 10 per cent rate over May and June. The expansion in M_2 was well above acceptable growth, although shifts in the distribution of deposits worked to keep RPD's just a bit above the 11 per cent upper end of the range established for this measure. In view of these developments, the Committee decided on May 24 and again on June 8 to raise the upper limitation on the Federal funds rate. By the June 18 Committee meeting, the Manager was anticipating reserve conditions consistent with a funds rate of around 8½ per cent.

The Manager's growing reluctance to supply nonborrowed reserves over the period starting with the April meeting became readily apparent in the money market. Member banks became less willing to increase borrowing much above the $1,850 million level reached in March. In this situation, and with deposit levels rising steadily, enlarged demands for reserves pushed the Federal funds rate progressively higher over the 2 months with little interruption.

The securities markets. The emergence of more rapid money stock growth during April quickly generated bond market expectations of increased monetary restraint. These were confirmed by the rise in the Federal funds rate and three rounds of increases in the Federal Reserve discount rate, which brought the rate to 6½ per cent at all Reserve Banks by June 15. Rates in the CD market, spurred by bank demands, led rate increases on other instruments, even though the cost of increasing such liabilities had been stepped up by the Board's action on May 16 to subject them to marginal reserve requirements, a move taken to brake the rapid expansion in bank loans. Although the outlook in the bill market had been improved by substantial Treasury redemptions of maturing issues, it was outweighed by the spreading impact of monetary restraint, and the rate on the 3-month issue rose another 100 basis points to 7.20 per cent by mid-June.

Interest rate expectations began to be affected in June by the belief that the pace of economic activity would soon begin to moderate. In fact, many observers began to suggest that a recession would emerge by the year-end and that the System would move to counter such a development. The response to the growing monetary stringency was thus tempered by some feeling that it could well turn out to be of fairly short duration. For a while, anticipations of stronger administration wage-price control measures also convinced many that the need for prolonged monetary restraint would be reduced. Although the System had suspended the remaining Regulation Q ceilings on large CD's, as part of the broad regulatory package adopted on May 16, banks showed little interest in extending the maturity of these liabilities. Rates on longer-term Treasury bills were still below 7 per cent by mid-June and price declines in the long-term bond markets were moderate despite the further tightening of money market conditions.

Yields on intermediate-term Treasury issues rose prior to the May refunding operation but declined afterward as dealers made good progress in distributing the new issues. The Treasury redeemed $1.65 billion of maturing issues for cash, auctioned $2 billion of 7-year, 6⅞ per cent notes at 7.01 per cent, and $650 million of 25-year, 7 per cent bonds at 7.11 per cent. The bonds were sold at the lowest accepted bid price, the second time that the Treasury had utilized this technique. (In early January, $625 million of a 20-year bond had been sold at a price to yield 6.79 per cent.) Subsequent yield increases were modest, as banks remained generally unwilling to reduce holdings of coupon issues. Over the 2-month period ending in mid-June, the yield on U.S. Government securities maturing in 10 years rose from around 6.70 per cent to 6.90 per cent. The returns on recently offered Aaa-rated corporate utility issues increased by a similar amount to around the 7.60 per cent level reached in mid-March. Reflecting hopes that banks might again become more active participants in the tax-exempt market, the *Bond Buyer's* index, at 5.13 per cent over the first 2 weeks of June, was essentially unchanged from its average in the first half of April. Mortgage yields continued to creep up, and the rates established in the bi-weekly Federal National Mortgage Association auction rose 15 basis points to 8.04 per cent.

JULY–MID-SEPTEMBER

The Committee's instructions. When the Committee met on June 18–19, money stock growth estimated for the second quarter was rapid. The Committee voted to seek somewhat slower growth in the aggregates over the months ahead and underscored the need for monetary restraint by adopting a range for M_1 growth in June and July with a midpoint that was below the expansion then projected. The ranges adopted for M_2 and RPD's implied similar restraint. New estimates soon indicated another wave of excessive M_1 growth. On July 6, the Committee agreed to raise the upper constraint on the Federal funds rate from the limit adopted at the June meeting.

The FOMC was willing to see a further intensification of reserve pressures as the summer progressed. At its July 17 meeting, the Committee again voted for slower growth in the aggregates and raised the upper constraint on the Federal funds rate from the limit agreed upon earlier that month. The members agreed on August 3 that the funds rate could rise even further if necessary. By the time of the August 21 meeting it was expected that the prior rise in short-term rates would continue to limit money demand in the months ahead following a marked deceleration in July. The Committee became willing to accept slow growth for a while, especially because RPD's showed no such tendency and even strengthened. At its August meeting, the Committee placed emphasis on bringing expansion in this measure below the range thought consistent with its near-term objectives for the money stock measures.

The Manager's response. The System moved to adopt a substantially more restrictive posture at the end of June when incoming data showed more rapid growth in the aggregates than was acceptable. It was expected that this shift in reserve strategy would raise the Federal funds rate to 9¼ per cent from the 8½ per cent average then prevailing, although a much larger increase developed. After the July 17 meeting, M_1 moved within an acceptable range, but M_2 and RPD's continued to increase at overly rapid rates following enlarged inflows of time deposits to commercial banks. Actions to restrain the availability of nonborrowed reserves thus continued without interruption until early August, although the anticipated weekly rise in the Federal funds rate became more gradual. The weekly average Federal funds rate had risen to about 10½ per cent by late July. Subsequently, data indicated a further slowing in monetary growth and RPD's moved within their specified range.

The Desk sought no further intensification of pressures in the weeks leading up to the August 21 meeting. Shortly after this meeting, the Manager raised his sights for the Federal funds rate a shade in view of the emphasis placed by the Committee on limiting the rapid growth in RPD's. A further deceleration of demand deposit growth helped bring RPD's within their 11 to 13 per cent range for August and September combined, and the Desk sought no additional pressure on bank reserve positions. The Federal funds rate stabilized at around 10¾ per cent in the weeks leading up to the September 18 meeting.

The move toward further restraint initiated at the end of June attracted widespread attention. Bank avoidance of both Federal funds and discount window borrowings over the quarterly statement publishing date led to a sharp convergence of reserve demands in the 2 days before the July 4 holiday on Wednesday. The Desk pumped in $3,314 million of reserves in the 2 days, but the cumulative deficiencies of the banks proved too large to head off the extraordinary strain. The average Federal funds rate climbed sharply to 10.21 per cent from 8.59 per cent the week before, and trading took place at rates as high as 15 per cent for the first time.

This episode complicated operations for a number of weeks. Expectations that the System would continue and possibly intensify restraint led to a concentration of demands for funds at the start of a statement week. This reflected a continuation of the pattern that had emerged with the onset of restraint: only the pressures in the money market were often more difficult to temper given the enlarged demands for nonborrowed reserves.

The securities markets. There was a sharp and dramatic response in the securities markets to the implementation of a clearly more restrictive monetary policy. The Board reaffirmed the System's intent on July 2 by approving requests by all Federal Reserve Banks to raise their discount rates to 7 per cent and by announcing the adoption of a ½ per cent increase in reserve requirements on the bulk of demand deposits at member banks. Market participants soon began to project that tightening would continue indefinitely. The upward pressure spread quickly from the Federal funds rate to dealer financing costs and Treasury bill rates. The rate on the 3-month issue rose from about 7¼ per cent to a high of 9.05 per cent on August 14, the day that another ½ point increase in the discount rate, to a record 7½ per cent, was announced. The bill rate subsequently fell by 60 basis points but rose again to around the same peak after the Board's announcement in early September of an increase in the marginal reserve requirement on large CD's to 11 per cent. Aggressive competition continued in the CD market, raising yields on 90-day CD's by 63 basis points to around 11 per cent over the same interval.

The influence of higher short-term rates spilled over to the markets for long-term debt, given expectations that banks would abstain from buying new issues and/or liquidate holdings as monetary restraint persisted. The climb in long-term rates intensified with the approach of the August refunding. The Treasury announced on July 25 that it would auction $2 billion of additional 4-year, 7¾ per cent notes and $500 million of 20-year, 7½ per cent bonds, the latter using the uniform-price technique adopted at the start of the year. The remaining $2 billion financing need would be met through an auction of 35-day tax-anticipation bills.

Dealers soon became concerned that investor demand would be insufficient to permit them to distribute issues before they had to be financed at burdensome costs. Enlarged demands by Federal agencies, as they moved to preserve mortgage flows, added to the gloomy outlook. A precipitous drop in note and bond prices emerged prior to the auctions, which were scheduled for July 31 and August 1, amid large-scale short selling. Desk purchases of intermediate-term coupon issues on behalf of Government investment accounts helped impart some stability to the market. Even so, only $2.1 billion of acceptable bids were received for the $2 billion of 7¾ per cent notes, and these came under heavy selling pressure shortly thereafter. Public bids for the 20-year bonds at the lowest acceptable price amounted to only $260 million. The tax-anticipation bills sold on August 8 were issued at a substantial average rate of 10.03 per cent—on a bond equivalent basis—even though banks were permitted to pay for 50 per cent of subscription by crediting Treasury tax and loan accounts.

The decline in bond prices ended quite suddenly. Evidence of a deceleration in money stock growth during July and August convinced many participants that the next move in System policy would be in the direction of less restraint. Thus, despite the slight edging up of the daily level of Federal funds trading after the August FOMC meeting, securities dealers began to cover some short positions in notes and bonds. An explosive rally emerged in the debt markets as it became apparent how short aggregate trading positions had become and as investors sought to capture the prevailing yields on securities rather than risk missing a turn in rates.

Prices rose sharply over the rest of August and in September so that, by the time of the September FOMC meeting, the increase in yields on notes and bonds that had occurred over the summer had been largely eradicated. The index of Government securities maturing in 10 years averaged 7.09 per cent, close to its level of mid-July and well below its August 8 peak of 7.54 per cent. Recently offered Aaa-rated utility issues were yielding 8.03 per cent, reflecting a decline of around 27 basis points in 6 weeks. The *Bond Buyer's* index of yields on 20-year municipal bonds had fallen over 50 basis points to 5.05 per cent, merely 5 basis points above its lowest level of the year.

MID-SEPTEMBER–DECEMBER

The Committee's instructions. Starting with its September 18 meeting, the FOMC voted to seek moderate growth in the aggregates over the months ahead. The cumulative increases in interest rates over the year and the sharp deceleration of money stock growth in the late summer led the staff to reduce its estimates of the demands for money that were likely to emerge in the months ahead. It appeared that a delay in a move toward easing could require a much more substantial move at a later time to achieve moderate M_1 growth. At its September 18 and October 16 meetings, the FOMC raised the upper ends of the 2-month tolerance ranges for the aggregates a bit above those suggested by the staff, expecting that reserves would be provided more readily as the period unfolded and that the Federal funds rate could decline.

In fact, M_1 became considerably stronger in the closing months of the year, and it appeared that growth in previous months would be revised upward. While inflation remained a disturbing problem, the pace of real economic activity decelerated and it appeared that the curtailment of oil supplies from abroad could have significantly adverse effects. The Committee at its November 20 meeting retained the objective of moderate growth in the long run. M_1 growth continued to strengthen, and by the end of November appeared to be moving above an acceptable range for the last 2 months of the year. On November 30, however, the Committee agreed to forestall a tightening of money market conditions because of current uncertainties with respect to the economic outlook and the sensitive state of market psychology. At its final meeting of the year, on December 17–18, the FOMC moved further in the direction of less restraint and decided to seek some easing of bank reserve and money market conditions, provided that the aggregates did not appear to be growing excessively.

The Manager's response. After the September meeting, estimated money stock growth over the 2 months ending in October fell below an acceptable range and the Manager moved to provide reserves more readily. While the Manager was careful in light of the FOMC's desire to avoid generating market impressions that monetary restraint was being relaxed significantly, the securities markets responded dramatically to the first sign that the System was changing its reserve and money market objectives.

Three-month bill rates plummeted from 8.68 per cent on the day of the meeting to 6.96 per cent by September 27. At the same time, a downward shift in member bank borrowings and enlarged demands for Federal funds by major banks seeking to avoid issuing CD's until rates fell further kept the money market under constant pressure. The Manager asked for guidance in resolving the inconsistency between the indicated response to the aggregates, which were expected to fall below the FOMC's objectives for the September and October period, and the state of the credit markets. The Committee agreed at a telephone meeting on October 2 that money market conditions should be allowed to ease somewhat if this easing did not threaten to reinvigorate the sharp rally in the markets for short-term securities. While the Manager became more aggressive in his efforts to supply nonborrowed reserves, the money market remained under pressure and the Federal funds rate showed no tendency to move below 10¾ per cent. At the same time, M_1 growth weakened further and the other measures moved well below their specified ranges. On October 10, the Committee held a second telephone meeting and directed the Manager to supply reserves consistent with some easing of money market conditions beyond that indicated 8 days earlier. The Desk redoubled its efforts to achieve this and, following substantial additions to nonborrowed reserves, the funds rate had declined to 10 per cent by the October FOMC meeting.

In the weeks after the October 16 meeting, estimates of money stock growth initially remained within the range indicated as acceptable for the 2 months ending in November while bank willingness to permit CD's to run down pulled RPD's below their range. The Account Manager retained a somewhat more generous approach to the provision of nonborrowed reserves and began permitting doubts about reserve availability to be resolved on the side of a bit less tautness, with the Federal funds rate settling a shade under 10 per cent. This process was halted shortly thereafter when estimates of M_1 growth strengthened, reaching 8 per cent over the 2 months. While the Desk adopted a more grudging approach and the Federal funds rate rose to around 10¾ per cent, efforts to restrict reserve supplies more noticeably were tempered by the Treasury refunding that was in process and by the unsettled conditions that developed in the securities markets.

The surge in M_1 growth during November and the uncertainties attributable to the oil shortage led the staff to conclude that demands for M_1 in the near term could increase, while the economic outlook became more uncertain. The Committee established tolerance ranges for the aggregates over the 2 months ending in December that were likely to be consistent with little change in money market conditions. Soon after the meeting, however, incoming data suggested that growth in M_1 and also M_2 might be stronger than acceptable over the 2 months. While these conditions ordinarily would have called for limiting reserve availability, thus generating a rise in the Federal funds rate, the Manager sought to maintain prevailing money market conditions until the December meeting following the Committee's concurrence on November 30 with the Chairman's recommendation of this course of action.

At its December 17–18 meeting, the Committee concluded that the economic situation and outlook called for a modest easing of monetary policy. The FOMC also decided to place somewhat more emphasis on money market conditions until its next meeting and directed the Manager to seek some easing of these conditions provided that the aggregates did not appear to be growing excessively. Accordingly, the Desk moved promptly after the meeting to provide nonborrowed reserves at a more generous pace. But the process was delayed again just before the year-end when estimates of the aggregates turned out stronger than anticipated and it appeared that M_1 was moving above an acceptable range for December and January combined. The Manager was providing reserves consistent with Federal funds trading in a 9¾ to 10 per cent range as the year drew to a close. While this was below the level in November, the faster growth in the aggregates, with M_1 increasing at a 7½ per cent rate over the fourth quarter, had forestalled the emergence of a more significant easing in conditions of reserve availability.

The securities markets. There was an ebullient reaction in the securities markets in late September when participants sensed the System's response to the deceleration of money stock growth to a 0.3 per cent rate over the third quarter. A spectacular decline in short-term rates occurred shortly after the September meeting when the Desk purchased a small volume of Treasury bills at a time when the money market was not particularly firm in comparison with previous weeks. Banks reduced offering rates on CD's by over 2 percentage points to around 8½ per cent between September and the end of October. Dealers in prime commercial paper reacted similarly, with rates on 90- to 119-day paper falling to 8⅝ per cent from close to 11 per cent. Treasury bill rates plummeted, with the 3-month issue dropping by about 2 percentage points to around 7 per cent. Later, when M_1 growth accelerated and the funds rate failed to decline significantly, the reaction was almost as sharp.

The Treasury bill market was especially volatile toward the end of the year. Expectations that the System would ease to ward off an economic slowdown generated by fuel scarcities were dampened by signs of accelerated M_1 growth. Increased bill sales by foreign central banks, owing to the improved international position of the dollar, added to market caution. A significant increase in rates occurred after the Treasury announced, in early November, the sale of bills to raise new cash. In all, the Treasury raised an additional $8 billion of cash in the bill market in the last 3 months of the year, as its needs were enlarged by redemptions of nonmarketable issues held by foreign central banks. The central banks also liquidated a substantial volume of marketable coupon issues toward the end of the year as the dollar improved against other currencies. By the year-end, bill rates were still 40 to 50 basis points above the low points reached in late September and early October. Short-term bill rates remained above rates on longer maturities, with the 3-month issue bid at 7.45 per cent and the 1-year issue at 6.86 per cent. The continued moderation of business credit demands at banks, reflecting in part a shift of borrowers to the commercial paper market, led to modest CD growth late in the year. Offering rates retraced part of the earlier declines with the 90-day maturity closing the year at 9½ per cent.

The long-term debt markets were also highly responsive to expectations of a change in System policy and to changing assessments about prospects for the economy. Yields declined in late September and early October. The terms of the Treasury's refunding, announced on October 24, were greeted favorably, but the emerging pressures on short-term rates soon began to dampen market sentiment. The Treasury auctioned $3.8 billion of issues to replace maturing securities, and the package included $1.5 billion of 25½-month notes, $2 billion of 6-year notes, and $300 million of additional 7½ per cent bonds due in 1993. Coupon rates of 7 per cent were established for both notes. The October 30 auction of the 6-year notes at an average yield of 6.82 per cent was disappointing, and yields adjusted higher before the two auctions held on the next day. The 25½-month notes were sold at 6.91 per cent, and the long-term bonds were awarded at 7.35 per cent with all bonds awarded at the price of the lowest accepted tenders.

Dealers were unable to reduce inventories significantly in the weeks that followed, and coupon prices declined quite steadily. The rounds of price increases expected to result from potential fuel scarcities deepened concern over inflation and had particular impact in the long-term markets. By the last week in December, the yield on 10-year Government securities reached 6.87 per cent, little changed from its early-October level. Corporate bond yields experienced more pronounced increases, reflecting expectations of enlarged financing demands in 1974. The yield on recently offered Aaa-rated utility issues rose to 8.10 per cent, 20 basis points below its August high. Stronger bank interest in municipal issues benefited the tax-exempt market, and the *Bond Buyer's* index stood at 5.16 per cent, 43 basis points below its August high. □

Record of Policy Actions

of the Federal Open Market Committee

MEETING HELD ON FEBRUARY 20, 1974

Domestic policy directive

The information reviewed at this meeting suggested that real output of goods and services—which had grown at an annual rate of about 1.5 per cent in the fourth quarter of 1973—was declining in the first quarter of this year, mainly because of the oil situation, and that the GNP implicit deflator was continuing to rise rapidly. Staff projections suggested that weakness in economic activity would continue in the second quarter and that the rise in prices would remain rapid.

In January industrial production declined appreciably further, as output of automobiles and residential and commercial use of electricity and gas continued to decline while output of business equipment and other major categories of goods changed little; the January level was below the average in the fourth quarter of 1973. Nonfarm payroll employment fell sharply—reflecting sizable reductions in durable goods manufacturing and in contract construction—and the average workweek in manufacturing also declined considerably. The unemployment rate rose from 4.8 to 5.2 per cent. The dollar volume of retail sales recovered, following a sizable decline in December; although the January level was somewhat above the fourth-quarter average, the gain appeared to be less than the rise in prices of consumer goods.

Wholesale prices of industrial commodities continued to rise at a rapid pace in January; increases again were large for fuels and were substantial and widespread among other commodity groups. Wholesale prices of farm and food products also rose sharply, with increases especially large for prices of livestock, meats, and grains. In December the consumer price index had risen appreciably further, although the increase was tempered by declines in retail prices of meats and used cars. The index of average hourly earnings of production workers on nonfarm payrolls also had continued to advance in recent months, but at a less rapid pace than prices.

The latest staff projections for the first half of 1974 suggested that nominal GNP would expand somewhat less, and that real GNP would decline somewhat more, than had been anticipated at the time of the Committee's meeting in mid-January. Declines were concentrated in real consumption expenditures and residential construction activity, both of which were now projected to be weaker than had been expected 4 weeks earlier. As before, it was anticipated that the expansion in business fixed investment would remain relatively strong and that growth in State and local government purchases of goods and services would continue at a substantial rate. Business inventory investment was projected to be moderately below the high rate experienced in the fourth quarter of 1973, when stocks of large automobiles accumulated as sales fell off.

In foreign exchange markets the strong appreciation of the dollar that had begun in October gave way to depreciation near the end of January, reflecting in part the removal of U.S. controls on outflows of capital, relaxation of some foreign restraints on inflows of capital, and declines in U.S. interest rates relative to those abroad. In December U.S. merchandise exports had remained strong while imports had dropped from the very high level in November; the trade surplus had increased sharply both in December and in the fourth quarter as a whole.

Growth in total loans and investments at U.S. commercial banks accelerated in January, reflecting increases in most categories of loans and in banks' holdings of both Treasury and other securities. Expansion in business loans, which had been moderate in the fourth quarter of 1973, was especially strong in January, and business borrowing in the commercial paper market also was heavy. Between late January and mid-February, most banks lowered the prime rate applicable to large corporations from 9¾ to 9 per cent.

The narrowly defined money stock (M_1)[1]—which had grown at a rapid pace in the last 2 months of 1973—declined in January; weekly data suggested that M_1 was expanding in early February. Inflows of consumer-type time and savings deposits increased substantially; as a result, growth in the more broadly defined money stock (M_2)[2] remained near the moderate rate in December. The outstanding volume of large-denomination CD's rose appreciably

[1] Private demand deposits plus currency in circulation.

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

in January and, along with a large increase in U.S. Government deposits, contributed to an acceleration of growth in the bank credit proxy.[3]

Net deposit inflows at savings and loan associations in January remained near the improved rate in the final months of 1973, but inflows to mutual savings banks fell off again. Growth in the measure of the money stock that includes such deposits (M_3)[4]—like growth in M_2—continued near the moderate rate in December. Contract interest rates on conventional mortgages and yields in the secondary market for Federally insured mortgages declined between early January and early February.

On January 30 the Treasury announced that in early February it would auction up to \$4.05 billion of notes and bonds to refund the bulk of \$4.5 billion of publicly held notes and bonds maturing on February 15; the remainder would be retired by drawing down cash balances. In auctions on February 5, 6, and 7, respectively, the Treasury sold \$1.50 billion of 7-year, 7 per cent notes at an average price to yield 6.95 per cent; \$2.25 billion of 3¼-year, 6⅞ per cent notes at an average price to yield 6.70 per cent; and \$300 million of 19½-year, 7½ per cent bonds at a price to yield 7.46 per cent to maturity.

System open market operations since the January 21–22 meeting had been guided by the Committee's decision to seek bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the months ahead, while taking account of the Treasury's mid-February refunding and of international and domestic financial market developments. Soon after the meeting, incoming data suggested that in the January–February period the monetary aggregates would grow at rates well within the ranges of tolerance specified by the Committee; therefore, operations were directed toward a slight easing in bank reserve and money market conditions, in accordance with the Committee's instructions that such easing would be sought promptly if the data then available did not suggest that the aggregates were growing rapidly.

Around the beginning of February available data suggested that

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

[4] M_2 plus time and savings deposits at mutual savings banks and at savings and loan associations.

growth both in reserves available to support private nonbank deposits (RPD's) and in M_1 might fall below the specified ranges of tolerance. Therefore, the System sought some further easing in bank reserve and money market conditions. In the 2 weeks preceding this meeting the Federal funds rate was close to 9 per cent, compared with around 9⅝ per cent in the days before the January meeting; member bank borrowings averaged around $1,140 million in the 4 weeks ending February 13, little changed from the average in the preceding 5 weeks. Data that became available a few days before this meeting indicated that M_1 was expanding rapidly in early February and that it was likely to grow in the January–February period at a rate within the specified range; however, growth in RPD's still appeared likely to fall short of the specified range.

Short-term market interest rates had fallen appreciably since the Committee's meeting on January 21–22, in large part because money market conditions had eased, but also, apparently, because market participants expected them to ease further. On the day before this meeting the market rate on 3-month Treasury bills was 7.03 per cent, down from 7.97 per cent on the day before the January meeting.

Yields on longer-term securities also had declined somewhat, despite a large volume of financing in the capital markets and the sizable Treasury refunding. The over-all volume of new public offerings of corporate and State and local government bonds rose substantially in January, and an equally large volume was in prospect for February.

The Committee agreed that the economic situation and outlook continued to call for moderate growth in monetary aggregates over the longer run. Staff analysis suggested that, because of the lower projected rate of expansion in nominal GNP, the demand for money was likely to expand less over the first half of 1974 than had been expected earlier. In the February–March period, however, M_1 was expected to grow relatively rapidly, assuming little or no change in money market conditions; in February in particular, monetary expansion was expected to be spurred temporarily by an extremely sharp reduction in Treasury deposits. Relatively rapid M_1 growth over the February–March period appeared consistent with the Committee's longer-run objectives for the monetary aggregates because it would follow the sizable decrease of January and because it seemed likely to be temporary. In the event that money market conditions did remain about unchanged in the period immediately ahead, little or no further decline appeared likely in short-term market interest rates in general, and—to the extent that recent declines had been based on expectations of prompt further easing in money market conditions—rates could move up again.

Over the February–March period, according to the staff analysis, net inflows of consumer-type time and savings deposits to banks and nonbank thrift institutions were expected to remain sizable—with the effects of the recent declines in short-term market interest rates bolstered, perhaps, by increases in precautionary balances. Reflecting the availability of such funds, banks were not likely to issue substantial amounts of large-denomination CD's, even though business loan expansion might not moderate very much from the fast pace of January.

Taking account of the staff analysis, the Committee concluded that progress toward its longer-run objective of moderate monetary growth could be achieved with rates of expansion in the aggregates over the February–March period that were temporarily above those desired for the longer term. For the February–March period it adopted ranges of tolerance of 6½ to 9½ per cent and 9½ to 12½ per cent for the annual rates of growth in M_1 and M_2, respectively. The members agreed that rates of growth within those ranges would be likely to involve RPD growth during the February–March period at an annual rate within a 3½ to 6½ per cent range of tolerance, and they decided that in the period until the next meeting the weekly average Federal funds rate might be permitted to vary in an orderly fashion from as low as 8¼ per cent to as high as 9½ per cent, if necessary, in the course of operations.

The members also agreed that, in the conduct of operations, account should be taken of international and domestic financial market developments. It was understood that the Chairman might call upon the Committee to consider the need for supplementary instructions before the next scheduled meeting if significant inconsistencies appeared to be developing among the Committee's various objectives and constraints.

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

The information reviewed at this meeting suggests that real output of goods and services is declining in the current quarter, mainly because of the oil situation, and that prices are continuing to rise rapidly. In January industrial production declined again, nonfarm payroll employment dropped, and the unemployment rate rose above 5 per cent. Prices of both farm products and industrial commodities increased very sharply. Wage rates have continued to rise substantially in recent months, although not so sharply as prices.

After having appreciated for several months, the dollar has declined somewhat on the average against foreign currencies in recent weeks. U.S. controls on capital outflows were removed at the end of January, and several foreign countries have relaxed controls on capital inflows. The U.S. trade surplus rose sharply in December and in the fourth quarter as a whole.

The narrowly defined money stock, after increasing substantially in the last 2 months of 1973, declined in January; most recently, however, it has appeared to strengthen. Broader measures of the money stock continued to rise in January, as net inflows of consumer-type time deposits remained relatively strong. Expansion in business loans and in total bank credit accelerated, and banks stepped up issuance of large-denomination CD's. Since mid-January, short-term market interest rates have fallen appreciably, and long-term rates have declined somewhat.

In light of the foregoing developments, it is the policy of the Federal Open Market Committee to foster financial conditions conducive to resisting inflationary pressures, cushioning declines in production and employment that are being induced in large part by the oil situation, and maintaining equilibrium in the country's balance of payments.

To implement this policy, while taking account of international and domestic financial market developments, the Committee seeks to achieve bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the months ahead.

Votes for this action: Messrs. Burns, Hayes, Balles, Brimmer, Daane, Holland, Mayo, and Mitchell. Votes against this action: Messrs. Bucher, Francis, Morris, and Sheehan.

The members dissenting from this action did so for different reasons. Messrs. Bucher, Morris, and Sheehan expressed concern about current and prospective weakness in aggregate economic demands. In order to encourage further declines in short- and long-term interest rates, including mortgage rates, they favored somewhat higher ranges of tolerance for the monetary aggregates and a lower range for the Federal funds rate than the Committee had agreed would be consistent with the directive. Mr. Francis expressed the view that the over-all economic situation was stronger than suggested by the staff projections and that inflation remained the major long-term economic problem. He dissented because he thought the policy adopted by the Committee would permit the money stock to grow at a faster rate than was consistent with progress in dealing with inflation.

Subsequent to the meeting it appeared that in the February–March period growth in the monetary aggregates would equal or exceed the upper limits of the short-run ranges of tolerance specified by the Committee. In view of that behavior, the System ordinarily would have become more restrictive in its reserve-supplying operations, expecting that the weekly average Federal funds rate would rise toward the upper limit of its range of tolerance—namely, 9½ per cent. On March 1, however, a majority of the available members[5] concurred in a recommendation by the Chairman that in light of the recent marked rise in market interest rates and the highly sensitive state of financial markets, the System conduct reserve operations in a manner expected to be consistent with maintenance of the funds rate at the prevailing level of about 9 per cent, for the time being.

One week later, it appeared that strong growth in the monetary aggregates was persisting. On March 11, in view of that behavior, the available members—with the exceptions of Messrs. Bucher and Sheehan—concurred in a recommendation by the Chairman that the System return to conducting reserve operations in a manner consistent with the full range of tolerance for the Federal funds rate agreed upon at the February meeting. However, in light of recent increases in market interest rates and the sensitive state of financial markets, the Account Manager would be expected to proceed very cautiously in operations thought likely to be consistent with a rise in the weekly average funds rate above 9 per cent.

[5]The members and alternate members of the Committee newly elected by the Federal Reserve Banks took office on March 1 for the term of 1 year commencing on that date. Mr. Coldwell, responding as alternate for Mr. Kimbrel, did not concur in the Chairman's recommendation.

* * * * *

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

Law Department

Statutes, regulations, interpretations, and decisions

RULES REGARDING DELEGATION OF AUTHORITY

The Board of Governors has amended its Rules Regarding Delegation of Authority to expand the Reserve Banks' delegated authority to approve one-bank holding company formations, bank holding company formations involving more than one bank, bank acquisitions by existing bank holding companies, and bank mergers.

AMENDMENT

Effective with respect to applications received by the Reserve Banks after April 4, 1974 sections 265.2(f)(22), (24) and (28) are amended and section 265.2(f)(30) is added to read as follows:

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

* * * * *

(f) Each Federal Reserve Bank is authorized, as to member banks or other indicated organizations headquartered in its district, or under subparagraph (25) of this paragraph as to its officers:

* * * * *

(22) Under the provisions of section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842), to approve the formation of a bank holding company through the acquisition by a company of a controlling interest in the voting shares of one or more banks, if all of the following conditions are met:

(i) no member of the Board has indicated an objection prior to the Reserve Bank's action.

(ii) all relevant departments of the Reserve Bank recommended approval.

(iii) no substantive objection to the proposal has been made by a bank supervisory authority, the United States Department of Justice, or a member of the public.

(iv) no significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(v) considerations relating to the convenience and needs of the communities to be served are consistent with or lend weight toward approval of the application.

(vi) in the event any debt is incurred by the holding company to purchase shares of any bank involved in the proposal:

(a) an agreed plan for amortization of the debt within a reasonable time exists, such period normally not exceeding 12 years.

(b) the interest rate on any loan to purchase the bank shares will be comparable with other stock collateral loans by the lender to persons of comparable credit standing.

(c) no compensating balances, specifically attributable to the loan, will be deposited in the lending institution and the amount of any correspondent account which the proposed subsidiary bank will maintain with the lending institution should not exceed the amount necessary to compensate the lending bank for correspondent services rendered by it to the proposed subsidiary bank(s).

(vii) the Reserve Bank determines that the managerial and financial resources, including the equity to debt relationships, of Applicant, its existing subsidiaries, and any proposed subsidiary bank, are adequate, or will be adequate within a reasonable period of time after consummation of the proposal, and any debt service requirements to which the holding company may be subject are such as to enable it to maintain the capital adequacy of any proposed subsidiary bank in the foreseeable future.

(viii) if Applicant or any of Applicant's existing or proposed nonbanking subsidiaries compete in the same geographic and product market as any proposed subsidiary bank, the resulting organization will control no more than 10 per cent of that product or service line after consummation of the proposal.

(ix) total nonbank gross revenues of Applicant and its subsidiaries do not exceed 20 per cent of total operating income of the proposed banking subsidiaries.

(x) if Applicant engages, or is to engage, in nonbanking activities requiring the Board's approval under section 4(c)(8) of the Act, the Reserve Bank must also have delegated authority to approve the section 4(c)(8) activities.

(xi) if the proposal involves the acquisition of the controlling stock of only one bank, and any debt is incurred by the holding company to purchase shares of the bank, the amount of the loan does not exceed 75 per cent of the purchase price of the shares of the proposed subsidiary bank.

(xii) if the proposal involves the acquisition of the controlling stock of more than one bank, the following additional conditions must be met:

(a) in the event any debt is incurred by the holding company to purchase shares of any proposed subsidiary bank(s), the total amount of the debt does not exceed 20 per cent of the equity capital accounts of the holding company.

(b) the Applicant will control no more than 15 per cent of total deposits in commercial banks in the State.

(xiii) neither Applicant nor the bank(s) to be acquired has entered into or proposes to enter into any agreement with any director, officer, employee or shareholder of the bank(s) that contains any condition that limits or restricts in any manner the right of such persons to compete with Applicant or any of Applicant's existing or proposed subsidiaries.

* * * * *

(24) Under the provisions of section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842), to approve the acquisition by a bank holding company of a controlling interest in the voting shares of an additional bank, if all of the following conditions are met:

(i) no member of the Board has indicated an objection prior to the Reserve Bank's action.

(ii) all relevant departments of the Reserve Bank recommend approval.

(iii) no substantive objection to the proposal has been made by a bank supervisory authority, the United States Department of Justice, or a member of the public.

(iv) no significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(v) considerations relating to the convenience and needs of the communities to be served are consistent with or lend weight toward approval of the application.

(vi) in the event any debt is incurred by the holding company to purchase shares of any bank involved in the proposal:

(a) an agreed plan for amortization of the debt within a reasonable time exists, such period normally not exceeding 12 years.

(b) the interest rate on any loan to purchase the bank shares will be comparable with other stock collateral loans by the lender to persons of comparable credit standing.

(c) no compensating balances, specifically attributable to the loan, will be deposited in the lending institution and the amount of any correspondent account which the proposed subsidiary bank will maintain with the lending institution should not exceed the amount necessary to compensate the lending bank for correspondent services rendered by it to the proposed subsidiary bank.

(vii) the Reserve Bank determines that the managerial and financial resources, including the equity to debt relationships, of Applicant, its existing subsidiaries, and any proposed subsidiary bank, are adequate, or will be adequate within a reasonable period of time after consummation of the proposal, and any debt service requirements to which the holding company may be subject are such as to enable it to maintain the capital adequacy of any existing or proposed subsidiary bank in the foreseeable future.

(viii) if Applicant or any of Applicant's existing or proposed nonbanking subsidiaries compete in the same geographic and product market as any proposed subsidiary, the resulting organization will not control more than 10 per cent of that product or service line after consummation of the proposal.

(ix) total nonbank gross revenues of Applicant and its subsidiaries do not exceed 20 per cent of total operating income of the company's existing or proposed bank subsidiaries.

(x) if Applicant engages, or is to engage, in nonbanking activities requiring the Board's approval under section 4(c)(8) of the Act, the Reserve Bank must also have delegated authority to approve the section 4(c)(8) activities.

(xi) in the event any debt is incurred by Applicant to purchase shares of the bank, the resulting total acquisition debt of the holding company will not exceed 20 per cent of the company's equity capital accounts after consummation of the proposal.

(xii) Applicant is not one of the dominant banking organizations in the State, and, unless the proposed subsidiary is a proposed new bank, Applicant will control no more than 15 per cent of the total deposi s in commercial banks in the State after consummation of the proposal.

(xiii) if the bank to be acquired is an existing bank and if no banking offices of Applicant's existing subsidiary bank are located in the same market as the proposed subsidiary, the proposed subsidiary has no more than $25 million in total deposits or controls no more than 15 per cent of deposits in commercial banks in the market.

(xiv) if the bank to be acquired is an existing bank and if any of Applicant's existing subsidiary banks compete in the same market as the proposed subsidiary, Applicant will control no more than 10 per cent of total deposits in commercial banks in the market after consummation.

(xv) if the bank to be acquired is a proposed new bank, bank subsidiaries of Applicant will not hold in the aggregate more than 20 per cent of the total deposits in commercial banks in the relevant market area and Applicant will not be one of the dominant banking organizations in the State.

(xvi) Applicant has a proven record of furnishing to its subsidiaries, when needed, special services, management, capital funds and general guidance.

(xvii) neither Applicant nor the bank to be acquired has entered into or proposes to enter into any agreement with any director, officer, employee or shareholder of the bank that contains any condition that limits or restricts in any manner the right of such persons to compete with Applicant or any of Applicant's existing or proposed subsidiaries.

* * * * *

(28) Under the provisions of section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)), to approve a merger, consolidation, acquisition of assets or assumption of liabilities, where the resulting bank is a State member bank, if all of the following conditions are met:

(i) no member of the Board has indicated an objection prior to the Reserve Bank's action.

(ii) all relevant departments of the Reserve Bank recommended approval.

(iii) no substantive objection to the proposal has been made by a bank supervisory authority, the United States Department of Justice, or a member of the public.

(iv) no significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(v) if the banks do not have offices in the same market, the bank to be acquired has no more than $25 million in total deposits or controls no more than 15 per cent of the total deposits[2] in commercial banks in the market.

(vi) if the banks compete in the same banking market, the resulting bank will control no more than 10 per cent of total deposits[3] in commercial banks in the market.

(vii) neither of the merging or consolidating banks is a dominant banking organization in the State and the resulting institution will control no more than 15 per cent of the total deposits in commercial banks in the State after consummation of the proposal.[4]

(viii) the Reserve Bank determines that the managerial and financial resources, including the equity capital accounts of the resulting bank, are adequate, or will be adequate within a reasonable period of time after the proposal is consummated.

(ix) considerations relating to the convenience and needs of the community to be served are consistent with, or lend weight toward, approval of the application.

(x) no bank involved in this proposal has entered into or proposes to enter into any agreement with any director, officer, employee or shareholder of either bank that contains any condition that limits or restricts in any manner the right of such persons to compete with the resulting institution.

* * * * *

(30) Under the provisions of section 3(a)(5) of the Bank Holding Company Act (12 U.S.C. 1842), to approve the merger or consolidation of a bank holding company with any other bank holding company, if all of the following conditions are met:

(i) no member of the Board has indicated an objection prior to the Reserve Bank's action.

(ii) all relevant departments of the Reserve Bank

[2] If either of the proponent banks is a subsidiary of a holding company and the parent company has another bank subsidiary operating in the market of the bank to be acquired, deposits of such offices should be included in the computation of market shares.

[3] See footnote 2, above.

[4] If either of the proponent banks is a subsidiary of a holding company, the deposits of the other subsidiary banks of the holding company should be included in determining whether the resulting institution will control more than 15 per cent of the total deposits in commercial banks in the State.

recommended approval.

(iii) no substantive objection to the proposal has been made by a bank supervisory authority, the United States Department of Justice, or a member of the public.

(iv) no significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(v) considerations relating to the convenience and needs of the communities to be served are consistent with or lend weight toward approval of the application.

(vi) in the event any debt is incurred by the resulting or surviving holding company to effect the merger or consolidation:

(a) an agreed plan for amortization of the debt within a reasonable time exists, such period normally not exceeding 12 years.

(b) the interest rate on any loan involved will be comparable with other stock collateral loans by the lender to borrowers of comparable credit standing.

(c) no compensating balances, specifically attributable to the loan, will be deposited in the lending institution and the amount of any correspondent account which the subsidiary banks of the resulting or surviving company will maintain with the lending institution should not exceed the amount necessary to compensate the lending bank for correspondent services rendered by it to the depositing bank(s).

(d) the total acquisition debt of the resulting or surviving company will not exceed 20 per cent of such company's equity capital accounts after consummation of the proposal.

(vii) the Reserve Bank determines that the managerial and financial resources, including the equity to debt relationships, of the merging or consolidating companies, and their existing subsidiaries, are adequate, or will be adequate within a reasonable period of time after consummation of the proposal, and any debt service requirements to which the resulting or surviving company may be subject are such as to enable it to maintain the capital adequacy of any existing or proposed subsidiary bank in the foreseeable future.

(viii) if either of the merging or consolidating companies or any of their subsidiaries compete in the same geographic and product market as the other merging or consolidating company or any of its subsidiaries, the resulting or surviving organization will not control more than 10 per cent of that product or service line after consummation of the proposal.

(ix) if the merging or consolidating bank holding companies do not have subsidiary banking offices in the same market, the resulting or surviving bank holding company will not acquire a subsidiary bank with more than $25 million in deposits or with more than 15 per cent of the total deposits in commercial banks in the market.

(x) if any subsidiary bank(s) of either of the merging or consolidating companies competes in the same market as any subsidiary bank(s) of the other merging or consolidating company, the resulting or surviving company will control no more than 10 per cent of total deposits in commercial banks in the market after consummation of the proposal.

(xi) neither merging or consolidating company is one of the dominant banking organizations in the State, and the resulting or surviving company will control no more than 15 per cent of total deposits in commercial banks in the State after consummation of the proposal.

(xii) total nonbank gross revenues of the merging or consolidating companies and their subsidiaries do not exceed 20 per cent of the total operating income of the merging or consolidating companies' bank subsidiaries.

(xiii) if either of the merging or consolidating companies engages, or is to engage, in nonbanking activities requiring the Board's approval under section 4(c)(8) of the Act, the Reserve Bank must also have delegated authority to approve the section 4(c)(8) activities.

(xiv) Applicant has a proven record of furnishing to its subsidiaries, when needed, special services, management, capital funds and general guidance.

(xv) neither bank holding company involved in this proposal nor any of the subsidiary banks of either bank holding company involved in this proposal has entered into or proposes to enter into any agreement with any officer, director, employee or shareholder of the bank(s) involved in this proposal that contains any condition that limits or restricts in any manner the right of such person to compete with the resulting or surviving company or any of its existing or porposed subsidiaries.

RULES OF ORGANIZATION

The Board of Governors has reorganized its staff management functions by establishing two positions of Managing Director, one having responsibilities in the areas of research and economic policy and the other having responsibilities in the areas of operations and supervision. These Offices replace the Office of Executive Director.

AMENDMENT TO RULES OF ORGANIZATION

Effective November 7, 1973, Section 3 of the Rules of Organization of the Board of Governors of the Federal Reserve System was amended by redesignating paragraphs (b) through (l) as paragraphs (c) through (m) and by changing the introductory language and paragraph (a) to read as follows:

SECTION 3—CENTRAL ORGANIZATION

The Board's central organization consists of the members of the Board and the following Offices, Divisions, and officials:

(a) **Office of Managing Director for Research and Economic Policy,** headed by the Managing Director for Research and Economic Policy, is responsible for the planning and coordination of programs in the following general areas: Monetary policy planning and formation, domestic research activities, research in international finance, securities credit regulation, Federal Open Market Committee staff activities, regulatory philosophy regarding banking (including domestic and international banking structure), and inter-agency activities involving the analysis, planning and coordination of economic policies.

(b) **Office of Managing Director for Operations and Supervision,** headed by the Managing Director for Operations and Supervision, is responsible for the planning and coordination of programs in the following general areas: Supervision and regulation of banks and affiliated organizations, Federal Reserve Bank operations and liaison and coordination of Reserve Bank functions and activities, data processing, contingent operations and equal employment opportunity, and personnel-related activites.

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

ORDERS UNDER SECTION 3 OF BANK HOLDING COMPANY ACT

AURORA FIRST NATIONAL COMPANY AURORA, NEBRASKA

ORDER DENYING FORMATION OF BANK HOLDING COMPANY

Aurora First National Company, Aurora, Nebraska, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 100 per cent of the voting shares (less directors' qualifying shares) of The First National Bank in Aurora, Aurora, Nebraska ("Bank").

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with § 3(b) of the Act. The time for filing comments and views has expired, and none has been timely received. The Board has considered the application in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant was recently organized for the purpose of becoming a bank holding company and has engaged in no business activities. Bank, with deposits of $12.5 million,[1] is the second largest of four banks in the Aurora banking market (approximated by Hamilton County), the relevant market, controlling approximately 42.5 per cent of the total commercial bank deposits therein. The transaction is merely a reorganization whereby the shareholders who control Bank at the present time will control Bank through Applicant. Accordingly, the Board concludes that consummation of the proposal will not eliminate any existing or potential competition, increase concentration of banking resources, or have an adverse effect on other banks in the relevant area.

In applications to form one-bank holding companies, the Board has considered significant debt in acquiring a bank as an adverse circumstance. Significant acquisition debt may adversely affect the ability of a holding company to meet the financial needs of its subsidiary bank. The amount and maturity of the debt, therefore, must be considered in relation to the ability of the holding company to service the debt, and the likelihood that Bank will need capital. The debt factor is then balanced with other considerations in determining

[1] All banking data are as of June 30, 1973.

whether the acquisition would be in the public interest.

Upon consummation of this proposal, Applicant would incur acquisition debt in the amount of $1,270,000 which is to be repaid with interest over an 11 year period. Applicant proposes to service this debt from dividends amounting to 60 per cent of Bank's projected net income and through a projected cash flow representing a tax benefit. Although Bank has grown more rapidly than any other bank in the market over the last five years, during this period of growth, Bank's total equity capital as a percentage of its total assets and its total deposits has declined significantly. It is noted that this decline in capital occurred when less than 20 per cent of Bank's net income was paid out in dividends. The projected dividends necessary to retire Applicant's substantial acquisition debt, even if accurate, could inhibit growth in Bank's capital at a rate compatible with its projected asset growth and thus impair Bank's financial condition. These considerations relating to the financial and managerial resources of Applicant therefore weigh heavily against approval of this application. However, it should be noted that these factors in no way reflect adversely upon the present soundness of Bank nor upon its future financial condition absent consummation of the instant proposal.

There is no evidence in the record that the banking needs of the community to be served are not presently and adequately being met, nor that approval of this application would result in any significant public benefits. Considerations relating to the convenience and needs of the communities to be served thus lend no weight for approval of the application.

On the basis of all of the circumstances of this case and the facts of record, the Board concludes that the acquisition debt involved in this proposal presents adverse circumstances bearing on the financial condition and prospects of Applicant and Bank. Such circumstances are not outweighed by any procompetitive factors or by circumstances relating to the convenience and needs of the communities to be served. Accordingly, approval of the application is not in the public interest and the application is denied for the reasons summarized above.

By order of the Board of Governors, effective April 19, 1974.

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

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

CONCORDIA BANC-MANAGEMENT, INC., KANSAS CITY, MISSOURI

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY

Concordia Banc-Management, Inc., Kansas City, Missouri, has applied for the Board's approval under § 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through the acquisition of 82.9 per cent of the voting shares of Concordia Bank, Concordia, Missouri ("Bank").

Notice 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 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, a nonoperating corporation with no subsidiaries, was organized for the purpose of becoming a bank holding company through the acquisition of Bank. Bank (deposits of $8.9 million)[1] is the fourth largest of 10 banks in the relevant market[2] and controls approximately 11 per cent of the total deposits in commercial banks in the market. Upon acquisition of Bank, Applicant would control less than 0.1 per cent of total commercial bank deposits in Missouri.

The purpose of the transaction is to effect a transfer of the ownership of Bank from individuals to a corporation owned by the same individuals with no change in Bank's management or operations. The principals of Applicant also own 98 per cent of Missouri Banc-Management, Inc., Kansas City, Missouri, a one-bank holding company which owns 89 per cent of Stadium Bank, Kansas City, Missouri. Stadium Bank (deposits of $16.6 million) is located in the Kansas City SMSA banking market and no meaningful competition exists between the two institutions. Since the transaction is essentially a reorganization of the ownership of Bank, the Board concludes that consummation of the proposal would not have any adverse effect on existing or potential competition, nor would it increase the concentration of banking

[1] All banking data are as of June 30, 1973.
[2] The relevant market is approximated by Lafayette County.

resources or have an adverse effect on other banks in the relevant market. Thus, competitive considerations are consistent with approval of the application.

The future prospects of Applicant are entirely dependent upon the financial resources of Bank. Applicant proposes to service the debt it assumes incident to this proposal over a 12-year period through dividends from Bank, averaging 50 per cent of Bank's projected net income. In light of the past earnings of Bank and its anticipated growth, the projected earnings of Bank appear to provide Applicant with the necessary financial flexibility to meet its annual debt servicing requirements and to maintain an adequate capital position for Bank. Therefore, considerations relating to banking factors are consistent with approval of the application.

Although consummation of the proposal would effect no changes in the banking services offered by Bank, the considerations relating to the convenience and needs of the community to be served are consistent with approval. It is the Board's judgment that the proposed transaction would be in the public interest and that the application should be approved.

The application is hereby approved on this date, provided that the action so approved shall not be made (a) before the thirtieth calendar day following this date or (b) later than three months after this date, unless such period is extended for good cause by the Board of Governors or by the Federal Reserve Bank of Kansas City, pursuant to delegated authority.

By order of the Board of Governors, effective April 5, 1974.

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

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

DISSENTING STATEMENT OF GOVERNORS MITCHELL AND SHEEHAN

The majority observes that this proposal would not affect competitive conditions in the area served by the Bank and that neither the quality nor the character of banking services offered would change. In fact, the only apparent purpose of the transaction is to further the ownership interests of the individuals controlling Bank; its public benefits are not directly observable.

In our opinion, the leveraging involved in the proposal, one of a number of ventures in which these ownership interests are involved, lessens the viability of Bank and thus makes it more vulnerable to local vicissitudes. Should such an eventuality occur, the quality of local banking resources, at some point in the future, might well be adversely affected. Approval of such a proposal cannot, therefore, be regarded as being in the public interest.

For these reasons, we would deny the application.

HASTINGS CITY NATIONAL CO., LINCOLN, NEBRASKA

ORDER APPROVING FORMATION OF BANK HOLDING COMPANY

Hastings City National Co., Lincoln, Nebraska, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through the acquisition of 80 per cent or more of the voting shares of City National Bank of Hastings, Hastings, Nebraska ("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, a nonoperating company with no subsidiaries, was organized for the purpose of becoming a bank holding company through the acquisition of Bank ($42.5 million in deposits). Bank is the second largest of eleven banks in the relevant banking market, controlling approximately 31 per cent of the total commercial bank deposits therein.[1] Upon acquisition of Bank, Applicant would become the twelfth largest banking organization in Nebraska and hold 0.9 per cent of total commercial bank deposits in the State.[2] Since the purpose of the proposed transaction is to effect a transfer of the ownership of Bank from

[1] The relevant banking market is approximated by Adams and Clay Counties.

[2] All banking data are as of June 30, 1973, and reflect bank holding company formations and acquisitions approved through February 28, 1974.

individuals to a corporation owned by the same individuals with no change in Bank's management or operation, consummation of the proposal herein would eliminate neither existing nor potential competition.

The principals of Applicant are also shareholders, officers and/or directors of six other affiliated bank holding companies and banks in Nebraska, the closest of which is located in Grand Island, approximately 28 miles from Bank, and in a separate banking market. The Board is concerned with common ownership of multiple one-bank holding companies because of the possibilities for evasion of the purposes of the Act created by such ownership. However, these relationships are not prohibited by the Act and, in the absence of evidence of evasion or abuse, the Board will act favorably on such applications. In the instant case, it is the Board's judgment that competitive considerations are consistent with approval of this application.

The financial and managerial resources and future prospects of Applicant, dependent upon those of Bank, are regarded as generally satisfactory. As indicated above, the proposed acquisition represents a change in form of ownership of Bank, and there are no significant proposed changes in the operations or services of Bank. Therefore, considerations relating to the convenience and needs of the community to be served are consistent with approval. It is the Board's judgment that the 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, provided that the transaction shall not be made (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.

By order of the Board of Governors, effective April 4, 1974.

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

(Signed) CHESTER B. FELDBERG,

[SEAL] *Secretary of the Board.*

COMMERCE BANCSHARES, INC., KANSAS CITY, MISSOURI

ORDER APPROVING ACQUISITION OF BANK

Commerce Bancshares, Inc., Kansas City, Missouri, 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 more than 80 per cent of the voting shares of Farmers and Merchants Bank, Bolivar, Missouri ("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 the views of Grandview Bank & Trust Company, Grandview, Missouri, in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the third largest bank holding company and banking organization in Missouri, controls 26 subsidiary banks with aggregate deposits of approximately $1 billion, representing 7.7 per cent of the total commercial bank deposits in Missouri.[1] Acquisition of Bank would increase Applicant's share of State deposits by the addition of .10 per cent and would not result in a significant increase in the concentration of banking resources in the State.

Bank (deposits of $14.0 million) is the second largest of five banks in Polk County (which approximates the relevant banking market), and controls almost 29 per cent of the total deposits in commercial banks in the market. The largest bank in the market controls almost 40 per cent of the market deposits, and Applicant's acquisition of Bank would not result in Applicant's gaining a dominant share of the market's banking resources.

Applicant's subsidiary bank closest to Bank is located in Willard, Missouri, approximately 24 miles south of Bolivar, and there is no meaningful present competition between any of Applicant's subsidiary banks and Bank. The town of Bolivar is the only town in Polk County that has experienced rapid growth in the past decade. This growth

[1] All banking data are as of June 30, 1973, and reflect holding company formations and acquisitions approved through January 31, 1974.

is expected to continue, and may increase competition between Bank and Applicant's subsidiary banks located in the Springfield-Willard area. This possible future competition is not regarded as significant. *De novo* entry into the Polk County market is regarded as relatively unlikely due to the low population and rural orientation of Polk County. Nor does it appear that "foothold" entry into the market is an attractive alternative. The Board concludes that competitive considerations are consistent with approval of the application.

In its consideration of this application, the Board has examined the covenant not to compete which was executed in connection with the proposal, and considered the question of whether such a covenant is contrary to the standards respecting competition and the public interest which the Board is required to consider under the Bank Holding Company Act. The Board finds that the provisions of this covenant are consistent with such standards, and that its presence in the record does not require denial of the application.

The financial and managerial resources and future prospects of Applicant are regarded as satisfactory; those of Bank are also regarded as satisfactory, particularly in view of Applicant's commitment to increase Bank's capital account, which has not kept pace with Bank's deposit growth, upon consummation of the acquisition. Accordingly, considerations relating to the banking factors lend some weight toward approval of the application. Although the major banking needs of the residents in the area are being adequately served at the present time, the proposed affiliation is likely to result in the provision of some services which cannot presently be profitably provided by banks of the size prevailing in the area, such as trust services. Considerations relating to the convenience and needs of the community to be served lend some weight toward approval of the application. 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 made (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.

By order of the Board of Governors, effective April 24, 1974.

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

(Signed) CHESTER B. FELDBERG,

[SEAL] *Secretary of the Board.*

DISSENTING STATEMENT OF GOVERNORS MITCHELL AND BRIMMER

We would deny the application by Commerce Bancshares, Inc., to acquire Farmers and Merchants Bank. Our decision is based upon the existence in the purchase agreement which was executed between Applicant and Bank's principal shareholders, of a covenant not to compete which, by its terms, prohibits Bank's principal shareholders from engaging in the banking business within a 25 mile radius of Bank for a period of five years from the date of the proposed acquisition. In our view, this covenant will necessarily inhibit competition and should not be sanctioned by the Board.

The purpose and effect of the covenant in this case is to preclude the possibility that the restricted individuals would provide support for an alternative source of commercial banking services in the Bolivar area in the near future. For reasons stated more fully in our dissent to the Board's Order of September 21, 1973, approving the acquisition by First Alabama Bancshares, Inc., of Citizens Bank of Guntersville (1973 Federal Reserve BULLETIN 757), such a consequence is inherently anticompetitive.

FIRST AT ORLANDO CORPORATION, ORLANDO, FLORIDA

ORDER APPROVING ACQUISITION OF ONE BANK AND DENYING ACQUISITION OF ANOTHER BANK

First at Orlando Corporation, Orlando, 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 90 per cent or more of the voting shares of (1) The Beach Bank of Vero Beach, Vero Beach ("Vero Beach Bank"); and (2) The Sebastian River Bank, Sebastian ("Sebastian Bank"), both located in Florida.

Notice of the applications, 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 applications 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 42 banks with aggregate deposits of $1.5 billion representing about 7.5 per cent of deposits in commercial banks in Florida.[1] Applicant's acquisition of both Vero Beach Bank (deposits of $15.7 million) and of Sebastian Bank (deposits of $6.8 million) would not significantly increase the concentration of banking resources in Florida. It follows that the acquisition of either bank by itself would not increase the concentration of banking resources in the State.

Both Vero Beach Bank and Sebastian Bank are located in the same banking market and control about 13 and 6 per cent, respectively, of the total deposits in commercial banks in this market.[2] Applicant's closest banking subsidiaries to the relevant market are almost twenty miles distant and there is little existing competition between these, or any other of Applicant's banking subsidiaries, and either Vero Beach Bank or Sebastian Bank. Moreover, there does not appear to be a reasonable likelihood of substantial future competition developing between Applicant's banking subsidiaries and Vero Beach Bank or Sebastian Bank due to the distances involved and Florida's branching laws, among other factors. Nor can Applicant be considered a likely *de novo* entrant in the market. In a previous matter involving the application of First National Bankshares of Florida, Inc., the Board found the Indian River banking market to be unattractive for *de novo* entry (see 1973 Federal Reserve BULLETIN 362). There have been no significant changes in the market since that decision which would lead to a different judgment.

There are, on the other hand, other competitive considerations involved in the instant proposal. It appears that consummation of the acquisition of both banks would tend to solidify the existing concentration in the market and inhibit the probability of future deconcentration. The two largest organizations in the market presently control over 75 per cent of the total commercial bank deposits therein. Vero Beach Bank and Sebastian Bank rank as the market's third and fourth largest banks, respectively. Acquisition of both banks by Applicant would eliminate the remaining independent banks in the market that are not subsidiaries of bank holding companies. However, approval of the application to acquire Vero Beach Bank and denial of the application to acquire Sebastian Bank would not only permit Applicant to enter the market and provide increased competition for the market's two largest organizations but would preserve an entry vehicle for another holding company. An interest in such entry is apparent from the applications filed by two holding companies for national bank charters in this market.[3] Moreover, denial of the application to acquire Sebastian Bank would enhance competition in the market by eliminating an existing affiliation between the two banks. Accordingly, the Board concludes that competitive considerations are consistent with approval of the acquisition of Vero Beach Bank while consummation of the acquisition of Sebastian Bank, by the same bank holding company, would have substantially adverse effects on competition.

The financial and managerial resources and future prospects of Applicant, its subsidiary banks, and Vero Beach Bank and Sebastian Bank are considered to be generally satisfactory, particularly in view of a commitment by Applicant to add capital to certain of its existing subsidiary banks and to Vero Beach Bank. This factor lends support for approval of the application to acquire Vero Beach Bank. On the other hand, though Applicant has agreed to provide capital to Sebastian Bank, the Board concludes that this factor does not outweigh the substantially adverse competitive effects associated with the application.

Considerations relating to the convenience and needs of the community to be served lend some weight for support of approval of the application to acquire Vero Beach Bank since Applicant proposes to offer expanded mortgage, trust, and investment advisory services through Vero Beach Bank. Applicant also proposes to offer similar expanded services through Sebastian Bank. Again,

[1] All banking data are as of June 30, 1973, and represent bank holding company acquisitions approved by the Board through March 31, 1974.

[2] The relevant banking market is approximated by Indian River County.

[3] Both holding company applications were denied by the Comptroller of the Currency.

however, these considerations, though lending some support for approval of the acquisition of Sebastian Bank, do not outweigh the substantial adverse competitive effects associated with the application. It is the Board's judgment that consummation of the transaction to acquire Vero Beach Bank is in the public interest and should be approved while consummation of the transaction to acquire Sebastian Bank is not in the public interest and should be denied.

On the basis of the record, the application to acquire Vero Beach Bank is approved for the reasons summarized above while the application to acquire Sebastian Bank is denied for the reasons summarized above. The transaction to acquire Vero Beach Bank shall not be executed (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 April 16, 1974.

Approval of acquisition of The Beach Bank of Vero Beach, Vero Beach, Florida. Voting for this action: Chairman Burns and Governors Mitchell, Brimmer, Sheehan, Bucher, Holland, and Wallich.

Denial of acquisition of The Sebastian River Bank, Sebastian, Florida. Voting for this action: Chairman Burns and Governors Mitchell, Brimmer, Sheehan, Bucher, Holland, and Wallich.

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

GREAT LAKES FINANCIAL CORPORATION, GRAND RAPIDS, MICHIGAN

ORDER APPROVING ACQUISITION OF BANK

Great Lakes Financial Corporation, Grand Rapids, Michigan, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 80 per cent or more of the voting shares of The Peoples Bank and Trust Company, Grand Haven, Michigan ("Bank").

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

Applicant, the twelfth largest banking organization in Michigan, was organized as a bank holding company during 1973 and controls one bank with deposits of $336 million, representing 1.3 per cent of the total deposts in the State.[1] Acquisition of Bank would increase Applicant's share of State deposits by two-tenths of a percentage point, and would not significantly increase the concentration of banking resources in the State. Upon consummation of the proposed acquisition, Applicant would become the eleventh largest banking organization in Michigan.

Bank (deposits of $52 million) is the smallest of the five banking organizations in the relevant banking market, approximated by the Muskegon-Grand Haven banking market.[2] Bank controls approximately 12 per cent of the total deposits in that market, and competes with four larger banks (two of which are subsidiaries of multi-bank holding companies) holding deposits within the market of $143 million, $105 million, $81 million, and $53 million, respectively. Applicant's sole subsidiary, Union Bank and Trust Company (National Association), Grand Rapids, Michigan, is located in an adjacent but separate banking market, in which it is the second largest banking organization with less than half the deposits of the largest banking organization in the market, and its closest office to Bank is located 27 miles to the east. Each of the two banks obtains an insignificant amount of deposits from the other's service area. Consequently, no significant amount of existing competition between Applicant and Bank would be eliminated by the proposed acquisition.

Furthermore, it appears that the effect upon potential competition would also be insignificant in the relevant market. Although an interstate highway connects the two communities in which Bank and Applicant's subsidiary bank are located, the banking markets in which each bank competes appear to be separate and distinct and, due to the relative sizes of the institutions involved, the prospect of either bank becoming a meaningful competitor in the market served by the other is

[1] Banking data are as of June 30, 1973.

[2] The Muskegon-Grand Haven banking market is approximated by the Muskegon-Grand Haven Ranally Metro Area which consists of most of Muskegon County and the northwest corner of Ottawa County.

unlikely. With respect to the prospect of Applicant's *de novo* entry into the market, the Board noted in a recent Order that at least one section of the Muskegon-Grand Haven banking market, the city of Norton Shores, could support new entry.[3] However, subsequent to the date of the Board's Order, the Comptroller of the Currency formally accepted an application for a charter for a new national bank in Norton Shores, which application is presently pending before that agency. This factor would reduce the possibility of Applicant's entry into the area by a *de novo* charter. In addition, the city of Grand Haven, located about 10 miles south of Muskegon, and the immediate area surrounding Grand Haven, do not appear attractive for *de novo* entry. This area has a low population per banking office ratio as compared with the State average. It is also noted that two applications for the establishment of additional branch offices, one of which has been approved and the other is pending, would decrease further the population per banking office ratio in the Grand Haven area. Futhermore, although Applicant may possess the resources to enter the Grand Haven area *de novo*, in light of Applicant's short operating history and its relative size, *de novo* entry appears unlikely. Moreover, in view of the market conditions described above and the presence of banking organizations in the relevant market which control substantially larger deposits than Bank, the Board does not regard the alternative of *de novo* entry as clearly preferable from a competitive posture to the proposal herein by Applicant to acquire the smallest bank in the market in terms of deposits. Accordingly, on the basis of the record, the Board finds that this proposal would have no significantly adverse effect on exisitng and potential competition.

The financial and managerial resources of Applicant, its subsidiary bank, and Bank are satisfactory and lend some support toward approval of the application, especially in view of Applicant's commitment to inject equity capital into its present subsidiary and Bank. Although there is no evidence that the banking needs of the Grand Haven area are not currently being met, holding company affiliation would afford Bank access to Applicant's resources and thereby enable Bank to strengthen, modernize, and expand the fiancial services that Bank offers the public. Applicant proposes to integrate its professional computer skills with Bank's internal accounting procedures and external customer service functions. The benefits resulting from the proposed affiliation should enable Bank to compete more effectively with the four larger banking organizations in the market. Considerations relating to the convenience and needs of the community, therefore, are consistent with, and lend weight toward approval of the application. It is the Board's judgment that consummation of the proposal 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 made (a) before the thirtieth calendar day following the effective date of this Order, nor (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Chicago pursuant to delegated authority.

By order of the Board of Governors, effective April 16, 1974.

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

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

MANCHESTER FINANCIAL CORPORATION, ST. LOUIS, MISSOURI

ORDER APPROVING ACQUISITION OF BANK

Manchester Financial Corporation, St. Louis, Missouri, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire all of the voting shares (less directors' qualifying shares) of The National Bank of Affton, Affton, Missouri ("Bank"), a proposed new bank.

Subject application was filed with the Federal Reserve Bank of St. Louis; and notice of the application, affording opportunity for interested persons to submit comments and views was duly given in accordance with § 3(b) of the Act (37 *Federal Register* 9510). The Reserve Bank, acting in accordance with the Board's Rules Regarding Delegation of Authority (12 CFR § 265.2 (f)(24)), considered the application and all comments received in light of the factors set forth in § 3(c)

[3]Order of the Board of Governors denying the application of Old Kent Financial Corporation, Grand Rapids, Michigan, to acquire National Lumberman's Bank and Trust Company, Muskegon, Michigan, dated January 25, 1974 (1974 Federal Reserve BULLETIN 133.)

of the Act (12 U.S.C. 1842(c)). Based on the record before it, the Reserve Bank approved subject application. Thereafter, three banks located in Bank's proposed service area jointly filed a Petition for Review of the Reserve Bank's Order in the U.S. Court of Appeals for the Eighth Circuit (*Gravois Bank, et al. v. Federal Reserve Bank of St. Louis--Board of Governors*, No. 72-1423, 8th Cir.)[1] Petitioners did not request a stay of the Reserve Bank's Order; and Applicant accordingly consummated the approved transaction.[2]

The Court has remanded the case to the Board "for further review consistent with the opinion of this Court this day filed herein." In its opinion, 478 F. 2d 546 (8th Cir. 1973), the Court declares that the Reserve Bank failed to "examine the facts to determine whether or not the Affton Bank would be operated as a *de facto* branch of the Manchester Bank"[3] and directs the Board to follow, on remand, the guidelines laid down by the Court in *Commercial National Bank of Little Rock v. Board of Governors*, 451 F. 2d 86, 89-90 (8th Cir. 1971).

In light of the Court's action, the Board directed that the record be supplemented with additional evidence on the branch banking question in order that further consideration might be given to the issue raised by petitioners. An examiner was dispatched to determine the mode of operation of Bank and to gather data relevant to the branching issue. In addition, Applicant and Petitioners were invited to submit views and factual materials on this question. The Board has considered the application and the facts of record, including all materials submitted by the parties to the Court of Appeals, to the Reserve Bank, and to the Board.

The facts of record reflect that Bank is a separate corporation with its own capital stock; that Bank is a national bank, whereas Manchester Bank is a State-chartered bank; that Bank and Manchester Bank must observe the separate borrowing and lending limits prescribed by State and Federal law (*Rev. Stat. Mo* § 362.170; 12 U.S.C. §§ 82, 84); that Bank is capitalized with funds raised by Applicant through a loan obtained from an unaffiliated bank, not with profits or other funds of Manchester Bank; that although Bank and Manchester Bank advertise together, they bear substantially different names, and persons in Bank's service area consider that the two banks operate separately; that no loan payments or deposits of Bank are accepted by Manchester Bank and no loan payments or deposits of Manchester Bank are accepted by Bank; that no officer of Bank is an officer of Manchester Bank, and no officer of Manchester Bank is an officer of Bank; that Manchester Bank is one of Bank's four correspondent banks; and that four of Bank's directors are also directors of Manchester Bank. In addition, it appears that Applicant was incorporated in 1968, acquired Manchester Bank in 1969, and submitted its application for prior approval to acquire Bank in 1972. The record supports the conclusion that Applicant is a "traditionally recognized bank holding company which, with its own capital, invests in or buys the stock of banks," *Whitney National Bank v. Bank of New Orleans*, 323 F. 2d 290 (D.C. Cir. 1963), *rev'd on other grounds*, 379 U.S. 411 (1965), and that a unitary operation does not exist between Bank and Manchester Bank. *First National Bank in Billings v. First Bank Stock Corp.*, 306 F. 2d 937 (9th Cir. 1962).

Applicant, the sixteenth largest banking organization in Missouri, controls two banks, with aggregate deposits of $98.8 million,[4] representing .7 per cent of total deposits in commercial banks in the State and 1.6 per cent of all such deposits in the St. Louis banking market.[5] Bank (deposits of $2.54 million) is the smaller of Applicant's banks and controls only about .1 per cent of total deposits in commercial banks in the St. Louis market. When the Reserve Bank issued its Order in this case, Bank was a proposed new bank; and the Reserve Bank correctly found that subject acquisition would neither eliminate competition nor in-

[1] Petitioners had opposed the application by protest to the Board and to the Reserve Bank within the time provided for public comment. Petitioners contended before the Reserve Bank that the proposed acquisition would offend Missouri's statutory prohibition of branch banking. In the Court of Appeals, Petitioners repeated this contention and urged, in addition, that the Reserve Bank had unlawfully failed to consider the branch banking issue.

[2] The Reserve Bank's Order directed that the acquisition of Bank be accomplished no sooner than thirty days and no later than three months following the date of said Order.

[3] The Manchester Bank of St Louis (Manchester Bank) was, prior to subject acquisition, Applicant's only banking subsidiary. Missouri Law forbids branch banking, *Rev. Stat Mo* § 362.105(1); and the Board must disapprove any proposed transaction consummation of which would violate State branch banking law. *Whitney National Bank v. Bank of New Orleans*, 323 F. 2d 290 (D.C. Cir. 1953), rev'd on other grounds, 379 U.S. 411 (1965).

[4] Data as of June 30, 1973.

[5] Approximated by the City of St. Louis, St. Louis County, portions of St. Charles and Jefferson Counties in Missouri, and portions of Madison and St. Clair Counties in Illinois.

crease concentration in any relevant area.[6] Indeed, the record indicates that subject acquisition enhances competition by creating an additional source of commercial banking services in South St. Louis County. Accordingly, the Board concludes that the acquisition of Bank by Applicant does not adversely affect existing or potential competition in any relevant area.

The financial and managerial resources and future prospects of Applicant and Bank are generally satisfactory and consistent with approval of the application. Considerations relating to the convenience and needs of the community are likewise consistent with approval. It is the Board's judgment that subject acquisition is in the public interest and the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction having been consummated, today's action empowers Applicant to retain its ownership and control of voting shares of Bank.

By Order of the Board of Governors, effective April 4, 1974.

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

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

[6]The record before the Reserve Bank indicated that Applicant was the fourteenth largest banking organization in Missouri, controlling .85 per cent of total deposits in commercial banks in the State, as of June 30, 1971.

ORBANCO, INC., PORTLAND, OREGON

ORDER APPROVING ACQUISITION OF BANK

Orbanco, Inc., Portland, Oregon, 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 51 per cent or more of the voting shares of Security Bank of Oregon, Portland, Oregon ("Bank").

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

Applicant controls one bank with total deposits of $216.6 million, representing 4.2 per cent of the total deposits in commercial banks in Oregon and is the third largest banking organization headquartered in the State.[1] The direct acquisition of Bank (deposits of $51.5 million) would increase Applicant's share of State deposits by 1 percentage point and its rank would remain unchanged.

Bank is the sixth largest of 16 banks operating in the Portland metropolitan area,[2] the relevant banking market,[3] holding 2 per cent of total deposits therein. The largest bank in the market, First National Bank of Oregon, holds 39.8 per cent of total deposits in the market. The second largest, United States National Bank of Oregon, holds 36.3 per cent of such deposits. It appears that the two largest banks in Portland are dominant in this market.

Applicant's subsidiary bank, The Oregon Bank, is the fourth largest bank[4] in the Portland banking market and controls 4.7 per cent of the total deposits in commercial banks therein. Although some of the branch offices of Bank and The Oregon Bank have overlapping service areas,[5] the prospects of vigorous competition developing between the two banks appears remote in view of Bank's weak competitive position. Acquisition of Bank by Applicant, which itself is not dominant in the market, would permit an infusion of additional capital and new management into Bank and restore its competitive vigor. The Board concludes that consummation of the proposed transaction is not likely to lessen competition in the Portland market as, in the absence of such consummation, Bank does not appear able to remain a viable competitive alternative to the area's other banks. Although a slight increase in concentration among the four largest firms in the market would result from consummation of the proposed transaction, con-

[1]Banking data pertaining to Applicant are as of June 30, 1973.

[2]Market share data are as of December 31, 1972.

[3]The Portland banking market is approximated by Clackamas, Multnomah, and Washington Counties.

[4]The Oregon Bank, though the fourth largest bank operating in the relevant market, is the third largest bank headquartered in the State. The third largest bank operating in the market is Bank of California, N.A., and is not headquartered in the State.

[5]Three of Bank's offices face no direct competition from The Oregon Bank's branches. The three offices of Bank located in Portland's central business area, where direct competition does exist, are in an area with the highest number of offices of other banks. Accordingly, the importance of any direct competition between Bank and The Oregon Bank is reduced by the presence of these other competitors.

summation would not, in the Board's view, cause a substantial lessening of competition in that market, but would, to the contrary, offer the prospect of more vigorous competition among area banks.

The financial condition of Applicant and The Oregon Bank are generally satisfactory; future prospects for both are favorable. The financial condition, managerial resources, and future prospects of Bank are less than satisfactory. Applicant proposes to assist Bank by providing substantial equity capital and managerial assistance, as well as to assist Bank in the provision of consumer lending, commercial lending, trust services, and credit card services. While there is no evidence in the record that the banking needs of the area are not being adequately served, the improved or expanded services proposed by Applicant would provide customers with an alternative source of such services and, further, would enable Bank to compete more effectively with the two dominant banks in the market. The financial and managerial assistance that Applicant proposes for Bank would also enhance Bank's competitive ability and ensure Bank's continued service to its customers. Accordingly, considerations relating to the convenience and needs of the communities to be served weigh strongly in favor of approval and clearly outweigh any anticompetitive effects of the proposed transaction. It is the Board's judgment that consummation of the proposed acquisition is in the public interest and that the application should be approved.

The record in this case indicates that most of the shares which Applicant seeks to acquire were, in fact, acquired by an individual who is a director of one of Applicant's nonbanking subsidiaries and the son of the Chairman of the Board of Applicant. Former management of Bank has objected to this application on grounds, among others, that Applicant, acting through this individual has already indirectly acquired control of the shares for the acquisition of which the Board's prior approval is now sought. The Board has considered arguments, depositions, and exhibits filed by all parties and has concluded that Applicant has not indirectly acquired shares of Bank through this individual. Under an agreement between this individual and Applicant, the individual bears the entire market risk associated with ownership of the shares. The only limitation on his rights of ownership is that he not pledge or otherwise encumber or hypothecate the shares for a period of one year from the date the agreement became operative. Applicant has no ability to direct or influence his disposition of the shares of Bank in the event the instant application were denied. The individual has undertaken significant management changes in Bank including the employment of a new chief executive, unassociated with Applicant. There is no substantial evidence in the record suggesting that Applicant is participating in or influencing the management or policies of Bank. It therefore does not appear that the purposes of section 3 have been frustrated. Based on these facts, it does not appear that Applicant has acquired indirect ownership or control of the shares held by this individual or has exercised controlling influence over the management or policies of Bank. Nonetheless, the Board remains "seriously concerned with proposals that indicate a holding company, acting through its officers and directors, may have gained control of the shares of a bank (or nonbank concern) without specific Board approval, as required by the Act."

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (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 San Francisco pursuant to delegated authority.

By order of the Board of Governors, effective April 1, 1974.

Board Order of January 31, 1974, denying the application of Mid America Bancorporation, Inc., Mendota Heights, Minnesota, to acquire shares of The First National Bank of Lakeville, Lakeville, Minnesota.

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

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

SECURITY NEW YORK STATE CORPORATION, ROCHESTER, NEW YORK

ORDER APPROVING ACQUISITION OF BANK

Security New York State Corporation, Rochester, New York, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 100 per cent of the voting shares (less directors' qualifying shares) of the successor by merger to Glen National Bank and Trust Company, Watkins Glen, New York ("Bank"). The bank into which Bank is to be merged has no significance except as a means to facilitate the acquisition of all of the voting shares of Bank. Accordingly, the proposed acquisition of shares of the successor organization is treated herein as the proposed acquisition of shares of Bank.

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

Applicant controls eight banks with aggregate deposits of $721 million, representing 0.7 per cent of total deposits in commercial banks in New York State and ranks sixteenth among the State's 35 bank holding companies. (All banking deposit data are as of June 30, 1973, all market deposit data are as of June 30, 1972; and reflect holding company formations and acquisitions approved through January 31, 1974.) The acquisition of Bank would increase Applicant's share of State deposits by less than one-half of one percentage point.

Bank (deposits of $15 million) is the sixth largest of nine banks competing in the Elmira-Corning banking market[1] and controls 4.6 per cent of the total commercial bank deposits in that market. Applicant controls a subsidiary bank, First Bank and Trust Company of Corning ("First Corning"), also located in the Elmira-Corning market, where it holds 11.1 per cent of the area's commercial bank deposits. Consummation of the proposed transaction would give Applicant control of 15.7 per cent of deposits in the market, and it would remain the third largest banking organization in a market in which approximately 60 per cent of the total deposits are held by the two largest banking organizations.

Bank derives less than 0.2 per cent of its deposits and loans from the service area of First Corning. Similarly, First Corning derives only an insignificant portion of its deposits and loans from the service area of Bank, which is 23 miles distant. It appears, therefore, that the two banks are serving primarily different segments of the Elmira-Corning banking market.

The possibility of greater competition developing in the near future between First Corning and Bank appears remote. First Corning operates in the State's Eighth Banking District while Bank is located in the Seventh District. State law prohibits each bank from branching outside its respective District until 1976. Further, it appears unlikely that Applicant's banking subsidiary in Ithaca would branch into Bank's service area, considering the fact that the market's population increased only 1 per cent during the decade ending in 1970 and that its per capita personal income is considerably below the State average. On the basis of the facts of record, the Board concludes that consummation of the proposed acquisition would have no significant adverse effects on existing competition, nor would it foreclose the development of future competition.

The financial and managerial resources of Applicant, its subsidiary banks, and Bank are generally satisfactory, and their prospects appear favorable. Banking factors are consistent with approval of the application. Applicant proposes to enable Bank to improve and expand the present range of services it offers; to make available to Bank's customers credit card services, larger loans, cash-reserves checking, automated accounting services, payroll service plans, salary deposit plans, international financing, equipment leasing, and numerous trust services. Considerations relating to the convenience and needs of the communities to be served lend weight toward approval of the application and outweigh any anticompetitive effects of the proposal. It is the Board's judgment that consummation of 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 made (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 New York pursuant to delegated authority.

By order of the Board of Governors, effective April 1, 1974.

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

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

(Signed) CHESTER B. FELDBERG,
Secretary of the Board.

[SEAL]

[1] The relevant market is comprised of Schuyler and Chemung Counties and the southern quarter of Steuben County.

DISSENTING STATEMENT OF GOVERNOR BRIMMER

I would deny the application on the grounds that consummation of the proposed acquisition would result in adverse effects on competition which would not be offset by any special benefits to the public. I am also troubled by the significant increase in the concentration of banking resources within the Elmira-Corning banking market which would result from the proposal.

I find the competitive aspects of this proposal significantly adverse. Applicant ranks not only as the third largest banking organization in the Elmira-Corning banking market in terms of deposits but also maintains six other banking offices within 26 miles of Bank. Consummation of the proposal would decrease the number of competitors in the market from nine to eight; it would increase the share of deposits held by the market's five largest banking organizations to more than 91 per cent. The relevant area has experienced a low population growth and poor economic development over the last ten years and prospects for this area do not appear favorable. In view of the market conditions, it appears even more important that the remaining foothold banks be preserved for possible acquisition by banking organizations located outside the market. The Board's approval of the present proposal, which eliminates one of the remaining independent market banks,[1] mitigates the possibility of any future deconcentration of the Elmira-Corning area.

The majority opinion states that benefits emanating from this proposal, relating to the convenience and needs of the communities to be served, lend weight toward approval of the application. I find, conversely, that all the services which Applicant proposes for Bank are presently available through Applicant's subsidiary bank located in the market and through other large banking organizations competing therein such as Marine Midland Banks, Lincoln First Banks, and Charter New York Corporation. I conclude, therefore, that the adverse effects of the proposal are not outweighed in the public interest by serving any present or future needs or conveniences of the relevant areas. Furthermore, it appears imperative that measures should be taken to alleviate the significantly high concentration of banking resources in the Elmira-Corning banking market. For these reasons, I would deny the present application.

[1]The Board approved on March 20, 1974, an application to merge the second and eighth largest banks (in terms of deposits) in the Elmira-Corning banking market.

UNITED FIRST FLORIDA BANKS, INC. AND DELAND DEVELOPMENT CORPORATION, TAMPA, FLORIDA

ORDER APPROVING ACQUISITION OF BANK

United First Florida Banks, Inc. ("Applicant"), Tampa, 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 90 per cent or more of the voting shares of Deland State Bank ("Bank"), Deland, Florida. In a related matter, Deland Development Corporation ("Development") Maitland, Florida, a bank holding company with respect to Bank, has applied for the Board's approval under § 3(a)(3) of the Act to acquire, through a conversion of $440,000 in subordinated convertible debentures, 18,544 voting shares of Bank. Upon its acquisition of such shares, Development proposes to tender its entire interest in Bank to Applicant. Development's acquisition of shares of Bank has no significance except as a means to facilitate Applicant's acquisition of 90 per cent or more of the voting shares of Bank. Accordingly, the proposals are treated herein as the proposed acquisition of voting shares of Bank by Applicant.

Notice of the applications, 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 applications 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 fourth largest bank holding company in Florida, controls 35 banks with aggregate deposits of $1.3 billion, representing 6.5 per cent of total deposits of commercial banks within the State.[1] Acquisition of Bank would not significantly increase Applicant's share of State deposits and would not alter Applicant's ranking among other State banking organizations.

Bank ($28.9 million in deposits) is the second largest of six commercial banks located in the relevant market,[2] and holds 21.5 per cent of the deposits in the market. Four of the five remaining banks in the market are now affiliated with bank holding companies. Applicant's banking subsidi-

[1]All banking data are as of June 30, 1973, and reflect holding company formations and acquisitions approved through February 28, 1974.

[2]The relevant banking market in the western portion of Volusia County.

ary closest to Bank is located approximately 20 miles away in Sanford, which is in a separate banking market. It appears that no meaningful competition exists between Bank and any of Applicant's subsidiary banks. Furthermore, due to the distances and natural barriers between Bank and Applicant's subsidiaries, it is unlikely that potential competition would develop between them. On the basis of the foregoing and the record, the Board concludes that consummation of the proposal would not eliminate any significant existing competition nor foreclose the development of significant potential competition.

