
MAY 1975

FEDERAL RESERVE BULLETIN

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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 are not accepted.)

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NUMBER 5 □ VOLUME 61 □ MAY 1975

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Consumer Lending at Commercial Banks

Commercial banks continue to supply a significant volume of funds to finance consumer expenditures for automobiles, nonautomotive consumer goods, housing, and other personal items, even though the rate of lending for such purposes declined more rapidly during 1974 at banks than at other sources of consumer funding. To some extent, the decline at commercial banks reflected the increasing unwillingness of large banks to supply such credit after the first quarter of last year. By early 1975, however, these banks were showing a greater inclination than previously to extend not only short- and intermediate-term consumer credit but also long-term home mortgage loans. But demand for consumer financing remained slack through the winter quarter, except in February when automobile credit expanded as a result of new-car buying stimulated by the automobile manufacturers' price rebate programs.

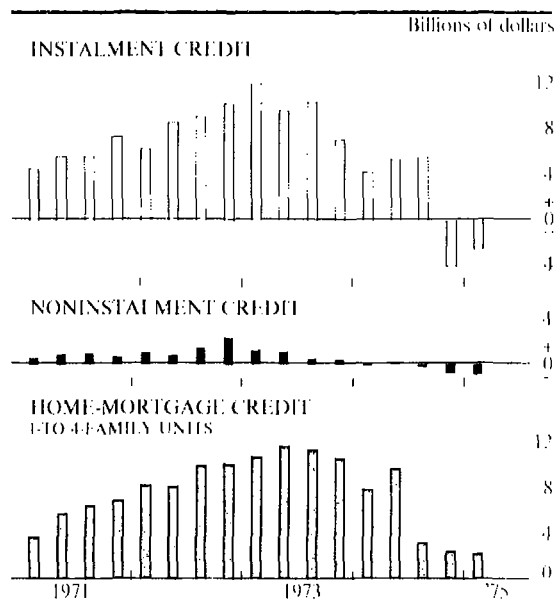
The contraction in bank lending during the fourth quarter of 1974, and again— but to a lesser extent— in the first quarter of 1975, occurred as consumers liquidated total outstanding instalment and noninstalment debt at the highest rate in more than 30 years. In addition, there was a further slowing in the over-all rate of growth in mortgage credit for 1- to 4-family residences— reflecting the depressed activity in markets for both new and existing homes.

Notwithstanding the recent sharp decline in consumer lending by commercial banks, these institutions still held almost one-half of the consumer instalment credit outstanding in the United States at the end of April, a little more than one-third of the noninstalment consumer credit, and about one-fifth of the mortgage credit on 1- to 4-family structures. While the proportions for both instalment and noninstalment credit are down somewhat from the record levels of late 1972–early 1973, the share of home mortgage financing has changed little since then.

Instalment lending by commercial banks has been most prominent for three types of consumer financing: new and used automobiles, "other consumer goods," and personal loans. Home improvement credit, the fourth major type of instalment financing, constitutes only a small proportion of the consumer loan portfolios at commercial banks. Of the major types of instalment credit held by banks, lending on bank credit cards— a component of the "other consumer goods" category— and on check-credit plans— a component of personal loans— showed the largest relative growth during 1974. This was particularly true of bank-card credit.

On the other hand, automobile credit, after a period of rapid expansion during 1972 and the first half of 1973, has contracted quite sharply since introduction of the 1975-model

Consumer lending at commercial banks



Quarterly net change in outstandings at seasonally adjusted annual rates.

cars last fall. Noninstalment credit, mainly in the form of single-payment loans to consumers, has also decreased substantially in recent months.

Commercial bank holdings of home mortgage credit are exceeded only by those of savings and loan associations, which account for more than one-third of the total. On a seasonally adjusted basis, net lending by commercial banks on construction and permanent mortgages secured by 1- to 4-family properties declined markedly during the second half of 1974. In percentage terms, the decline in mortgage loans at banks was even greater than the reduction at nonbank thrift institutions, despite the large outflows of savings deposits experienced by the thrift institutions last summer when short-term market interest rates rose sharply. Mortgage lending by banks declined further in the first quarter of 1975, but net mortgage debt formation picked up at the nonbank thrift institutions—particularly at savings and loan associations—as inflows of deposits strengthened. Although their deposit inflows also improved during early 1975, commercial banks concentrated on building liquid asset balances at a time of generally slack loan demands.

INSTALMENT CREDIT

During the postwar period, fluctuations in the rate of change in consumer instalment credit outstanding at short and intermediate term have tended to lead cyclical changes in aggregate business activity, and the pattern of the recent contraction has been no exception. On a seasonally adjusted basis, the peak growth in instalment credit outstanding at all lenders—at a record annual rate of \$24 billion—occurred during the first quarter of 1973, somewhat before the economy as a whole reached its cyclical high.