Incident to this acquisition agreement, there is a covenant by the directors of Bank "not to become an officer or director of any bank in the Greater Deland area" for a two year period. It appears that the provisions of this covenant are reasonable in duration, scope and geographic area. Accordingly, the Board is of the view that the existence of such a covenant does not preclude approval of the proposed acquisition.

In view of Applicant's commitments to inject additional equity capital into certain of its subsidiary banks, the financial and managerial resources and prospects of Applicant and its subsidiaries are regarded as generally satisfactory. Acquisition by Applicant will enhance the financial and managerial resources of Bank, especially in light of Applicant's commitment to inject equity capital into Bank and Applicant's ability to provide Bank with management expertise. Considerations related to financial condition and managerial resources, therefore, are consistent with, and lend some weight toward, approval of the applications. Although there is no evidence in the record to indicate that the banking needs of the community to be served are not currently being met, Applicant plans to expand the range of services presently offered by Bank. Convenience and needs factors are consistent with approval of the applications. It is the Board's judgment that consummation of the proposals would be in the public interest and that the applications should be approved.

On the basis of the record, the applications are approved for the reasons summarized above. The transactions shall not be made (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 April 4, 1974.

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

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

DISSENTING STATEMENT OF GOVERNOR BRIMMER

I would deny the application by United First Florida Banks, Inc. to acquire Deland State Bank. My decision is based on an examination of a covenant not to compete contained in a letter agreement that is incident to this proposal. Each director of Bank is prohibited by the covenant from becoming an officer or director of any bank in the Greater Deland Area for a period of two years from the effective date of the proposed stock exchange or two years from the date of his resignation as a director of Bank, whichever occurs last. In my view, covenants of this type necessarily inhibit competition and should not be sanctioned by the Board.

The purpose of such a covenant is to preclude the individuals involved from offering support and expertise to a convenient alternative source of commerical banking services in the Deland area in the near future. For reasons stated more fully in my dissent to the application of First Alabama Bancshares, Inc., to acquire Citizens Bank of Guntersville (59 Federal Reserve BULLETIN 757), such a result is inherently anticompetitive and not in the public interest.

Accordingly, I would deny the application.

NORTHEAST BANCORP, INC., NEW HAVEN, CONNECTICUT

ORDER APPROVING MERGER OF BANK HOLDING COMPANIES

Northeast Bancorp, Inc., New Haven, Connecticut ("Northeast Bancorp"), 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 First Connecticut Bancorp, Inc., Hartford, Connecticut ("First Connecticut"), under the charter and title of Northeast Bancorp.

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)).

Northeast Bancorp controls one bank with deposits of $603 million, representing 9.4 per cent of deposits in commercial banks in the State, and is the third largest commercial banking organization in Connecticut. First Connecticut is the ninth largest commercial banking organization in the State and controls three banks with aggregate deposits of $222 million, representing 3.5 per cent of deposits in commercial banks in the State.[1] Upon consummation of the proposed merger, Northeast Bancorp's share of total commercial bank deposits would increase to 12.9 per cent, and Northeast Bancorp would remain the third largest holding company in Connecticut.

The Department of Justice has commented on this proposed merger and concluded that it should be denied. The Department indicated that, in its opinion, the proposed merger would not only eliminate some existing competition, but would have an adverse effect upon potential competition because Northeast Bancorp and First Connecticut would be eliminated as potential entrants into each other's markets. In addition, the Department stated that it believed the merger to be another in a current trend in Connecticut toward mergers among the largest banks in the State with a resulting increase in concentration of total State commercial deposits.

The Board has concluded that approval of the proposed merger would not have significant adverse effects on the concentration of banking resources in Connecticut. Upon consummation, Connecticut would still have 11 commercial banking organizations with deposits over $100 million. Furthermore, any assessment of concentration in Connecticut should include some consideration of mutual savings banks. Mutual savings banks and commercial banks already compete in Connecticut for a large number of normal banking services and as of December 31, 1975, mutuals would be enabled to offer limited noninterest-bearing personal checking services.[2] In this regard it should be noted that Connecticut's mutual savings banks exceed commercial banks both in number and in total deposits. There are 61 commercial banking organizations in Connecticut with aggregate deposits of $6.4 billion and 68 mutual savings banks with aggregate deposits of $7.4 billion. Taking into consideration both commercial banks and mutual savings banks, the proposed merger would combine the fifth and sixteenth largest of such organizations and Northeast Bancorp would remain fifth among all such organizations in the State. On the basis of the foregoing, the Board concludes that the proposed merger would not have significant effects upon the Statewide banking structure in Connecticut.

With respect to competition in individual markets, Northeast Bancorp's sole subsidiary bank, Union Trust Company ("Union Trust"), is headquartered in New Haven and has 51 banking offices which are concentrated in the southwestern area of Connecticut. First Connecticut's three subsidiary banks, headquartered in Hartford, New Britain and Simsbury, respectively, operate a total of 28 offices of which 26 are in the north central portion of the State surrounding Hartford. Therefore, Northeast Bancorp and First Connecticut operate primarily in separate sections of the State and the amount of overlap in most categories of deposits and loans is minimal. There is only one area in the State in which both organizations operate; branches of the two banking organizations are located in the adjacent towns of Old Saybrook, Essex and Old Lyme. The deposits held by these offices represent a minimal portion of total deposits held by each of the organizations. The board concludes that consummation of the proposed merger would not eliminate a significant amount of existing competition between banking subsidiaries of Northwest Bancorp and First Connecticut, nor would it have significant adverse effects on existing competition in any banking market.

[1] State banking data are as of June 30, 1973, adjusted to reflect bank holding company formations and acquisitions through October 31, 1973.

[2] Recently enacted legislation to give them this power takes effect December 31, 1975 unless before that date either of the following should occur, in which event the Act becomes effective immediately:

1. The enactment of Federal legislation that authorizes the chartering of national mutual savings banks having the powers to accept personal checking accounts prior to December 31, 1975 or;

2. The elimination of the differential in interest rates which may be paid by savings banks and by State nonmember commercial banks on savings and time deposits of less than $100,000.

While both Northeast Bancorp and First Connecticut have nonbank subsidiaries, none of the subsidiaries engage in the same activity and all such subsidiaries operate in separate market areas. The Board finds no existing competition would be eliminated between nonbanking subsidiaries of the two holding companies.

With respect to the effect of the proposal on potential competition, First Connecticut, with about 8 per cent of market deposits, is the third largest banking organization in the Hartford-New Britain banking market (approximated by the combined Hartford-New Britain SMSA's). The two largest banking organizations in the market, which are also the largest organizations in the State, have a combined market share of 77.5 per cent.[3] While consummation of the proposed merger would foreclose the possibility of competition between Northeast Bancorp and First Connecticut in that market, the Board believes the likelihood of future competition developing between the two banking organizations in the absence of the proposal is limited due to significant barriers to entry confronting Northeast Bancorp. Connecticut's banking law permits Statewide branching subject to home office protection, and the open towns which appear to be attractive for *de novo* entry would still not put Northeast Bancorp into the major cities in this banking market. The acquisition of an existing bank located in the market does not appear likely in view of the fact that those available either are not attractive because they would not place Northeast into the major cities or because they seem reluctant to become affiliated. The establishment of a *de novo* bank in the relevant market by Northeast Bancorp is not a likely alternative since it appears that Connecticut holding companies have been unable to commence such entry in the past. The Board concludes that consummation of the proposed merger will not have any significant adverse effects on potential competition in the Hartford-New Britain SMSA's.

The proposed merger might foreclose the possibility that First Connecticut would enter the banking markets where Northeast Bancorp operates since, as the State's ninth largest banking organization, it would appear to possess the capability of entering some of these markets. Any such entry would, however, have to be through acquisition since there are a limited number of open towns in the markets where Northeast operates which are attractive for *de novo* branching and entry into even those towns would not place First Connecticut into the principal cities in the market. Thus, there is little likelihood that First Connecticut could become an effective competitor by *de novo* branching. As stated earlier, the possibility of new bank formations appears unlikely in view of the record of Connecticut banking organizations in this regard. With respect to any individual market, the Board cannot conclude that entry of First Connecticut is likely or that if it occurred it would be through an acquisition that would be competitively preferable to the present proposal. Furthermore, it appears that in all of the markets in which Northeast presently operates there are other potential entrants. The Board therefore concludes consummation of the proposal would have no significant adverse effects in markets presently served by Northeast Bancorp.

The Board is of the opinion that any adverse effects of the proposed merger upon potential competition would be outweighed by the anticipated procompetitive effects the proposal would have in facilitating the deconcentraion of the highly concentrated Hartford-New Britain banking market. The two largest banking organizations have a combined market share of 77.5 per cent of commerical bank deposits in the market, while the third largest banking organization in the market, First Connecticut, controls only 8.1 per cent of total market deposits. The share of deposits of the remaining 21 banks operating in the market range downward from 3.5 per cent of total commercial bank deposits. The entry of Northeast Bancorp into this market by means of the proposed merger would create a third viable alternative in this highly concentrated market for those banking services currently being offered almost exclusively by the two dominant banking organizations.

The financial conditions and managerial resources of Northeast Bancorp, First Connecticut, and their respective groups of banks are satisfactory and their prospects appear favorable. Thus, banking factors are consistent with approval of the application. Affiliation with Northeast Bancorp will enable First Connecticut's subsidiary banks to provide new and improved retail and wholesale services, involving Master Charge, self-service teller facilities, international services, new lending programs, lock box services, data processing facilities, municipal financing, and trust and advisory services, and will enable First Connecticut

[3] Market data are as of June 30, 1972.

to become a more effective, competitive alternative in its markets. These factors lend weight toward approval.

It is the Board's judgment that the proposed transaction is in the public interest and should be approved.

In another aspect of this application, Hartford National Corporation, a bank holding company controlling the largest bank in the Hartford-New Britain banking market, has objected to the form of the instant proposal and has urged the Board to restructure the proposal by requiring a merger of certain subsidiary banks of both holding companies in order to remove the "home office protection" granted by State law to the cities of New Britain and Simsbury. The Connecticut Commissioner of Banking responded to this qualified objection by commenting that the distribution of banking offices within the State is a matter for the State legislature and not for federal regulatory agencies.

As a matter of policy, the Board has opposed "home office protection" statutes as devices to protect a favored few from the rigors of fair competition.[4] Further, where an application has presented significant adverse competitive effects, or where an Applicant has voluntarily taken steps that would result in removal of "home office protection," that removal has been considered a procompetitive consideration and a public benefit.[5] However, when, as here, the Board has concluded that an application presents net procompetitive effects, the Board has not conditioned its approval upon removal of "home office protection,"[6] and the Board will not do so in this case.

[4]See Order of January 19, 1973 approving acquisition of bank by CBT Corporation, 59 Fed. Res. BULLETIN, 111, 112 (February 1973); see Statement accompanying Order of July 29, 1971 denying acquisition of bank by Midlantic Banks, Inc., 57 Fed. Res. BULLETIN, 684, 686 (August 1971); and Order of February 17, 1972 approving acquisition of bank by United Jersey Banks, 58 Fed. Res. BULLETIN, 290 (March 1972).

[5]See Statement accompanying Order of February 7, 1972 approving acquisition of bank by Midlantic Banks, Inc., 58 Fed. Res. BULLETIN, 286, 287 288 (March 1972); Statement accompanying Order of April 7, 1972 approving acquisition of bank by Midlantic Banks, Inc., 58 Fed. Res. BULLETIN, 475, 477 (May 1972); Order of February 17, 1972 approving acquisition of bank by United Jersey Banks, 58 Fed. Res. BULLETIN, 296 (March 1972); and Order of January 19, 1973 approving acquisition of bank by CBT Corporation, 59 Fed. Res. BULLETIN, 111, 112 (February 1973).

[6]See Statement accompanying Order of April 17, 1970 approving application by First Connecticut Bancorp, Inc., to become a bank holding company, 56 Fed. Res. BULLETIN, 452 (May 1970); and Order of November 16, 1973 approving the application of The Connecticut BancFederation to become a bank holding company through the acquisition of banks, 59 Fed. Res. BULLETIN, 898 (December 1973).

Hartford National Corporation additionally noted that the resulting proposed holding company would be comprised of "mostly" nonmember banks which would give Northeast Bancorp an "unfair operating advantage." The present proposal does not involve the withdrawal of subsidiary banks from membership by the proposed resulting bank holding company but the proposed merger of two holding companies which presently consist of largely nonmember banks. The Board believes, therefore, that Hartford National Corporation's contention has no bearing on the present application.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (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 Boston pursuant to delegated authority.

By order of the Board of Governors, effective April 4, 1974.

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

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

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

DISSENTING STATEMENT OF GOVERNORS MITCHELL, BRIMMER, AND BUCHER

We would deny the application as having adverse effects on Statewide structure and potential competition which are not outweighed by any financial and managerial or convenience and needs considerations.

We believe concentration of commercial banking resources in Connecticut is such that the elimination of a significant existing commercial banking competitor in the State should not be tolerated unless it were necessary to achieve significant public benefits. The benefits that we perceive in this instance are not significant.

The majority has concluded that the proposed merger would not have significant adverse effects upon the Statewide banking structure in Connecticut, apparently relying heavily upon the competitive role of mutual savings banks. In this regard, the majority has relied upon State legislation which in about two years will broaden the services of mutual savings banks and thereby lessen the distinction between commercial banks and mutual savings banks. Commercial banks and mutual savings banks do compete for certain consumer services, including time and savings deposits, mortgages and consumer credit (and prospectively, money transfer services). However, the historical role of commercial banks in serving the entire spectrum of business, consumer and government financial needs will continue for some considerable period of time to greatly overshadow the role of mutual savings banks in serving the public. Accordingly, we would regard mutual savings banks as no more than partial substitutes for commercial banks in an assessment of the structure of Connecticut banking resources.

We also believe the proposed merger will have adverse effects on potential competition in banking markets where these holding companies operate. Northeast Bancorp, as the third largest banking organization in Connecticut, is certainly capable of entering the Hartford-New Britain area in an effective manner by *de novo* branching or foothold acquisition. The merger would eliminate the largest potential entrant out of only a few remaining sources of alternative banking services for this highly concentrated market. The merger would also have the effect of eliminating first Connecticut as a significant potential entrant into the markets in which Northeast Bancorp now operates, particularly the Stamford, Danbury and Norwalk SMSA banking markets. First Connecticut could enter all of these SMSA's by foothold acquisition or by *de novo* branching into towns not closed by home office protection.

The majority has concluded that benefits would accrue to the banking public in the combined Hartford-New Britain SMSA's. We disagree. The consumer will not significantly benefit from an additional large competitor in the market inasmuch as First Connecticut has the resources and the capability to eventually provide the proposed services to consumers enumerated in the majority's statement. Furthermore, the large New York and Boston banks will continue to serve as alternatives for the wholesale banking sector. Therefore, only the intermediate business customer might benefit from any competitive enhancement of First Connecticut. However, we believe First Connecticut already has capability and interest in these customers and can, in normal course, further develop such capability. And, as we have previously stated, we believe Northeast Bancorp to be a likely potential competitor in this market. We see no need to sponsor one banking organization when two are capable of offering competitive alternatives, nor do we think it necessary to bring all extant organizations up to the size of the largest. Accordingly, we would deny the application.

ORDERS UNDER SECTION 4 OF BANK HOLDING COMPANY ACT

THE CITIZENS AND SOUTHERN NATIONAL BANK, CITIZENS AND SOUTHERN HOLDING COMPANY, ATLANTA, GEORGIA

ORDER APPROVING ACQUISITION OF ISON FINANCE CORPORATION

The Citizens and Southern National Bank and Citizens and Southern Holding Company, its subsidiary, both of Atlanta, Georgia, and both bank holding companies within the meaning of the Bank Holding Company Act, have 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 shares of Ison Finance Corporation ("Company"), Atlanta, Georgia.

Notice of the applications, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (39 Federal Register 7996). The time for filing comments and views has expired, and none has been timely received.

The Citizens and Southern National Bank ("Bank") is the largest banking organization in the State of Georgia and in the Atlanta market area, with total deposits of $1.8 billion.[1]

Company is engaged in consumer finance and consumer sales finance activities, operating seven offices in Florida, seven in Alabama, two in North Carolina, two in Georgia, one in South Carolina, and one in Louisiana. It had outstandings amounting to $12.6 million as of year-end 1972. Company's activities are of the type determined by the Board to be closely related to banking (12 CFR 225.4(a)(1)).

By order of January 2, 1974, the Board denied applications by Applicants to acquire shares of Company. In that Order, the Board expressed concern as to the effect consummation of the proposed transaction would have upon existing and probable future competition in various consumer lending product markets in the Macon, Georgia

[1] Banking data are as of June 30, 1973

area. In order to eliminate any possible adverse effect upon competition in markets presently served both by operating offices of Applicants and of Company, Applicants have now modified the proposal by undertaking to sell Company's operating offices located in Atlanta and Macon as soon as practicable after consummation of the proposed acquisition, but in no event, later than two years after the date of such consummation. In order to ensure both that the offices will be completely divested and that they will be divested as viable going concerns, the Board expects that such offices will be sold as going concerns and holding substantially the same quality and type of assets as those offices held on January 2, 1974 and in an amount not less than that amount held by those offices on that date. In view of the above, it appears that consummation of the proposed transaction would not have a significant adverse effect on competition in either the Atlanta or Macon markets.

As Applicants presently do not compete in any geographic market in which Company competes outside the State of Georgia, consummation of the proposed transaction would not adversely affect existing competition in those markets; nor would future competition in those markets be adversely affected as a substantial number of competitors are represented in each of those markets, and the proposed transaction may properly be characterized as a "foothold entry" into those markets.

In its Order of January 2, 1974, the Board concluded that certain post-employment covenants contained in employment agreements between Applicants and certain shareholders of Company were in restraint of trade and therefore constituted a significant adverse factor in its consideration of the prior applications. The parties have amended all employment agreements between Applicants and shareholders of Company to remove all covenants not to compete. There neither now exists nor will exist any agreement, written or oral, under which shareholders of Company are or would be bound to refrain from competition with Applicants or Company.

There is no evidence in the record indicating that consummation of the proposed transaction would result in any unfair competition, conflicts of interests, or unsound banking practices. It is anticipated that Company's affiliation with Applicants would result in the removal of certain limitations that the management of Company has imposed upon the amounts that may be loaned to individual consumers in single transactions and upon the types of loans made by Company. Applicants have stated that, as their subsidiary, Company would make loans to individual creditworthy customers up to the legal limits permitted by State law and would provide mobile home, small appliance, and second mortgage loans, in addition to the types of consumer loans presently made by Company. These increases in service and the indirect increase in competition that would result therefrom, as well as the increased availability of financial resources, and thereby lendable funds, that the proposed affiliation is expected to provide, constitute benefits to the public.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under section 4(c)(8) is favorable. Accordingly, the applications are hereby approved on the condition that the operating offices of Company that are located in Atlanta and Macon will be sold as going concerns and holding substantially the same quality and type of assets as those offices respectively held on January 2, 1974 and in an amount not less than the amount of such assets held by those offices respectively on that date. 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.

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

By order of the Board of Governors, effective April 22, 1974.

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

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

FIRST NATIONAL HOLDING CORP., ATLANTA, GEORGIA

ORDER DENYING ACQUISITION OF MERIT FINANCE CORPORATION

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., Atlanta, Georgia, all of the voting shares of Merit Finance Corporation, Mobile, Alabama ("Merit"). Merit engages in the activities of making, acquiring, or servicing loans or other extensions of credit for personal, family, or household purposes, and acting as insurance agent or broker in selling credit life, credit accident and health, and property damage insurance for collateral supporting loans that are made by it. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1) and (9)(ii)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 32290). The time for filing comments and views has expired, and none has been timely received.

Applicant is the one-bank holding company parent of The First National Bank of Atlanta, Atlanta, Georgia, which holds deposits of $1 billion, representing 9.5 per cent of the total deposits in commercial banks in Georgia.[1] Applicant also controls nonbanking subsidiaries which engage in consumer financing, mortgage banking, advising a real estate investment trust, computer services, personal property leasing, and factoring.

Merit, a subsidiary of Walter E. Heller International, Inc., has total receivables of $23.2 million (as of June 30, 1973). Headquartered in Mobile, Alabama, Merit has 62 offices located in seven States: Alabama, Oklahoma, Georgia, Indiana, Tennessee, Florida and Louisiana.

The relevant product market to be considered in evaluating the competitive effects of this proposal is the making of personal installment loans. Applicant engages in this activity through its banking subsidiary and four finance company subsidiaries which operate 132 offices in six States in the Southeast. Applicant and Merit are presently engaged in direct competition for personal installment loans in six local markets in Georgia. In five of those markets,[2] approval of the instant proposal would have a slightly adverse effect on existing competition while in the sixth market, the Washington County market, approval would have a substantially adverse effect. Upon consummation of the proposed acquisition, the number of competitors in Washington County would be reduced from seven to six and Applicant's market share of personal installment loans would increase from 12.5 per cent to 31.3 per cent. The Board concludes that the elimination of the existing competition in Washington County constitutes an adverse factor weighing against approval of the proposed transaction.

With respect to the question whether consummation of the proposal would eliminate any significant competition in the future, the Board finds that Applicant appears to possess both the resources and expertise to enter the markets that are presently served by Merit *de novo*. However, no significant market served by Merit appears concentrated and the recent closing of certain of its offices indicates that it is a weakening competitive force. The Board therefore concludes that consummation of the proposal would have at the most only very slight adverse effects with respect to the elimination of probable future competition.

The basic balancing test of section 4(c)(8) requires a showing of public benefits stemming from the proposed acquisition that outweigh the adverse competitive effects described above. Applicant has sought to meet its burden of demonstrating that its operation of the proposed nonbanking activity will be in the public interest. Applicant proposes to inject equity capital into Merit in order to strengthen Merit's capital position and make available greater amounts of loanable funds for lending in the communities served. Applicant further proposes to increase the efficiency of existing offices of Merit through centralized purchasing, advertising, and recordkeeping. Finally, Applicant proposes to establish *de novo* offices of Merit in Indiana, Oklahoma, and Tennessee, in areas where offices of Merit already exist, in order to maximize the benefits of supervision. Each of the claimed efficiencies appears to be equally achievable through an affiliation less anticompetitive than that

[1] Banking data are as of June 30, 1973.

[2] Those markets include Chatham County, the Atlanta SMSA (approximated by Clay, Cobb, DeKalb, Fulton, and Gwinnett Counties), Glynn County, Bibb County and Whitfield County.

proposed herein. In any event, the nature of the benefits claimed are such as to fall short of outweighing the adverse competitive effect which would result from approval of the proposed transaction.

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

By order of the Board of Governors, effective April 18, 1974.

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

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

CONCURRING STATEMENT OF
GOVERNOR BRIMMER AND GOVERNOR HOLLAND

We have joined our colleagues in voting to deny the application of First National Holding Corp. to acquire Merit Finance Corporation. We agree that Applicant has not demonstrated public benefits which outweigh the substantially adverse effects this acquisition would have on existing competition in Washington County, Georgia. However, we place more weight than our colleagues on the adverse effects the proposed acquisition would have on probable future competition.

We believe Applicant to be one of the most likely entrants into a number of markets now served by Merit. Applicant has been aggressive in acquiring consumer finance companies—having acquired four such firms in the last two years. Applicant has further demonstrated its willingness and ability to enter new markets on a *de novo* basis. For example, Applicant has established nine additional consumer finance offices in Alabama and four such offices in Mississippi through its present subsidiaries. Thus, Applicant has demonstrated that it possesses both the resources and the expertise to enter new markets *de novo*. In the absence of the proposed acquisition, Applicant may be expected to continue such expansion and it seems reasonably possible to us that such expansion might bring Applicant into competition with Merit in additional markets where they do not presently compete. Accordingly, the elimination of this probable future competition constitutes an additional adverse factor under § 4(c)(8) weighing against approval of the application.

Governor Brimmer additionally believes that the acquisition of Merit, which is now owned by Walter E. Heller International Corp., is an example of an increasing tendency by bank holding companies to trade nonbanking subsidiaries among themselves. He believed such a trend should be discouraged since—once a bank holding company is serving a community through a nonbanking subsidiary—the acquisition of that subsidiary by another bank holding company would not generally result in any net advantage to the community. In view of its present parent's ability to strengthen Merit, Governor Brimmer finds no public benefits to be gained from approval.

THE FORT WORTH NATIONAL CORPORATION, FORT WORTH, TEXAS, AND SHAWMUT ASSOCIATION, INC., BOSTON, MASSACHUSETTS

ORDER APPROVING ACQUISITION OF AMERICAN CATTLE AND CROP SERVICES CORP.

The Fort Worth National Corporation, Fort Worth, Texas ("Fort Worth"), and Shawmut Association, Inc., Boston, Massachusetts ("Shawmut"), bank holding companies within the meaning of the Bank Holding Company Act, have applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b) of the Board's Regulation Y, to form a joint venture by acquiring voting shares of American Cattle and Crop Services Corp., Guymon, Oklahoma ("American Cattle"), a *de novo* corporation. American Cattle will engage *de novo* in the activities of agricultural commodity financing and servicing or acquiring, for its own account or for the account of others, loans and other extensions of credit to agricultural enterprises or secured by agricultural commodities. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1) and (3)).

Notice of the applications, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 32176). The time for filing comments and views has expired and the Board has considered all comments received (including those of Amarillo National Bank, Amarillo, Texas, and The First National Bank, Amarillo, Texas (hereinafter called "Protestants") in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)).

Fort Worth controls 10 banks with aggregate deposits of about $1 billion, representing 3.1 per cent of total deposits in commercial banks in Texas, and is the sixth largest multibank holding company in the State of Texas.[1] Through its nonbanking subsidiaries, Fort Worth is engaged in mortgage banking, land development,[2] and acting as agent for the sale of fire and casualty insurance.[3]

Shawmut, the second largest banking organization in the State of Massachusetts, controls 10 banks with aggregate deposits of $1.6 billion, representing 12.7 per cent of total commercial bank deposits in Massachusetts. Shawmut is engaged in factoring through a joint venture with Milberg Factors, Inc., New York, New York, and is engaged in commercial financing and securities clearance through direct subsidiaries.

Through American Cattle, Fort Worth and Shawmut propose to engage principally in originating and servicing agricultural commodity loans, including cattle feedlot financing in a six-State service area including Texas, Oklahoma, Kansas, Nebraska, Colorado, and New Mexico. The servicing of such financing will consist of "packaging" loans to cattle feedlot operations, and more generally the commodity industry, then placing these loans with prearranged banks (including subsidiary banks of Fort Worth and Shawmut). American Cattle will also provide supervision and inspection of the collateral for these loans.

American Cattle will have its main office in Guymon, Oklahoma, and a loan production office in Amarillo, Texas. While American Cattle intends to operate primarily in a servicing capacity, it may occasionally become involved in direct commodity financing for its own account for purposes of bridge financing. To the extent that American Cattle does direct commodity financing for its own account, it will be engaged in an activity also engaged in by certain of the banking subsidiaries of both Fort Worth and Shawmut. However, neither Fort Worth nor Shawmut are engaged in the primary function to be performed by the joint venture, that is, the originating, placing and servicing of loans to the feedlot and other agricultural industries. Since American Cattle is a *de novo* subsidiary, no existing competition would be eliminated.

The extent to which the proposed joint venture would eliminate potential competition depends on the likelihood of either Fort Worth or Shawmut entering the market. This likelihood appears remote because the joint venture is based upon the combining of the mutually exclusive expertise possessed by each parent bank holding company. Shawmut has extensive money market expertise, especially in the area of bankers acceptance financing, and will therefore lend such expertise to the supervision of the financing portion of the joint venture. In addition, Shawmut is located close to the financial center of the country, thus enabling it to assist in placing loans in the Northeast. Fort Worth, located near feedlots and agricultural areas, has engaged in cattle financing throughout its existence and will contribute its knowledge of the technical aspects of financing the feedlot industry. A successful venture in this activity will require both large amounts of financing and considerable technical knowledge of the cattle industry. Neither co-venturer has both of these requirements, so the likelihood that either would engage in this activity alone appears limited. The Board concludes that the proposed joint venture would not adversely affect potential competition.

Protestants to these applications contend that they should be denied because no benefits will result to the public since there can be no demonstrated need for this *de novo* corporation. Protestants contend that the agricultural credit needs of the area involved are now being adequately met by banks and other financial institutions through normal correspondent banking relationships.

In the circumstances of this proposal, the Board finds that the proposed joint venture would result in significant public benefits. The financing needs of the agricultural commodity business, particularly the cattle feedlot business in the Southwestern United States, has created an increased demand for additional sources of capital. The local financing institutions are apparently having some difficulty meeting the expanded credit demands

[1] Banking data are as of June 30, 1973, adjusted to reflect bank holding company formations and acquisitions approved by the Board through April 1, 1974.

[2] Fort Worth, in connection with the Board's approval on March 30, 1973 of the application to acquire Exchange Bank & Trust Company, Dallas, Texas, committed itself to terminate by March 30, 1975, its land development activities. (See 38 Federal Register 8694. April 5, 1973.)

[3] Ownership of shares in the insurance agency corporation falls within ten year authority of section 4(a)(2) of the Act since Applicant owned such shares when it became a bank holding company by virtue of the 1970 Amendments. Applicant has until December 31, 1980 either to dispose of these shares or terminate the impermissible part of the insurance agency's operations and file an application under § 4(c)(8) of the Act for permission to retain such shares.

and are participating in loans with large correspondents in other sectors of the country. American Cattle would serve as an additional and innovative competitive source for such agricultural loans in the relevant area. The banks participating in the loans to feedlots would use bankers acceptances as their instrument for financing. Thus, the availability of such agricultural financing may not be subject to the same degree of cyclical fluctuation that has occurred in the past. Furthermore, the joint venture will serve to funnel credit from a national market to the six-State service area, thereby increasing the volume of financing available in the relevant area. On this basis, the Board concludes that the proposed joint venture is likely to result in greater convenience and efficiency in the financing of commodities and feedlots, all of which should inure to the benefit of the public.

There is no evidence in the record indicating that consummation of the present proposal by two primarily regional oriented bank holding companies to engage in a joint venture would result in undue concentration of resources, unfair competition, conflicts of interests, unsound banking practices, or other adverse effects. However, although not of concern in this case, the Board cautions that it will examine carefully applications involving joint ventures between bank holding companies, particularly those which compete on a national scale, in order to determine whether there will result either a lessening of competition in other product markets in which the two compete or an undue concentration of resources.

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 applications are 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.

The transaction shall be made not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Banks of Boston or Dallas.

By order of the Board of Governors, effective April 15, 1974.

Voting for this action: Vice Chairman Mitchell and Governors Sheehan, Holland, and Wallich. Voting against this action: Governors Brimmer and Bucher. Absent and not voting: Chairman Burns.

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

DISSENTING STATEMENT OF
GOVERNORS BRIMMER AND BUCHER

We would deny the applications by Fort Worth National Corporation and Shawmut Association, Inc. to engage in the proposed activity through the formation of a *de novo* joint venture. The authority granted to the Board by section 4(c)(8) of the Bank Holding Company Act to supervise the expansion of bank holding companies into nonbanking activities requires careful and detailed consideration of potential abuses which might arise in the conduct of such activities. With regard to the present proposal, we do not believe the Board has given due weight to possible abuses which may occur simply because of the enduring and formal legal structure which will tie these two holding companies together.

The majority concludes that the proposed *de novo* joint venture may not have a significant adverse effect on existing or potential competition in the relevant product market—which is agricultural commodity financing. However, in our view, such analysis ignores the anti-competitive implications in markets other than those entered into by the joint venture. A joint venture by its very nature requires a degree of collaboration among the parents. This spirit of cooperation and harmony could encourage the development of adverse competitive effects in the other product and geographic markets in which the parents already compete. While Fort Worth and Shawmut are not among the largest bank holding companies in the country, they do, in fact, compete in various national financial markets, such as the market for large business loans or certificates of deposit. Moreover, a joint venture relationship could, and probably would, dissuade the parent companies from entering into other product and geographical markets where they might compete in the future. Accordingly, we believe the proposed joint venture would result in decreased competition in the long-run.

In addition to the potential dangers to competition, we foresee the possibility of major national holding companies forming such combinations which could result in an undue concentration of resources. The present proposal standing alone may not appear particularly harmful. Yet, if approved, we fear it may lead, in time, to an industry-wide development of a matrix of cooperative relationships among bank holding companies. In our view, the Board should not sanction the present proposal, because this action could serve to promote a trend toward collaboration among the nation's largest holding companies through the formation of joint ventures. Such a development would not serve the public interest.

We agree that the proposed joint venture may produce short-term benefits to the public by facilitating the transfer of funds from the Northeast to cattle feedlot operations in the Southwest that are in need of credit. Even though this is a legitimate objective, we believe that the basic purpose of the proposed joint venture clearly could be achieved in ways potentially less dangerous than through a joint venture. For example, Fort Worth could originate and service such loans with Shawmut placing the loans with banks in the Northeast in return for a placement fee. A similar arrangement or the sale of loan participations could be made with any correspondent bank. Such arrangements would tend to be less permanant and involve lesser prospects of diminished competition than the ownership ties of a joint venture. In addition to these possibilities, bank holding companies could enter by establishing subsidiary companies specializing in agricultural commodity financing to cattle feeders and other agricultural industries or through other means develop these capabilities to service this market. These entries could be operated by experienced, locally-hired managers and financed from the parent's resources. In fact, this market is sufficiently attractive and the barriers to entry low enough in agricultural commodity financing that other bank holding companies have shown interest in operations of this type rather than through the joint ventures we oppose in principle. These alternatives would have beneficial effects similar to the present proposal.

The majority has not demonstrated to our satisfaction that the public benefits anticipated from the proposed joint venture outweigh the possible adverse consequences. We are concerned that, in approving the proposed joint venture, the Board is setting a precedent which will encourage future proposals involving such relationships. Consequently, we dissent from the majority's approval of the applications.

CAROLINA BANCORP, INC., SANFORD, NORTH CAROLINA

ORDER APPROVING ACQUISITION OF THE FRIENDLY LOAN COMPANY, INC. AND DENYING ACQUISITION OF NATIONAL FINANCE COMPANY, INC.

Carolina BanCorp, Inc., Sanford, North Carolina, a bank holding company within the meaning of the Bank Holding Company Act, has applied, in separate applications, 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 voting shares of National Finance Company, Inc. ("National") and The Friendly Loan Company, Inc. ("Friendly"), both of Rockingham, North Carolina, companies that engage in the activities of consumer finance, dealer financing and acting as sales agent for credit life, and credit accident and health insurance on loans in connection therewith. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1) and (9)).

Notice of the applications, affording opportunity for interested persons to submit comments and views on the public interest factors, have been duly published (38 Federal Register 34834). The time for filing comments and views has expired, and none has been timely received.

Applicant is a recently formed bank holding company and controls one bank, The Carolina Bank, Sanford, North Carolina ("Bank") (deposits of $71.6 million), representing 0.7 per cent of total commercial bank deposits in the State.[1] Bank operates 12 branches in five counties (Wake, Harnett, Lee, Moore, and Chatam Counties) throughout North Carolina.

National and Friendly ("Companies") are both licensed small loan companies regulated by the North Carolina Consumer Finance Act[2] and had combined total assets of $3.4 million at year end 1972.[3] Each company has one subsidiary which holds a small amount of dealer originated paper but is otherwise not an operating entity. Companies, which are commonly owned and managed,

[1]All banking data are as of June 30, 1973.

[2]The loan limit for a small loan company is $900; the effective maximum interest rates on these loans start at 18 per cent add-on for a loan less than $300 and gradually decreases to 8 per cent add-on for that portion of a loan in excess of $600.

[3]Unless otherwise noted, all financial data are as of December 31, 1972.

also sell credit life and credit accident and health insurance to its borrowers.

Friendly operates its only office in Rockingham, North Carolina, and has approximately $600,000 of total loans outstanding. National, while headquartered in Rockingham, does not make any loans in that location; it operates 12 loan offices in 10 counties in the central and eastern portion of the State and has total loans outstanding of $2.6 million. Companies' product for considering the competitive aspects of this proposal is personal installment loans; the relevant geographic market for these types of loans is approximated by the county in which each of Companies' offices is located.

National and Bank make personal installment loans in four common market areas in the State: Wake, Harnett, Lee, and Moore Counties.[4] In Wake County, National holds under 2 per cent of the total $16.7 million in personal installment loan outstandings generated by the 22 small loan companies operating therein. An analysis of Bank's operations indicates that it is an insignificant competitor for such loans in Wake County. In Harnett County, the aggregate total outstandings for five small loan companies is $2.3 million; National's two offices have approximately 11 per cent thereof. Bank's branch in Harnett County was recently opened and, as of June 30, 1972, did not have any loans in the area. From the facts of record, it appears that no significant direct competition exists between National and Bank in the personal installment loan market in Wake and Harnett Counties and that approval herein would have no significant adverse effects on competition in these two areas.

By comparison, in the Lee County market, there are three commercial banks and five small loan companies with aggregate personal installment loan outstandings of $5.2 million. Bank has loans of approximately $1 million, representing 19.4 per cent, and National has loans of almost $300,000, representing 5.7 per cent, of the total Lee County personal installment loans outstanding. In Moore County there are six banks and three small loan companies which together have $3.3 million of personal installment loans outstanding. Bank has loans of approximately $900,000, representing 27.4 per cent, and National has loans of approximately $500,000, or 14.7 per cent, of all personal installment loans outstanding in this market area. From the facts of record, it appears that significant competition exists between Applicant and National in making personal installment loans in Lee and Moore Counties. Approval of Applicant's acquisition of National would eliminate this existing competition, remove an alternative source of consumer credit, and increase Applicant's share of personal installment loans made in the Lee County area from approximately 19 to 25 per cent, and in the Moore County area from approximately 27 to 42 per cent. Accordingly, the Board concludes that the proposed acquisition of National would have significant adverse effects on existing competition.

Section 4(c)(8) of the Bank Holding Company Act requires the Board to find that performance by National as an affiliate of Applicant "can reasonably be expected to produce benefits to the public such as greater convenience, increased competition, or gains in efficiency that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests or unsound banking practices." Applicant has the burden of demonstrating that the proposed acquisition will be in the public interest. In seeking to meet this burden, Applicant indicates that affiliation would give National greater flexibility in acquiring funds to lend to its customers and would permit National to expand its current services. Applicant's claims of public benefits to be derived from consummation of the proposal lacks support either in the form of objective evidence or in the form of firm policy commitments. Accordingly, upon consideration of the aforementioned anticompetitive factors in connection with the National acquisition, the Board finds that the public benefits to be derived from this affiliation do not outweigh the adverse competitive effects of the proposal.

On the other hand, the Board does not regard Applicant's application to acquire Friendly in a

[4] The Board has previously determined that consumer finance companies generally compete with commercial banks in the area of small loans to individuals (see Board Order of August 3, 1973, denying acquisition of Public Loan Company by Bankers Trust New York, 59 Federal Reserve BULLETIN 694). Accordingly, in a given situation, the acquisition of a consumer finance company by a commercial banking organization may result in the elimination of existing competition in those geographic markets in which both compete. In its analysis of this application, the Board has considered Applicant's contention that inasmuch as Companies primarily make small loans at high interest rates to high-risk customers, they should not be regarded as competing with Bank. However, after evaluating such factors as the average rates charged on loans, the loan loss experiences, and the average loan sizes of Applicant and Companies, the Board has determined that each represents a competitive alternative for persons seeking a personal installment loan in those geographic markets in which they compete.

similar light. Bank and Friendly do not make personal installment loans in the same geographic market[5] and it appears therefore that approval would not eliminate any significant existing competition between them. In addition, Friendly acts as agent for the sale of credit life and credit accident and health insurance in connection with personal installment loans made by it. Considering the size and scope of Friendly's business, it does not appear that Applicant's acquisition of Friendly would have a significantly adverse effect on competition in this product line. The Board concludes that competitive considerations are consistent with approval of the Friendly application. In addition, as indicated above, affiliation with Applicant would increase the financial resources available to Friendly, thereby enabling it to become a more active competitor in the area which it serves. There is no evidence in the record to indicate that the acquisition of Friendly would result in any undue concentration of resources, unfair competition, conflicts of interests, or unsound banking practices.

Based on the foregoing and other considerations reflected in the record, the Board has determined, with respect to the application to acquire National, that the public benefits which the Board is required to consider under § 4(c)(8) of the Act do not outweigh the adverse competitive effects of that proposal. Accordingly, the Application to acquire National is hereby denied.

Based on the foregoing and other considerations reflected in the record, the Board has determined, with respect to the application to acquire Friendly, that the balance of the public interest factors the Board is required to consider under § 4(c)(8) is favorable. Accordingly, the application to acquire Friendly 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.

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

By order of the Board of Governors, effective April 11, 1974.

Denial of acquisition of National Finance Company, Inc., Rockingham, North Carolina. Voting for this action: Vice Chairman Mitchell and Governors Brimmer, Bucher, Holland, and Wallich. Voting against this action: Governor Sheehan. Absent and not voting: Chairman Burns.

Approval of acquisition of The Friendly Loan Company, Inc., Rockingham, North Carolina. Voting for this action: Vice Chairman Mitchell and Governors Brimmer, Sheehan, Bucher, Holland, and Wallich. Absent and not voting: Chairman Burns.

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

STATEMENT OF GOVERNOR SHEEHAN, CONCURRING IN PART AND DISSENTING IN PART

I would approve the applications by Carolina BanCorp, Inc. to acquire not only The Friendly Loan Company, Inc., but also National Finance Company, Inc. The majority's denial is based on the premise that commercial banks and small loan companies serve substantially the same customers. Statistics compiled from the financial institutions operating in Lee County and Moore County suggest to me that very little competitive overlap presently exists between Bank and National. National's average annual percentage rate (APR) is approximately 30 per cent, twice the average APR of Bank's personal installment loans. National's net loan write-off experience is ten times larger than Bank's and National's average loan size is less than one-half that of Bank.

In Lee County, where National holds only 10.7 per cent of total finance company outstandings, Bank competes with branches of the fourth, fifth and seventh largest banks in North Carolina. Bank competes with five banks in Moore County, including the first, third and seventh largest in the State. The largest bank in North Carolina has deposits 36 times greater than Bank's total deposits.

Both Bank and National are small financial institutions by industry standards. In my view, it is unlikely that affiliation of financial institutions of this size would substantially lessen competition when faced with existing competition from five of the State's seven largest banks.

Banking in the State of North Carolina is highly concentrated. The five largest banks control 77.6 per cent of total State-wide deposits. Strengthening regional financial institutions such as bank is likely to increase rather than decrease competition in

[5] Friendly operated only in Richmond County; Bank, as previously indicated, operates in Wake, Harnett, Lee, Moore and Chatam Counties.

those markets where the State's largest banks are competing.

Public benefits derived from facilitating National's ability to obtain funds through Applicant and subsequently to expand its services and increase the amount of funds available to the borrowing public, in my opinion, would outweigh any anticompetitive effects that might arise from Applicant's acquisition of National.

SECURITY PACIFIC CORPORATION, LOS ANGELES, CALIFORNIA

ORDER APPROVING ACQUISITION OF MIDWESTERN FINANCIAL CORPORATION

Security Pacific Corporation, Los Angeles, California, 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 voting shares of the successor by merger to Midwestern Financial Corporation, Denver, Colorado ("Company"), a company that engages in the activity of mortgage banking. Such activity has been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1)). The company into which Company is to be merged has no significance except as a means to facilitate the acquisition of the voting shares of Company. Accordingly, the proposed acquisition of shares of the successor organization is treated herein as the proposed acquisition of the shares of Company.

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 21319). The time for filing comments and views has expired, and none has been timely received.

Applicant controls one bank, Security Pacific National Bank ("Bank") with deposits of $9 billion, representing approximately 16 per cent of the deposits in commercial banks in the State of California. Although Bank operates 471 offices throughout California, approximately 90 per cent of its IPC deposits are derived from Los Angeles County and the neighboring counties of Ventura and Orange, placing it second among all commercial banks that compete in that area. Bank commenced servicing mortgage loans for others in 1970, and by year-end 1972 held a servicing porfolio of $155 million for its institutional investors. Bank's mortgage loan originations in 1972 totaled $320 million in the three-county Los Angeles market, placing Bank eighth among all mortgage lenders in that market and representing about 2.8 per cent of all mortgages recorded in that area.

As of December 31, 1972, Company was a one-bank holding company controlling, among other subsidiaries, Kassler & Company ("Kassler"), a mortgage banking company. Today, Kassler is Company's only subsidiary and Company's sole activity is confined to mortgage banking. Incorporated in Colorado in 1924, Kassler was acquired by Company in 1962. By 1969, Kassler had offices in Colorado, Arizona, Kansas, Washington and Texas. In 1970, it acquired John R. Delfino, Inc., a small mortgage banking firm in southern California, and in 1972, acquired a loan servicing portfolio of $23 million from Crawshaw Mortgage and Investment Company, Encino, California. In addition, Kassler acquired certain assets, including the servicing portfolio, of Sparkman & McLean Corporation, a mortgage banking firm with offices in Washington, Alaska and Hawaii. By 1973, Kassler operated 32 offices in 11 States and, based on a servicing portfolio of approximately $956 million, ranked as the fifteenth largest mortgage banking firm in the country.

Ten of Kassler's offices are in the State of California, and seven of these are located in the Los Angeles area. Insofar as its California operations are concerned, Kassler's mortgage loan originations are principally confined to loans on 1-4 family residences. While precise market data is not available, it appears that Kassler's originations of approximately $53 million in the three-county Los Angeles area in 1972 represent an estimated market share of 1 per cent of all mortgages recorded on 1-4 family residences in that area. Based on its 1972 originations, Kassler is not ranked among the 25 largest mortgage lenders serving this market. Combined with Bank's estimated share of 2.8 per cent for all such loans in the Los Angeles market, Board approval of the proposed acquisition would give Applicant an approximate share of 3.8 per cent of the 1-4 family residential mortgage loan market within the Los Angeles-Ventura-Orange County area.

Bank and Kassler are also active in the origination of mortgage loans in the San Francisco Bay area. However, in this market their 1972 originations of $63 million and $32 million, respectively, represent a combined share of only 1.6 per cent of all mortgages recorded on 1-4 family residences. Thus, the direct competition in which Bank and Kassler are engaged in both the Los Angeles and San Francisco markets cannot be viewed as substantial, considering the size of those markets and the number of competitors in each market.[1]

Both institutions engage in mortgage servicing. Kassler has a servicing portfolio of $956 million and Bank has a portfolio for outside investors which totals $155 million. However, only $169 million in loans from Kassler's 1972 servicing portfolio were on mortgages originated in California. Thus, in the State of California each institution holds an estimated 0.7 per cent of the total mortgage servicing business. In view of the low market shares held by Kassler and Bank, the Board concludes, that consummation of the proposed acquisition would not eliminate significant competition in California's mortgage servicing market.

Kassler's potential to diversify its service lines and expand the present scope of its mortgage banking operations appears to have been severely restricted by the losses incurred by the company during the last 15 months. Moreover, based on a tangible net worth of 3.5 million as of June 30, 1973, its capitalization is somewhat lower than similar mortgage banking firms, for supporting a loan warehousing volume of $122 million. Consequently, Kassler has restricted its loan production volume and is now attempting to sell off those unprofitable loans in warehouses. While Kassler apparently remains a viable firm, it could not be expected to continue to offer the same aggressive degree of competition to Bank in California or to its other competitors outside the State. Accordingly, it is the Board's judgment that consummation of the instant proposal will not substantially lessen whatever potential competition that Kassler might have been expected to offer Applicant.

Bank, on the other hand, is and will remain a viable competitive force in mortgage banking in the State of California. Its capability to expand into other mortgage banking markets in the State is enhanced by its available resources and proximity to those markets. However, based on past performance,[2] Bank's future rate of expansion will probably be somewhat tempered by a lack of specialized personnel to support new loan production offices. For these reasons such expansion as will occur is likely to be confined within the State of California and probably would not take place in banking markets more distantly removed from Bank's headquarters. Thus, Bank is not now nor likely to become in the foreseeable future a viable competitive force to Kassler in those markets outside the State where the preponderance of Kassler's mortgage originations are made. Viewing the instant proposal in the context of all of the geographical markets in which Bank and Kassler operate, consummation of the proposed acquisition would not, in the Board's judgment, tend to substantially lessen potential competition. As respects local California markets, however, the proposed acquisition would have slightly adverse competitive effects, as it would eliminate a small amount of existing competition between the two institutions in the Los Angeles and San Francisco markets and foreclose a minimal amount of potential competition in other California markets.

The Board also closely examined the present proposal with respect to the possible adverse effect which might arise from an undue concentration of resources. In the Board's judgment, any concern over an undue concentration of resources resulting from consummation of the proposed acquisition herein is unwarranted, considering not only the size but the total resources available to each institution. Kassler's resources, in particular, do not appear sufficient to permit it to continue a viable program of expansion or retain its competitive effectiveness without the financial assistance Applicant can offer.

Denial of the present application because of the slightly adverse effects that consummation of the acquisition would have in California does not appear to be justified in view of the substantial benefits that would flow to the public outside the State where the greatest volume of Kassler's business takes place. Applicant proposes to inject $3 million in new capital funds into Kassler immediately upon consummation of the proposal to permit the expansion of its mortgage banking activities to other localities in the Far West, Midwest, and Southeastern sections of the country. In addition, Applicant can be expected to provide the short term financial support necessary for Kassler to diversify its product line into such areas as construction lending and the financing of income-producing properties. It is anticipated that Kassler's present inability to position loans in its

[1] Over 200 organizations currently compete for mortgage loans in both the Los Angeles and San Francisco markets.

[2] Historically, Security Pacific's lack of aggressiveness is demonstrated by its late entry into the field of mortgage banking as well as the fact it was one of the last of the country's financial institutions of similar size to form a bank holding company.

own portfolio will be considerably alleviated by Applicant's own warehousing capacity. With only 19 per cent of Kassler's loan servicing portfolio in the State of California, the majority of the benefits cited herein will accrue principally in the Far West, Midwest, and Southeastern sections of the country. In the Board's judgment these public benefits are more than sufficient to outweigh the slightly adverse competitive effects the application presents in local mortgage banking markets in California.

There is no evidence in the record to indicate that the proposed transaction would result in any undue concentration of resources, unfair competition, conflicts of interest, or unsound banking practices. 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.

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

By order of the Board of Governors, effective April 2, 1974.

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

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

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

DISSENTING STATEMENT OF CHAIRMAN BURNS AND GOVERNORS BRIMMER AND HOLLAND

We would deny this application. We believe that Security Pacific has sufficient resources to be a probable entrant into many of the mortgage banking markets in which Kassler is now engaged. Similarly, we find that Kassler's own resources could permit it to expand further into other California markets, either alone or in affiliation with another financial organization whose current and prospective operations center in markets different from those in which Kassler is active. The proximity of Kassler and Security Pacific and their policy of continued expansion are not in dispute. Thus, in our view, consummation of the proposal will tend substantially to lessen potential competition between the two institutions.

The talent and financial resources that can be commanded by a $9 billion institution is considerable. The majority, however, points to Applicant's lack of specialized personnel to support new mortgage loan production offices. While managerial talent in mortgage banking may be at a premium, we do not regard it as beyond the capacity of Security Pacific to assemble. And there is no evidence of record to suggest that this Applicant has attempted—but failed—to attract sufficient managerial talent.

Considering the fact that the two institutions did *not enter into direct competition with each other* until 1970, their rapidly expanded market positions in both the Los Angeles and San Francisco markets attest to their vigorous capability in the field of mortgage banking. Given this strength, the future capabilities of each firm can be projected. The desire of Security Pacific to support the expansion plans of Kassler appears achievable within its present capability. Were this same assistance—now planned for Kassler—provided a *de novo* organization, or an acquisition smaller in size than Kassler, Security Pacific could effectively support a new market competitor. The consequent public benefits, we believe, would prove greater over time than those likely to result from the present proposal. As the Conference Report accompanying the 1970 Amendments to the Act makes clear—

> Where a bank holding company enters a market through acquisition of a major going concern, it may not have the incentive to compete vigorously, thereby bringing the possible benefits into play, as it would immediately succeed to what it might consider its fair share of the market. On the other hand, where a bank holding company enters a new market *de novo*, or through acquisition of a small firm, as opposed to acquisition of a substantial competitor, its desire to succeed in its new endeavor is more likely to be competitive. pp. 17–18.

Applicant is not only a very substantial bank holding company but the firm it proposes to acquire is also of substantial size for firms in its own industry. Under such circumstances as these, what few benefits as may be achieved from Security Pacific's acquisition of Kassler, in our view, are greatly outweighed by the adverse effects of the proposal through the elimination of potential competition.

The temporary financial strain Kassler experienced in 1973 was in contrast to a general upward trend in income it enjoyed the previous six years. It appears to be a well managed company with the capability of resuming profitable operations in the near future. In our view, Kassler is now and is likely to remain a strong and viable competitor in mortgage banking. Thus, its capabilities for future expansion into other mortgage banking markets, along with those of Applicant, are strong. Furthermore, in view of the already concentrated nature of California banking, it is important to assure that smaller and out-of-state organizations have opportunities to enter the market as viable competitors. Affiliation with Kassler offers, we believe, a strong and practical opportunity for such entry.

PITTSBURGH NATIONAL CORPORATION, PITTSBURGH, PENNSYLVANIA

ORDER DENYING ACQUISITION OF BUHLER MORTGAGE COMPANY, INC.

Pittsburgh National Corporation, Pittsburgh, Pennsylvania, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire indirectly through its wholly-owned subsidiary, The Kissell Company, Springfield, Ohio ("Kissell"), all of the voting shares of Buhler Mortgage Company, Inc., Sacramento, California ("Buhler"), a company that engages in the activities of originating, selling, and servicing mortgage loans for its own account or the account of others.[1] Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1) and (3)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (38 Federal Register 32851). The time for filing comments and views has expired, and none has been timely received.

Applicant's only banking subsidiary, Pittsburgh National Bank ("PNB"), operates 88 offices in western Pennsylvania, and controls deposits of approximately $1.7 billion,[2] representing 4.6 per cent of the total commercial bank deposits in the State. Applicant engages in mortgage banking activities through PNB and two other direct subsidiaries, Pittsburgh National Mortgage Corporation ("PNMC") with an office in Pittsburgh, Pennsylvania, and Kissell.[3]

Kissell, the nation's tenth largest mortgage banking company based on its mortgage servicing portfolio of about $1.2 billion (as of June 30, 1973), engages in the origination and servicing of all types of mortgage loans through 27 offices in 13 States. Kissell entered California in 1965 with a *de novo* in San Diego, and since that time has become a significant factor in the mortgage banking business in that State. Kissell now operates seven offices in California, including offices in San Francisco and Sacramento. During 1972, Kissell serviced $174 million of loans which had been originated in California, and originated $63 million in California mortgages. California mortgages represented one-fourth of Kissell's total mortgage originations for 1972. Approximately 60 per cent of Kissell's California mortgage originations were loans on 1-4 family residences. Kissell's San Francisco office originated approximately $3 million in mortgage loans in the six-county San Francisco mortgage banking market[4] in 1972, 90 per cent of which were 1-4 family residential mortgage loans. Kissell opened a Sacramento branch office in September 1972, and in its first four months of operations, $3 million in residential construction loans were originated in that market,[5] which loans were subsequently converted into 1-4 family residential mortgage loans.

Buhler, with a mortgage servicing portfolio of $98 million (as of June 30, 1973), ranks 192nd among the nation's mortgage banking firms, and engages in the origination of both 1-4 family residential mortgage loans and commercial loans,

[1] Buhler is also presently engaged in the activity of real estate brokerage; however, Applicant has stated that this activity will be discontinued upon consummation of the acquisition.

[2] All banking data are as of June 30, 1973.

[3] Applicant acquired Kissell in 1969; accordingly, under the provisions of § 4(a)(2) of the Act Kissell may not be retained by Applicant beyond December 31, 1980, without Board approval. Applicant intends to file with the Board, at a later date, an application for retention of Kissell under § 4(c)(8) of the Act. The Board's determination on the instant proposal does not imply present or future approval of such a retention application, which will be considered by the Board on the basis of the statutory factors set forth in the Act.

[4] Approximated by Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara Counties.

[5] The Sacramento mortgage banking market is approximated by Placer, Sacramento, and Yolo Counties.

primarily FHA project construction loans. In 1972,[6] Buhler originated approximately $15 million in 1-4 family residential mortgage loans in the Sacramento market, and $11.5 million in the San Francisco market.[7] For the same period, Buhler originated about $39 million in multi-family and commercial loans, primarily in the Sacramento and San Francisco areas. The Board is of the view that the proposed acquisition would eliminate some direct competition between Buhler and Kissell and would also eliminate a viable independent mortgage banking competitor in the Sacramento area.

Applicant has the resources and capability to expand its mortgage operations into those types of activities in which Buhler now engages. Kissell presently engages in project lending, though not out of any of its California offices. It appears that Kissell clearly has the resources and capability to expand its mortgage banking operations in California to include project lending and thereby directly compete with Buhler on a larger scale than at present. Additionally, Kissell currently has the resources, capability and interest to appreciably expand its originations of 1-4 family residential mortgage loans in the Sacramento market. The Board notes that Kissell's Sacramento office is the Kissell office in California which to date has been the least active in 1-4 family mortgage originations. Increased involvement by this office in such lending activity, however, could be achieved with a minimum of effort and expense. Kissell already has an established office, personnel and contacts in the market and a demonstrated capability for further expansion. In addition, Buhler can be expected to give less emphasis to project lending and to increase its activities in other forms of mortgage lending as a result of the FHA 236 project lending funds cutback.

At present, Kissell is the tenth largest mortgage banking firm in the country, and it seems likely that Kissell will continue to compete aggressively to preserve its position as one of the nation's leading mortgage banking organizations. It is the Board's judgment that both Kissell and Buhler are likely to expand their mortgage lending activities in the Sacramento market. The Board concludes, therefore, that consummation of the proposed transaction is likely to eliminate the prospect of increased potential competition in that market.

[6]Buhler data for 1972 includes data from November 1, 1971 through October 31, 1972.

[7]Buhler operated a branch office in San Francisco between November 1971, and May 1972.

It is true that affiliation with Applicant would provide Buhler with access to additional sources of funds, and would enable Buhler to realize some operating economies. However, while increased availability of funds and gains in efficiency are desirable improvements, it would appear that similar benefits could result from the acquisition of Buhler by a bank holding company or mortgage banking organization that does not presently operate in Buhler's market. Moreover, by expanding activities at its Sacramento office to include 1-4 family originations, Kissell could provide the area with these same benefits. Accordingly, the Board concludes that the public benefits which would be derived from the proposed acquisition do not outweigh the adverse effects on competition.

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

By order of the Board of Governors, effective April 1, 1974.

Voting for this action: Vice Chairman Mitchell and Governors Brimmer, Holland, and Wallich. Voting against this action: Governors Sheehan and Bucher. Absent and not voting: Chairman Burns.

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

DISSENTING STATEMENT OF
GOVERNORS SHEEHAN AND BUCHER

We would approve the application by Pittsburgh National Corporation to acquire Buhler Mortgage Company, Inc. We disagree with the majority that consummation of the proposed acquisition would have adverse effects on existing and potential competition; and in our view, any possible adverse effects that might arise from this acquisition would in any case certainly be outweighed by the reasonably expected benefits to the public that would result from the proposal.

The majority states that consummation of the proposal would eliminate direct competition between Buhler and Kissell and would also eliminate a viable independent mortgage banking competitor in the Sacramento area. However, in view of Kissell's and Buhler's minimal market presence in northern California, the amount of existing *competition being eliminated* is *insignificant*, and denial of the application is not warranted. Buhler originated approximately $15 million in 1-4 family residential mortgage loans in Sacramento and $11.5 million in San Francisco in 1972, while Kissell did not originate any residential mortgages in Sacramento and only about $3 million in San Francisco. Moreover, in the context of the mortgage banking market in each area, both Kissell's and Buhler's shares are insignificant[1] in view of the presence of over 50 competing companies in the Sacramento market, and over 200 companies in the San Francisco market, including some of the nation's largest firms engaged in mortgage banking.[2] Further, Buhler recently closed its San Francisco office, rendering the adverse effect on existing competition in San Francisco a moot point.

We agree with our colleagues that absent this proposal, Applicant and Buhler might possibly expand in Sacramento and thus increase the degree of their competition with each other. Unlike our colleagues, however, we feel such expansion is improbable. For many mortgage banking institutions, both large and small, the barrier to expansion is not necessarily lack of capital, but more often it may be a shortage of experienced personnel who are also familiar with the local market. Accordingly, it is our view that this acquisition would not have any adverse competitive effects on existing or potential competition.

Against the "adverse" effects found by the majority, we give considerable weight to the public benefits associated with combining Buhler with Applicant. The majority presumes that Buhler will be aggressive and entrepreneurial on its own, absent a combination with Applicant. We disagree, as Buhler's future prospects do not seem to support this conclusion. Buhler's project lending activities will necessarily decrease due to a substantial cutback of funding for FHA 236 projects, thereby compelling Buhler to diversify into other types of mortgage lending. Its ability to diversify and its future growth will be severely hampered by its limited financial resources and limited expertise in the other areas of mortgage lending. Applicant, on the other hand, has far greater resources and ready access to the money markets, and would be able to increase Buhler's ability to lend and accommodate its customers. In addition to the increased funds that would be made available to Buhler, affiliation would also enable Buhler to realize some operating economies. It is unrealistic for the majority to deny this application in the hope that some other organization, not presently operating in Buhler's market, will come along to acquire Buhler. It is our view that the combination of Kissell and Buhler will result in a strong, aggressive firm, more able to offer vigorous competition to the larger mortgage banking firms in northern California.

[1] In the San Francisco market, Kissell originated .12 per cent and Buhler originated .54 per cent of all 1-4 family residential mortgages; in the Sacramento market, Kissell did not originate any 1-4 family residential mortgages, while Buhler originated only 2.8 per cent of all residential mortgages.

[2] Included as competitors are such firms as Lomas & Nettleton, Colonial Mortgage, Western Mortgage, Bank of America, Wells Fargo Bank, Crocker National Bank and Union Bank.

WORCESTER BANCORP, INC., WORCESTER, MASSACHUSETTS

ORDER APPROVING APPLICATION TO ENGAGE *DE NOVO* IN CERTAIN INSURANCE AGENCY ACTIVITIES

Worcester Bancorp, Inc., Worcester, Massachusetts, 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)(1) of the Board's Regulation Y, to engage *de novo* in certain insurance agency activities at 34 locations in Massachusetts at which Applicant or its subsidiaries are otherwise engaged in business, through a wholly-owned subsidiary, Wornat Insurance Agency, Inc., Worcester, Massachusetts ("Wornat"). Applicant proposes through Wornat to act as insurance agent or broker with respect to credit life insurance, credit accident and health insurance, and mortgage redemption insurance, all directly related to extensions of credit by Applicant's banking and nonbanking subsidiaries. Such activities have been determined by the Board to be closely related to banking.

Notice of the application was published in the communities to be served in accordance with § 225.4(b)(1) of the Board's Regulation Y. The National Association of Life Underwriters ("NALU"), the Massachusetts Association of Life Underwriters ("MALU"), and the National Association of Mutual Insurance Agents ("NAMIA") sought and were granted intervention in the proceeding and also requested a hearing be held on the application.

By order of March 6, 1973, the Board directed that a hearing be held on the subject application before a designated Administrative Law Judge (38 Federal Register 6441). The hearing was held on July 16, 1973, and it and related proceedings have been conducted in accordance with the Board's Rules for Formal Proceedings (12 CFR 263). Briefs and reply briefs were filed by the parties after the hearing. The Law Judge submitted his Recommended Decision to the Board wherein he recommended approval of the application subject to certain conditions. Exceptions and supporting briefs were subsequently filed by the parties.

The Recommended Decision found that the Applicant had sustained the burden of showing that its proposed activities were so closely related to banking as to be a proper incident thereto and that these activities could reasonably be expected to produce benefits to the public such as greater convenience, increased competition and gains in efficiency, and, further, that there was no established proof of undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices that would result from approval of the application.

The Law Judge recommended approval of the application subject to three conditions: (1) that individual sales of credit life, credit accident and health, and mortgage redemption insurance in amounts or for terms in excess of $10,000 and ten years be sold only through employees duly licensed as insurance agents; (2) that Applicant be required to include on its insurance forms a statement that the purchase of such insurance was not a condition to the granting of any loan and should not be considered as an inducement therefore (with respect to mortgage redemption insurance the recommendation was that language be included indicating that similar insurance not naming the lending institution as beneficiary could be attained from independent agents or, in lieu thereof, existing insurance owned by the borrower could be assigned to the bank); and, (3) that sales of insurance to borrowers from Applicant's nonbanking subsidiaries be limited to an amount no greater than 5 per cent of the aggregate insurance premium income of Applicant.

Exceptions to this Recommended Decision were filed by Applicant, NALU, and MALU with the latter organizations filing a joint exception. The Board has considered the entire record of the hearing including the transcript, exhibits, exceptions, rulings, all briefs and memoranda filed in connection with the hearing, comments received regarding this application, and the Recommended Decision of the Law Judge. The Board remanded the case to the Law Judge for the limited purpose of clarifying certain portions of the Recommended Decision and the Law Judge responded thereto. The Board's findings and conclusions with respect to the application are set forth hereafter. Additional facts relating to the application are contained in the Law Judge's Recommended Decision and to the extent not inconsistent with this Statement, the findings of fact by the Law Judge are hereby adopted.

Applicant controls two banking subsidiaries with aggregate deposits of $417 million (all banking data are as of December 31, 1972); Applicant also has several nonbanking subsidiaries which include Wornat Leasing Corporation, a corporation engaged in full payout financial leasing of all types of capital equipment; Wornat Development Corporation, which engages in making real estate construction and permanent mortgage loans; the Empire Group, Inc., which engages in granting second mortgage loans on residential property;[1] and Worcester Capital Corporation, a federally licensed small business investment company.

Applicant proposes to acquire Wornat, a *de novo* corporation, with an initial capitalization of $50,000. Applicant projects that during its first year of operation, Wornat will have approximately $484,000 in gross premium income. Of this amount, Applicant estimates that Wornat would receive about $450,000 in gross premiums through the sale of $51.6 million of credit life insurance, an additional $29,000 from the sale of $3.1 million of credit accident and health insurance and $5,000 in gross premium income from the sale of $950,000 of mortgage redemption insurance.[2] These projections are based on Applicant's present sales of credit life and credit accident and health insurance (sold through its group policy referred to in footnote 2), and its present volume of loans on real estate.

The Law Judge concludes that the sale as agent or broker of credit life, credit accident and health

[1] Applicant received Board approval effective May 24, 1973, to acquire Empire Group, Inc., Natick, Massachusetts, and its wholly owned subsidiaries, but no separate application (including published notice) has been made with regard to Empire Group, Inc engaging in insurance activities at any location. Accordingly, although there was some discussion of proposed insurance agency activities of Empire in the present hearing, Board action on the subject proposal at hand is not applicable to the offices of Empire Group in Massachusetts or elsewhere

[2] Applicant presently sells credit life and credit accident and health insurance related to extensions of credit by its two banking subsidiaries through a group policy obtained from an independent agent some years ago. However, Applicant does not sell mortgage redemption insurance under this group policy.

and mortgage redemption insurance is closely related to banking or managing or controlling banks and the Board affirms his finding and conclusion in this regard:

> The business of selling accident, health and declining balance terms life insurance directly related in amount to extensions of credit by a bank or bank-related company is so closely related to banking as to be a proper incident thereto within the meaning of Section 225.4(a)(9) of Regulation Y. (P. 12)

The above finding and conclusion of the Law Judge is amply supported by the record and was not controverted by Intervenors. Moreover, the sale of credit life, credit accident and health and mortgage redemption insurance has long been regarded as closely related to banking. In fact, the Senate Report on the Bank Holding Company Act of 1956 expressly states that:

> . . . the operation of a credit life insurance program in connection with bank loans is clearly within the scope of banking operations as presently conducted. So is the operation of an insurance program under which insurance proceeds retire the outstanding balances of the mortgage upon the death of the mortgagor in cases where the bank holds the mortgage.[3]

Similarly, the legislative history of the 1970 Amendments to the Act indicates that the sale of such insurance is closely related to banking.[4] There is nothing in this record which would indicate that the sale of credit life, credit accident and health and mortgage redemption insurance by Applicant, in connection with extensions of credit granted by its banking or nonbanking subsidiaries, would not be closely related to banking.

The Law Judge also concluded that the sale of credit life and credit accident and health insurance by Applicant could reasonably be expected to produce public benefits such as greater convenience, increased competition, or gains in efficiency; the Board affirms this finding and conclusion.

> Most credit life, accident and health insurance is sold in connection with loans in amounts of less than $10,000 and for an average term of approximately 30 months. When sold on a group basis accompanying an extension of credit to an individual without the requirement of a medical examination and by means of a simple form as part of the loan application, the service is convenient, the rates are comparatively low, and there is minimal need for such sales to be executed by licensed insurance agents. (P. 12-13)
>
> Since Bancorp is, at the present time, selling credit life, health and accident insurance under a master policy formerly negotiated by an independent agent, the proposed authority will not add a service which is not presently being offered. However, few, if any, insurance agents are interested in selling group insurance to the pubic because of the minimal rates and commissions involved, although some are interested in negotiating master policies for institutions such as applicant. (P. 14)
>
> To permit Bancorp or Wornat Insurance to negotiate such coverage directly with underwriters would place Wornat in fair competition with the few agents interested in the same field and also increase competition between the applicant and those mutual savings banks, Federal savings and loan associations and State chartered commercial banks which presently offer such insurance to the public in the State of Massachusetts. On the other hand, to withhold such authority from Bancorp/Wornat and thereby in effect require them to utlize the services of an outside insurance agent earning commissions from the underwriter would reduce the possibility of passing some of the commission income and expense savings capable of being derived from the combined bank/insurance operation on to borrowers at least in the form of competitively lower interest rates. On balance, the public interest favors the increased inter-bank and bank v. insurance agent competition that approval of this aspect of the application would encourage, particularly in view of the fact that the impact upon the insurance agents in this narrow field appears minimal. (P. 14 15)

The Law Judge found that the sale of mortgage redemption insurance by Applicant could also be reasonably expected to be in the public interest and the Board affirms his finding and conclusion.

> In view of the foregoing it is concluded that, competition between Bancorp/Wornat and independent insurance agents will be in the public interest by affording the consumer the opportunity of making an intelligent choice between the services offered. While it is not expected that Bancorp's penetration of the mortgage redemption insurance market will be limited to the $5,000 gross premium income forecast for the first year of operation; neither is it probable that the volume of this operation will expand speedily to such an extent as to severely impair the ability of a substantial number of independent insurance agents to continue in business. (P. 17)

Applicant's banking subsidiaries have about \$10-\$15 million in residential mortgages and contemplate writing only about 35 mortgage redemption policies in the first year of operation. This indicates that Wornat is not expected to be a large factor in the sale of mortgage redemption insurance. However, as the Law Judge found, Wornat's entry would increase competition in the sale of mortgage redemption insurance by providing an alternative source for such insurance. Moreover, where a mortgage loan is less than $10,000 in amount and ten years in time, Wornat could apparently sell mortgage redemption insurance related to such loans on a group basis in conformity with Massachusetts law. Thus, irrespective of the face value of the mortgage redemption policy, all such sales will conform with State law and Applicant's lim-

[3] S. Report No. 1095, 84th Cong. 2d Sess. (1956).

[4] For example, H.R. 6778 as passed by the House during the 1st session of 91st Congress did not include the sale of insurance on the "negative laundry list" where the insurance is limited to insuring the life of a debitor pursuant to or in connection with a specific credit transaction, or providing indemnity for payments coming due on a specific loan or other credit transaction while the debtor is disabled. . . . " H.R. 6778, 91st Cong., 1st Sess. as passed by the House on November 5, 1969.

ited engagement in this activity is likely to be procompetitive. This constitutes a public benefit that would result from Wornat's sale of mortgage redemption insurance.

The Law Judge concluded that there was no established proof in the record that the sale of credit life, credit accident and health and mortgage redemption insurance by Wornat would result in an undue concentration of resources, decreased or unfair competition, conflicts of interest, or unsound banking practices, and the Board adopts this finding and conclusion. Intervenors stressed what they felt would be the coercive tying effects resulting from the ability of Applicant to make both loans and sell the specified types of insurance in connection with such loans. However, for several years Applicant, under a group policy, has been selling credit life and credit accident and health insurance, and the Intervenors were unable to cite any specific instances of a tying arrangement imposed, or sought to be imposed, by Applicant during that period. Moreover, Intervenors concede the absence of any evidence to show that Massachusetts mutual savings banks, which are able to sell various types of insurance, have tied the sale of insurance to extensions of credit.

The Law Judge recommended in his decision, and the Board so orders, that language in bold type be inserted in the application forms for insurance that informs the prospective purchaser he need not purchase such insurance in order to obtain an extension of credit from any of Applicant's subsidiaries. Applicant has indicated its willingness to comply with this condition. The use of such language will assist Applicant in those internal operations that are used to reduce the potentiality for tying arrangements which the Congress prohibited when it enacted § 106 of the Bank Holding Company Act. In the absence of specific instances of attempted tying of insurance sales and credit extensions by Applicant and in the presence of appropriate language in the insurance form, the Board concludes that the generalized fear of tying effects is not sufficient to require a denial of all or part of Applicant's application. The condition herein imposed is applicable to each of the various forms of insurance Applicant seeks Board approval to sell as agent or broker— specifically, credit life, credit accident and health, and mortgage redemption insurance.

The Law Judge also recommended as a condition of approval of this application that sales of any individual policies in amounts of over $10,000 and ten years in time be made by a licensed insurance agent; Applicant has agreed to this condition. In this connection, NALU and MALU have requested that the Board condition approval of this application on the additional requirement that the sale of group policies in excess of $10,000 and ten years in time by Applicant be made only by licensed insurance agents. However, Massachusetts law presently prohibits a bank holding company from selling group policies in excess of $10,000 and ten years. The Board expects that Applicant will observe applicable State law and Applicant has stated its intention to do so.

In addition, the Law Judge recommended that language be placed in application forms for mortgage redemption insurance to inform the prospective borrower that similar insurance is available from other sources wherein the beneficiary could be someone other than the lender. However, it is clear from the record in this case that the solicitation for mortgage redemption policies occurs after an extension of credit has been granted and that the borrower is afforded ample opportunity to consider alternative sources. Thus, no coercive element would appear to be present in such sales. The Board has not required this specific condition heretofore and finds the evidence in this record to be insufficient to demonstrate a public need for such a requirement.

The Law Judge recommended a third condition which would require that the amount of insurance premium from the sale of insurance related to extensions of credit by Applicant's nonbanking subsidiaries not exceed 5 per cent of the total insurance premium income by all of Applicant's subsidiaries. This recommendation was apparently based on an assumption that sales of insurance by Applicant's nonbanking subsidiaries are not as closely related to banking as such sales by Applicant's banking subsidiaries and that the former sales thus must come under § 225.4(a)(9)(ii)(c) as "convenience" sales. However, sales of insurance by Applicant's banking and nonbanking subsidiaries are in each instance related to an extension of credit and are, therefore, closely related to banking. Thus, the Board declines to adopt this recommended condition of the Law Judge.

Based on 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 subject to the conditions set out above. Further, this determination is subject to 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.

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

By order of the Board of Governors, effective January 28, 1974.

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

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

ORDERS UNDER BANK MERGER ACT–APPLICATIONS FOR MERGER OF BANKS

CAPE COD BANK AND TRUST COMPANY, BARNSTABLE, MASSACHUSETTS

ORDER APPROVING APPLICATION FOR MERGER OF BANKS

Cape Cod Bank and Trust Company, Barnstable, Massachusetts ("Cape Cod Bank"), a member State bank of the Federal Reserve System, has applied for the Board's approval pursuant to the Bank Merger Act (12 U.S.C. 1828(c)) of the merger of that bank with The Buzzards Bay National Bank, Bourne, Massachusetts ("BBNB"), under the charter and title of Cape Cod Bank. Incident to the proposed merger, the present offices of BBNB would become branch offices of the resulting bank.

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

Cape Cod Bank operates eight offices with aggregate deposits of approximately $57 million,[1] representing 0.4 per cent of total commercial bank deposits in Massachusetts and is 41st largest bank in the State. The proposed merger would not appreciably increase Cape Cod Bank's share of State deposits nor would it significantly increase the concentration of banking resources in the State. Upon consummation of the proposed transaction, Cape Cod Bank would become the 35th largest bank in Massachusetts.

BBNB (deposits of $16 million) operates all three of its offices in Barnstable County, which approximates the relevant market, and thereby ranks as the sixth largest of nine commercial banks in the market. Of the remaining seven commercial banks in the market, three are affiliated with large bank holding companies. Each of Cape Cod Bank's offices is also located in the relevant market. Cape Cod Bank holds 28.5 per cent of the market deposits in commercial banks and is the largest bank therein. Although both institutions are located in the same banking market, the service areas of the two banks do not overlap significantly and there appears to be little existing competition between them. BBNB's offices are situated in the extreme western portion of the market and derive an estimated 2.3 per cent of total deposits and 6.2 per cent of total loans from Cape Cod Bank's service area. Cape Cod Bank's offices are located throughout the remainder of the county and derive an estimated 1 per cent of total deposits and 2.8 per cent of total loans from the service area of BBNB. The closest offices of Cape Cod Bank and BBNB are located 16 miles apart. Moreover, in view of the existing relationship between the two banks through common ownership, it seems unlikely that competition would develop in the future by either bank opening branches in the other's service area. The Board concludes that consummation of the proposed merger would have but a slightly adverse effect upon competition in the market.[2]

The financial and managerial resources of Cape Cod Bank are considered satisfactory. BBNB has experienced some difficulty in maintaining a strong capital position. Consummation of the proposed merger should eliminate this problem, while at the same time maintaining the capital adequacy of the

[1] All banking data are as of June 30, 1973.

[2] The Board noted that in addition to the nine commercial banks in the relevant market, there are also four mutual savings banks holding deposits of $176 million, $115 million, $95 million and $17 million. The two largest of these mutual savings banks offer NOW accounts.

resulting bank and providing it with greater depth in management. Thus, the banking factors lend weight toward approval of the application.

Although there is no evidence in the record to indicate that the major banking needs of the residents of the area are not currently being met, Cape Cod Bank plans to provide both trust and computer services for BBNB to enable it to serve more efficiently its present and future customers. Therefore, considerations relating to the convenience and needs of the communities to be served lend some weight toward approval of the transaction. Accordingly, the Board finds the anticompetitive effects of the proposed transaction to be 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. It is the Board's judgment that consummation of the proposal 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 made (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Boston pursuant to delegated authority.

By order of the Board of Governors, effective April 12, 1974.

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

(Signed) Chester B. Feldberg,
[SEAL] *Secretary of the Board.*

Dissenting Statement of Governor Brimmer

I would deny the application of Cape Cod Bank to merge with BBNB. In my judgment, the proposed merger of these two banking institutions would have significant adverse effects on competition within the relevant banking market.

Cape Cod Bank is the largest commercial bank in the market, with 28.5 per cent of the market's commercial bank deposits, and is more than twice the size of the market's second largest bank. Consummation of the proposed transaction would increase Cape Cod Bank's share of commercial bank deposits to more than 36 per cent and would further enhance its dominant position in the market.

The proposed merger would also preclude the development of future competition. Although BBNB has experienced some problems in the past, there is no evidence in the record to indicate that it has attempted to solve these problems by a less anticompetitive means such as affiliation with a banking organization not represented in the market. Such affiliation with a banking organization outside the market would have a positive effect on competition by strengthening the financial and managerial resources available to BBNB, thereby making BBNB a stronger competitor. The present proposal eliminates BBNB as an entry vehicle for a banking organization outside of the market. Thus, I conclude that the proposed merger would have substantial adverse effects on both existing and future competition.

The proposal contemplates no appreciable change in the services available to the residents of the area served by BBNB. The services discussed by the majority are available elsewhere in the market and, in my view, do not outweigh the substantially adverse competitive effects of the proposal. Therefore, I believe that the proposal is not in the public interest and that the application should be denied.

THE CONNECTICUT BANK AND TRUST COMPANY, HARTFORD, CONNECTICUT

Order Approving Application for Merger of Banks

The Connecticut Bank and Trust Company, Hartford, Connecticut ("CBT"), a member State bank of the Federal Reserve System, has applied for the Board's approval pursuant to the Bank Merger Act (12 U.S.C. 1828(c)) of the merger of that bank with the Clinton National Bank, Clinton, Connecticut ("Clinton Bank"), under the charter and title of CBT. Incident to the proposed merger, the present offices of Clinton Bank would become branch offices of the resulting bank.

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

CBT, with deposits of approximately $1.2 billion,[1] is a subsidiary of CBT Corporation, Hartford, Connecticut[2] and operates 73 offices throughout the State. CBT controls 19.2 per cent of total deposits in commercial banks in Connecticut and ranks as the second largest of 66 commercial banks in the State. The proposed merger would increase the total deposits controlled by CBT by 0.3 of one percentage point to 19.5 per cent. In view of the already high degree of concentration of commercial banking resources in Connecticut (the ten largest banking organizations control about 82 per cent of the total commercial bank deposits and the two largest organizations control almost 40 per cent of such deposits), such an increase in concentration is viewed with some degree of concern by the Board. However, in considering the circumstances of this case, including the nature of competition and the competitive environment in the relevant market, the Board does not regard the increase in concentration to have such adverse competitive effects as to require denial of the application.

Clinton Bank holds total deposits of $19.6 million and operates a total of four offices,[3] three of which are located within the New Haven SMSA (which approximates the relevant banking market) and a fourth office located in the town of Westbrook, which is in a separate but adjacent market. Within the relevant market, the three offices of the Clinton Bank hold an aggregate of $16.5 million in deposits, representing 2.3 per cent of total market deposits and Clinton Bank thereby ranks as the sixth largest of 15 commercial banks in the market. CBT operates 7 offices in the New Haven SMSA with deposits of $56 million, representing about 7.9 per cent of market deposits, and is the fourth largest commercial bank in the market. The deposit shares of the three largest banks in the relevant market are approximately 33, 26 and 18 per cent, respectively. Affiliation of Clinton Bank with CBT is expected to exert a procompetitive effect on relationships between CBT and the three other banks with larger shares of deposits in the New Haven market.

With respect to existing competition, the Haddam office of CBT is located 10 miles away from Clinton Bank's Killingworth office; the next closest offices of CBT and Clinton Bank are situated 12 miles apart. Although the banks operate in the same market, it appears that the respective service areas of CBT's offices and those of Clinton Bank do not overlap, and neither bank derives an appreciable amount of business from the service area of the other. As a result, there appears to be no meaningful existing competition between the two institutions. Therefore, the proposed merger would not have a substantially adverse effect on existing competition.

Although CBT is not presently represented in the towns served by Clinton Bank, it seems to have the financial and managerial resources to establish *de novo* branch offices in Clinton Bank's service area. However, Clinton Bank's office in Killingworth is located in a town with a population to banking office ratio nearly one-half of the State average, which makes the area relatively unattractive for *de novo* entry. Connecticut statutes prohibit commercial banks from branching *de novo* into a town where the head office of another bank is located. Clinton is the location of Clinton Bank's head office and the town, consequently, is presently closed to *de novo* branching. Approval of the proposed merger would have the salutory competitive effect of removing this home office protection and opening the town to *de novo* branching. However, the State Banking Commission has granted a charter for the establishment of a new bank which would reinstate home office protection in Clinton upon the opening for business of the new bank in Clinton. Only the town of Madison, where Clinton Bank's third office in the market is located, appears as a possible site for a *de novo* branch of CBT, but even in this town the population to banking office ratio is only marginally above the State average. These factors, and other facts of record, diminish the likelihood of CBT expanding into Clinton Bank's service area through *de novo* branch offices.

On the basis of the record, the Board concludes that the proposed merger would not have a significant adverse effect on existing competition, nor foreclose the development of significant potential competition, within the relevant market.[4]

CBT proposed to introduce bank credit card

[1] Unless otherwise indicated, all banking data are as of June 30, 1973.

[2] CBT Corporation has one other banking subsidiary, The Connecticut Bank and Trust Company, N.A., Norwalk, Connecticut, which has deposits of approximately $12 million, representing 0.2 per cent of State commercial bank deposits.

[3] Clinton Bank has received approval to establish an additional office, but has not yet opened that office for business.

[4] In its consideration of the proposal, the Board noted also that approximately 60% of the total time and demand deposits of the New Haven SMSA are held by mutual savings banks and that after December 31, 1975, these mutual savings banks will be permitted to offer limited checking account services.

services, trust services, student loans, lock boxes, financial analysis and specialized business lending services at the Clinton Bank offices which do not presently offer these services. At the same time, CBT plans to lower the rates on installment loans, reduce certain service charges on checking accounts, and increase the availability of funds for loans offered by Clinton Bank. These increased services should benefit the residents of the areas served by Clinton Bank, particularly in Clinton, Killingworth and Westbrook, where Clinton Bank is the only commercial bank operating. Therefore, considerations relating to the convenience and needs of the communities to be served lend weight toward approval of the proposed merger.

The financial and managerial resources of CBT and Clinton Bank are satisfactory and future prospects for the resulting bank appear favorable. Thus, the banking factors are consistent with approval of the application. It is the Board's judgment that consummation of the proposal 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 made (a) before the thirtieth calendar day following the date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Boston pursuant to delegated authority.

By order of the Board of Governors, effective April 15, 1974.

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

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

DISSENTING STATEMENT OF GOVERNOR BRIMMER

I would deny the application of Connecticut Bank and Trust Company, Hartford, Connecticut ("CBT") to merge with the Clinton National Bank, Clinton, Connecticut ("Clinton Bank").

In my judgment, the proposed merger would have significant adverse effects on the State banking structure. Connecticut commercial banking resources are highly concentrated. The largest ten banking organizations in the State control more than 82 per cent of the commercial bank deposits. The two largest banks control 39.5 per cent of these deposits with CBT (the second largest bank) alone holding 19.2 per cent. The present proposal would increase CBT's share of State commercial bank deposits by 0.3 percentage points to 19.5 per cent, thereby perpetuating the trend toward increased concentration of banking resources. Five years ago, the largest ten banking organizations held 78.6 per cent of statewide deposits as compared to more than 82 per cent presently held. Approval of the proposal would aggrevate further the already substantial size disparity existing between the State's two largest banking organizations and Connecticut's other banking organizations. In terms of deposits, the third and fourth largest banks hold less than one-half and one-third, respectively, of the deposits held by CBT. Approval of this proposal would increase this existing size disparity to an even greater extent while foreclosing the possibility of Clinton Bank remaining independent or becoming affiliated with one of the State's smaller banking organizations.

I also believe that the merger of these banking institutions would have significant adverse effects on competition within the relevant banking market. As the fourth largest bank in the market with about 8 per cent of the deposits, CBT is already an aggressive competitive force in the market, and the record discloses that there is meaningful existing competition between CBT and Clinton Bank which would be eliminated by the proposed merger. Within a 25 mile radius of Clinton Bank's locations, CBT has 19 offices. In the four-town area served by Clinton Bank, one-third of the work force commutes to a town where CBT has an office. Absent approval of this proposal, it appears likely that additional competition would develop between the two institutions because of the nature of the market and the commuting pattern of its residents. In addition, CBT has the financial and managerial resources—as well as the inclination—to expand through *de novo* branching, as demonstrated by CBT opening 16 branch offices in the last five years. It appears that the town of Madison (one of the communities served by Clinton Bank) has an above average population to banking office ratio, and a median family income above that of the rest of the State. Both factors would support such *de novo* entry. Furthermore, given the present structure of the New Haven market (which is already highly concentrated) the proposal is clearly not in the public interest nor is it conducive to a competitive banking structure since it would increase to 86.7 per cent the share of market deposits held by the four largest banking organizations. In this market, the merger would reduce the number of competitors from 15 to 14 while also eliminating the possibility of Clinton Bank being acquired by a smaller banking organization. Therefore, on the basis of the record, I believe that the proposed merger would have substantially adverse effects on competition in the New Haven banking market.

Although the majority indicates that the consummation of the merger would eliminate home office protection for Clinton, such a benefit is conceded to be of only short duration since the Connecticut Banking Commission has granted a charter for a new bank in Clinton. Thus, this factor alone, in my view, cannot be sufficient grounds for approval of a merger that would, on balance, have the significant adverse effects on competition described above.

With respect to the convenience and needs considerations, the record shows that all of the services that CBT plans to introduce at the offices of Clinton Bank are presently offered in the market. In my judgment, convenience and needs considerations do not clearly outweigh the substantially adverse competitive effects of the proposal and, therefore, the statute requires denial of the application.

For these reasons, the merger is not in the public interest, and I would deny the application.

ORDERS NOT PRINTED IN THIS ISSUE

During April 1974, 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*
Arlco, Inc., Arlington, Minnesota	Arlington State Bank, Arlington, Minnesota; and certain insurance activities	4/17/74	39 F.R. 14642 4/25/74
First Financial Services, Inc., Falls City, Nebraska	The First National Bank of Falls City, Falls City, Nebraska	4/19/74	39 F.R. 14770 4/26/74

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 Alabama Bancshares, Inc., Birmingham, Alabama	American Bank and Trust Company, Hartselle, Alabama	4/5/74	39 F.R. 13718 4/16/74
First Amtenn Corporation, Nashville, Tennessee	The Cleveland National Bank, Cleveland, Tennessee	4/17/74	39 F.R. 14642 4/25/74
First Baneshares of Florida, Inc., Boca Raton, Florida	The First Marion Bank, Oscala, Florida	4/11/74	39 F.R. 13919 4/18/74
First Baneshares of Florida, Inc., Boca Raton, Florida	The First State Bank of Arcadia, Arcadia, Florida	4/11/74	39 F.R. 14254 4/22/74
Mark Twain Bancshares, Inc., Clayton, Missouri	Mark Twain O'Fallon Bank, O'Fallon, Missouri	4/17/74	39 F.R. 14644 4/25/74

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

Applicant	*Bank(s)*	*Board action (effective date)*	*Federal Register citation*
Mercantile Bancorporation Inc., St. Louis, Missouri	The First National Bank of Montgomery City, Montgomery City, Missouri	4/17/74	39 F.R. 14645 4/25/74
National Bancshares Corporation of Texas, San Antonio, Texas	Churchill National Bank, San Antonio, Texas	4/10/74	39 F.R. 13920 4/18/74
Southeast Banking Corporation, Miami, Florida	Pinellas Central Bank & Trust Company, Largo, Florida	4/22/74	39 F.R. 14771 4/26/74
Southeast Banking Corporation, Miami, Florida	The Security Bank, Pinellas Park, Florida	4/22/74	39 F.R. 14772 4/26/74
Southern Bancorporation, Inc., Greenville, South Carolina	Bank of North Charleston, North Charleston, South Carolina	4/10/74	39 F.R. 13917 4/18/74
Tennessee Valley Bancorp, Inc., Nashville, Tennessee	Guaranty Bank and Trust Company, Memphis, Tennessee	4/10/74	39 F.R. 13920 4/18/74
Tennessee Valley Bancorp, Inc., Nashville, Tennessee	Old & Third National Bank of Union City, Union City, Tennessee	4/1/74	39 F.R. 12934 4/9/74
United First Florida Banks, Inc., Tampa, Florida	The American Guaranty Bank of Tallahassee, Tallahassee, Florida	4/1/74	39 F.R. 12930 4/16/74
West Michigan Financial Corporation, Cadillac, Michigan	The First National Bank of Evart, Evart, Michigan	4/4/74	39 F.R. 13603 4/15/74

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

Applicant	*Nonbanking company (or activity)*	*Board action (effective date)*	*Federal Register citation*
Arlco, Inc., Arlington, Minnesota	Arlington State Bank, Arlington, Minnesota; and certain insurance activities	4/17/74	39 F.R. 14642 4/25/74
Centran Bancshares Corporation, Cleveland, Ohio	Protective Loan Corporation, Albany, New York	4/26/74	39 F.R. 15546 5/3/74
Commerce Bancshares, Inc., Kansas City, Missouri	Commerce Mortgage Company, Kansas City, Missouri	4/19/74	39 F.R. 14768 4/26/74
Fourth National Corporation, Tulsa, Oklahoma	Diversified Mortgage & Investment Company, Tulsa, Oklahoma	4/30/74	39 F.R. 16195 5/7/74
First Virginia Bankshares Corporation, Falls Church, Virginia	Gadsden Finance Company, Gadsden, Alabama	4/5/74	39 F.R. 13719 4/16/74
NBC Co., Lincoln, Nebraska	Nebraska Securities Company, Scottsbluff, Nebraska	4/22/74	39 F.R. 15073 4/30/74
United Tennessee Bancshares Corporation, Memphis, Tennessee	United Tennessee Life Insurance Company, Phoenix, Arizona	4/26/74	39 F.R. 15347 5/3/74

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

Applicant	*Bank*	*Effective date*	*Federal Register citation*
Bankers Trust Company of Rochester, Rochester, New York	Briggs Bank of Clyde, Clyde, New York	4/2/74	39 F.R. 13716 4/16/74
Barclays Bank of New York, New York, New York	First Westchester National Bank, New Rochelle, New York	4/24/74	39 F.R. 15353 4/24/74
Central Trust Company, Rochester N.Y., Rochester, New York	The First National Bank of Marion, Marion, New York	4/2/74	39 F.R. 12935 4/2/74

ORDERS ISSUED BY FEDERAL RESERVE BANKS

During April 1974, applications were approved and orders were issued by the Federal Reserve Banks under delegated authority as listed below. The orders have been published in the Federal Register, and copies of the orders are available upon request to the Reserve Bank.

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

Applicant	*Bank(s)*	*Reserve Bank*	*Effective date*	*Federal Register citation*
New Jersey National Corporation, Trenton, New Jersey	Delaware Valley National Bank, Cherry Hill, New Jersey	Philadelphia	4/25/74	39 F.R. 16933 5/10/74
Great Lakes Bancshares, Inc., Cleveland, Ohio	The Dime Bank, Canton, Ohio	Cleveland	4/29/74	39 F.R. 16929 5/10/74
First Banc Group, Inc., Creve Coeur, Missouri	The Hermann Bank, Hermann, Missouri	St. Louis	4/17/74	39 F.R. 15072 4/30/74

Announcements

CHANGES IN BOARD STAFF

The Board of Governors of the Federal Reserve System has announced the promotion of Andrew F. Oehmann to Assistant to the General Counsel in the Legal Division, effective May 5, 1974.

In addition the Board has appointed Paul Wonnacott as an Associate Director in the Division of International Finance, effective May 13, 1974, and Charles R. McNeill as Assistant to the General Counsel in the Legal Division, effective May 20.

Prior to joining the Board's staff, Mr. Wonnacott was Professor of Economics at the University of Maryland. He holds degrees from the University of Western Ontario (B.A.) and Princeton University (M.A. and Ph.D.). Mr. McNeill, formerly with the Treasury Department and the American Bankers Association, holds degrees from Amherst College (B.A.) and Harvard Law School (J.D.)

CHANGE IN DISCOUNT RATE

The Board of Governors of the Federal Reserve System approved actions by the directors of the Federal Reserve Banks of New York, Philadelphia, Cleveland, Richmond, Kansas City, Dallas, and San Francisco, increasing the discount rate of those Banks from 7½ per cent to 8 per cent, effective April 25. Subsequently, the Board approved similar increases for the Federal Reserve

FEDERAL RESERVE BANK AND BRANCH DIRECTOR CHANGES

Federal Reserve Bank and Branch:	
Cleveland	
Pittsburgh	Richard M. Cyert, President, Carnegie-Mellon University, Pittsburgh, Pennsylvania, was designated Chairman of the Pittsburgh Branch, effective May 1, 1974, to succeed Douglas Grymes, President, Koppers Company, Pittsburgh, Pennsylvania, who resigned.
Atlanta	
Birmingham	Lawrence Harris, President, Slocomb National Bank, Slocomb, Alabama, resigned, effective March 15, 1974.
Jacksonville	Richard A. Cooper, Chairman of the Board, First National Bank of New Port Richey, New Port Richey, Florida, was appointed, effective February 8, 1974, to succeed Lawrence McIntosh, President, First National Bank of St. Petersburg, Florida, who resigned.
New Orleans	Floyd W. Lewis, President and Chief Executive Officer, Middle South Utilities, New Orleans, Louisiana, was appointed, effective April 11, 1974, to succeed Broadus N. Butler, President, Dillard University, New Orleans, Louisiana, who resigned.
St. Louis	
Memphis	Robert E. Healy, Partner-in-Charge, Price Waterhouse and Company, Memphis, Tennessee, was appointed, effective March 7, 1974, to succeed Alvin Huffman, Jr., President, Huffman Bros. Lumber Company, Blytheville, Arkansas, whose term as a director expired December 31, 1973.
San Francisco	
Los Angeles	Armando M. Rodriguez, President, East Los Angeles College, Los Angeles, California, was appointed, effective April 30, 1974, to succeed Edward A. Sloan, President, Sloan's Dry Cleaners, Los Angeles, California, whose term as a director expired December 31, 1973.

Banks of Chicago, St. Louis, and Minneapolis, effective April 26, the Reserve Bank of Atlanta, effective April 29, and the Reserve Bank of Boston, effective April 30. At that time the rate was 8 per cent at all Reserve Banks.

The action was taken in the light of a recent rapid rise in money and bank credit and in recognition of increases that have already occurred in other short-term interest rates. The problem of inflation continues to be of serious concern to the Board.

The discount rate is the rate charged member banks for borrowing from their district Federal Reserve Banks.

EXPERIMENTAL PROJECT IN INDIANA

The Federal Reserve announced on May 6, 1974, the start of an experimental project with the Indiana Department of Financial Institutions for changes in the procedures by which the Federal Reserve Bank of Chicago examines State member banks in Indiana.

Under the new procedures, typically a single Federal Reserve examiner will accompany the full team of State examiners on an examination. The Federal Reserve examiner will have access to all materials and will attend meetings and discussions held with a member bank's officers and directors. In addition, the Federal Reserve examiner will ascertain the bank's compliance with Federal laws. Previously, both the State and the Federal Reserve Bank of Chicago ordinarily assigned a complete team of examiners to conduct separate examinations of State member banks.

As a supplement to the information collected by the Federal Reserve through the revised procedures, the experimental project will include an intensified program of analyzing the flow of current information available to the Reserve Bank regarding each member bank. This will help test the feasibility of achieving more effective supervision of State member banks.

ADMISSION OF STATE BANKS TO MEMBERSHIP IN THE FEDERAL RESERVE SYSTEM

The following banks were admitted to membership in the Federal Reserve System during the period April 16, 1974, through May 15, 1974:

Florida
Sarasota .... Ellis Commercial Bank
Minnesota
Le Seur .... Le Seur State Bank
Montana
Great Falls .... Trust Corporation of Montana
New York
New York ...... Barclays Bank of New York
Virginia
Mount Jackson ....The Stonewall Jackson Bank and Trust Company

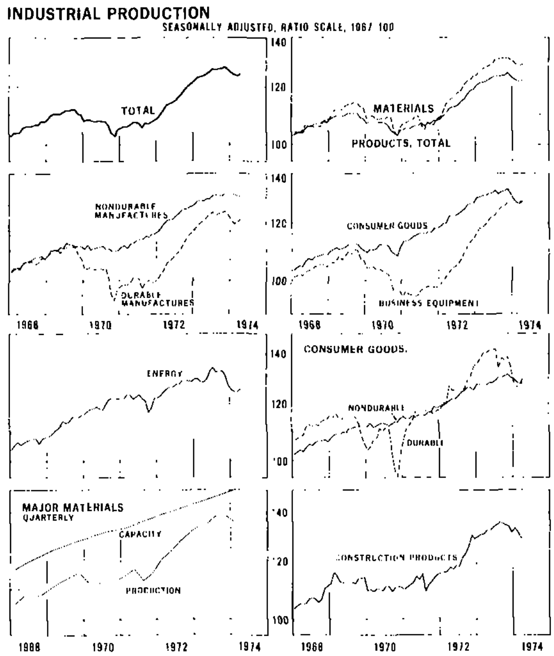
Industrial Production

Released for publication May 15

Industrial production is estimated to have increased 0.4 per cent in April, following declines of 0.6 per cent and 0.3 per cent on a revised basis in February and March, respectively. The April index at 124.7 per cent of the 1967 average was 0.5 per cent higher than a year earlier. The April increase occurred mainly in automobiles, business equipment, and durable goods materials.

Consumer durable goods were up 2 per cent, reflecting mainly a 14 per cent increase in auto assemblies during April to an annual rate of 7.5 million units compared with 6.6 million units in March. Output of other durable consumer goods and nondurable consumer goods changed little at advanced levels. Production of business equipment was revised upward for March, and increased further in April by 0.5 per cent to a level about 8 per cent above a year earlier. Preliminary data for defense equipment and for output of construction products and business supplies continued to change little.

Production of iron and steel mill products was revised upward in March and is estimated to have risen somewhat further in April. Output of other durable goods materials, mainly in the automotive and business equipment supplying industries, also is indicated to have increased in April. Production of nondurable goods materials was largely unchanged.



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

Industrial production	Seasonally adjusted 1967 = 100			Per cent changes from—		Per cent changes, annual rate		
	1974			Month ago	Year ago	1973		1974
	Feb.[r]	Mar.[p]	Apr.[e]			Q3	Q4	Q1[r]
Total	**124.6**	**124.2**	**124.7**	**.4**	**.5**	**6.1**	**.9**	**7.2**
Products, total	122.2	121.9	122.3	.3	.2	3.9	1.3	7.1
Final products	120.3	120.3	121.0	.6	.8	4.3	3.3	7.8
Consumer goods	127.8	127.4	128.3	.7	2.0	1.8	1.2	13.3
Durable goods	126.3	127.2	129.7	2.0	-7.7	8.8	4.0	28.1
Nondurable goods	128.3	127.5	127.9	.3	.6	6.6	3.1	7.3
Business equipment	127.3	127.9	128.6	.5	7.5	11.2	8.0	.9
Intermediate products	128.7	127.5	127.2	.2	1.6	4.0	4.8	5.5
Construction products	131.4	129.0	129.0	0	2.4	6.9	5.6	5.7
Materials	128.3	128.2	128.6	.3	.7	8.4	.3	7.3

[r]Revised. [p]Preliminary. [e]Estimated.

Financial and Business Statistics

CONTENTS

Continued on next page

U.S. STATISTICS—Continued

INTERNATIONAL STATISTICS:

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

Quarterly	*Issue*	*Page*
Sales, revenue, profits, and dividends of large manufacturing corporations	Apr. 1974	A 90
Semiannually		
Banking offices:		
Analysis of changes in number	Feb. 1974	A 98
On, and not on, Federal Reserve Par List, number	Feb. 1974	A 99
Annually		
Bank holding companies:		
Banking offices and deposits of group banks, Dec. 31, 1972	June 1973	A-102- A-104
Banking and monetary statistics:		
1973	Mar 1974	A 96 A-109

Annually Continued	*Issue*	*Page*
Banks and branches, number, by class and State	Apr. 1974	A-88 -A-89
Flow of funds:		
Assets and liabilities:		
1961 72	Sept. 1973	A 71.14 A-71.28
Flows:		
1961 72	Sept. 1973	A-70 A-71.13
Income and expenses:		
Federal Reserve Banks	Feb. 1974	A-96 A-97
Insured commercial banks	May 1973	A-96 -A 97
Member banks:		
Calendar year	May 1973	A-96 A-105
Income ratios	May 1973	A-106– A-111
Operating ratios	June 1973	A-96 -A 101
Stock market credit	Jan. 1974	A 96- A 97

Statistical Releases

LIST PUBLISHED SEMIANNUALLY, WITH LATEST BULLETIN REFERENCE

	Issue	*Page*
Anticipated schedule of release dates for individual releases	Dec. 1973	A 104

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
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—Dec.	71,094	70,790	304	1,049	3,479	1,138	76,851	10,410	400	8,293
1973—Mar.	74,019	73,624	395	1,858	2,387	839	79,219	10,410	400	8,406
Apr.	75,353	74,914	439	1,721	2,319	1,043	80,542	10,410	400	8,444
May	76,758	76,205	553	1,786	[r]2,190	960	[r]81,831	10,410	400	8,478
June	75,355	75,047	308	[r]1,788	[r]2,371	942	[r]80,547	10,410	400	8,518
July	77,448	76,875	573	2,051	[r]3,162	1,180	[r]83,929	10,410	400	8,538
Aug.	76,653	76,475	178	[r]2,144	[r]2,563	1,018	[r]82,443	10,410	400	8,549
Sept.	76,073	75,712	361	1,861	[r]2,925	889	[r]81,810	10,410	400	8,584
Oct.	78,042	77,500	542	[r]1,465	[r]2,936	1,122	[r]83,644	10,933	400	8,613
Nov.	78,457	77,937	520	1,399	[r]2,764	1,078	[r]83,756	11,567	400	8,642
Dec.	79,701	78,833	868	1,298	3,414	1,079	85,642	11,567	400	8,668
1974—Jan.	80,793	80,608	185	1,044	3,385	1,258	86,568	11,567	400	8,705
Feb.	80,801	80,551	250	1,186	2,300	1,117	85,493	11,567	400	8,747
Mar.	80,686	80,184	502	1,352	1,816	960	84,943	11,567	400	8,767
Apr.[p]	81,567	80,873	694	1,714	2,272	1,160	86,884	11,567	400	8,807
Week ending—										
Feb. 6	80,407	80,213	194	998	2,185	1,362	85,037	11,567	400	8,731
13	80,678	80,451	227	1,153	2,268	1,462	85,645	11,567	400	8,747
20	81,535	80,953	582	1,376	2,314	869	86,207	11,567	400	8,750
27	80,577	80,577	....	1,251	2,409	828	85,136	11,567	400	8,756
Mar. 6	80,203	80,203	....	912	2,010	878	84,072	11,567	400	8,758
13	80,167	79,767	400	983	2,074	938	84,246	11,567	400	8,762
20	80,813	80,303	510	1,483	1,889	961	85,262	11,567	400	8,768
27	80,920	80,302	618	1,713	1,766	1,003	85,546	11,567	400	8,772
Apr. 3	81,330	80,483	847	1,503	1,801	1,060	85,923	11,567	400	8,789
10	80,675	80,485	190	1,194	2,039	1,104	85,111	11,567	400	8,800
17[p]	81,606	80,651	955	1,817	2,700	1,134	87,387	11,567	400	8,803
24[p]	81,689	80,996	693	1,938	2,491	1,191	87,513	11,567	400	8,812
End of month										
Feb.	80,238	[9] 80,238	....	720	2,412	958	84,397	11,567	400	8,775
Mar.	81,791	[8] 80,483	1,308	1,820	1,287	1,078	86,272	11,567	400	8,813
Apr.[p]	82,661	[8] 81,749	912	1,747	1,674	1,313	87,611	11,567	400	8,824
Wednesday										
Feb. 6	79,719	[9] 77,830	1,889	856	2,980	1,469	85,093	11,567	400	8,733
13	82,300	[8] 80,712	1,588	2,500	2,016	1,543	88,530	11,567	400	8,749
20	83,595	[8] 81,047	2,548	1,061	2,576	790	88,281	11,567	400	8,753
27	80,548	[9] 80,548	....	1,189	2,126	847	84,779	11,567	400	8,756
Mar. 6	80,156	[8] 80,156	....	846	2,673	915	[r]84,657	11,567	400	8,760
13	81,726	[8] 79,696	2,030	1,627	2,509	1,023	87,038	11,567	400	8,764
20	81,461	[8] 80,331	1,130	2,163	2,123	998	86,911	11,567	400	8,769
27	80,176	[9] 79,781	395	2,033	2,222	1,029	85,590	11,567	400	8,773
Apr. 3	80,483	[8] 80,483	....	1,116	2,632	1,053	85,358	11,567	400	8,797
10	80,478	[8] 80,478	....	1,286	2,549	1,106	85,492	11,567	400	8,801
17[p]	81,195	[8] 80,682	513	1,285	2,722	1,283	86,580	11,567	400	8,803
24[p]	81,489	[8] 80,933	556	2,169	2,530	1,229	87,616	11,567	400	8,821

[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] Includes certain deposits of domestic nonmember banks and foreign-owned banking institutions held with member banks and redeposited in full with Federal Reserve Banks in connection with voluntary participation by nonmember institutions in the Federal Reserve System's program of credit restraint.

Notes continued on opposite page.

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

(In millions of dollars)

Factors absorbing reserve funds										
Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F.R. Banks			Other F.R. accounts[3]	Other F.R. liabilities and capital[3]	Member bank reserves			Period or date
		Treasury	Foreign	Other[2,5]			With F.R. Banks	Currency and coin[6]	Total[7]	
										Averages of daily figures
7,609	2,402	616	739		248	....	11,473	....	11,473	1939—Dec.
10,985	2,189	592	1,531		292	....	12,812	....	12,812	1941—Dec.
28,452	2,269	625	1,247		493	....	16,027	....	16,027	1945—Dec.
27,806	1,290	615	920	353	739	....	17,391	....	17,391	1950—Dec.
33,019	408	522	250	495	1,029	....	16,688	2,595	19,283	1960—Dec.
50,609	756	360	225	458	−1,105	....	22,484	4,737	27,221	1968—Dec.
53,591	656	1,194	146	458	....	2,192	23,071	4,960	28,031	1969—Dec.
57,013	427	849	145	735	....	2,265	23,925	5,340	29,265	1970—Dec.
61,060	453	1,926	290	728	....	2,287	25,653	5,676	31,329	1971—Dec.
66,060	350	1,449	272	631	....	2,362	24,830	6,095	31,353	1972—Dec.
65,072	384	3,598	338	666	....	2,530	25,848	r5,852	r31,969	1973—Mar.
66,068	414	3,471	275	666	....	2,622	26,281	r5,822	r32,275	Apr.
66,726	413	4,121	330	652	....	2,721	r26,157	6,007	r32,336	May
67,609	386	2,408	266	698	....	2,732	r25,777	6,086	r32,029	June
68,382	346	3,375	341	782	....	2,846	r27,205	r6,273	r33,590	July
68,394	344	1,674	300	838	....	2,877	r27,375	6,296	r33,783	Aug.
68,592	349	792	332	781	....	2,848	r27,510	6,402	r34,020	Sept.
68,909	622	1,718	266	[5] 752	....	2,866	r28,458	6,371	r34,913	Oct.
69,927	340	1,772	522	[5] 689	....	2,854	r28,259	r6,382	r34,725	Nov.
71,646	323	1,892	406	[5] 717	....	2,942	28,352	6,635	35,068	Dec.
70,411	342	2,972	293	[5] 682	....	2,932	28,574	6,601	35,242	1974—Feb.
71,081	334	1,803	311	[5] 699	....	2,998	28,450	6,450	34,966	Mar.
72,176	308	1,712	328	[5] 702	....	2,985	29,446	6,418	35,922	Apr. p
										Week ending—
69,935	349	3,084	306	[5] 689	....	2,947	28,424	6,984	35,475	1974—Feb. 6
70,500	343	3,431	256	[5] 664	....	2,806	28,360	6,921	35,348	13
70,686	334	2,844	327	[5] 682	....	2,950	29,102	6,219	35,388	20
70,438	344	2,651	260	[5] 690	....	3,031	28,445	6,339	34,851	27
70,577	334	1,927	328	[5] 694	....	2,942	27,994	6,572	34,633	Mar. 6
71,193	330	1,794	277	[5] 714	....	2,842	27,826	6,855	34,748	13
71,286	337	1,324	300	[5] 731	....	2,994	29,025	6,117	35,209	20
71,117	335	2,317	307	[5] 669	....	3,093	28,448	6,259	34,774	27
71,366	340	1,889	372	[5] 704	....	3,105	28,904	6,481	35,443	Apr. 3
72,008	326	1,354	300	[5] 725	....	2,854	28,311	6,633	35,002	10
72,616	303	1,299	439	[5] 695	....	3,010	29,796	6,454	36,308	17p
72,308	288	1,666	269	[5] 703	....	2,997	30,061	5,990	36,109	24p
										End of month
70,493	332	2,016	542	[5] 679	....	3,091	27,989	6,572	34,628	1974—Feb.
71,196	341	1,373	366	[5] 673	....	3,262	29,838	6,481	36,377	Mar.
72,218	295	2,813	517	[5] 697	....	3,129	28,733	6,591	35,382	Apr. p
										Wednesday
70,393	342	3,119	232	[5] 740	....	2,750	28,218	6,984	35,269	Feb. 6
70,810	343	2,987	258	[5] 700	....	2,912	31,236	6,921	38,224	13
70,836	335	2,863	342	[5] 655	....	3,014	30,955	6,219	37,241	20
70,572	352	2,337	273	[5] 767	....	3,057	28,144	6,339	34,550	27
71,060	341	1,528	282	[5] 687	....	2,783	r28,703	6,572	36,342	Mar. 6
71,482	336	1,944	274	[5] 737	....	2,945	30,051	6,855	36,973	13
71,343	347	2,079	261	[5] 675	....	3,022	29,920	6,117	36,104	20
71,378	338	2,094	355	[5] 683	....	3,073	28,410	6,259	34,736	27
71,762	340	2,426	264	[5] 748	....	2,757	27,825	6,481	34,364	Apr. 3
72,633	313	1,277	339	[5] 758	....	2,918	28,021	6,633	34,712	10
72,723	293	902	368	[5] 670	....	2,896	29,497	6,454	36,009	17p
72,310	287	2,425	279	[5] 700	....	3,026	29,377	5,990	35,425	24p

[6] 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.

[7] Beginning with week ending Nov. 15, 1972, includes $450 million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation J as amended effective Nov. 9, 1972. Beginning 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, $279 million; Q2, $172 million; Q3, $112 million; Q4, $84 million. Beginning 1974 Q1, $67 million Q2, $58 million.

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

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

For other notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks					Large banks[2]						All other banks	
	Reserves			Borrowings		New York City		City of Chicago		Other			
	Total held[1]	Required	Excess[1]	Total	Seasonal	Excess	Borrowings	Excess	Borrowings	Excess	Borrowings	Excess	Borrowings
1939—Dec.	11,473	6,462	5,011	3	....	2,611	....	540	....	1,188	....	671	3
1941—Dec.	12,812	9,422	3,390	5	....	989	....	295	....	1,303	1	804	4
1945—Dec.	16,027	14,536	1,491	334	....	48	192	14	....	418	96	1,011	46
1950—Dec.	17,391	16,364	1,027	142	....	125	58	8	5	232	50	663	29
1960—Dec.	19,283	18,527	756	87	....	29	19	4	8	100	20	623	40
1965—Dec.	22,719	22,267	452	454	....	41	111	15	23	67	228	330	92
1967—Dec.	25,260	24,915	345	238	....	18	40	8	13	50	105	267	80
1968—Dec.	27,221	26,766	455	765	....	100	230	15	85	90	270	250	180
1969—Dec.	28,031	27,774	257	1,086	....	56	259	18	27	6	479	177	321
1970—Dec.	29,265	28,993	272	321	....	34	25	7	4	42	264	189	28
1971—Dec.	31,329	31,164	165	107	....	25	35	1	8	−35	22	174	42
1972—Dec.	31,353	31,134	219	1,049	....	−20	301	13	55	−42	429	−160	264
1973—Apr.	32,275	32,126	149	1,721	5	38	146	8	9	−112	828	43	738
May	32,336	32,277	59	1,786	30	−35	110	6	12	115	881	31	783
June	32,029	31,970	59	1,788	77	−61	145	−5	28	−79	904	38	711
July	33,590	33,199	391	2,050	124	156	135	30	67	−2	855	95	993
Aug.	33,783	33,540	243	2,144	163	34	109	−8	53	8	755	97	1,227
Sept.	34,020	33,775	245	1,861	147	−6	115	24	62	40	712	79	972
Oct.	34,913	34,690	223	1,465	126	11	74	1	54	17	589	110	748
Nov.	34,725	34,543	182	1,399	84	27	180	−24	28	−20	593	115	598
Dec.	35,068	34,806	262	1,298	41	−23	74	43	28	28	761	133	435
1974—Jan.	36,655	36,419	236	1,044	18	65	135	−44	17	−8	549	156	343
Feb.	35,242	35,053	189	1,186	17	51	87	−19	18	−51	635	141	446
Mar.	34,966	34,790	176	1,352	32	21	113	61	65	43	689	107	485
Apr.[p]	35,922	35,772	150	1,714	52	44	114	−8	40	−42	985	98	575
Week ending—													
1973—Apr. 4[r]	32,614	32,078	536	1,755	....	169	144	18	8	97	866	80	737
11[r]	31,757	31,848	−91	1,499	....	−184	24	−14	13	−94	774	29	688
18[r]	32,627	32,390	237	1,848	....	146	306	2	2	103	842	20	698
25[r]	32,402	32,064	338	1,646	9	80	45	20	18	13	795	53	788
Nov. 7	34,626	34,369	257	1,171	93	101	192	−53	12	−7	384	132	583
14	34,871	34,725	146	1,521	80	−92	262	....	61	29	716	125	482
21	35,095	34,726	369	1,568	85	110	224	2	15	66	623	107	706
28	34,438	34,372	66	1,287	84	−56	94	−14	28	−31	541	83	624
Dec. 5	34,906	34,468	438	1,478	57	167	....	15	11	29	889	143	578
12	34,444	34,472	−28	1,303	45	−139	102	−23	11	−37	769	87	421
19	35,203	34,892	311	1,488	40	137	163	29	....	−34	837	95	488
26	35,430	34,958	472	1,039	35	106	....	30	....	81	676	171	363
1974—Jan. 2	35,656	35,268	388	1,210	31	80	140	−6	141	24	599	223	330
9	36,296	36,210	86	776	19	2	271	−47	44	−96	174	160	287
16	37,702	37,374	328	988	20	59	45	16	....	27	681	159	262
23	36,610	36,693	−83	1,182	13	−114	183	−12	....	−110	655	86	344
30	36,139	35,880	259	1,220	17	104	20	−57	....	15	733	130	467
Feb. 6	35,475	35,351	124	998	18	−123	....	14	....	34	494	132	504
13	35,348	35,054	294	1,153	15	144	92	−23	56	−34	585	140	420
20	35,388	35,274	114	1,376	20	−37	257	−63	....	−42	711	189	408
27	34,851	34,645	206	1,251	16	70	....	−17	13	−24	780	110	458
Mar. 6	34,633	34,515	118	912	19	−81	123	13	11	1	364	118	414
13	34,748	34,632	116	983	19	41	11	−8	66	−82	507	98	399
20	35,209	35,129	80	1,483	35	−41	333	−3	15	−36	679	93	456
27	34,774	34,605	169	1,713	43	10	31	40	21	−16	1,061	68	600
Apr. 3	35,443	35,217	226	1,503	44	77	34	−9	189	−27	710	127	570
10	35,002	34,940	62	1,194	41	−73	108	4	53	6	663	67	370
17[p]	36,308	35,914	394	1,817	47	82	107	−28	101	80	1,093	202	516
24[p]	36,109	35,919	190	1,938	54	−19	69	48	4	−2	1,231	105	634

[1] Beginning with week ending Nov. 15, 1972, includes $450 million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation J as amended effective Nov. 9, 1972. Beginning 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, $279 million; Q2, $172 million; Q3, $112 million; Q4 million. Beginning 1974 Q1, $67 million, Q2, $58 million.

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

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

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

Effective Apr. 19, 1963, the Board's Regulation A, which governs lending by Federal Reserve Banks, was revised to assist smaller member banks to meet the seasonal borrowing needs of their communities.

BASIC RESERVE POSITION, AND FEDERAL FUNDS AND RELATED TRANSACTIONS

(In millions of dollars, except as noted)

Reporting banks and week ending—	Basic reserve position					Interbank Federal funds transactions					Related transactions with U.S. Govt. securities dealers		
	Excess reserves[1]	Less—		Net—		Gross transactions		Total two-way transactions[2]	Net transactions		Loans to dealers[3]	Borrowings from dealers[4]	Net loans
		Borrowings at F.R. Banks	Net interbank Federal funds trans.	Surplus or deficit	Per cent of avg. required reserves	Purchases	Sales		Purchases of net buying banks	Sales of net selling banks			
Total—46 banks													
Mar. 6	25	292	16,410	-16,408	108.5	22,757	6,617	5,863	16,895	754	2,514	589	1,925
13	18	344	c16,919	-17,239	112.9	c22,612	5,693	5,211	c17,401	482	2,186	667	1,519
20	-13	603	15,129	-15,745	100.8	20,675	5,546	5,123	c15,552	423	1,811	643	1,168
27	31	684	15,047	-15,699	104.1	21,321	6,274	5,371	15,951	904	1,575	682	893
Apr. 3	278	593	14,779	-15,094	96.9	21,490	6,711	5,832	15,658	879	1,463	604	859
10	74	182	16,738	-16,846	108.7	22,700	5,962	5,380	17,320	582	1,610	516	1,094
17	296	665	17,196	-17,565	108.3	22,124	4,928	4,454	17,671	475	1,557	432	1,125
24	106	728	13,698	-14,320	89.4	19,837	6,140	5,401	14,436	738	1,227	548	680
8 in New York City													
Mar. 6	-18	123	5,771	-5,911	97.3	6,850	1,080	1,080	5,771	....	1,710	304	1,406
13	46	11	c5,892	c5,858	c94.8	c6,746	854	854	5,892	....	1,400	289	1,111
20	-7	330	3,967	-4,304	67.7	5,166	1,198	1,136	4,030	62	1,102	321	781
27	15	32	4,385	-4,402	73.2	5,725	1,339	1,245	4,480	95	828	368	460
Apr. 3	76	34	4,074	-4,032	63.6	5,259	1,186	1,099	4,160	86	725	249	476
10	3	79	5,294	5,375	85.9	6,397	1,103	1,103	5,294	....	906	277	629
17	64	107	4,696	4,739	72.3	5,733	1,036	1,037	4,696	....	852	216	636
24	4	55	2,621	-2,672	41.5	4,825	2,203	1,863	2,962	340	560	309	251
38 outside New York City													
Mar. 6	42	170	10,370	-10,497	116.1	15,907	5,537	4,783	11,124	754	804	286	518
13	28	333	c11,027	-11,388	125.2	15,866	4,839	4,357	11,509	482	786	378	408
20	6	274	11,162	-11,441	123.5	15,510	4,348	3,987	11,523	361	709	321	388
27	16	652	10,662	-11,298	124.5	15,597	4,935	4,126	11,471	809	747	314	433
Apr. 3	203	559	10,706	11,062	119.7	16,231	5,525	4,733	11,498	793	738	355	383
10	77	103	11,444	11,470	124.0	16,303	4,859	4,276	12,027	582	703	239	465
17	232	558	12,500	-12,826	132.7	16,392	3,892	3,417	12,975	475	705	215	489
24	101	673	11,076	11,648	121.6	15,013	3,936	3,538	11,475	398	668	239	429
5 in City of Chicago													
Mar. 6	7	....	4,410	-4,404	289.7	5,330	920	919	4,411	....	441	....	441
13	-7	52	4,205	-4,264	273.7	5,061	856	857	4,205	....	423	....	423
20	11	....	4,009	-4,020	250.3	4,846	837	837	4,009	....	414	....	414
27	10	....	3,877	-3,867	247.4	4,691	814	814	3,877	....	457	....	457
Apr. 3	1	150	3,993	-4,142	244.0	4,656	664	664	3,993	....	436	....	436
10	12	....	4,310	-4,298	260.3	5,099	789	789	4,310	....	420	....	420
17	-14	100	4,641	-4,755	259.7	5,218	576	576	4,641	....	410	....	410
24	50	....	3,627	3,577	214.5	4,475	848	848	3,627	....	358	....	358
33 others													
Mar. 6	36	170	5,959	6,093	81.0	10,577	4,618	3,864	6,713	754	363	286	77
13	-21	280	6,822	-7,124	94.5	10,805	3,983	3,501	7,304	482	362	378	-16
20	6	274	7,153	-7,421	96.9	10,664	3,510	c3,150	7,514	361	295	321	-26
27	7	652	6,785	7,430	98.9	10,906	4,121	3,312	7,594	809	289	314	-25
Apr. 3	202	409	6,713	-6,920	91.7	11,575	4,862	4,069	7,506	793	302	355	-53
10	65	103	7,134	7,172	94.4	11,204	4,070	3,488	7,716	582	284	239	45
17	246	458	7,859	8,071	103.0	11,174	3,316	2,841	8,334	475	295	215	79
24	52	673	7,449	8,071	102.0	10,538	3,089	2,690	7,848	398	310	239	71

[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—						Loans to all others under last par. Sec. 13[3]		
	Under Secs. 13 and 13a[1]			Under Sec. 10(b)[2]					
	Rate on Apr. 30, 1974	Effective date	Previous rate	Rate on Apr. 30, 1974	Effective date	Previous rate	Rate on Apr. 30, 1974	Effective date	Previous rate
Boston	8	Apr. 30, 1974	7½	8½	Apr. 30, 1974	8	[4] 10	Apr. 30, 1974	9½
New York	8	Apr. 25, 1974	7½	8½	Apr. 25, 1974	8	[4] 10	Apr. 25, 1974	9½
Philadelphia	8	Apr. 25, 1974	7½	8½	Apr. 25, 1974	8	[4] 10	Apr. 25, 1974	9½
Cleveland	8	Apr. 25, 1974	7½	8½	Apr. 25, 1974	8	[4] 10	Apr. 25, 1974	9½
Richmond	8	Apr. 25, 1974	7½	8½	Apr. 25, 1974	8	[4] 10	Apr. 25, 1974	9½
Atlanta	8	Apr. 29, 1974	7½	8½	Apr. 29, 1974	8	[4] 10	Apr. 29, 1974	9½
Chicago	8	Apr. 26, 1974	7½	8½	Apr. 26, 1974	8	[4] 10	Apr. 26, 1974	9½
St. Louis	8	Apr. 26, 1974	7½	8½	Apr. 26, 1974	8	[4] 10	Apr. 26, 1974	9½
Minneapolis	8	Apr. 26, 1974	7½	8½	Apr. 26, 1974	8	[4] 10	Apr. 26, 1974	9½
Kansas City	8	Apr. 25, 1974	7½	8½	Apr. 25, 1974	8	[4] 10	Apr. 25, 1974	9½
Dallas	8	Apr. 25, 1974	7½	8½	Apr. 25, 1974	8	[4] 10	Apr. 25, 1974	9½
San Francisco	8	Apr. 25, 1974	7½	8½	Apr. 25, 1974	8	10	Apr. 25, 1974	9½

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 8 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
1969—Apr. 4	5½–6	6
8	6	6
1970—Nov. 11	5¾–6	6
13	5¾–6	5¾
16	5¾	5¾

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
1970—Dec. 1	5½–5¾	5¾
4	5½–5¾	5½
11	5½	5½
1971—Jan. 8	5¼–5½	5¼
15	5¼	5¼
19	5 –5¼	5¼
22	5 –5¼	5
29	5	5
Feb. 13	4¾–5	5
19	4¾	4¾
July 16	4¾–5	5
23	5	5
Nov. 11	4¾–5	5
19	4¾	4¾
Dec. 13	4½–4¾	4¾
17	4½–4¾	4½
24	4½	4½
1973—Jan. 15	5	5
Feb. 26	5 –5½	5½
Mar. 2	5½	5½
Apr. 23	5½–5¾	5½
May 4	5¾	5¾
11	5¾–6	6
18	6	6
June 11	6 –6½	6½
15	6½	6½
July 2	7	7
Aug. 14	7 –7½	7½
23	7½	7½
1974—Apr. 25	7½–8	8
Apr. 30	8	8
In effect Apr. 30, 1974	8	8

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]				Time [3] (all classes of banks)		
	Reserve city		Other		Savings	Other time	
	0–5	Over 5	0–5	Over 5		0–5	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]					Time [3]		
	0–2	2–10	10–100	100–400	Over 400 [5]	Savings	Other time 0–5	Other time Over 5 [6]
1972—Nov. 9	8	10	12	[7] 16½	17½	[8] 3	[8] 3	[8] 5
Nov. 16	....	....	....	13	....	....	....	....
1973—July 19	....	10½	12½	13½	18	....	....	....
In effect Apr. 30, 1974	8	10½	12½	13½	18	3	3	5

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

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

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

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

(c) Since Oct. 16, 1969, member banks have been required under Regulation M to maintain reserves against foreign branch deposits computed on the basis of net balances due from domestic offices to their foreign branches and against foreign branch loans to U.S. residents. Since June 21, 1973, loans aggregating $100,000 or less to any U.S. resident have been excluded from computations, as have total loans of a bank to U.S. residents if not exceeding $1 million. Regulation D imposes a similar reserve requirement on borrowings from foreign banks by domestic offices of a member bank. The reserve percentage applicable to each of these classifications is 8 per cent. The requirement was 10 per cent originally, was increased to 20 per cent on Jan. 7, 1971, and was reduced to the current 8 per cent effective June 21, 1973. Initially certain base amounts were exempted in the computation of the requirements, but effective Mar. 14, 1974, the last of these reserve-free bases were eliminated. For details, see Regulations D and M.

[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 Regulation D and appropriate supplements and amendments.

[5] Reserve city banks.

[6] Except as noted below, effective Dec. 27, 1973, member banks are subject to an 8 per cent marginal reserve requirement against increases in the aggregate of (a) outstanding time deposits of $100,000 or more, (b) outstanding funds obtained by the bank through issuance by a bank's affiliate of obligations subject to the existing reserve requirements on time deposits, and (c) funds from sales of finance bills. The 8 per cent requirement applies to balances above a specified base, but is not applicable to banks that have obligations of these types aggregating less than $10 million. For the period June 21 through Aug. 29, 1973, (a) included only single-maturity time deposits. Previous requirements have been: 8 per cent for (a) and (b) from June 21 through Oct. 3, 1973, and for (c) from July 12 through Oct. 3, 1973; and 11 per cent from Oct. 4 through Dec. 26, 1973. For details, see Regulation D and appropriate supplements and amendments.

[7] 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.

[8] 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*.

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Rates July 20, 1966–June 30, 1973

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:[1]				
Multiple maturity:[2]				
30–89 days	4	4	4	4½
90 days to 1 year				5
1 year to 2 years	5	5	5	5½
2 years or more				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 or more:				
30–59 days			5½	(3)
60–89 days			5¾	(3)
90–179 days	5½	5½	6	(3)
180 days to 1 year			6¼	(3)
1 year or more				(3)

Rates beginning July 1, 1973

Type of deposit	Effective date: July 1, 1973	Nov. 1, 1973
Savings deposits	5	5
Other time deposits (multiple- and single-maturity):		
Less than $100,000:		
30–89 days	5	5
90 days to 1 year	5½	5½
1 year to 2½ years	6	6
2½ years or more	6½	6½
4 years or more in minimum denomination of $1,000	(4)	7¼
$100,000 or more	(3)	(3)

[1] For exceptions with respect to certain foreign time deposits, see BULLETIN for Feb. 1968, p. 167.

[2] 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.

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

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

Rates on multiple-maturity time deposits in denomination of $100,000 or more were suspended July 16, 1973, when the distinction between single- and multiple-maturity deposits was eliminated.

[4] Between July 1 and Oct. 31, 1973, there was no ceiling for 4-year certificates with minimum denomination of $1,000. The amount of such certificates that a bank could issue was limited to 5 per cent of its total time and savings deposits. Sales in excess of that amount were subject to the 6½ per cent ceiling that applies to time deposits maturing in 2½ years or more.

Effective Nov. 1, 1973, a ceiling rate of 7¼ per cent was imposed on certificates maturing in 4 years or more with minimum denomination of $1,000. There is no limitation on the amount of these certificates that banks may issue.

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.

For previous changes, see earlier issues of the BULLETIN.

MARGIN REQUIREMENTS

(Per cent of market value)

Period: Beginning date	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	U	G	On convertible bonds T	U	G	On short sales (T)
1937—Nov. 1	1945—Feb. 4	40						50
1945—Feb. 5	July 4	50						50
July 5	1946—Jan. 20	75						75
1946—Jan. 21	1947—Jan. 31	100						100
1947—Feb. 1	1949—Mar. 29	75						75
1949—Mar. 30	1951—Jan. 16	50						50
1951—Jan. 17	1953—Feb. 19	75						75
1953—Feb. 20	1955—Jan. 3	50						50
1955—Jan. 4	Apr. 22	60						60
Apr. 23	1958—Jan. 15	70						70
1958—Jan. 16	Aug. 4	50						50
Aug. 5	Oct. 15	70						70
Oct. 16	1960—July 27	90						90
1960—July 28	1962—July 9	70						70
1962—July 10	1963—Nov. 5	50						50
1963—Nov. 6	1968—Mar. 10	70						70
1968—Mar. 11	June 7	70			50			70
June 8	1970—May 5	80			60			80
1970—May 6	1971—Dec. 3	65			50			65
1971—Dec. 6	1972—Nov. 22	55			50			55
1972—Nov. 24	1974—Jan. 2	65			50			65
Effective Jan. 3, 1974		50			50			50

NOTE.—Regulations G, T, and U, prescribed in accordance with the Securities Exchange Act of 1934, limit the amount of credit to purchase and carry margin stocks that may be extended on securities as collateral by prescribing a maximum loan value, which is a specified percentage of the market value of the collateral at the time the credit is extended; margin requirements are the difference between the market value (100 per cent) and the maximum loan value. The term margin stocks is defined in the corresponding regulation.

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

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Period	Outright transactions in U.S. Govt. securities, by maturity (excluding matched sale-purchase transactions): Treasury bills [1]			Others within 1 year [2]			1–5 years			5–10 years			Over 10 years		
	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Exch., maturity shifts, or redemptions	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts
1970	11,074	5,214	2,160	99	......	−3,483	848	......	5,430	249	......	−1,845	93	......	−102
1971	8,896	3,642	1,064	1,036	......	−6,462	1,338	......	4,672	933	......	685	311	......	150
1972	8,522	6,467	2,545	125	......	2,933	789	......	−1,405	539	......	−2,094	167	......	250
1973	15,517	4,880	3,405	1,396	......	140	579	......	−2,028	500	......	895	129	......	87
1973—Mar.	1,569	260	200	......	......	......	......	......	......	......	......	......	......	......	......
Apr.	1,377	......	51	50	......	......	127	......	......	19	......	......	11	......	......
May	717	623	600	......	......	3,829	......	......	−1,316	......	......	5,105	......	......	40
June	1,047	218	163	17	......	......	123	......	......	37	......	78	51	......	−78
July	1,640	495	60	......	......	......	27	......	......	......	......	......	......	......	......
Aug.	655	945	456	351	......	4,361	......	......	−4,812	......	......	......	......	......	100
Sept.	480	401	564	836	......	−813	......	......	−23	......	......	......	......	......	......
Oct.	2,117	153	......	......	......	......	......	......	......	......	......	......	......	......	......
Nov.	583	489	1,101	41	......	1,515	125	......	680	331	......	−2,220	35	......	25
Dec.	1,919	70	10	75	......	34	116	......	−34	35	......	......	......	......	......
1974—Jan.	1,340	335	1,402	9	......	......	93	......	......	77	......	......	......	......	......
Feb.	768	391	410	......	......	687	30	......	−922	......	......	200	......	......	35
Mar.	664	566	165	......	......	......	109	......	......	56	......	......	25	......	......

Period	Total outright [1]			Matched sale-purchase transactions (Treasury bills)		Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities	Federal agency obligations: Outright		Repurchase agreements, net	Bankers' acceptances, net		Net change [3]
	Gross purchases	Gross sales	Redemptions	Gross sales	Gross purchases	Gross purchases	Gross sales		Gross purchases	Sales or redemptions		Outright	Repurchase agreements	
1970	12,362	5,214	2,160	12,177	12,177	33,859	33,859	4,988	......	......	......	−6	......	4,982
1971	12,515	3,642	2,019	16,205	16,205	44,741	43,519	8,076	485	......	101	22	181	8,866
1972	10,142	6,467	2,862	23,319	23,319	31,103	32,228	−312	1,197	370	−88	−9	−145	272
1973	18,121	4,880	4,592	45,780	45,780	74,755	74,795	8,610	865	239	29	−2	−36	9,227
1973—Mar.	1,569	260	200	1,941	1,941	6,024	5,478	1,656	......	14	61	−1	−66	1,636
Apr.	1,584	......	51	2,101	2,101	5,664	5,978	1,218	......	19	−65	7	−36	1,106
May	717	623	600	1,105	1,105	7,379	8,240	−1,367	......	21	−29	−1	−52	−1,470
June	1,274	218	163	4,630	4,630	5,621	5,621	893	229	19	......	−17	......	1,085
July	1,666	495	60	3,405	3,405	7,651	6,686	2,076	174	6	106	−12	78	2,416
Aug.	1,006	945	807	9,632	9,632	2,234	2,492	−1,005	......	20	157	−7	−41	−915
Sept.	1,316	401	1,400	6,981	6,981	3,309	2,752	72	......	30	−95	−9	69	7
Oct.	2,117	153	......	4,735	4,735	8,220	7,859	2,325	176	4	20	8	−46	2,440
Nov.	1,116	489	1,101	2,089	2,089	6,637	7,525	−1,360	74	3	20	−2	34	−1,307
Dec.	2,145	70	10	3,435	3,435	9,523	10,202	1,387	212	84	126	23	−26	1,386
1974—Jan.	1,519	335	1,402	2,590	2,590	4,442	4,500	−276	29	39	−42	......	......	−328
Feb.	798	391	410	2,393	2,393	4,265	4,265	−3	120	46	......	11	......	72
Mar.	854	566	165	702	702	6,248	5,124	1,247	170	48	185	4	223	1,780

1 Before Nov. 1973 BULLETIN, included matched sale-purchase transactions, which are now shown separately.

2 Includes special certificates acquired when the Treasury borrows directly from the Federal Reserve, as follows: June 1971, 955; Sept. 1972, 38; Aug. 1973, 351; Sept. 1973, 836.

3 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
1970—Dec.	257	154	....	*	*	....	....	98	....	1	*	4
1971—Dec.	18	3	....	3	*	....	....	2	....	1	....	8
1972—Dec.	192	*	....	*	*	....	....	164	....	1	20	6
1973—Jan.	92	*	....	*	*	....	....	67	....	1	20	3
Feb.	4	*	....	*	*	....	....	*	....	1	....	3
Mar.	4	*	....	*	*	....	....	*	....	1	....	3
Apr.	4	*	....	*	*	....	....	*	....	1	....	3
May	4	*	....	*	*	....	....	*	....	1	....	3
June	4	*	....	*	*	....	....	*	....	1	....	3
July	4	*	....	*	*	....	....	*	....	1	....	3
Aug.	5	*	....	*	*	....	....	1	....	1	....	3
Sept.	4	*	....	*	*	....	....	*	....	1	....	3
Oct.	4	*	....	....	*	....	....	*	....	1	....	3
Nov.	4	*	....	....	*	....	....	*	....	1	....	3
Dec.	4	*	....	....	*	....	....	*	....	1	....	3
1974—Jan.	1	*	....	....	*	....	....	*	....	1	....	....

CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1974					1974		1973
	Apr. 24	Apr. 17	Apr. 10	Apr. 3	Mar. 27	Apr. 30	Mar. 31	Apr. 30
Assets								
Gold certificate account	11,460	11,460	11,460	11,460	11,460	11,460	11,460	10,303
Special Drawing Rights certificate account	400	400	400	400	400	400	400	400
Cash	241	247	258	267	272	234	280	323
Loans:								
Member bank borrowings	2,169	1,285	1,286	1,116	2,033	1,747	1,820	1,716
Other	....	....	....	....	....	....	....	....
Acceptances:								
Bought outright	81	76	73	74	74	81	73	84
Held under repurchase agreements	118	19	....	....	56	135	223	52
Federal agency obligations:								
Bought outright	2,242	2,123	2,123	2,123	2,123	2,436	2,123	1,261
Held under repurchase agreements	105	43	....	....	24	218	185	29
U.S. Govt. securities:								
Bought outright:								
Bills	36,559	36,599	36,395	36,400	35,698	37,181	36,400	34,087
Certificates—Special	....	....	....	....	....	....	....	....
Other	....	....	....	....	....	....	....	....
Notes	39,128	38,956	38,956	38,956	38,956	39,128	38,956	36,976
Bonds	3,004	3,004	3,004	3,004	3,004	3,004	3,004	3,571
Total bought outright	[1] 78,691	[1] 78,559	[1] 78,355	[1] 78,360	[1,2] 77,658	[1] 79,313	[1] 78,360	74,634
Held under repurchase agreements	451	470	....	....	371	694	1,123	861
Total U.S. Govt. securities	79,142	79,029	78,355	78,360	78,029	80,007	79,483	75,495
Total loans and securities	83,857	82,575	81,837	81,673	82,339	84,624	83,907	78,637
Cash items in process of collection	[p]8,249	[p]9,641	7,895	8,279	7,441	[p]8,440	5,778	6,333
Bank premises	231	232	230	230	228	231	227	199
Other assets:								
Denominated in foreign currencies	6	6	6	6	6	6	6	4
All other	992	1,045	870	817	795	1,076	845	925
Total assets	[p]105,436	[p]105,606	102,956	103,132	102,941	[p]106,471	102,903	97,124
Liabilities								
F.R. notes	63,910	64,354	64,297	63,465	63,107	63,816	62,900	58,269
Deposits:								
Member bank reserves	[p]29,377	[p]29,497	28,021	27,825	28,410	[p]28,733	29,838	25,700
U.S. Treasury—General account	2,425	902	1,277	2,426	2,094	2,813	1,373	4,163
Foreign	279	368	339	264	355	517	366	328
Other:								
All other[3]	700	670	758	750	683	697	673	773
Total deposits	[p]32,781	[p]31,437	30,395	31,265	31,542	[p]32,760	32,250	30,964
Deferred availability cash items	5,719	6,919	5,346	5,645	5,219	6,766	4,491	5,138
Other liabilities and accrued dividends	1,078	1,049	1,034	971	987	1,087	1,118	793
Total liabilities	[p]103,488	[p]103,759	101,072	101,346	100,855	[p]104,429	100,759	95,164
Capital accounts								
Capital paid in	872	872	872	872	872	874	872	814
Surplus	844	844	844	844	844	844	844	793
Other capital accounts	232	131	168	70	370	324	428	353
Total liabilities and capital accounts	105,436	105,606	102,956	103,132	102,941	106,471	102,903	97,124
Contingent liability on acceptances purchased for foreign correspondents	702	698	697	706	682	700	684	344
Marketable U.S. Govt. securities held in custody for foreign and international accounts	27,158	27,153	26,875	26,662	26,117	27,349	26,635	30,184

Federal Reserve Notes—Federal Reserve Agents' Accounts

Item	Apr. 24	Apr. 17	Apr. 10	Apr. 3	Mar. 27	Apr. 30	Mar. 31	Apr. 30
F.R. notes outstanding (issued to Bank)	68,050	67,983	67,543	67,252	67,062	68,018	67,218	62,330
Collateral held against notes outstanding:								
Gold certificate account	2,150	2,250	2,250	2,305	2,305	2,150	2,305	2,300
U.S. Govt. securities	67,195	67,000	66,840	66,840	66,820	67,195	66,840	61,665
Total collateral	69,345	69,250	69,090	69,145	69,125	69,345	69,145	63,965

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

[2] See note 9 on p. A-5.

[3] See note 5 on p. A-4.

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

(In millions of dollars)

Item	Wednesday					End of month		
	1974					1974		1973
	Apr. 24	Apr. 17	Apr. 10	Apr. 3	Mar. 27	Apr. 30	Mar. 31	Apr. 30
Loans—Total	2,095	1,285	1,287	1,115	2,034	1,747	1,821	1,709
Within 15 days	2,061	1,264	1,260	1,088	2,012	1,709	1,799	1,688
16 days to 90 days	34	21	27	27	22	38	22	21
91 days to 1 year	....	....	....	....	....	....	....	....
Acceptances—Total	199	95	73	74	130	216	296	136
Within 15 days	129	36	19	30	83	150	253	65
16 days to 90 days	67	56	51	44	47	63	43	71
91 days to 1 year	3	3	3	....	....	3	....	....
U.S. Government securities—Total	79,142	79,029	78,355	78,360	78,029	80,007	79,483	75,495
Within 15 days[1]	5,443	5,459	5,547	5,839	5,465	5,327	5,298	9,186
16 days to 90 days	19,462	19,874	19,229	19,691	18,951	19,917	18,951	18,170
91 days to 1 year	22,063	21,694	21,577	20,828	21,611	22,589	23,232	14,264
Over 1 year to 5 years	22,516	22,344	22,344	22,344	22,344	22,516	22,344	28,148
Over 5 years to 10 years	7,836	7,836	7,836	7,836	7,836	7,836	7,836	4,138
Over 10 years	1,822	1,822	1,822	1,822	1,822	1,822	1,822	1,589
Federal agency obligations—Total	2,347	2,166	2,123	2,123	2,147	2,654	2,308	1,290
Within 15 days[1]	105	91	48	....	24	218	185	34
16 days to 90 days	115	87	87	135	135	119	135	42
91 days to 1 year	247	275	275	275	275	260	275	231
Over 1 year to 5 years	897	821	821	821	821	978	821	545
Over 5 years to 10 years	656	608	608	608	608	723	608	247
Over 10 years	327	284	284	284	284	356	284	191

[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]		
1973—Mar.	15,959.2	6,844.8	3,873.4	9,114.4	5,241.0	97.1	228.3	104.5	67.8	53.9
Apr.	15,971.2	6,927.5	3,857.5	9,043.8	5,186.2	95.7	228.9	101.9	66.2	52.5
May	16,452.0	7,177.0	3,918.3	9,275.1	5,356.7	97.8	235.1	103.7	67.4	53.6
June	16,638.8	7,224.6	4,050.2	9,414.3	5,364.1	99.9	245.0	107.6	68.7	54.0
July	r17,224.4	7,381.4	4,282.4	r9,843.0	r5,560.7	102.6	247.5	111.7	71.3	55.8
Aug.	r17,889.7	7,744.6	4,318.2	r10,145.1	r5,826.8	106.2	252.5	113.6	73.6	58.4
Sept.	r17,919.6	8,025.3	4,195.7	r9,894.2	r5,698.5	107.4	266.4	111.6	72.4	57.5
Oct.	r18,395.3	8,137.2	4,418.0	r10,258.0	r5,840.0	109.5	265.3	116.4	74.7	58.8
Nov.	r19,050.5	8,437.9	4,519.8	r10,612.6	r6,092.7	113.2	274.9	118.6	77.1	61.2
Dec.	r18,641.4	8,097.7	4,462.8	r10,543.7	r6,080.9	110.2	269.8	115.0	75.8	60.6
1974—Jan.	18,816.9	8,081.0	4,517.1	10,736.0	6,218.8	111.5	270.3	r116.2	77.3	62.2
Feb. r	19,814.1	8,896.2	4,582.1	10,917.9	6,335.8	118.0	294.2	119.9	79.3	63.7
Mar.	20,176.4	8,914.4	4,718.0	11,262.0	6,544.1	118.3	292.5	120.8	80.4	64.8

[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.

MEASURES OF THE MONEY STOCK

(In billions of dollars)

Month or week	Seasonally adjusted M_1	Seasonally adjusted M_2	Seasonally adjusted M_3	Not seasonally adjusted M_1	Not seasonally adjusted M_2	Not seasonally adjusted M_3
	Composition of measures is described in the NOTE below.					
1971—Dec.	235.2	473.0	726.9	241.9	477.9	731.2
1972—Dec.	255.7	525.5	822.4	263.0	530.6	826.6
1973—May	262.4	543.6	855.0	257.9	541.7	853.6
June	265.5	549.4	863.5	263.6	548.8	864.0
July	266.4	552.0	867.9	265.7	551.0	868.0
Aug.	266.2	554.9	870.9	262.9	551.1	867.0
Sept.	265.4	556.6	873.2	263.9	554.2	870.4
Oct.	266.5	561.6	879.8	266.0	559.9	877.5
Nov.	268.8	566.7	886.9	270.5	565.1	884.0
Dec.	270.4	570.7	893.2	278.1	575.8	897.5
1974—Jan.	269.6	573.7	898.4	276.8	579.7	904.6
Feb.	272.5	580.1	r907.0	269.7	577.6	904.9
Mar.	274.9	r584.1	r913.5	r272.1	r583.6	r914.9
Apr.p	276.7	588.0	919.2	278.2	592.3	925.9
Week ending—						
1974—Apr. 3	276.0	585.8	....	275.5	588.5	....
10	276.2	587.0	....	279.2	592.8	....
17p	278.7	589.9	....	283.0	597.3	....
24p	276.4	588.0	....	277.1	591.4	....
May 1p	275.3	587.5	....	273.7	588.6	....

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

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

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

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

For description and back data, see "Revision of the Money Stock Measures and Member Bank Deposits" on pp. 81–95 of the Feb. 1974 BULLETIN.

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[1]	Seasonally adjusted: Commercial banks: Time and savings deposits: Other	Seasonally adjusted: Commercial banks: Time and savings deposits: Total	Seasonally adjusted: Nonbank thrift institutions[2]	Not seasonally adjusted: Currency	Not seasonally adjusted: Commercial banks: Demand deposits: Total	Not seasonally adjusted: Commercial banks: Demand deposits: Member	Not seasonally adjusted: Commercial banks: Demand deposits: Domestic nonmember	Not seasonally adjusted: Commercial banks: Time and savings deposits: CD's[1]	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[2]	U.S. Govt. deposits[3]
1971—Dec.	52.6	182.6	33.0	237.9	270.9	253.9	53.5	188.4	142.6	44.1	33.8	236.0	269.8	253.3	6.9
1972—Dec.	56.9	198.7	43.4	269.9	313.3	296.9	57.9	205.1	152.4	51.4	44.3	267.6	311.8	296.0	7.4
1973—May	58.9	203.4	61.3	281.3	342.6	311.4	58.7	199.2	145.8	51.1	58.8	283.8	342.6	312.0	8.7
June	59.4	206.2	62.0	283.8	345.8	314.2	59.4	204.1	149.1	52.4	59.3	285.2	344.5	315.3	7.1
July	59.5	207.0	63.9	285.6	349.4	315.9	59.9	205.7	149.7	53.3	62.3	285.3	347.6	317.0	6.5
Aug.	59.8	206.4	66.3	288.7	355.0	315.9	60.0	202.9	147.8	52.7	68.4	288.2	356.6	315.9	4.1
Sept.	60.2	205.2	66.7	291.2	357.9	316.6	60.1	203.8	148.2	53.3	68.8	290.3	359.2	316.1	5.3
Oct.	60.4	206.1	63.8	295.1	358.9	318.3	60.4	205.6	149.7	53.7	66.3	293.9	360.2	317.6	6.0
Nov.	60.9	207.9	62.0	297.8	359.9	320.2	61.4	209.1	151.8	54.9	64.1	294.6	358.7	318.9	4.3
Dec.	61.6	208.8	62.8	300.3	363.1	322.5	62.6	215.5	156.9	56.2	64.1	297.7	361.8	321.7	6.3
1974—Jan.	61.8	207.8	65.5	304.1	369.6	r324.8	61.5	215.3	156.3	56.6	66.1	302.9	368.9	325.0	8.0
Feb.	62.6	210.0	66.6	307.6	374.2	r326.9	61.8	207.9	151.1	54.5	65.9	307.9	373.8	r327.4	6.5
Mar.	r63.3	r211.6	67.7	r309.3	r377.0	r329.3	r62.7	209.5	152.4	r54.7	67.0	r311.5	r378.5	r331.2	6.3
Apr.p	63.9	212.8	75.3	311.3	386.6	331.2	63.5	214.7	155.9	56.5	72.4	314.2	386.5	333.6	6.0
Week ending—															
1974—Apr. 3	63.4	212.7	71.5	309.8	381.2	....	62.8	212.7	155.1	55.3	69.5	312.9	382.4	....	7.1
10	64.1	212.2	73.9	310.7	384.6	....	64.1	215.0	156.2	56.5	71.5	313.6	385.1	....	4.6
17p	64.0	214.7	74.8	311.2	386.1	....	63.9	219.2	159.0	57.8	71.8	314.3	386.0	....	4.5
24p	63.8	212.6	76.9	311.6	388.5	....	63.1	214.0	155.3	56.4	73.6	314.3	387.9	....	5.9
May 1p	63.9	211.5	77.8	312.1	389.9	....	63.1	210.6	153.1	55.2	74.1	314.9	389.0	....	9.3

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

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

3 At all commercial banks.

See also NOTE above.

AGGREGATE RESERVES AND MEMBER BANK DEPOSITS

(In billions of dollars)

Period	Member bank reserves, S.A.[1]				Deposits subject to reserve requirements[3]								Total member bank deposits plus nondeposit items[4]	
					S.A.				N.S.A.					
	Total	Non-borrowed	Required	Available[2]	Total	Time and savings	Demand: Private	Demand: U.S. Govt.	Total	Time and savings	Demand: Private	Demand: U.S. Govt.	S.A.	N.S.A.
1970—Dec.	29.19	28.86	28.95	27.10	321.3	178.8	136.1	6.5	325.2	178.1	141.1	6.0	332.9	336.8
1971—Dec.	31.30	31.17	31.12	28.96	360.3	210.4	143.8	6.1	364.6	209.7	149.2	5.7	364.3	368.7
1972—Dec.	31.41	30.36	31.13	29.05	402.0	241.4	154.5	6.1	406.8	240.7	160.1	6.1	406.4	411.2
1973—Apr.	32.30	30.59	32.08	29.87	421.4	260.9	153.4	7.1	422.3	260.5	154.9	6.8	426.6	427.4
May	32.44	30.60	32.29	30.11	425.1	265.1	154.8	5.2	423.0	264.5	151.4	7.0	430.5	428.4
June	32.46	30.61	32.22	30.55	428.9	267.3	156.3	5.3	426.3	265.9	154.8	5.6	434.5	432.0
July	33.58	31.62	33.29	31.36	431.1	270.1	157.1	3.9	429.9	268.5	156.2	5.1	437.6	436.4
Aug.	33.91	31.74	33.73	32.04	436.7	275.0	157.0	4.8	433.7	276.6	154.0	3.1	443.8	440.8
Sept.	34.17	32.32	33.95	32.39	438.6	277.5	156.2	5.0	437.7	279.0	154.7	4.1	445.9	445.0
Oct.	34.94	33.47	34.72	32.84	439.7	277.3	156.4	6.0	439.7	278.8	156.1	4.8	446.5	446.5
Nov.	34.86	33.46	34.62	32.71	440.4	277.1	157.5	5.8	438.2	276.6	158.3	3.2	447.5	445.3
Dec.	35.10	33.81	34.80	32.91	442.2	279.0	158.3	4.9	447.5	278.5	164.0	5.0	449.6	454.9
1974—Jan.	35.85	34.80	35.69	32.80	446.8	283.2	157.4	6.2	453.0	283.1	163.4	6.5	454.3	460.5
Feb.	35.11	33.92	34.92	32.79	447.1	286.1	157.9	3.0	447.1	285.7	156.3	5.1	454.8	454.8
Mar.	34.95	r33.63	r34.81	33.12	r450.4	287.9	r158.8	3.7	r450.4	r288.6	r156.9	4.9	r459.1	r459.1
Apr.p	35.93	34.19	35.63	33.69	461.7	297.1	160.0	4.6	462.6	296.2	161.6	4.8	471.3	472.2

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

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

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

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

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

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

LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS

(In billions of dollars)

Date	Seasonally adjusted							Not seasonally adjusted						
	Total loans and investments[1]	Loans: Total[1]	Loans: Plus loans sold[2]	Commercial and industrial[3]: Total	Commercial and industrial[3]: Plus loans sold[2]	Securities: U.S. Treasury	Securities: Other[4]	Total loans and investments[1]	Loans: Total[1]	Loans: Plus loans sold[2]	Commercial and industrial[3]: Total	Commercial and industrial[3]: Plus loans sold[2]	Securities: U.S. Treasury	Securities: Other[4]
1968—Dec. 31	390.2	258.2	......	95.9	......	60.7	71.3	400.4	264.4	......	98.4	......	64.5	71.5
1969—Dec. 31[5]	401.7	279.1	283.0	105.7	108.3	51.5	71.1	412.1	286.1	290.0	108.4	111.0	54.7	71.3
1970—Dec. 31	435.5	291.7	294.7	110.0	112.1	57.9	85.9	446.8	299.0	301.9	112.5	114.6	61.7	86.1
1971—Dec. 31	484.8	320.3	323.1	115.9	117.5	60.1	104.4	497.9	328.3	331.1	118.5	120.2	64.9	104.7
1972—Dec. 31	556.4	377.8	380.4	129.7	131.4	61.9	116.7	571.4	387.3	389.9	132.7	134.4	67.0	117.1
1973—Apr. 25	589.6	411.1	414.7	143.9	146.2	61.0	117.5	587.3	408.3	412.0	144.4	146.7	60.4	118.6
May 30	597.7	417.4	421.1	146.8	149.0	61.0	119.3	594.8	416.6	420.3	146.4	148.6	58.3	119.9
June 30	602.0	420.3	423.8	148.2	150.4	61.6	120.1	605.6	426.6	430.1	150.4	152.6	57.9	121.1
July 25	608.8	427.5	431.5	151.2	153.7	59.8	121.5	607.4	429.3	433.3	151.6	154.1	56.5	121.7
Aug. 29	617.4	435.9	440.6	153.4	156.3	57.9	123.6	613.4	435.2	439.9	152.0	154.9	54.9	123.3
Sept. 26	620.2	439.1	443.7	153.7	156.6	56.4	124.7	619.9	440.1	444.7	153.8	156.7	55.1	124.8
Oct. 31	624.2	441.1	445.7	153.6	156.5	55.1	128.0	624.0	440.9	445.6	152.9	155.8	56.0	127.0
Nov. 28	628.4	445.5	449.8	155.0	157.7	55.0	127.9	628.2	443.9	448.3	154.1	156.8	57.8	126.5
Dec. 31	630.3	447.3	451.6	155.8	158.4	52.8	130.2	647.3	458.5	462.8	159.4	162.0	58.3	130.6
1974—Jan. 30p	638.0	452.3	456.7	157.8	160.4	54.4	131.3	637.6	448.3	452.7	156.1	158.7	58.7	130.6
Feb. 27p	645.7	457.1	462.1	158.9	161.6	56.2	132.4	640.4	451.5	456.4	157.3	160.0	57.5	131.5
Mar. 27p	654.9	466.3	471.2	164.4	167.2	56.2	132.4	651.4	461.1	466.0	164.2	167.0	57.3	133.0
Apr. 24p	663.2	473.7	479.1	168.9	172.0	56.7	132.8	660.5	470.4	475.8	169.6	172.7	56.1	134.0

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

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

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

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

[5] 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 above table have been revised to include valuation reserves.

NOTE.—Total loans and investments: For monthly data, Jan. 1959–June 1973, see Nov. 1973 BULLETIN, pp. A-96–A-97, and for 1948–58, Aug. 1968 BULLETIN, pp. A-94–A-97. For a description of the current seasonally adjusted series see the Nov. 1973 BULLETIN, pp. 831–32, and the Dec. 1971 BULLETIN, pp. 971–73. Commercial and industrial loans: For monthly data, Jan. 1959–June 1973, see Nov. 1973 BULLETIN, pp. A-96–A-98; for description see July 1972 BULLETIN, p. 683. Data are for last Wednesday of month except for June 30 and Dec. 31; data are partly or wholly estimated except when June 30 and Dec. 31 are call dates.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

(Amounts in millions of dollars)

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
Last-Wednesday-of-month series [6]															
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
1947—Dec. 31[7]	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
1960—Dec. 31	199,509	117,642	61,003	20,864	52,150	257,552	229,843	17,079	1,799	5,945	133,379	71,641	163	20,986	13,472
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—Dec. 31	598,808	414,696	67,028	117,084	113,128	739,033	616,037	33,854	4,194	10,875	252,223	314,891	38,083	52,658	13,927
1973—Mar. 28	608,320	429,400	61,180	117,740	90,980	729,250	596,690	25,960	4,530	11,390	220,290	334,520	45,420	53,330	13,974
Apr. 25	616,480	437,520	60,400	118,560	91,580	738,740	604,570	26,220	4,880	10,910	225,170	337,390	45,830	53,750	13,998
May 30	622,340	444,120	58,330	119,890	95,410	749,470	611,920	27,770	5,250	5,810	229,050	344,040	47,360	54,240	14,018
June 30	635,756	456,780	57,877	121,099	103,608	769,908	629,215	31,047	5,590	10,434	236,953	345,191	49,299	55,740	14,046
July 25	634,730	456,620	56,450	121,660	95,880	762,410	619,200	28,710	5,830	6,750	228,470	349,440	52,610	54,920	14,069
Aug. 29	641,140	462,910	54,910	123,320	92,010	766,300	619,520	26,500	6,620	3,460	224,770	358,170	53,220	55,350	14,083
Sept. 26	646,710	466,840	55,080	124,790	100,030	779,730	630,360	27,720	7,190	8,210	228,420	358,820	56,280	55,620	14,102
Oct. 31	654,390	471,340	56,010	127,040	111,720	800,769	646,030	32,830	6,820	5,680	241,130	359,570	60,620	56,510	14,134
Nov. 28	659,280	475,010	57,770	126,500	104,140	797,180	638,740	30,130	7,010	4,350	238,540	358,710	62,870	56,730	14,163
Dec. 31	683,799	494,947	58,277	130,574	118,276	835,224	681,847	36,839	6,773	9,865	263,367	365,002	58,994	58,128	14,171
1974—Jan. 30p	673,520	484,240	58,730	130,550	103,070	810,500	651,410	31,510	6,620	9,500	233,310	370,470	65,770	58,270	14,180
Feb. 27p	679,130	490,180	57,500	131,450	102,230	816,200	650,970	31,320	6,200	6,620	232,930	373,900	67,970	58,560	14,202
Mar. 27p	687,670	497,430	57,260	132,980	104,070	827,600	658,490	31,590	6,490	6,070	235,360	378,980	69,740	59,050	14,236
Apr. 24p	694,680	504,590	56,060	134,030	101,930	833,510	666,040	30,870	7,290	5,850	235,530	386,500	67,440	59,590	14,236
Members of F.R. System:															
1941—Dec. 31	43,521	18,021	19,539	5,961	23,113	68,121	61,717	10,385	140	1,709	37,136	12,347	4	5,886	6,619
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
1960—Dec. 31	165,619	99,933	49,106	16,579	45,756	216,577	193,029	16,437	1,639	5,287	112,393	57,273	130	17,398	6,174
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	5,767
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—Dec. 31	465,788	329,548	48,715	87,524	96,566	585,125	482,124	31,958	3,561	9,024	197,817	239,763	36,357	41,228	5,704
1973—Mar. 28	470,997	340,665	43,259	87,073	77,719	573,564	462,997	24,505	3,895	9,407	170,540	254,650	42,642	41,533	5,683
Apr. 25	476,739	346,865	42,517	87,357	78,219	580,412	468,385	24,744	4,242	9,167	173,671	256,561	43,076	41,806	5,695
May 30	480,394	351,223	41,030	88,141	81,169	587,722	473,623	26,139	4,621	4,511	176,766	261,586	44,214	42,096	5,703
June 30	490,533	360,908	41,080	88,545	88,227	604,414	486,770	29,311	4,879	8,167	182,439	261,975	46,529	43,098	5,705
July 25	489,240	360,813	39,331	89,096	82,091	597,607	478,417	27,121	5,121	5,423	175,351	265,401	48,761	42,539	r5,707
Aug. 29	494,200	365,951	38,233	90,016	78,475	600,202	478,273	24,972	5,911	2,701	172,082	272,607	49,283	42,807	r5,713
Sept. 26	498,322	368,842	38,372	91,108	85,802	611,359	486,975	26,182	6,480	6,740	175,016	272,557	52,485	42,972	r5,718
Oct. 31r	504,120	371,866	39,375	92,879	96,251	628,710	499,110	31,142	6,112	4,601	185,324	271,930	56,772	43,618	5,723
Nov. 28	507,176	374,148	40,752	92,276	89,652	624,258	491,405	28,522	6,298	3,359	182,931	270,295	58,865	43,759	r5,736
Dec. 31	528,124	391,032	41,494	95,598	100,098	655,898	526,837	34,782	5,843	8,273	202,564	275,374	55,611	44,741	5,735
1974—Jan. 30r	518,541	381,344	41,699	95,498	88,960	635,219	501,260	30,003	5,690	7,621	178,457	279,489	61,585	44,829	5,744
Feb. 27r	522,816	385,879	40,922	96,015	87,753	639,172	500,113	29,753	5,273	5,084	178,731	281,272	63,865	45,054	5,747
Mar. 27r	529,961	392,461	40,537	96,963	89,568	649,114	506,641	30,083	5,558	4,817	180,862	285,321	65,428	45,491	5,754
Apr. 24p	535,946	399,125	39,274	97,547	87,157	653,452	512,860	29,405	6,364	4,745	179,995	292,351	62,981	45,891	5,754
Call date series															
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
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
1960—Dec. 31	198,011	117,092	60,468	20,451	51,836	255,669	228,401	16,921	1,667	5,932	132,533	71,348	149	20,628	13,119
1970—Dec. 31[8]	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—Dec. 31	594,502	411,525	66,679	116,298	111,333	732,519	612,822	33,366	4,113	10,820	250,693	313,830	37,556	52,166	13,721
1973—June 30	630,379	452,587	57,532	120,261	101,716	762,250	625,316	30,559	5,446	10,408	235,174	343,729	48,413	55,240	13,842
Oct. 17	647,971	468,000	179,971		101,205	780,196	633,180	28,443	6,571	5,821	234,549	357,798	55,906	56,727	13,923
Dec. 31	678,113	490,527	57,961	129,625	116,266	827,081	677,358	36,248	6,429	9,856	261,530	363,294	57,531	57,603	13,964
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
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
1960—Dec. 31	107,546	63,694	32,712	11,140	28,675	139,261	124,911	9,829	611	3,265	71,660	39,546	111	11,098	4,530
1970—Dec. 31[8]	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—Dec. 31	350,743	247,041	37,185	66,516	67,390	434,810	359,319	19,096	2,155	6,646	146,800	184,622	26,706	30,342	4,612
1973—June 30	369,856	270,188	31,651	68,018	61,336	449,772	364,129	16,640	2,874	6,181	137,116	201,318	33,804	31,867	4,629
Oct. 17	377,246	277,015	100,231		63,573	460,164	368,351	15,797	3,404	3,369	136,163	209,619	38,819	32,516	4,642
Dec. 31	398,236	293,555	30,962	73,718	70,711	489,470	395,767	20,357	3,876	5,955	152,705	212,874	39,696	33,125	4,659

For notes see p. A-17.

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 (cont.):															
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
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
1960—Dec. 31....	58,073	36,240	16,394	5,439	17,081	77,316	68,118	6,608	1,028	2,022	40,733	17,727	20	6,299	1,644
1970—Dec. 31[8]...	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—Dec. 31....	115,426	82,889	11,530	21,008	29,176	150,697	123,186	12,862	1,406	2,378	51,017	55,523	9,651	10,886	1,092
1973—June 30....	121,052	91,095	9,429	20,527	26,891	155,017	123,016	12,671	2,005	1,986	45,322	61,032	12,725	11,231	1,076
Oct. 17....	125,715	95,056	30,659		25,491	158,250	123,123	11,505	2,604	1,146	44,735	63,132	15,352	11,432	1,078
Dec. 31....	130,240	97,828	10,532	21,880	29,387	166,780	131,421	14,425	1,968	2,318	49,859	62,851	15,914	11,617	1,076
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
1947—Dec. 31....	16,444	4,958	10,039	1,448	4,083	20,691	19,342	262	4	149	12,366	6,558	7	1,271	6,478
1960—Dec. 31....	32,411	17,169	11,368	3,874	6,082	39,114	35,391	484	27	645	20,140	14,095	19	3,232	6,948
1970—Dec. 31[8]...	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—Dec. 31....	128,333	81,594	17,964	28,774	14,767	147,013	130,316	1,408	552	1,796	52,876	73,685	1,199	10,938	8,017
1973—June 30....	139,471	91,304	16,452	31,716	13,490	157,461	138,171	1,248	567	2,241	52,735	81,379	1,884	12,143	8,137
Oct. 17....	145,010	95,929	49,081		12,141	161,783	141,706	1,141	563	1,305	53,650	85,047	1,735	12,778	8,203
Dec. 31....	149,638	99,143	16,467	34,027	16,167	170,831	150,170	1,467	586	1,582	58,966	87,569	1,920	12,862	8,229
Noninsured nonmember:															
1941—Dec. 31....	1,457	455	761	241	763	2,283	1,872	329		1,291		253	13	329	852
1947—Dec. 31[7]...	2,009	474	1,280	255	576	2,643	2,251	177	185	18	1,392	478	4	325	783
1960—Dec. 31....	1,498	550	535	413	314	1,883	1,443	159	132	13	846	293	14	358	352
1970—Dec. 31[8]...	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—Dec. 31....	4,865	3,731	349	785	1,794	7,073	3,775	488	81	55	1,530	1,620	527	491	206
1973—June 30....	5,915	4,732	345	838	1,892	8,196	4,438	488	145	26	1,779	2,000	885	500	204
Dec. 31....	6,192	4,927	316	949	2,010	8,650	4,996	591	344	9	1,836	2,215	1,463	524	207
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
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
1960—Dec. 31....	33,910	17,719	11,904	4,287	6,396	40,997	36,834	643	160	657	20,986	14,388	33	3,590	7,300
1970—Dec. 31[8]...	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—Dec. 31....	133,198	85,325	18,313	29,559	16,562	154,085	134,091	1,895	633	1,850	54,406	75,305	1,726	11,429	8,223
1973—June 30....	145,386	96,036	16,797	32,554	15,381	165,657	142,608	1,736	712	2,267	54,514	83,379	2,770	12,643	8,341
Dec. 31....	155,830	104,070	16,783	34,976	18,177	179,480	155,165	2,057	930	1,592	60,802	89,784	3,383	13,386	8,436

[1] Loans to farmers directly guaranteed by CCC were reclassified as securities and Export-Import Bank portfolio fund participations were reclassified from loans to securities effective June 30, 1966. 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-18.

Effective June 30, 1971, Farmers Home Administration notes were 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-26.

[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] From the last-Wednesday-of-the-month series, figures for call dates are shown for June and December as soon as they became available.

[7] Beginning with Dec. 31, 1947, the series was revised; for description, see note 4, p. 587, May 1964 BULLETIN.

[8] Figure takes into account the following changes, which became effective 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.

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.

Figures for member banks before 1970 include mutual savings banks as follows: three before Jan. 1960 and two through Dec. 1960. Those banks are not included in insured commercial banks.

Effective 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; beginning 1973, excludes one national bank in Puerto Rico.

Beginning Dec. 31, 1973, member banks exclude and noninsured nonmember banks include a noninsured trust company which is a member of the Federal Reserve System.

Comparability of figures for classes of banks is affected somewhat by changes in F.R. membership, deposit insurance status, and by mergers etc.

Figures are partly estimated except on call dates.

For revisions in series before June 30, 1947, see July 1947 BULLETIN, pp. 870–71.

ASSETS BY CLASS OF BANK, DECEMBER 31, 1973

(Amounts in millions of dollars)

Account	All commercial banks	Insured commercial banks	Member banks[1]					Non-member banks[1]
			Total	Large banks			All other	
				New York City	City of Chicago	Other large		
Cash bank balances, items in process	118,276	116,266	100,098	25,170	3,848	38,465	32,615	18,178
Currency and coin	10,706	10,682	8,142	652	174	2,679	4,636	2,564
Reserves with Federal Reserve banks	27,816	27,816	27,816	6,625	1,131	10,251	9,809	....
Demand balances with banks in U.S.	31,298	30,026	18,602	5,061	252	4,097	9,191	12,696
Other balances with banks in U.S.	2,786	2,515	1,839	217	167	871	584	946
Balances with banks in foreign countries	1,029	685	597	122	79	331	66	432
Cash items in process of collection	44,641	44,541	43,103	12,493	2,045	20,236	8,328	1,539
Total securities held—Book value	188,852	187,587	137,092	17,072	5,546	45,878	68,597	51,759
U.S. Treasury	58,277	57,961	41,494	5,516	1,684	13,466	20,828	16,783
Other U.S. Government agencies	29,252	28,927	19,144	2,045	668	5,461	10,969	10,108
States and political subdivisions	95,145	94,750	72,049	8,736	2,989	25,500	34,824	23,096
All other securities	6,177	5,948	4,404	774	204	1,450	1,976	1,773
Trading-account securities	8,657	8,653	8,570	3,653	646	3,921	349	87
U.S. Treasury	3,136	3,136	3,124	1,365	365	1,311	83	12
Other U.S. Government agencies	1,432	1,432	1,416	597	63	696	59	17
States and political subdivisions	3,650	3,650	3,598	1,563	206	1,635	193	52
All other	439	436	432	128	12	279	14	7
Bank investment portfolios	180,194	178,933	128,522	13,418	4,900	41,956	68,248	51,672
U.S. Treasury	55,142	54,826	38,370	4,151	1,320	12,155	20,745	16,771
Other U.S. Government agencies	27,820	27,495	17,729	1,448	605	4,765	10,910	10,091
States and political subdivisions	91,495	91,100	68,451	7,173	2,782	23,865	34,631	23,044
All other	5,738	5,512	3,972	647	192	1,171	1,962	1,766
Federal funds sold and securities resale agreements	35,311	34,305	26,126	790	1,118	13,372	10,846	9,185
Commercial banks	32,122	31,158	23,080	715	701	11,484	10,181	9,042
Brokers and dealers	2,647	2,647	2,627	61	351	1,662	553	20
Others	541	500	419	14	66	226	112	123
Other loans	460,143	456,222	365,257	69,781	20,531	138,524	136,422	94,885
Real estate loans	118,032	117,810	87,006	7,227	1,231	32,883	45,665	31,026
Secured by farmland	5,394	5,373	2,419	6	2	295	2,116	2,976
Secured by residential	74,188	74,016	56,177	3,862	849	22,463	29,004	18,010
1- to 4-family residences	67,286	67,117	50,379	2,667	782	19,671	27,259	16,907
FHA insured	6,648	6,612	5,862	272	93	3,253	2,244	786
VA guaranteed	3,260	3,217	2,813	204	20	1,452	1,138	447
Other	57,379	57,288	41,705	2,191	669	14,966	23,877	15,674
Multifamily	6,901	6,899	5,798	1,194	67	2,792	1,745	1,103
FHA insured	1,281	1,280	1,174	189	37	618	331	106
Other	5,620	5,619	4,623	1,006	30	2,174	1,414	996
Secured by other properties	38,450	38,421	28,410	3,360	380	10,125	14,545	10,040
Loans to domestic and foreign banks	10,200	9,141	8,751	4,043	680	3,478	550	1,449
Loans to other financial institutions	30,515	30,401	29,019	10,343	3,929	12,179	2,568	1,496
Loans to securities brokers and dealers	7,674	7,625	7,498	4,883	1,054	1,343	217	176
Other loans to purch./carry securities	4,300	4,280	3,649	737	319	1,612	981	651
Loans to farmers	17,327	17,146	10,229	137	167	2,476	7,449	7,098
Commercial and industrial loans	159,417	157,622	134,390	33,590	10,875	53,692	36,233	25,027
Loans to individuals	99,927	99,577	73,104	5,408	1,326	26,178	40,192	26,824
Instalment loans	76,204	75,897	54,992	2,990	658	19,597	31,747	21,211
Passenger automobiles	33,462	33,274	22,900	496	147	7,364	14,892	10,562
Residential-repair/modernize	4,834	4,827	3,596	199	38	1,463	1,897	1,238
Credit cards and related plans	9,092	9,092	8,117	1,040	264	4,532	2,281	975
Charge-account credit cards	6,838	6,838	6,191	773	238	3,467	1,713	647
Check and revolving credit plans	2,254	2,254	1,926	267	25	1,065	568	328
Other retail consumer goods	14,411	14,390	10,236	137	88	3,453	6,558	4,174
Mobile homes	8,370	8,369	6,073	65	60	2,155	3,794	2,298
Other	6,040	6,021	4,163	73	28	1,299	2,764	1,877
Other instalment loans	14,405	14,314	10,143	1,117	122	2,785	6,119	4,262
Single-payment loans to individuals	23,724	23,680	18,111	2,418	668	6,581	8,444	5,612
All other loans	12,751	12,620	11,611	3,412	950	4,684	2,565	1,140
Total loans and securities	684,305	678,113	528,476	87,643	27,195	197,774	215,864	155,830
Fixed assets—buildings, furniture, real estate	13,232	13,160	10,188	1,034	404	4,155	4,595	3,044
Investments in subsidiaries not consolidated	1,412	1,403	1,388	644	108	584	51	24
Customer acceptances outstanding	4,420	4,355	4,121	2,264	289	1,345	224	299
Other assets	14,085	13,784	11,979	3,229	698	5,100	2,952	2,106
Total assets	835,730	827,081	656,250	119,984	32,542	247,422	256,302	179,480

[1] Member banks exclude and nonmember banks include a noninsured trust company that is a member of the Federal Reserve System, and member banks exclude two national banks outside the continental United States.

[2] See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. 26.

[3] Demand deposits adjusted are demand deposits other than domestic commercial interbank and U.S. Govt., less cash items reported as in process of collection.

NOTE.—Data include consolidated reports, including figures for all bank-premises subsidiaries and other significant majority-owned domestic subsidiaries. Figures for total loans and for individual categories of securities are reported on a gross basis—that is, before deduction of valuation reserves.

Back data in lesser detail were shown in previous BULLETINS.

Details may not add to totals because of rounding.

LIABILITIES AND CAPITAL BY CLASS OF BANK, DECEMBER 31, 1973

(Amounts in millions of dollars)

Account	All commercial banks	Insured commercial banks	Member banks[1]					Nonmember banks[1]
			Total	Large banks			All other	
				New York City	City of Chicago	Other large		
Demand deposits	310,071	307,634	245.620	52,661	10,144	89,011	93.803	64.451
Mutual savings banks	1,280	1.156	1.067	513	1	196	357	212
Other individuals, partnerships, and corporations	231,729	230.883	179,044	29.305	7.431	66.567	75,741	52.686
U.S. Government	9,865	9,856	8,273	1.689	434	3,603	2,547	1.592
States and political subdivisions	18,663	18,508	13.246	658	244	3,806	8,538	5.417
Foreign governments, central banks, etc.	1,625	1.356	1.333	1.036	92	201	4	293
Commercial banks in U.S.	29,975	29,815	28,713	12.430	1,552	10,739	3,992	1.262
Banks in foreign countries	5,584	5.278	5,001	3,803	142	942	114	583
Certified and officers' checks, etc	11,349	10,784	8,942	3,226	248	2,958	2.509	2.407
Time and savings deposits	372,282	369,723	281,569	37,576	14,090	101,702	128,201	90,714
Savings deposits	127,183	126,925	93,721	6,134	2,372	33,045	52.169	33,462
Accumulated for personal loan payment[2]	507	503	352	....	....	58	294	155
Mutual savings banks	652	640	633	388	97	118	30	19
Other individuals, partnerships, and corporations	183,624	182,639	139,755	21,135	9,027	50,004	59,590	43,869
U.S. Government	439	439	298	40	2	103	153	141
States and political subdivisions	44,385	44,306	33,259	2,284	1,173	14,201	15.601	11.126
Foreign governments, central banks, etc.	9.371	8,482	8,341	4,364	939	2,996	41	1.031
Commercial banks in U.S.	5,858	5,622	5.077	3,185	457	1,118	318	780
Banks in foreign countries	263	167	133	46	23	59	5	130
Total deposits	682,353	677.358	527,188	90,237	24,235	190,713	222.004	155,165
Federal funds purchased and securities repurchased agreements	51,167	50,410	48,731	10,713	4.573	27,110	6,335	2.436
Other liabilities for borrowed money	7,827	7,121	6,879	2,773	245	3,067	794	947
Mortgage indebtedness	762	759	587	80	80	260	167	174
Bank acceptances outstanding	4,553	4,484	4.251	2,364	305	1,357	225	302
Other liabilities	23,128	21,549	17,451	3,797	691	6,812	6,151	5,677
Total liabilities	769,790	761,682	605,088	109,964	30,129	229,320	235,675	164,702
Minority interest in consolidated subdivisions	6	5	3	....	....	2	1	3
Total reserves on loans/securities	7,806	7,790	6.417	1,412	425	2.372	2,208	1,389
Reserves for bad debts (IRS)	7,532	7,518	6.243	1,412	417	2,313	2.101	1.289
Other reserves on loans	99	98	54	....	....	8	45	45
Reserves on securities	176	174	120	....	7	51	62	55
Total capital accounts	58,128	57,603	44,741	8,607	1,989	15,728	18,418	13.386
Capital notes and debentures	4.135	4,081	3,333	729	57	1,617	930	802
Equity capital	53,993	53,522	41,408	7,878	1,931	14,111	17.488	12,585
Preferred stock	71	66	47	19	....	15	13	24
Common stock	13.882	13,784	10,518	2,154	562	3,437	4,364	3,364
Surplus	23.640	23,511	18,297	3,433	1,120	6,628	7,117	5.342
Undivided profits	15,498	15,314	11,915	2,268	201	3,779	5,666	3.584
Other capital reserves	902	848	631	4	48	251	328	271
Total liabilities, reserves, minority interest, capital account	835,730	827,081	656,250	119,984	32,543	247,422	256,302	179,480
Demand deposits adjusted[3]	225,589	223,422	165,530	26,049	6,114	54,433	78,935	60.059
Average total deposits (past 15 days)	662.118	657.209	510,255	87,627	22,787	183,133	216,709	151,863
Average total loans (past 15 days)	466,822	462,549	365,939	69,294	20,240	139,096	137.309	100,882
Selected ratios:								
Percentage of total assets								
Cash and balances with other banks	14.2	14.1	15.3	21.0	11.8	15.5	12.7	10.1
Total securities held	22.6	22.7	20.9	14.2	17.0	18.5	26.8	28.8
Trading account securities	1.0	1.0	1.3	3.0	2.0	1.6	.1	....
U.S. Treasury	.4	.4	.5	1.1	1.1	.5	....	....
States and political subdivisions	.4	.4	.5	1.3	.6	.7	.1	....
All other trading account securities	.2	.2	.3	.6	.2	.4	....	....
Bank investment portfolios	21.6	21.6	19.6	11.2	15.1	17.0	26.6	28.8
U.S. Treasury	6.6	6.6	5.8	3.5	4.1	4.9	8.1	9.3
States and political subdivisions	10.9	11.0	10.4	6.0	8.6	9.6	13.5	12.8
All other portfolio securities	4.0	4.0	3.3	1.7	2.5	2.4	5.0	6.6
Other loans and Federal funds sold	59.3	59.3	59.6	58.8	66.5	61.4	57.5	58.0
All other assets	4.0	4.0	4.2	6.0	4.6	4.5	3.1	3.0
Total loans and securities	81.9	82.0	80.5	73.0	83.6	79.9	84.2	86.8
Reserves for loans and securities	.9	.9	1.0	1.2	1.3	1.0	.9	.8
Equity capital Total	6.5	6.5	6.3	6.6	5.9	5.7	6.8	7.0
Total capital accounts	7.0	7.0	6.8	7.2	6.1	6.4	7.2	7.5
Number of banks	14,171	13,964	5,735	13	9	156	5,557	8,436

For 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]					Other									
		Total	To commercial banks	To brokers and dealers involving—		To others	Total	Commercial and industrial	Agricultural	For purchasing or carrying securities				To nonbank financial 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
Large banks—Total															
1973															
Apr. 4	334,539	12,912	11,658	849	214	191	241,453	100,294	3,094	1,148	6,584	242	2,919	7,892	14,536
11	334,996	12,746	11,317	967	261	201	241,813	100,772	3,108	856	6,584	210	2,925	7,842	14,535
18	334,771	11,851	10,857	711	143	140	243,365	101,887	3,124	570	6,177	211	2,932	7,943	14,773
25	337,662	14,641	12,732	1,494	138	277	243,370	101,854	3,119	497	6,229	212	2,964	7,911	14,656
1974															
Mar. 6	375,500	16,779	15,067	1,123	342	247	270,387	111,761	3,784	1,061	5,136	147	2,760	8,290	18,137
13	374,820	15,571	13,994	1,050	311	216	270,643	112,740	3,801	595	4,898	144	2,784	8,394	18,363
20	375,547	14,990	13,466	993	303	228	273,387	114,777	3,792	579	4,747	140	2,774	8,452	18,404
27	378,101	15,424	13,600	1,210	313	301	275,845	116,010	3,786	660	4,642	140	2,777	8,662	18,587
Apr. 3p	384,374	16,665	15,149	937	355	224	280,479	118,545	3,803	729	4,557	138	2,778	9,085	19,090
10p	385,142	16,432	14,995	891	237	309	281,108	119,086	3,793	858	4,731	137	2,759	8,948	19,267
17p	386,541	15,615	14,137	867	271	340	284,058	120,699	3,791	771	4,756	133	2,793	9,404	19,651
24p	382,661	14,945	13,504	857	207	377	282,336	120,106	3,807	482	4,546	132	2,220	9,028	19,645
New York City															
1973															
Apr. 4	70,913	1,438	1,324	45	....	69	56,683	28,846	53	1,004	3,848	43	650	2,331	4,512
11	69,783	686	606	45	2	33	56,037	28,633	52	708	3,930	44	652	2,236	4,498
18	69,641	1,164	997	146	....	21	55,842	28,729	55	463	3,660	46	652	2,276	4,508
25	71,119	2,950	2,863	67	....	20	55,734	28,650	54	415	3,741	47	654	2,319	4,530
1974															
Mar. 6	81,270	1,076	986	....	....	90	64,179	31,982	155	965	3,157	39	611	2,819	6,203
13	80,347	1,053	1,031	....	14	8	63,720	32,486	153	527	2,911	39	607	2,948	6,229
20	80,859	1,079	1,070	....	5	4	64,511	33,021	151	472	2,870	38	604	2,889	6,281
27	81,742	1,424	1,356	10	8	50	65,363	33,564	146	564	2,726	37	606	3,024	6,306
Apr. 3p	84,328	2,382	2,377	....	....	5	66,712	34,300	149	630	2,567	35	609	3,121	6,601
10p	83,371	1,330	1,287	6	....	37	66,688	34,235	151	765	2,709	35	614	3,083	6,684
17p	84,399	1,746	1,683	6	22	35	67,698	34,659	150	656	2,907	35	605	3,327	6,788
24p	82,735	2,117	2,076	5	....	36	66,466	34,295	156	403	2,667	35	599	3,024	6,815
Outside New York City															
1973															
Apr. 4	263,626	11,474	10,334	804	214	122	184,770	71,448	3,041	144	2,736	199	2,269	5,561	10,024
11	265,213	12,060	10,711	922	259	168	185,776	72,139	3,056	148	2,654	166	2,273	5,606	10,037
18	265,130	10,687	9,860	565	143	119	187,523	73,158	3,069	107	2,517	165	2,280	5,667	10,265
25	266,543	11,691	9,869	1,427	138	257	187,636	73,204	3,065	82	2,488	165	2,310	5,592	10,126
1974															
Mar. 6	294,230	15,703	14,081	1,123	342	157	206,208	79,779	3,629	96	1,979	108	2,149	5,471	11,934
13	294,473	14,518	12,963	1,050	297	208	206,923	80,254	3,648	68	1,987	105	2,177	5,446	12,134
20	294,688	13,911	12,396	993	298	224	208,876	81,756	3,641	107	1,877	102	2,170	5,563	12,123
27	296,359	14,000	12,244	1,200	305	251	210,482	82,446	3,640	96	1,916	103	2,171	5,638	12,281
Apr. 3p	300,046	14,283	12,772	937	355	219	213,767	84,245	3,654	99	1,990	103	2,169	5,964	12,489
10p	301,771	15,102	13,708	885	237	272	214,420	84,851	3,642	93	2,022	102	2,145	5,865	12,583
17p	302,142	13,869	12,454	861	249	305	216,360	86,040	3,641	115	1,849	98	2,188	6,077	12,863
24p	299,926	12,828	11,428	852	207	341	215,870	85,811	3,651	79	1,879	97	1,621	6,004	12,830

For notes see p. A-24.

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
												1973
47,522	3,269	4,796	28,808	1,236	19,113	25,958	5,524	....	3,851	14,606	1,977	Apr. 4
47,774	3,191	4,894	28,901	1,243	18,978	25,422	5,187	....	3,810	14,381	2,044	11
48,035	3,303	4,923	29,051	1,254	19,182	24,838	4,720	....	3,758	14,307	2,053	18
48,102	3,293	4,897	29,170	1,237	19,229	24,741	4,780	....	3,739	14,192	2,030	25
												1974
55,815	3,696	4,975	33,167	1,468	20,190	25,989	5,440	....	4,338	11,993	4,218	Mar. 6
55,948	3,618	4,958	33,152	1,466	19,782	25,717	5,277	....	4,346	11,920	4,174	13
56,150	3,784	5,496	33,120	1,578	19,594	24,856	4,601	....	4,387	11,772	4,096	20
56,196	3,789	5,863	33,188	1,630	19,915	24,819	4,648	....	4,278	11,770	4,123	27
56,147	3,951	6,234	33,201	1,697	20,524	25,326	5,165	....	4,273	11,912	3,976	Apr. 3p
56,242	3,845	6,346	33,249	1,652	20,195	25,694	5,195	....	4,306	12,192	4,001	10p
56,464	3,800	6,213	33,310	1,666	20,607	24,783	4,438	....	4,222	12,094	4,029	17p
56,713	3,927	6,355	33,402	1,620	20,353	23,420	3,202	....	4,192	12,031	3,995	24p
												New York City
												1973
5,140	1,318	2,099	2,161	717	3,961	4,646	1,838	....	571	2,148	89	Apr. 4
5,169	1,293	2,131	2,169	708	3,814	4,481	1,700	....	524	2,048	209	11
5,232	1,325	2,165	2,176	707	3,848	4,191	1,523	....	494	1,980	194	18
5,225	1,309	2,127	2,181	707	3,775	3,947	1,390	....	528	1,860	169	25
												1974
6,412	1,349	2,597	2,470	740	4,680	5,297	1,641	....	535	1,819	1,302	Mar. 6
6,406	1,344	2,564	2,470	729	4,307	5,027	1,377	....	587	1,754	1,309	13
6,461	1,270	2,874	2,469	788	4,323	4,791	1,239	....	561	1,701	1,290	20
6,478	1,370	2,922	2,472	822	4,326	4,819	1,284	....	539	1,690	1,306	27
6,420	1,396	3,018	2,467	783	4,616	5,225	1,643	....	531	1,783	1,268	Apr. 3p
6,419	1,374	2,950	2,480	784	4,405	5,233	1,633	....	557	1,778	1,265	10p
6,489	1,357	2,796	2,501	790	4,638	4,662	1,086	....	573	1,738	1,265	17p
6,504	1,405	2,845	2,513	781	4,424	4,004	485	....	559	1,704	1,256	24p
												Outside New York City
												1973
42,382	1,951	2,697	26,647	519	15,152	21,312	3,686	....	3,280	12,458	1,888	Apr. 4
42,605	1,898	2,763	26,732	535	15,164	20,941	3,487	....	3,286	12,333	1,835	11
42,803	1,978	2,758	26,875	547	15,334	20,647	3,197	....	3,264	12,327	1,859	18
42,877	1,984	2,770	26,989	530	15,454	20,794	3,390	....	3,211	12,332	1,861	25
												1974
49,403	2,347	2,378	30,697	728	15,510	20,692	3,799	....	3,803	10,174	2,916	Mar. 6
49,542	2,274	2,394	30,682	737	15,475	20,690	3,900	....	3,759	10,166	2,865	13
49,689	2,514	2,622	20,651	790	15,271	20,065	3,362	....	3,826	10,071	2,806	20
49,718	2,419	2,941	30,716	808	15,589	20,000	3,364	....	3,739	10,080	2,817	27
49,727	2,555	3,216	30,734	914	15,908	20,101	3,522	....	3,742	10,129	2,708	Apr. 3p
49,823	2,471	3,396	30,769	868	15,790	20,461	3,562	....	3,749	10,414	2,736	10p
49,975	2,443	3,417	30,809	876	15,969	20,121	3,352	....	3,649	10,356	2,764	17p
50,209	2,522	3,510	30,889	839	15,929	19,416	2,717	....	3,633	10,327	2,739	24p

For notes see p. A-24.

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												
1973												
Apr. 4	54,216	7,344	38,378	1,686	6,808	28,904	19,428	3,575	9,653	1,256	19,324	416,679
11	55,015	7,886	38,459	1,813	6,857	27,969	18,984	3,873	8,910	1,235	19,209	415,176
18	54,717	7,587	38,308	1,831	6,991	28,575	24,431	3,991	9,302	1,236	19,088	421,394
25	54,910	7,667	38,357	1,802	7,084	28,087	19,239	4,152	9,399	1,237	19,406	419,182
1974												
Mar. 6	62,345	7,530	41,155	2,433	11,227	33,386	21,939	3,966	11,843	1,446	22,018	470,098
13	62,889	7,823	41,149	2,532	11,385	32,843	23,145	4,341	11,417	1,449	22,275	470,290
20	62,314	7,600	40,927	2,541	11,246	32,900	22,992	4,300	12,389	1,465	22,362	471,955
27	62,013	7,401	40,968	2,463	11,181	32,860	21,159	4,422	12,384	1,464	22,656	473,046
Apr. 3p	61,904	7,356	41,007	2,443	11,098	33,258	20,994	4,037	12,816	1,477	23,196	480,152
10p	61,908	7,510	40,881	2,438	11,079	32,790	21,499	4,221	12,699	1,480	22,911	480,742
17p	62,085	7,657	41,026	2,443	10,959	35,297	22,205	4,492	12,838	1,495	23,165	486,033
24p	61,960	7,545	41,026	2,417	10,972	29,584	21,922	4,543	11,855	1,501	23,230	475,296
New York City												
1973												
Apr. 4	8,146	1,344	5,350	478	974	9,003	4,878	446	3,768	618	6,364	95,990
11	8,579	1,727	5,288	524	1,040	8,961	5,093	475	3,355	592	6,232	94,491
18	8,444	1,586	5,231	540	1,087	8,515	7,370	460	3,777	591	6,162	96,516
25	8,488	1,598	5,258	536	1,096	9,342	4,851	475	4,012	590	6,401	96,790
1974												
Mar. 6	10,718	2,342	5,740	567	2,069	11,999	6,720	476	5,666	675	6,397	113,203
13	10,547	2,296	5,566	567	2,118	12,289	6,232	499	5,631	678	6,704	112,380
20	10,478	2,254	5,556	576	2,092	12,501	6,306	484	6,394	680	6,922	114,146
27	10,136	2,090	5,423	562	2,061	13,583	4,859	500	6,313	679	6,987	114,663
Apr. 3p	10,009	1,944	5,440	567	2,058	11,436	5,592	507	5,833	691	7,182	115,569
10p	10,120	2,081	5,448	564	2,027	12,250	5,401	497	6,469	691	7,139	115,818
17p	10,293	2,200	5,524	564	2,005	11,518	6,223	495	5,855	692	7,205	116,387
24p	10,148	2,108	5,476	548	2,016	10,512	6,272	509	5,688	696	7,188	113,600
Outside New York City												
1973												
Apr. 4	46,070	6,000	33,028	1,208	5,834	19,901	14,550	3,129	5,885	638	12,960	320,689
11	46,436	6,159	33,171	1,289	5,817	19,008	13,891	3,398	5,555	643	12,977	320,685
18	46,273	6,001	33,077	1,291	5,904	20,060	17,061	3,531	5,525	645	12,926	324,878
25	46,422	6,069	33,099	1,266	5,988	18,745	14,388	3,677	5,387	647	13,005	322,392
1974												
Mar. 6	51,627	5,188	35,415	1,866	9,158	21,387	15,219	3,490	6,177	771	15,621	356,895
13	52,342	5,527	35,583	1,965	9,267	20,554	16,913	3,842	5,786	771	15,571	357,910
20	51,836	5,346	35,371	1,965	9,154	20,399	16,686	3,816	5,995	785	15,440	357,809
27	51,877	5,311	35,545	1,901	9,120	19,277	16,300	3,922	6,071	785	15,669	358,383
Apr. 3p	51,895	5,412	35,567	1,876	9,040	21,822	15,402	3,530	6,983	786	16,014	364,583
10p	51,788	5,429	35,433	1,874	9,052	20,540	16,098	3,724	6,230	789	15,772	364,924
17p	51,792	5,457	35,502	1,879	8,954	23,779	15,982	3,997	6,983	803	15,960	369,646
24p	51,812	5,437	35,550	1,869	8,956	19,072	15,650	4,034	6,167	805	16,042	361,696

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Deposits															Wednesday
Demand									Time and savings						
				Domestic interbank		Foreign				IPC					
Total	IPC	States and political subdivisions	U.S. Govt.	Commercial	Mutual savings	Govts., etc.[2]	Commercial banks	Certified and officers' checks	Total[6]	Savings	Other	States and political subdivisions	Domestic interbank	Foreign govts.[2]	
															Large banks—Total
															1973
153,559	109,278	6,455	6,064	20,925	957	759	3,019	6,102	174,788	58,539	82,957	21,791	3,536	7,315	Apr. 4
148,971	110,114	6,727	2,144	18,933	879	817	3,103	6,254	176,005	58,377	83,303	22,453	3,849	7,351	11
152,923	110,686	6,373	6,389	18,729	795	918	3,097	5,936	175,340	58,022	82,652	22,904	3,709	7,369	18
151,302	107,714	6,215	7,399	19,241	726	954	3,138	5,915	176,056	57,962	83,150	23,132	3,680	7,462	25
															1974
157,794	110,728	6,470	2,366	23,742	694	1,102	4,523	8,169	193,068	57,418	98,932	23,509	4,700	7,890	Mar. 6
156,244	111,911	6,057	1,940	22,313	732	1,059	4,492	7,740	194,081	57,652	99,901	23,528	4,720	7,648	13
158,290	110,478	6,095	4,044	23,365	584	1,067	4,523	8,134	194,171	57,904	99,788	23,535	4,767	7,541	20
158,613	111,153	6,521	3,440	22,976	610	1,221	4,678	8,014	195,889	58,249	101,027	23,497	4,883	7,567	27
163,148	113,210	6,064	3,714	24,732	838	1,327	4,701	8,562	197,889	58,485	102,519	23,581	5,110	7,480	Apr. 3p
161,816	113,128	6,064	1,714	24,580	779	2,203	4,670	8,678	200,143	58,395	104,081	23,990	5,326	7,651	10p
167,445	117,101	6,076	4,796	24,570	739	1,671	4,422	8,070	200,937	58,036	103,907	24,736	5,486	8,105	17p
155,858	110,618	5,887	3,575	22,306	651	1,479	4,669	6,673	203,062	57,924	105,649	24,996	5,661	8,152	24p
															New York City
															1973
40,255	23,534	556	1,326	9,219	562	616	2,111	2,331	32,141	5,459	18,655	2,294	2,065	3,570	Apr. 4
38,078	23,398	588	329	7,773	487	676	2,198	2,629	32,289	5,431	18,598	2,259	2,304	3,599	11
39,415	23,342	482	1,735	8,066	424	772	2,168	2,426	31,362	5,389	18,061	2,019	2,187	3,600	18
40,339	23,185	289	1,671	9,075	378	800	2,211	2,730	31,530	5,372	18,199	2,034	2,141	3,679	25
															1974
45,931	23,924	490	429	11,847	299	872	3,370	4,700	34,633	5,037	20,798	1,746	2,946	3,985	Mar. 6
45,370	23,929	487	385	11,458	297	839	3,334	4,641	35,086	5,062	21,221	1,808	2,964	3,896	13
46,713	23,975	440	804	12,239	281	859	3,392	4,723	35,079	5,078	21,155	1,890	3,028	3,786	20
48,082	25,132	646	695	12,000	311	1,004	3,496	4,798	35,552	5,126	21,453	1,899	3,110	3,815	27
47,616	24,217	491	819	12,477	466	1,122	3,534	4,490	36,230	5,130	22,080	1,804	3,222	3,847	Apr. 3p
47,450	23,835	405	313	12,702	414	1,916	3,471	4,394	37,241	5,127	22,810	1,815	3,390	3,946	10p
47,709	24,380	313	1,188	12,469	367	1,456	3,262	4,274	37,421	5,090	22,698	1,724	3,475	4,269	17p
44,855	23,980	305	635	11,572	329	1,233	3,415	3,386	37,797	5,076	22,901	1,726	3,581	4,345	24p
															Outside New York City
															1973
113,304	85,744	5,899	4,738	11,706	395	143	908	3,771	142,647	53,080	64,302	19,497	1,471	3,745	Apr. 4
110,893	86,716	6,139	1,815	11,160	392	141	905	3,625	143,716	52,946	64,705	20,194	1,545	3,752	11
113,508	87,344	5,891	4,654	10,663	371	146	929	3,510	143,978	52,633	64,591	20,885	1,522	3,769	18
110,963	84,529	5,926	5,728	10,166	348	154	927	3,185	144,526	52,590	64,951	21,098	1,539	3,783	25
															1974
111,863	86,804	5,980	1,937	11,895	395	230	1,153	3,469	158,435	52,381	78,134	21,763	1,754	3,905	Mar. 6
110,874	87,982	5,570	1,555	10,855	435	220	1,158	3,099	158,995	52,590	78,680	21,720	1,756	3,752	13
111,577	86,503	5,655	3,240	11,126	303	208	1,131	3,411	159,092	52,826	78,633	21,645	1,739	3,755	20
110,531	86,021	5,875	2,745	10,976	299	217	1,182	3,216	160,337	53,123	79,574	21,598	1,773	3,752	27
115,532	88,993	5,573	2,895	12,255	372	205	1,167	4,072	161,659	53,355	80,439	21,777	1,888	3,633	Apr. 3
114,366	89,293	5,659	1,401	11,878	365	287	1,199	4,284	162,902	53,268	81,271	22,175	1,936	3,705	10p
119,736	92,721	5,763	3,608	12,101	372	215	1,160	3,796	163,516	52,946	81,209	23,012	2,011	3,836	17p
111,003	86,638	5,582	2,940	10,734	322	246	1,254	3,287	165,265	52,848	82,748	23,270	2,080	3,807	24p

For notes see p. A-24.

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	Memoranda: Demand deposits adjusted[10]	Large negotiable time CD's included in time and savings deposits[11]: Total	Issued to IPC's	Issued to others	Gross liabilities of banks to their foreign branches
Large banks—Total														
1973														
Apr. 4	34,415	716	2,299	16,273	4,379	64	30,186	239,438	319,612	97,666	55,405	36,404	19,001	1,011
11	35,459	907	2,468	16,713	4,398	64	30,191	240,051	320,488	99,925	56,337	36,844	19,493	1,209
18	36,375	2,722	2,742	16,742	4,401	64	30,085	241,056	320,611	99,230	55,363	36,272	19,091	1,193
25	36,006	1,052	2,907	17,267	4,406	64	30,122	241,986	321,637	96,575	55,935	36,760	19,175	1,123
1974														
Mar. 6	57,583	671	5,403	18,090	5,008	79	32,402	268,403	356,737	98,300	65,877	45,031	20,846	1,610
13	56,802	1,362	5,922	18,342	5,008	79	32,450	268,602	357,208	99,148	66,523	45,805	20,718	2,274
20	55,240	1,910	6,163	18,708	5,000	74	32,399	271,127	358,297	97,981	66,261	45,469	20,792	2,459
27	53,527	1,700	6,372	19,430	4,997	74	32,444	273,880	360,712	99,337	67,815	46,842	20,973	2,947
Apr. 3p	54,544	823	6,317	19,601	4,994	74	32,762	278,044	365,274	101,444	69,479	48,191	21,288	2,717
10p	54,569	1,017	6,267	19,107	4,991	74	32,758	278,700	366,302	102,732	71,540	49,812	21,728	2,908
17p	53,303	939	6,078	19,605	4,995	73	32,658	281,736	368,604	102,782	71,753	49,612	22,141	3,020
24p	51,358	1,728	6,012	19,551	4,991	73	32,663	279,850	365,230	100,393	73,592	51,255	22,337	2,474
New York City														
1973														
Apr. 4	7,360	....	924	6,407	1,236	....	7,667	55,479	68,271	20,707	19,218	13,015	6,113	638
11	7,738	....	986	6,488	1,256	....	7,656	54,824	67,884	21,015	19,414	13,065	6,349	848
18	8,406	800	1,242	6,424	1,260	....	7,607	54,684	67,319	21,099	18,554	12,560	5,994	909
25	7,887	....	1,383	6,779	1,264	....	7,608	54,512	66,947	20,251	18,711	12,724	5,987	869
1974														
Mar. 6	14,309	230	2,490	5,819	1,382	....	8,409	62,920	78,935	21,656	20,545	13,942	6,603	1,185
13	13,058	80	2,839	6,146	1,386	....	8,415	62,398	77,972	21,238	20,921	14,310	6,611	1,601
20	12,297	898	2,837	6,491	1,382	....	8,449	63,250	78,519	21,169	20,829	14,182	6,647	1,750
27	11,340	220	2,896	6,746	1,386	....	8,441	64,061	79,016	21,804	21,287	14,539	6,748	1,779
Apr. 3p	11,785	240	2,821	6,970	1,370	....	8,537	65,321	80,555	22,884	21,933	15,093	6,840	1,829
10p	11,420	145	2,851	6,807	1,370	....	8,534	65,357	80,710	22,185	22,944	15,805	7,139	2,072
17p	11,368	150	2,895	6,959	1,376	....	8,509	66,404	81,359	22,534	22,969	15,660	7,309	1,683
24p	11,206	385	2,849	6,646	1,377	....	8,485	65,102	79,254	22,136	23,373	16,034	7,339	1,206
Outside New York City														
1973														
Apr. 4	27,055	716	1,375	9,866	3,143	64	22,519	183,959	251,341	76,959	36,187	23,299	12,888	373
11	27,721	907	1,482	10,225	3,142	64	22,535	185,227	252,604	78,910	36,923	23,779	13,144	361
18	27,969	1,922	1,500	10,318	3,141	64	22,478	186,372	253,292	78,131	36,809	23,712	13,097	284
25	28,119	1,052	1,524	10,488	3,142	64	22,514	187,474	254,690	76,324	37,224	24,036	13,188	254
1974														
Mar. 6	43,274	441	2,913	12,271	3,626	79	23,993	205,483	277,802	76,644	45,332	31,089	14,243	425
13	43,744	1,282	3,083	12,196	3,622	79	24,035	206,204	279,236	77,910	45,602	31,495	14,107	673
20	42,943	1,012	3,326	12,217	3,618	74	23,950	207,877	279,778	76,812	45,432	31,287	14,145	709
27	42,187	1,480	3,476	12,684	3,611	74	24,003	209,819	281,696	77,533	46,528	32,303	14,225	1,168
Apr. 3p	42,759	583	3,496	12,631	3,624	74	24,225	212,723	284,719	78,560	47,546	33,098	14,448	888
10p	43,149	872	3,416	12,300	3,621	74	24,224	213,343	285,592	80,547	48,596	34,007	14,589	836
17p	41,935	789	3,183	12,646	3,619	73	24,149	215,332	287,245	80,248	48,784	33,952	14,832	1,337
24p	40,152	1,343	3,163	12,905	3,614	73	24,178	214,748	285,976	78,257	50,219	35,221	14,998	1,268

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—							
	1974					1974			1974	1973		1973	
	Apr. 24	Apr. 17	Apr. 10	Apr. 3	Mar. 27	Apr.	Mar.	Feb.	I	IV	III	2nd half	1st half
Durable goods manufacturing:													
Primary metals	1,914	1,920	1,939	1,924	1,893	21	95	−69	84	−247	18	−229	20
Machinery	8,149	8,390	8,196	8,024	7,740	409	888	128	1,069	136	479	615	1,453
Transportation equipment	3,053	3,055	2,966	2,914	2,878	175	217	171	358	90	272	362	64
Other fabricated metal products	2,705	2,724	2,680	2,616	2,600	105	244	12	267	15	56	71	503
Other durable goods	4,326	4,325	4,271	4,193	4,052	274	316	115	349	−363	290	−73	872
Nondurable goods manufacturing:													
Food, liquor, and tobacco	4,326	4,368	4,325	4,363	4,281	45	299	28	124	340	393	733	−23
Textiles, apparel, and leather	3,911	3,917	3,879	3,770	3,789	122	345	234	570	−440	235	−205	730
Petroleum refining	1,208	1,223	1,225	1,369	1,215	−7	12	−74	−176	184	19	203	211
Chemicals and rubber	2,998	3,102	2,975	2,893	2,771	227	272	54	255	−198	48	−150	809
Other nondurable goods	2,357	2,355	2,304	2,308	2,261	96	128	27	116	−65	156	91	360
Mining, including crude petroleum and natural gas	4,261	4,238	4,308	4,266	4,116	145	50	39	312	−233	77	−156	331
Trade: Commodity dealers	1,962	2,007	2,126	2,170	2,199	−237	108	49	357	630	−42	588	−540
Other wholesale	6,124	6,002	5,965	5,906	5,886	238	258	178	471	151	43	194	567
Retail	6,928	7,015	6,866	6,870	6,613	315	430	375	540	−184	165	−19	1,092
Transportation	6,065	6,094	6,056	6,087	6,069	−4	164	−61	105	14	66	80	294
Communication	2,428	2,483	2,389	2,380	2,175	253	73	−40	149	78	−13	−91	258
Other public utilities	5,976	6,029	5,886	5,886	5,586	390	146	−271	−291	596	734	1,330	961
Construction	5,720	5,709	5,642	5,623	5,582	138	94	−8	29	−200	211	11	878
Services	11,540	11,531	11,389	11,349	11,244	296	310	129	188	565	362	927	997
All other domestic loans	8,858	9,001	8,829	8,941	8,812	46	535	−95	541	302	380	682	1,754
Bankers' acceptances	1,290	1,261	1,141	1,265	1,336	−46	86	1	62	199	−322	−123	−154
Foreign commercial and industrial loans	4,621	4,571	4,445	4,349	4,198	423	181	−142	125	23	−384	−361	554
Total classified loans	100,720	101,320	99,802	99,466	97,296	3,424	5,035	780	5,604	1,237	3,243	4,480	11,991
Total commercial and industrial loans of large commercial banks	120,106	120,699	119,086	118,545	116,010	4,096	5,270	982	5,889	1,938	3,371	5,309	13,709

See NOTE to table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding									Net change during—				
	1974				1973					1974	1973			1973
	Apr. 24	Mar. 27	Feb. 27	Jan. 30	Dec. 26	Nov. 28	Oct. 31	Sept. 26	Aug. 29	I	IV	III	II	2nd half
Durable goods manufacturing:														
Primary metals	1,083	1,064	1,046	1,092	1,104	1,240	1,259	1,307	1,290	−40	−203	−21	−7	−224
Machinery	3,145	3,114	3,037	2,950	2,866	2,726	2,731	2,680	2,642	248	186	39	328	225
Transportation equipment	1,423	1,365	1,367	1,324	1,284	1,257	1,239	1,266	1,231	81	18	77	15	95
Other fabricated metal products	934	911	911	938	894	912	901	871	853	17	23	2	84	25
Other durable goods	1,972	1,915	1,837	1,737	1,772	1,754	1,795	1,788	1,738	143	16	98	170	82
Nondurable goods manufacturing:														
Food, liquor, and tobacco	1,533	1,529	1,527	1,514	1,491	1,469	1,470	1,477	1,410	38	14	84	43	98
Textiles, apparel, and leather	1,147	1,089	1,043	1,032	1,003	1,036	1,033	1,028	1,023	86	−25	59	77	34
Petroleum refining	934	945	r901	920	933	839	883	920	925	12	13	44	34	57
Chemicals and rubber	1,690	1,603	1,569	1,570	1,561	1,509	1,534	1,552	1,493	42	9	71	2	80
Other nondurable goods	1,145	1,139	1,080	1,069	1,082	1,077	1,090	1,100	1,080	57	−18	37	37	19
Mining, including crude petroleum and natural gas	3,284	3,245	r3,203	3,153	2,958	2,950	2,958	2,990	2,921	287	−32	144	−26	112
Trade: Commodity dealers	144	140	129	137	127	135	120	116	115	13	11	−7	−27	4
Other wholesale	1,335	1,323	1,315	1,265	1,190	1,172	1,223	1,178	1,151	133	12	112	11	124
Retail	2,543	2,480	2,376	2,249	2,206	2,227	2,175	2,147	2,135	274	59	141	183	200
Transportation	4,414	4,417	4,311	4,327	4,320	4,208	4,220	4,279	4,292	97	41	−26	71	15
Communication	978	966	940	947	860	828	819	858	835	106	2	73	39	75
Other public utilities	3,196	3,154	3,245	3,298	3,252	3,121	2,857	2,836	2,678	−98	416	427	175	843
Construction	1,908	1,898	1,940	1,943	1,905	1,936	1,954	1,992	2,000	−7	−87	96	187	9
Services	5,223	5,076	5,004	4,937	5,049	4,916	4,777	4,719	4,666	27	330	157	223	487
All other domestic loans	2,936	2,808	r2,384	2,692	2,602	2,617	2,552	2,585	2,460	206	17	384	330	401
Foreign commercial and industrial loans	2,657	2,370	2,321	2,469	2,334	2,306	2,308	2,186	2,292	36	148	−399	18	−251
Total loans	p43,624	42,551	41,486	41,563	40,793	40,235	39,898	39,875	39,230	1,758	918	1,592	1,893	2,510

NOTE.—About 160 weekly reporting banks are included in this series; these banks classify, by industry, commercial and industrial loans amounting to about 90 per cent of such loans held by all weekly reporting banks and about 70 per cent of those held by all commercial banks.

For description of series see article "Revised Series on Commercial and Industrial Loans by Industry," Feb. 1967 BULLETIN, p. 209.

Commercial and industrial "term" loans are all outstanding loans with an original maturity of more than 1 year and all outstanding loans granted under a formal agreement—revolving credit or standby—on which the original maturity of the commitment was in excess of 1 year.

GROSS DEMAND DEPOSITS OF INDIVIDUALS, PARTNERSHIPS, AND CORPORATIONS[1]

(In billions of dollars)

Class of bank, and quarter or month	Type of holder					Total deposits, IPC
	Financial business	Nonfinancial business	Consumer	Foreign	All other	
All commercial banks:						
1970—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—June	17.9	97.6	60.5	1.4	11.0	188.4
Sept.	18.0	101.5	63.1	1.4	11.4	195.4
Dec.	18.9	109.9	65.4	1.5	12.3	208.0
1973—Mar.	18.6	102.8	65.1	1.7	11.8	200.0
June	18.6	106.6	67.3	2.0	11.8	206.3
Sept.	18.8	108.3	69.1	2.1	11.9	210.3
Dec.	19.1	116.2	70.1	2.4	12.4	220.1
1974—Mar.p	18.9	108.4	70.6	2.3	11.0	211.2
Weekly reporting banks:						
1971—Dec.	14.4	58.6	24.6	1.2	5.9	104.8
1972—Dec.	14.7	64.4	27.1	1.4	6.6	114.3
1973—Feb.	14.3	60.3	26.3	1.6	6.5	109.0
Mar.	14.4	59.0	26.5	1.6	6.4	107.9
Apr.	14.3	59.4	28.6	1.8	6.4	110.4
May	13.8	59.1	26.9	1.9	6.4	108.0
June	14.2	60.8	27.1	1.9	6.3	110.2
July	14.8	61.1	27.3	1.9	6.6	111.7
Aug.	14.3	59.5	27.3	1.9	6.1	109.1
Sept.	14.5	60.6	27.2	1.9	6.5	110.8
Oct.	15.0	61.7	27.3	2.0	6.6	112.5
Nov.	14.8	62.9	27.5	2.1	6.7	113.9
Dec.	14.9	66.2	28.0	2.2	6.8	118.1
1974—Jan.	15.2	63.8	28.4	2.3	6.7	116.5
Feb.	14.1	62.1	26.9	2.3	6.2	111.5
Mar.p	14.7	61.5	27.6	2.1	6.3	112.1

[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, 1971	Dec. 31, 1972	June 30, 1973	Dec. 31, 1973
All commercial	680	559	538	507
Insured	677	554	533	503
National member	387	311	304	288
State member	95	71	71	64
All member	482	381	375	352
All member—Cont.				
Other large banks[1]	112	69	63	58
All other member[1]	371	313	312	294
All nonmember	197	177	163	155
Insured	195	172	158	152
Noninsured	2	5	5	3

[1] Beginning Nov. 9, 1972, designation of banks as reserve city banks for reserve-requirement purposes has been based on size of bank (net demand deposits of more than $400 million), as described in the BULLETIN for July 1972, p. 626. Categories shown here as "Other large" and "All other member" parallel the previous "Reserve City" (other than in New York City and the City of Chicago) and "Country" categories, respectively (hence the series are continuous over time).

NOTE.—Hypothecated deposits, as shown in this table, are treated one way in monthly and weekly series for commercial banks and in another way in call-date series. That is, they are excluded from "Time deposits" and "Loans" in the monthly (and year-end) series as shown on pp. A-16; from the figures for weekly reporting banks as shown on pp. A-20–A-24 (consumer instalment loans); and from the figures in the table at the bottom of p. A-15. But they are included in the figures for "Time deposits" and "Loans" for call dates as shown on pp. A-16–A-19.

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
1974—Jan. 2	4,460	2,675	1,785	1,794	327	1,467
9	4,487	2,700	1,787	1,790	325	1,465
16	4,503	2,691	1,812	1,791	332	1,459
23	4,301	2,508	1,793	1,790	340	1,450
30	4,439	2,623	1,816	1,810	343	1,467
Feb. 6	4,605	2,638	1,967	1,780	341	1,439
13	4,729	2,687	2,042	1,389	333	1,056
20	4,933	2,673	2,260	1,342	336	1,006
27r	4,992	2,748	2,244	1,414	337	1,077
Mar. 6	4,939	2,754	2,185	1,414	339	1,075
13	4,935	2,768	2,167	1,420	339	1,081
20	4,840	2,787	2,053	1,419	340	1,079
27r	4,904	2,834	2,070	1,454	369	1,085
Apr. 3	5,114	2,893	2,221	1,440	358	1,082
10	5,063	2,911	2,152	1,443	356	1,087
17	5,043	2,874	2,169	1,448	360	1,088
24	5,386	3,080	2,306	1,457	367	1,090

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	9,300	....	1,903	....	7,397	3,392	1,223	1,094	129	187	144	1,837	792	974	1,626
1966	13,645	....	3,089	....	10,556	3,603	1,198	983	215	193	191	2,022	997	829	1,778
1967	17,085	....	4,901	....	12,184	4,317	1,906	1,447	459	164	156	2,090	1,086	989	2,241
1968	21,173	....	7,201	....	13,972	4,428	1,544	1,344	200	58	109	2,717	1,423	952	2,053
1969	32,600	1,216	10,601	3,078	17,705	5,451	1,567	1,318	249	64	146	3,674	1,889	1,153	2,408
1970	33,071	409	12,262	1,940	18,460	7,058	2,694	1,960	735	57	250	4,057	2,601	1,561	2,895
1971	32,126	495	10,923	1,478	19,230	7,889	3,480	2,689	791	261	254	3,894	2,834	1,546	3,509
1972	34,721	930	11,242	1,707	20,842	6,898	2,706	2,006	700	106	179	3,907	2,531	1,909	2,458
1973—Mar.	34,052	993	8,366	2,463	22,230	6,859	2,269	1,777	492	165	282	4,143	2,091	2,399	2,368
Apr.	34,404	1,044	8,290	2,767	22,303	6,713	2,068	1,641	427	136	344	4,165	1,996	2,359	2,359
May	35,672	1,148	8,288	2,922	23,314	6,888	2,197	1,763	433	83	384	4,225	2,009	2,509	2,371
June	35,786	1,173	8,316	3,110	23,187	7,237	2,185	1,746	439	66	395	4,591	2,053	2,755	2,428
July	35,463	1,207	7,954	3,307	22,995	7,693	2,254	1,803	452	132	496	4,810	2,222	2,954	2,517
Aug.	37,149	1,350	7,676	3,758	24,365	7,734	1,968	1,598	370	84	522	5,159	2,268	2,945	2,520
Sept.	37,641	1,353	8,845	3,878	23,565	8,170	2,099	1,629	470	145	548	5,379	2,296	3,289	2,585
Oct.	41,602	1,319	11,727	3,549	25,007	8,237	2,042	1,731	311	107	589	5,499	2,345	3,222	2,670
Nov.	42,945	1,317	12,824	3,655	25,149	8,493	2,566	2,129	437	71	604	5,252	2,320	3,340	2,833
Dec.	41,073	1,311	11,751	3,570	24,441	8,892	2,837	2,318	519	68	581	5,406	2,273	3,499	3,120
1974—Jan.	45,491	1,429	13,990	4,072	26,000	9,101	2,706	2,251	454	68	589	5,738	2,334	3,492	3,275
Feb.	47,164	1,449	15,897	4,080	25,738	9,364	2,854	2,328	525	69	592	5,850	2,434	3,182	3,748
Mar.	44,690	1,508	13,520	4,537	25,125	10,166	2,986	2,413	573	296	684	6,200	2,827	2,979	4,361

[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.

NOTE.—Back data available from Financial Statistics Division, Federal Reserve Bank of New York.

PRIME RATE CHARGED BY BANKS

(Per cent per annum)

Effective date	Rate
1972—Jan. 3	5-5⅛-5¼■
17	4¾-5-5¼■
24	4⅝-4¾-5■
31	4½-4¾■-5
Feb. 28	4⅜-4½-4¾■
Mar. 13	4½-4¾■
23	4¾■
27	4¾■-4⅞-5
Apr. 3	4¾■-5
5	5■
17	5■-5¼
May 1	5■-5⅛-5¼
30	5■
June 12	5■-5⅛
26	5-5¼■
July 3	5¼■-5⅜
10	5¼■-5⅜-5½
17	5¼■-5½
31	5¼■-5⅜-5½
Aug. 11	5¼■-5⅜
14	5¼■
21	5¼■-5⅜
25	5¼■-5⅜-5½
29	5¼-5⅜-5½■
Sept. 4	5¼-5½■
5	5½■
11	5½■-5⅝
25	5½■-5⅝-5¾
1972—Oct. 2	5½■-5¾
4	5½-5¾■
11	5¾■
16	5¾■-5⅞
Nov. 6	5¾■
20	5¾■-5⅞
Dec. 26	5¾■-6
27	5¾-6■
1973—Jan. 4	6■
Feb. 2	6■-6¼
14	6■
26	6■-6¼
27	6¼■
Mar. 19	6¼■-6¾
26	6½■
Apr. 18	6½-6¾■
19	6¾■
May 4	6¾■-7
7	7■
24	7■-7¼
25	7-7¼■
June 8	7½■
19	7½■-7¾
25	7¾■
July 2	7¾■-8
3	7¾-8■
9	8-8¼■
17	8¼■-8½
18	8¼-8½■
23	8½■
30	8½-8¾■
1973—Aug. 6	8¾-9■
7	9■
13	9-9¼■
21	9¼■-9½
22	9½■
28	9½-9¾■
29	9¾■
Sept. 14	9¾■-10
18	10■
27	9¾-10■
Oct. 22	9½-9¾-10■
24	9½-9¾■-10
1974—Jan. 7	9½-9¾■-9 9/10
14	9½-9¾■-9 8/10
29	9¼-9½■-9 7/10
Feb. 11	9-9¼■-9 3/10
19	9■-9¼
25	8 7/10-8¾■-9
26	8 7/10-8¾■
Mar. 4	8½-8 7/10-8¾■
5	8½-8 6/10-8¾■
19	8¾■-8 8/10
21	8¾■-8 8/10-9
22	8 8/10-9■
26	9■
28	9■-9¼
29	9-9¼■-9½
1974—Apr. 2	9¼■-9 4/10-9½
3	9¼-9 4/10-9½■
4	9 4/10-9½■-9¾
5	9 4/10-9½-9¾■
8	9¾■-9 8/10-10
11	9¾-9 8/10-10■
15	10■-10 1/10-10¼
19	10-10 1/10-10¼■
23	10¼■-10 4/10
24	10¼■-10 4/10-10½
25	10¼-10 4/10-10½■
26	10 4/10-10½■-10¾-11
30	10½■-10 6/10-10¾-11

NOTE.—Beginning Nov. 1971, several banks adopted a floating prime rate keyed to money market variables. ■ denotes the predominate prime rate quoted by commercial banks to large businesses.

Effective Apr. 16, 1973, with the adoption of a two tier or "dual prime rate," this table shows only the "large-business prime rate," which is the range of rates charged by commercial banks on short-term loans to large businesses with the highest credit standing.

RATES ON BUSINESS LOANS OF BANKS

Center	All sizes		Size of loan (in thousands of dollars): 1–9		10–99		100–499		500–999		1,000 and over	
	Feb. 1974	Nov. 1973	Feb. 1974	Nov. 1973	Feb. 1974	Nov. 1973	Feb. 1974	Nov. 1973	Feb. 1974	Nov. 1973	Feb. 1974	Nov. 1973
	Short-term											
35 centers	9.91	10.08	9.86	9.80	10.09	10.14	10.28	10.43	10.06	10.18	9.75	9.95
New York City	9.68	9.90	9.93	10.04	10.12	10.28	9.95	10.31	9.78	10.01	9.62	9.83
7 Other Northeast	10.28	10.51	10.42	10.34	10.46	10.57	10.71	10.86	10.48	10.58	9.99	10.32
8 North Central	9.98	10.02	9.18	9.02	9.98	9.81	10.42	10.38	10.14	10.19	9.82	9.91
7 Southeast	9.80	9.96	9.69	9.58	9.81	9.82	10.02	10.16	9.90	9.97	9.60	9.89
8 Southwest	9.93	10.08	9.90	9.91	9.98	10.09	10.04	10.28	9.99	10.04	9.82	9.97
4 West Coast	9.78	10.04	10.16	10.23	10.08	10.26	10.05	10.28	9.83	10.13	9.68	9.95
	Revolving credit											
35 centers	9.82	10.13	10.22	10.09	10.09	10.18	10.10	10.20	9.78	10.23	9.79	10.11
New York City	9.91	10.30	9.32	9.84	9.60	10.09	9.99	10.33	9.72	10.21	9.92	10.31
7 Other Northeast	10.20	10.09	9.82	10.36	10.27	10.69	10.32	10.55	9.65	10.32	10.25	10.00
8 North Central	10.00	10.22	11.14	9.96	10.27	10.17	10.17	9.70	10.03	10.55	9.97	10.24
7 Southeast	9.96	9.22	9.75	9.11	9.88	9.54	10.09	9.83	9.35	9.75	10.14	10.05
8 Southwest	10.34	10.74	10.58	10.46	9.97	10.19	10.32	11.22	10.43	10.72	10.35	10.64
4 West Coast	9.58	9.92	10.24	10.09	10.11	10.21	10.04	10.16	9.65	10.04	9.51	9.88
	Long-term											
35 centers	10.16	10.68	10.74	10.36	10.42	10.45	10.47	10.23	10.24	10.54	10.09	10.78
New York City	10.03	11.05	....	9.69	10.93	10.92	10.06	10.45	9.95	10.60	10.02	11.12
7 Other Northeast	10.48	10.17	10.93	10.80	10.07	10.32	10.19	9.83	10.58	9.94	10.58	10.29
8 North Central	10.48	10.92	10.51	10.08	9.69	10.40	10.45	10.12	10.10	10.25	10.57	11.16
7 Southeast	10.93	12.33	10.49	9.10	13.59	10.98	12.48	13.07	14.20	15.73	8.90	10.96
8 Southwest	9.90	10.28	10.88	10.95	10.23	10.22	10.56	10.15	9.63	10.59	9.79	10.21
4 West Coast	9.75	10.18	10.75	9.92	10.21	10.29	10.64	9.80	10.22	10.73	9.55	10.15

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] 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 1-year bill (market yield)[5]	9- to 12-month issues Other[6]	3- to 5-year issues[6]
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	8.21	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	4.66	4.69	4.52	4.47	4.44	4.071	4.07	4.466	4.49	4.77	4.86	5.85
1973	8.20	8.15	7.40	8.08	8.74	7.041	7.03	7.178	7.20	7.01	7.30	6.92
1973—Apr.	7.13	7.14	6.76	6.97	7.12	6.289	6.26	6.525	6.52	6.51	6.79	6.74
May	7.26	7.27	6.85	7.15	7.84	6.348	6.36	6.615	6.62	6.63	6.83	6.78
June	8.00	7.99	7.45	7.98	8.49	7.188	7.19	7.234	7.23	7.05	7.27	6.76
July	9.26	9.18	8.09	9.19	10.40	8.015	8.01	8.081	8.12	7.97	8.37	7.49
Aug.	10.26	10.21	8.90	10.18	10.50	8.672	8.67	8.700	8.65	8.32	8.82	7.75
Sept.	10.31	10.23	8.90	10.19	10.78	8.478	8.29	8.537	8.45	8.07	8.44	7.16
Oct.	9.14	8.92	7.84	9.07	10.01	7.155	7.22	7.259	7.32	7.17	7.42	6.81
Nov.	9.11	8.94	7.94	8.73	10.03	7.866	7.83	7.823	7.96	7.40	7.66	6.96
Dec.	9.28	9.08	8.16	8.94	9.95	7.364	7.45	7.444	7.56	7.01	7.38	6.80
1974—Jan.	8.86	8.66	7.92	8.72	9.65	7.755	7.77	7.627	7.65	7.01	7.46	6.94
Feb.	8.00	7.82	7.40	7.83	8.97	7.060	7.12	6.874	6.96	6.51	6.93	6.77
Mar.	8.64	8.42	7.76	8.43	9.35	7.986	7.96	7.829	7.83	7.34	7.86	7.33
Apr.	9.92	9.79	8.43	9.61	10.51	8.229	8.33	8.171	8.32	8.08	8.66	7.99
Week ending—												
1974—Jan. 5	9.13	8.88	8.00	8.75	9.87	7.406	7.49	7.371	7.48	6.94	7.37	6.83
12	8.85	8.65	7.80	8.75	9.76	7.615	7.72	7.560	7.66	7.07	7.41	6.88
19	8.95	8.75	7.90	8.75	9.77	7.983	7.89	7.867	7.79	7.04	7.52	6.94
26	8.90	8.68	8.00	8.75	9.60	7.995	7.99	7.819	7.81	7.07	7.58	7.06
Feb. 2	8.45	8.38	7.93	8.55	9.47	7.778	7.55	7.516	7.31	6.80	7.33	6.94
9	8.15	7.93	7.53	7.85	9.13	6.951	7.03	6.747	6.91	6.52	6.87	6.74
16	7.94	7.75	7.38	7.75	8.93	7.081	7.06	6.882	6.86	6.41	6.83	6.70
23	7.84	7.69	7.31	7.75	9.07	7.018	7.07	6.787	6.87	6.42	6.87	6.76
Mar. 2	8.00	7.88	7.30	7.85	8.81	7.188	7.36	7.081	7.27	6.71	7.15	6.93
9	8.20	8.00	7.50	8.00	8.98	7.675	7.71	7.566	7.53	6.96	7.34	7.06
16	8.43	8.18	7.75	8.08	9.03	7.920	7.82	7.637	7.59	7.06	7.59	7.16
23	8.73	8.50	7.85	8.60	9.33	8.047	8.06	7.882	8.02	7.56	8.15	7.48
30	9.30	9.10	8.00	9.10	9.61	8.300	8.35	8.231	8.24	7.84	8.49	7.69
Apr. 6	9.53	9.38	8.25	9.30	9.93	8.358	8.51	8.211	8.31	7.95	8.48	7.91
13	9.70	9.60	8.40	9.50	*10.02*	*8.648*	*8.49*	*8.393*	*8.34*	*8.05*	8.55	7.98
20	9.88	9.73	8.50	9.50	10.36	8.051	8.05	8.084	8.18	8.05	8.61	7.94
27	10.23	10.13	8.50	9.85	10.78	7.857	8.10	7.995	8.27	8.14	8.82	8.04

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 averages for week ending Wednesday. Beginning with statement week ending July 25, 1973, weekly averages are based on the daily average of the range of rates on a given day weighted by the volume of transactions at these rates. For earlier statement weeks, the averages were based on the daily effective rate—the rate considered most representative of the day's transactions, usually the one at which most transactions occurred.

4 Except for new bill issues, yields are averages computed from daily closing bid prices.

5 Bills quoted on bank-discount-rate basis.

6 Selected note and bond issues.

NOTE.—Figures for Treasury bills are the revised series described on p. A-35 of the Oct. 1972 BULLETIN.

BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds: 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: Aaa utility: New issue	Corporate bonds: Aaa utility: Recently offered	Corporate bonds: Total[1] (Seasoned issues)	Corporate bonds: By selected rating: Aaa (Seasoned issues)	Corporate bonds: By selected rating: Baa (Seasoned issues)	Corporate bonds: By group: Industrial (Seasoned issues)	Corporate bonds: By group: Railroad (Seasoned issues)	Corporate bonds: By group: Public utility (Seasoned issues)	Stocks: Dividend/price ratio: Preferred	Stocks: Dividend/price ratio: Common	Stocks: Earnings/price ratio: Common
1963	4.00	3.28	3.06	3.58	4.21	....	4.50	4.26	4.86	4.42	4.65	4.41	4.30	3.17	5.68
1964	4.15	3.28	3.09	3.54	4.34	....	4.57	4.40	4.83	4.52	4.67	4.53	4.32	3.01	5.54
1965	4.21	3.34	3.16	3.57	4.50	4.51	4.64	4.49	4.87	4.61	4.72	4.60	4.33	3.00	5.87
1966	4.66	3.90	3.67	4.21	5.43	5.38	5.34	5.13	5.67	5.30	5.37	5.36	4.97	3.40	6.72
1967	4.85	3.99	3.74	4.30	5.82	5.79	5.82	5.51	6.23	5.74	5.89	5.81	5.34	3.20	5.71
1968	5.25	4.48	4.20	4.88	6.50	6.47	6.51	6.18	6.94	6.41	6.77	6.49	5.78	3.07	5.64
1969	6.10	5.73	5.45	6.07	7.71	7.64	7.36	7.03	7.81	7.22	7.46	7.49	6.41	3.24	6.08
1970	6.59	6.42	6.12	6.75	8.68	8.71	8.51	8.04	9.11	8.26	8.77	8.68	7.22	3.83	6.46
1971	5.74	5.62	5.22	5.89	7.62	7.66	7.94	7.39	8.56	7.57	8.38	8.13	6.75	3.14	5.41
1972	5.63	5.30	5.04	5.60	7.31	7.34	7.63	7.21	8.16	7.35	7.99	7.74	7.27	2.84	5.50
1973	6.30	5.22	4.99	5.49	7.74	7.75	7.80	7.44	8.24	7.60	8.12	7.83	7.23	3.06	....
1973—Apr.	6.11	5.17	4.95	5.42	7.46	7.47	7.62	7.26	8.09	7.43	7.98	7.64	7.11	2.90	....
May	6.22	5.13	4.90	5.41	7.51	7.50	7.62	7.29	8.06	7.41	8.01	7.63	7.13	3.01	....
June	6.32	5.25	5.05	5.51	7.64	7.64	7.69	7.37	8.13	7.49	8.07	7.69	7.25	3.06	6.93
July	6.53	5.44	5.21	5.71	8.01	7.97	7.80	7.45	8.24	7.59	8.17	7.81	7.35	3.04	....
Aug	6.81	5.51	5.26	5.80	8.36	8.22	8.04	7.68	8.53	7.91	8.32	8.06	7.43	3.16	....
Sept.	6.42	5.13	4.90	5.41	7.88	7.99	8.06	7.63	8.63	7.89	8.37	8.09	7.38	3.13	r7.09
Oct.	6.26	5.03	4.76	5.31	7.90	7.94	7.96	7.60	8.41	7.76	8.24	8.04	7.18	3.05	....
Nov.	6.31	5.21	5.03	5.46	7.90	7.94	8.02	7.67	8.42	7.81	8.28	8.11	7.40	3.36	....
Dec.	6.35	5.14	4.90	5.43	8.00	8.04	8.05	7.68	8.48	7.84	8.28	8.17	7.76	3.70	8.31
1974—Jan.	6.56	5.23	5.03	5.49	8.21	8.22	8.15	7.83	8.58	7.97	8.34	8.27	7.60	3.64	....
Feb.	6.54	5.25	5.05	5.49	8.12	8.23	8.17	7.85	8.59	8.01	8.27	8.33	7.47	3.81	....
Mar.	6.81	5.44	5.20	5.71	8.46	r8.44	8.27	8.01	8.65	8.12	8.35	8.44	7.56	3.65	....
Apr.	7.04	5.76	5.45	6.06	8.98	8.94	8.50	8.25	8.88	8.39	8.51	8.68	7.83	3.86	....
Week ending—															
1974—Mar. 2	6.62	5.29	5.10	5.55	8.30	8.29	8.18	7.87	8.59	8.03	8.25	8.35	7.39	3.70	....
9	6.71	5.31	5.10	5.55	8.37	8.27	8.21	7.92	8.60	8.05	8.28	8.38	7.39	3.64	....
16	6.75	5.38	5.15	5.65	8.33	8.37	8.25	7.99	8.63	8.08	8.33	8.41	7.50	3.58	....
23	6.88	5.46	5.20	5.75	8.59	8.52	8.30	8.05	8.67	8.14	8.37	8.46	7.63	3.67	....
30	6.93	5.61	5.35	5.90	8.64	8.67	8.36	8.11	8.72	8.22	8.39	8.53	7.72	3.71	....
Apr. 6	7.02	5.73	5.40	6.00	8.78	8.75	8.43	8.17	8.79	8.30	8.42	8.62	7.75	3.80	....
13	7.04	5.83	5.50	6.15	9.13	8.92	8.49	8.25	8.87	8.36	8.48	8.69	7.81	3.88	....
20	6.99	5.69	5.40	6.00	8.91	8.95	8.51	8.26	8.89	8.41	8.51	8.66	7.83	3.80	....
27	7.07	5.80	5.51	6.10	8.98	9.08	8.55	8.28	8.94	8.45	8.57	8.71	7.91	3.95	....
Number of issues[2]	12	20	5	5	....	....	121	20	30	41	30	40	14	500	500

[1] Includes bonds rated Aa and A, data for which are not shown separately. Because of a limited number of suitable issues, the number of corporate bonds in some groups has varied somewhat. As of Dec. 23, 1967, there is no longer an Aaa-rated railroad bond series.

[2] Number of issues varies over time; figures shown reflect most recent count.

NOTE.—Annual yields are averages of monthly or quarterly data. **Bonds:** Monthly and weekly yields are computed as follows: (1) *U.S. Govt.:* Averages of daily figures for bonds maturing or callable in 10 years or more; from Treasury Dept. (2) *State and local govt.:* General obligations only, based on Thurs. figures; from Moody's Investor Service. (3) *Corporate:* Rates for "New issue" and "Recently offered" Aaa utility bonds are weekly averages compiled by the Board of Governors of the Federal Reserve System. Rates for seasoned issues are averages of daily figures from Moody's Investors Service.

Stocks: Standard and Poor's corporate series. Dividend/price ratios are based on Wed. figures; earnings/price ratios are as of end of period. Preferred stock ratio is based on eight median yields for a sample of noncallable issues—12 industrial and 2 public utility; common stock ratios on the 500 stocks in the price index. Quarterly earnings are seasonally adjusted at annual rates.

NOTES TO TABLES ON OPPOSITE PAGE:

Security Prices:

[1] Through Aug. 1973 the index is based upon an initial value of 10.90—the average price of a share of stock listed on the American Stock Exchange was $10.90 on June 30, 1965. As of Sept. 1973, a new market-value index with a starting value of 100.00 replaced the previous series. An index for past periods is being calculated on the new market-value basis and will be published as it becomes available.

NOTE.—Annual data are averages of monthly figures. Monthly and weekly data are averages of daily figures unless otherwise noted and are computed as follows: *U.S. Govt. bonds*, derived from average market yields in table on p. A-30 on basis of an assumed 3 per cent, 20-year bond. *Municipal and corporate bonds*, derived from average yields as computed by Standard and Poor's Corp., on basis of a 4 per cent, 20-year bond; Wed. closing prices. *Common stocks*, derived from component common stock prices. *Average daily volume of trading*, normally conducted 5 days per week for 5½ hours per day, or 27½ hours per week. In recent years shorter days and/or weeks have cut total weekly trading to the following number of hours: 1967—Aug. 8–20, 20; 1968—Jan. 22–Mar. 1, 20; June 30–Dec. 31, 22; 1969—Jan. 3–July 3, 20; July 7–Dec. 31–22½; 1970—Jan. 2–May 1, 25.

Terms on Mortgages:

[1] Fees and charges—related to principal mortgage amount—include loan commissions, fees, discounts, and other charges, which provide added income to the lender and are paid by the borrower or home-seller. 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 revised beginning Jan. 1973; hence data are not strictly comparable with earlier figures. See also the table on Home-Mortgage Yields, p. A-49.

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	138.96	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	96.63	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	113.40	17,429	4,234
1972	68.71	84.4	65.9	109.20	121.79	44.11	56.90	60.29	65.73	50.17	38.48	78.35	129.10	16,487	4,447
1973	62.80	85.4	63.7	107.43	120.44	38.05	53.47	57.42	63.08	37.74	37.69	70.12	103.80	16,374	3,004
1973—Apr.	64.39	85.7	64.9	110.27	123.56	35.88	55.34	58.67	64.41	40.57	38.97	69.42	105.32	13,900	2,981
May	63.43	86.1	64.7	107.22	119.95	36.14	55.43	56.74	62.22	36.66	39.01	65.33	97.11	15,329	3,043
June	62.61	85.8	64.4	104.75	117.20	34.35	54.37	55.14	60.52	33.72	37.95	63.52	92.60	12,796	2,316
July	60.87	83.2	63.8	105.83	118.65	35.22	53.31	56.12	61.53	34.22	37.68	68.95	97.67	14,655	2,522
Aug.	58.71	82.2	61.0	103.80	116.75	33.76	50.14	55.33	61.09	33.48	35.40	68.26	99.23	14,761	1,796
Sept.	61.81	86.2	61.3	105.61	118.52	35.49	52.31	56.71	62.25	35.82	36.79	72.23	101.88	17,320	2,055
Oct.	63.13	86.9	62.1	109.84	123.42	38.24	53.22	59.26	65.29	39.03	37.47	74.98	107.97	18,387	3,388
Nov.	62.71	85.6	62.1	102.03	114.64	39.74	48.30	54.59	60.15	36.31	34.73	67.85	99.91	19,044	3,693
Dec.	62.37	86.1	62.9	94.78	106.16	41.48	45.73	50.39	55.12	34.69	33.47	62.49	88.39	19,227	3,553
1974—Jan.	60.66	85.2	62.3	96.11	107.18	44.37	48.60	51.39	55.77	36.85	35.89	64.80	95.32	16,506	2,757
Feb.	60.83	85.3	62.0	93.45	104.13	41.85	48.13	50.01	54.02	36.26	35.27	62.81	95.11	13,517	2,079
Mar.	58.70	83.5	61.3	97.44	108.98	42.57	47.90	52.15	56.80	38.39	35.22	64.47	99.10	14,745	2,123
Apr.	57.01	80.2	60.3	92.46	103.46	40.26	44.03	49.21	53.95	35.87	32.59	58.72	93.57	12,109	1,752
Week ending—															
Apr. 6	57.16	80.7	60.7	93.65	104.77	41.17	45.85	49.94	54.58	36.50	33.53	60.05	96.25	11,660	1,756
13	57.00	79.7	60.3	92.29	103.30	40.56	44.90	49.17	53.78	36.09	32.99	58.58	94.43	10,798	1,783
20	57.39	81.0	60.4	93.72	105.05	40.75	44.75	49.90	54.71	36.58	32.99	59.64	94.24	12,790	1,743
27	56.81	79.4	59.9	91.05	102.27	39.35	42.28	48.37	53.15	34.98	31.64	57.57	91.05	13,952	1,883

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
1973	7.78	1.11	26.3	77.3	37.1	28.1	7.86	.94	23.2	75.2	31.2	22.8
1973—Apr.	7.53	1.11	26.6	78.2	36.9	28.2	7.55	.96	23.9	77.3	30.1	22.8
May	7.55	1.05	25.9	77.7	35.6	27.2	7.62	.93	23.5	77.5	30.0	22.3
June	7.62	1.08	26.3	78.0	35.8	27.5	7.64	.92	23.4	75.9	31.7	23.5
July	7.69	1.11	26.3	78.1	37.0	28.3	7.70	.91	24.1	75.5	33.3	24.6
Aug.	7.77	1.08	26.7	76.7	38.6	28.9	7.87	.92	23.4	75.6	32.0	23.6
Sept.	7.98	1.19	26.6	77.3	37.2	28.2	8.10	.97	23.1	74.1	32.8	23.5
Oct.	8.12	1.20	26.1	76.9	38.5	29.0	8.35	.92	22.5	72.7	31.8	22.6
Nov.	8.22	1.08	26.0	75.5	38.9	28.8	8.42	.94	22.2	71.2	32.3	22.6
Dec.	8.31	1.12	25.6	75.5	37.7	28.0	8.46	.94	22.1	72.8	30.8	22.0
1974—Jan.	8.33	1.16	26.4	76.3	38.8	28.9	8.47	1.02	22.8	72.4	33.4	23.5
Feb.	8.40	1.33	25.9	76.5	37.8	28.5	8.53	1.02	22.9	73.9	33.7	24.6
Mar.[r]	8.43	1.35	26.4	77.3	39.1	29.5	8.47	1.02	23.3	74.1	32.6	23.7
Apr.[p]	8.46	1.25	26.4	77.7	38.4	29.4	8.42	1.01	23.2	74.0	32.2	23.5

For notes see opposite page.

STOCK MARKET CUSTOMER FINANCING

(In millions of dollars)

End of period	Margin credit at brokers and banks [1] — Regulated [2] — By source — Total	By source — Brokers	By source — Banks	By type — Margin stock — Brokers	Margin stock — Banks	Convertible bonds — Brokers	Convertible bonds — Banks	Subscription issues — Brokers	Subscription issues — Banks	Unregulated [3] — Nonmargin stock credit at banks	Free credit balances at brokers [4] — Margin accts.	Free credit balances at brokers [4] — Cash accts.
1973—Mar.	8,347	7,468	879	7,200	813	244	48	24	18	1,862	442	1,719
Apr.	8,165	7,293	872	7,040	804	232	49	21	19	1,952	389	1,536
May	7,650	6,784	866	6,540	802	224	47	20	18	1,992	413	1,564
June	7,369	6,416	953	6,180	885	215	53	21	15	1,973	396	1,472
July	7,299	6,243	1,056	6,010	976	216	64	17	16	1,957	379	1,542
Aug.	7,081	6,056	1,025	5,830	949	210	61	16	15	1,952	348	1,462
Sept.	6,954	5,949	1,005	5,730	929	204	60	15	16	1,909	379	1,632
Oct.	7,093	5,912	1,181	5,690	1,105	203	59	19	17	1,878	419	1,713
Nov.	r6,774	5,671	1,003	5,460	1,027	197	60	14	16	1,917	464	1,685
Dec.	6,382	5,251	1,131	5,050	1,070	189	46	12	15	1,866	454	1,700
1974—Jan.	6,343	5,323	1,020	5,130	961	182	45	11	14	1,799	442	1,666
Feb.	6,462	5,423	1,039	5,230	977	183	46	10	16	1,843	420	1,604
Mar.	......	5,519	......	5,330	......	180	......	9	......	......	424	1,583

[1] Margin credit includes all credit extended to purchase or carry stocks or related equity instruments and secured at least in part by stock (see Dec. 1970 BULLETIN). Credit extended by brokers is end-of-month data for member firms of the New York Stock Exchange. June data for banks are universe totals; all other data for banks represent estimates for all commercial banks based on reports by a reporting sample, which accounted for 60 per cent of security credit outstanding at banks on June 30, 1971.

[2] In addition to assigning a current loan value to margin stock generally, Regulations T and U permit special loan values for convertible bonds and stock acquired through exercise of subscription rights.

[3] Nonmargin stocks are those not listed on a national securities exchange and not included on the Federal Reserve System's list of Over the Counter margin stocks. At banks, loans to purchase or carry nonmargin stocks are unregulated; at brokers, such stocks have no loan value.

[4] 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
1973—Mar.	7,200	5.7	7.5	15.9	23.1	22.7	25.1
Apr.	7,040	4.8	7.3	13.4	19.8	22.4	32.4
May	6,540	4.9	7.2	12.7	18.7	21.9	34.9
June	6,180	4.9	7.1	13.2	17.5	22.1	35.3
July	6,010	5.8	8.8	17.7	22.7	25.3	19.7
Aug.	5,830	5.0	8.4	16.4	19.6	24.2	26.4
Sept.	5,730	5.0	13.9	18.9	23.9	23.5	16.8
Oct.	5,690	7.2	10.0	19.9	22.6	22.1	18.2
Nov.	5,460	5.4	6.1	12.0	16.9	19.5	40.1
Dec.	5,050	5.8	7.7	14.4	17.4	20.3	34.2
1974—Jan.	5,130	5.5	8.0	14.2	22.6	25.8	24.0
Feb.	5,230	5.4	7.4	13.3	22.6	28.0	23.3
Mar.	5,330	5.0	7.0	11.4	19.4	30.2	27.1

[1] See note 1 to table above.

NOTE.—Each customer's equity in his collateral (market value of collateral less net debit balance) is expressed as a percentage of current collateral values.

SPECIAL MISCELLANEOUS ACCOUNT BALANCES AT BROKERS, BY EQUITY STATUS OF ACCOUNTS

(Per cent of total, except as noted)

End of period	Net credit status	Equity class of accounts in debit status — 60 per cent or more	Less than 60 per cent	Total balance (millions of dollars)
1973—Mar.	36.3	47.9	15.7	5,790
Apr.	35.3	46.9	18.0	5,660
May	35.8	45.0	19.1	5,670
June	35.8	43.5	20.7	5,750
July	35.9	46.7	17.4	5,740
Aug.	35.9	45.6	18.5	5,650
Sept.	37.4	53.1	9.4	5,740
Oct.	38.5	46.7	14.8	5,860
Nov.	37.5	42.2	20.3	5,882
Dec.	39.4	40.0	20.6	5,935
1974—Jan.	38.3	42.7	18.0	6,596
Feb.	39.4	43.3	24.9	6,740
Mar.	40.0	41.2	18.9	6,784

NOTE.—Special miscellaneous accounts contain credit balances that may be used by customers as the margin deposit required for additional purchases. Balances may arise as transfers based on loan values of other collateral in the customer's margin account or deposits of cash (usually sales proceeds) occur.

MUTUAL SAVINGS BANKS

(In millions of dollars)

End of period	Loans: Mortgage	Loans: Other	Securities: U.S. Govt.	Securities: State and local govt.	Securities: Corporate and other[1]	Cash	Other assets	Total assets—Total liabilities and general reserve accts.	Deposits[2]	Other liabilities	General reserve accounts	Mortgage loan commitments[3] classified by maturity (in months): 3 or less	3–6	6–9	Over 9	Total
1965	44,433	862	5,485	320	5,170	1,017	944	58,232	52,443	1,124	4,665	......	......	......	......	2,697
1966	47,193	1,078	4,764	251	5,719	953	1,024	60,982	55,006	1,114	4,863	......	......	......	......	2,010
1967	50,311	1,203	4,319	219	8,183	993	1,138	66,365	60,121	1,260	4,984	742	982		799	2,523
1968	53,286	1,407	3,834	194	10,180	996	1,256	71,152	64,507	1,372	5,273	811	1,034		1,166	3,011
1969	55,781	1,824	3,296	200	10,824	912	1,307	74,144	67,026	1,588	5,530	584	485	452	946	2,467
1970	57,775	2,255	3,151	197	12,876	1,270	1,471	78,995	71,580	1,690	5,726	619	322	302	688	1,931
1971	62,069	2,808	3,334	385	17,674	1,389	1,711	89,369	81,440	1,810	6,118	1,047	627	463	1,310	3,447
1972[4]	67,563	2,979	3,510	873	21,906	1,644	2,117	100,593	91,613	2,024	6,956	1,593	713	609	1,624	4,539
1973—Feb.	68,352	4,030	3,419	986	22,389	1,331	2,070	102,577	92,949	2,540	7,088	1,729	862	732	1,480	4,803
Mar.	68,920	3,970	3,458	1,028	22,509	1,576	2,058	103,518	94,095	2,285	7,139	1,816	886	826	1,355	4,882
Apr.	69,426	3,831	3,388	1,080	22,598	1,582	2,089	103,994	94,217	2,589	7,189	1,904	888	725	1,395	4,912
May	69,988	4,099	3,376	1,076	22,615	1,629	2,116	104,899	94,744	2,904	7,251	1,792	913	712	1,406	4,824
June	70,637	3,959	3,346	1,125	22,562	1,775	2,273	105,677	95,706	2,650	7,321	1,711	1,020	573	1,378	4,683
July	71,219	3,819	3,190	1,093	22,683	1,555	2,202	105,761	95,355	3,044	7,362	1,626	906	636	1,367	4,535
Aug.	71,713	3,986	3,037	999	22,277	1,551	2,227	105,789	94,882	3,496	7,411	1,302	840	718	1,315	4,174
Sept.	72,034	4,200	2,945	957	21,799	1,491	2,345	105,771	95,183	3,134	7,453	1,411	762	589	1,197	3,959
Oct.	72,367	4,181	3,007	939	21,276	1,501	2,285	105,557	94,944	3,139	7,474	1,318	771	510	1,096	3,695
Nov.	72,760	4,424	2,948	925	21,150	1,519	2,264	105,991	95,259	3,201	7,530	1,272	685	479	1,079	3,515
Dec.	73,231	3,871	2,957	926	21,383	1,968	2,314	106,651	96,496	2,566	7,589	1,250	598	405	1,008	3,261
1974 Jan.	73,440	4,161	2,925	936	21,623	1,686	2,312	107,083	96,792	2,665	7,626	1,171	587	439	998	3,196
Feb.	73,647	4,584	2,846	942	21,923	1,618	2,316	107,877	97,276	2,919	7,681	1,232	562	407	952	3,153

1 Also includes securities of foreign governments and international organizations and nonguaranteed issues of U.S. Govt. agencies.

2 Beginning with data for June 30, 1966, about $1.1 billion in "Deposits accumulated for payment of personal loans" were excluded from "Time deposits" and deducted from "Loans" at all commercial banks. These changes resulted from a change in Federal Reserve regulations. See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. A-26.

3 Commitments outstanding of banks in New York State as reported to the Savings Banks Assn. of the State of New York. Data include building loans beginning with Aug. 1967.

4 Balance sheet data beginning Jan. 1972 are reported on a gross-of-valuation-reserves basis. The data differ somewhat from balance sheet data previously reported by National Assn. of Mutual Savings Banks which were net of valuation reserves. For most items, however, the differences are relatively small.

NOTE.—NAMSB data; figures are estimates for all savings banks in the United States and differ somewhat from those shown elsewhere in the BULLETIN; the latter are for call dates and are based on reports filed with U.S. Govt. and State bank supervisory agencies.

LIFE INSURANCE COMPANIES

(In millions of dollars)

End of period	Total assets	Government securities: Total	United States	State and local	Foreign[1]	Business securities: Total	Bonds	Stocks	Mortgages	Real estate	Policy loans	Other assets
Statement value:												
1965	158,884	11,679	5,119	3,530	3,030	67,599	58,473	9,126	60,013	4,681	7,678	7,234
1966	167,022	10,837	4,823	3,114	2,900	69,816	61,061	8,755	64,609	4,883	9,117	7,760
1967	177,832	10,573	4,683	3,145	2,754	76,070	65,193	10,877	67,516	5,187	10,059	8,427
1968	188,636	10,509	4,456	3,194	2,859	82,127	68,897	13,230	69,973	5,571	11,306	9,150
Book value:												
1966	167,022	10,864	4,824	3,131	2,909	68,677	61,141	7,536	64,661	4,888	9,911	8,801
1967	177,361	10,530	4,587	2,993	2,950	73,997	65,015	8,982	67,575	5,188	10,060	11,011
1968	188,636	10,760	4,456	3,206	3,098	79,653	68,731	10,922	70,044	5,575	11,305	11,299
1969	197,208	10,914	4,514	3,221	3,179	84,566	70,859	13,707	72,027	5,912	13,825	9,964
1970	207,254	11,068	4,574	3,306	3,188	88,518	73,098	15,420	74,375	6,320	16,064	10,909
1971	222,102	11,000	4,455	3,363	3,182	99,805	79,198	20,607	75,496	6,904	17,065	11,832
1972	239,730	11,372	4,562	3,367	3,443	112,985	86,140	26,845	76,948	7,295	18,003	13,127
1973—Jan.[r]	240,877	11,417	4,545	3,379	3,493	114,408	88,076	26,332	77,105	7,380	18,080	12,487
Feb.[r]	241,639	11,342	4,484	3,363	3,495	115,017	88,966	26,051	77,108	7,443	18,163	12,566
Mar.	243,078	11,154	4,417	3,300	3,437	115,972	89,881	26,091	77,587	7,449	18,288	12,628
Apr.	242,562	11,455	4,566	3,388	3,501	115,181	89,710	25,471	77,258	7,522	18,420	12,726
May	243,589	11,434	4,538	3,384	3,512	115,897	90,314	25,583	77,400	7,545	18,533	12,780
June	244,531	11,359	4,468	3,373	3,518	116,153	90,484	25,669	77,914	7,548	18,673	12,884
July	247,082	11,427	4,480	3,427	3,520	118,061	91,144	26,917	78,243	7,577	18,841	12,933
Aug.	247,655	11,416	4,462	3,433	3,521	117,842	91,342	26,500	78,657	7,632	19,181	12,927
Sept.	250,203	11,404	4,424	3,439	3,541	119,200	91,480	27,720	79,040	7,677	19,511	13,371
Oct.	251,590	11,402	4,423	3,438	3,541	119,714	91,707	28,007	79,516	7,765	19,768	13,425
Nov.	251,055	11,462	4,471	3,444	3,547	118,016	91,847	26,169	80,191	7,838	19,926	13,622
Dec.	252,071	11,376	4,586	3,449	3,545	117,733	91,452	26,281	81,180	7,769	20,076	13,937
1974—Jan.	253,531	11,465	4,410	3,463	3,592	119,079	93,082	25,997	81,490	7,816	20,242	13,439
Feb.	254,739	11,535	4,429	3,518	3,588	119,715	93,672	26,043	81,745	7,825	20,382	13,537

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: Mortgages	Assets: Investment securities[1]	Assets: Cash	Assets: Other[2]	Total assets—Total liabilities	Liabilities: Savings capital	Liabilities: Net worth[3]	Liabilities: Borrowed money[4]	Liabilities: Loans in process	Liabilities: Other	Mortgage loan commitments outstanding at end of period[5]
1967	121,805	9,180	3,442	7,788	143,534	124,493	9,916	4,775	2,257	2,093	3,042
1968	130,802	11,116	2,962	8,010	152,890	131,618	10,691	5,705	2,449	2,427	3,631
1969	140,232	10,873	2,438	8,606	162,149	135,538	11,620	9,728	2,455	2,808	2,824
1970	150,331	13,020	3,506	9,326	176,183	146,404	12,401	10,911	3,078	3,389	4,452
1971	174,250	18,185	2,857	10,731	206,023	174,197	13,592	8,992	5,029	4,213	7,328
1972	206,182	21,574	2,781	12,590	243,127	206,764	15,240	9,782	6,209	5,132	11,515
1973	232,104	21,027		19,227	272,358	227,254	17,108	17,100	4,676	6,220	9,532
1973—Mar.	213,050	23,880		16,989	253,919	215,643	15,737	9,892	6,310	6,337	14,439
Apr.	216,037	23,803		17,489	257,329	216,474	16,044	11,269	6,532	7,010	14,939
May	219,283	23,930		17,873	261,086	218,351	16,415	11,689	6,711	7,920	15,068
June	222,580	23,220		17,920	263,720	221,624	16,225	12,698	6,754	6,419	14,705
July	225,265	22,628		18,296	266,189	221,399	16,550	14,226	6,686	7,328	13,710
Aug.	227,778	21,001		18,704	267,483	220,243	16,896	15,634	6,449	8,261	12,249
Sept.	229,182	20,025		19,008	268,215	222,086	16,782	16,255	6,064	7,028	10,799
Oct.	230,195	20,618		19,295	270,108	223,033	17,041	16,435	5,535	8,064	9,909
Nov.	231,089	21,220		19,449	271,758	224,304	17,330	16,312	5,011	8,801	9,717
Dec.	232,104	21,027		19,227	272,358	227,254	17,108	17,100	4,676	6,220	9,532
1974—Jan.	232,980	22,378		19,502	274,860	229,435	17,333	16,663	4,380	7,049	9,788
Feb.	234,426	23,327		19,901	277,654	231,264	17,623	16,431	4,304	8,032	10,740
Mar.[p]	236,501	24,020		20,403	280,951	235,465	17,476	16,665	4,488	6,857	11,935

[1] Investment securities included U.S. Govt. securities only through 1967. Beginning 1968 the total reflects liquid assets and other investment securities. Included are U.S. Govt. obligations, Federal agency securities, State and local govt. securities, time deposits at banks, and miscellaneous securities, except stock of the Federal Home Loan Bank Board. Compensating changes have been made in "Other assets."

[2] Includes other loans, stock in the Federal home loan banks, other investments, real estate owned and sold on contract, and office buildings and fixtures. See also notes 1, 5, and 6.

[3] Includes net undistributed income, which is accrued by most, but not all, associations.

[4] Consists of advances from FHLBB and other borrowing.

[5] Data comparable with those shown for mutual savings banks (on preceding page) except that figures for loans in process are not included above but are included in the figures for mutual savings banks.

[6] Beginning Jan. 1973, *participation certificates* guaranteed by the Federal Home Loan Mortgage Corporation, loans and notes insured by the Farmers Home Administration and certain other Government-insured mortgage-type investments, previously included in mortgage loans, are included in other assets. The effect of this change was to reduce the mortgage total by about $0.6 billion.

Also, GNMA-guaranteed, mortgage-backed securities of the pass-through type, previously included in cash and investment securities are included in other assets. These amounted to about $2.4 billion at the end of 1972.

NOTE.—FHLBB data; figures are estimates for all savings and loan assns. in the United States. Data are based on monthly reports of insured assns. and annual reports of noninsured assns. Data for current and preceding year are preliminary even when revised.

MAJOR BALANCE SHEET ITEMS OF SELECTED FEDERALLY SPONSORED CREDIT AGENCIES

(In millions of dollars)

End of period	Federal home loan banks: Assets: Advances to members	Assets: Investments	Assets: Cash and deposits	Liabilities and capital: Bonds and notes	Liabilities and capital: Member deposits	Liabilities and capital: Capital stock	Federal National Mortgage Assn. (secondary market operations): Mortgage loans (A)	FNMA: Debentures and notes (L)	Banks for cooperatives: Loans to cooperatives (A)	Banks for cooperatives: Debentures (L)	Federal intermediate credit banks: Loans and discounts (A)	FICB: Debentures (L)	Federal land banks: Mortgage loans (A)	Federal land banks: 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	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—Mar.	8,420	1,938	108	7,220	1,291	1,943	20,571	19,985	2,896	2,188	6,414	6,076	9,591	8,280
Apr.	9,429	2,087	111	8,415	1,143	1,981	20,791	20,056	2,859	2,465	6,555	6,314	9,767	8,836
May	10,155	2,702	95	9,615	1,261	1,991	21,087	20,225	2,765	2,370	6,777	6,460	9,953	8,836
June	11,145	2,516	108	10,215	1,453	2,008	21,413	20,364	2,725	2,316	6,958	6,645	10,117	8,836
July	12,365	2,126	103	11,213	1,183	2,035	21,772	20,843	2,811	2,365	6,981	6,745	10,256	9,388
Aug.	13,511	2,016	111	12,562	1,091	2,064	22,319	21,186	2,865	2,310	7,065	6,727	10,441	9,390
Sept.	14,298	2,908	102	14,062	1,178	2,089	22,826	21,537	2,738	2,560	7,170	6,833	10,592	9,388
Oct.	14,799	3,498	106	15,362	1,270	2,107	23,348	22,243	2,711	2,728	7,130	6,901	10,781	9,838
Nov.	14,866	3,649	77	15,362	1,545	2,112	23,912	22,404	2,662	2,704	7,029	6,890	10,926	9,838
Dec.	15,147	3,537	157	15,362	1,745	2,122	24,175	23,001	2,577	2,670	7,198	6,861	11,071	9,838
1974—Jan.	15,188	2,843	121	14,556	1,692	2,246	24,424	23,131	3,123	2,741	7,163	6,956	11,245	10,048
Feb.	14,904	2,680	116	13,906	1,936	2,294	24,541	23,092	3,211	2,828	7,277	7,029	11,402	10,282
Mar.	14,995	2,779	124	13,906	2,027	2,306	24,888	23,515	3,143	2,878	7,545	7,162	11,467	10,282

NOTE.—Data from Federal Home Loan Bank Board, Federal National Mortgage Assn., and Farm Credit Admin. Among omitted balance sheet items are capital accounts of all agencies, except for stock of FHLB's. Bonds, debentures, and notes are valued at par. They include only publicly offered securities (excluding, for FHLB's, bonds held within the FHLB System) and are not guaranteed by the U.S. Govt.; for a listing of these securities, see table on opposite page. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

OUTSTANDING ISSUES OF FEDERALLY SPONSORED AGENCIES, MARCH 31, 1974

Agency, and date of issue and maturity	Coupon rate	Amount (millions of dollars)
Federal home loan banks		
Bonds:		
6/25/71 – 5/25/74	6.35	300
2/26/73 – 5/28/74	6.45	700
8/25/69 – 8/25/74	7.65	173
8/25/72 – 8/26/74	5⅜	400
8/27/73 – 8/26/74	9⅝	800
11/25/69 – 11/25/74	8.00	218
5/25/73 – 11/25/74	7.05	1.000
1/26/71 – 2/25/75	6.10	250
11/27/72 – 2/25/75	5⅞	400
9/21/73 – 2/25/75	8.20	500
4/12/73 – 5/25/75	7.15	700
8/25/70 – 5/26/75	8.05	265
2/25/74 – 5/27/75	6.80	300
7/27/70 – 8/25/75	7.95	300
7/25/73 – 8/25/75	7⅞	500
10/25/73 – 8/25/75	7.15	400
12/18/70 – 11/25/75	6.50	350
5/25/73 – 11/25/75	7.05	600
8/27/71 – 2/25/76	7⅜	300
8/27/73 – 2/25/76	8¾	300
6/22/73 – 5/25/76	7.20	600
11/27/73 – 5/25/76	7.45	300
7/25/73 – 8/25/76	7.80	500
10/25/73 – 2/25/77	7.20	500
6/25/71 – 5/25/77	6.95	200
4/12/73 – 8/25/77	7.15	300
2/26/73 – 11/25/77	6¾	300
11/27/73 – 11/25/77	7.45	300
9/21/73 – 5/25/78	7.60	500
3/25/70 – 2/25/80	7.75	350
2/25/74 – 2/25/80	7.05	300
10/15/70 – 10/15/80	7.80	200
10/27/71 – 11/27/81	6.60	200
4/12/73 – 5/25/83	7.30	200
10/25/73 – 11/26/93	7⅜	400
Federal Home Loan Mortgage Corporation		
Bonds:		
2/10/72 – 8/26/74	5.30	200
5/29/73 – 8/25/76	7.05	400
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	......	2,218
Capital debentures:		
4/1/70 – 4/1/75	8.00	200
9/30/71 – 10/1/96	4.38	248
10/2/72 – 10/1/97	7.40	250
Mortgage-backed bonds:		
6/1/70 – 6/2/75	8.38	250
3/14/73 – 1/15/81	3.58	53
3/14/73 – 1/15/81	5.48	5
6/21/73 – 7/1/82	5.85	71
6/21/73 – 7/1/82	5.92	35
3/1/73–8/31/84	5.50	10
3/1/73 – 10/31/85	5.49	21
3/1/73 – 3/1/86	5.74	81
9/29/70 – 10/1/90	8.63	200
Federal National Mortgage Association—Cont.		
Debentures:		
8/5/70 – 6/10/74	7.90	400
11/10/71 – 6/10/74	5.70	350
9/10/69 – 9/10/74	7.85	250
2/10/71 – 9/10/74	5.65	300
5/10/71 – 12/10/74	6.10	250
9/10/71 – 12/10/74	6.45	450
11/10/70 – 3/10/75	7.55	300
10/12/71 – 3/10/75	6.35	600
4/12/71 – 6/10/75	5.25	500
10/13/70 – 9/10/75	7.50	350
3/12/73 – 9/10/75	6.80	650
3/10/72 – 12/10/75	5.70	500
9/10/73 – 12/10/75	8.25	300
3/11/71 – 3/10/76	5.65	500
6/12/73 – 3/10/76	7.13	400
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
3/11/74 – 3/10/77	7.05	400
12/10/70 – 6/10/77	6.38	250
5/10/71 – 6/10/77	6.50	150
12/10/73 – 6/10/77	7.20	500
9/10/71 – 9/12/77	6.88	300
9/10/73 – 9/12/77	7.85	400
7/10/73 – 12/12/77	7.25	500
10/1/73 – 12/12/77	7.55	500
6/12/73 – 6/12/78	7.15	600
3/11/74 – 9/11/78	7.15	550
10/12/71 – 12/11/78	6.75	300
12/10/73 – 3/12/79	7.25	500
9/10/73 – 6/11/79	7.85	300
6/12/72 – 9/10/79	6.40	300
12/10/71 – 12/10/79	6.55	350
2/10/72 – 3/10/80	6.88	250
2/16/73 – 7/31/80	5.19	1
2/16/73 – 7/31/80	3.18	9
10/1/73 – 9/10/80	7.50	400
1/16/73 – 10/30/80	4.46	5
12/11/72 – 12/10/80	6.60	300
6/29/72 – 1/29/81	6.15	156
3/12/73 – 3/10/81	7.05	350
4/18/73 – 4/10/81	6.59	26
3/21/73 – 5/1/81	4.50	18
3/12/73 – 5/1/81	5.77	2
1/21/71 – 6/10/81	7.25	250
9/10/71 – 9/10/81	7.25	250
3/11/74 – 12/10/81	7.30	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
12/10/73 – 12/10/82	7.35	300
3/11/71 – 6/10/83	6.75	200
6/12/73 – 6/10/83	7.30	300
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
12/11/72 – 12/10/97	7.10	200
Banks for cooperatives		
Debentures:		
10/1/73 – 4/1/74	9.85	332
11/1/73 – 5/1/74	7.95	364
12/3/73 – 6/3/74	8.80	617
1/2/74 – 7/1/74	7.95	462
2/4/74 – 8/1/74	8.15	559
3/4/74 – 9/3/74	7.15	343
10/1/73 – 4/4/77	7.70	200
Federal intermediate credit banks		
Debentures:		
7/2/73 – 4/1/74	7½	421
8/1/73 – 5/1/74	8.65	538
9/4/73 – 6/3/74	9¾	626
10/1/73 – 7/1/74	9¾	699
1/4/71 – 7/1/74	5.95	224
11/1/73 – 8/1/74	7.95	583
12/3/73 – 9/3/74	8.60	528
1/2/74 – 10/1/74	7.95	561
2/4/74 – 11/4/74	8.00	754
3/4/74 – 12/2/74	7.15	785
5/1/72 – 1/2/75	6.05	240
1/3/72 – 7/1/75	5.70	302
3/1/73 – 1/5/76	6.65	261
7/2/73 – 1/3/77	7.10	236
1/2/74 – 1/3/78	7.10	406
Federal land banks		
Bonds:		
10/20/70 – 4/22/74	7.30	354
9/15/72 – 4/22/74	5.85	350
10/20/71 – 7/22/74	5.85	326
4/20/71 – 10/21/74	5.30	300
2/20/70 – 1/20/75	8⅜	220
4/23/73 – 1/20/75	7.15	300
4/20/65 – 4/21/75	4⅜	200
7/20/73 – 4/21/75	7.65	300
2/15/72 – 7/21/75	5.70	425
7/20/71 – 10/20/75	7.20	300
10/23/73 – 10/20/75	7.40	362
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
1/21/74 – 7/20/76	7.05	360
4/23/73 – 10/20/76	7.15	450
7/20/73 – 7/20/77	7½	550
10/20/71 – 10/20/77	6.35	300
2/20/63 – 2/20/73–78	4⅛	148
5/2/66 – 4/20/78	5⅛	150
7/20/72 – 7/20/78	6.40	269
10/23/73 – 10/19/78	7.35	550
2/20/67 – 1/22/79	5.00	285
1/21/74 – 1/22/79	7.10	300
9/15/72 – 4/23/79	6.85	235
2/20/74 – 7/23/79	7.15	389
10/23/72 – 10/23/79	6.80	400
1/22/73 – 1/21/80	6.70	300
7/20/73 – 7/21/80	7½	250
2/23/71 – 4/20/81	6.70	224
4/20/72 – 4/20/82	6.90	200
4/23/73 – 10/20/82	7.30	239
10/23/73 – 10/20/83	7.30	300

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					Means of financing								
	Receipt-expenditure account					Borrowings from the public [2]						Less: Cash and monetary assets		
	Budget receipts	Net expenditures	Net lending	Budget outlays [1]	Budget surplus or deficit (−)	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	Treasury operating balance	Other	Other means of financing, net [4]
Fiscal year:														
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
1973	232,225	......	......	246,526	−14,301	30,881	216	12,029	−207	......	19,275	2,459	−1,613	−4,128
Half year:														
1972—Jan.-June	115,549	......	......	120,319	−4,850	3,130	−150	4,010	1,089	......	−2,114	−1,189	2,497	8,377
July-Dec.	106,062	......	......	118,579	−12,517	22,038	876	6,351	−823	......	17,386	956	−1,520	−5,434
1973—Jan.-June	126,164	......	......	127,940	−1,776	8,844	−660	5,790	654	......	1,889	1,503	−88	1,302
July-Dec.	124,253	......	......	130,360	−6,107	11,756	477	5,396	824	......	6,013	−2,202	−191	−2,299
Month:														
1973—Mar. r	15,879	......	......	r20,783	r−4,904	3,768	27	584	206	......	3,005	1,152	r−63	r2,988
Apr.	25,860	......	......	22,306	3,554	−1,543	−721	−56	−49	......	−2,159	1,220	1,164	988
May	16,584	......	......	20,157	−3,573	275	−43	1,968	234	......	−1,970	−5,924	−1,141	−1,522
June	28,504	......	......	20,892	7,612	803	68	3,414	−174	......	−2,369	4,344	414	−485
July	18,121	......	......	22,627	−4,486	862	9	1,258	325	......	−713	−5,398	−544	−743
Aug.	21,291	......	......	22,139	−847	2,842	301	3,137	568	......	−563	−4,105	151	2,544
Sept.	25,007	......	......	20,736	4,271	−406	40	−756	−173	......	564	5,207	346	718
Oct.	17,637	......	......	23,092	−5,455	1,037	29	−306	−22	......	1,395	−2,588	−43	1,431
Nov.	20,208	......	......	22,099	−1,891	1,561	273	−3,510	3,141	......	2,202	−1,010	−48	−1,368
Dec.	21,987	......	......	19,686	2,302	5,861	−174	5,574	−3,016	......	3,128	5,693	−54	209
1974—Jan.	23,476	......	......	23,671	−195	−1,714	12	−984	55	......	−773	168	554	1,681
Feb.	20,226	......	......	21,030	−804	2,503	17	2,478	169	......	−162	−2,877	84	−1,995
Mar.	16,818	......	......	22,905	−6,086	3,813	394	−164	61	......	4,309	690	191	2,657

End of period	Selected balances										Memo: Debt of Govt.-sponsored corps. — Now private [6]
	Treasury operating balance				Federal securities						
	F.R. Banks	Tax and loan accounts	Other depositaries [5]	Total	Public debt securities	Agency securities	Less: Investments of Govt. accounts: Special issues	Less: Investments of Govt. accounts: Other	Less: Special notes [3]	Equals: Total held by public	
Fiscal year:											
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
1973	4,038	8,433	106	12,576	458,142	11,109	101,738	24,093	825	343,045	51,325
Calendar year:											
1972	1,856	8,907	310	11,073	449,298	11,770	95,924	23,164	825	341,155	43,459
1973	2,543	7,760	70	10,374	469,898	11,586	107,135	24,467	825	349,058	59,857
Month:											
1973—Mar.	2,882	9,744	309	12,935	458,606	11,806	96,413	23,632	825	349,542	45,566
Apr.	4,162	9,683	311	14,156	457,063	11,084	96,356	23,583	825	347,383	47,905
May	3,242	4,679	311	8,232	457,338	11,041	98,324	23,817	825	345,414	49,731
June	4,038	8,433	106	12,576	458,142	11,109	101,738	24,093	825	343,045	51,325
July	2,867	4,203	108	7,178	459,003	11,118	102,996	23,968	825	342,332	52,780
Aug.	847	2,217	8	3,072	461,845	11,419	106,133	24,536	825	341,769	54,409
Sept.	1,626	6,582	71	8,279	461,439	11,459	105,378	24,362	825	342,333	56,691
Oct.	1,839	3,781	71	5,691	462,476	11,488	105,071	24,341	823	343,727	59,330
Nov.	1,945	2,666	70	4,681	464,037	11,760	101,561	27,482	825	345,930	59,317
Dec.	2,543	7,760	70	10,374	469,898	11,586	107,135	24,467	825	349,058	59,857
1974—Jan.	2,844	7,628	69	10,542	468,184	11,598	106,151	24,521	825	348,285	59,566
Feb.	2,017	5,579	69	7,665	470,687	11,581	108,629	24,691	825	348,123	59,282
Mar.	1,372	6,915	69	8,356	474,500	11,975	108,465	24,752	825	352,433	....

1 *Equals net expenditures plus net lending.*

2 The decrease in Federal securities resulting from conversion to private ownership of Govt.-sponsored corporations (totaling $9,853 million) is not included here. In the bottom panel, however, these conversions decrease the outstanding amounts of Federal securities held by the public mainly by reductions in agency securities. The Federal National Mortgage Association (FNMA) was converted to private owership in Sept. 1968 and the Federal intermediate credit banks (FICB) and banks for cooperatives in Dec. 1968.

3 Represents non-interest-bearing public debt securities issued to the International Monetary Fund and international lending organizations. New obligations to these agencies are handled by letters of credit.

4 *Includes accrued interest payable on public debt securities, deposit* funds, miscellaneous liability and asset accounts, and seigniorage.

5 As of Jan. 3, 1972, the Treasury operating balance was redefined to exclude the gold balance and to include previously excluded "Other depositaries" (deposits in certain commercial depositaries that have been converted from a time to a demand basis to permit greater flexibility in Treasury cash management).

6 Includes debt of Federal home loan banks, Federal land banks, R.F.K. Stadium Fund, FNMA (beginning Sept. 1968), and FICB and banks for cooperatives (both beginning Dec. 1968).

NOTE.—Half years may not add to fiscal year totals due to revisions in series that are not yet available on a monthly basis.

FEDERAL FISCAL OPERATIONS: DETAIL

(In millions of dollars)

Period	Budget receipts: Total	Individual income taxes: Withheld	Individual income taxes: Pres. Election Campaign Fund[1]	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[2]: Payroll taxes	Social insurance taxes and contributions: Employment taxes and contributions[2]: Self-empl.	Social insurance taxes and contributions: Unempl. insur.	Social insurance taxes and contributions: Other net receipts[3]	Social insurance taxes and contributions: Net total	Excise taxes	Customs	Estate and gift	Misc. receipts[4]
Fiscal year:																	
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
1973	232,225	98,093	......	27,019	21,866	103,246	39,045	2,893	52,505	2,371	6,051	3,614	64,542	16,260	3,188	4,917	3,921
Half year:																	
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.	106,062	46,056	......	5,784	688	51,152	15,315	1,459	22,493	165	2,437	1,773	26,867	8,244	1,551	2,333	2,059
1973—Jan.–June	126,165	52,034	......	21,235	21,179	52,091	23,730	1,434	30,013	2,206	3,616	1,841	37,675	8,016	1,637	2,584	1,865
July–Dec.	124,253	52,961	......	6,207	999	58,170	16,589	1,494	29,965	201	2,974	1,967	35,109	8,966	1,633	2,514	2,768
Month:																	
1973—Mar.	r15,878	r8,645	......	1,494	6,833	r3,307	5,208	342	4,771	186	63	r318	r5,338	1,244	278	489	r356
Apr.	25,860	8,648	......	9,124	6,185	11,587	5,915	258	4,297	1,316	444	302	6,359	1,318	262	330	348
May	16,584	8,813	......	1,444	6,433	3,825	1,219	296	6,662	253	2,156	308	9,380	1,446	280	466	264
June	28,537	9,168	......	3,735	597	12,306	8,983	188	4,548	145	95	293	5,081	1,386	273	335	360
July	18,121	8,487	......	681	354	8,814	1,552	202	4,608	......	382	346	5,336	1,538	276	398	409
Aug.	21,291	9,085	......	451	257	9,279	904	209	7,087	......	1,357	333	8,778	1,434	303	494	308
Sept.	25,007	7,940	......	3,903	135	11,707	5,477	230	4,812	177	103	317	5,409	1,436	238	373	597
Oct.	17,637	8,752	......	550	71	9,230	1,515	462	4,119	24	217	351	4,712	1,459	291	454	437
Nov.	20,209	9,811	......	261	66	10,006	939	287	5,578	......	825	321	6,724	1,563	301	462	501
Dec.	21,987	8,887	......	362	115	9,134	6,201	105	3,760	......	89	299	4,149	1,536	224	333	515
1974—Jan.	23,476	9,296	......	5,076	45	14,327	1,722	160	4,439	170	244	378	5,232	1,263	304	455	334
Feb.	20,226	9,505	3	945	1,851	8,601	1,066	248	7,080	214	761	346	8,400	1,315	239	423	429
Mar.	16,818	9,662	2	2,186	8,631	3,219	5,887	338	5,059	228	96	338	5,721	1,211	277	465	377

Period	Budget outlays: Total	National defense	Intl. affairs	Space research	Agriculture	Natural resources	Commerce and transp.	Com. mun. develop. and housing	Education and manpower	Health and welfare	Veterans	Interest	General govt.	General revenue sharing	Intragovt. transactions[5]
Fiscal year:															
1972	231,876	78,336	3,786	3,422	7,061	3,759	11,197	4,216	10,198	81,536	10,747	20,584	4,889	......	−7,858
1973	246,526	76,027	3,182	3,311	6,051	556	12,520	4,162	10,821	91,230	12,004	22,785	5,619	[7]6,636	−8,378
1974[6]	274,660	80,573	3,886	3,177	4,039	609	13,521	5,450	10,819	108,263	13,285	27,754	6,800	6,147	9,963
1975[6]	304,445	87,729	4,103	3,272	2,729	3,128	13,400	5,667	11,537	126,353	13,612	29,122	6,774	6,174	−10,717
Half year:															
1972 Jan.–June	120,319	42,583	2,034	1,645	1,062	1,807	5,167	2,035	5,843	43,405	5,744	10,534	2,497	......	−4,036
July–Dec.	118,578	35,229	1,639	1,676	4,616	330	6,199	2,637	5,133	43,212	5,740	10,619	2,869	2,617	4,039
1973 Jan.–June	127,940	40,677	1,542	1,635	1,435	227	6,320	1,525	5,688	48,018	6,264	12,181	2,749	4,019	−4,339
July–Dec.	130,360	37,331	1,617	1,501	3,472	763	7,387	3,215	4,772	48,978	6,518	13,440	3,088	3,032	−4,753
Month:															
1973—Mar.r	20,783	6,965	324	301	−77	309	1,074	271	786	7,579	1,064	2,097	424	......	331
Apr.	22,306	6,417	237	265	368	324	793	243	788	8,058	1,114	2,120	409	1,493	−324
May	20,157	6,401	136	255	−155	298	907	−148	1,066	8,124	1,017	2,165	466	3	−377
June	20,814	8,015	486	301	−126	118	1,434	309	1,336	8,234	866	2,004	452	......	−2,616
July	22,607	4,878	308	278	2,011	942	2,104	911	777	7,792	1,099	2,184	563	1,495	850
Aug.	22,139	6,772	327	262	440	573	1,090	779	954	7,935	1,054	2,159	466	3	−670
Sept.	20,736	6,095	205	246	−35	422	957	712	661	8,302	970	2,392	643	16	−849
Oct.	23,092	6,607	282	248	503	416	1,260	561	955	8,040	1,058	2,135	479	1,494	−850
Nov.	22,099	6,900	276	246	782	424	912	36	805	8,373	1,194	2,401	438	29	717
Dec.	19,686	6,079	219	221	−228	−130	1,064	316	619	8,534	1,143	2,169	498	......	−816
1974—Jan.	23,671	6,793	351	251	756	544	886	331	983	9,067	1,204	2,353	636	1,532	−929
Feb.	21,030	6,509	224	231	138	58	363	198	932	8,979	1,088	2,466	520	r1	677
Mar.	22,904	6,686	345	252	205	759	746	263	1,036	9,310	1,194	2,508	499	......	−898

1 Collections of these receipts, totaling $2.427 million for fiscal year 1973, were included as part of nonwithheld income taxes prior to Feb. 1974.

2 Old-age, disability, and hospital insurance, and Railroad Retirement accounts.

3 Supplementary medical insurance premiums and Federal employee retirement contributions.

4 Deposits of earnings by Federal Reserve Banks and other miscellaneous receipts.

5 Consists of Government contributions for employee retirement and of interest received by trust funds.

6 Estimates presented in the Jan, 1975 *Budget Document*. Breakdowns do not add to totals because special allowances for contingencies, Federal pay increase (excluding Department of Defense), and acceleration of energy research and development, totaling $300 million for fiscal 1974, and $1,561 million for fiscal 1975, are not included.

7 Contains retroactive payments of $2,617 million for fiscal 1972.

NOTE.—Half years may not add to fiscal year totals due to revisions in series that are not yet available on a monthly basis.

GROSS PUBLIC DEBT, BY TYPE OF SECURITY

(In billions of dollars)

End of period	Total gross public debt [1]	Public issues: Total	Marketable: Total	Marketable: Bills	Marketable: Certificates	Marketable: Notes	Marketable: Bonds [2]	Convertible bonds	Nonmarketable: Total [3]	Nonmarketable: Foreign issues [4]	Nonmarketable: Savings bonds & notes	Special issues [5]
1941—Dec.	57.9	50.5	41.6	2.0	....	6.0	33.6	....	8.9	....	6.1	7.0
1946—Dec.	259.1	233.1	176.6	17.0	30.0	10.1	119.5	....	56.5	....	49.8	24.6
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—Dec.	449.3	351.4	269.5	103.9	....	121.5	44.1	2.3	79.5	20.6	58.1	95.9
1973—Apr.	457.1	358.9	267.8	103.2	....	120.2	44.5	2.3	88.7	28.5	59.3	96.4
May	457.3	357.1	265.9	103.0	....	117.8	45.1	2.3	88.9	28.3	59.7	98.3
June	458.1	354.6	263.0	100.1	....	117.8	45.1	2.3	89.4	28.5	59.9	101.7
July	459.0	354.2	262.7	99.9	....	117.8	45.0	2.3	89.2	28.2	60.2	103.0
Aug.	461.8	353.8	262.4	101.8	....	118.7	42.0	2.3	89.1	27.9	60.3	106.1
Sept.	461.4	354.1	262.4	99.8	....	120.7	41.9	2.3	89.5	28.2	60.3	105.4
Oct.	462.5	355.5	264.0	101.6	....	120.7	41.8	2.3	89.2	27.8	60.5	105.1
Nov.	464.0	360.5	270.2	107.7	....	124.6	37.8	2.3	88.0	26.1	60.8	101.6
Dec.	469.9	360.7	270.2	107.8	....	124.6	37.8	2.3	88.2	26.0	60.8	107.1
1974—Jan.	468.2	360.1	270.1	107.8	....	124.6	37.7	2.3	87.7	25.3	61.0	106.2
Feb.	470.7	360.0	269.7	107.9	....	126.1	35.7	2.3	88.1	25.4	61.3	108.6
Mar.	474.5	364.2	273.6	111.9	....	126.1	35.6	2.3	88.3	25.2	61.6	108.5
Apr.	471.9	361.7	270.5	107.3	....	127.6	35.5	2.3	89.0	25.7	61.9	108.4

1 Includes non-interest-bearing debt (of which $618 million on Apr. 30, 1974, 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, and Rural Electrification Administration bonds; before 1954, Armed Forces leave bonds; before 1956, tax and savings notes; and before Oct. 1965, Series A investment bonds.
4 Nonmarketable certificates of indebtedness, notes, and bonds in the Treasury foreign series and foreign currency series issues.
5 Held only by U.S. Govt. agencies and trust funds and the Federal home loan banks.

NOTE.—Based on Daily Statement of U.S. Treasury. See also second paragraph in NOTE to table below.

OWNERSHIP OF PUBLIC DEBT

(Par value, in billions of dollars)

End of period	Total gross public debt	Held by—: U.S. Govt. agencies and trust funds	Held by—: F.R. Banks	Held by private investors: Total	Commercial banks	Mutual savings banks	Insurance companies	Other corporations	State and local govts.	Individuals: Savings bonds	Individuals: Other securities	Foreign and international [1]	Other misc. investors [2]
1939—Dec.	41.9	6.1	2.5	33.4	12.7	2.7	5.7	2.0	.4	1.9	7.5	.2	.3
1946—Dec.	259.1	27.4	23.4	208.3	74.5	11.8	24.9	15.3	6.3	44.2	20.0	2.1	9.3
1967—Dec.	344.7	73.1	49.1	222.4	63.8	4.2	9.0	12.2	24.1	51.2	22.3	15.8	19.9
1968—Dec.	358.0	76.6	52.9	228.5	66.0	3.8	8.4	14.2	24.9	51.9	23.3	14.3	21.9
1969—Dec.	368.2	89.0	57.2	222.0	56.8	3.1	7.6	10.4	27.2	51.8	29.0	11.2	25.0
1970—Dec.	389.2	97.1	62.1	229.9	62.7	3.1	7.4	7.3	27.8	52.1	29.1	20.6	19.9
1971—Dec.	424.1	106.0	70.2	247.9	65.3	3.1	7.0	11.4	25.4	54.4	18.8	46.9	15.6
1972—Dec.	449.3	116.9	69.9	262.5	67.7	3.4	6.6	9.8	28.9	57.7	16.2	55.3	17.0
1973—Apr.	457.1	117.9	75.5	263.7	60.5	3.4	6.3	10.0	29.2	58.9	16.6	61.7	17.2
May	457.3	120.1	74.1	263.1	58.9	3.3	6.3	10.8	28.6	59.2	16.5	61.1	18.4
June	458.1	123.4	75.0	259.7	58.8	3.3	6.3	9.8	28.8	59.5	16.4	60.2	16.6
July	459.0	125.0	77.1	256.9	56.5	3.1	6.4	10.3	28.4	59.7	17.0	59.7	15.8
Aug.	461.8	128.7	76.1	257.1	55.1	2.9	6.3	11.5	27.7	59.8	17.2	59.2	17.3
Sept.	461.4	127.8	76.2	257.4	55.4	2.9	6.3	9.2	29.0	59.8	17.3	58.5	18.9
Oct.	462.5	127.4	78.5	256.5	56.3	2.9	6.3	10.2	28.5	60.0	17.0	57.5	17.9
Nov.	464.0	127.1	77.1	259.8	58.5	2.9	6.2	11.1	28.9	60.3	16.9	56.2	18.9
Dec.	469.9	129.6	78.5	261.7	60.3	2.9	6.4	10.9	29.2	60.3	16.9	55.6	19.3
1974—Jan.	468.2	128.7	78.2	261.2	60.2	2.8	6.3	10.7	29.9	60.5	16.9	52.8	21.1
Feb.	470.7	131.3	78.2	261.1	58.2	2.8	6.0	10.9	30.7	60.8	17.0	53.6	21.2
Mar.	474.5	131.2	79.5	263.8	59.5	2.8	6.1	11.7	30.4	61.1	17.3	54.9	20.0

1 Consists of investments of foreign and international accounts in the United States.
2 Consists of savings and loan assns., nonprofit institutions, corporate pension trust funds, and dealers and brokers. Also included are certain Govt. deposit accounts and Govt.-sponsored agencies.

NOTE.—Reported data for F.R. Banks and U.S. Govt. agencies and trust funds; Treasury estimates for other groups.

The debt and ownership concepts were altered beginning with the Mar. 1969 BULLETIN. The new concepts (1) exclude guaranteed securities and (2) remove from U.S. Govt. agencies and trust funds and add to other miscellaneous investors the holdings of certain Govt.-sponsored but privately owned agencies and certain Govt. deposit accounts.

OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value, in millions of dollars)

Type of holder and date	Total	Within 1 year			1–5 years	5–10 years	10–20 years	Over 20 years
		Total	Bills	Other				
All holders:								
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—Dec. 31	270,224	141,571	107,786	33,785	81,715	25,134	15,659	6,145
1974—Feb. 28	269,650	141,444	107,850	33,594	79,045	26,968	16,128	6,063
Mar. 31	273,596	145,453	111,859	33,594	79,045	26,965	16,092	6,040
U.S. Govt. agencies and trust funds:								
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—Dec. 31	20,962	2,220	631	1,589	7,714	4,389	5,019	1,620
1974—Feb. 28	21,234	2,391	694	1,697	7,355	4,603	5,264	1,620
Mar. 31	21,272	2,416	744	1,672	7,379	4,573	5,284	1,620
Federal Reserve Banks:								
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—Dec. 31	78,516	46,189	36,928	9,261	23,062	7,504	1,577	184
1974—Feb. 28	78,237	46,425	36,467	9,958	22,236	7,780	1,612	184
Mar. 31	79,483	47,032	38,938	10,094	22,618	7,987	1,648	198
Held by private investors:								
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—Dec. 31	170,746	93,162	70,227	22,935	50,939	13,241	9,063	4,341
1974—Feb. 28	170,179	92,628	70,689	21,939	49,454	14,585	9,252	4,259
Mar. 31	172,841	96,005	74,177	21,828	49,048	14,405	9,160	4,222
Commercial banks:								
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—Dec. 31	45,737	17,499	7,901	9,598	22,878	4,022	1,065	272
1974—Feb. 28	45,369	16,441	7,336	9,105	22,450	5,142	1,070	265
Mar. 31	45,524	16,726	7,763	8,963	22,381	5,106	1,023	290
Mutual savings banks:								
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—Dec. 31	1,955	562	222	340	750	211	300	131
1974—Feb. 28	1,834	493	221	272	704	228	291	117
Mar. 31	1,855	509	240	269	710	230	254	151
Insurance companies:								
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—Dec. 31	4,956	779	312	467	1,073	1,278	1,301	523
1974—Feb. 28	4,858	710	298	412	1,068	1,269	1,276	510
Mar. 31	4,959	815	413	402	1,066	1,297	1,278	501
Nonfinancial corporations:								
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—Dec. 31	4,905	3,295	1,695	1,600	1,281	260	54	15
1974—Feb. 28	4,765	2,877	1,632	1,245	1,386	351	136	15
Mar. 31	5,513	3,561	2,129	1,432	1,528	356	53	14
Savings and loan associations:								
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—Dec. 31	2,103	576	121	455	1,011	320	151	45
1974—Feb. 28	2,116	580	159	421	978	338	169	50
Mar. 31	2,184	603	194	409	968	372	191	50
State and local governments:								
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—Dec. 31	9,829	5,845	4,483	1,362	1,870	778	1,003	332
1974—Feb. 28	10,834	7,035	5,604	1,431	1,834	805	836	325
Mar. 31	10,723	7,026	5,677	1,349	1,724	737	913	323
All others:								
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—Dec. 31	101,261	64,606	55,493	9,113	22,076	6,372	5,189	3,023
1974—Feb. 28	100,403	64,492	55,439	9,053	21,034	6,425	5,474	2,977
Mar. 31	102,083	66,765	57,761	9,004	20,671	6,307	5,448	2,893

NOTE.—Direct public issues only. Based on Treasury Survey of Ownership.

Data complete for U.S. Govt. agencies and trust funds and F.R. Banks, but data for other groups include only holdings of those institutions that report. The following figures show, for each category, the number and proportion reporting: (1) 5,598 commercial banks, 479 mutual savings banks, and 737 insurance companies combined, each about 90 per cent; (2) 465 nonfinancial corporations and 486 savings and loan assns., each about 50 per cent; and (3) 505 State and local govts., about 40 per cent.

"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	U.S. Govt. securities dealers	U.S. Govt. securities brokers	Commercial banks	All other[1]	
1973—Mar.	3,077	2,311	508	201	57	713	585	987	792	664
Apr.	3,185	2,535	440	165	46	709	636	1,075	766	714
May	3,187	2,390	322	323	153	661	543	1,057	927	687
June	2,969	2,335	289	228	118	593	622	975	778	732
July	2,993	2,330	367	226	72	581	632	982	798	700
Aug.	3,366	2,403	706	172	85	566	874	1,044	881	771
Sept.	3,884	3,021	644	158	61	583	1,182	1,142	977	1,048
Oct.	3,384	2,798	374	163	48	568	954	1,073	789	810
Nov.	4,022	3,001	485	447	89	655	1,188	1,173	1,007	810
Dec.	3,889	3,167	348	317	58	675	1,051	1,123	1,040	869
1974—Jan.	3,659	3,074	325	215	45	706	889	1,103	962	695
Feb.	4,229	3,192	402	561	74	795	1,058	1,299	1,077	1,019
Mar.	3,697	2,814	450	369	64	744	892	1,071	991	733
Week ending—										
1974—Mar. 6	3,125	2,339	358	354	74	667	755	894	810	810
13	3,673	2,813	437	349	73	713	1,004	1,080	876	673
20	3,520	2,741	363	367	49	735	822	969	995	542
27	3,910	2,978	445	426	60	748	884	1,238	1,039	1,011
Apr. 3	3,929	2,921	736	228	44	723	972	1,069	1,165	512
10	3,609	2,762	590	195	61	638	1,058	1,000	913	870
17	3,839	3,145	415	248	32	774	1,056	1,126	882	742
24	3,067	2,644	240	135	48	557	588	938	983	772

1 Since Jan. 1972 has included transactions of dealers and brokers in securities other than U.S. Govt.

NOTE.—The transactions data combine market purchases and sales of U.S. Govt. securities dealers reporting to the F.R. Bank of New York. They do not include allotments of, and exchanges for, new U.S. Govt. securities, redemptions of called or matured securities, or purchases or sales of securities under repurchase agreement, reverse repurchase (resale), or similar contracts. Averages of daily figures based on the number of trading days in the period.

DAILY-AVERAGE DEALER POSITIONS

(Par value, in millions of dollars)

Period	U.S. Government securities, by maturity					U.S. Govt. agency securities
	All maturities	Within 1 year	1–5 years	5–10 years	Over 10 years	
1973—Mar.	2,702	3,130	−274	−143	−11	180
Apr.	2,795	3,105	−159	−143	−9	274
May	2,626	2,596	−324	179	175	356
June	2,976	2,818	−165	91	232	744
July	1,901	2,062	−250	−43	131	511
Aug.	1,788	1,977	−94	−107	12	273
Sept.	3,201	2,958	316	−111	38	799
Oct.	3,073	2,858	93	56	67	904
Nov.	3,618	3,034	95	350	139	1,185
Dec.	4,441	3,697	223	396	124	1,400
1974—Jan.	3,653	3,210	51	262	130	1,324
Feb.	4,081	2,707	537	647	190	1,435
Mar.	2,587	2,149	50	287	102	1,045
Week ending—						
1974—Feb. 6	3,667	3,024	126	414	102	1,359
13	5,005	3,179	818	797	212	1,462
20	4,055	2,388	672	779	216	1,523
27	3,631	2,271	530	612	217	1,416
Mar. 6	3,591	2,622	323	459	187	1,222
13	3,336	2,695	133	376	133	1,229
20	2,037	1,670	2	284	81	1,118
27	1,703	1,650	−138	142	48	783

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		
1973—Mar.	2,799	903	292	281	1,323
Apr.	3,032	935	513	311	1,273
May	2,667	674	452	252	1,291
June	3,769	1,242	690	431	1,406
July	2,826	725	544	510	1,047
Aug.	2,318	829	327	386	777
Sept.	4,244	1,620	877	441	1,306
Oct.	3,721	1,253	918	328	1,223
Nov.	4,469	1,809	900	570	1,190
Dec.	5,468	2,322	1,147	671	1,329
1974—Jan.	4,802	1,747	1,253	658	1,143
Feb.	4,837	1,545	1,501	533	1,257
Mar.	3,817	1,196	952	485	1,185
Week ending—					
1974—Feb. 6	4,577	1,698	1,482	413	985
13	5,121	1,839	1,567	422	1,293
20	5,301	1,627	1,499	635	1,541
27	4,922	1,674	1,496	635	1,117
Mar. 6	4,640	1,607	1,154	652	1,226
13	4,821	1,589	1,144	662	1,426
20	3,559	1,187	904	455	1,013
27	2,733	690	737	306	999

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, APRIL 30, 1974

(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**	
May 2, 1974	4,308	Sept. 26, 1974	1,801	Sept. 30, 1975.....8⅛	2,042	May 15, 1974.....4¼	2,847
May 7, 1974	1,800	Oct. 3, 1974	1,810	Oct. 1, 1975.....1½	30	Nov. 15, 1974.....3⅞	1,213
May 9, 1974	4,306	Oct. 10, 1974	1,802	Nov. 15, 1975.....7	3,115	May 15, 1975–85..4¼	1,201
May 16, 1974	4,303	Oct. 17, 1974	1,804	Dec. 31, 1975.....7	1,731	June 15, 1978–83..3¼	1,474
May 23, 1974	4,303	Oct. 22, 1974	1,802	Feb. 15, 1976.....6¼	3,739	Feb. 15, 1980.....4	2,573
May 30, 1974	4,301	Oct. 24, 1974	1,802	Feb. 15, 1976.....5⅞	4,945	Nov. 15, 1980.....3½	1,896
June 4, 1974	1,801	Nov. 19, 1974	1,801	Mar. 31, 1976.....8	1,532	Aug. 15, 1981.....7	807
June 6, 1974	4,301	Dec. 17, 1974	1,803	Apr. 1, 1976.....1½	27	Feb. 15, 1982.....6⅜	2,702
June 13, 1974	4,303	Jan. 14 1975	1,802	May 15, 1976.....5¾	2,802	Aug. 15, 1984.....6⅜	2,353
June 20, 1974	4,300	Feb. 11, 1975	1,802	May 15, 1976.....6½	2,697	May 15, 1985.....3¼	936
June 21, 1974†	4,523	Mar. 11, 1975	1,801	Aug. 15, 1976.....7½	4,194	Nov. 15, 1986.....6⅛	1,216
June 27, 1974	4,303	Apr. 8, 1975	1,801	Aug. 15, 1976.....6½	3,883	Aug. 15, 1987–92..4¼	3,665
July 2, 1974	1,802			Oct. 1, 1976.....1½	11	Feb. 15, 1988–93..4	227
July 5, 1974	4,304			Nov. 15, 1976.....6¼	4,325	May 15, 1989–94..4⅛	1,446
July 11, 1974	4,311			Feb. 15, 1977.....8	5,163	Feb. 15, 1990.....3½	3,898
July 18, 1974	4,314	**Treasury notes**		Apr. 1, 1977.....1½	5	Feb. 15, 1993.....6¾	627
July 25, 1974	4,299	May 15, 1974.....7¼	4,334	May 15, 1977.....6⅞	2,565	Aug. 15, 1993.....7½	1,914
July 30, 1974	1,804	Aug. 15, 1974.....5⅝	10,284	Aug. 15, 1977.....7¾	4,918	Feb. 15, 1995.....3	813
Aug. 1, 1974	1,803	Sept. 30, 1974.....6	2,060	Oct. 1, 1977.....1½	17	May 15, 1993–98..7	692
Aug. 8, 1974	1,802	Oct. 1, 1974.....1½	42	Feb. 15, 1978.....6¼	8,389	Nov. 15, 1998.....3½	3,030
Aug. 15, 1974	1,799	Nov. 15, 1974.....5¾	5,442	Apr. 1, 1978.....1½	15		
Aug. 22, 1974	1,797	Dec. 31, 1974.....5⅞	2,102	Oct. 1, 1978.....1½	3		
Aug. 27, 1974	1,805	Feb. 15, 1975.....5¾	4,015	Nov. 15, 1978.....6	8,207		
Aug. 29, 1974	1,802	Feb. 15, 1975.....5⅞	1,222	Aug. 15, 1979.....6¼	4,559	**Convertible bonds**	
Sept. 5, 1974	1,805	Apr. 1, 1975.....1½	8	Nov. 15, 1979.....6⅝	1,604	**Investment Series B**	
Sept. 12, 1974	1,802	May 15, 1975.....5⅞	1,776	Nov. 15, 1979.....7	2,241	Apr. 1, 1975–80..2¾	2,272
Sept. 19, 1974	1,801	May 15, 1975.....6	6,760	May 15, 1980.....6⅞	7,265		
Sept. 24, 1974	1,802	Aug. 15, 1975.....5⅞	7,679	Feb. 15, 1981.....7	1,842		

† 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 amount delivered[3]	Issues for new capital						
	Total	Type of issue				Type of issuer				Total	Use of proceeds					
		General obligations	Revenue	HAA[1]	U.S. Govt. loans	State	Special district and stat. auth.	Other[2]			Education	Roads and bridges	Utilities[4]	Housing[5]	Veterans' aid	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	23,652	13,305	9,332	959	57	4,991	9,496	9,165	....	22,073	4,981	1,689	4,638	1,910	......	6,741
1973	23,970	12,257	10,632	1,022	58	4,212	9,507	10,249	....	22,408	4,311	1,458	5,654	2,639	......	8,335
1973r—Mar.	2,467	1,228	930	303	6	613	918	936	....	2,210	374	153	501	347	......	833
Apr.	1,826	870	947	....	9	159	731	934	....	1,757	306	12	452	88	......	898
May	1,939	825	1,106	....	8	291	945	703	....	1,775	299	233	430	224	......	588
June	2,152	1,025	861	261	5	189	1,082	881	....	2,144	542	102	643	334	......	523
July	2,028	1,458	564	....	6	516	363	1,149	....	2,001	391	231	366	3	......	1,009
Aug.	1,657	1,067	588	....	2	529	498	630	....	1,602	311	30	352	290	......	618
Sept.	1,750	721	741	285	2	236	828	675	....	1,653	327	66	579	384	......	298
Oct.	2,313	1,344	964	....	6	337	842	1,135	....	2,163	299	142	412	251	......	1,060
Nov.	2,257	866	1,383	....	9	243	1,247	766	....	1,929	356	42	596	247	......	687
Dec.	2,089	919	919	173	1	450	1,022	616	....	1,954	372	165	487	344	......	582
1974—Jan.	2,198	1,402	794	....	2	208	823	1,163	....	2,130	595	36	373	56	......	1,070
Feb.	1,934	1,155	778	....	1	473	523	938	....	1,869	449	53	612	39	......	717
Mar.	1,979	1,160	590	227	3	346	776	856	....	1,868	359	258	349	241	......	660

[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.—Security Industries Assn. data; par amounts of long-term issues based on date of sale unless otherwise indicated.
Components may not add to totals due to rounding.

TOTAL NEW ISSUES

(In millions of dollars)

Period	Gross proceeds, all issues[1]										
	Total	Noncorporate				Corporate					
		U.S. Govt.[2]	U.S. Govt. agency[3]	State and local (U.S.)[4]	Other[5]	Total	Bonds			Stock	
							Total	Publicly offered	Privately placed	Preferred	Common
1964	37,122	10,656	1,205	10,544	760	13,957	10,865	3,623	7,243	412	2,679
1965	40,108	9,348	2,731	11,148	889	15,992	13,720	5,570	8,150	725	1,547
1966	45,015	8,231	6,806	11,089	815	18,074	15,561	8,018	7,542	574	1,939
1967	68,514	19,431	8,180	14,288	1,817	24,798	21,954	14,990	6,964	885	1,959
1968	65,562	18,025	7,666	16,374	1,531	21,966	17,383	10,732	6,651	637	3,946
1969	52,496	4,765	8,617	11,460	961	26,744	18,347	12,734	5,613	682	7,714
1970	88,666	14,831	16,181	17,762	949	38,945	30,315	25,384	4,931	1,390	7,240
1971	105,233	17,325	16,283	24,370	2,165	45,090	32,123	24,775	7,354	3,670	9,291
1972	96,522	17,080	12,825	23,070	1,589	41,957	28,896	19,434	9,462	3,367	9,694
1973—Feb.	7,325	1,603	2,261	1,445	53	1,962	957	641	316	172	832
Mar.	9,029	606	1,826	2,304	359	3,933	2,116	1,315	802	833	984
Apr.	6,567	564	1,640	1,688	178	2,497	1,739	938	801	200	558
May	11,225	3,353	3,442	1,870	17	2,543	1,721	1,049	672	187	635
June	7,943	559	1,706	2,046	53	3,578	2,757	1,358	1,398	216	606
July	7,643	490	2,471	1,992	48	2,631	1,870	857	1,013	226	536
Aug.	8,019	3,097	1,600	1,414	22	1,806	1,382	792	590	94	330
Sept.	8,091	2,432	2,100	1,630	15	1,915	1,366	684	682	119	430
Oct.	8,924	485	2,612	2,232	196	3,398	2,358	1,805	553	355	685
Nov.	12,553	4,521	2,200	2,224	45	3,563	2,257	1,669	589	637	668
Dec.	6,635	148	1,032	1,966	251	3,238	2,469	1,552	917	196	573
1974—Jan.[6]	....	....	....	....	....	3,370	2,934	2,115	819	152	284
Feb.	....	....	....	....	....	2,639	2,052	1,684	369	268	318

Period	Gross proceeds, major groups of corporate issuers											
	Manufacturing		Commercial and miscellaneous		Transportation		Public utility		Communication		Real estate and financial	
	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks	Bonds	Stocks
1964	2,819	228	902	220	944	38	2,139	620	669	1,520	3,391	466
1965	4,712	704	1,153	251	953	60	2,332	604	808	139	3,762	514
1966	5,861	1,208	1,166	257	1,856	116	3,117	549	1,814	189	1,747	193
1967	9,894	1,164	1,950	117	1,859	466	4,217	718	1,786	193	2,247	186
1968	5,668	1,311	1,759	116	1,665	1,579	4,407	873	1,724	43	2,159	662
1969	4,448	1,904	1,888	3,022	1,899	247	5,409	1,326	1,963	225	2,739	1,671
1970	9,192	1,320	1,963	2,540	2,213	47	8,016	3,001	5,053	83	3,878	1,638
1971	9,426	2,152	2,272	2,390	1,998	420	7,605	4,195	4,227	1,592	6,601	2,212
1972	4,821	1,809	2,645	2,882	2,862	185	6,392	4,965	3,692	1,125	8,485	2,095
1973—Feb.	178	35	118	111	96	4	319	277	58	117	290	461
Mar.	772	125	177	327	317	6	1,076	1,351	548	668	1,462	1,397
Apr.	772	22	237	139	91	1	150	369	258	....	743	228
May	387	12	30	143	236	8	361	410	355	19	351	231
June	703	25	133	89	183	....	1,099	497	303	29	337	181
July	364	169	139	112	250	1	651	269	244	60	223	151
Aug.	230	49	149	129	83	15	419	90	320	5	182	136
Sept.	270	78	149	96	140	2	334	252	228	16	244	106
Oct.	472	52	63	147	114	....	342	608	633	46	734	193
Nov.	383	93	61	92	241	4	584	496	296	499	692	122
Dec.	485	18	145	285	226	6	569	319	350	27	693	115
1974—Jan.	854	29	132	125	136	....	1,192	249	141	4	478	30
Feb.	337	36	47	143	5	1	536	293	372	25	756	87

[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.
[6] Beginning Jan. 1974 noncorporate figures are no longer published by the SEC.

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
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
1972	42,306	10,224	32,082	27,065	8,003	19,062	15,242	2,222	13,018
1973p	35,058	11,804	23,252	21,501	8,810	12,691	13,554	2,993	10,561
1972—IV	10,944	2,932	8,012	6,998	2,207	4,790	3,946	725	3,220
1973—I	8,219	2,806	5,412	4,198	1,781	2,417	4,020	1,025	2,995
II	9,418	2,470	6,947	5,769	1,664	4,106	3,648	806	2,842
III	6,638	2,150	4,488	4,521	1,579	2,941	2,118	571	1,547
IV	10,783	4,378	6,405	7,013	3,786	3,227	3,768	591	3,177

Period	Type of issues											
	Manufacturing		Commercial and other[2]		Transportation[3]		Public utility		Communication		Real estate and financial[1]	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
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
1972	1,995	2,094	1,409	2,471	711	254	5,137	4,844	3,343	1,260	7,045	2,096
1973	801	658	109	1,411	1,044	-93	4,265	4,509	3,165	1,389	3,522	3,141
1972—IV	116	290	575	479	179	47	1,056	1,735	944	89	1,920	580
1973—I	135	63	-174	377	127	-43	844	1,170	520	185	965	1,244
II	632	-2	119	327	327	7	1,136	1,276	842	562	1,049	673
III	165	450	108	247	414	-44	1,217	557	752	77	284	260
IV	-131	147	-162	460	176	13	1,068	1,506	1,051	575	1,224	964

[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]	Redemptions	Net sales	Total[2]	Cash position[3]	Other
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
1972	4,892	6,563	-1,671	59,831	3,035	56,796
1973	4,358	5,651	1,261	46,518	4,002	42,516

Month	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales[1]	Redemptions	Net sales	Total[2]	Cash position[3]	Other
1973—Mar.	519	531	-12	53,377	3,774	49,603
Apr.	300	452	-120	50,837	3,837	46,464
May	285	446	161	48,588	4,154	44,434
June	303	349	46	48,127	4,164	43,963
July	364	357	-7	50,933	4,594	46,339
Aug.	239	432	-193	49,553	4,567	44,986
Sept.	330	395	-65	52,322	4,641	47,681
Oct.	305	559	-254	51,952	4,168	47,784
Nov.	502	542	40	45,814	4,126	41,688
Dec.	349	392	43	46,518	4,002	42,516
1974—Jan.	334	325	9	47,094	4,226	42,863
Feb.	215	303	-88	45,958	4,447	41,511
Mar.	297	346	49	44,423	4,406	40,017

[1] Includes contractual and regular single-purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment income dividends; excludes reinvestment of realized capital gains dividends.
[2] Market value at end of period less current liabilities.
[3] Cash and deposits, receivables, all U.S. Govt. securities, and other short-term debt securities, less current liabilities.

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

CORPORATE PROFITS, TAXES, AND DIVIDENDS

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances[1]
1966	84.2	34.3	49.9	20.8	29.1	39.5
1967	79.8	33.2	46.6	21.4	25.3	43.0
1968	87.6	39.9	47.8	23.6	24.2	46.8
1969	84.9	40.1	44.8	24.3	20.5	51.9
1970	74.0	34.8	39.3	24.7	14.6	56.0
1971	85.1	37.4	47.6	25.1	22.5	60.4
1972	98.0	42.7	55.4	26.0	29.3	65.9
1973	126.3	55.8	70.4	27.8	42.6	71.4

Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances[1]
1972—I	92.8	40.6	52.2	25.7	26.5	63.4
II	94.8	41.4	53.4	25.9	27.5	66.2
III	98.4	42.9	55.6	26.2	29.4	66.0
IV	106.1	45.9	60.3	26.4	33.9	68.0
1973—I	119.6	52.7	66.9	26.9	40.0	69.3
II	128.9	57.4	71.6	27.3	44.2	70.5
III	129.0	57.6	71.5	28.1	43.4	71.7
IV	127.4	55.7	71.6	29.0	42.6	74.2

[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

(In billions of dollars)

End of period	Net working capital	Current assets							Current liabilities				
		Total	Cash	U.S. Govt. securities	Notes and accts. receivable		Inventories	Other	Total	Notes and accts. payable		Accrued Federal income taxes	Other
					U.S. Govt.[1]	Other				U.S. Govt.[1]	Other		
1969	185.7	473.6	47.9	10.6	4.8	192.2	186.4	31.6	287.9	7.3	192.0	12.6	76.0
1970r	187.4	492.3	50.2	7.7	4.2	201.9	193.3	35.0	304.9	6.6	204.7	10.0	83.6
1971r—I	192.0	496.1	49.0	8.0	4.2	202.6	195.8	36.5	304.1	6.1	200.0	11.5	86.5
II	196.4	500.3	51.6	7.9	3.9	204.6	196.4	35.8	303.9	5.3	200.1	10.5	88.2
III	200.9	509.3	52.9	8.0	3.9	207.9	198.8	37.7	308.4	5.0	201.7	11.6	90.1
IV	204.9	518.8	55.7	10.7	3.5	208.8	200.3	39.7	313.9	4.9	207.3	12.2	89.5
1972r—I	209.8	528.1	55.6	10.2	3.4	212.8	204.3	41.8	318.3	4.9	207.0	13.3	93.2
II	215.0	536.5	56.0	8.9	2.8	217.8	207.7	43.1	321.5	4.9	208.5	11.4	96.7
III	219.2	547.5	57.7	7.8	2.9	224.1	212.2	42.8	328.3	4.7	212.1	12.7	98.8
IV	224.3	563.1	60.5	9.9	3.4	230.5	215.1	43.6	338.8	4.0	221.6	14.1	99.1
1973r—I	231.8	579.2	61.2	10.8	3.2	235.7	222.8	45.5	347.4	4.1	222.8	15.7	104.7
II	237.7	596.8	62.3	9.6	2.9	245.6	230.3	46.0	359.1	4.5	232.5	13.9	108.1
III	241.9	613.6	62.2	9.5	3.0	254.2	238.2	46.6	371.7	4.4	240.8	15.3	111.2
IV	245.3	631.4	65.2	10.7	3.5	255.8	247.0	49.3	386.1	4.3	252.0	16.6	113.3

[1] Receivables from, and payables to, the U.S. Govt. exclude amounts offset against each other on corporations' books.

NOTE: Based on Securities and Exchange Commission estimates.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing		Mining	Transportation			Public utilities		Communications	Other[1]	Total (S.A. A.R.)
		Durable	Nondurable		Railroad	Air	Other	Electric	Gas and other			
1969	75.56	15.96	15.72	1.86	1.86	2.51	1.68	8.94	2.67	8.30	16.05	....
1970	79.71	15.80	16.15	1.89	1.78	3.03	1.23	10.65	2.49	10.10	16.59	....
1971	81.21	14.15	15.84	2.16	1.67	1.88	1.38	12.86	2.44	10.77	18.05	....
1972	88.44	15.64	15.72	2.45	1.80	2.46	1.46	14.48	2.52	11.89	20.07	....
1973	99.74	19.25	18.76	2.74	1.96	2.41	1.66	15.91	2.76	12.85	21.40	....
1971—IV	22.79	4.12	4.32	.59	.45	.56	.37	3.60	.69	2.84	5.26	83.18
1972—I	19.38	3.29	3.32	.58	.48	.50	.32	3.19	.44	2.72	4.55	86.79
II	22.01	3.71	3.92	.61	.48	.73	.39	3.61	.62	2.95	4.98	87.12
III	21.86	3.86	3.87	.59	.38	.61	.35	3.67	.72	2.84	4.97	87.67
IV	25.20	4.77	4.61	.63	.47	.63	.40	4.01	.73	3.39	5.57	91.94
1973—I	21.50	3.92	3.88	.63	.46	.52	.32	3.45	.50	2.87	4.94	96.19
II	24.73	4.65	4.51	.71	.46	.72	.43	3.91	.68	3.27	5.40	97.76
III	25.04	4.84	4.78	.69	.48	.57	.44	4.04	.77	3.19	5.24	100.90
IV	28.48	5.84	5.59	.71	.56	.60	.47	4.54	.82	3.53	5.83	103.74
1974—I[2]	23.92	4.85	4.54	.75	.50	.48	.39	3.99	.53	7.90		107.18
II[2]	27.83	5.54	5.60	.80	.60	.65	.41	4.48	.91	8.83		109.96

[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: All holders	All properties: Financial institutions[1]	All properties: Other holders[2]: U.S. agencies	All properties: Other holders[2]: Individuals and others	Farm: All holders	Farm: Financial institutions[1]	Farm: Other holders[3]	Nonfarm: All holders	Nonfarm: 1- to 4-family houses[4]: Total	Nonfarm: 1- to 4-family houses[4]: Finan. institutions[1]	Nonfarm: 1- to 4-family houses[4]: Other holders	Nonfarm: Multifamily and commercial properties[5]: Total	Nonfarm: Multifamily and commercial properties[5]: Finan. institutions[1]	Nonfarm: Multifamily and commercial properties[5]: Other holders	Nonfarm: Mortgage type[6]: FHA-VA-underwritten	Nonfarm: Mortgage type[6]: Conventional
1964	300.1	241.0	11.4	47.7	18.9	7.0	11.9	281.2	197.6	170.3	27.3	83.6	63.7	19.9	77.2	204.0
1965	325.8	264.6	12.4	48.7	21.2	7.8	13.4	304.6	212.9	184.3	28.7	91.6	72.5	19.1	81.2	223.4
1966	347.4	280.8	15.8	50.9	23.3	8.4	14.9	324.1	223.6	192.1	31.5	100.5	80.2	20.3	84.1	240.0
1967	370.2	298.8	18.4	53.0	25.5	9.1	16.3	344.8	236.1	201.8	34.2	108.7	87.9	20.9	88.2	256.6
1968	397.5	319.9	21.7	55.8	27.5	9.7	17.8	370.0	251.2	213.1	38.1	118.7	97.1	21.6	93.4	276.6
1969	425.3	339.1	26.8	59.4	29.5	9.9	19.6	395.9	266.8	223.7	43.2	129.0	105.5	23.5	100.2	295.7
1970	451.7	355.9	33.0	62.8	31.2	10.1	21.1	420.5	280.2	231.3	48.9	140.3	114.5	25.8	109.2	311.3
1971	499.9	394.4	39.4	66.2	32.9	9.9	23.0	467.0	307.8	254.2	53.7	159.2	130.3	28.9	120.7	346.3
1972	565.4	450.6	45.8	69.0	35.4	10.5	24.9	530.0	346.1	288.7	57.4	183.9	151.3	32.6	131.1	398.9
1971—III	485.6	383.5	37.4	64.6	32.4	9.8	22.6	453.2	299.7	248.0	51.7	153.5	125.8	27.7	117.5	335.7
IV	499.9	394.4	39.4	66.2	32.9	9.9	23.0	467.0	307.8	254.2	53.7	159.2	130.3	28.9	120.7	346.3
1972—I	511.7	404.2	41.2	66.4	33.5	9.9	23.6	478.2	314.1	259.6	54.5	164.1	134.6	29.4	123.7	354.5
II	529.1	418.9	42.7	67.5	34.4	10.2	24.2	494.8	324.6	268.8	55.8	170.2	140.0	30.3	126.6	368.2
III	547.3	434.6	44.3	68.3	35.0	10.3	24.7	512.3	335.8	279.2	56.6	176.5	145.1	31.3	129.0	383.3
IV	565.4	450.6	45.8	69.0	35.4	10.5	24.9	530.0	346.1	288.7	57.4	183.9	151.3	32.6	131.1	398.9
1973—I	580.1	463.3	47.3	69.5	36.5	10.7	25.8	543.6	353.9	296.3	57.6	189.7	156.4	33.4	132.5	411.1
II	600.4	480.5	49.0	71.0	37.7	11.0	26.7	562.7	365.7	306.9	58.8	197.0	162.5	34.5	133.6	429.1
III p	619.9	494.9	53.0	71.9	38.7	11.4	27.3	581.2	376.6	315.0	61.6	204.5	168.5	36.0	....	....

[1] Commercial banks (including nondeposit trust companies but not trust depts.), mutual savings banks, life insurance companies, and savings and loan assns.

[2] U.S. agencies include former Federal National Mortgage Assoc. and, beginning fourth quarter 1968, new Government National Mortgage Assoc. as well as Federal Housing Admin., Veterans Admin., Public Housing Admin., Farmers Home Admin. They also include U.S. sponsored agencies—new FNMA, Federal land banks, GNMA (Pools), and the Federal Home Loan Mortgage Corp. Other U.S. agencies (amounts small or separate data not readily available) included with "individuals and others."

[3] Derived figures; includes debt held by Federal land banks and farm debt held by Farmers Home Admin.

[4] For multifamily and total residential properties, see tables below.

[5] Derived figures; includes small amounts of farm loans held by savings and loan assns.

[6] Data by type of mortgage on nonfarm 1- to 4-family properties alone are shown in table below.

NOTE.—Based on data from Federal Deposit Insurance Corp., Federal Home Loan Bank Board, Institute of Life Insurance, Depts. of Agriculture and Commerce, FNMA, FHA, PHA, VA, GNMA, FHLMC, and Comptroller of the Currency.

Figures for first three quarters of each year are F.R. estimates.

MORTGAGE DEBT OUTSTANDING ON RESIDENTIAL PROPERTIES

(In billions of dollars)

End of period	All residential: Total	All residential: Financial institutions	All residential: Other holders	Multifamily[1]: Total	Multifamily[1]: Financial institutions	Multifamily[1]: Other holders
1964	231.1	195.4	35.7	33.6	25.1	8.5
1965	250.1	213.2	36.9	37.2	29.0	8.2
1966	264.0	223.7	40.3	40.3	31.5	8.8
1967	280.0	236.6	43.4	43.9	34.7	9.2
1968	298.6	250.8	47.8	47.3	37.7	9.7
1969	319.0	265.0	54.0	52.2	41.3	10.8
1970	338.2	277.1	61.1	58.0	45.8	12.2
1971	374.7	306.1	68.5	66.8	52.0	14.9
1972	422.5	347.9	74.6	76.4	59.1	17.3
1971—III	364.0	298.4	65.6	64.3	50.4	13.9
IV	374.7	306.1	68.5	66.8	52.0	14.9
1972—I	382.9	312.9	70.0	68.8	53.3	15.4
II	395.8	324.1	71.7	71.3	55.3	16.0
III	409.3	336.1	73.2	73.5	56.9	16.6
IV	422.5	347.9	74.6	76.4	59.1	17.3
1973—I	432.8	357.4	75.5	79.0	61.1	17.9
II	447.9	370.4	77.5	82.2	63.5	18.7
III p	461.6	380.0	81.6	85.0	65.0	20.0

[1] Structures of five or more units.

NOTE.—Based on data from same source as for "Mortgage Debt Outstanding" table above.

MORTGAGE DEBT OUTSTANDING ON NONFARM 1- to 4-FAMILY PROPERTIES

(In billions of dollars)

End of period	Total	Government-underwritten: Total	Government-underwritten: FHA-insured	Government-underwritten: VA-guaranteed[1]	Conventional
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	97.3	59.9	37.3	182.9
1971	307.8	105.2	65.7	39.5	202.6
1972	346.1	113.0	68.2	44.7	233.1
1971—III	299.7	102.9	64.4	38.5	196.8
IV	307.8	105.2	65.7	39.5	202.6
1972—I	314.1	107.5	66.8	40.7	206.6
II	324.6	109.6	67.6	42.0	215.0
III	335.8	111.5	68.4	43.1	224.3
IV	346.1	113.0	68.2	44.7	233.1
1973—I	353.9	113.7	67.9	45.8	204.2
II	365.7	114.7	67.5	47.2	251.0
III p	376.6	....	....	....	....

[1] Includes outstanding amount of VA vendee accounts held by private investors under repurchase agreement.

NOTE.—For total debt outstanding, figures are FHLBB and F.R. estimates. For conventional, figures are derived.

Based on data from FHLBB, Federal Housing Admin., and Veterans Admin.

MORTGAGE LOANS HELD BY BANKS

(In millions of dollars)

End of period	Commercial bank holdings [1]							Mutual savings bank holdings						
	Total	Residential				Other nonfarm	Farm	Total	Residential				Other nonfarm	Farm
		Total	FHA-insured	VA-guaranteed	Conventional				Total	FHA-insured	VA-guaranteed	Conventional		
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	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	82,515	52,004	8,310	3,980	40,714	26,306	4,205	61,978	53,027	16,141	12,074	24,812	8,901	50
1972	99,314	62,782	8,495	3,203	51,084	31,751	4,781	67,556	57,140	16,013	12,622	28,505	10,354	62
1972—I	85,614	53,937	8,360	2,999	42,578	27,353	4,324	62,978	53,733	16,184	12,144	25,405	9,195	50
II	90,114	56,782	8,477	3,141	45,163	28,785	4,547	64,404	54,758	16,256	12,325	26,178	9,586	60
III	95,048	59,976	8,515	3,118	48,343	30,415	4,657	65,901	55,889	16,130	12,463	27,296	9,951	61
IV	99,314	62,782	8,495	3,203	51,084	31,751	4,781	67,556	57,140	16,013	12,622	28,505	10,354	62
1973—I	103,548	65,236	....	....	....	33,342	4,970	68,920	58,169	....	....	....	10,683	68
II	109,114	68,650	8,482	3,211	56,957	35,224	5,240	70,634	59,397	....	....	....	11,178	59
III	114,414	71,852	....	....	....	37,070	5,492	72,034	60,305	....	....	....	11,670	59

[1] Includes loans held by nondeposit trust companies but not bank trust depts.

NOTE.—Second and fourth quarters, FDIC series for all commercial and mutual savings banks in the United States and possessions. First and third quarters, estimates based on special F.R. interpolations.

MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES

(In millions of dollars)

Period	Loans acquired						Loans outstanding (end of period)					
	Total	Nonfarm				Farm	Total	Nonfarm				Farm
		Total	FHA-insured	VA-guaranteed	Other [1]			Total	FHA-insured	VA-guaranteed	Other	
1945	976	....	....	....	....	....	6,637	5,860	1,394	....	4,466	766
1964	10,433	9,386	1,812	674	6,900	1,047	55,152	50,848	11,484	6,403	32,961	4,304
1965	11,137	9,988	1,738	553	7,697	1,149	60,013	55,190	12,068	6,286	36,836	4,823
1966	10,217	9,223	1,300	467	7,456	994	64,609	59,369	12,351	6,201	40,817	5,240
1967	8,470	7,633	757	444	6,432	837	67,516	61,947	12,161	6,122	43,664	5,569
1968	7,925	7,153	733	346	6,074	772	69,973	64,172	11,961	5,954	46,257	5,801
1969	7,531	6,991	594	220	6,177	540	72,027	66,254	11,715	5,701	48,838	5,773
1970	7,181	6,867	386	88	6,393	314	74,375	68,726	11,419	5,394	51,913	5,649
1971	7,573	7,070	322	101	6,647	503	75,496	69,895	10,767	5,004	54,124	5,601
1972	8,696	7,996	331	182	7,483	700	76,948	71,270	9,962	4,660	56,648	5,678
1973	11,122	10,109	280	240	9,589	1,013	81,180	75,193	9,212	4,396	61,585	5,987
1973—Jan.[r]	725	662	17	21	624	63	77,105	71,473	9,930	4,641	56,902	5,632
Feb.	603	542	27	24	491	61	77,510	71,892	9,806	4,613	57,473	5,618
Mar.	670	573	37	24	512	97	77,587	71,953	9,735	4,594	57,624	5,634
Apr.	702	624	20	22	582	78	77,258	71,611	9,708	4,572	57,331	5,647
May	774	694	22	21	651	80	77,400	71,721	9,627	4,549	57,545	5,679
June	1,101	1,009	24	27	958	92	77,914	72,187	9,544	4,524	58,119	5,727
July	933	849	26	19	804	84	78,243	72,474	9,464	4,496	58,514	5,769
Aug.	1,034	947	11	20	916	87	78,657	72,839	9,388	4,471	58,980	5,818
Sept.	944	862	23	17	822	82	79,040	73,182	9,330	4,447	59,405	5,858
Oct.	972	899	13	18	868	73	79,516	73,619	9,270	4,428	59,921	5,897
Nov.	1,146	1,051	25	15	1,011	95	80,191	74,261	9,233	4,414	60,614	5,930
Dec.	1,532	1,410	36	13	1,361	122	81,180	75,193	9,212	4,396	61,585	5,987
1974—Jan.	932	845	8	14	823	87	81,490	75,534	9,150	4,380	62,004	5,956

[1] Includes mortgage loans secured by land on which oil drilling or extracting operations are in process.

COMMITMENTS OF LIFE INSURANCE COMPANIES FOR INCOME PROPERTY MORTGAGES

Period	Number of loans	Total amount committed (millions of dollars)	Averages: Loan amount (thousands of dollars)	Averages: Contract interest rate (per cent)	Averages: Maturity (yrs./mos.)	Averages: Loan-to-value ratio (per cent)	Averages: Capitalization rate (per cent)	Averages: Debt coverage ratio	Averages: Per cent constant
1968	2,569	3,244.3	1,263	7.66	22/11	73.6	9.0	1.30	9.5
1969	1,788	2,920.7	1,633	8.69	21/8	73.3	9.6	1.29	10.2
1970	912	2,341.1	2,567	9.93	22/8	74.7	10.8	1.32	11.1
1971	1,664	3,982.5	2,393	9.07	22/10	74.9	10.0	1.29	10.4
1972	2,132	4,986.5	2,339	8.57	23/3	75.2	9.6	1.29	9.8
1971—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
July	170	421.2	2,478	8.56	23/0	74.5	9.5	1.31	9.8
Aug.	178	515.7	2,897	8.54	23/0	74.9	9.5	1.27	9.9
Sept.	152	354.1	2,329	8.58	23/4	75.7	9.5	1.28	9.8
Oct.	159	343.5	2,161	8.65	23/0	75.8	9.6	1.29	9.9
Nov.	180	371.7	2,065	8.63	23/2	74.7	9.6	1.28	9.9
Dec.	130	363.9	2,799	8.64	22/8	74.4	9.8	1.37	9.9

NOTE.—American Life Insurance Association data *for new commitments* of $100,000 and over each on mortgages for multifamily and nonresidential nonfarm properties located largely in the United States. The 15 companies account for a little more than one-half of both the total assets and the nonfarm mortgages held by all U.S. life insurance companies. Averages, which are based on number of loans, vary in part with loan composition by type and location of property, type and purpose of loan, and loan amortization and prepayment terms. Data for the following are limited to cases where information was available or estimates could be made: capitalization rate (net stabilized property earnings divided by property value); debt coverage ratio (net stabilized earnings divided by debt service); and per cent constant (annual level payment, including principal and interest, per $100 of debt). All statistics exclude construction loans, increases in existing loans in a company's portfolio, reapprovals, and loans secured by land only.

MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

Period	Loans made: Total[1]	Loans made: New home construction	Loans made: Home purchase	Loans outstanding (end of period): Total[2]	Loans outstanding: FHA-insured[3]	Loans outstanding: VA-guaranteed[3]	Loans outstanding: Conventional
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	39,419	6,824	18,779	174,250	13,675	10,623	149,952
1972	51,369	8,548	26,594	206,182	15,400	13,474	177,308
1973	49,464	8,423	28,248	232,104	29,713		202,391
1973—Jan.	3,698	589	1,968	207,926	29,056		178,870
Feb.	3,706	614	2,017	210,054	29,219		180,835
Mar.	4,985	886	2,683	213,050	29,505		183,545
Apr.	4,984	885	2,760	216,037	29,636		186,401
May	5,471	930	3,137	219,283	29,742		189,541
June	5,732	902	3,465	222,580	29,823		192,757
July	5,054	850	3,076	225,265	29,707		195,558
Aug.	4,966	800	3,056	227,778	29,704		198,074
Sept.	3,174	571	1,836	229,182	30,066		199,116
Oct.	2,786	532	1,547	230,195	29,759		200,436
Nov.	2,379	448	1,365	231,089	29,724		201,365
Dec.	2,529	425	1,338	232,104	29,713		202,391
1974 Jan.p	2,353	387	1,306	233,027	29,713		203,314

[1] Includes loans for repairs, additions and alterations, refinancing, etc., not shown separately.

[2] Includes shares pledged against mortgage loans; beginning 1966, also includes junior liens and real estate sold on contract; beginning 1967, also includes downward structural adjustment for change in universe; and beginning 1973, excludes participation certificates guaranteed by the FHLMC and certain other related items.

[3] Beginning 1973, data for these groups available only on a combined basis.

FEDERAL HOME LOAN BANKS

(In millions of dollars)

Period	Advances	Repayments	Advances outstanding (end of period): Total	Advances outstanding: Short-term[1]	Advances outstanding: Long-term[2]	Members' deposits (end of period)
1965	5,007	4,335	5,997	3,074	2,923	1,043
1966	3,804	2,866	6,935	5,006	1,929	1,036
1967	*1,527*	*4,076*	*4,386*	*3,985*	*401*	*1,432*
1968	2,734	1,861	5,259	4,867	392	1,382
1969	5,531	1,500	9,289	8,434	855	1,041
1970	3,256	1,929	10,615	3,081	7,534	2,331
1971	2,714	5,392	7,936	3,002	4,934	1,789
1972	4,790	4,749	7,979	2,961	5,018	2,104
1973	10,013	2,845	15,147	4,583	10,564	1,744
1973—Mar.	764	288	8,421	2,975	5,446	1,290
Apr.	1,187	178	9,429	3,450	5,979	1,142
May	916	189	10,156	3,428	6,728	1,261
June	1,093	104	11,145	4,016	7,129	1,453
July	1,373	153	12,365	4,583	7,782	1,183
Aug.	1,380	235	13,510	4,737	8,773	1,091
Sept.	999	212	14,298	4,834	9,464	1,178
Oct.	728	226	14,799	4,805	9,994	1,264
Nov.	295	228	14,866	4,669	10,197	1,538
Dec.	529	248	15,147	4,583	10,564	1,744
1974—Jan.	426	385	15,188	4,486	10,702	1,602
Feb.	322	607	14,904	4,304	10,600	1,935
Mar.	640	548	....	....	....	2,027

[1] Secured or unsecured loans maturing in 1 year or less.

[2] Secured loans, amortized quarterly, having maturities of more than 1 year but not more than 10 years.

NOTE.—FHLBB data.

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Outstanding
1968	7,167	5,122	2,046	1,944	....	2,696	1,287
1969	10,945	7,676	3,269	4,120	....	6,630	3,539
1970	15,492	11,063	4,429	5,079	20	8,047	5,203
1971	17,791	12,681	5,110	3,574	336	9,828	6,497
1972	19,791	14,624	5,112	3,699	211	8,797	8,124
1973	24,175	16,852	6,352	6,127	71	8,914	7,889
1973 Mar.	20,571	15,201	5,259	522	....	933	8,139
Apr.	20,791	15,390	5,269	355	....	1,211	8,742
May	21,087	15,581	5,335	472	....	1,180	9,312
June	21,413	15,768	5,411	516	1	1,191	9,778
July	21,772	15,877	5,574	516	....	1,102	9,859
Aug.	22,319	16,085	5,761	699	....	1,019	9,809
Sept.	22,831	16,293	5,937	633	....	724	9,602
Oct.	23,348	16,510	6,101	659	....	264	8,918
Nov.	23,912	16,734	6,294	656	....	200	8,690
Dec.	24,175	16,852	6,352	410	40	158	7,889
1974 Jan.	24,424	17,008	6,348	350	....	110	6,715
Feb.	24,529	17,050	6,336	242	....	489	6,768
Mar.	24,875	17,315	6,340	462	1	1,646	7,913

NOTE.—FNMA data. Total holdings include conventional loans. Data prior to Sept. 1968 relate to secondary market portfolio of former FNMA. Mortgage holdings include loans used to back bond issues guaranteed by GNMA. Mortgage commitments made during the period include some multifamily and nonprofit hospital loan commitments in addition to 1- to 4-family loan commitments accepted in FNMA's free market auction system, and through the FNMA-GNMA Tandem Plan (Program 18).

FEDERAL NATIONAL MORTGAGE ASSOCIATION AUCTIONS

Date of auction	Government-underwritten home loans			Conventional home loans		
	Mortgage amounts		Average yield (short-term commitments)	Mortgage amounts		Average yield (short-term commitments)
	Offered	Accepted		Offered	Accepted	
	In millions of dollars		In per cent	In millions of dollars		In per cent
1973—July 9	539.3	244.8	8.38	108.4	72.5	8.67
23	351.4	181.4	8.54	119.0	61.7	8.79
Aug. 6	458.5	201.9	8.71	154.3	77.4	8.98
20	525.0	223.8	8.95	171.3	77.2	9.27
Sept. 4	551.0	288.9	9.27	118.6	61.5	9.53
17	138.1	107.9	9.37	48.6	46.8	9.68
Oct. 1	32.5	24.1	9.11	9.1	7.1	9.43
15	24.8	16.6	8.97	18.6	16.2	9.10
29	28.2	21.6	8.94	17.4	9.4	9.01
Nov. 12	29.3	23.1	8.87	24.1	16.7	8.94
26	24.9	20.9	8.81	31.0	22.1	8.90
Dec. 17	38.6	36.2	8.78	51.4	32.2	8.82
1974 Jan. 14	40.2	35.6	8.71	48.9	34.5	8.77
Feb. 11	50.4	49.5	8.53	48.4	48.1	8.69
Feb. 25	58.0	42.3	8.43	48.6	39.4	8.50
Mar. 11	351.1	285.3	8.44	74.2	50.1	8.47
25	1,154.7	332.5	8.62	126.3	34.2	8.64
Apr. 8	1,061.4	267.0	8.95	163.9	63.3	9.00
22	333.6	168.5	9.18	80.3	40.9	9.21

NOTE.—Average secondary market yields are gross before deduction of 38 basis-point fee paid for mortgage servicing. They reflect the average accepted bid yield for home mortgages assuming a prepayment period of 12 years for 30-year loans, without special adjustment for FNMA commitment fees and FNMA stock purchase and holding requirements. Since Oct. 18, 1971, the maturity on new short-term commitments has been 4 months. Mortgage amounts offered by bidders are total 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	4,777	517	393	....	....	1,494
1972	5,113	4,664	436	....	....	....	....
1973	4,029	3,642	376	....	....	....	....
1973—Feb.	4,984	4,552	420	....	....	....	....
Mar.	4,663	4,233	418	....	....	....	....
Apr.	4,439	4,010	417	....	....	....	....
May	3,980	3,687	281	....	....	....	....
June	3,908	3,604	292	....	....	....	....
July	4,156	3,753	391	....	....	....	....
Aug.	4,455	3,949	495	....	....	....	....
Sept.	4,429	3,878	540	....	....	....	....
Oct.	4,338	3,843	484	....	....	....	....
Nov.	4,172	3,779	382	....	....	....	....
Dec.	4,029	3,642	376	....	....	....	....
1974 Jan.	3,767	3,505	251	....	....	....	....
Feb.	3,798	3,539	249	....	....	....	....

NOTE.—GNMA data. Total holdings include a small amount of conventional loans. Data prior to Sept. 1968 relate to Special Assistance and Management and Liquidating portfolios of former FNMA and include mortgages subject to participation pool of Government Mortgage Liquidation Trust, but exclude conventional mortgage loans acquired by former FNMA.

GNMA MORTGAGE-BACKED SECURITY PROGRAM

(In millions of dollars)

Period	Pass-through securities		Bonds sold
	Applications received	Securities issued	
1970	1,126.2	452.4	1,315.0
1971	4,373.6	2,701.9	300.0
1972	3,854.5	2,661.7	....
1973	5,588.0	3,294.4	....
1973—Feb.	167.2	216.8	....
Mar.	339.4	139.9	....
Apr.	467.8	182.1	....
May	563.3	338.8	....
June	243.1	315.3	....
July	215.7	384.7	....
Aug.	174.0	191.3	....
Sept.	533.8	380.0	....
Oct.	825.7	240.8	....
Nov.	923.3	210.4	....
Dec.	515.2	370.9	....
1974—Jan.	816.2	665.5	....
Feb.	748.8	463.1	....

NOTE.—GNMA data. Under the Mortgage-Backed Security Program, GNMA guarantees the timely payment of principal and interest on both pass-through and bond-type securities, which are backed by a pool of mortgages insured by FHA or Farmers Home Admin. or guaranteed by VA and issued by an approved mortgagee. To date, bond-type securities have been issued only by FNMA and FHLMC.

HOME-MORTGAGE YIELDS

(In per cent)

Period	Primary market (conventional loans): FHLBB series (effective rate): New homes	Primary market: FHLBB series: Existing homes	Primary market: HUD series: 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
1973	7.95	8.01	8.30	8.19
1973—Apr.	7.71	7.70	7.90	7.73
May	7.71	7.77	7.95	7.79
June	7.79	7.79	8.05	7.89
July	7.87	7.84	8.40	8.19
Aug.	7.94	8.01	8.85	....
Sept.	8.17	8.26	8.95	9.18
Oct.	8.31	8.50	8.80	8.97
Nov.	8.39	8.58	8.75	8.86
Dec.	8.49	8.61	8.75	8.78
1974—Jan.[r]	8.52	8.64	8.65	....
Feb.[r]	8.62	8.70	8.55	8.54
Mar.[r]	8.64	8.63	8.60	8.66
Apr.[p]	8.67	8.59	....	....

NOTE.—Annual data are averages of monthly figures. The Housing and Urban Development (FHA) data are based on opinion reports submitted by field offices on prevailing local conditions as of the first of the succeeding month. Yields on FHA-insured mortgages are derived from weighted averages of private secondary market prices for Sec. 203, 30-year mortgages with minimum downpayment and an assumed prepayment at the end of 15 years. Any gaps in data are due to periods of adjustment to changes in maximum permissible contract interest rates. The HUD (FHA) interest rates on conventional first mortgages in primary markets are unweighted and are rounded to the nearest 5 basis points. The FHLBB effective rate series reflects fees and charges as well as contract rates (as shown in the table on conventional first-mortgage terms, p. A-31) and an assumed prepayment at end of 10 years.

DELINQUENCY RATES ON HOME MORTGAGES

(Per 100 mortgages held or serviced)

End of period	Loans not in foreclosure but delinquent for—: Total	30 days	60 days	90 days or more	Loans in fore-closure
1965	3.29	2.40	.55	.34	.40
1966	3.40	2.54	.54	.32	.36
1967	3.47	2.66	.54	.27	.32
1968	3.17	2.43	.51	.23	.26
1969	3.22	2.43	.52	.27	.27
1970	3.64	2.67	.61	.36	.33
1971	3.93	2.82	.65	.46	.46
1972	4.65	3.42	.78	.45	.48
1971—II	3.27	2.36	.53	.38	.38
III	3.59	2.54	.62	.43	.41
IV	3.93	2.82	.65	.46	.46
1972—I	3.16	2.21	.58	.37	.50
II	3.27	2.38	.53	.36	.48
III	3.82	2.74	.65	.43	.52
IV[1]	4.66	3.41	.79	.46	.50
	4.65	3.42	.78	.45	.48
1973—I	3.63	2.52	.68	.43	....
II	3.84	2.81	.64	.39	....
III	4.36	3.10	.78	.48	....
IV	4.70	3.42	.79	.49	....

[1] First line is old series; second line is new series.

NOTE.—Mortgage Bankers Association of America data from reports on 1- to 4-family FHA-insured, VA-guaranteed, and conventional mortgages held by more than 400 respondents, including mortgage bankers (chiefly), commercial banks, savings banks, and savings and loan associations.

GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

(In millions of dollars)

Period	FHA-insured: Total	FHA: Mortgages: New homes	FHA: Mortgages: Existing homes	FHA: Projects[1]	FHA: Property improvements[2]	VA-guaranteed: Total[3]	VA: Mortgages: New homes	VA: Mortgages: Existing homes
1965	8,689	1,705	5,760	591	634	2,652	876	1,776
1966	7,320	1,729	4,366	583	641	2,600	980	1,618
1967	7,150	1,369	4,516	642	623	3,405	1,143	2,259
1968	8,275	1,572	4,924	1,123	656	3,774	1,430	2,343
1969	9,129	1,551	5,570	1,316	693	4,072	1,493	2,579
1970	11,982	2,667	5,447	3,251	617	3,440	1,311	2,129
1971	14,689	3,900	6,475	3,641	674	5,961	1,694	4,267
1972	12,320	3,459	4,608	3,448	805	8,293	2,539	5,754
1973	7,591	1,675	2,798	2,286	832	7,416	2,313	5,103
1973—Feb.	710	162	235	262	52	592	187	405
Mar.	969	195	268	440	65	596	185	411
Apr.	620	151	223	172	74	621	187	434
May	589	158	228	122	81	634	198	436
June	650	153	229	207	61	646	182	464
July	559	143	250	100	66	666	204	462
Aug.	537	100	195	167	75	565	193	372
Sept.	485	90	177	134	84	565	184	381
Oct.	556	113	246	126	72	652	221	431
Nov.	623	100	257	190	76	725	216	509
Dec.	459	56	168	168	66	473	138	335
1974 Jan.	482	73	243	115	52	652	175	477
Feb.	399	54	206	92	46	520	133	387

[1] Monthly figures do not reflect mortgage amendments included in annual totals.
[2] Not ordinarily secured by mortgages.
[3] Includes refinancing loans, mobile home loans and also a small amount of alteration and repair loans, not shown separately; only such loans in amounts of more than $1,000 need be secured.

NOTE.—FHA and VA data. FHA-insured loans represent gross amount of insurance written; VA-guaranteed loans, gross amounts of loans closed. Figures do not take into account principal repayments on previously insured or guaranteed loans. For VA-guaranteed loans, amounts by type are derived from data on number and average amount of loans closed.

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: Sales	Mortgage commitments: Made during period	Mortgage commitments: Outstanding
1970	325	325	....	325	....	....	....
1971	968	821	147	778	64	....	182
1972	1,789	1,503	286	1,298	408	1,606	198
1973	2,604	1,743	861	1,334	409	1,629	186
1973—Mar.	1,718	1,589	128	119	68	141	295
Apr.	1,784	1,646	138	126	51	193	343
May	1,906	1,695	211	147	17	187	344
June	2,029	1,716	313	154	21	159	316
July	2,158	1,714	444	140	....	139	278
Aug.	2,307	1,728	579	161	....	208	291
Sept.	2,423	1,729	694	126	....	143	288
Oct.	2,527	1,742	785	113	....	63	218
Nov.	2,565	1,746	819	46	....	45	207
Dec.	2,604	1,743	861	50	2	43	186
1974—Jan.	2,621	1,736	885	34	8	26	161
Feb.	2,625	1,730	895	21	6	49	185
Mar.	2,638	1,724	914	29	2	595	748

NOTE.—FHLMC data. Data for 1970 include only the period beginning Nov. 26 when the FHLMC first became operational. Holdings, purchases, and sales include participations as well as whole loans. Mortgage holdings include loans used to back bond issues guaranteed by GNMA. Commitment data cover the conventional and Govt.-underwritten loan programs.

TOTAL CREDIT

(In millions of dollars)

End of period	Total	Instalment					Noninstalment			
		Total	Automobile paper	Other consumer goods paper	Home improvement 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
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
1973	180,486	147,437	51,130	47,530	7,352	41,425	33,049	13,241	9,829	9,979
1973—Mar.	159,320	129,375	45,610	39,951	6,328	37,486	29,945	12,540	7,702	9,703
Apr.	161,491	131,022	46,478	40,441	6,408	37,695	30,469	12,686	8,036	9,747
May	164,277	133,531	47,518	41,096	6,541	38,376	30,746	12,817	8,319	9,610
June	167,083	136,018	48,549	41,853	6,688	38,928	31,065	12,990	8,555	9,520
July	169,148	138,212	49,352	42,575	6,845	39,440	30,936	12,968	8,479	9,489
Aug.	171,978	140,810	50,232	43,505	7,009	40,064	31,168	13,111	8,605	9,452
Sept.	173,035	142,093	50,557	44,019	7,120	40,397	30,942	13,088	8,335	9,519
Oct.	174,840	143,610	51,092	44,632	7,235	40,651	31,230	13,145	8,590	9,495
Nov.	176,969	145,400	51,371	45,592	7,321	41,116	31,569	13,161	8,785	9,623
Dec.	180,486	147,437	51,130	47,530	7,352	41,425	33,049	13,241	9,829	9,979
1974—Jan.	178,686	146,575	50,617	47,303	7,303	41,352	32,111	13,117	8,875	10,119
Feb.	177,522	145,927	50,386	46,781	7,343	41,417	31,595	13,159	8,018	10,418
Mar.	177,572	145,768	50,310	46,536	7,430	41,492	31,804	13,188	7,939	10,677

[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
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
1973	147,437	129,305	69,495	37,243	19,609	2,958	18,132	299	17,833
1973—Mar.	129,375	114,190	61,388	32,750	17,239	2,813	15,185	272	14,913
Apr.	131,022	115,727	62,459	33,078	17,455	2,735	15,295	278	15,017
May	133,531	118,165	63,707	33,859	17,832	2,767	15,366	284	15,082
June	136,018	120,450	64,999	34,367	18,269	2,815	15,568	289	15,279
July	138,212	122,479	66,065	35,020	18,517	2,877	15,733	293	15,440
Aug.	140,810	124,823	67,381	35,634	18,961	2,847	15,987	296	15,691
Sept.	142,093	126,040	67,918	35,993	19,207	2,922	16,053	297	15,756
Oct.	143,610	127,307	68,627	36,365	19,339	2,976	16,303	300	16,003
Nov.	145,400	128,553	69,161	36,887	19,517	2,988	16,847	302	16,545
Dec.	147,437	129,305	69,495	37,243	19,609	2,958	18,132	299	17,833
1974—Jan.	146,575	128,870	69,429	37,140	19,429	2,872	17,705	296	17,409
Feb.	145,927	128,807	69,246	37,148	19,430	2,983	17,120	293	16,827
Mar.	145,768	128,799	69,232	37,005	19,550	3,012	16,969	292	16,677

[1] Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies. Miscellaneous lenders include savings and loan associations and mutual savings banks.

[2] Automobile paper only; other instalment credit held by automobile dealers is included with "Other retail outlets."

See also NOTE to table above.

MAJOR HOLDERS OF INSTALMENT CREDIT

(In millions of dollars)

End of period	Commercial banks: Total	Automobile paper: Purchased	Automobile paper: Direct	Other consumer goods paper: Mobile homes	Other consumer goods paper: Credit cards	Other consumer goods paper: Other	Home improvement loans	Personal loans	Finance companies[1]: Total	Automobile paper	Other consumer goods paper: Mobile homes	Other consumer goods paper: Other	Home improvement loans	Personal loans
1940	1,452	339	276	232			165	440	2,278	1,253	159		193	673
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
1973	69,495	19,038	12,218	7,223	6,649	6,054	3,982	14,331	37,243	11,927	3,378	4,434	917	16,587
1973—Mar.	61,388	16,951	11,216	6,035	5,243	5,289	3,538	13,116	32,750	10,419	2,943	3,796	581	15,011
Apr.	62,459	17,327	11,436	6,163	5,290	5,401	3,581	13,261	33,078	10,617	2,991	3,831	611	15,028
May	63,707	17,716	11,680	6,321	5,360	5,538	3,635	13,457	33,859	10,872	3,025	3,985	656	15,321
June	64,999	18,138	11,866	6,473	5,502	5,688	3,700	13,632	34,367	11,121	3,081	4,002	694	15,469
July	66,065	18,439	12,023	6,629	5,603	5,815	3,774	13,782	35,020	11,365	3,132	4,103	733	15,687
Aug.	67,381	18,771	12,190	6,825	5,792	5,923	3,863	14,017	35,634	11,583	3,187	4,194	771	15,899
Sept.	67,918	18,886	12,160	6,956	5,909	5,978	3,903	14,126	35,993	11,721	3,235	4,265	809	15,963
Oct.	68,627	19,123	12,262	7,106	5,991	6,012	3,950	14,183	36,365	11,859	3,269	4,316	847	16,074
Nov.	69,161	19,198	12,306	7,208	6,171	6,035	3,979	14,264	36,887	11,949	3,310	4,371	886	16,371
Dec.	69,495	19,038	12,218	7,223	6,649	6,054	3,982	14,331	37,243	11,927	3,378	4,434	917	16,587
1974—Jan.	69,429	18,885	12,113	7,237	6,826	6,041	3,944	14,383	37,140	11,754	3,392	4,460	940	16,594
Feb.	69,246	18,770	12,028	7,285	6,770	6,063	3,937	14,393	37,148	11,710	3,406	4,486	968	16,578
Mar.	69,232	18,775	11,985	7,333	6,667	6,082	3,958	14,432	37,005	11,624	3,324	4,497	1,018	16,542

[1] Finance companies consist of those institutions formerly classified as sales finance, consumer finance, and other finance companies.

See also NOTE to table at top of preceding page.

INSTALMENT CREDIT HELD BY OTHER FINANCIAL LENDERS

(In millions of dollars)

End of period	Total	Automobile paper	Other consumer goods paper	Home improvement loans	Personal loans
1940	188	36	7	13	132
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
1973	22,567	7,648	1,959	2,453	10,507
1973—Mar.	20,052	6,752	1,732	2,209	9,359
Apr.	20,190	6,820	1,748	2,216	9,406
May	20,599	6,966	1,785	2,250	9,598
June	21,084	7,135	1,828	2,294	9,827
July	21,394	7,232	1,853	2,338	9,971
Aug.	21,808	7,392	1,893	2,375	10,148
Sept.	22,129	7,493	1,920	2,408	10,308
Oct.	22,315	7,548	1,935	2,438	10,394
Nov.	22,505	7,616	1,952	2,456	10,481
Dec.	22,567	7,648	1,959	2,453	10,507
1974—Jan.	22,301	7,569	1,938	2,419	10,375
Feb.	22,413	7,585	1,944	2,438	10,446
Mar.	22,562	7,634	1,956	2,454	10,518

NOTE.—Other financial lenders consist of credit unions and miscellaneous lenders. Miscellaneous lenders include savings and loan associations and mutual savings banks.

NONINSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Single-payment loans: Commercial banks	Single-payment loans: Other financial institutions	Charge accounts: Retail outlets	Charge accounts: Credit cards[1]	Service credit
1940	2,824	636	164	1,471	....	553
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
1973	33,049	11,753	1,488	7,783	2,046	9,979
1973—Mar.	29,945	11,074	1,466	5,825	1,877	9,703
Apr.	30,469	11,237	1,449	6,129	1,907	9,747
May	30,746	11,359	1,458	6,387	1,932	9,610
June	31,065	11,520	1,470	6,544	2,011	9,520
July	30,936	11,491	1,477	6,424	2,055	9,489
Aug.	31,168	11,655	1,456	6,475	2,130	9,452
Sept.	30,942	11,608	1,480	6,229	2,106	9,519
Oct.	31,230	11,654	1,491	6,554	2,036	9,495
Nov.	31,569	11,669	1,492	6,761	2,024	9,623
Dec.	33,049	11,753	1,488	7,783	2,046	9,979
1974—Jan.	32,111	11,652	1,465	6,894	1,981	10,119
Feb.	31,595	11,663	1,496	6,136	1,882	10,418
Mar.	31,804	11,686	1,502	6,097	1,842	10,677

[1] Service station and miscellaneous credit-card accounts and home-heating-oil accounts. Bank-credit-card accounts outstanding are included in estimates of instalment credit outstanding.

See also NOTE to table at top of preceding page.

INSTALMENT CREDIT EXTENDED AND REPAID, BY TYPE OF CREDIT

(In millions of dollars)

Period	Total		Automobile paper		Other consumer goods paper		Home improvement 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									
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
1973	....	165,083	....	46,453	....	66,859	....	4,728	....	47,043
1973—Mar.	13,852	13,681	4,001	4,164	5,349	5,169	406	377	4,096	3,971
Apr.	13,465	13,661	3,822	4,101	5,563	5,378	365	372	3,715	3,810
May	13,932	14,792	3,989	4,409	5,504	5,698	374	431	4,065	4,254
June	13,646	14,608	3,762	4,313	5,505	5,678	400	450	3,979	4,167
July	14,542	14,812	3,930	4,177	5,943	5,753	433	472	4,236	4,410
Aug.	14,294	15,099	3,968	4,252	5,961	6,065	408	471	3,957	4,311
Sept.	13,691	12,624	3,939	3,476	5,537	5,217	410	420	3,805	3,511
Oct.	14,149	14,454	3,912	4,196	5,911	5,894	415	439	3,911	3,925
Nov.	14,275	14,098	3,819	3,693	5,978	5,980	402	389	4,076	4,036
Dec.	12,677	14,117	3,315	2,872	5,254	6,826	429	348	3,679	4,071
1974—Jan.	13,714	12,375	3,492	2,934	5,662	5,471	373	298	4,187	3,672
Feb.	13,541	11,227	3,389	2,945	5,647	4,525	409	341	4,096	3,416
Mar.	13,823	13,246	3,484	3,546	5,933	5,479	424	389	3,982	3,832
	Repayments									
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
1973	....	144,978	....	39,452	....	59,409	....	3,577	....	42,540
1973—Mar.	11,808	12,265	3,225	3,371	4,755	5,013	286	288	3,542	3,593
Apr.	12,061	12,014	3,218	3,233	4,963	4,888	294	292	3,586	3,601
May	11,941	12,283	3,261	3,369	4,917	5,043	290	298	3,473	3,573
June	12,034	12,121	3,253	3,282	4,955	4,921	300	303	3,526	3,615
July	12,544	12,618	3,334	3,374	5,141	5,031	308	315	3,761	3,898
Aug.	12,399	12,501	3,293	3,372	5,168	5,135	298	307	3,640	3,687
Sept.	12,332	11,341	3,406	3,151	5,072	4,703	322	309	3,532	3,178
Oct.	12,449	12,937	3,427	3,661	5,149	5,281	308	324	3,565	3,671
Nov.	12,549	12,308	3,471	3,414	5,154	5,020	301	303	3,623	3,571
Dec.	12,267	12,080	3,338	3,113	5,001	4,888	332	317	3,596	3,762
1974—Jan.	12,797	13,237	3,433	3,447	5,193	5,698	356	347	3,815	3,745
Feb.	12,870	11,875	3,394	3,176	5,340	5,047	323	301	3,813	3,351
Mar.	13,206	13,405	3,544	3,622	5,596	5,724	308	302	3,758	3,757
	Net change in credit outstanding[2]									
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
1973	....	20,105	....	7,001	....	7,450	....	1,151	....	4,503
1973—Mar.	2,044	1,416	776	793	594	156	120	89	554	378
Apr.	1,404	1,647	604	868	600	490	71	80	129	209
May	1,991	2,509	728	1,040	587	655	84	133	592	681
June	1,612	2,487	509	1,031	550	757	100	147	453	552
July	1,998	2,194	596	803	802	722	125	157	475	512
Aug.	1,895	2,598	675	880	793	930	110	164	317	624
Sept.	1,359	1,283	533	325	465	514	88	111	273	333
Oct.	1,700	1,517	485	535	762	613	107	115	346	254
Nov.	1,726	1,790	348	279	824	960	101	86	453	465
Dec.	410	2,037	−23	−241	253	1,938	97	31	83	309
1974—Jan.	917	−862	59	−513	469	−227	17	−49	372	−73
Feb.	671	−648	−5	−231	307	−522	86	40	283	65
Mar.	617	−159	−60	−76	337	−245	116	87	224	75

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 S.A.[1]	Total N.S.A.	Commercial banks S.A.[1]	Commercial banks N.S.A.	Finance companies S.A.[1]	Finance companies N.S.A.	Other financial lenders S.A.[1]	Other financial lenders N.S.A.	Retail outlets S.A.[1]	Retail outlets N.S.A.
Extensions										
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
1973	....	165,083	....	69,726	....	43,221	....	23,414	....	28,722
1973—Mar.	13,852	13,681	5,853	5,890	3,654	3,598	2,131	2,083	2,214	2,110
Apr.	13,465	13,661	5,644	5,973	3,555	3,576	1,792	1,832	2,474	2,280
May	13,932	14,792	5,859	6,356	3,820	4,027	1,868	2,060	2,385	2,349
June	13,646	14,608	5,684	6,219	3,584	3,817	1,978	2,211	2,400	2,361
July	14,542	14,812	5,976	6,232	3,824	3,931	2,110	2,233	2,632	2,416
Aug.	14,294	15,099	6,195	6,518	3,685	3,877	1,943	2,194	2,471	2,510
Sept.	13,691	12,624	5,809	5,376	3,602	3,189	2,019	1,912	2,261	2,147
Oct.	14,149	14,454	6,060	6,169	3,623	3,765	1,951	1,968	2,515	2,552
Nov.	14,275	14,098	6,222	5,697	3,564	3,722	2,029	1,929	2,460	2,750
Dec.	12,677	14,117	5,124	5,224	3,279	3,714	1,897	1,772	2,377	3,407
1974—Jan.	13,714	12,375	5,715	5,345	3,693	3,127	1,911	1,639	2,395	2,264
Feb.	13,541	11,227	5,794	4,837	3,656	3,056	1,861	1,644	2,230	1,690
Mar.	13,823	13,246	5,710	5,612	3,497	3,367	1,976	1,920	2,640	2,347
Repayments										
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
1973	....	144,978	....	60,014	....	38,066	....	20,358	....	26,540
1973—Mar.	11,808	12,265	4,870	5,084	3,141	3,279	1,665	1,648	2,132	2,254
Apr.	12,061	12,014	4,919	4,902	3,251	3,248	1,693	1,694	2,198	2,170
May	11,941	12,283	4,976	5,108	3,100	3,246	1,612	1,651	2,253	2,278
June	12,034	12,121	4,890	4,927	3,241	3,309	1,694	1,726	2,209	2,159
July	12,544	12,618	5,112	5,166	3,312	3,278	1,771	1,923	2,349	2,251
Aug.	12,399	12,501	5,146	5,202	3,241	3,263	1,738	1,780	2,274	2,256
Sept.	12,332	11,341	5,167	4,839	3,144	2,830	1,757	1,591	2,264	2,081
Oct.	12,449	12,937	5,212	5,460	3,287	3,393	1,703	1,782	2,247	2,302
Nov.	12,549	12,308	5,345	5,163	3,143	3,200	1,814	1,739	2,247	2,206
Dec.	12,267	12,080	5,088	4,890	3,151	3,358	1,766	1,710	2,262	2,122
1974—Jan.	12,797	13,237	5,254	5,411	3,418	3,230	1,823	1,905	2,302	2,691
Feb.	12,870	11,875	5,430	5,020	3,423	3,048	1,692	1,532	2,325	2,275
Mar.	13,206	13,405	5,479	5,626	3,452	3,510	1,827	1,771	2,448	2,498
Net change in credit outstanding [2]										
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
1973	....	20,105	....	9,712	....	5,155	....	3,056	....	2,182
1973—Mar.	2,044	1,416	983	806	513	319	466	435	82	144
Apr.	1,404	1,647	725	1,071	304	328	99	138	276	110
May	1,991	2,509	883	1,248	720	781	256	409	132	71
June	1,612	2,487	794	1,292	343	508	284	485	191	202
July	1,998	2,194	864	1,066	512	653	339	310	283	165
Aug.	1,895	2,598	1,049	1,316	444	614	205	414	197	254
Sept.	1,359	1,283	642	537	458	359	262	321	−3	66
Oct.	1,700	1,517	848	709	336	372	248	186	268	250
Nov.	1,726	1,790	877	534	421	522	215	190	213	544
Dec.	410	2,037	36	334	128	356	131	62	115	1,285
1974—Jan.	917	862	461	−66	275	−103	88	−266	93	427
Feb.	671	648	364	−183	233	8	169	112	−95	−585
Mar.	617	159	231	−14	45	143	149	149	192	−151

[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-50.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 pro-portion	1973 aver-age [p]	1973 Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1974 Jan.[r]	Feb.[r]	Mar.[p]	Apr.[e]
Total index	100.0	125.6	124.1	124.8	125.6	126.7	126.5	126.8	127.0	127.5	126.5	125.4	124.6	124.2	124.7
Products, total	**62.21**	**123.4**	**122.0**	**122.9**	**123.7**	**124.2**	**123.7**	**124.3**	**124.3**	**125.3**	**124.0**	**122.9**	**122.2**	**121.9**	**122.3**
Final products	*48.95*	*121.3*	*120.0*	*120.8*	*121.3*	*122.1*	*121.4*	*122.4*	*122.7*	*123.7*	*122.6*	*121.2*	*120.3*	*120.3*	*121.0*
Consumer goods	28.53	131.7	130.9	131.8	131.9	132.8	131.2	132.3	132.6	133.5	131.3	129.2	127.8	127.4	128.3
Equipment	20.42	106.7	104.7	105.7	106.6	107.3	107.6	108.5	108.9	110.1	110.1	109.8	110.0	110.4	110.7
Intermediate products	13.26	131.1	129.3	130.5	132.0	132.5	132.1	131.0	130.6	131.1	129.1	129.2	128.7	127.5	127.2
Materials	**37.79**	**129.3**	**127.7**	**128.3**	**129.0**	**130.9**	**130.9**	**131.3**	**131.1**	**131.5**	**130.7**	**129.7**	**128.3**	**128.2**	**128.6**
Consumer goods															
Durable consumer goods	*7.86*	*139.0*	*140.5*	*141.5*	*141.8*	*142.4*	*134.0*	*138.2*	*137.3*	*138.5*	*134.6*	*128.2*	*126.3*	*127.2*	*129.7*
Automotive products	2.84	136.8	141.7	142.6	142.6	141.7	121.1	129.8	131.4	133.7	120.6	108.0	104.9	104.3	111.0
Autos	1.87	125.4	128.1	129.8	132.6	134.0	103.9	118.4	122.5	124.8	106.2	90.0	86.4	86.3	97.7
Auto parts and allied goods	.97	158.9	167.5	167.0	161.9	156.7	154.2	151.8	148.4	150.9	147.8	142.6	140.5	138.8	136.4
Home goods	5.02	140.3	139.8	140.9	141.3	142.9	141.1	142.9	140.9	141.2	142.5	139.6	138.6	140.1	140.4
Appliances, TV, and radios	1.41	144.8	149.7	148.0	147.2	147.8	146.3	149.4	143.4	140.4	147.9	138.4	133.4	135.9	......
Appliances and A/C	.92	156.9	157.6	157.8	154.1	156.0	153.3	159.8	159.3	154.7	172.2	153.9	150.5	150.1	......
TV and home audio	.49	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Carpeting and furniture	1.08	150.0	146.7	147.8	148.9	155.4	154.2	153.3	153.9	152.7	150.1	153.5	153.3	154.2	......
Misc. home goods	2.53	133.6	131.4	134.0	134.7	134.7	132.9	134.8	134.1	136.8	136.3	134.4	135.5	136.5	136.4
Nondurable consumer goods	*20.67*	*129.0*	*127.2*	*128.0*	*128.1*	*129.1*	*130.2*	*130.1*	*130.8*	*131.5*	*130.2*	*129.5*	*128.3*	*127.5*	*127.9*
Clothing	4.32	116.0	114.5	114.2	116.0	116.5	117.0	118.0	116.8	117.3	120.3	116.3	112.0	......	......
Consumer staples	16.34	132.4	130.6	131.7	131.4	132.5	133.6	133.2	134.5	135.2	132.8	133.0	132.7	132.2	133.0
Consumer foods and tobacco	8.37	122.2	121.0	120.9	119.6	121.3	121.9	122.2	123.3	126.5	125.0	126.9	125.9	124.7	124.9
Nonfood staples	7.98	143.1	140.7	143.1	143.7	144.1	145.8	144.8	146.2	144.3	141.1	139.4	139.6	140.0	141.4
Consumer chemical products	2.64	153.3	151.5	154.9	153.5	153.0	155.6	153.4	156.2	154.9	156.7	157.8	159.0	160.1	......
Consumer paper products	1.91	121.3	119.0	121.7	121.7	122.5	124.1	124.4	122.5	123.6	120.5	119.4	117.4	116.4	......
Consumer fuel and lighting	3.43	147.5	144.4	145.6	148.2	149.2	150.4	149.7	151.9	147.8	140.7	136.7	137.2	137.8	......
Residential utilities	2.25	156.8	152.3	152.1	155.4	157.8	160.0	160.9	161.9	158.0	149.8	145.6	148.6	147.9	......
Equipment															
Business equipment	*12.74*	*122.6*	*119.6*	*121.3*	*122.5*	*123.0*	*124.6*	*125.8*	*126.2*	*127.8*	*126.9*	*126.8*	*127.3*	*127.9*	*128.6*
Industrial equipment	6.77	120.1	117.4	119.1	119.8	120.5	122.5	124.1	124.5	125.6	124.9	125.3	126.5	127.3	128.5
Building and mining equip.	1.45	120.4	118.1	118.8	119.1	119.6	123.0	123.7	124.7	126.0	126.0	128.5	130.3	132.0	133.5
Manufacturing equipment	3.85	113.0	109.4	112.0	113.1	113.9	115.1	117.3	117.3	118.2	118.5	119.3	120.4	120.9	122.2
Power equipment	1.47	138.5	137.6	138.2	138.3	138.5	141.0	142.3	143.0	144.6	140.3	138.0	138.7	139.2	140.3
Commercial, transit, farm eq.	5.97	125.5	122.2	123.7	125.4	125.8	127.0	127.7	128.1	130.3	129.2	128.5	128.2	128.5	128.7
Commercial equipment	3.30	135.0	131.3	131.6	134.1	135.9	137.0	138.2	140.1	141.3	139.3	139.8	140.0	141.0	140.2
Transit equipment	2.00	109.8	107.5	109.8	109.7	109.0	108.4	109.6	109.8	111.4	111.1	109.5	109.3	109.0	109.2
Farm equipment	.67	125.1	120.9	126.5	129.3	126.4	132.8	129.4	123.5	132.4	133.4	129.2	126.0	124.9	......
Defense and space equipment	*7.68*	*80.2*	*80.0*	*79.7*	*80.1*	*81.1*	*79.7*	*79.8*	*80.0*	*80.9*	*81.9*	*81.4*	*81.4*	*81.3*	*80.9*
Military products	5.15	80.3	81.0	80.1	80.0	81.1	79.0	79.1	79.3	80.0	81.3	80.6	81.0	81.1	80.1
Intermediate products															
Construction products	5.93	134.2	132.2	132.2	135.9	134.5	135.3	134.9	134.3	133.7	131.1	133.0	131.4	129.0	129.0
Misc. intermediate products	7.34	128.6	127.0	129.2	128.9	132.7	129.6	128.1	127.5	129.0	127.4	126.3	126.5	126.2	......
Materials															
Durable goods materials	*20.91*	*130.1*	*127.9*	*128.6*	*129.2*	*131.7*	*131.8*	*132.3*	*132.2*	*133.0*	*132.7*	*129.8*	*127.7*	*126.9*	*127.9*
Consumer durable parts	4.75	127.8	129.0	125.7	128.8	126.9	128.6	129.9	128.2	128.4	121.0	113.0	110.1	106.0	109.0
Equipment parts	5.41	119.3	113.8	118.0	118.2	124.5	122.3	122.1	122.7	125.8	125.3	123.9	122.6	123.1	122.2
Durable materials nec	10.75	136.5	134.7	135.3	134.9	137.6	138.0	138.7	139.0	138.7	141.6	140.0	138.0	137.8	139.0
Nondurable goods materials	*13.99*	*129.1*	*128.5*	*128.9*	*129.4*	*130.4*	*130.6*	*130.3*	*130.1*	*130.7*	*129.2*	*131.1*	*130.5*	*131.5*	*131.5*
Textile, paper, and chem. mat.	8.58	139.8	138.8	139.4	140.2	142.2	142.4	141.9	141.4	142.4	140.1	143.4	141.4	142.5	143.4
Nondurable materials n.e.c.	5.41	112.2	112.2	112.3	112.3	112.1	111.7	112.0	112.3	112.1	111.9	111.7	113.1	113.9	112.7
Fuel and power, industrial	2.89	123.9	122.1	122.9	125.3	126.9	126.3	128.3	126.9	124.9	123.1	121.5	122.6	121.2	120.8
Supplementary groups															
Home goods and clothing	9.34	129.0	128.1	128.6	129.7	130.7	130.0	131.3	129.8	130.2	132.4	128.8	126.3	126.1	125.9
Containers	1.82	139.9	139.1	138.0	141.4	135.1	140.5	139.8	141.2	142.3	141.0	148.4	144.5	151.5	......
Gross value of products in market structure															
(In billions of 1963 dollars)															
Products, total	*286.3*	*449.8*	*446.2*	*449.7*	*451.8*	*452.9*	*446.2*	*449.8*	*452.6*	*456.9*	*449.1*	*445.4*	*441.0*	*441.4*	*444.0*
Final products	221.4	346.1	343.7	346.6	347.8	347.7	341.9	346.3	349.7	353.3	346.9	342.5	338.9	340.1	343.4
Consumer goods	156.3	239.7	238.9	241.1	241.3	241.0	235.4	239.0	241.7	243.6	237.8	233.6	229.7	230.2	233.9
Equipment	65.3	106.4	104.8	105.6	106.6	106.6	106.6	107.3	108.0	109.5	109.0	108.9	109.2	109.6	109.6
Intermediate products	64.9	103.7	102.3	103.1	104.3	104.8	104.6	103.5	103.1	103.6	102.5	130.1	102.3	101.4	100.9

For NOTE see p. A-55.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 proportion	1973 average [p]	1973 Apr.	1973 May	1973 June	1973 July	1973 Aug.	1973 Sept.	1973 Oct.	1973 Nov.	1973 Dec.	1974 Jan. [r]	1974 Feb. [r]	1974 Mar. [p]	1974 Apr. [e]
Manufacturing	*88.55*	*125.2*	*123.8*	*124.9*	*125.6*	*126.5*	*126.1*	*126.3*	*126.4*	*127.4*	*126.4*	*125.3*	*124.2*	*124.2*	*124.7*
Durable	52.33	122.1	120.6	121.8	123.0	123.8	122.6	123.3	123.5	124.3	123.1	121.1	119.6	120.0	121.1
Nondurable	36.22	129.6	128.4	129.3	129.3	130.5	130.9	130.7	130.4	131.3	131.2	131.4	131.0	130.5	130.2
Mining and utilities	11.45	128.9	126.6	127.0	128.2	130.4	130.7	131.3	131.5	130.6	126.9	125.4	126.3	125.8	125.9
Mining	6.37	110.2	109.0	109.1	109.5	111.0	111.5	111.8	111.9	111.3	110.4	109.9	110.5	111.2	110.8
Utilities	5.08	152.3	148.7	149.5	151.5	154.8	154.8	155.8	156.2	154.6	147.6	144.9	146.1	144.3	144.9
Durable manufactures															
Primary and fabricated metals	*12.55*	*128.8*	*127.3*	*128.1*	*128.7*	*130.6*	*129.5*	*129.5*	*130.6*	*131.0*	*130.5*	*130.4*	*128.1*	*128.6*	*129.2*
Primary metals	6.61	127.1	125.8	126.1	124.5	128.1	125.6	127.8	128.7	128.9	130.7	129.5	125.6	125.7	126.3
Iron and steel, subtotal	4.23	121.6	119.7	119.8	119.9	120.9	118.5	122.7	123.6	124.2	127.7	125.5	119.4	119.4	120.3
Fabricated metal products	5.94	130.7	128.9	130.3	133.4	133.5	133.8	131.5	132.4	133.1	130.0	131.4	130.9	131.8	132.3
Machinery and allied goods	*32.44*	*117.3*	*115.7*	*117.3*	*118.8*	*119.3*	*117.7*	*118.9*	*118.9*	*119.9*	*118.6*	*115.2*	*113.8*	*114.6*	*115.8*
Machinery	17.39	125.9	122.6	124.7	126.9	127.6	128.5	130.0	129.2	130.4	130.9	128.6	127.4	128.4	129.2
Nonelectrical machinery	9.17	125.1	121.5	124.0	126.1	127.1	128.9	130.0	130.0	130.3	130.2	129.4	128.1	129.8	131.0
Electrical machinery	8.22	126.8	123.8	125.4	127.8	128.0	128.2	129.8	128.5	130.5	131.6	127.7	126.5	126.9	127.1
Transportation equipment	9.29	109.2	110.0	111.0	112.2	112.1	105.7	107.3	108.8	109.8	103.0	95.7	93.4	93.9	97.0
Motor vehicles and parts	4.56	138.1	140.1	140.9	143.3	144.1	131.0	133.9	136.4	137.8	124.6	112.7	109.2	110.0	116.5
Aerospace and misc. trans. eq.	4.73	81.4	81.1	82.2	82.2	81.3	81.3	81.7	82.3	82.9	82.2	79.3	78.3	78.4	78.2
Instruments	2.07	138.4	134.7	138.9	140.2	140.8	140.9	141.5	141.0	142.6	142.7	143.0	143.4	143.5	143.5
Ordnance, private and Govt.	3.69	85.4	86.4	85.4	86.7	86.7	83.8	83.7	83.8	84.3	86.1	85.2	85.3	85.6	84.5
Lumber, clay, and glass	*4.44*	*129.5*	*129.9*	*130.3*	*129.2*	*129.8*	*129.2*	*128.8*	*129.7*	*129.3*	*127.8*	*129.7*	*127.5*	*128.5*	*128.2*
Lumber and products	1.65	128.9	129.1	127.5	126.6	125.4	128.4	128.9	127.4	127.3	126.3	126.1	127.1	127.2	......
Clay, glass, and stone products	2.79	129.9	130.4	132.0	130.5	132.3	129.6	128.8	131.2	130.4	128.7	131.8	127.7	129.2	......
Furniture and miscellaneous	*2.90*	*135.2*	*133.1*	*136.0*	*135.4*	*135.9*	*137.5*	*138.2*	*136.1*	*136.4*	*135.3*	*133.4*	*136.3*	*136.9*	*136.4*
Furniture and fixtures	1.38	126.3	123.8	126.5	126.5	127.5	129.5	130.4	128.8	127.9	124.9	124.2	125.4	126.8	......
Miscellaneous manufactures	1.52	143.3	141.6	144.5	143.6	143.5	144.9	145.3	142.9	144.3	144.5	141.8	146.2	146.0	......
Nondurable manufactures															
Textiles, apparel, and leather	*6.90*	*114.7*	*114.0*	*113.3*	*115.0*	*114.5*	*115.4*	*117.5*	*116.8*	*116.7*	*118.8*	*116.2*	*114.5*	*112.9*	*112.0*
Textile mill products	2.69	127.1	126.1	127.2	129.2	128.9	129.0	130.2	130.2	129.4	130.9	128.4	126.9	125.8	......
Apparel products	3.33	112.9	111.7	110.0	111.0	112.1	113.6	115.4	114.9	115.3	118.5	116.4	113.6	......	......
Leather and products	.88	83.6	86.8	83.0	86.6	79.2	81.0	86.4	83.1	82.9	82.9	77.6	79.9	82.3	......
Paper and printing	*7.92*	*122.1*	*120.8*	*122.0*	*122.8*	*123.8*	*124.5*	*122.1*	*121.3*	*121.9*	*121.2*	*121.7*	*120.7*	*120.6*	*120.1*
Paper and products	3.18	135.4	133.6	135.1	134.6	135.3	137.0	134.8	135.3	136.2	136.7	138.7	137.7	140.2	......
Printing and publishing	4.74	113.2	112.2	113.2	114.8	116.0	116.2	113.6	112.1	112.3	110.8	110.4	109.3	107.5	106.5
Chemicals, petroleum, and rubber	*11.92*	*149.3*	*147.9*	*150.2*	*149.8*	*151.8*	*151.0*	*150.9*	*151.1*	*151.6*	*151.6*	*151.5*	*151.1*	*151.0*	*151.0*
Chemicals and products	7.86	150.1	147.8	150.2	150.4	152.0	151.4	153.0	152.7	153.0	154.5	154.9	155.2	155.0	154.5
Petroleum products	1.80	127.4	126.9	128.5	129.7	129.3	128.2	126.0	130.4	129.5	125.5	120.5	116.9	117.7	118.0
Rubber and plastics products	2.26	164.0	165.1	166.8	163.9	168.8	167.9	163.6	161.9	164.5	162.3	164.3	163.5	164.0	......
Foods and tobacco	*9.48*	*121.9*	*120.7*	*121.5*	*119.5*	*121.3*	*122.0*	*122.2*	*121.7*	*124.7*	*123.0*	*125.4*	*126.0*	*125.6*	*126.0*
Foods	8.81	122.7	121.3	122.4	120.3	122.4	122.9	123.2	122.4	125.4	124.5	126.3	127.2	126.7	127.1
Tobacco products	.67	111.6	112.9	111.2	108.1	105.3	110.1	109.1	113.7	115.8	104.2	113.3	112.1	......	......
Mining															
Metal, stone, and earth minerals	*1.26*	*118.1*	*116.8*	*116.2*	*111.8*	*116.9*	*120.6*	*120.4*	*120.9*	*121.3*	*122.0*	*121.4*	*120.1*	*119.4*	*118.5*
Metal mining	.51	130.8	128.5	127.0	121.6	128.4	131.4	136.6	138.3	135.2	135.2	135.2	132.6	132.2	......
Stone and earth minerals	.75	109.5	108.8	108.8	105.2	109.1	113.1	109.5	109.2	111.7	113.1	111.9	111.6	110.7	......
Coal, oil, and gas	*5.11*	*108.3*	*107.1*	107.3	*108.9*	*109.5*	*109.2*	*109.5*	*109.7*	*108.8*	*107.5*	*107.0*	*108.1*	*109.2*	*108.9*
Coal	.69	103.6	99.9	100.9	108.0	109.0	104.0	109.8	103.0	104.1	110.4	108.7	112.7	114.1	110.6
Oil and gas extraction	4.42	109.0	108.3	108.4	109.1	109.5	110.0	109.7	110.8	109.6	107.0	106.8	107.4	108.5	108.6
Utilities															
Electric	3.91	160.7	156.2	156.8	159.7	164.0	163.8	165.1	165.3	163.4	155.6	153.0	154.6	......	......
Gas	1.17	124.2	......	......	......	......	......	......	......	......	......	......	......	......	......

NOTE.—Data for the complete year of 1972 are available in a pamphlet *Industrial Production Indexes 1972* from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Published groupings include series and subtotals not shown separately. Figures for individual series and subtotals are published in the monthly Business Indexes release.

Indexes without seasonal adjustment are no longer being published in the *Bulletin*, but they are available in the Board's monthly release "Industrial Production (the G.12.3), which is available upon request to Publications Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

SELECTED BUSINESS INDEXES

(1967=100, except as noted)

Period	Industrial production: Total	Industrial production: Market: Total	Market: Products: Final: Total	Market: Products: Final: Consumer goods	Market: Products: Final: Equipment	Market: Products: Intermediate	Market: Materials	Industry: Manufacturing	Capacity utilization in mfg. (1967 output = 100)	Construction contracts	Nonagricultural employment—Total[1]	Manufacturing[2]: Employment	Manufacturing[2]: Payrolls	Total retail sales[3]	Prices[4]: Consumer	Prices[4]: Wholesale commodity
1955	58.5	56.6	54.9	59.5	48.9	62.6	61.5	58.2	90.0	....	76.9	92.9	61.1	59	80.2	87.8
1956	61.1	59.7	58.2	61.7	53.7	65.3	63.1	60.5	88.2	....	79.6	93.9	64.6	61	81.4	90.7
1957	61.9	61.1	59.9	63.2	55.9	65.3	63.1	61.2	84.5	....	80.3	92.2	65.4	64	84.3	93.3
1958	57.9	58.6	57.1	62.6	50.0	63.9	56.8	56.9	75.1	....	78.0	83.9	60.3	64	86.6	94.6
1959	64.8	64.4	62.7	68.7	54.9	70.5	65.5	64.1	81.4	....	81.0	88.1	67.8	69	87.3	94.8
1960	66.2	66.2	64.8	71.3	56.4	71.0	66.4	65.4	80.1	....	82.4	88.0	68.8	70	88.7	94.9
1961	66.7	66.9	65.3	72.8	55.6	72.4	66.4	65.6	77.6	....	82.1	84.5	68.0	70	89.6	94.5
1962	72.2	72.1	70.8	77.7	61.9	76.9	72.4	71.4	81.4	....	84.4	87.3	73.3	75	90.6	94.8
1963	76.5	76.2	74.9	82.0	65.6	81.1	77.0	75.8	83.0	86.1	86.1	87.8	76.0	79	91.7	94.5
1964	81.7	81.2	79.6	86.8	70.1	87.3	82.6	81.2	85.5	89.4	88.6	89.3	80.1	83	92.9	94.7
1965	89.2	88.1	86.8	93.0	78.7	93.0	91.0	89.1	89.0	93.2	92.3	93.9	88.1	91	94.5	96.6
1966	97.9	96.8	96.1	98.6	93.0	99.2	99.8	98.3	91.9	94.8	97.1	99.9	97.8	97	97.2	99.8
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	87.9	100.0	100.0	100.0	100.0	100	100.0	100.0
1968	105.7	105.8	105.8	106.6	104.7	105.7	105.7	105.7	87.7	113.2	103.1	101.4	108.3	109	104.2	102.5
1969	110.7	109.7	109.0	111.1	106.1	112.0	112.4	110.5	86.5	123.7	106.7	103.2	116.6	114	109.8	106.5
1970	106.6	106.0	104.5	110.3	96.3	111.7	107.7	105.2	78.3	123.1	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	75.0	145.4	107.3	93.9	116.3	122	121.2	113.9
1972	115.2	113.8	111.9	123.6	95.5	121.1	117.4	114.0	r78.6	165.3	110.5	96.7	130.2	142	125.3	119.8
1973p	125.6	123.4	121.3	131.7	106.7	131.1	129.3	125.2	83.0	183.3	114.8	101.9	146.9	....	133.1	135.5
1973—Mar.	123.7	121.7	119.6	130.8	104.1	129.4	127.0	123.4	[5]82.8	193.0	113.8	101.0	142.6	160	129.8	129.7
Apr.	124.1	122.0	120.0	130.9	104.7	129.3	127.7	123.8		177.0	114.0	101.5	144.8	157	130.7	130.7
May	124.8	122.9	120.8	131.8	105.7	130.5	128.3	124.9	r83.3	173.0	114.4	101.7	144.9	159	131.5	133.4
June	125.6	123.7	121.3	131.9	106.6	132.0	129.0	125.6		183.0	114.7	102.1	145.3	157	132.4	136.7
July	126.7	124.2	122.1	132.8	107.3	132.5	130.9	126.5		175.0	114.6	101.8	146.3	163	132.7	134.7
Aug.	126.5	123.7	121.4	131.2	107.6	132.1	130.9	126.1	83.3	199.0	115.0	102.1	146.7	162	135.1	142.9
Sept.	126.8	124.3	122.4	132.3	108.5	131.0	131.3	126.3		182.0	115.3	102.1	149.8	163	135.5	140.2
Oct.	127.0	124.3	122.7	132.6	108.9	130.6	131.1	126.4		191.0	116.0	102.9	151.7	164	136.6	139.5
Nov.	127.5	125.3	123.7	133.5	110.1	131.1	131.5	127.4	82.6	194.0	116.4	103.3	155.8	164	137.6	141.8
Dec.	126.5	124.0	122.6	131.3	110.1	129.1	130.7	126.4		161.0	116.4	103.2	153.7	161	138.5	145.3
1974—Jan.	125.4	r122.9	r121.2	129.2	r109.8	r129.2	r129.7	r125.3		155.0	116.2	102.6	151.6	164	139.7	150.4
Feb.	r124.6	r122.2	r120.3	r127.8	110.0	r128.7	r128.3	r124.2	r80.4	187.0	116.6	r101.8	r151.1	165	141.5	152.7
Mar.	r124.2	r121.9	r120.3	r127.4	r110.4	r127.5	r128.2	r124.2		181.0	r116.6	r101.5	r150.7	167	134.1	154.5
Apr.	124.7	122.3	121.0	128.3	110.7	127.2	128.6	124.7	....	....	116.8	102.0	148.3	170	....	155.3

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.
5 Figure is for first quarter 1973.

NOTE.—*All series:* Data are seasonally adjusted unless otherwise noted.

Capacity utilization: Based on data from Federal Reserve, McGraw-Hill Economics Department, and Dept. of Commerce.

Construction contracts; McGraw-Hill Informations Systems Company F.W. Dodge Division, 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	1972	1973	1972 Dec.	1973 Apr.	1973 May	1973 June	1973 July	1973 Aug.	1973 Sept.	1973 Oct.	1973 Nov.	1973 Dec.	1974 Jan.	1974 Feb.	1974 Mar.
Total construction [1]	**90,979**	**101,071**	**6,423**	**8,814**	**9,428**	**9,910**	**9,228**	**10,303**	**8,151**	**8,983**	**7,905**	**6,133**	**5,954**	**6,610**	**7,911**
By type of ownership:															
Public	24,043	26,686	1,629	2,071	2,359	2,995	2,581	2,968	2,328	2,055	2,140	1,855	2,135	2,212	2,481
Private [1]	66,936	73,385	4,793	6,743	7,069	6,916	6,647	7,335	5,822	6,928	5,765	4,277	3,819	4,398	5,430
By type of construction:															
Residential building [1]	44,975	46,246	3,115	4,512	4,754	4,612	4,224	4,233	3,638	3,673	3,299	2,341	2,231	2,678	3,374
Nonresidential building	27,021	31,761	2,189	2,634	2,629	2,976	2,991	3,241	2,719	2,758	2,655	2,210	2,307	2,260	2,752
Nonbuilding	18,983	22,064	1,119	1,668	2,045	2,322	2,013	2,828	1,794	2,552	1,951	1,581	1,415	1,672	1,785
Private housing units authorized (In thousands, S.A., A.R.)	2,219	1,796	2,399	1,939	1,838	2,030	1,780	1,750	1,596	1,316	1,314	1,237	1,301	1,333	1,421

1 Because of improved procedures for collecting data for 1-family homes, some totals are not strictly comparable with those prior to 1968. To improve comparability, earlier levels may be raised by approximately 3 per cent for total and private construction, in each case, and by 8 per cent for residential building.

NOTE.—Dollar value of construction contracts as reported by the McGraw-Hill Informations Systems Company, F.W. Dodge Division. Totals of monthly data exceed annual totals because adjustments—negative—are made in accumulated monthly data after original figures have been published.

Private housing units authorized are Census Bureau series for 14,000 reporting areas with local building permit systems; 1971 data are for 13,000 reporting areas.

VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total	Private							Public				
		Total	Residential	Nonresidential					Total	Military	Highway	Conservation and 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	94,167	66,071	31,864	34,207	6,538	9,754	5,125	12,790	28,096	718	9,981	1,908	15,489
1971	109,238	79,367	43,268	36,099	5,423	11,619	5,437	13,620	29,871	901	10,658	2,095	16,217
1972	123,836	93,640	54,186	39,454	4,676	13,462	5,898	13,418	30,196	1,080	10,448	2,172	16,496
1973	135,079	102,568	57,720	44,848	6,058	15,569	6,131	17,090	32,511	1,162	....	1,924	....
1973—Feb.	136,416	104,128	61,487	42,641	5,180	14,873	6,145	16,443	32,288	1,422	11,019	1,989	17,858
Mar.	137,467	103,838	60,747	43,091	5,479	15,071	6,179	16,362	33,629	1,303	10,454	2,825	19,047
Apr.	133,858	101,298	58,111	43,187	5,287	15,473	6,282	16,145	32,560	1,158	9,901	2,062	19,439
May.	134,177	101,878	57,490	44,338	5,338	16,118	6,251	16,631	32,349	1,277	9,645	2,569	18,858
June.	133,680	102,708	58,083	44,625	5,928	15,704	6,383	16,610	30,972	1,162	10,094	2,235	17,481
July.	136,524	105,029	59,007	46,022	6,340	16,110	6,492	17,080	31,495	1,341	10,762	1,977	17,415
Aug.	136,370	105,318	59,233	46,085	6,687	15,800	6,122	17,476	31,052	1,048	10,391	2,196	17,417
Sept.	136,208	103,034	58,505	44,529	6,324	15,111	5,742	17,352	33,174	962	11,210	2,296	18,706
Oct.	135,871	102,388	56,458	45,930	6,573	15,561	5,883	17,913	33,483	1,032	....	2,330	....
Nov.	134,831	101,922	54,667	47,255	6,742	16,139	6,035	18,339	32,909	1,040	....	....	....
Dec.	133,370	99,611	52,728	46,883	7,057	15,685	6,089	18,052	33,759	1,128	....	....	....
1974—Jan.	132,762	98,391	50,439	47,952	6,899	16,323	6,199	18,531	34,371	1,282	....	....	....
Feb.p	133,181	99,227	49,880	49,347	7,938	16,530	6,230	18,649	33,954	1,386	....	....	....

[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	1,603	261	328	591	430	1,012	589		1,635	1,603	32	292	221	71	151
1964	1,529	254	340	578	357	970	108	450	1,561	1,529	32	264	205	59	191
1965	1,473	270	362	575	266	964	87	422	1,510	1,473	37	246	197	49	216
1966	1,165	206	288	472	198	778	61	325	1,196	1,165	31	195	158	37	217
1967	1,292	215	337	520	220	844	72	376	1,322	1,292	30	232	180	53	240
1968	1,508	227	369	618	294	900	81	527	1,546	1,508	38	283	227	56	318
1969	1,467	206	349	588	324	814	85	571	1,500	1,467	33	284	233	51	413
1970	1,434	218	294	612	310	813	85	536	1,469	1,434	35	482	421	61	401
1971	2,052	264	434	869	486	1,151	120	781	2,084	2,052	32	621	528	93	497
1972	2,357	330	443	1,057	527	1,309	141	906	2,379	2,357	22	475	371	104	576
1973	2,045	277	440	897	428	1,132	118	795	2,057	2,045	12	247	161	86	580
1973—Mar.	2,283	321	433	1,115	414	1,244	128	912	201	200	1	27	19	8	57
Apr.	2,153	293	397	908	555	1,231	127	795	205	205	......	27	18	9	62
May.	2,330	294	531	983	522	1,243	159	929	234	234	......	29	18	11	57
June.	2,152	345	485	873	449	1,140	127	886	203	203	1	25	17	8	57
July.	2,152	245	475	1,020	412	1,232	144	776	203	203	1	20	12	8	50
Aug.	2,030	255	466	844	465	1,108	107	814	200	197	3	23	14	9	54
Sept.	1,844	281	431	748	384	990	97	757	149	148	1	15	10	6	45
Oct.	1,674	242	383	715	334	957	81	637	149	147	2	15	9	6	46
Nov.	1,675	241	322	750	362	938	84	653	135	133	1	16	11	5	40
Dec.	1,403	192	278	654	279	767	73	563	91	90	......	11	7	4	29
1974 Jan.r	1,464	258	330	650	226	793	89	582	86	85	2	19	13	7	29
Feb.	1,862	270	390	874	328	1,042	85	735	108	107	......	22	15	7	30
Mar.p	1,460	191	324	613	332	943	91	426	124	122	2	28	20	8	......

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.)					Unemployment rate[2] (per cent; S.A.)
				Total	Employed[1]			Unemployed	
					Total	In nonagricultural industries	In agriculture		
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
1973	148,263	57,222	91,040	88,714	84,409	80,957	3,452	4,304	4.9
1973—Apr.	147,729	57,906	90,622	88,272	83,854	80,498	3,356	4,418	5.0
May	147,940	58,050	90,597	88,263	83,950	80,630	3,320	4,313	4.9
June	148,147	55,417	91,133	88,818	84,518	81,088	3,430	4,300	4.8
July	148,361	55,133	91,139	88,828	84,621	81,109	3,512	4,207	4.7
Aug.	148,565	56,129	91,011	88,704	84,513	81,088	3,425	4,191	4.7
Sept.	148,782	57,484	91,664	89,373	85,133	81,757	3,376	4,240	4.7
Oct.	149,001	56,955	92,038	89,749	85,649	82,194	3,455	4,100	4.6
Nov.	149,208	57,040	92,186	89,903	85,649	82,088	3,561	4,254	4.7
Dec.	149,436	57,453	92,315	90,033	85,669	82,026	3,643	4,364	4.8
1974—Jan.	149,656	58,303	92,801	90,543	85,811	82,017	3,794	4,732	5.2
Feb.	149,857	58,165	92,814	90,556	85,803	81,951	3,852	4,753	5.2
Mar.	150,066	58,183	92,747	90,496	85,863	82,164	3,699	4,633	5.1
Apr.	150,283	58,547	92,556	90,313	85,775	82,264	3,511	4,538	5.0

1 Includes self-employed, unpaid family, and domestic service workers.
2 Per cent of civilian labor force.

NOTE.—Bureau of Labor Statistics. Information relating to persons 16 years of age and over is obtained on a sample basis. Monthly data relate to the calendar week that contains the 12th day; annual data are averages of monthly figures. Description of changes in series beginning 1967 is available from Bureau of Labor Statistics.

EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

(In thousands of persons)

Period	Total	Manufacturing	Mining	Contract construction	Transportation & public utilities	Trade	Finance	Service	Government
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	11,869	12,856
1972	72,764	18,933	607	3,521	4,495	15,683	3,927	12,309	13,290
1973	75,567	19,820	625	3,648	4,611	16,288	4,053	12,866	13,657
SEASONALLY ADJUSTED									
1973—Mar.	74,914	19,643	610	3,604	4,580	16,163	4,024	12,716	13,574
Apr.	75,105	19,727	608	3,571	4,591	16,217	4,031	12,746	13,614
May	75,321	19,782	608	3,620	4,593	16,256	4,044	12,776	13,642
June	75,526	19,856	629	3,654	4,597	16,262	4,049	12,820	13,659
July	75,493	19,804	631	3,680	4,598	16,294	4,048	12,828	13,610
Aug.	75,747	19,861	634	3,676	4,617	16,352	4,064	12,906	13,637
Sept.	75,961	19,882	633	3,700	4,629	16,388	4,078	12,995	13,656
Oct.	76,363	20,016	639	3,694	4,671	16,465	4,088	13,044	13,746
Nov.	76,679	20,095	644	3,711	4,654	16,520	4,095	13,122	13,838
Dec.	76,626	20,090	646	3,732	4,644	16,398	4,101	13,128	13,887
1974—Jan.	r76,526	20,006	654	3,636	4,684	16,417	4,109	13,136	r13,884
Feb.	76,813	19,904	656	3,757	4,691	16,472	4,124	13,215	13,994
Mar.p	76,785	19,854	656	3,717	4,675	16,480	4,128	13,236	14,039
Apr.p	76,911	19,929	658	3,644	4,669	16,518	4,132	13,267	14,094
NOT SEASONALLY ADJUSTED									
1973—Mar.	74,255	19,521	598	3,294	4,539	15,880	4,000	12,627	13,796
Apr.	74,861	19,586	603	3,442	4,559	16,088	4,019	12,771	13,793
May	75,404	19,667	608	3,616	4,593	16,200	4,040	12,865	13,815
June	76,308	20,002	642	3,837	4,661	16,335	4,089	12,999	13,743
July	75,384	19,729	644	3,934	4,653	16,262	4,113	12,982	13,067
Aug.	75,686	20,018	648	3,981	4,659	16,279	4,121	13,009	12,971
Sept.	76,238	20,132	641	3,944	4,671	16,367	4,082	12,982	13,419
Oct.	76,914	20,168	640	3,923	4,680	16,515	4,076	13,057	13,855
Nov.	77,322	20,202	643	3,822	4,659	16,780	4,079	13,096	14,041
Dec.	77,391	20,110	642	3,639	4,644	17,113	4,080	13,062	14,101
1974—Jan.	75,620	19,818	642	3,280	4,618	16,290	4,072	12,913	13,987
Feb.	75,792	19,738	641	3,329	4,616	16,127	4,087	13,056	14,198
Mar.p	76,100	19,731	643	3,397	4,633	16,180	4,103	13,143	14,270
Apr.p	76,678	19,785	652	3,513	4,636	16,398	4,120	13,294	14,280

NOTE.—Bureau of Labor Statistics; data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th of the month. Proprietors, self-employed persons, domestic servants, unpaid family workers, and members of Armed Forces are excluded.

Beginning with 1970, series has been adjusted to Mar. 1971 benchmark.

CONSUMER PRICES

(1967 = 100)

Period	All items	Food	Housing						Apparel and upkeep	Transportation	Health and recreation				
			Total	Rent	Homeownership	Fuel oil and coal	Gas and electricity	Furnishings and operation			Total	Medical care	Personal care	Reading and recreation	Other goods and services
1929	51.3	48.3	......	76.0	......	......	......	......	48.5	......	......	......	......	......	......
1933	38.8	30.6	......	54.1	......	......	......	......	36.9	......	......	......	......	......	......
1941	44.1	38.4	53.7	57.2	......	40.5	81.4	......	44.8	44.2	......	37.0	41.2	47.7	49.2
1945	53.9	50.7	59.1	58.8	......	48.0	79.6	......	61.5	47.8	......	42.1	55.1	62.4	56.9
1960	88.7	88.0	90.2	91.7	86.3	89.2	98.6	93.8	89.6	89.6	85.1	79.1	90.1	87.3	87.8
1965	94.5	94.4	94.9	96.9	92.7	94.6	99.4	95.3	93.7	95.9	93.4	89.5	95.2	95.9	94.2
1966	97.2	99.1	97.2	98.2	96.3	97.0	99.6	97.0	96.1	97.2	96.1	93.4	97.1	97.5	97.2
1967	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968	104.2	103.6	104.2	102.4	105.7	103.1	100.9	104.4	105.4	103.2	105.0	106.1	104.2	104.7	104.6
1969	109.8	108.9	110.8	105.7	116.0	105.6	102.8	109.0	111.5	107.2	110.3	113.4	109.3	108.7	109.1
1970	116.3	114.9	118.9	110.1	128.5	110.1	107.3	113.4	116.1	112.7	116.2	120.6	113.2	113.4	116.0
1971	121.3	118.4	124.3	115.2	133.7	117.5	114.7	118.1	119.8	118.6	122.2	128.4	116.8	119.3	120.9
1972	125.3	123.5	129.2	119.2	140.1	118.5	120.5	121.0	122.3	119.9	126.1	132.5	119.8	122.8	125.5
1973	133.1	141.4	135.0	124.2	146.7	136.0	126.4	124.9	126.8	123.8	130.2	137.7	125.2	125.9	129.0
1973—Mar.	129.8	134.5	132.3	122.6	143.2	127.8	125.0	123.0	124.8	121.5	128.6	135.8	123.1	124.5	127.6
Apr.	130.7	136.5	132.8	123.0	143.6	128.3	125.5	123.6	125.8	122.6	129.2	136.2	123.8	125.2	128.2
May	131.5	137.9	133.3	123.5	144.2	129.3	125.7	123.9	126.7	123.5	129.6	136.6	124.4	125.6	128.5
June	132.4	139.8	133.9	123.9	145.0	131.6	125.4	124.7	126.8	124.6	130.0	137.0	124.9	125.9	129.0
July	132.7	140.9	134.2	124.3	145.2	131.7	125.5	125.0	125.8	124.8	130.3	137.3	125.3	126.2	129.5
Aug.	135.1	149.4	135.2	125.0	147.0	132.8	125.8	125.3	126.5	124.5	130.5	137.6	125.7	126.1	129.4
Sept.	135.5	148.3	136.6	125.4	149.2	133.6	126.5	126.1	128.3	123.9	131.1	138.3	126.3	126.8	129.9
Oct.	136.6	148.4	138.1	125.9	151.5	141.1	127.4	126.7	129.6	125.0	132.1	140.6	127.3	127.2	130.3
Nov.	137.6	150.0	139.4	126.3	152.6	155.6	129.8	127.5	130.5	125.8	132.6	140.9	128.1	127.5	130.8
Dec.	138.5	151.3	r140.6	126.9	153.6	172.8	131.0	128.0	130.5	126.7	133.0	141.4	129.2	127.6	131.3
1974—Jan.	139.7	153.7	142.2	127.3	154.8	194.6	134.3	129.0	128.8	128.1	133.7	142.2	129.8	128.3	131.8
Feb.	141.5	157.6	143.4	128.0	155.8	202.0	137.3	130.1	130.4	129.3	134.5	143.4	130.8	128.9	132.3
Mar.	143.1	159.1	144.9	128.4	157.2	201.5	140.0	132.6	132.2	132.0	135.4	144.8	131.8	129.5	132.8

NOTE.—Bureau of Labor Statistics index for city wage-earners and clerical workers.

WHOLESALE PRICES: SUMMARY

(1967 = 100, except as noted)

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
1973	135.5	176.3	148.1	126.9	123.8	143.1	145.5	110.0	112.4	177.2	122.1	132.8	121.7	115.2	130.2	115.1	119.7
1973—Apr.	130.7	160.6	139.8	124.4	120.8	145.0	131.8	107.7	110.6	182.0	119.8	130.5	120.8	114.1	130.0	114.9	118.6
May	133.5	170.4	145.0	125.8	122.3	142.2	135.5	109.3	111.5	186.9	120.7	131.7	121.5	115.1	130.5	115.1	119.5
June	136.7	182.3	151.8	126.9	123.7	140.9	142.8	110.4	112.6	183.1	122.0	132.5	121.9	115.2	131.1	115.0	120.2
July	134.9	173.3	146.5	126.9	124.2	141.4	142.8	110.8	112.9	177.8	122.3	132.8	122.0	115.2	130.0	115.0	120.9
Aug.	142.7	213.3	166.2	127.4	125.2	143.0	142.9	111.0	113.1	178.8	123.3	133.7	122.3	115.9	130.0	115.1	121.0
Sept.	140.2	200.4	156.3	128.1	126.8	143.8	144.8	111.5	112.8	181.9	124.4	134.4	122.6	116.0	129.9	114.5	121.1
Oct.	139.5	188.4	153.1	129.6	128.5	143.8	150.5	112.7	114.0	180.3	125.8	135.9	123.1	116.6	130.9	115.9	121.0
Nov.	141.8	184.0	151.9	133.5	130.0	143.0	179.2	113.5	114.8	184.7	127.6	138.5	123.8	117.2	131.5	116.1	121.3
Dec.	145.3	187.2	155.7	137.1	131.4	141.9	201.3	115.6	116.5	186.1	128.7	141.8	124.6	117.5	132.6	117.3	121.6
1974—Jan.	150.4	202.6	162.1	140.5	133.8	142.6	214.6	118.2	117.7	183.7	131.8	145.0	126.0	119.0	138.7	118.6	123.5
Feb.	152.7	205.6	164.7	142.5	135.2	143.4	221.7	120.2	119.8	184.1	132.9	148.0	127.0	120.2	142.1	118.9	124.6
Mar.	154.5	197.0	163.0	146.6	136.1	143.4	232.2	127.3	123.8	191.3	137.2	154.7	129.0	121.3	144.2	119.1	125.8
Apr.	155.3	186.2	159.1	150.1	137.5	145.4	234.0	132.3	129.4	200.2	144.4	161.2	130.8	122.9	146.7	119.4	128.2

[1] Dec. 1968=100.

GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929	1933	1941	1950	1969	1970	1971	1972	1973	1973 I	1973 II	1973 III	1973 IV	1974 I[p]
Gross national product	**103.1**	**55.6**	**124.5**	**284.8**	**930.3**	**977.1**	**1,055.5**	**1,155.2**	**1,289.1**	**1,242.5**	**1,272.0**	**1,304.5**	**1337.5**	**1,351.8**
Final purchases	*101.4*	*57.2*	*120.1*	*278.0*	*922.5*	*972.6*	*1,049.4*	*1,149.1*	*1,281.1*	*1,237.8*	*1,267.5*	*1,299.8*	*1,319.4*	*1,344.0*
Personal consumption expenditures	**77.2**	**45.8**	**80.6**	**191.0**	**579.5**	**617.6**	**667.2**	**726.5**	**804.0**	**779.4**	**795.6**	**816.0**	**825.2**	**844.6**
Durable goods	9.2	3.5	9.6	30.5	90.8	91.3	103.6	117.4	130.8	132.2	132.8	132.8	125.6	124.5
Nondurable goods	37.7	22.3	42.9	98.1	245.9	263.8	278.7	299.9	335.9	322.2	330.3	341.6	349.6	362.3
Services	30.3	20.1	28.1	62.4	242.7	262.6	284.9	309.2	337.3	325.0	332.6	341.6	350.0	357.8
Gross private domestic investment	**16.2**	**1.4**	**17.9**	**54.1**	**139.0**	**136.3**	**153.2**	**178.3**	**202.1**	**194.5**	**198.2**	**202.0**	**213.9**	**201.8**
Fixed investment	*14.5*	*3.0*	*13.4*	*47.3*	*131.1*	*131.7*	*147.1*	*172.3*	*194.2*	*189.9*	*193.7*	*197.3*	*195.9*	*194.0*
Nonresidential	*10.6*	*2.4*	*9.5*	*27.9*	*98.5*	*100.6*	*104.4*	*118.2*	*136.2*	*130.9*	*134.1*	*138.0*	*141.8*	*144.4*
Structures	5.0	.9	2.9	9.2	34.2	36.1	37.9	41.7	48.4	45.3	47.2	49.5	51.7	54.3
Producers' durable equipment	5.6	1.5	6.6	18.7	64.3	64.4	66.5	76.5	87.8	85.5	86.9	88.6	90.1	90.1
Residential structures	4.0	.6	3.9	19.4	32.6	31.2	42.7	54.0	58.0	59.0	59.6	59.2	54.0	49.5
Nonfarm	3.8	.5	3.7	18.6	32.0	30.7	42.2	53.5	57.4	58.4	59.1	58.6	53.4	48.9
Change in business inventories	1.7	−1.6	4.5	6.8	7.8	4.5	6.1	6.0	8.0	4.6	4.5	4.7	18.0	7.8
Nonfarm	1.8	−1.4	4.0	6.0	7.7	4.3	4.5	5.6	7.3	4.4	4.4	3.2	17.3	6.8
Net exports of goods and services	**1.1**	**.4**	**1.3**	**1.8**	**1.9**	**3.6**	**.8**	**−4.6**	**5.8**	**.0**	**2.8**	**7.6**	**12.8**	**9.5**
Exports	7.0	2.4	5.9	13.8	55.5	62.9	66.3	73.5	102.0	89.7	97.2	104.5	116.4	125.9
Imports	5.9	2.0	4.6	12.0	53.6	59.3	65.5	78.1	96.2	89.7	94.4	97.0	103.6	116.4
Government purchases of goods and services	**8.5**	**8.0**	**24.8**	**37.9**	**210.0**	**219.5**	**234.3**	**255.0**	**277.1**	**268.6**	**275.3**	**279.0**	**285.6**	**295.9**
Federal	*1.3*	*2.0*	*16.9*	*18.4*	*98.8*	*96.2*	*98.1*	*104.4*	*106.6*	*105.5*	*107.3*	*106.8*	*106.8*	*111.3*
National defense			13.8	14.1	78.4	74.6	71.6	74.4	73.9	74.3	74.2	74.2	73.0	76.2
Other			3.1	4.3	20.4	21.6	26.5	30.1	32.7	31.2	33.1	32.7	33.8	35.1
State and local	7.2	6.0	7.9	19.5	111.2	123.3	136.2	150.5	170.5	163.0	168.0	172.2	178.8	184.6
Gross national product in constant (1958) dollars	**203.6**	**141.5**	**263.7**	**355.3**	**725.6**	**722.5**	**745.4**	**790.7**	**837.4**	**829.3**	**834.3**	**841.3**	**844.6**	**832.0**

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. For back data and explanation of series, see the *Survey of Current Business*, (generally the July issue) and the Aug. 1966 Supplement to the *Survey*.

NATIONAL INCOME

(In billions of dollars)

Item	1929	1933	1941	1950	1969	1970	1971	1972	1973	1973 I	1973 II	1973 III	1973 IV	1974 I[p]
National income	**86.8**	**40.3**	**104.2**	**241.1**	**766.0**	**800.5**	**859.4**	**941.8**	**1,053.9**	**1,015.0**	**1,038.2**	**1,067.4**	**1,095.1**	......
Compensation of employees	**51.1**	**29.5**	**64.8**	**154.6**	**566.0**	**603.9**	**644.1**	**707.1**	**785.2**	**757.4**	**774.9**	**794.0**	**814.7**	**826.6**
Wages and salaries	*50.4*	*29.0*	*62.1*	*146.8*	*509.7*	*542.0*	*573.8*	*627.3*	*691.4*	*666.7*	*682.3*	*699.3*	*717.2*	*726.0*
Private	45.5	23.9	51.9	124.4	405.6	426.9	449.7	493.3	546.0	525.1	538.7	553.2	566.9	573.1
Military	.3	.3	1.9	5.0	19.0	19.6	19.4	20.3	20.8	20.9	20.5	20.4	21.3	21.2
Government civilian	4.6	4.9	8.3	17.4	85.1	95.5	104.7	113.8	124.6	120.7	123.1	125.7	129.1	131.7
Supplements to wages and salaries	*.7*	*.5*	*2.7*	*7.8*	*56.3*	*61.9*	*70.3*	*79.7*	*93.9*	*90.8*	*92.6*	*94.7*	*97.5*	*100.6*
Employer contributions for social insurance	.1	.1	2.0	4.0	27.8	29.7	33.7	39.0	49.0	47.4	48.3	49.4	50.8	52.6
Other labor income	.6	.4	.7	3.8	28.4	32.2	36.6	40.7	44.9	43.3	44.2	45.3	46.7	47.9
Proprietors' income	**15.1**	**5.9**	**17.5**	**37.5**	**67.2**	**66.9**	**68.7**	**74.2**	**84.2**	**80.6**	**81.5**	**85.0**	**89.8**	**88.2**
Business and professional	9.0	3.3	11.1	24.0	50.5	50.0	51.9	54.0	57.5	56.3	57.1	57.9	58.5	59.1
Farm	6.2	2.6	6.4	13.5	16.7	16.9	16.8	20.2	26.8	24.3	24.4	27.1	31.3	29.1
Rental income of persons	5.4	2.0	3.5	9.4	22.6	23.9	24.5	24.1	25.1	24.7	24.6	25.3	25.7	25.8
Corporate profits and inventory valuation adjustment	10.5	−1.2	15.2	37.7	79.8	69.2	80.1	91.1	109.0	104.3	107.9	112.0	111.9	......
Profits before tax	*10.0*	*1.0*	*17.7*	*42.6*	*84.9*	*74.0*	*85.1*	*98.0*	*126.3*	*119.6*	*128.9*	*129.0*	*127.4*	......
Profits tax liability	1.4	.5	7.6	17.8	40.1	34.8	37.4	42.7	55.8	52.7	57.4	57.6	55.7	......
Profits after tax	*8.6*	*.4*	*10.1*	*24.9*	*44.8*	*39.3*	*47.6*	*55.4*	*70.4*	*66.9*	*71.6*	71.5	*71.6*	......
Dividends	5.8	2.0	4.4	8.8	24.3	24.7	25.1	26.0	27.8	26.9	27.3	28.1	29.0	29.5
Undistributed profits	2.8	−1.6	5.7	16.0	20.5	14.6	22.5	29.3	42.6	40.0	44.2	43.4	42.6	......
Inventory valuation adjustment	.5	−2.1	−2.5	−5.0	−5.1	−4.8	−4.9	−6.9	−17.3	−15.4	−21.1	−17.0	−15.5	−30.9
Net interest	4.7	4.1	3.2	2.0	30.5	36.5	42.0	45.2	50.4	47.9	49.4	51.1	53.0	55.0

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	1969	1970	1971	1972	1973	1973 I	1973 II	1973 III	1973 IV	1974 I[p]
Gross national product	103.1	55.6	124.5	284.8	930.3	977.1	1,055.5	1,155.2	1,289.1	1,242.5	1,272.0	1,301.5	1,337.5	1,351.8
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	81.6	87.3	93.8	102.4	110.0	106.9	109.0	110.5	113.5	115.9
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	85.9	93.5	102.4	109.5	117.8	115.6	117.2	118.5	119.9	121.2
Business transfer payments	.6	.7	.5	.8	3.8	4.0	4.3	4.6	4.9	4.8	4.9	5.0	5.1	5.2
Statistical discrepancy	.7	.6	.4	1.5	−6.1	−6.4	−3.4	−1.5	2.9	1.1	3.2	3.7	3.7	......
Plus: Subsidies less current surplus of government enterprises	−.1	......	.1	.2	1.0	1.7	1.2	1.7	.4	.9	.4	.6	.2	2.7
Equals: National income	86.8	40.3	104.2	241.1	766.0	800.5	859.4	941.8	*1,053.9*	*1,015.0*	*1,038.2*	*1,067.4*	*1,095.1*	......
Less: Corporate profits and inventory valuation adjustment	10.5	−1.2	15.2	37.7	79.8	69.2	80.1	91.1	109.0	104.3	107.9	112.0	111.9	......
Contributions for social insurance	.2	.3	2.8	6.9	54.2	57.7	64.6	73.7	92.1	89.3	90.9	93.0	95.0	99.8
Excess of wage accruals over disbursements	......	......	......	......	......	.0	.6	−.5	.1	.0	.3	.0	.0	.0
Plus: Government transfer payments	.9	1.5	2.6	14.3	61.9	75.1	88.9	98.3	112.6	108.8	110.8	113.7	116.9	122.1
Net interest paid by government and consumers	2.5	1.6	2.2	7.2	28.7	31.0	31.0	32.7	37.1	34.7	36.1	38.0	39.7	41.3
Dividends	5.8	2.0	4.4	8.8	24.3	24.7	25.1	26.0	27.8	26.9	27.3	28.1	29.0	29.5
Business transfer payments	.6	.7	.5	.8	3.8	4.0	4.3	4.6	4.9	4.8	4.9	5.0	5.1	5.2
Equals: Personal income	85.9	47.0	96.0	227.6	750.9	808.3	863.5	939.2	1,035.4	996.6	1,019.0	1,047.1	1,078.9	1,093.9
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	116.5	116.6	117.5	142.2	152.9	145.1	149.3	156.0	161.1	163.4
Equals: *Disposable personal income*	83.3	45.5	92.7	206.9	634.4	691.7	746.0	797.0	882.5	851.5	869.7	891.1	917.8	930.5
Less: Personal outlays	79.1	46.5	81.7	193.9	596.2	635.5	685.8	747.2	827.8	801.5	818.7	840.1	850.8	869.9
Personal consumption expenditures	77.2	45.8	80.6	191.0	579.5	617.6	667.2	726.5	804.0	779.4	795.6	816.0	825.2	844.6
Consumer interest payments	1.5	.5	.9	2.4	15.8	16.8	17.7	19.7	22.5	21.2	22.0	23.0	23.8	24.4
Personal transfer payments to foreigners	.3	.2	.2	.5	.9	1.0	1.0	1.0	1.2	.9	1.0	1.1	1.8	.9
Equals: Personal saving	4.2	−.9	11.0	13.1	38.2	56.2	60.2	49.7	54.8	50.0	51.0	51.1	67.1	60.6
Disposable personal income in constant (1958) dollars	150.6	112.2	190.3	249.6	513.6	534.8	554.9	577.9	608.0	603.9	604.8	609.5	613.2	603.2

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of opposite page.

PERSONAL INCOME

(In billions of dollars)

Item	1972	1973	1973 Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1974 Jan.	Feb.	Mar.[p]
Total personal income	939.2	1,035.4	1,003.3	1,011.6	1,018.7	1,026.6	1,035.6	1,047.3	1,058.5	1,068.5	1,079.4	1,089.0	1,087.0	1,094.8	1,099.9
Wage and salary disbursements	627.8	691.5	671.1	677.6	682.0	688.2	693.2	698.9	706.0	711.2	717.8	722.6	721.8	726.5	729.7
Commodity-producing industries	226.0	251.9	243.5	245.9	248.3	251.7	253.4	254.8	257.8	259.5	262.5	264.1	261.0	263.0	263.5
Manufacturing only	*175.9*	*196.8*	*190.6*	*192.9*	*194.7*	*197.0*	*197.9*	*198.7*	*200.8*	*202.5*	*204.6*	*205.1*	*203.0*	*203.5*	*203.8*
Distributive industries	151.5	165.1	160.6	162.2	163.2	164.5	165.3	167.1	168.7	169.6	170.8	171.3	171.8	172.2	173.3
Service industries	116.1	129.0	124.9	126.4	126.8	127.7	129.4	130.8	132.5	132.9	134.1	135.9	136.8	138.3	139.2
Government	134.2	145.4	142.2	143.1	143.7	144.4	145.1	146.2	147.0	149.2	150.4	151.3	152.2	152.9	153.7
Other labor income	40.7	44.9	43.6	43.9	44.2	44.5	44.8	45.3	45.8	46.2	46.7	47.1	47.5	47.9	48.3
Proprietors' income	74.2	84.2	81.0	81.0	81.5	81.9	83.7	85.1	86.4	88.4	90.3	91.0	88.2	88.4	88.1
Business and professional	54.0	57.5	56.4	56.8	57.1	57.3	57.8	58.0	58.1	58.5	58.7	58.6	58.6	59.3	59.5
Farm	20.2	26.8	24.6	24.2	24.4	24.6	25.9	27.1	28.3	29.9	31.6	32.4	29.6	29.1	28.6
Rental income	24.1	25.1	24.6	24.3	24.6	24.9	25.0	25.3	25.5	25.6	25.7	25.7	25.8	25.8	25.8
Dividends	26.0	27.8	27.0	27.3	27.3	27.4	27.6	28.2	28.3	28.5	28.7	29.8	29.5	29.4	29.6
Personal interest income	78.0	87.5	83.4	84.5	85.7	86.5	87.8	89.0	90.3	91.5	92.6	94.0	95.3	96.3	97.2
Transfer payments	103.0	117.5	114.5	115.3	115.9	116.0	116.9	119.0	120.2	121.1	121.9	123.0	125.9	127.6	128.3
Less: Personal contributions for social insurance	34.7	43.1	42.0	42.4	42.5	42.8	43.4	43.6	43.9	44.0	44.3	44.3	47.0	47.2	47.3
Nonagricultural income	911.5	1,000.5	970.9	979.5	986.4	994.2	1,001.8	1,012.1	1,021.8	1,030.0	1,039.0	1,047.5	1,048.1	1,056.1	1,061.8
Agricultural income	27.7	34.9	32.4	32.0	32.2	32.4	33.8	35.2	36.7	38.6	40.4	41.5	38.9	38.4	38.1

NOTE.—Dept. of Commerce estimates. Monthly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of opposite page.

SUMMARY OF FUNDS RAISED AND ADVANCED IN U.S. CREDIT MARKETS

(Seasonally adjusted annual rates; in billions of dollars)

	Transaction category, or sector	1968	1969	1970	1971	1972	1973r	1971 H1	1971 H2	1972 H1	1972 H2	1973 H1r	1973 H2r	
	Funds raised, by type and sector													
1	**Total funds raised by nonfinancial sectors**	94.6	91.4	97.5	146.7	166.1	187.0	134.7	158.7	145.2	187.3	198.0	175.4	1
2	***Excluding equities***	95.9	88.0	92.6	135.0	156.1	181.3	123.8	146.1	134.7	177.8	192.3	169.6	2
3	U.S. Government	13.4	-3.6	12.8	25.5	17.3	9.7	22.7	28.4	12.4	22.2	17.0	2.5	3
4	Public debt securities	10.3	-1.3	12.9	26.0	13.9	7.7	24.2	27.8	10.5	17.2	15.8	.3	4
5	Budget agency issues	3.1	-2.4	-.1	-.5	3.4	2.0	-1.6	.5	1.9	4.9	1.2	2.8	5
6	All other nonfinancial sectors	81.2	95.0	84.7	121.2	148.8	177.3	112.0	130.4	132.8	165.1	181.0	172.9	6
7	Corporate equities	-1.4	3.4	4.9	11.7	10.0	5.7	10.9	12.6	10.4	9.5	5.7	5.8	7
8	***Debt instruments***	82.6	91.6	79.8	109.5	138.8	171.6	101.1	117.8	122.3	155.6	175.3	167.1	8
9	Debt capital instruments	50.6	50.6	57.7	83.2	92.4	94.7	79.5	86.9	87.3	97.6	91.7	97.7	9
10	State and local government securities	9.5	9.9	11.3	16.6	11.9	10.1	17.9	15.4	12.0	11.9	6.5	13.6	10
11	Corporate and foreign bonds	14.0	13.0	20.6	19.7	13.2	11.6	22.3	17.2	14.4	12.0	10.6	12.7	11
12	Mortgages	27.1	27.7	25.7	46.8	67.3	73.0	39.3	54.3	60.9	73.7	74.6	71.4	12
13	*Home mortgages*	*15.1*	*15.7*	*12.8*	*26.0*	*39.7*	*42.6*	*20.6*	*31.5*	*35.6*	*43.7*	*43.5*	*41.8*	13
14	*Other residential*	*3.4*	*4.7*	*5.8*	*8.8*	*10.3*	*9.5*	*8.5*	*9.1*	*9.1*	*11.5*	*10.8*	*8.2*	14
15	*Commercial*	*6.4*	*5.3*	*5.3*	*10.0*	*14.8*	*16.5*	*8.5*	*11.5*	*13.5*	*16.0*	*16.1*	*16.9*	15
16	*Farm*	*2.2*	*1.9*	*1.8*	*2.0*	*2.6*	*4.4*	*1.7*	*2.3*	*2.7*	*2.5*	*4.3*	*4.5*	16
17	Other private credit	32.0	41.0	22.1	26.3	46.4	76.9	21.7	30.9	35.0	58.0	83.6	69.5	17
18	Bank loans n.e.c.	13.1	15.3	6.4	9.3	21.8	41.7	5.1	13.5	14.5	29.3	54.2	29.2	18
19	Consumer credit	10.0	10.4	6.0	11.2	19.2	22.9	8.9	13.6	15.8	22.5	24.7	20.4	19
20	Open-market paper	1.6	3.3	3.8	-.9	-1.6	2.5	-1.0	-.8	.3	-2.8	3.4	8.4	20
21	Other	7.2	12.0	5.9	6.6	7.0	9.8	8.7	4.6	5.0	9.0	8.2	11.5	21
22	By borrowing sector	81.2	95.0	84.7	121.2	148.8	177.3	112.0	130.4	132.8	165.1	181.0	172.9	22
23	***Debt instruments***	82.6	91.6	79.8	109.5	138.8	171.6	101.1	117.8	122.3	155.6	175.3	167.1	23
24	Foreign	2.9	2.9	3.0	5.7	3.8	7.1	5.3	6.1	3.4	4.3	11.1	3.1	24
25	State and local governments	9.8	10.7	11.4	17.0	12.3	10.5	17.9	16.1	11.9	12.7	6.4	14.6	25
26	Households	29.6	32.2	22.9	38.3	63.2	74.1	30.0	46.6	56.2	70.5	73.5	74.0	26
27	Nonfinancial business	40.2	45.9	42.5	48.5	59.5	79.9	47.9	49.0	50.9	68.2	84.4	75.4	27
28	*Farm*	*2.8*	*3.2*	*3.2*	*4.1*	*4.9*	*8.6*	*4.0*	*4.2*	*4.4*	*5.3*	*7.5*	*9.8*	28
29	*Nonfarm noncorporate*	*5.6*	*7.4*	*5.3*	*8.7*	*10.4*	*11.4*	*9.3*	*8.1*	*9.5*	*11.6*	*12.0*	*10.8*	29
30	*Corporate*	*31.8*	*35.4*	*33.9*	*35.7*	*44.2*	*59.9*	*34.6*	*36.8*	*37.0*	*51.2*	*64.8*	*54.9*	30
31	***Corporate equities***	-1.4	3.4	4.9	11.7	10.0	5.7	10.9	12.6	10.4	9.5	5.7	5.8	31
32	Foreign	.2	.5	.1	*	-.4	-.2	.4	-.3	-.2	-.6	.4	*	32
33	Corporate business	-1.5	2.9	4.8	11.7	10.4	5.9	10.5	12.9	10.7	10.1	6.1	5.7	33
	Totals including equities													
34	Foreign	3.1	3.3	3.0	5.7	3.4	6.9	5.7	5.8	3.2	3.7	10.7	3.1	34
35	Nonfinancial business	38.7	48.8	47.3	60.2	69.9	85.8	58.4	61.9	61.6	78.3	90.5	81.2	35
36	Corporate	30.3	38.3	38.8	47.4	54.6	65.8	45.1	49.7	47.7	61.3	70.9	60.6	36
37	Memo: U.S. Govt. cash balance	-1.1	.4	2.8	3.2	.5	-1.7	-.2	6.6	-3.0	4.0	3.6	-7.0	37
	Totals net of changes in U.S. Govt. cash balances													
38	Total funds raised	95.7	91.0	94.7	143.5	165.6	188.7	134.9	152.1	148.1	183.3	194.3	182.3	38
39	By U.S. Government	14.5	-4.0	10.0	22.3	16.8	11.4	22.9	21.7	15.4	18.1	13.3	9.4	39
	Private domestic net investment and borrowing in credit markets													
	Total, households and business													
1	***Total capital outlays*** [1]	207.6	226.7	224.2	252.5	291.1	328.3	246.3	258.7	279.9	302.3	323.8	332.9	1
2	*Capital consumption* [2]	*140.4*	*154.3*	*166.0*	*179.0*	*193.4*	*209.9*	*175.8*	*182.2*	*190.3*	*196.6*	*205.6*	*214.3*	2
3	Net physical investment	67.2	72.4	58.2	73.5	97.7	118.4	70.5	76.6	89.7	105.7	118.2	118.6	3
4	Net funds raised	68.3	81.0	70.2	98.5	133.1	159.9	88.4	108.5	117.7	148.8	163.9	155.2	4
5	Excess net investment [3]	-1.1	-8.6	-12.0	-25.0	-35.4	-41.5	-17.9	-32.0	-28.0	-43.1	-45.7	-36.6	5
	Total business													
6	***Total capital outlays***	97.9	108.9	108.0	116.6	133.3	151.3	115.8	117.3	127.4	139.3	145.6	157.0	6
7	Capital consumption	63.2	69.5	74.6	80.3	87.6	94.5	78.8	81.7	86.2	88.9	92.7	96.3	7
8	Net physical investment	34.7	39.4	33.5	36.3	45.8	56.8	37.0	35.5	41.2	50.4	52.9	60.7	8
9	Net debt funds raised	40.2	45.9	42.5	48.5	59.5	79.9	47.9	49.0	50.9	68.2	84.4	75.4	9
10	Corporate equity issues	-1.5	2.9	4.8	11.7	10.4	5.9	10.5	12.9	10.7	10.1	6.1	5.7	10
11	Excess net investment [3]	-4.0	-9.4	-13.8	-23.9	-24.1	-29.0	-21.4	-26.4	-20.4	-27.9	-37.5	-20.5	11
	Corporate business													
12	***Total capital outlays***	75.0	83.7	84.0	86.7	100.7	114.8	86.5	87.0	96.0	105.4	109.8	120.0	12
13	Capital consumption	45.1	49.8	53.6	57.7	62.8	67.9	56.7	58.7	61.8	63.8	66.5	69.4	13
14	Net physical investment	29.9	33.9	30.4	29.1	37.8	46.8	29.8	28.3	34.1	41.5	43.3	50.6	14
15	Net debt funds raised	31.8	35.4	33.9	35.7	44.2	59.9	34.6	36.8	37.0	51.2	64.8	54.9	15
16	Corporate equity issues	-1.5	2.9	4.8	11.7	10.4	5.9	10.5	12.9	10.7	10.1	6.1	5.7	16
17	Excess net investment [3]	-.4	-4.4	-8.4	-18.3	-16.8	-18.9	-15.3	-21.4	-13.5	-19.8	-27.6	-10.0	17
	Households													
18	***Total capital outlays***	109.7	117.8	116.2	135.9	157.8	177.1	130.4	141.4	152.6	163.0	178.2	175.9	18
19	Capital consumption	77.2	84.8	91.4	98.7	105.9	115.4	97.0	100.4	104.1	107.7	112.9	118.0	19
20	Net physical investment	32.5	33.0	24.7	37.2	51.9	61.6	33.5	41.0	48.5	55.3	65.3	58.0	20
21	Net funds raised	29.6	32.2	22.9	38.3	63.2	74.1	30.0	46.6	56.2	70.5	73.5	74.0	21
22	Excess net investment [3]	2.9	.8	1.8	-1.1	-11.3	-12.5	3.5	-5.6	-7.6	-15.2	-8.2	-16.1	22

[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 statements for sectors and transaction types are available on a quarterly basis and annually for flows and for 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 5) 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 on p. A-63, line 11. Corporate equity 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	1968	1969	1970	1971	1972	1973 p	1971 H1	1971 H2	1972 H1	1972 H2	1973 H1 r	1973 H2 p	
1	Total funds advanced in credit markets to nonfinancial sectors	95.9	88.0	92.6	135.0	156.1	181.3	123.8	146.1	134.7	177.8	192.3	169.6	1
	By public agencies and foreign													
2	Total net advances	12.2	15.8	28.0	41.3	16.9	34.8	38.6	44.0	19.7	14.1	42.9	26.7	2
3	U.S. Government securities	3.4	.9	15.7	33.4	7.3	11.0	32.9	34.0	12.7	2.0	21.2	.7	3
4	Residential mortgages	2.8	4.6	5.7	5.7	5.2	7.7	4.2	7.1	6.2	4.3	4.9	10.5	4
5	FHLB advances to S&L's	.9	4.0	1.3	-2.7	*	7.2	-5.5	.2	2.4	2.5	7.8	6.6	5
6	Other loans and securities	5.1	6.3	5.2	4.9	4.3	9.0	7.1	2.7	3.2	5.4	9.1	8.9	6
	By agency—													
7	U.S. Government	4.9	2.9	2.8	3.2	2.3	3.0	4.3	2.2	1.5	3.1	1.0	5.1	7
8	Sponsored credit agencies	3.2	9.0	9.9	2.8	6.0	20.3	-1.4	7.0	7.5	4.5	18.7	21.8	8
9	Monetary authorities	3.7	4.2	5.0	8.8	.2	9.2	8.4	9.3	4.5	-4.1	11.8	6.7	9
10	Foreign	.3	-.3	10.3	26.4	8.4	2.3	27.3	25.5	6.2	10.6	11.5	6.9	10
11	Agency borrowing not included in line 1	3.5	8.8	8.2	4.3	6.2	19.6	.9	7.7	7.4	5.0	17.6	21.6	11
	Private domestic funds advanced													
12	Total net advances	87.2	80.9	72.8	98.0	145.4	166.1	86.1	109.9	122.4	168.6	167.0	164.5	12
13	U.S. Government securities	13.3	4.6	5.4	-3.5	16.3	18.4	-9.2	2.1	7.1	25.3	13.5	23.4	13
14	State and local obligations	9.5	9.9	11.3	16.6	11.9	10.1	17.9	15.4	12.0	11.9	6.5	13.6	14
15	Corporate and foreign bonds	13.8	12.5	20.0	19.5	13.2	11.6	22.1	16.8	14.2	12.1	10.3	12.9	15
16	Residential mortgages	15.5	15.7	12.8	29.1	44.6	44.3	24.8	33.4	38.4	50.8	49.2	39.4	16
17	Other mortgages and loans	35.9	42.2	24.6	33.7	59.5	88.9	25.0	42.3	48.3	71.0	95.2	81.8	17
18	Less: FHLB advances	.9	4.0	1.3	-2.7	*	7.2	-5.5	.2	-2.4	2.5	7.8	6.6	18
	Private financial intermediation													
19	*Credit market funds advanced by private financial institutions*	*75.3*	*54.9*	*74.9*	*111.4*	*150.2*	*161.4*	*112.2*	*110.6*	*130.5*	*170.1*	*184.8*	*138.0*	19
20	Commercial banking	38.7	18.2	35.1	50.6	69.7	89.6	53.2	48.0	57.2	82.4	101.3	77.8	20
21	Savings institutions	15.6	14.5	16.9	41.5	48.7	35.2	45.4	37.5	48.4	48.9	49.8	20.6	21
22	Insurance and pension funds	14.0	12.3	17.3	14.1	16.0	21.4	12.5	15.7	14.1	17.8	19.6	23.2	22
23	Other finance	7.0	9.9	5.7	5.3	15.8	15.2	1.2	9.4	10.6	21.0	14.1	16.4	23
24	*Sources of funds*	*75.3*	*54.9*	*74.9*	*111.4*	*150.2*	*161.4*	*112.2*	*110.6*	*130.5*	*170.1*	*184.8*	*138.0*	24
25	Private domestic deposits	45.9	2.6	63.2	90.8	97.8	87.9	107.7	73.9	97.9	97.9	103.1	72.7	25
26	Credit market borrowing	8.5	19.1	-.4	9.2	20.2	30.3	2.6	15.9	16.4	24.0	34.4	26.2	26
27	Other sources	21.0	33.3	12.1	11.3	32.2	43.2	1.9	20.8	16.2	48.2	47.3	39.1	27
28	Foreign funds	2.6	9.3	-8.5	3.2	5.1	6.3	-7.2	.8	5.5	4.7	5.3	7.4	28
29	Treasury balances	-.2	*	2.9	2.2	.7	1.0	-.8	5.3	3.6	5.1	1.4	.6	29
30	Insurance and pension reserves	11.4	10.4	13.1	9.6	11.3	15.7	7.7	11.5	8.4	14.1	13.8	17.5	30
31	Other, net	7.2	13.5	4.5	2.7	15.1	22.2	2.2	3.2	5.9	24.3	29.6	14.8	31
	Private domestic nonfinancial investors													
32	Direct lending in credit markets	20.3	45.0	-2.4	-4.2	15.4	35.1	-23.5	15.2	8.3	22.5	16.6	52.7	32
33	U.S. Government securities	8.0	16.8	-8.3	-13.0	4.1	19.4	-22.4	-3.5	-3.3	11.5	13.4	25.3	33
34	State and local obligations	-.2	8.7	-1.1	-.1	2.1	1.4	-2.7	2.6	.9	3.4	.6	2.1	34
35	Corporate and foreign bonds	4.7	7.4	10.1	8.2	4.9	.8	8.6	7.7	4.5	5.2	1.3	.4	35
36	Commercial paper	5.8	10.2	-4.4	-.6	3.7	10.0	-7.3	6.0	6.7	.8	.1	20.1	36
37	Other	2.1	2.0	1.4	1.3	.6	3.5	.3	2.3	-.4	1.7	1.4	4.8	37
38	Deposits and currency	48.3	5.4	66.6	94.2	102.2	91.8	110.6	77.9	103.3	101.3	109.2	74.5	38
39	*Time and savings accounts*	*33.9*	*-2.3*	*56.1*	*81.2*	*85.7*	*79.9*	*92.6*	*69.8*	*88.8*	*82.6*	*98.8*	*60.9*	39
40	Large negotiable CD's	3.5	-13.7	15.0	7.7	8.7	18.6	3.4	12.0	2.1	15.3	34.2	3.0	40
41	Other at commercial banks	17.5	3.4	24.2	32.9	31.0	32.9	44.0	21.9	38.9	23.2	26.8	39.0	41
42	At savings institutions	12.9	8.0	16.9	40.6	46.0	28.4	45.3	35.9	47.8	44.1	37.8	18.9	42
43	Money	14.5	7.7	10.5	13.0	16.5	12.0	17.9	8.1	14.5	18.7	10.3	13.6	43
44	Demand deposits	12.1	4.8	7.1	9.6	12.1	8.0	15.1	4.1	9.1	15.3	4.3	11.8	44
45	Currency	2.4	2.8	3.5	3.4	4.4	3.9	2.8	3.9	5.5	3.4	6.0	1.8	45
46	**Total of credit market instr., deposits, and currency**	**68.7**	**50.5**	**64.2**	**90.0**	**117.7**	**126.9**	**87.1**	**93.0**	**111.7**	**123.8**	**125.7**	**127.2**	46
47	Public support rate (in per cent)	12.7	18.0	30.2	30.6	10.8	19.2	31.2	30.1	14.6	7.9	22.3	15.7	47
48	Private financial intermediation (in per cent)	86.4	67.9	102.8	113.7	103.3	97.2	130.3	100.7	106.6	100.9	110.7	83.9	48
49	Total foreign funds	2.9	9.1	1.8	23.2	13.5	8.6	20.1	26.3	11.6	15.3	16.8	.5	49
		Corporate equities not included above												
1	Total net issues	5.1	9.5	9.5	14.7	12.0	5.7	13.0	16.3	12.4	11.5	5.4	6.0	1
2	Mutual fund shares	5.8	4.8	2.6	1.2	-.6	1.6	.3	2.1	-.8	-.4	2.0	-1.1	2
3	Other equities	-.7	4.7	6.9	13.5	12.6	7.3	12.7	14.2	13.3	12.0	7.4	7.1	3
4	Acquisitions by financial institutions	10.8	12.2	11.4	19.2	15.6	13.3	23.4	15.0	17.6	13.6	12.5	14.1	4
5	Other net purchases	-5.8	-2.7	-1.9	-4.6	3.6	7.6	-10.4	1.3	-5.1	-2.1	7.0	8.1	5

Notes

Line

1. Line 2 of p. A-62.
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, 32, 39, and 44.
17. Includes farm and commercial mortgages.
25. Lines 39 + 44.
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 + 44. See line 25.
45. Mainly an offset to line 9.
46. Lines 32 plus 38 or line 12 less line 27 plus line 45.
47. Line 2/line 1.
48. Line 19/line 12.
49. 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 −	1971	1972	1973p	1972	1973			
					IV	I	II	III	IVp
	Summary—Seasonally adjusted								
1	Merchandise trade balance [1]	−2,698	−6,912	688	−1,745	−945	−337	612	1,358
2	Exports	42,768	48,769	70,255	13,213	15,229	16,672	18,143	20,211
3	Imports	−45,466	−55,681	−69,567	−14,958	−16,174	−17,009	−17,531	18,853
4	Military transactions, net	−2,918	−3,558	−2,171	−864	−825	−730	−541	−75
5	Travel and transportation, net	−2,288	−2,853	−2,312	−730	−608	−703	−476	−525
6	Investment income, net [2]	7,972	7,863	9,723	2,232	2,330	2,133	2,333	2,927
7	U.S. direct investments abroad	9,456	10,433	13,974	2,991	3,177	3,248	3,479	4,070
8	Other U.S. investments abroad	3,443	3,492	4,576	875	1,006	1,088	1,182	1,300
9	Foreign investments in the United States	−4,927	−6,062	−8,827	−1,634	−1,853	−2,203	−2,328	−2,443
10	Other services, net	739	851	972	237	232	238	221	280
11	**Balance on goods and services** [3]	807	−4,610	6,900	−870	184	601	2,149	3,965
12	Remittances, pensions, and other transfers	−1,553	−1,570	−1,913	−429	−397	−389	−404	−724
13	**Balance on goods, services, and remittances**	−745	−6,180	4,987	−1,299	−213	212	1,745	3,241
14	U.S. Government grants (excluding military)	−2,045	−2,174	−1,947	−452	−345	−652	−499	−450
15	**Balance on current account**	−2,790	−8,353	−3,041	−1,751	−558	440	1,246	2,791
16	U.S. Government capital flows excluding nonscheduled repayments, net [4]	−2,117	−1,714	−2,894	−627	671	−583	−572	−1,069
17	Nonscheduled repayments of U.S. Government assets	225	137	289	26	111	174	4	*
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies	−467	238	1,136	15	224	484	205	223
19	Long-term private capital flows, net	−4,401	−152	−357	781	8	−303	1,666	−1,731
20	U.S. direct investments abroad	4,943	−3,404	−4,855	−771	−2,025	−946	−478	−1,407
21	Foreign direct investments in the United States	−115	160	2,068	160	273	534	753	507
22	Foreign securities	−966	−614	−791	−40	51	−126	−204	−512
23	U.S. securities other than Treasury issues	2,269	4,335	4,093	1,768	1,745	496	1,187	664
24	Other, reported by U.S. banks	862	−1,120	596	−442	110	−238	247	495
25	Other, reported by U.S. nonbanking concerns	216	492	276	106	74	23	161	−488
26	**Balance on current account and long-term capital** [4]	−9,550	−9,843	1,214	−1,556	−886	−668	2,549	214
27	Nonliquid short-term private capital flows, net	−2,347	−1,637	−4,210	−982	−1,765	−1,426	46	−1,065
28	Claims reported by U.S. banks	−1,802	−1,495	−3,953	−859	−1,804	−1,413	217	−953
29	Claims reported by U.S. nonbanking concerns	−530	−315	−735	−250	−11	−12	−470	−242
30	Liabilities reported by U.S. nonbanking concerns	−15	173	478	127	50	−1	299	130
31	Allocations of Special Drawing Rights (SDR's)	717	710	....	177	....	....	....	....
32	Errors and omissions, net	−10,784	−3,112	−4,793	−1,490	−3,898	477	−1,097	−275
33	**Net liquidity balance**	−21,965	−13,882	−7,789	−3,851	−6,549	−1,617	1,498	−1,126
34	Liquid private capital flows, net	−7,788	3,542	2,503	2,367	−3,927	1,972	632	3,826
35	Liquid claims	−1,097	−1,234	−1,933	−131	−2,050	869	−323	−429
36	Reported by U.S. banks	−566	−742	−1,100	−77	−1,357	939	−303	−379
37	Reported by U.S. nonbanking concerns	−531	−492	−833	−54	−693	−70	−20	−50
38	Liquid liabilities	−6,691	4,776	4,436	2,498	−1,877	1,103	955	4,255
39	To foreign commercial banks	−6,908	3,862	2,863	1,995	−1,897	709	851	3,200
40	To international and regional organizations	682	104	373	181	11	31	−50	381
41	To other foreigners	465	810	1,200	322	9	363	154	674
42	**Official reserve transactions balance**	−29,753	−10,340	−5,286	−1,484	−10,476	355	2,130	2,700
	Financed by changes in:								
43	Liquid liabilities to foreign official agencies	27,615	9,720	4,434	1,645	9,097	−798	−1,676	−2,184
44	Other readily marketable liabilities to foreign official agencies [5]	−551	399	1,118	117	1,202	259	11	−354
45	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Govt.	341	189	−475	−167	43	167	452	−147
46	U.S. official reserve assets, net	2,348	32	209	−111	220	17	−13	−15
47	Gold	866	547	....	....	....	....	....	....
48	SDR's	−249	−703	9	−177	....	9	....	....
49	Convertible currencies	381	35	233	82	233	....	....	....
50	Gold tranche position in IMF	1,350	153	−33	−16	−13	8	−13	−15
	Memoranda:								
51	Transfers under military grant programs (excluded from lines 2, 4, and 14)	3,153	4,200	2,558	949	716	833	521	487
52	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20)	3,192	4,521	(6)	(6)	(6)	(6)	(6)	(6)
53	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 9 and 21)	498	548	(6)	(6)	(6)	(6)	(6)	(6)

For notes see end of table.

1. U.S. BALANCE OF PAYMENTS—Continued

(In millions of dollars)

Credits +, debits −	1971	1972	1973^p	1972 IV	1973 I	1973 II	1973 III	1973 IV^p
Balances excluding allocations of SDR's—Seasonally adjusted								
Net liquidity balance	−22,682	−14,592	7,789	−4,028	−6,549	−1,617	1,498	−1,126
Official reserve transactions balance	−30,470	−11,050	−5,286	−1,661	−10,476	355	2,130	2,700
Balances not seasonally adjusted								
Balance on goods and services	807	4,610	6,900	168	807	781	356	4,957
Balance on goods, services, and remittances	−745	−6,180	4,987	−263	436	384	62	4,230
Balance on current account	−2,790	−8,353	3,041	698	62	−301	−516	3,795
Balance on current account and long-term capital [4]	−9,550	−9,843	1,214	343	−850	−776	825	2,015
Balances including allocations of SDR's:								
Net liquidity	−21,965	−13,882	−7,789	−3,197	−6,197	−2,033	602	161
Official reserve transactions	−29,753	10,340	−5,286	−1,503	−9,995	769	940	3,000
Balances excluding allocations of SDR's:								
Net liquidity	−22,682	−14,592	−7,789	−3,197	−6,197	−2,033	602	−161
Official reserve transactions	−30,470	11,050	−5,286	−1,503	−9,995	769	940	3,000

[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] Includes changes in long-term liabilities reported by banks in the United States and in investments by foreign official agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.
[6] 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			
	1971	1972	1973	1974	1971	1972	1973	1974	1971	1972	1973	1974
Month:												
Jan.	3,601	4,074	4,955	7,111	3,599	r4,436	5,244	6,467	2	−361	−289	644
Feb.	3,695	3,824	5,071	7,606	3,564	4,473	5,482	7,392	130	−649	−412	213
Mar.	3,790	3,869	5,309	7,674	3,628	4,515	5,411	7,845	160	647	−102	−171
Apr.	3,631	3,820	5,492	....	3,774	4,417	5,356	....	−143	−596	136	....
May	3,746	3,882	5,557	....	3,908	4,486	5,700	....	−161	−604	−143	....
June	3,672	3,971	5,726	....	4,037	4,468	5,765	....	−365	−497	−40	....
July	3,573	4,074	5,860	....	3,832	4,565	5,821	....	−259	−491	39	....
Aug.	3,667	4,197	6,044	....	3,913	4,726	5,991	....	−247	−530	54	....
Sept.	4,487	4,176	6,414	....	4,179	4,612	5,621	....	308	−436	792	....
Oct.	2,669	4,316	6,584	....	3,469	4,738	5,969	....	−800	−421	615	....
Nov.	3,196	4,473	6,871	....	3,456	5,148	6,628	....	−260	−675	243	....
Dec.	3,881	4,558	6,954	....	4,169	5,002	6,084	....	−288	−444	870	....
Quarter:												
I	11,086	11,767	15,334	....	10,792	13,403	16,137	....	294	−1,657	−803	....
II	11,049	11,673	16,775	....	11,719	13,370	16,821	....	−670	−1,697	−46	....
III	11,727	12,447	18,318	....	11,924	13,903	17,434	....	−197	−1,456	884	....
IV	9,746	13,347	20,408	....	11,094	14,888	18,680	....	−1,348	−1,540	1,728	....
Year[3]	43,549	49,208	70,799	....	45,563	55,555	69,121	....	−2,014	−6,347	1,678	....

[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 valued at $35 per fine ounce through Apr. 1972, at $38 from May 1972–Sept. 1973, and at $42.22 thereafter)

Area and country	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973			
											I	II	III	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	....	....	....	....
Total	12	3	−24	−86	−44	−366	42	−213	−38	−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	−631	−845	−3	....	....	....	....
Intl. Monetary Fund[4]	....	....	[5]−225	177	22	−3	10	−156	−22	−544	....	....	....	....
Grand total	−392	−36	−1,547	−431	−1,009	−1,121	967	[6]−787	−867	−547	....	....	....	....

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 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.

5 Payment to the IMF of $259 million increase in U.S. gold subscription less gold deposits by the IMF.

6 Includes 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 totaled $548 million each.

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 $30 million of Special Drawing Rights.

6 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 revalued to $7,274 million in May 1972 and $8,083 million in Oct. 1973 as a result of changes in par value of the U.S. dollar. Under the Articles of Agreement subscription payments equal to the quota have been made 25 per cent in gold and 75 per cent in dollars.

4. U.S. RESERVE ASSETS

(In millions of dollars)

End of year	Total	Gold stock[1] Total[2]	Gold stock[1] Treasury	Convertible foreign currencies	Reserve position in IMF[3]	SDR's[4]
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[9]..	13,151	10,487	10,410	241	465	1,958
1973...	14,378	11,652	11,567	8	552	2,166

End of month	Total	Gold stock[1] Total[2]	Gold stock[1] Treasury	Convertible foreign currencies[5]	Reserve position in IMF[3]	SDR's[4]
1973						
Apr....	12,904	10,487	10,410	8	460	1,949
May...	12,916	10,487	10,410	16	464	1,949
June...	12,914	10,487	10,410	8	470	1,949
July...	12,918	10,487	10,410	8	474	1,949
Aug....	12,923	10,487	10,410	8	479	1,949
Sept....	12,927	10,487	10,410	8	483	1,949
Oct....	[10] 14,367	[10] 11,652	[10] 11,567	8	[10] 541	[10] 2,166
Nov....	14,373	11,652	11,567	8	547	2,166
Dec.. .	14,378	11,652	11,567	8	552	2,166
1974						
Jan....	14,565	11,652	11,567	59	688	2,166
Feb....	14,643	11,652	11,567	68	757	2,166
Mar....	14,588	11,652	11,567	9	761	2,166
Apr....	14,651	11,652	11,567	9	824	2,166

[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.*

[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.

[10] Total reserve assets include an increase of $1,436 million resulting from change in par value of the U.S. dollar on Oct. 18, 1973; of which, total gold stock is $1,165 million (Treas. gold stock $1,157 million) reserve position in IMF $54 million, and SDR's $217 million.

NOTE.—See Table 23 for gold held under earmark at F.R. Banks for foreign and international accounts. Gold under earmark is not included in the gold stock of the United States.

5. U.S. POSITION IN THE INTERNATIONAL MONETARY FUND

(In millions of dollars)

Period	Transactions affecting IMF holdings of dollars (during period): U.S. transactions with IMF: Payments of subscriptions in dollars	Net gold sales by IMF[1]	Transactions in foreign currencies[2]	IMF net income in dollars	Transactions by other countries with IMF: Purchases of dollars[3]	Repurchases in dollars	Total change	IMF holdings of dollars (end of period): Amount	Per cent of U.S. quota	U.S. reserve position in IMF (end of period)[4]
1946—1957	2,063	600	....	−45	2,670	827	775	775	28	1,975
1958—1963	1,031	150	....	60	−1,666	2,740	2,315	3,090	75	1,035
1964—1966	776	....	1,640	45	−723	6	1,744	4,834	94	326
1967—1969	....	22	−84	59	−2,263	268	−1,998	2,836	55	2,324
1970	1,155	[5] 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	[6] 541	....	200	47	....	....	694	6,810	94	465
1973	[6] 754	....	....	33	....	....	721	7,531	93	552
1973—Apr.	....	....	....	18	....	....	18	6,814	94	460
May	....	....	....	4	....	....	−4	6,810	94	464
June	....	....	....	−6	....	....	−6	6,804	94	470
July	....	....	....	−4	....	....	−4	6,800	93	474
Aug.	....	....	....	5	....	....	5	6,795	93	479
Sept.	....	....	....	4	....	....	4	6,791	93	483
Oct.	[6] 754	....	....	−4	....	....	750	7,541	93	541
Nov.	....	....	....	−5	....	....	−5	7,536	93	547
Dec.	....	....	....	−5	....	....	−5	7,531	93	552
1974—Jan.	....	....	133	4	....	....	137	7,394	91	688
Feb.	....	....	....	−4	65	....	−69	7,325	91	757
Mar.	....	....	....	−4	....	....	−4	7,321	91	761
Apr.	....	....	....	2	61	....	63	7,258	90	824

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	Liquid: Short-term liabilities reported by banks in U.S.	Liquid: Marketable U.S. Treas. bonds and notes[3]	Nonmarketable convertible U.S. Treas. bonds and notes	Nonmarketable nonconvertible U.S. Treas. bonds and notes[4]	Other readily marketable liabilities[5]	Liquid liabilities to commercial banks abroad[6]	Liquid liabilities to other foreigners: Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes[3,7]	Liquid liabilities to nonmonetary intl. and regional organizations[8]
1962	24,268	800	12,914	11,963	751	....	200	....	5,346	3,013	2,565	448	2,195
1963 [9]	26,433	800	14,459	12,467	1,217	703	63	9	5,817	3,397	3,046	351	1,960
	26,394	800	14,425	12,467	1,183	703	63	9	5,817	3,387	3,046	341	1,965
1964 [9]	29,313	800	15,790	13,224	1,125	1,079	204	158	7,271	3,730	3,354	376	1,722
	29,364	800	15,786	13,220	1,125	1,079	204	158	7,303	3,753	3,377	376	1,722
1965	29,569	834	15,826	13,066	1,105	1,201	334	120	7,419	4,059	3,587	472	1,431
1966 [9]	31,145	1,011	14,841	12,484	860	256	328	913	10,116	4,271	3,743	528	906
	31,020	1,011	14,896	12,539	860	256	328	913	9,936	4,272	3,744	528	905
1967 [9]	35,819	1,033	18,201	14,034	908	711	741	1,807	11,209	4,685	4,127	558	691
	35,667	1,033	18,194	14,027	908	711	741	1,807	11,085	4,678	4,120	558	677
1968 [9]	38,687	1,030	17,407	11,318	529	701	2,518	2,341	14,472	5,053	4,444	609	725
	38,473	1,030	17,340	11,318	462	701	2,518	2,341	14,472	4,909	4,444	465	722
1969 [9]	[10]45,755	1,019	[10]15,975	11,054	346	[10]555	[10]2,515	1,505	23,638	4,464	3,939	525	659
	45,914	1,019	15,998	11,077	346	555	2,515	1,505	23,645	4,589	4,064	525	663
1970—Dec.[9]	47,009	566	23,786	19,333	306	429	3,023	695	17,137	4,676	4,029	647	844
	46,960	566	23,775	19,333	295	429	3,023	695	17,169	4,604	4,039	565	846
1971—Dec.[11]	67,681	544	51,209	39,679	1,955	6,060	3,371	144	10,262	4,138	3,691	447	1,528
	67,808	544	50,651	39,018	1,955	6,093	3,441	144	10,949	4,141	3,694	447	1,523
1972—Dec.	82,886	....	61,524	39,998	5,236	12,108	3,639	543	14,665	5,070	4,645	425	1,627
1973—Mar.	[12]90,886	....	[12]71,335	46,928	6,917	[12]12,128	3,617	1,745	12,769	5,144	4,768	376	1,638
Apr.	[13]90,582	....	70,752	45,953	6,934	12,245	3,631	1,989	12,851	5,348	4,949	399	1,631
May	92,087	....	70,919	46,116	6,934	12,245	3,628	1,996	14,058	5,361	4,977	384	1,749
June	92,188	....	70,700	45,712	6,934	12,245	3,805	2,004	14,356	5,463	5,080	383	1,669
July	93,217	....	71,026	46,136	6,934	12,245	3,705	2,006	15,311	5,363	4,989	374	1,517
Aug.	92,578	....	70,520	45,721	6,906	12,319	3,555	2,019	15,076	5,450	5,115	335	1,532
Sept.	92,072	....	69,775	45,172	6,914	12,319	3,355	2,015	15,026	5,652	5,305	347	1,619
Oct.	93,173	....	69,701	45,211	6,929	12,319	3,233	2,009	15,953	5,699	5,325	374	1,820
Nov.	92,581	....	67,398	43,789	6,207	12,319	3,234	1,849	17,256	5,917	5,507	410	2,010
Dec.	92,572	....	66,775	43,899	5,686	12,319	3,210	1,661	17,643	6,151	5,721	430	2,003
1974—Jan.	90,099	....	63,876	41,576	5,214	12,321	3,210	1,555	18,014	6,285	5,836	449	1,924
Feb.p	92,005	....	64,111	42,018	5,177	12,322	3,210	1,384	19,642	6,456	6,046	410	1,796
Mar.p	95,655	....	65,519	43,419	5,177	12,329	3,210	1,384	21,997	6,729	6,329	400	1,410

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 1962–63.

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.

9 Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on first line are comparable with those shown for the preceding date; figures on second line are comparable with those shown for the following date.

10 Includes $101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969 as follows: liquid, $17 million, and other, $84 million.

11 Data on the second line differ from those on first line because certain accounts previously classified as "official institutions" are included with "banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury securities payable in foreign currencies issued to official institutions of foreign countries have been increased in value to reflect market exchange rates as of Dec. 31, 1971.

12 Includes $15 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

13 Includes $147 million increase in dollar value of foreign currency liabilities to official institutions of foreign countries revalued to reflect market exchange rates as follows: short-term liabilities, $15 million; nonmarketable convertible U.S. Treasury bonds and notes, $113 million; and nonmarketable nonconvertible U.S. Treasury bonds and notes, $19 million.

NOTE.—Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond generally to statistics following in this section, except for the exclusion of nonmarketable, nonconvertible U.S. Treasury notes issued to foreign official nonreserve agencies, the inclusion of investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations, and minor rounding differences. Table excludes IMF "holdings of dollars," and holdings of U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by other international and regional organizations.

7. U.S. LIQUID AND OTHER LIABILITIES TO OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES, BY AREA

(Amounts outstanding; in millions of dollars)

End of period	Total foreign countries	Western Europe [1]	Canada	Latin American republics	Asia	Africa	Other countries [2]
1967	18,194	10,321	1,310	1,582	4,428	250	303
1968 [3]	17,407	8,070	1,867	1,865	5,043	259	303
	17,340	8,062	1,866	1,865	4,997	248	302
1969 [3]	[4] 15,975	[4] 7,074	1,624	1,888	4,552	546	291
	[4] 15,998	[4] 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	61,524	34,197	4,279	1,731	17,577	777	2,963
1973—Mar.	[6] 71,335	[6] 45,229	4,221	1,750	16,568	823	2,744
Apr.	[7] 70,752	[7] 45,608	4,157	1,915	15,420	839	2,813
May	70,919	46,646	4,104	1,903	14,429	940	2,897
June	70,700	46,967	4,111	1,998	13,734	992	2,898
July	71,026	47,140	4,043	2,073	13,692	928	3,150
Aug.	70,520	47,260	3,836	2,014	13,637	738	3,035
Sept.	69,775	47,099	3,759	1,860	13,289	769	2,999
Oct.	69,701	47,515	3,851	1,937	12,601	735	3,062
Nov.	67,398	46,002	3,820	2,232	11,474	785	3,085
Dec.	66,775	45,697	3,838	2,544	10,884	788	3,024
1974—Jan.	63,876	43,290	3,930	2,446	10,479	838	2,893
Feb.[p]	64,111	42,411	4,254	2,743	10,878	1,000	2,825
Mar.[p]	65,519	42,780	4,180	2,886	11,631	1,249	2,793

[1] Includes Bank for International Settlements and European Fund.
[2] Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.
[3] See note 9 to Table 6.
[4] Includes $101 million increase in dollar value of foreign currency liabilities resulting from revaluation of the German mark in Oct. 1969.
[5] Data on second line differ from those on the first line because certain accounts previously classified as "Official institutions" are included in "Banks"; a number of reporting banks are included in the series for the first time; and U.S. Treasury liabilities payable in foreign currencies to official institutions of foreign countries have been increased in value by $110 million to reflect market exchange rates as of Dec. 31, 1971.
[6] Includes $15 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.
[7] Includes $147 million increase in dollar value of foreign currency liabilities revalued to reflect market exchange rates.

NOTE.—Data represent short- and long-term liabilities to the official institutions of foreign countries, as reported by banks in the United States; foreign official holdings of marketable and nonmarketable U.S. Treasury securities with an original maturity of more than 1 year, except for nonmarketable notes issued to foreign official nonreserve agencies; and investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations.

8. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	To all foreigners								To nonmonetary international and regional organizations[6]				
	Total [1]	Payable in dollars					Payable in foreign currencies	IMF gold investment[5]	Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab.[4]
		Total	Deposits		U.S. Treasury bills and certificates[3]	Other short-term liab.[4]				Demand	Time[2]		
			Demand	Time [2]									
1969	40,199	39,770	20,460	6,959	5,015	7,336	429	800	613	62	83	244	223
1970[7]	41,719	41,351	15,785	5,924	14,123	5,519	368	400	820	69	159	211	381
	41,761	41,393	15,795	5,961	14,123	5,514	368	400	820	69	159	211	381
1971 [8]	55,404	55,018	10,399	5,209	33,025	6,385	386	400	1,372	73	192	210	896
	55,428	55,036	6,459	4,217	33,025	11,335	392	400	1,367	73	192	210	892
1972	60,722	60,225	8,288	5,631	31,850	14,456	496	....	1,413	86	202	326	800
1973—Mar.	65,891	65,343	7,607	5,613	37,947	14,175	548	....	1,426	114	134	260	918
Apr.	65,182	64,598	8,119	5,655	36,440	14,383	584	....	1,429	119	112	221	976
May	66,731	66,159	8,365	5,715	35,965	16,114	572	....	1,579	141	119	148	1,172
June	66,717	66,073	9,114	5,830	34,931	16,198	644	....	1,569	155	134	169	1,110
July	67,924	67,317	8,989	5,879	34,556	17,893	607	....	1,488	206	116	116	1,049
Aug.	67,398	66,788	8,436	6,137	34,257	17,958	611	....	1,487	178	118	61	1,129
Sept.	67,056	66,395	8,754	6,130	33,702	17,809	660	....	1,552	80	100	62	1,311
Oct.	68,256	67,679	9,108	6,772	32,869	18,930	577	....	1,767	70	93	173	1,430
Nov.	68,514	67,891	9,849	6,884	31,977	19,182	622	....	1,962	73	97	373	1,420
Dec.	69,218	68,622	11,399	6,995	31,866	18,362	597	....	1,955	101	86	296	1,471
1974—Jan.	67,281	66,641	10,822	7,030	29,543	19,245	640	....	1,855	95	94	286	1,380
Feb.[p]	69,402	68,634	11,478	7,065	30,274	19,817	768	....	1,696	77	70	232	1,317
Mar.[p]	72,888	72,122	11,646	7,156	31,483	21,837	766	....	1,142	96	70	227	749

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	Total to official, banks and other foreigners: Total	Payable in dollars: Deposits: Demand	Payable in dollars: Deposits: Time[2]	Payable in dollars: U.S. Treasury bills and certificates[3]	Payable in dollars: Other short-term liab.[4]	Payable in foreign currencies	To official institutions[10]: Total	Payable in dollars: Deposits: Demand	Payable in dollars: Deposits: Time[2]	Payable in dollars: U.S. Treasury bills and certificates[3]	Payable in dollars: Other short-term liab.[4]	Payable in foreign currencies
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
	53,661	6,386	4,025	32,415	10,443	392	39,018	1,327	2,039	32,311	3,177	165
1972	59,308	8,203	5,429	31,523	13,657	496	39,998	1,589	2,880	31,453	3,905	171
1973—Mar.	64,465	7,493	5,479	37,687	13,257	548	46,928	1,543	2,837	37,620	4,757	172
Apr.	63,753	8,000	5,543	36,219	13,407	584	45,953	1,714	2,920	36,137	4,996	187
May	65,151	8,224	5,597	35,817	14,942	572	46,116	1,719	2,949	35,736	5,525	187
June	65,148	8,959	5,696	34,762	15,088	644	45,712	1,940	3,124	34,684	5,777	187
July	66,436	8,782	5,762	34,440	16,844	607	46,136	1,934	3,192	34,360	6,461	189
Aug.	65,912	8,258	6,019	34,196	16,829	611	45,721	1,575	3,355	34,118	6,545	127
Sept.	65,503	8,674	6,030	33,640	16,498	660	45,172	1,631	3,226	33,554	6,634	127
Oct.	66,489	9,038	6,678	32,696	17,500	577	45,211	1,810	3,846	32,613	6,815	127
Nov.	66,552	9,776	6,787	31,604	17,762	622	43,789	2,034	3,802	31,529	6,298	127
Dec.	67,263	11,297	6,909	31,570	16,891	597	43,899	2,125	3,911	31,491	6,245	127
1974—Jan.	65,426	10,728	6,936	29,257	17,865	640	41,576	2,379	3,705	29,152	6,212	127
Feb.p	67,706	11,400	6,996	30,041	18,500	768	42,018	2,412	3,700	29,917	5,861	127
Mar.p	71,745	11,550	7,086	31,255	21,089	766	43,419	2,631	3,799	31,064	5,798	127

End of period	Total	To banks[11]: Payable in dollars: Total	Deposits: Demand	Deposits: Time[2]	U.S. Treasury bills and certificates	Other short-term liab.[4]	To other foreigners: Payable in dollars: Total	Deposits: Demand	Deposits: Time[2]	U.S. Treasury bills and certificates	Other short-term liab.[4]	To banks and other foreigners: Payable in foreign currencies
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
	14,643	10,721	3,399	320	8	6,995	3,694	1,660	1,666	96	271	228
1972	19,310	14,340	4,659	405	5	9,270	4,645	1,954	2,145	65	481	325
1973—Mar.	17,537	12,393	4,145	331	5	7,912	4,767	1,805	2,312	63	588	376
Apr.	17,800	12,453	4,336	312	7	7,799	4,949	1,951	2,312	75	611	398
May	19,035	13,673	4,646	319	8	8,701	4,977	1,859	2,329	73	716	385
June	19,437	13,899	5,054	258	8	8,578	5,081	1,965	2,314	70	732	457
July	20,300	14,893	4,958	321	8	9,606	4,989	1,890	2,250	72	776	418
Aug.	20,191	14,593	4,807	353	10	9,423	5,115	1,876	2,311	68	861	483
Sept.	20,331	14,493	5,071	430	8	8,983	5,305	1,972	2,374	77	881	533
Oct.	21,278	15,503	5,251	473	7	9,772	5,325	1,977	2,359	76	912	449
Nov.	22,762	16,761	5,735	469	8	10,549	5,506	2,007	2,517	67	915	495
Dec.	23,364	17,174	6,941	512	11	9,710	5,721	2,232	2,486	68	936	469
1974—Jan.	23,850	17,501	6,329	511	14	10,648	5,835	2,020	2,719	91	1,005	513
Feb.p	25,688	19,001	6,857	521	32	11,592	6,046	2,131	2,775	93	1,047	641
Mar.p	28,326	21,359	6,572	507	54	14,225	6,329	2,347	2,779	137	1,065	639

1 Data exclude "holdings of dollars" of the IMF.

2 Excludes negotiable time certificates of deposit, which are included in "Other."

3 Includes nonmarketable certificates of indebtedness issued to official institutions of foreign countries.

4 Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit. See also note 8(a).

5 U.S. Treasury bills and certificates obtained from proceeds of sales of gold by the IMF to the United States to acquire income-earning assets. Upon termination of investment, the same quantity of gold was reacquired by the IMF.

6 Principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.

Includes difference between cost value and face value of securities in IMF gold investment account.

7 Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable in coverage with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

8 Data on second line differ from those on first line because (a) those liabilities of U.S. banks to their foreign branches and those liabilities of U.S. agencies and branches of foreign banks to their head offices and foreign branches, which were previously reported as deposits, are included in "Other short-term liabilities"; (b) certain accounts previously classified as "Official institutions" are included in "Banks"; and (c) a number of reporting banks are included in the series for the first time.

9 Includes $15 million increase in foreign currency liabilities revalued to reflect market exchange rates.

10 Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.

11 Excludes central banks, which are included in "Official institutions."

NOTE.—"Short term" refers to obligations payable on demand or having an original maturity of 1 year or less. For data on long-term liabilities reported by banks, see Table 10. Data exclude the "holdings of dollars" of the International Monetary Fund; these obligations to the IMF constitute contingent liabilities, since they represent essentially the amount of dollars available for drawings from the IMF by other member countries. Data exclude also U.S. Treasury letters of credit and non-negotiable, non-interest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.

9. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1972	1973							1974		
	Dec.	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.[p]	Mar.[p]
Europe:											
Austria	272	297	305	302	292	204	166	161	210	279	327
Belgium-Luxembourg	1,092	1,376	1,456	1,378	1,377	1,410	1,462	1,483	1,593	1,660	1,573
Denmark	284	489	477	437	409	470	527	659	527	456	380
Finland	163	194	165	153	145	135	136	165	178	160	169
France	4,441	5,406	5,452	5,246	5,296	4,143	3,415	3,483	3,241	2,967	2,852
Germany	5,346	12,003	12,837	12,912	13,236	14,180	14,227	13,227	12,307	12,357	12,275
Greece	238	219	240	236	215	280	236	389	262	238	343
Italy	1,338	1,072	870	1,510	1,140	1,095	1,224	1,384	1,195	1,119	2,253
Netherlands	1,468	2,369	2,029	1,945	2,022	2,534	2,866	2,886	2,522	2,502	2,547
Norway	978	1,049	1,082	1,055	1,024	999	980	965	961	962	993
Portugal	416	500	477	472	459	467	470	534	482	486	450
Spain	256	334	282	237	259	284	319	305	264	304	267
Sweden	1,184	1,905	1,951	1,871	1,835	1,787	1,807	1,885	1,975	1,973	1,733
Switzerland	2,857	3,268	3,310	3,226	3,309	3,316	3,081	3,374	3,281	3,510	3,792
Turkey	97	75	102	115	72	83	75	102	221	146	96
United Kingdom	5,011	6,317	6,457	5,943	5,593	6,416	6,482	6,148	6,440	6,184	7,390
Yugoslavia	117	66	66	57	58	61	76	86	77	94	78
Other Western Europe[1]	1,483	2,360	2,965	3,015	3,099	3,427	2,926	3,352	3,125	3,009	2,946
U.S.S.R.	11	11	18	17	16	40	20	22	26	20	29
Other Eastern Europe	81	74	81	90	114	96	101	110	92	95	122
Total	27,134	39,383	40,621	40,216	39,970	41,425	40,597	40,722	38,982	38,521	40,615
Canada	3,467	3,328	3,393	3,787	3,721	3,812	3,967	3,862	4,158	4,431	3,840
Latin America:											
Argentina	631	727	750	800	889	781	766	914	847	895	1,001
Bahamas [2]	540	452	796	564	592	456	806	824	593	1,011	2,019
Brazil	605	770	920	732	700	745	816	860	819	961	837
Chile	137	140	134	126	127	137	142	157	178	174	185
Colombia	210	200	200	168	167	207	221	247	219	238	238
Cuba	6	10	7	7	7	7	6	7	7	8	7
Mexico	831	925	919	975	1,044	1,029	1,132	1,284	1,323	1,343	1,322
Panama	167	186	194	217	204	231	282	279	281	326	401
Peru	225	180	190	177	178	152	124	135	144	154	159
Uruguay	140	180	128	126	114	115	112	120	120	115	121
Venezuela	1,078	1,055	1,067	1,079	941	1,130	1,420	1,468	1,460	1,636	1,737
Other Latin American republics	860	783	744	791	791	742	769	880	947	1,028	1,115
Netherlands Antilles and Surinam	86	68	78	61	65	70	63	71	69	61	69
Other Latin America	44	649	408	403	463	532	556	361	470	790	638
Total	5,560	6,325	6,534	6,226	6,283	6,334	7,215	7,608	7,477	8,741	9,850
Asia:											
China, People's Rep. of (China Mainland	39	41	38	43	40	37	40	38	38	39	38
China, Republic of (Taiwan)	675	846	790	810	802	779	764	757	735	715	641
Hong Kong	318	341	289	356	349	363	383	372	389	416	452
India	98	110	141	103	99	105	71	85	152	183	133
Indonesia	108	155	176	140	254	169	160	133	186	175	240
Israel	177	161	159	146	173	279	330	327	337	311	302
Japan	15,843	8,458	8,126	8,003	7,680	7,061	6,726	6,954	6,417	7,440	8,305
Korea	192	226	219	217	213	198	210	195	222	204	180
Philippines	438	544	545	541	482	479	497	515	570	604	595
Thailand	171	175	146	140	143	163	180	247	336	471	607
Other	1,071	883	958	1,139	1,165	1,139	1,138	1,202	1,306	1,196	1,445
Total	19,131	11,940	11,588	11,640	11,401	10,771	10,500	10,826	10,690	11,752	12,938
Africa:											
Egypt	24	29	29	41	34	34	63	35	72	72	52
Morocco	12	11	15	10	11	10	14	11	11	12	17
South Africa	115	155	169	100	132	103	109	114	97	119	148
Zaire	21	17	21	27	19	26	24	87	42	30	42
Other	768	904	803	683	765	747	824	808	837	1,044	1,335
Total	939	1,118	1,037	862	961	919	1,034	1,056	1,059	1,277	1,593
Other countries:											
Australia	3,027	2,985	3,202	3,124	3,106	3,169	3,183	3,131	2,986	2,917	2,849
All other	51	71	61	57	62	59	55	59	74	66	60
Total	3,077	3,056	3,263	3,181	3,168	3,228	3,238	3,190	3,059	2,984	2,909
Total foreign countries	59,308	65,148	66,436	65,912	65,503	66,489	66,552	67,263	65,426	67,706	71,745
International and regional:											
International[3]	951	1,149	1,099	1,125	1,183	1,402	1,610	1,628	1,537	1,404	863
Latin American regional	307	329	309	289	298	299	290	271	256	228	218
Other regional[4]	156	89	81	72	70	66	62	57	64	63	62
Total	1,413	1,569	1,488	1,487	1,552	1,767	1,962	1,955	1,855	1,696	1,142
Grand total	60,722	66,717	67,924	67,398	67,056	68,256	68,514	69,218	67,281	69,402	72,888

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	1971 Dec.	1972 Apr.	1972 Dec.	1973 Apr.	1973 Dec.
Other Western Europe:					
Cyprus	2	2	3	9	19
Iceland	11	9	9	12	6
Ireland, Rep. of	16	15	17	22	54
Other Latin American republics:					
Bolivia	55	53	87	65	44
Costa Rica	62	70	92	75	76
Dominican Republic	123	91	114	104	89
Ecuador	57	62	121	109	51
El Salvador	78	83	76	86	77
Guatemala	117	123	132	127	145
Haiti	18	23	27	25	17
Honduras	42	50	58	64	51
Jamaica	19	32	41	32	30
Nicaragua	50	66	61	79	88
Paraguay	17	17	22	26	18
Trinidad & Tobago	10	15	20	17	14
Other Latin America:					
Bermuda	(2)	(2)	(2)	127	178
British West Indies	32	23	36	100	105
Other Asia:					
Afghanistan	19	17	25	19	9
Bahrain	21	18	24	23	(7)
Burma	10	5	2	17	(7)
Cambodia	5	2	3	3	2
Iran	59	88	93	114	103
Iraq	10	9	10	26	(7)
Jordan	2	2	4	4	5
Other Asia—Cont.:					
Kuwait	20	16	39	36	20
Laos	3	3	2	3	2
Lebanon	46	60	55	55	51
Malaysia	23	25	54	59	42
Pakistan	33	58	59	93	95
Ryukyu Islands (incl. Okinawa)[6]	29	53	......	......	......
Saudi Arabia	79	80	344	236	244
Singapore	35	45	77	53	140
Sri Lanka (Ceylon)	4	6	5	6	13
Syria	4	6	4	39	4
Vietnam	159	185	135	98	82
Other Africa:					
Algeria	23	31	32	51	87
Ethiopia (incl. Eritrea)	11	29	57	75	62
Ghana	8	11	10	28	18
Kenya	9	14	23	19	21
Liberia	23	25	30	31	34
Libya	274	296	393	312	(7)
Nigeria	46	56	85	140	(7)
Southern Rhodesia	2	2	2	1	2
Sudan	1	5	3	3	3
Tanzania	6	6	11	16	12
Tunisia	9	7	10	11	4
Uganda	3	10	7	19	6
Zambia	13	7	28	37	(7)
All other:					
New Zealand	23	27	30	34	37

1 Includes Bank for International Settlements and European Fund.
2 Bermuda included with Bahamas through Dec. 1972.
3 Data exclude "holdings of dollars" of the International Monetary Fund but include IMF gold investment until Feb. 1972, when investment was terminated.
4 Asian, African, and European regional organizations, except BIS and European Fund, which are included in "Europe."
5 Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe").
6 Included in Japan after Apr. 1972.
7 Not available.

10. LONG-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	To intl. and regional	To foreign countries: Total	Official institutions	Banks[1]	Other foreigners	Country or area: Germany	United Kingdom	Other Europe	Total Latin America	Japan	Other Asia	All other countries
1970	1,703	789	914	695	165	53	110	42	26	152	385	137	62
1971	902	446	457	144	257	56	164	52	30	111	3	87	9
1972—Dec.[2]	{1,000	562	439	93	259	87	165	63	32	136	1	32	10
	{1,018	580	439	93	259	87	165	63	32	136	1	32	10
1973—Mar.	1,406	697	709	328	269	112	164	66	234	133	1	96	16
Apr.	1,397	684	713	329	274	111	164	68	239	128	1	98	16
May	1,379	688	691	313	274	104	164	68	231	115	1	96	16
June	1,467	769	697	311	274	113	164	68	233	125	2	94	10
July	1,525	768	757	311	305	141	164	68	265	145	2	93	19
Aug.	1,530	775	755	322	305	127	165	68	265	143	2	95	17
Sept.	1,502	758	744	318	302	123	165	68	263	145	2	84	18
Oct.	1,473	735	738	312	305	122	165	68	265	140	2	81	18
Nov.	1,469	753	717	313	287	117	165	67	246	138	2	80	19
Dec.	1,487	761	726	310	296	121	165	66	245	151	5	78	18
1974—Jan.	1,497	801	696	310	275	111	165	65	236	139	2	78	11
Feb.[p]	1,480	868	612	259	267	86	165	58	231	109	2	35	13
Mar.[p]	1,576	969	607	259	261	87	165	45	232	111	2	39	13

1 Excludes central banks, which are included with "Official institutions."

2 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.

11. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. TREASURY BONDS AND NOTES

(End of period; in millions of dollars)

	1973										1974		
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.p	Mar.p
Europe:													
Belgium-Luxembourg	6	6	6	6	6	6	7	7	7	7	7	7	7
Sweden	135	135	135	135	135	135	165	165	165	235	235	260	260
Switzerland	43	44	43	43	42	37	37	37	38	34	33	32	34
United Kingdom	278	300	281	280	275	236	247	290	400	423	437	450	439
Other Western Europe	79	79	85	85	85	85	85	85	85	86	91	91	90
Eastern Europe	5	5	5	5	5	5	5	5	5	5	5	5	5
Total	546	569	555	554	547	504	546	588	700	789	808	845	835
Canada	561	561	560	560	560	560	560	560	567	567	582	817	832
Latin America:													
Latin American republics	1	1	1	1	4	8	9	9	11	11	11	11	11
Other Latin America	6	6	6	6	3	3	3	3	3	3	3	3	3
Total	7	7	7	7	7	11	12	12	14	14	14	14	14
Asia:													
Japan	5,961	5,978	5,978	5,977	5,977	5,949	5,950	5,950	5,143	4,552	4,066	3,718	3,703
Other Asia	10	10	10	10	9	9	11	11	11	11	11	11	11
Total	5,971	5,988	5,988	5,988	5,987	5,959	5,961	5,961	5,154	4,563	4,077	3,729	3,714
Africa	183	183	183	183	183	183	158	158	158	158	158	157	157
All other	25	25	25	25	25	25	25	25	25	25	25	25	25
Total foreign countries	7,293	7,333	7,318	7,317	7,308	7,241	7,261	7,303	6,617	6,116	5,663	5,587	5,577
International and regional:													
International	186	176	142	72	1	1	21	6	1	1	20	51	217
Latin American regional	26	27	27	27	28	45	45	47	47	48	49	49	49
Total	212	202	169	100	29	46	66	53	48	49	69	100	267
Grand total	7,505	7,535	7,487	7,417	7,337	7,287	7,327	7,356	6,665	6,164	5,732	5,687	5,844

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	Bel-gium	Can-ada	China, Rep. of (Taiwan)	Ger-many	Italy [1]	Korea	Thai-land	Total	Ger-many [2]	Switz-erland
1970	3,563	2,480	32	2,289	20	....	25	15	100	1,083	542	541
1971	[3] 9,657	7,829	32	2,640	20	5,000	22	15	100	[3] 1,827	612	1,215
1972	15,872	14,333	20	2,840	20	11,315	22	15	100	1,539	306	1,233
1973—Apr.	[4] 16,015	14,459	20	2,840	5	11,471	22	......	100	[4] 1,556	172	1,384
May	16,012	14,456	20	2,840	2	11,471	22	......	100	1,556	172	1,384
June	16,189	14,633	......	2,840	....	11,670	22	......	100	1,556	172	1,384
July	16,089	14,533	......	2,840	....	11,670	22	......	......	1,556	172	1,384
Aug.	16,015	14,383	......	2,690	....	11,670	22	......	......	1,631	172	1,458
Sept.	15,813	14,183	......	2,490	....	11,670	22	......	......	1,631	172	1,458
Oct.	15,691	14,233	......	2,540	....	11,670	22	......	......	1,458	....	1,458
Nov.	15,692	14,233	......	2,540	....	11,670	22	......	......	1,459	....	1,459
Dec.	15,669	14,210	......	2,540	....	11,670	......	......	......	1,459	....	1,459
1974—Jan.	15,671	14,210	......	2,540	....	11,670	......	......	......	1,461	....	1,461
Feb.	15,672	14,210	......	2,540	....	11,670	......	......	......	1,462	....	1,462
Mar.	15,680	14,210	......	2,540	....	11,670	......	......	......	1,470	....	1,470
Apr.	15,682	14,210	......	2,540	....	11,670	......	......	......	1,472	....	1,472

[1] Notes issued to the Government of Italy in connection with military purchases in the United States.

[2] 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.

[3] Includes $106 million increase in dollar value of foreign currency obligations revalued to reflect market exchange rates as of Dec. 31, 1971.

[4] Includes $15 million increase in Mar. and $145 million increase in Apr. in dollar value of foreign currency obligations revalued to reflect market exchange rates.

13. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(End of period. Amounts outstanding; in millions of dollars)

Area and country	1972	1973							1974		
	Dec.	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.p	Mar.p
Europe:											
Austria	8	12	10	18	14	15	14	11	14	36	20
Belgium-Luxembourg	120	94	96	107	190	150	145	148	134	143	216
Denmark	59	69	56	67	52	50	53	48	50	60	76
Finland	118	141	134	125	114	97	89	108	106	93	97
France	330	389	434	368	413	461	525	621	649	682	743
Germany	321	399	349	281	313	366	392	311	342	382	395
Greece	29	19	28	20	16	26	23	35	41	36	37
Italy	255	326	278	278	242	282	363	316	313	330	495
Netherlands	108	109	101	155	144	132	172	133	139	147	174
Norway	69	65	79	70	67	74	82	72	85	91	76
Portugal	19	19	18	14	18	23	22	23	25	25	37
Spain	207	387	272	251	183	183	189	222	208	180	284
Sweden	164	234	224	184	166	155	177	153	135	106	121
Switzerland	125	245	208	206	234	242	203	176	240	338	260
Turkey	6	9	7	6	6	8	16	10	11	9	16
United Kingdom	997	1,025	1,077	1,357	1,304	1,236	1,178	1,456	1,490	1,621	2,009
Yugoslavia	22	12	12	10	10	8	19	10	9	15	12
Other Western Europe	20	29	20	21	26	34	26	27	19	20	22
U.S.S.R.	41	56	56	42	46	49	51	46	29	36	33
Other Eastern Europe	49	73	84	83	97	87	72	59	64	65	80
Total	3,067	3,710	3,542	3,664	3,654	3,678	3,811	3,985	4,104	4,416	5,203
Canada	1,914	2,034	2,168	2,186	1,909	2,210	1,979	1,960	1,880	2,037	2,243
Latin America:											
Argentina	379	408	431	442	455	469	485	498	521	539	679
Bahamas [1]	515	448	518	484	619	698	608	873	577	1,041	1,284
Brazil	649	891	965	915	879	837	826	900	953	958	1,112
Chile	52	43	36	50	40	80	125	151	136	155	180
Colombia	418	412	420	422	423	423	413	397	425	428	459
Cuba	13	14	13	13	13	15	13	12	11	11	13
Mexico	1,202	1,406	1,386	1,348	1,329	1,388	1,357	1,370	1,344	1,418	1,423
Panama	244	218	223	262	252	273	263	266	294	297	345
Peru	145	169	180	176	178	208	204	178	186	184	194
Uruguay	40	34	34	35	39	45	47	55	58	51	44
Venezuela	383	454	454	441	430	436	469	517	482	510	586
Other Latin American republics	388	380	373	394	409	431	465	490	542	546	600
Netherlands Antilles and Surinam	14	38	48	38	31	23	17	13	17	19	29
Other Latin America	36	66	71	91	91	137	124	140	356	461	268
Total	4,476	4,981	5,153	5,111	5,187	5,464	5,417	5,861	5,904	6,619	7,216
Asia:											
China, People's Rep. of (China Mainland)	1	3	7	6	7	22	36	31	24	19	27
China, Republic of (Taiwan)	194	200	198	183	141	128	117	140	119	147	183
Hong Kong	93	204	218	116	128	121	124	147	169	189	172
India	14	21	18	17	19	14	16	16	16	15	19
Indonesia	87	94	91	77	81	89	96	88	105	107	97
Israel	105	111	133	133	145	145	155	166	153	140	165
Japan	4,152	5,751	5,753	5,791	5,801	5,745	6,033	6,400	6,466	6,960	7,855
Korea	296	347	348	336	348	372	368	401	432	477	502
Philippines	149	144	134	129	121	105	118	181	189	182	197
Thailand	191	173	188	185	179	206	225	273	322	364	405
Other	300	354	352	350	361	349	377	394	466	560	521
Total	5,584	7,401	7,441	7,321	7,330	7,295	7,664	8,237	8,463	9,159	10,142
Africa:											
Egypt	21	34	44	41	43	38	40	35	42	40	42
Morocco	4	4	5	5	11	4	7	5	4	4	21
South Africa	143	163	150	151	157	150	147	129	133	134	131
Zaire	13	42	43	49	48	51	61	60	56	67	61
Other	118	145	149	173	146	163	155	159	178	175	210
Total	299	388	391	419	405	406	410	388	413	420	466
Other countries:											
Australia	291	260	271	230	218	223	251	243	279	268	328
All other	40	46	40	41	36	36	36	43	37	49	64
Total	330	305	310	271	254	259	287	286	316	317	392
Total foreign countries	15,670	18,820	19,005	18,973	18,739	19,312	19,569	20,716	21,080	22,967	25,663
International and regional	3	1	2	1	1	1	1	1	1	1	1
Grand total	15,672	18,821	19,007	18,974	18,739	19,313	19,570	20,717	21,081	22,968	25,664

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								
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
	13,272	12,377	3,969	231	2,080	1,658	2,475	4,254	1,679		895	548	173	174
1972[3]	15,471	14,625	5,674	163	2,975	2,535	3,269	3,204	2,478		846	441	223	182
	15,672	14,826	5,671	163	2,970	2,538	3,276	3,226	2,653		846	441	223	182
1973—Mar.	18,383	17,432	6,517	141	3,677	2,698	3,732	3,482	3,700		951	524	262	165
Apr.	18,362	17,544	6,826	146	3,928	2,753	3,815	3,483	3,419		819	460	207	152
May	18,546	17,692	6,933	163	3,813	2,956	3,824	3,623	3,313		854	499	237	118
June	18,821	17,982	7,318	205	4,070	3,043	3,881	3,984	2,800		839	552	140	147
July	19,007	18,144	7,024	162	3,926	2,936	3,871	3,922	3,327		863	561	151	151
Aug.	18,974	18,087	6,973	176	4,029	2,768	3,948	3,716	3,450		887	488	151	248
Sept.	18,739	17,963	6,829	160	3,917	2,752	4,070	3,718	3,345		777	459	143	175
Oct.	19,313	18,453	7,003	216	3,989	2,798	4,099	3,774	3,577		861	510	187	163
Nov.	19,570	18,780	7,090	252	4,084	2,753	4,287	3,788	3,614		790	512	131	148
Dec.	20,717	20,055	7,718	271	4,589	2,859	4,306	4,155	3,876		662	428	119	115
1974—Jan.	21,081	20,279	7,413	303	4,429	2,680	4,386	4,107	4,373		802	467	162	173
Feb.^{p}	22,968	22,124	8,088	303	4,992	2,792	4,288	4,554	5,195		844	594	121	129
Mar.^{p}	25,664	24,817	9,082	421	5,808	2,853	4,641	5,125	5,969		846	543	160	144

[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.

[3] 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.

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									
1970	3,075	2,698	504	236	1,958	352	25	71	411	312	1,325	115	548	292
1971	3,667	3,345	575	315	2,455	300	22	130	593	228	1,458	246	583	429
1972[2]	4,954	4,539	833	430	3,276	375	40	145	704	406	1,996	319	881	503
	5,025	4,550	836	430	3,285	435	40	145	701	406	2,012	348	900	514
1973—Mar.	5,288	4,781	883	496	3,402	460	47	121	854	453	1,985	336	986	552
Apr.	5,431	4,935	903	544	3,487	447	49	122	907	477	2,007	337	1,030	552
May	5,519	5,015	932	545	3,538	455	48	131	923	511	2,006	331	1,058	558
June	5,604	5,095	978	550	3,567	464	45	131	980	523	2,002	311	1,096	561
July	5,623	5,114	957	554	3,604	455	54	128	1,029	517	1,982	310	1,122	535
Aug.	5,519	5,007	1,002	514	3,491	466	46	137	1,007	404	1,963	304	1,157	548
Sept.	5,385	4,859	1,010	507	3,342	456	70	131	975	418	1,921	252	1,186	501
Oct.	5,567	5,011	1,041	537	3,434	476	80	130	1,011	491	1,960	258	1,203	514
Nov.	5,763	5,222	1,127	554	3,541	463	78	138	1,058	484	2,068	251	1,246	516
Dec.	5,856	5,304	1,129	570	3,605	480	72	140	1,098	489	2,072	243	1,282	533
1974—Jan.	5,803	5,252	1,115	559	3,578	472	79	137	1,102	484	2,033	253	1,284	509
Feb.^{p}	5,867	5,264	1,166	580	3,519	524	79	144	1,158	456	2,057	249	1,293	510
Mar.^{p}	6,054	5,436	1,225	642	3,569	542	76	146	1,263	473	2,131	250	1,298	493

[1] Excludes central banks, which are included with "Official institutions."

[2] 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.

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									
1971	1,672	130	1,542	1,661	−119	14,573	13,158	1,415	1,687	2,621	−935	1,385	1,439	−57
1972	3,316	57	3,258	3,281	−23	19,073	15,015	4,058	1,901	2,961	−1,060	2,532	2,123	409
1973	290	−165	455	450	6	18,569	13,846	4,723	1,471	2,454	−983	1,729	1,554	176
1974—Jan.–Mar.[p]	−320	218	−539	−509	−30	4,614	4,143	471	274	907	633	563	595	−33
1973—Mar.	554	10	544	540	3	2,220	1,111	1,109	144	125	19	211	114	97
Apr.	31	−9	40	16	23	1,566	1,040	525	117	292	−175	121	112	9
May	−48	−33	−15	*	−15	1,142	1,101	41	140	150	−10	137	125	12
June	−71	−69	−1	....	−1	1,087	899	188	125	103	22	123	111	12
July	−79	−71	−9	....	−9	1,320	898	422	101	207	−106	108	107	1
Aug.	−51	17	−68	−28	−39	1,328	864	464	96	157	−61	117	125	−8
Sept.	40	20	20	8	12	1,174	963	212	67	101	−34	115	105	10
Oct.	29	−13	42	15	27	1,806	1,736	71	97	336	−238	129	131	−2
Nov.	−691	−5	−686	−722	36	1,947	1,689	258	103	305	−202	156	178	−22
Dec.	−501	1	−502	−521	19	1,364	1,384	−19	144	209	−65	159	144	15
1974—Jan.	−432	20	−452	−472	19	1,722	1,458	264	71	364	−292	209	207	2
Feb.[p]	−45	31	−77	−37	−39	1,223	1,213	10	100	145	−45	187	205	−18
Mar.[p]	157	166	−10	....	−10	1,669	1,472	198	102	398	−296	167	183	−16

[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	Purchases	Sales	Net purchases or sales (−)	France	Germany	Netherlands	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Other
1971	11,626	10,894	731	87	131	219	168	−49	71	627	−93	37	108	52
1972	14,361	12,173	2,188	372	−51	297	642	561	137	1,958	−78	−32	256	83
1973	12,760	9,961	2,799	439	2	339	685	366	288	2,119	99	−1	577	5
1974—Jan.–Mar.[p]	2,608	2,230	377	120	−17	128	107	35	82	455	−49	32	−6	8
1973—Mar.	1,144	793	350	35	8	47	148	21	29	288	25	5	21	11
Apr.	868	728	141	21	9	−8	53	−14	46	107	34	−10	5	5
May	778	898	−120	−2	−43	−14	−22	−38	3	−116	−7	−16	11	9
June	766	632	134	2	−23	7	52	15	21	74	8	−2	55	−2
July	881	564	316	67	−19	25	80	28	28	210	19	11	71	5
Aug.	973	631	341	53	1	60	57	40	34	245	10	11	81	−6
Sept.	948	734	214	63	6	18	54	15	14	169	*	27	21	−3
Oct.	1,368	1,272	95	6	−7	5	−34	68	24	61	−26	16	41	4
Nov.	1,481	1,071	409	106	27	54	68	67	21	343	−18	−9	108	−14
Dec.	873	878	−5	30	9	32	−64	−25	6	−12	−8	−4	34	−16
1974—Jan.	974	801	173	68	4	37	43	27	23	201	−27	−42	33	9
Feb.[p]	741	585	156	39	5	52	40	−5	33	163	*	1	−9	1
Mar.[p]	893	844	49	14	−26	40	24	14	25	91	−21	9	−29	−1

[1] Includes international and regional organizations.

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
1971	684	15	35	−1	197	327	39	612	37	19	−2	*	−21	39
1972	1,871	336	77	74	135	357	315	1,293	82	22	323	2	*	148
1973	1,924	201	−33	−19	307	275	475	1,206	49	44	588	*	10	26
1974—Jan.–Mar.ᵖ	94	5	25	3	29	93	−30	118	11	2	224	*	*	186
1973—Mar.	759	45	3	−22	−7	−3	158	174	*	4	623	*	*	−42
Apr.	385	33	2	*	65	−96	94	98	16	4	199	*	*	68
May	161	1	−4	−1	76	120	22	215	7	1	2	*	*	−63
June	54	6	−3	*	−3	−19	−2	−20	7	−1	*	*	10	59
July	106	*	−57	*	13	−15	7	−52	3	4	1	*	*	150
Aug.	123	31	1	1	−5	57	10	94	−1	4	2	*	*	24
Sept.	−2	2	*	*	−1	14	12	26	−1	1	11	*	*	−39
Oct.	−25	53	*	1	46	−14	1	87	4	1	1	*	*	−118
Nov.	−151	4	11	−2	28	76	7	124	−21	3	209	*	*	−48
Dec.	−15	9	10	4	37	60	32	152	*	16	−183	....	*	1
1974—Jan.	91	3	25	*	23	117	−9	159	14	1	−104	*	*	20
Feb.ᵖ	−146	1	*	*	*	44	−15	30	−2	−5	−119	*	*	49
Mar.ᵖ	149	1	*	2	6	69	6	71	1	6	−1	*	*	215

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
1971	−992	−310	−682	31	−275	−46	−366	−57	32
1972	−651	−90	−561	492	−651	−69	−296	−66	29
1973	−807	139	−946	−141	−559	−120	168	3	37
1974 Jan-Marᵖ	666	6	−671	181	−503	−26	38	5	6
1973—Mar.	116	23	93	24	34	8	27	*	1
Apr.	−166	16	−182	22	−193	−6	−5	*	*
May	2	11	−9	−21	−13	6	6	−1	14
June	34	7	27	10	6	13	−13	1	9
July	−105	3	−108	−13	−93	−13	9	*	2
Aug.	−69	5	−75	−21	−44	−4	−8	*	3
Sept.	−25	4	−28	−28	8	−8	−1	*	2
Oct.	−240	4	−243	−25	−148	−8	−64	1	1
Nov.	−225	9	−234	−47	−78	−6	−104	*	*
Dec.	−50	51	−101	−45	11	−15	−34	2	3
1974—Jan.	−291	−4	−287	−81	−204	−2	−1	1	2
Feb.ᵖ	−63	6	−69	76	11	−9	29	−4	1
Mar.ᵖ	−312	4	−315	24	288	−15	10	*	3

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—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.	372	405
1973—Mar.	310	364
June	316	243
Sept.	290	255
Dec.ᵖ	333	231

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] Cayman Islands included beginning Aug. 1973.

[2] Total assets and total liabilities payable in U.S. dollars amounted to $23,649 million and $24,023 million, respectively, on Feb. 28, 1974.

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	1971—Dec.[r]	61,253	4,791	2,310	2,481	54,678	11,210	24,525	1,167	17,775	1,784
	1972—Dec.[r]	80,034	4,735	2,124	2,611	73,031	11,717	36,738	1,665	22,910	2,268
	1973—Jan.	81,199	4,926	2,327	2,600	74,006	11,945	36,797	1,621	23,643	2,267
	Feb.	87,901	4,325	1,565	2,760	81,067	12,272	42,203	1,747	24,846	2,509
	Mar.	91,646	4,296	1,988	2,308	84,370	12,458	44,268	1,965	25,679	2,980
	Apr.	90,987	3,917	1,672	2,244	84,091	12,787	42,976	2,081	26,247	2,979
	May	92,994	4,218	1,926	2,292	85,577	13,490	42,746	2,004	27,337	3,199
	June	98,756	4,955	2,333	2,622	90,207	13,528	46,277	1,900	28,501	3,594
	July	103,793	5,404	2,505	2,899	94,583	15,316	47,555	2,035	29,678	3,806
	Aug.	105,194	5,158	2,291	2,868	95,997	15,667	47,414	2,108	30,809	4,039
	Sept.	110,673	4,853	1,917	2,936	101,022	17,194	49,312	2,242	32,274	4,797
	Oct.	114,025	4,847	1,832	3,016	104,464	18,118	51,011	2,336	32,999	4,714
	Nov.	120,600	5,895	2,915	2,980	109,057	18,866	53,813	2,208	34,170	5,648
	Dec.[r]	122,601	4,887	1,887	3,000	112,943	19,148	56,333	2,504	34,958	4,772
	1974—Jan.	123,791	4,605	1,552	3,054	114,602	19,456	56,981	2,732	35,432	4,584
	Feb.	127,050	4,695	1,893	2,802	117,314	20,317	57,032	2,952	37,013	5,041
Payable in U.S. dollars	1971—Dec.[r]	40,137	4,534	2,303	2,231	35,026	6,658	17,986	864	9,518	577
	1972—Dec.	54,058	4,473	2,102	2,371	48,768	8,083	26,907	1,128	12,651	817
	1973—Jan.	54,196	4,592	2,303	2,289	48,828	8,093	26,764	1,063	12,908	777
	Feb.	57,567	3,985	1,534	2,451	52,692	8,550	29,829	1,097	13,215	891
	Mar.	58,745	3,988	1,957	2,031	53,752	8,438	30,568	1,124	13,622	1,005
	Apr.	57,515	3,589	1,645	1,944	52,871	8,426	29,498	1,108	13,839	1,055
	May	58,019	3,930	1,899	2,031	52,871	8,548	28,677	1,140	14,506	1,218
	June	61,843	4,602	2,285	2,317	55,885	8,493	31,261	1,129	15,003	1,356
	July	64,145	4,799	2,469	2,330	57,866	9,229	31,803	1,220	15,615	1,480
	Aug.	65,478	4,522	2,232	2,290	59,491	10,033	31,390	1,281	16,788	1,464
	Sept.	68,114	4,415	1,866	2,549	62,015	10,718	32,458	1,281	17,558	1,685
	Oct.	70,433	4,382	1,789	2,592	64,394	11,613	33,531	1,319	17,931	1,657
	Nov.	75,934	5,421	2,855	2,566	68,730	12,277	36,092	1,401	18,959	1,783
	Dec.[r]	79,935	4,432	1,849	2,583	73,725	12,770	39,375	1,586	19,993	1,778
	1974—Jan.	81,838	4,166	1,515	2,651	75,942	13,211	39,977	1,847	20,906	1,730
	Feb.	83,730	4,311	1,838	2,473	77,524	13,745	40,058	2,019	21,702	1,896
IN UNITED KINGDOM											
Total, all currencies	1971—Dec.	34,552	2,694	1,230	1,464	30,996	5,690	16,211	476	8,619	862
	1972—Dec.	43,684	2,234	1,138	1,096	40,430	5,659	23,983	609	10,179	1,020
	1973—Jan.	44,347	2,585	1,466	1,118	40,796	5,637	24,333	574	10,252	966
	Feb.	48,533	1,945	848	1,097	45,487	5,887	28,473	585	10,542	1,102
	Mar.	49,696	2,052	1,130	922	46,520	5,783	29,148	663	10,926	1,124
	Apr.	49,181	1,662	794	868	46,332	5,437	29,255	651	10,989	1,188
	May	49,080	1,744	910	834	46,001	5,725	28,394	614	11,268	1,336
	June	51,415	1,876	1,012	864	48,031	5,279	30,348	607	11,797	1,508
	July	54,265	2,500	1,492	1,008	50,189	6,274	30,826	649	12,440	1,576
	Aug.	53,153	1,878	937	942	49,692	6,849	29,696	685	12,462	1,583
	Sept.	56,127	1,473	604	870	52,771	8,022	30,967	660	13,123	1,882
	Oct.	57,589	1,853	879	974	53,778	7,970	31,775	695	13,337	1,958
	Nov.	62,294	2,285	1,245	1,040	57,146	8,552	34,059	701	13,834	2,863
	Dec.[r]	62,050	1,789	738	1,051	58,075	8,773	34,661	735	13,905	2,186
	1974—Jan.	63,757	1,484	521	964	60,185	9,123	35,796	907	14,359	2,087
	Feb.	63,582	1,477	616	861	59,789	9,209	34,810	916	14,853	2,317
Payable in U.S. dollars	1971—Dec.	24,428		2,585		21,493	4,135	12,762		4,596	350
	1972—Dec.	30,381		2,146		27,787	4,326	17,976		5,485	447
	1973—Jan.	30,652		2,468		27,778	4,184	18,069		5,526	405
	Feb.	32,746		1,814		30,423	4,568	20,219		5,637	508
	Mar.	32,658		1,953		30,183	4,324	20,033		5,827	522
	Apr.	31,833		1,539		29,778	4,034	20,119		5,625	515
	May	30,906		1,654		28,666	3,943	18,848		5,874	587
	June	32,864		1,784		30,386	3,900	20,413		6,073	694
	July	33,486		2,193		30,569	4,042	20,209		6,319	724
	Aug.	32,935		1,540		30,694	4,887	19,224		6,584	701
	Sept.	34,401		1,348		32,210	5,399	19,873		6,939	842
	Oct.	35,647		1,700		33,176	5,769	20,415		6,993	770
	Nov.	39,321		2,098		36,386	6,273	22,786		7,328	838
	Dec.[r]	40,475		1,642		37,967	6,509	24,009		7,449	866
	1974—Jan.	42,131		1,368		39,932	6,825	25,098		8,010	830
	Feb.	41,759		1,384		39,406	6,902	24,412		8,093	969
IN BAHAMAS AND CAYMANS[1]											
Total, all currencies	1971—Dec.[r]	8,475	1,282	505	777	7,101		3,784		3,316	92
	1972—Dec.	13,091	1,496	225	1,272	11,419		6,965		4,454	175
	1973—Jan.	13,064	1,387	182	1,206	11,495		6,753		4,742	181
	Feb.	13,559	1,461	83	1,378	11,860		7,189		4,671	238
	Mar.	13,764	1,210	89	1,121	12,284		7,519		4,765	271
	Apr.	13,653	1,407	293	1,113	11,988		6,726		5,262	258
	May	14,730	1,498	272	1,227	12,888		7,242		5,647	343
	June	16,184	1,917	410	1,507	14,002		8,206		5,796	265
	July	17,086	1,929	350	1,579	14,862		8,802		6,060	295
	Aug.	19,968	2,262	579	1,684	17,256		10,182		7,073	450
	Sept.	21,072	2,281	490	1,791	18,281		10,772		7,509	511
	Oct.	21,399	1,976	272	1,704	18,889		11,010		7,879	533
	Nov.	22,243	2,526	824	1,702	19,138		10,801		8,337	579
	Dec.[r]	24,085	2,001	313	1,688	21,613		12,537		9,075	471
	1974—Jan.	24,047	2,011	228	1,783	21,556		12,210		9,347	479
	Feb.	[2]25,628	1,882	170	1,713	23,233		13,262		9,970	513

For notes see p. A-77.

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			
											IN ALL FOREIGN COUNTRIES
61,255	3,107	662	2,445	56,051	10,743	31,059	5,513	8,735	2,097	1971—Dec. [r]	Total, all currencies
80,035	3,559	1,000	2,559	73,842	11,344	42,531	8,486	11,483	2,634	1972—Dec.	
81,199	3,414	836	2,578	75,360	11,746	42,347	9,236	12,032	2,425	1973—Jan.	
87,901	3,967	1,132	2,835	80,998	11,868	46,520	9,387	13,223	2,936	Feb.	
91,646	4,137	1,218	2,919	84,253	12,219	48,707	9,454	13,873	3,256	Mar.	
90,987	4,095	1,044	3,051	83,554	12,638	48,083	9,538	13,294	3,338	Apr.	
92,994	4,548	1,122	3,426	84,861	13,284	48,728	9,344	13,505	3,586	May	
98,756	4,579	1,009	3,569	90,321	13,315	53,557	9,593	13,837	3,857	June	
103,793	4,465	1,213	3,253	95,162	15,040	55,880	9,676	14,519	4,165	July	
105,193	4,710	1,085	3,625	96,108	16,031	56,321	8,587	15,148	4,375	Aug.	
110,673	4,819	1,183	3,637	100,987	17,017	59,266	8,769	16,221	4,866	Sept.	
114,026	4,762	1,307	3,455	104,397	17,654	61,117	9,220	16,372	4,924	Oct.	
120,600	4,858	1,088	3,771	109,915	18,109	65,526	9,692	16,589	5,827	Nov. [r]	
122,601	5,093	1,181	3,912	112,356	18,456	66,230	10,031	17,638	5,153	Dec. [r]	
123,791	5,311	1,731	3,581	113,709	18,672	67,805	9,455	17,777	4,771	1974—Jan.	
127,053	5,873	2,031	3,842	116,249	19,130	67,819	10,020	19,280	4,931	Feb.	
41,980	2,670	507	2,163	38,034	6,624	22,050	4,433	4,928	1,276	1971—Dec. [r]	Payable in U.S. dollars
56,375	3,104	848	2,256	51,811	8,178	30,253	6,913	6,467	1,459	1972—Dec.	
56,404	2,995	693	2,302	52,113	8,400	29,233	7,680	6,800	1,297	1973—Jan.	
60,814	3,466	954	2,511	55,780	8,750	32,023	7,808	7,200	1,568	Feb.	
62,430	3,613	1,038	2,575	57,127	8,735	33,131	7,771	7,489	1,691	Mar.	
60,915	3,562	886	2,676	55,604	8,657	31,970	7,743	7,234	1,750	Apr.	
61,427	4,005	955	3,050	55,636	8,810	32,263	7,374	7,190	1,786	May	
64,660	4,035	868	3,167	58,781	8,774	35,470	7,354	7,183	1,844	June [r]	
66,335	3,868	1,046	2,823	60,520	9,626	36,263	7,114	7,517	1,947	July	
67,401	4,158	943	3,215	61,075	10,641	36,594	6,263	7,577	2,167	Aug.	
70,314	4,233	1,022	3,211	63,756	11,036	38,212	6,366	8,142	2,325	Sept.	
72,046	4,213	1,146	3,068	65,537	11,713	38,838	6,475	8,510	2,296	Oct.	
77,983	4,268	929	3,339	70,536	12,261	43,001	6,430	8,844	3,179	Nov. [r]	
80,848	4,509	1,104	3,495	73,726	12,809	44,138	7,258	9,522	2,613	Dec. [r]	
82,141	4,813	1,602	3,211	74,841	12,906	44,961	7,080	9,895	2,487	1974—Jan.	
84,348	5,370	1,878	2,492	76,529	13,109	44,698	7,710	11,013	2,449	Feb.	
											IN UNITED KINGDOM
34,552	1,660	111	1,550	32,128	3,401	19,137	4,464	5,126	763	1971—Dec.	Total, all currencies
43,684	1,456	113	1,343	41,232	2,961	24,776	6,453	7,042	997	1972—Dec.	
44,347	1,501	107	1,394	41,933	3,277	23,959	7,285	7,412	913	1973—Jan.	
48,533	1,844	264	1,580	45,628	3,157	27,038	7,517	7,915	1,062	Feb.	
49,696	1,858	235	1,624	46,750	3,164	28,119	7,388	8,078	1,088	Mar.	
49,181	1,970	165	1,805	46,075	3,397	27,796	7,509	7,373	1,136	Apr.	
49,080	2,028	170	1,857	45,792	3,614	27,168	7,324	7,685	1,260	May	
51,415	1,957	122	1,835	48,145	3,321	29,332	7,585	7,907	1,313	June	
54,265	1,875	164	1,711	50,973	3,883	31,029	7,817	8,245	1,418	July	
53,153	2,080	171	1,909	49,562	3,731	30,502	6,753	8,575	1,512	Aug.	
56,127	2,125	161	1,964	52,238	4,118	32,210	6,952	8,957	1,764	Sept.	
57,589	2,031	134	1,897	53,748	4,036	33,531	6,999	9,182	1,809	Oct.	
62,294	2,198	143	2,055	57,434	3,886	36,348	7,700	9,500	2,662	Nov.	
62,050	2,431	136	2,295	57,623	3,944	35,332	8,076	10,272	1,995	Dec. [r]	
63,757	2,429	346	2,083	59,356	4,350	37,003	7,672	10,332	1,971	1974—Jan.	
63,585	2,573	269	2,303	58,956	4,193	35,489	8,160	11,112	2,057	Feb.	
24,845	1,412	23	1,389	23,059	2,164	14,038	3,676	3,181	374	1971—Dec.	Payable in U.S. dollars
30,933	1,276	72	1,203	29,121	2,008	17,478	5,349	4,287	536	1972—Dec.	
30,926	1,335	72	1,264	29,091	2,234	16,205	6,162	4,490	500	1973—Jan.	
33,966	1,661	226	1,436	31,714	2,188	18,360	6,394	4,771	591	Feb.	
33,929	1,676	195	1,481	31,655	2,128	18,334	6,251	4,942	598	Mar.	
33,050	1,735	119	1,616	30,782	2,318	17,672	6,245	4,546	533	Apr.	
32,148	1,809	138	1,671	29,730	2,225	16,982	5,897	4,626	608	May	
33,584	1,731	102	1,629	31,278	2,234	18,390	5,990	4,663	575	June	
33,901	1,661	148	1,513	31,645	2,316	18,723	5,868	4,739	595	July	
33,077	1,846	148	1,698	30,549	2,213	18,671	5,005	4,660	682	Aug.	
35,017	1,866	137	1,729	32,342	2,245	19,949	5,126	5,022	809	Sept.	
35,469	1,836	108	1,727	32,902	2,515	20,383	4,809	5,194	732	Oct.	
39,735	1,940	119	1,821	36,239	2,468	23,189	4,983	5,598	1,557	Nov. [r]	
39,831	2,173	113	2,061	36,816	2,519	22,289	5,852	6,156	841	Dec. [r]	
41,009	2,200	329	1,871	37,884	2,846	22,978	5,799	6,262	925	1974—Jan.	
40,930	2,346	243	2,103	37,579	2,729	21,464	6,342	7,044	1,006	Feb.	
											IN BAHAMAS AND CAYMANS[1]
8,477	750			7,539	1,649	4,766		1,124	188	1971—Dec. [r]	Total, all currencies
13,091	1,220			11,703	1,964	8,395		1,344	168	1972—Dec.	
13,064	1,137			11,760	1,875	8,502		1,383	167	1973—Jan.	
13,559	1,186			12,144	2,223	8,394		1,527	230	Feb.	
13,765	1,304			12,194	1,830	8,829		1,536	267	Mar.	
13,653	1,126			12,138	1,977	8,505		1,656	389	Apr.	
14,730	1,404			12,981	2,238	9,259		1,483	345	May	
16,184	1,480			14,370	2,579	10,410		1,381	334	June	
17,086	1,348			15,406	3,002	10,762		1,642	331	July	
19,966	1,521			18,026	4,227	11,982		1,817	419	Aug.	
21,072	1,608			18,856	4,639	12,322		1,895	608	Sept.	
21,399	1,667			19,151	4,924	12,249		1,978	581	Oct.	
22,244	1,559			20,089	5,085	13,239		1,765	596	Nov. [r]	
24,085	1,518			22,109	5,526	14,764		1,819	458	Dec. [r]	
24,046	1,848			21,758	5,293	14,547		1,917	441	1974—Jan.	
[2]25,628	2,166			22,997	5,617	15,223		2,158	465	Feb.	

For notes see p. A-77.

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]	Liab. plus sec. [2]
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	....
1971		
Mar. 31	2,858	4,358
June 30	1,492	4,500
Sept. 29	2,475	3,578
Dec. 29	909	....

Wednesday	Liabilities [1]
1972	
Jan. 26	1,419
Feb. 23	1,068
Mar. 29	1,532
Apr. 26	1,374
May 31	1,465
June 28	1,443
July 26	1,345
Aug. 30	1,270
Sept. 27	2,023
Oct. 25	1,415
Nov. 29	1,745
Dec. 27	1,406
1973	
Jan. 31	1,413
Feb. 28	790
Mar. 28	1,127
Apr. 25	1,123
May 30	1,351
June 27	1,521
July 25	2,086

Wednesday	Liabilities [1]
1973	
Aug. 1	2,226
8	2,276
15	1,900
22	2,446
29	2,802
Sept. 5	1,512
12	1,942
19	1,801
26	1,731
Oct. 3	1,695
10	1,790
17	1,814
24	1,642
31	1,768
Nov. 7	1,754
14	1,870
21	2,473
28	2,458
Dec. 5	1,911
12	1,938
19	2,382
26	1,703

Wednesday	Liabilities [1]
1974	
Jan. 2	1,158
9	1,322
16	2,040
23	2,004
30	1,686
Feb. 6	1,659
13	2,218
20	1,741
27	1,689
Mar. 6	1,610
13	2,274
20	2,459
27	2,964
Apr. 3	2,720
10	2,914
17	3,020
24	2,495

[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. DEPOSITS, U.S. TREAS. SECURITIES, AND GOLD HELD AT F.R. BANKS FOR FOREIGN OFFICIAL ACCOUNT

(In millions of dollars)

End of period	Deposits	Assets in custody: U.S. Treas. securities [1]	Assets in custody: Earmarked gold
1971	294	43,195	13,815
1972	325	50,934	[2]15,530
1973—Apr.	328	[3]58,255	15,513
May	289	58,015	15,511
June	334	57,545	15,486
July	280	57,054	15,464
Aug.	259	55,855	15,455
Sept.	250	55,407	15,437
Oct.	426	54,766	[4]17,122
Nov.	420	52,998	17,104
Dec.	251	52,070	17,068
1974—Jan.	392	49,582	17,044
Feb.	542	50,255	17,039
Mar.	366	51,342	17,037
Apr.	517	52,642	17,026

[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] The value of earmarked gold increased because of the change in par value of the U.S. dollar in May 1972.

[3] Includes $15 million increase in Mar. and $160 million increase in Apr. in dollar value of foreign currency obligations revalued to reflect market exchange rates.

[4] The value of earmarked gold increased because of the change in par value of the U.S. dollar in Oct. 1973.

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.

24. 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
1969	1,491	1,062	161	183	86	663	534
1970	1,141	697	150	173	121	372	443
1971—Dec. [2]	1,648	1,092	203	234	120	577	587
	1,507	1,078	127	234	68	580	443
1972—Dec. [2]	1,965	1,446	169	307	42	702	485
	2,255	1,792	55	340	68	872	535
1973—Feb.	3,002	2,228	170	380	224	1,017	1,093
Mar.	3,087	2,292	156	414	225	1,105	969
Apr.	3,047	2,278	118	416	234	1,044	887
May	3,194	2,420	130	433	211	1,010	1,011
June	3,209	2,549	74	453	134	1,064	882
July	3,272	2,494	136	475	167	1,070	959
Aug.	3,361	2,585	82	486	209	1,068	940
Sept.	3,224	2,510	78	476	161	1,088	891
Oct.	2,907	2,244	66	449	148	992	881
Nov.	3,152	2,517	64	435	136	1,044	922
Dec.	3,095	2,520	37	425	113	1,050	775
1974—Jan.	2,804	2,234	52	363	154	1,047	770
Feb.	3,171	2,489	65	414	203	1,174	868

[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 25 and 26.

25. 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				
	1972	1973				1972	1973			
	Dec. r	Mar. r	June r	Sept.	Dec. p	Dec. r	Mar.	June	Sept.	Dec. p
Europe:										
Austria	2	3	2	2	3	19	14	17	15	17
Belgium-Luxembourg	83	75	81	129	131	73	121	109	112	105
Denmark	7	8	19	18	9	29	26	20	21	46
Finland	4	4	4	7	7	25	21	21	31	44
France	167	161	165	165	168	228	288	315	275	303
Germany, Fed. Rep. of	157	147	182	193	229	195	245	273	265	283
Greece	15	19	24	33	35	35	36	40	52	51
Italy	121	107	103	108	116	202	204	201	201	240
Netherlands	109	102	113	115	134	84	101	96	119	118
Norway	14	14	13	10	9	16	18	19	21	18
Portugal	4	5	4	12	13	19	19	25	24	50
Spain	81	82	72	79	77	157	159	140	169	245
Sweden	13	23	25	32	47	57	45	49	53	70
Switzerland	111	134	88	147	108	82	87	90	64	100
Turkey	4	3	3	6	14	48	23	14	17	33
United Kingdom	1,063	901	747	833	928	1,184	1,426	1,402	1,491	1,488
Yugoslavia	7	16	17	22	28	12	14	18	21	49
Other Western Europe	2	2	3	3	3	12	9	9	12	15
Eastern Europe	3	6	22	24	31	42	40	92	73	104
Total	1,967	1,812	1,687	1,938	2,090	2,519	2,897	2,951	3,035	3,380
Canada	215	268	250	236	255	965	1,366	1,305	1,339	1,255
Latin America:										
Argentina	29	30	24	24	38	79	74	60	65	75
Brazil	35	42	47	42	64	172	176	183	208	230
Chile	18	17	13	13	20	34	31	29	34	42
Colombia	7	8	7	8	9	39	40	36	43	40
Cuba	1	*	*	*	*	1	1	1	1	1
Mexico	27	34	37	36	44	181	194	203	185	235
Panama	18	17	18	17	13	85	84	83	102	124
Peru	4	4	6	10	15	36	33	34	37	47
Uruguay	7	5	3	2	2	4	5	5	5	5
Venezuela	21	23	23	24	50	92	107	101	104	143
Other L.A. republics	45	46	47	58	67	95	96	103	127	134
Bahamas [1]	371	310	415	364	419	585	571	766	746	630
Neth. Antilles and Surinam	10	10	11	7	6	13	12	11	9	12
Other Latin America	4	9	19	20	22	34	44	90	105	213
Total	595	555	670	626	768	1,450	1,467	1,705	1,771	1,930
Asia:										
China, People's Republic of (China Mainland)	32	32	31	36	42	*	1	11	48	11
China, Rep. of (Taiwan)	26	33	35	31	32	65	62	77	77	120
Hong Kong	12	17	13	18	15	33	33	36	38	41
India	7	7	7	7	14	34	32	29	32	36
Indonesia	16	16	15	15	14	48	53	51	58	61
Israel	13	16	9	11	24	31	34	27	28	40
Japan	213	244	283	345	296	475	520	506	641	837
Korea	21	19	18	20	37	68	53	46	56	109
Philippines	16	26	20	17	17	59	63	64	70	73
Thailand	5	5	6	6	6	23	25	24	28	28
Other Asia	152	156	140	179	240	206	195	207	207	238
Total	513	571	577	684	737	1,042	1,072	1,079	1,283	1,594
Africa:										
Egypt	32	37	20	11	25	16	25	23	28	18
South Africa	8	6	6	6	14	52	56	51	60	62
Zaire	1	12	12	19	19	8	16	15	19	19
Other Africa	62	67	67	97	128	93	89	97	95	128
Total	104	121	105	134	186	170	184	187	202	228
Other countries:										
Australia	45	54	72	94	118	83	81	75	90	97
All other	14	11	11	9	13	23	24	26	22	25
Total	59	65	83	103	131	107	105	101	111	122
International and regional	*	*	*	*	*	1	1	1	*	1
Grand total	3,453	3,392	3,373	3,720	4,167	6,254	7,092	7,329	7,742	8,510

[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.

26. 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	Other
1969—Dec.	2,124	1,654	471	4,159	3,532	244	383
1970—June	2,387	1,843	543	4,457	3,868	234	355
Sept.	2,512	1,956	557	4,361	3,756	301	305
Dec.	2,677	2,281	496	4,160	3,579	234	348
1971—Mar.	2,437	1,975	462	4,515	3,909	232	374
June	2,375	1,937	438	4,708	4,057	303	348
Sept.	2,564	2,109	454	4,894	4,186	383	326
Dec.[1]	2,704	2,229	475	5,185	4,535	318	333
	2,763	2,301	463	5,004	4,467	290	247
1972—Mar.	2,844	2,407	437	5,177	4,557	318	302
June	2,925	2,452	472	5,331	4,685	376	270
Sept.	2,933	2,435	498	5,495	4,833	432	230
Dec.[1] r	3,119	2,635	484	5,723	5,074	411	238
	3,453	2,942	511	6,254	5,576	396	282
1973—Mar. r	3,392	2,871	522	7,092	6,191	464	437
June r	3,373	2,795	579	7,329	6,468	503	358
Sept.	3,720	3,001	720	7,742	6,791	535	416
Dec. p	4,167	3,391	777	8,510	7,576	487	447

[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.

27. 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
1969—Dec.	2,304	2,363	152	442	562	177	77	420	142	271	75	46
1970—Mar.	2,358	2,744	159	735	573	181	74	458	158	288	71	47
June	2,587	2,757	161	712	580	177	65	477	166	288	76	54
Sept.	2,785	2,885	157	720	620	180	63	586	144	284	73	58
Dec.	3,102	2,950	146	708	669	183	60	618	140	292	71	64
1971—Mar.	3,177	2,983	154	688	670	182	63	615	161	302	77	72
June	3,172	2,982	151	687	677	180	63	625	138	312	75	74
Sept.	2,939	3,019	135	672	765	178	60	597	133	319	85	75
Dec.[1]	3,159	3,118	128	705	761	174	60	652	141	327	86	85
	3,138	3,118	128	705	767	174	60	653	136	325	86	84
1972—Mar.	3,093	3,191	129	713	787	175	60	665	137	359	81	85
June	3,300	3,255	108	713	797	188	61	671	161	377	86	93
Sept.	3,448	3,235	128	695	805	177	63	661	132	389	89	96
Dec.[1] r	3,540	3,370	163	715	833	184	60	659	156	406	87	109
	3,866	3,493	187	758	868	187	64	703	134	399	82	111
1973—Mar. r	4,045	3,635	151	816	882	165	63	796	124	413	101	125
June r	4,030	3,708	174	823	893	146	65	819	138	416	104	131
Sept.	4,253	3,860	211	840	894	147	73	827	152	475	104	137
Dec. p	4,115	3,962	284	794	972	145	80	820	141	471	112	144

[1] Data on the two lines shown for this date differ because of changes in reporting coverage. Figures on the first line are comparable with those shown for the preceding date; figures on the second line are comparable with those shown for the following date.

FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Denmark (krone)	Finland (markka)	France (franc)	Germany (Deutsche mark)
1970	111.36	3.8659	2.0139	95.802	13.334	23.742	18.087	27.424
1971	113.61	4.0009	2.0598	99.021	13.508	23.758	18.148	28.768
1972	119.23	4.3228	2.2716	100.937	14.384	24.022	19.825	31.364
1973	141.94	5.1649	2.5761	99.977	16.603	26.165	22.536	37.758
1973—Apr.	141.50	4.8330	2.4895	99.928	r16.098	25.872	21.959	35.252
May	141.50	4.9082	2.5356	99.916	16.241	25.277	22.341	35.841
June	141.58	5.2408	2.6643	100.160	17.130	26.731	23.472	38.786
July	141.78	5.8124	2.8151	100.049	18.041	27.202	24.655	42.821
Aug.	141.48	5.5917	2.7035	99.605	17.521	27.314	23.527	41.219
Sept.	146.83	5.5695	2.7089	99.181	17.480	27.042	23.466	41.246
Oct.	148.22	5.5871	2.7328	99.891	17.692	27.202	23.718	41.428
Nov.	148.22	5.2670	2.5882	100.092	16.744	26.894	22.687	38.764
Dec.	148.33	5.1150	2.4726	100.058	16.089	26.104	21.757	37.629
1974—Jan.	148.23	4.8318	2.3329	100.859	14.981	25.138	19.905	35.529
Feb.	148.50	5.0022	2.4358	102.398	15.570	25.568	20.187	36.844
Mar.	148.55	5.1605	2.5040	102.877	16.031	26.143	20.742	38.211
Apr.	148.41	5.3345	2.5686	103.356	16.496	26.744	20.541	39.594

Period	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)	Malaysia (dollar)	Mexico (peso)	Neth-erlands (guilder)	New Zealand (dollar)
1970	13.233	239.59	.15945	.27921	32.396	8.0056	27.651	111.48
1971	13.338	244.42	.16174	.28779	32.989	8.0056	28.650	113.71
1972	13.246	250.08	.17132	.32995	35.610	8.0000	31.153	119.35
1973	12.071	245.10	.17192	.36915	40.988	8.0000	35.977	136.04
1973—Apr.	13.255	248.37	.16971	.37666	40.307	8.0000	33.890	132.99
May	13.340	253.05	.17100	.37786	40.333	8.0000	34.488	132.34
June	13.753	257.62	.16792	.37808	40.865	8.0000	36.582	132.40
July	13.605	253.75	.17200	.37801	43.121	8.0000	38.700	135.02
Aug.	13.220	247.57	.17423	.37704	43.859	8.0000	37.596	135.33
Sept.	12.987	241.83	.17691	.37668	43.361	8.0000	38.542	145.07
Oct.	12.938	242.92	.17656	.37547	43.641	8.0000	40.011	148.64
Nov.	12.767	238.70	.16904	.35941	41.838	8.0000	37.267	147.74
Dec.	12.328	231.74	.16458	.35692	41.405	8.0000	35.615	144.34
1974—Jan.	11.854	222.40	.15433	.33559	40.094	8.0000	34.009	139.08
Feb.	12.131	227.49	.15275	.34367	40.489	8.0000	35.349	140.31
Mar.	12.415	234.06	.15687	.35454	41.152	8.0000	36.354	143.40
Apr.	12.711	238.86	.15720	.36001	41.959	8.0000	37.416	145.12

Period	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sri Lanka[1] (rupee)	Sweden (krona)	Switz-erland (franc)	United King-dom (pound)
1970	13.992	3.4978	139.24	1.4280	16.774	19.282	23.199	239.59
1971	14.205	3.5456	140.29	1.4383	16.800	19.592	24.325	244.42
1972	15.180	3.7023	129.43	1.5559	16.057	21.022	26.193	250.08
1973	17.406	4.1080	143.88	1.7178	15.705	22.970	31.700	245.10
1973—Apr.	r16.905	3.9563	141.70	1.7217	15.777	22.161	r30.859	248.37
May	17.196	4.0050	141.65	1.7224	15.883	22.567	31.494	253.05
June	18.192	4.2175	148.07	1.7229	16.538	23.746	32.757	257.62
July	18.932	4.4624	148.63	1.7385	16.431	24.732	35.428	253.75
Aug.	18.145	4.3243	148.52	1.7553	15.948	24.070	33.656	247.57
Sept.	18.048	4.2784	148.50	1.7610	15.768	23.769	33.146	241.83
Oct.	18.285	4.3014	148.54	1.7576	15.481	23.942	33.019	242.92
Nov.	17.872	4.1155	148.45	1.7479	15.503	23.019	31.604	238.70
Dec.	17.651	3.9500	148.66	1.7571	15.044	22.026	31.252	231.74
1974—Jan.	16.739	3.7195	148.66	1.7205	14.423	20.781	29.727	222.40
Feb.	17.351	3.8567	148.76	1.6933	14.373	21.373	31.494	227.49
Mar.	17.734	3.9519	148.88	1.6927	14.636	21.915	32.490	234.06
Apr.	18.170	4.0232	148.85	1.7080	15.157	22.730	33.044	238.86

[1] Ceylon renamed Sri Lanka under new constitution, 1972.

NOTE.—Averages of certified noon buying rates in New York for cable transfers. For description of rates and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of Apr. 30, 1973		Changes during the last 12 months												Rate as of Apr. 30, 1974
			1973								1974				
	Per cent	Month effective	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
Argentina	18.0	Feb. 1972													18.0
Austria	5.5	Nov. 1972			6.0										6.0
Belgium	5.0	Dec. 1972	5.50		6.0	6.5		7.0	7.75			8.75			8.75
Brazil	18.0	Feb. 1972													18.0
Canada	5.25	Apr. 1973	5.75	6.25		6.75					7.25			8.25	8.25
Chile	20.0	Aug. 1972					50.0								50.00
China, Rep. of (Taiwan)	9.25	May 1971			10.5			10.75			14.0				14.0
Colombia	14.0	May 1970													8.0
Costa Rica	5.0	June 1966													5.0
Denmark	9.0	Jan. 1973			8.0					9.00	10.0				10.0
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			9.25										9.25
France	7.5	Nov. 1972			8.50	9.5	11.0								11.0
Germany, Fed. Rep. of	5.0	Jan. 1973	6.0	7.0											7.0
Ghana	8.0	July 1971													8.0
Greece	6.5	Sept. 1969													6.5
Honduras	4.0	Feb. 1966													4.0
Iceland	5.25	Jan. 1966													5.25
India	6.0	Jan. 1971	7.0												7.0
Indonesia	6.0	May 1969													6.0
Iran	7.5	Dec. 1972				9.0									9.0
Ireland	8.75	Jan. 1973				10.5				12.75					12.75
Italy	4.0	Apr. 1972					6.5						9.0		9.0
Jamaica	7.0	Jan. 1973									9.0				9.0
Japan	5.0	Apr. 1973	5.5		6.0	7.0				9.00					9.00
Korea	11.0	Aug. 1972													11.0
Mexico	4.5	June 1942													4.5
Morocco	3.5	Nov. 1951													3.5
Netherlands	4.0	Nov. 1972		5.0	6.0	6.5		7.0		8.00					8.00
New Zealand	6.0	Mar. 1972													6.0
Nigeria	4.5	June 1968													4.5
Norway	4.5	Sept. 1969											5.5		5.5
Pakistan	6.0	May 1972				8.0									8.0
Peru	9.5	Nov. 1959													9.5
Philippine Republic	10.0	June 1969													10.0
Portugal	5.5	Mar. 1973								5.00					5.00
South Africa	6.0	Aug. 1972									6.5				6.5
Spain	5.0	Oct. 1971			6.0										6.0
Sri Lanka[1]	6.5	Jan. 1970													6.5
Sweden	5.0	Nov. 1971												6.0	6.0
Switzerland	4.5	Jan. 1973									5.5				5.5
Thailand	5.0	Oct. 1959													5.0
Tunisia	5.0	Sept. 1966													5.0
Turkey	8.0	Mar. 1973							8.75						8.75
United Kingdom	8.5	Mar. 1973	7.75	7.50	11.50				13.0						†13.0
Venezuela	5.0	Oct. 1970													.05
Vietnam	18.0	Sept. 1970													18.0

[1] Ceylon renamed Sri Lanka under new constitution, 1972.

NOTE.—Rates shown are mainly those at which the central bank either discounts or makes advances against eligible commercial paper and/or govt. securities for commercial banks or brokers. For countries with more than one rate applicable to such discounts or advances, the rate shown is the one at which it is understood the central bank transacts the largest proportion of its credit operations. Other rates for some of these countries follow:

Argentina—3 and 5 per cent for certain rural and industrial paper, depending on type of transaction;

Brazil—8 per cent for secured paper and 4 per cent for certain agricultural paper;

Chile—Various rates ranging from 1 per cent to 17 per cent; 20 per cent for loans to make up reserve deficiencies.

Colombia—5 per cent for warehouse receipts covering approved lists of products, 6 and 7 per cent for agricultural bonds, and 12 and 18 per cent for rediscounts in excess of an individual bank's quota;

Costa Rica—5 per cent for paper related to commercial transactions (rate shown is for agricultural and industrial paper);

Ecuador—5 per cent for special advances and for bank acceptances for agricultural purposes, 7 per cent for bank acceptances for industrial purposes, and 10 per cent for advances to cover shortages in legal reserves;

Ethiopia—5 per cent for export paper and 6 per cent for Treasury bills.

Honduras—Rate shown is for advances only.

Indonesia—Various rates depending on type of paper, collateral, commodity involved, etc.;

Japan—Penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;

Morocco—Various rates from 3 per cent to 4.6 per cent depending on type of paper, maturity, collateral, guarantee, etc.

Peru—3.5, 5, and 7 per cent for small credits to agricultural or fish production, import substitution industries and manufacture of exports; 8 per cent for other agricultural, industrial and mining paper;

Philippines—6 per cent for financing the production, importation, and distribution of rice and corn and 7.75 per cent for credits to enterprises engaged in export activities. Preferential rates are also granted on credits to rural banks; and

† *United Kingdom*—On Oct. 9, 1972, the Bank of England announced: "With effect from Friday October 13th the Bank's minimum lending rate will until further notice be the average rate of discount for Treasury bills established at the most recent tender plus one half percent rounded to the nearest one quarter percent above. Although the rate will therefore be automatically determined by this formula it will for convenience be made known each Friday afternoon concurrently with and in the same manner as the results of the Treasury bill tender. The regular weekly bank rate announcement will be discontinued from now on." Therefore, the minimum lending rate as of last Friday of the month will be carried in place of Bank rate.

Venezuela—2 per cent for rediscounts of certain agriculture paper, 4½ per cent for advances against government bonds, and 5½ per cent for rediscounts of certain industrial paper and on advances against promissory notes or securities of first-class Venezuelan companies.

Vietnam—10 per cent for export paper; treasury bonds are rediscounted at a rate 4 percentage points above the rate carried by the bond; and there is a penalty rate of 24 per cent for banks whose loans exceed quantitative ceilings.

OPEN MARKET RATES

(Per cent per annum)

Month	Canada: Treasury bills, 3 months[1]	Canada: Day-to-day money[2]	United Kingdom: Prime bank bills, 3 months	United Kingdom: Treasury bills, 3 months	United Kingdom: Day-to-day money	United Kingdom: Clearing banks' deposit rates	France: Day-to-day money[3]	Germany, Fed. Rep. of: Treasury bills, 60–90 days[4]	Germany, Fed. Rep. of: Day-to-day money[5]	Netherlands: Treasury bills, 3 months	Netherlands: Day-to-day money	Switzerland: Private discount rate
1972	3.55	3.65	6.06	5.02	4.83	3.84	4.95	3.04	4.30	2.15	1.97	4.81
1973	5.43	5.27	10.45	9.40	8.27	7.96	8.92	....	10.18	4.07	4.94	5.09
1973—Apr.	4.73	4.53	8.64	7.87	7.20	7.25	7.46	5.75	14.84	1.22	.77	5.00
May	5.08	4.67	8.35	7.45	8.29	7.11	7.71	5.75	7.40	2.89	3.88	5.00
June	5.40	5.00	8.14	7.12	6.66	6.55	7.46	7.00	10.90	3.59	4.28	5.00
July	5.67	5.28	9.06	8.35	5.89	6.25	7.89	7.00	15.78	5.58	5.65	5.00
Aug.	6.47	5.87	12.78	10.98	9.70	8.99	8.87	....	10.63	5.92	7.24	5.00
Sept.	6.41	6.31	12.12	11.37	9.13	9.50	9.73	....	9.76	5.67	7.97	5.25
Oct.	6.56	6.54	11.37	10.75	10.53	9.50	10.99	....	10.57	5.25	7.93	5.25
Nov.	6.48	6.56	13.38	11.76	8.80	9.50	10.96	....	11.30	5.29	7.88	5.25
Dec.	6.39	6.58	13.74	12.41	9.57	9.46	11.14	....	11.89	6.41	8.75	5.40
1974—Jan.	6.31	6.50	13.67	12.09	10.36	9.25	13.63	....	10.40	6.50	9.36	6.00
Feb.	6.10	6.49	13.63	11.94	8.96	9.50	....	....	9.13	6.50	9.73	6.00
Mar.	6.24	6.50	14.39	11.95	11.31	9.50	....	....	11.63	6.00	9.07	....
Apr.	7.18	....	13.20	11.53	10.00	9.50	....	....	....	....	....	....

1 Based on average yield of weekly tenders during month.
2 Based on weekly averages of daily closing rates.
3 Rate shown is on private securities.
4 Rate in effect at end of month.
5 Monthly averages based on daily quotations.

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	U.S. and U.K.: Treasury bill rates: United Kingdom (adj. to U.S. quotation basis)	U.S. and U.K.: Treasury bill rates: United States	U.S. and U.K.: Treasury bill rates: Spread (favor of London)	U.S. and U.K.: Premium (+) or discount (−) on forward pound	U.S. and U.K.: Net incentive (favor of London)	U.S. and Canada: Treasury bill rates: Canada: As quoted in Canada	U.S. and Canada: Treasury bill rates: Canada: Adj. to U.S. quotation basis	U.S. and Canada: Treasury bill rates: United States	U.S. and Canada: Treasury bill rates: Spread (favor of Canada)	U.S. and Canada: Premium (+) or discount (−) on forward Canadian dollars	U.S. and Canada: Net incentive (favor of Canada)
1973											
Nov. 2	10.46	7.39	3.07	−3.79	−.72	6.53	6.30	7.39	−1.09	−.28	−1.37
9	10.57	8.01	2.56	−3.54	−.98	6.52	6.33	8.01	−1.68	−.06	−1.74
16	12.24	7.51	4.73	−5.11	−.38	6.47	6.25	7.51	−1.26	.18	−1.08
23	12.31	7.74	4.57	−5.92	−1.35	6.47	6.23	7.74	−1.51	.22	−1.29
30	12.28	7.32	4.76	−5.50	−.54	6.43	6.22	7.32	−1.10	.30	−.80
Dec. 7	12.32	7.55	4.77	−5.47	−0.70	6.43	6.23	7.55	−1.32	0.48	−0.84
14	12.29	7.49	4.80	−7.62	−2.82	6.38	6.17	7.49	−1.32	0.04	−1.28
21	12.29	7.21	5.08	−6.76	−1.68	8.38	6.17	7.21	−1.04	−0.10	−1.14
28	12.25	7.36	4.89	−6.65	−1.76	6.36	6.15	7.36	−1.21	−0.24	−1.45
1974											
Jan. 4	12.04	7.38	4.66	−7.44	−2.78	6.35	6.13	7.38	−1.25	−.60	−1.85
11	12.04	7.75	4.29	−7.30	−3.01	6.32	6.10	7.75	−1.65	−.22	−1.87
18	11.88	7.75	4.13	−7.69	−3.56	6.30	6.10	7.75	−1.65	−.18	−1.83
25	11.86	7.92	3.94	−8.82	−4.88	6.26	6.08	7.92	−1.84	....	−1.84
Feb. 1	11.82	7.42	4.40	−10.00	−5.60	6.00	6.04	7.42	−1.38	−.04	−1.42
8	11.80	6.99	4.81	−10.95	−6.14	6.17	5.99	6.99	−1.00	−.20	−1.02
15	11.75	7.00	4.75	−10.09	−5.34	6.12	5.95	7.00	−1.05	−.35	−1.40
22	11.66	6.94	4.72	−8.54	−3.82	6.12	5.95	6.94	−0.99	−.33	−1.32
Mar. 1	11.77	7.51	4.26	−12.46	−8.20	6.07	5.92	7.51	−1.59	−.20	−1.79
8	11.77	7.66	4.11	−9.81	−5.70	6.13	5.97	7.66	−1.69	−.08	−1.77
15	11.75	7.74	4.01	−9.64	−5.62	6.19	6.01	7.74	−1.73	.25	−1.48
22	11.80	8.02	3.78	−8.32	−4.54	6.29	6.17	8.02	−1.85	.49	−1.36
29	11.82	8.34	3.48	−7.24	−3.76	6.51	6.36	8.34	−1.98	.42	−1.56
Apr. 5	11.49	8.55	2.94	−7.94	−5.00	6.74	6.66	8.55	−1.89	−.12	−2.01
12	11.31	8.45	2.86	−7.71	−4.85	6.99	6.64	8.45	−1.81	−.16	−1.97
19	11.30	7.94	3.36	−7.37	−4.01	7.33	7.19	7.94	−.75	−.54	−1.29
26	11.33	8.32	3.01	−5.65	−2.64	7.64	7.59	8.32	−.73	−.33	−1.06

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, at $38 from May 1972–Sept. 1973, and at $42.22 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
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	41,160	4,732	10,206	26,220	192	90	259	729	1,544	46	22	792	47
1972	44,890	5,830	10,487	28,575	208	152	281	792	1,638	50	12	834	....
1973—Mar.	44,880	5,830	10,487	28,565	208	152	282	793	1,603	50	12	834	....
Apr.	....	5,830	10,487	....	208	152	281	793	1,603	50	12	834	....
May	....	5,826	10,487	....	208	152	281	793	1,603	50	12	834	....
June	44,865	5,831	10,487	28,545	208	152	281	793	1,603	50	12	834	....
July	....	5,826	10,487	....	208	152	281	793	1,603	50	12	834	....
Aug.	....	5,826	10,487	....	208	152	281	793	1,603	50	11	834	....
Sept.	44,880	5,826	10,487	28,565	208	159	282	793	1,603	50	8	834	....
Oct.	....	6,474	11,652	....	231	169	312	881	1,781	56	8	927	....
Nov.	....	6,476	11,652	....	231	169	312	881	1,781	56	8	927	....
Dec.	[p]49,850	6,478	11,652	[p]31,720	231	169	311	881	1,781	56	8	927	....
1974—Jan.	....	6,478	11,652	....	231	169	312	882	1,781	56	....	927	....
Feb.	....	6,478	11,652	....	231	....	312	882	1,781	56	....	927	....
Mar.[p]	....	6,478	11,652	....	231	....	....	882	1,781	....	....	927	....
End of period	**China, Rep. of (Taiwan)**	**Colombia**	**Denmark**	**Egypt**	**Finland**	**France**	**Germany, Fed. Rep. of**	**Greece**	**India**	**Iran**	**Iraq**	**Ireland**	**Israel**
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	87	16	69	92	53	3,826	4,459	133	264	142	156	17	43
1973—Mar.	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
Apr.	87	16	69	92	53	3,834	4,468	133	264	142	156	17	41
May	87	16	69	92	53	3,834	4,469	133	264	142	156	17	41
June	87	16	69	92	53	3,841	4,462	133	264	142	156	17	41
July	87	16	69	92	53	3,835	4,469	133	264	142	156	17	41
Aug.	87	16	69	92	53	3,835	4,469	133	264	142	156	17	41
Sept.	87	16	69	92	53	3,835	4,469	133	264	142	156	16	41
Oct.	97	18	77	103	59	4,261	4,966	148	293	158	173	19	46
Nov.	97	18	77	103	42	4,261	4,966	148	293	158	173	18	46
Dec.	97	18	77	103	35	4,261	4,966	148	....	158	173	18	46
1974—Jan.	97	11	77	....	35	4,262	4,966	148	....	158	173	17	46
Feb.	97	18	77	....	35	4,262	4,966	148	....	158	173	18	46
Mar.[p]	....	18	77	....	35	4,262	4,966	148	....	158	....	18	....
End of period	**Italy**	**Japan**	**Kuwait**	**Lebanon**	**Libya**	**Malaysia**	**Mexico**	**Morocco**	**Netherlands**	**Norway**	**Pakistan**	**Peru**	**Philippines**
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	3,130	801	94	350	93	63	188	23	2,059	37	60	41	71
1973—Mar.	3,134	801	94	350	93	63	188	23	2,059	37	60	41	71
Apr.	3,134	801	94	350	93	63	188	23	2,059	37	60	41	50
May	3,134	802	....	350	93	63	188	23	2,059	37	60	41	50
June	3,134	802	....	350	93	63	186	23	2,063	37	60	41	40
July	3,134	802	....	350	93	63	184	23	2,063	37	60	41	40
Aug.	3,134	802	....	350	93	63	182	23	2,065	37	60	41	40
Sept.	3,134	802	....	350	93	63	179	23	2,065	37	60	41	40
Oct.	3,483	891	....	388	103	70	198	26	2,294	41	67	46	45
Nov.	3,483	891	....	388	103	71	198	26	2,294	41	67	46	45
Dec.	3,483	891	....	389	103	71	196	26	2,294	41	67	42	45
1974—Jan.	3,483	891	....	389	103	....	....	26	2,294	41	67	42	45
Feb.	3,483	891	....	389	103	....	....	26	2,294	41	67	....	45
Mar.[p]	3,483	891	....	389	103	....	....	....	2,294	41	67	....	45

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, at $38 from May 1972–Sept. 1973, and at $42.22 thereafter)

End of period	Portugal	Saudi Arabia	South Africa	Spain	Sweden	Switzerland	Thailand	Turkey	United Kingdom	Uruguay	Venezuela	Yugoslavia	Bank for Intl. Settlements [2]
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	108	410	498	200	2,909	82	130	775	148	391	51	310
1972	1,021	117	681	541	217	3,158	89	136	800	133	425	56	218
1973—Mar.	1,022	117	714	542	220	3,162	89	136	810	133	425	56	214
Apr.	1,022	117	720	542	220	3,162	89	136	810	133	425	56	214
May	1,022	117	721	542	220	3,162	89	136	810	133	425	56	199
June	1,022	117	724	542	220	3,162	89	136	810	133	425	56	205
July	1,022	117	734	542	220	3,162	89	136	810	133	425	56	204
Aug.	1,035	117	740	542	220	3,162	89	136	797	133	425	56	205
Sept.	1,036	116	738	542	220	3,162	89	136	797	133	425	56	213
Oct.	1,154	129	820	602	244	3,512	99	151	886	148	472	61	227
Nov.	1,159	129	809	602	244	3,513	99	151	886	148	472	61	237
Dec.	1,163	129	802	602	244	3,513	99	151	886	148	472	62	235
1974—Jan.	1,167	129	793	602	244	3,513	99	151	....	148	472	62	271
Feb.	1,171	129	783	602	244	3,513	99	151	....	....	472	62	277
Mar.p	1,176	....	780	....	244	3,513	99	151	....	....	472	62	274

[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] 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, at $38 through Sept. 1973, and at $42.22 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]
1967	1,410.0	1,068.7	26.7	5.4	53.4	103.7	5.8	5.2	9.0	3.4	23.7	17.2	28.4	59.4
1968	1,420.0	1,088.0	25.4	5.9	53.9	94.1	6.2	4.9	8.4	4.0	21.5	18.5	27.6	61.6
1969	1,420.0	1,090.7	24.8	6.0	60.1	89.1	6.3	3.7	7.7	3.4	23.7	20.0	24.5	60.0
1970	1,450.0	1,128.0	24.6	6.2	63.5	84.3	6.9	4.0	7.1	3.7	24.8	21.1	21.7	54.1
1971p	....	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	....
1972p	....	1,109.8	27.5	5.3	54.3	77.2	5.6	3.0	7.1	4.0	32.2	23.0	28.7	....
1973p	....	1,073.6	....	....	....	75.2	....	....	....	....	....	....	....	....
1973—Feb.	....	86.5	....	....	....	6.1	.4	....	.5	.3	....	....	1.8	....
Mar.	....	88.5	....	....	....	6.3	.5	....	.5	.4	....	....	....	....
Apr.	....	86.6	....	....	....	6.2	....	....	.6	.2	....	....	....	....
May	....	86.0	....	....	....	6.8	....	....	.6	.3	....	....	....	....
June	....	87.6	....	....	....	6.4	....	....	.6	.3	....	....	....	....
July	....	88.3	....	....	....	5.6	....	....	.8	.3	....	....	....	....
Aug.	....	90.2	....	....	....	5.7	....	....	.9	.4	....	....	....	....
Sept.	....	88.2	....	....	....	5.7	....	....	.8	....	....	....	....	....
Oct.	....	97.5	....	....	....	7.0	....	....	.7	....	....	....	....	....
Nov.	....	97.2	....	....	....	6.3	....	....	.8	....	....	....	....	....
Dec.	....	88.8	....	....	....	6.7	....	....	....	....	....	....	....	....
1974—Jan.	....	91.2	....	....	....	6.1	....	....	....	....	....	....	....	....
Feb.	....	....	....	....	....	6.1	....	....	....	....	....	....	....	....

[1] Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

BOARD OF GOVERNORS

ARTHUR F. BURNS, *Chairman*
GEORGE W. MITCHELL, *Vice Chairman*
ANDREW F. BRIMMER
JOHN E. SHEEHAN
JEFFREY M. BUCHER
ROBERT C. HOLLAND
HENRY C. WALLICH

OFFICE OF MANAGING DIRECTOR FOR OPERATIONS AND SUPERVISION

DAVID C. MELNICOFF, *Managing Director*
DANIEL M. DOYLE, *Deputy Managing Director*
GORDON B. GRIMWOOD, *Assistant Director and Program Director for Contingency Planning*
WILLIAM W. LAYTON, *Director of Equal Employment*
BRENTON C. LEAVITT, *Program Director for Banking Structure*

DIVISION OF FEDERAL RESERVE BANK OPERATIONS

RONALD G. BURKE, *Director*
E. MAURICE MCWHIRTER, *Associate Director*
WALTER A. ALTHAUSEN, *Assistant Director*
HARRY A. GUINTER, *Assistant Director*
JAMES R. KUDLINSKI, *Assistant Director*
P. D. RING, *Assistant Director*

OFFICE OF BOARD MEMBERS

*ROBERT SOLOMON, *Adviser to the Board*
JOSEPH R. COYNE, *Assistant to the Board*
JOHN S. RIPPEY, *Assistant to the Board*
JOHN J. HART, *Special Assistant to the Board*
FRANK O'BRIEN, JR., *Special Assistant to the Board*
DONALD J. WINN, *Special Assistant to the Board*

LEGAL DIVISION

THOMAS J. O'CONNELL, *General Counsel*
JOHN NICOLL, *Deputy General Counsel*
ROBERT S. PLOTKIN, *Assistant General Counsel*
BALDWIN B. TUTTLE, *Assistant General Counsel*
CHARLES R. MCNEILL, *Assistant to the General Counsel*
ANDREW F. OEHMANN, *Assistant to the General Counsel*
GRIFFITH L. GARWOOD, *Adviser*

OFFICE OF MANAGING DIRECTOR FOR RESEARCH AND ECONOMIC POLICY

J. CHARLES PARTEE, *Managing Director*
STEPHEN H. AXILROD, *Adviser to the Board*
SAMUEL B. CHASE, JR., *Adviser to the Board*
ARTHUR L. BROIDA, *Assistant to the Board*
MURRAY ALTMANN, *Special Assistant to the Board*

DIVISION OF RESEARCH AND STATISTICS

J. CHARLES PARTEE, *Director*
LYLE E. GRAMLEY, *Deputy Director*
JAMES L. PIERCE, *Associate Director*
PETER M. KEIR, *Adviser*
STANLEY J. SIGEL, *Adviser*
MURRAY S. WERNICK, *Adviser*
KENNETH B. WILLIAMS, *Adviser*
JAMES B. ECKERT, *Associate Adviser*
EDWARD C. ETTIN, *Associate Adviser*
ROBERT J. LAWRENCE, *Associate Adviser*
ELEANOR J. STOCKWELL, *Associate Adviser*
JOSEPH S. ZEISEL, *Associate Adviser*
JAMES L. KICHLINE, *Assistant Adviser*
STEPHEN P. TAYLOR, *Assistant Adviser*
THOMAS D. THOMSON, *Assistant Adviser*
LOUIS WEINER, *Assistant Adviser*
HELMUT F. WENDEL, *Assistant Adviser*
LEVON H. GARABEDIAN, *Assistant Director*

DIVISION OF DATA PROCESSING

CHARLES L. HAMPTON, *Director*
HENRY W. MEETZE, *Associate Director*
GLENN L. CUMMINS, *Assistant Director*
WARREN N. MINAMI, *Assistant Director*

DIVISION OF PERSONNEL

KEITH D. ENGSTROM, *Director*
CHARLES W. WOOD, *Assistant Director*

OFFICE OF THE CONTROLLER

JOHN KAKALEC, *Controller*
JOHN M. DENKLER, *Assistant Controller*

DIVISION OF ADMINISTRATIVE SERVICES

WALTER W. KREIMANN, *Director*
DONALD E. ANDERSON, *Assistant Director*
JOHN D. SMITH, *Assistant Director*

OFFICE OF THE SECRETARY

CHESTER B. FELDBERG, *Secretary*
THEODORE E. ALLISON, *Assistant Secretary*
NORMAND R. V. BERNARD, *Assistant Secretary*
ELIZABETH L. CARMICHAEL, *Assistant Secretary*

DIVISION OF SUPERVISION AND REGULATION

FREDERIC SOLOMON, *Director*
BRENTON C. LEAVITT, *Deputy Director*
FREDERICK R. DAHL, *Assistant Director*
JACK M. EGERTSON, *Assistant Director*
JANET O. HART, *Assistant Director*
JOHN N. LYON, *Assistant Director*
JOHN T. MCCLINTOCK, *Assistant Director*
THOMAS A. SIDMAN, *Assistant Director*
WILLIAM W. WILES, *Assistant Director*

*On leave of absence.

DIVISION OF INTERNATIONAL FINANCE

RALPH C. BRYANT, *Director*
JOHN E. REYNOLDS, *Associate Director*
PAUL WONNACOTT, *Associate Director*
ROBERT F. GEMMILL, *Adviser*
REED J. IRVINE, *Adviser*
SAMUEL I. KATZ, *Adviser*
BERNARD NORWOOD, *Adviser*
SAMUEL PIZER, *Adviser*
GEORGE B. HENRY, *Associate Adviser*
HELEN B. JUNZ, *Associate Adviser*
†NORMAN S. FIELEKE, *Assistant Adviser*

†On loan from the Federal Reserve Bank of Boston.

FEDERAL OPEN MARKET COMMITTEE

ARTHUR F. BURNS, *Chairman*

ALFRED HAYES, *Vice Chairman*

ROBERT P. BLACK
ANDREW F. BRIMMER
JEFFREY M. BUCHER
GEORGE H. CLAY
ROBERT C. HOLLAND
MONROE KIMBREL
GEORGE W. MITCHELL
JOHN E. SHEEHAN
HENRY C. WALLICH
WILLIS J. WINN

ARTHUR L. BRODA, *Secretary*
MURRAY ALTMANN, *Deputy Secretary*
NORMAND R. V. BERNARD, *Assistant Secretary*
THOMAS J. O'CONNELL, *General Counsel*
EDWARD G. GUY, *Deputy General Counsel*
JOHN NICOLL, *Assistant General Counsel*
J. CHARLES PARTEE, *Senior Economist*
STEPHEN H. AXILROD, *Economist (Domestic Finance)*
*ROBERT SOLOMON, *Economist (International Finance)*
HARRY BRANDT, *Associate Economist*
RALPH C. BRYANT, *Associate Economist*
RICHARD G. DAVIS, *Associate Economist*
RAYMOND J. DOLL, *Associate Economist*
LYLE E. GRAMLEY, *Associate Economist*
WILLIAM J. HOCTER, *Associate Economist*
JAMES PARTHEMOS, *Associate Economist*
JAMES L. PIERCE, *Associate Economist*
JOHN E. REYNOLDS, *Associate Economist*

ALAN R. HOLMES, *Manager, System Open Market Account*
CHARLES A. COOMBS, *Special Manager, System Open Market Account*
PETER D. STERNLIGHT, *Deputy Manager, System Open Market Account*

FEDERAL ADVISORY COUNCIL

THOMAS I. STORRS, FIFTH FEDERAL RESERVE DISTRICT, *President*
JAMES F. ENGLISH, JR., FIRST FEDERAL RESERVE DISTRICT, *Vice President*

GABRIEL HAUGE, SECOND FEDERAL RESERVE DISTRICT
JAMES F. BODINE, THIRD FEDERAL RESERVE DISTRICT
CLAIR E. FULTZ, FOURTH FEDERAL RESERVE DISTRICT
LAWRENCE A. MERRIGAN, SIXTH FEDERAL RESERVE DISTRICT
ALLEN P. STULTS, SEVENTH FEDERAL RESERVE DISTRICT
DONALD E. LASATER, EIGHTH FEDERAL RESERVE DISTRICT
GEORGE H. DIXON, NINTH FEDERAL RESERVE DISTRICT
EUGENE H. ADAMS, TENTH FEDERAL RESERVE DISTRICT
LEWIS H. BOND, ELEVENTH FEDERAL RESERVE DISTRICT
HAROLD A. ROGERS, TWELFTH FEDERAL RESERVE DISTRICT

HERBERT V. PROCHNOW, *Secretary*
WILLIAM J. KORSVIK, *Assistant Secretary*

*On leave of absence.

FEDERAL RESERVE BANKS AND BRANCHES

Federal Reserve Bank, branch, *or facility* Zip code	Chairman Deputy Chairman	President First Vice President	Vice President in charge of branch
Boston 02106	James S. Duesenberry Louis W. Cabot	Frank E. Morris James A. McIntosh	
New York 10045	Roswell L. Gilpatric Frank R. Milliken	Alfred Hayes Richard A. Debs	
Buffalo 14240	Norman F. Beach		A. A. MacInnes, Jr.
Philadelphia 19101	John R. Coleman Edward J. Dwyer	David P. Eastburn Mark H. Willes	
Cleveland 44101	Horace A. Shepard Robert E. Kirby	Willis J. Winn Walter H. MacDonald	
Cincinnati 45201	Graham E. Marx		Robert E. Showalter
Pittsburgh 15230	Richard Cyert		*Robert D. Duggan*
Richmond 23261	Robert W. Lawson, Jr. E. Craig Wall	Robert P. Black	
Baltimore 21203	James G. Harlow		Jimmie R. Monhollon
Charlotte 28201	Charles W. DeBell		Stuart P. Fishburne
Culpeper Communications Center *22701*			J. Gordon Dickerson, Jr.
Atlanta 30303	H. G. Pattillo Clifford M. Kirtland, Jr.	Monroe Kimbrel Kyle K. Fossum	
Birmingham 35202	William C. Bauer		Hiram J. Honea
Jacksonville 32203	Gert H. W. Schmidt		Edward C. Rainey
Nashville 37203	Edward J. Boling		Jeffrey J. Wells
New Orleans 70161	Edwin J. Caplan		George C. Guynn
Miami Office *33152*			W. M. Davis
Chicago 60690	William H. Franklin Peter B. Clark	Robert P. Mayo Ernest T. Baughman	
Detroit 48231	W.M. Defoe		William C. Conrad
St. Louis 63166	Frederic M. Peirce Sam Cooper	Darryl R. Francis Eugene A. Leonard	
Little Rock 72203	W.M. Pierce		John F. Breen
Louisville 40201	James C. Hendershot		Donald L. Henry
Memphis 38101	C. Whitney Brown		L. Terry Britt
Minneapolis 55480	Bruce B. Dayton James P. McFarland	Bruce K. MacLaury M. H. Strothman, Jr.	
Helena 59601	William A. Cordingley		Howard L. Knous
Kansas City 64198	Robert W. Wagstaff Robert T. Person	George H. Clay John T. Boysen	
Denver 80217	Maurice B. Mitchell		George C. Rankin
Oklahoma City 73125	Joseph H. Williams		William G. Evans
Omaha 68102	Durward B. Varner		Robert D. Hamilton
Dallas 75222	John Lawrence Charles T. Beaird	Philip E. Coldwell T. W. Plant	
El Paso 79999	Gage Holland		Frederic W. Reed
Houston 77001	T.J. Barlow		James L. Cauthen
San Antonio 78295	Marshall Boykin, III		Carl H. Moore
San Francisco 94120	O. Meredith Wilson Joseph F. Alibrandi	John J. Balles John B. Williams	
Los Angeles 90051	Joseph R. Vaughan		Gerald R. Kelly
Portland 97208	John R. Howard		William M. Brown
Salt Lake City 84110	Sam H. Bennion		A. Grant Holman
Seattle 98124	C. Henry Bacon, Jr.		Paul W. Cavan

FEDERAL RESERVE BOARD PUBLICATIONS

Available from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. Where a charge is indicated, remittance should accompany request and be made payable to the order of the Board of Governors of the Federal Reserve System in a form collectible at par in U.S. currency. (Stamps and coupons are not accepted.)

ANNUAL REPORT

FEDERAL RESERVE BULLETIN. Monthly. $6.00 per year or $.60 each in the United States and its possessions, Bolivia, Canada, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, Guatemala, Haiti, Republic of Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, El Salvador, Uruguay, and Venezuela; 10 or more of same issue to one address, $5.00 per year or $.50 each. Elsewhere, $7.00 per year or $.70 each.

FEDERAL RESERVE CHART BOOK ON FINANCIAL AND BUSINESS STATISTICS. Monthly. Subscription includes one issue of Historical Chart Book. $6.00 per year or $.60 each in the United States and the countries listed above; 10 or more of same issue to one address, $.50 each. Elsewhere, $7.00 per year or $.70 each.

HISTORICAL CHART BOOK. Issued annually in Sept. Subscription to monthly chart book includes one issue. $.60 each in the United States and countries listed above; 10 or more to one address, $.50 each. Elsewhere, $.70 each.

THE FEDERAL RESERVE ACT, as amended through December 1971, with an appendix containing provisions of certain other statutes affecting the Federal Reserve System. 252 pp. $1.25.

REGULATIONS OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

PUBLISHED INTERPRETATIONS OF THE BOARD OF GOVERNORS, as of December 31, 1973. $2.50.

DEBITS AND CLEARING STATISTICS AND THEIR USE. 1959. 144 pp. $1.00 each; 10 or more to one address, $.85 each.

SUPPLEMENT TO BANKING AND MONETARY STATISTICS. **Sec. 1.** Banks and the Monetary System. 1962. 35 pp. $.35. **Sec. 2.** Member Banks. 1967. 59 pp. $.50. **Sec. 5.** Bank Debits. 1966. 36 pp. $.35. **Sec. 6.** Bank Income. 1966. 29 pp. $.35. **Sec. 9.** Federal Reserve Banks. 1965. 36 pp. $.35. **Sec. 10.** Member Bank Reserves and Related Items. 1962. 64 pp. $.50. **Sec. 11.** Currency. 1963. 11 pp. $.35. **Sec. 12.** Money Rates and Securities Markets. 1966. 182 pp. $.65. **Sec. 14.** Gold. 1962. 24 pp. $.35. **Sec. 15.** International Finance. 1962. 92 pp. $.65. **Sec. 16 (New).** Consumer Credit. 1965. 103 pp. $.65.

INDUSTRIAL PRODUCTION—1971 edition. 383 pp. $4.00 each; 10 or more to one address, $3.50 each.

BANK MERGERS & THE REGULATORY AGENCIES: APPLICATION OF THE BANK MERGER ACT OF 1960. 1964. 260 pp. $1.00 each; 10 or more to one address, $.85 each.

THE PERFORMANCE OF BANK HOLDING COMPANIES. 1967. 29 pp. $.25 each; 10 or more to one address, $.20 each.

THE FEDERAL FUNDS MARKET. 1959. 111 pp. $1.00 each; 10 or more to one address, $.85 each.

TRADING IN FEDERAL FUNDS. 1965. 116 pp. $1.00 each; 10 or more to one address, $.85 each.

U.S. TREASURY ADVANCE REFUNDING, JUNE 1960-JULY 1964. 1966. 65 pp. $.50 each; 10 or more to one address, $.40 each.

BANK CREDIT-CARD AND CHECK-CREDIT PLANS. 1968. 102 pp. $1.00 each; 10 or more to one address, $.85 each.

INTEREST RATE EXPECTATIONS: TESTS ON YIELD SPREADS AMONG SHORT-TERM GOVERNMENT SECURITIES. 1968. 83 pp. $.50 each; 10 or more to one address, $.40 each.

SURVEY OF FINANCIAL CHARACTERISTICS OF CONSUMERS. 1966. 166 pp. $1.00 each; 10 or more to one address, $.85 each.

SURVEY OF CHANGES IN FAMILY FINANCES. 1968. 321 pp. $1.00 each; 10 or more to one address, $.85 each.

REPORT OF THE JOINT TREASURY-FEDERAL RESERVE STUDY OF THE U.S. GOVERNMENT SECURITIES MARKET. 1969. 48 pp. $.25 each; 10 or more to one address, $.20 each.

JOINT TREASURY-FEDERAL RESERVE STUDY OF THE GOVERNMENT SECURITIES MARKET: STAFF STUDIES—PART 1. 1970. 86 pp. $.50 each; 10 or more to one address, $.40 each. PART 2. 1971. 153 pp. and PART 3. 1973. 131 pp. Each volume $1.00; 10 or more to one address, $.85 each.

OPEN MARKET POLICIES AND OPERATING PROCEDURES—STAFF STUDIES. 1971. 218 pp. $2.00; 10 or more to one address, $1.75 each.

REAPPRAISAL OF THE FEDERAL RESERVE DISCOUNT MECHANISM, Vol. 1. 1971. 276 pp. Vol. 2. 1971. 173 pp. Vol. 3. 1972. 220 pp. Each volume $3.00 each; 10 or more to one address, $2.50 each.

THE ECONOMETRICS OF PRICE DETERMINATION CONFERENCE, October 30-31, 1970, Washington, D.C. Oct. 1972, 397 pp. Cloth ed. $5.00 each; 10 or more to one address, $4.50 each. Paper ed. $4.00 each; 10 or more to one address, $3.60 each.

FEDERAL RESERVE STAFF STUDY: WAYS TO MODERATE FLUCTUATIONS IN HOUSING CONSTRUCTION, Dec. 1972, 487 pp. $4.00 each; 10 or more to one address, $3.60 each.

LENDING FUNCTIONS OF THE FEDERAL RESERVE BANKS: A HISTORY, by Howard H. Hackley. 1973. 271 pp. $3.50 each; 10 or more to one address, $3.00 each.

STAFF ECONOMIC STUDIES

Studies and papers on economic and financial subjects that are of general interest in the field of economic research.

Summaries only printed in the BULLETIN

(Limited supply of mimeographed copies of full text available upon request for single copies)

EXAMINATION OF THE MONEY STOCK CONTROL APPROACH OF BURGER, KALISH, AND BABB, by Fred J. Levin. March 1973. 18 pp.

OBTAINING THE YIELD ON A STANDARD BOND FROM A SAMPLE OF BONDS WITH HETEROGENEOUS CHARACTERISTICS, by James L. Kichline, P. Michael Laub, and Guy V. G. Stevens. May 1973. 30 pp.

THE DETERMINANTS OF A DIRECT INVESTMENT OUTFLOW WITH EMPHASIS ON THE SUPPLY OF FUNDS, by Frederic Brill Ruckdeschel. June 1973. 171 pp.

MORTGAGE COMMITMENTS ON INCOME PROPERTIES: A NEW SERIES FOR 15 LIFE INSURANCE COMPANIES, 1951-70, by Robert Moore Fisher and Barbara Negri Opper. Aug. 1973. 83 pp.

THE IMPACT OF HOLDING COMPANY ACQUISITIONS ON AGGREGATE CONCENTRATION IN BANKING, by Samuel H. Talley. Feb. 1974. 24 pp.

OPERATING POLICIES OF BANK HOLDING COMPANIES—PART II: NONBANKING SUBSIDIARIES, by Robert J. Lawrence. Mar. 1974. 59 pp.

Printed in full in the BULLETIN

(Staff Economic Studies shown in list below. Except for Staff Papers, Staff Economic Studies, and some leading articles, most of the articles reprinted do not exceed 12 pages.)

REPRINTS

ADJUSTMENT FOR SEASONAL VARIATION. 6/41.

SEASONAL FACTORS AFFECTING BANK RESERVES. 2/58.

LIQUIDITY AND PUBLIC POLICY, **Staff Paper** by Stephen H. Axilrod. 10/61.

SEASONALLY ADJUSTED SERIES FOR BANK CREDIT. 7/62.

INTEREST RATES AND MONETARY POLICY, **Staff Paper** by Stephen H. Axilrod. 9/62.

MEASURES OF MEMBER BANK RESERVES. 7/63.

REVISION OF BANK DEBITS AND DEPOSIT TURNOVER SERIES. 3/65.

RESEARCH ON BANKING STRUCTURE AND PERFORMANCE, **Staff Economic Study** by Tynan Smith. 4/66.

A REVISED INDEX OF MANUFACTURING CAPACITY, **Staff Economic Study** by Frank de Leeuw with Frank E. Hopkins and Michael D. Sherman. 11/66.

REVISED SERIES ON COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY. 2/67.

THE PUBLIC INFORMATION ACT—ITS EFFECT ON MEMBER BANKS. 7/67.

INTEREST COST EFFECTS OF COMMERCIAL BANK *UNDERWRITING OF MUNICIPAL REVENUE* BONDS. 8/67.

U.S. INTERNATIONAL TRANSACTIONS: TRENDS IN 1960-67. 4/68.

FEDERAL FISCAL POLICY IN THE 1960's. 9/68.

BUSINESS FINANCING BY BUSINESS FINANCE COMPANIES. 10/68.

HOUSING PRODUCTION AND FINANCE. 3/69.

REVISION OF WEEKLY SERIES FOR COMMERCIAL BANKS. 8/69.

EURO-DOLLARS: A CHANGING MARKET. 10/69.

RECENT CHANGES IN STRUCTURE OF COMMERCIAL BANKING. 3/70.

SDR's IN FEDERAL RESERVE OPERATIONS AND STATISTICS. 5/70.

MEASURES OF SECURITY CREDIT. 12/70.

MONETARY AGGREGATES AND MONEY MARKET CONDITIONS IN OPEN MARKET POLICY. 2/71.

BANK FINANCING OF MOBILE HOMES. 3/71.

INTEREST RATES, CREDIT FLOWS, AND MONETARY AGGREGATES SINCE 1964. 6/71.

TWO KEY ISSUES OF MONETARY POLICY. 6/71.

SURVEY OF DEMAND DEPOSIT OWNERSHIP. 6/71.

BANK RATES ON BUSINESS LOANS—REVISED SERIES. 6/71.

INDUSTRIAL PRODUCTION—REVISED AND NEW MEASURES. 7/71.

REVISED MEASURES OF MANUFACTURING CAPACITY UTILIZATION. 10/71.

REVISION OF BANK CREDIT SERIES. 12/71.

PLANNED AND ACTUAL LONG-TERM BORROWING BY STATE & LOCAL GOVERNMENTS. 12/71.

ASSETS AND LIABILITIES OF FOREIGN BRANCHES OF U.S. BANKS. 2/72.

WAYS TO MODERATE FLUCTUATIONS IN THE CONSTRUCTION OF HOUSING. 3/72.

CONSTRUCTION LOANS AT COMMERCIAL BANKS. 6/72.

SOME ESSENTIALS OF INTERNATIONAL MONETARY REFORM. 6/72.

CHARACTERISTICS OF FEDERAL RESERVE BANK DIRECTORS. 6/72.

BANK DEBITS, DEPOSITS, AND DEPOSIT TURNOVER—REVISED SERIES. 7/72.

RECENT REGULATORY CHANGES IN RESERVE REQUIREMENTS AND CHECK COLLECTION. 7/72.

YIELDS ON NEWLY ISSUED CORPORATE BONDS. 9/72.

RECENT ACTIVITIES OF FOREIGN BRANCHES OF U.S. BANKS. 10/72.

REVISION OF CONSUMER CREDIT STATISTICS. 10/72.

SURVEY OF FINANCE COMPANIES, 1970. 11/72.

ONE-BANK HOLDING COMPANIES BEFORE THE 1970 AMENDMENTS. 12/72.

EVOLUTION OF THE PAYMENTS MECHANISM. 12/72.

REVISION OF THE MONEY STOCK MEASURES AND MEMBER BANK RESERVES AND DEPOSITS. 2/73.

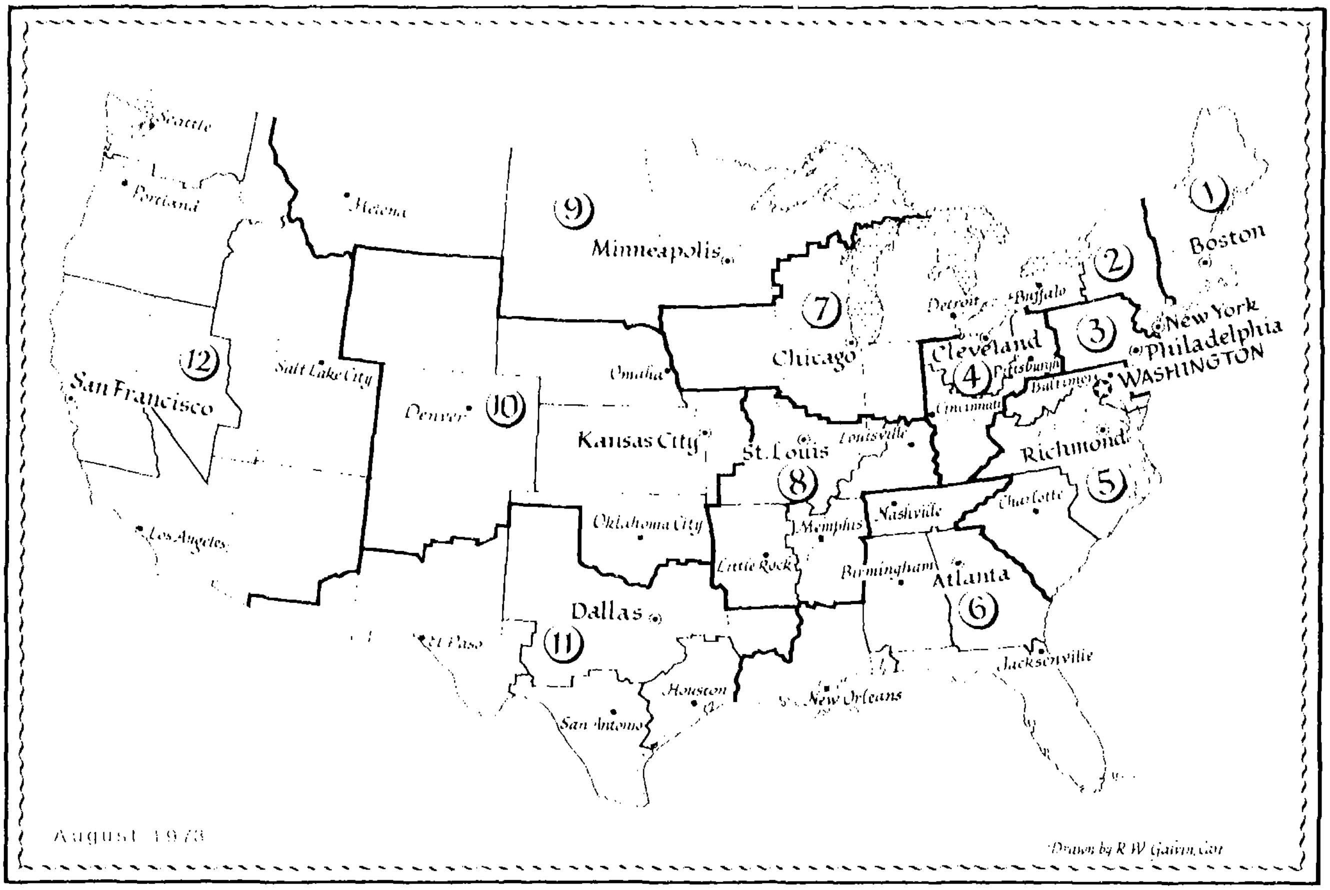
INDEX TO STATISTICAL TABLES

(For list of tables published periodically, but not monthly, see page A-3)

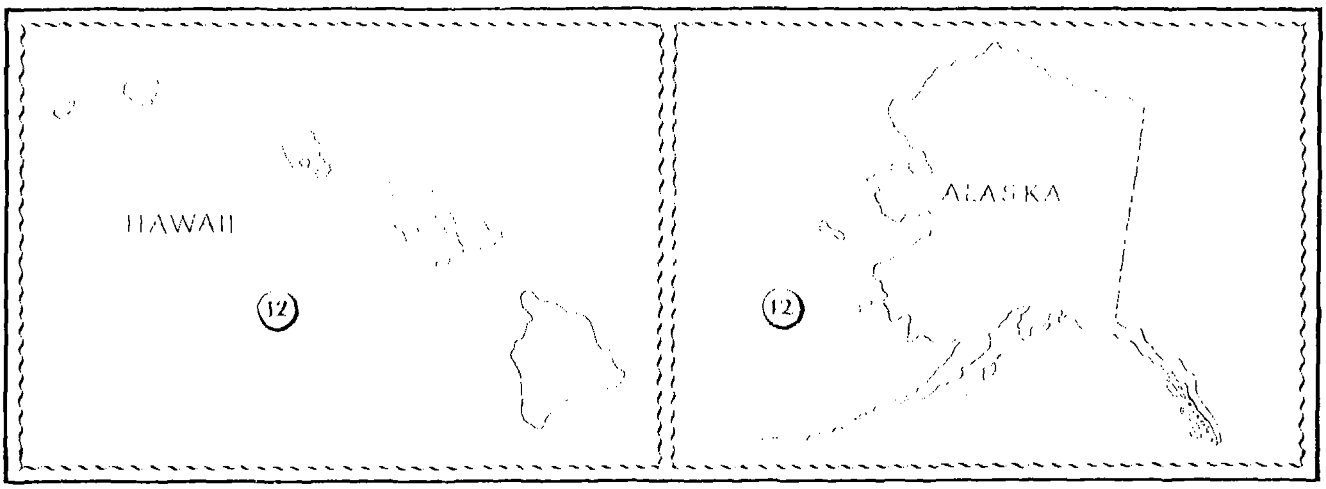
(References are to pages A-4 through A-87 although the prefix "A" is omitted in this index)

(References are to pages A-4 through A-87 although the prefix "A" is omitted in this index)

BOUNDARIES OF FEDERAL RESERVE DISTRICTS AND THEIR BRANCH TERRITORIES



THE FEDERAL RESERVE SYSTEM



Legend

Boundaries of Federal Reserve Districts —— Boundaries of Federal Reserve Branch Territories

Board of Governors of the Federal Reserve System

Federal Reserve Bank Cities • Federal Reserve Branch Cities

· Federal Reserve Bank Facilities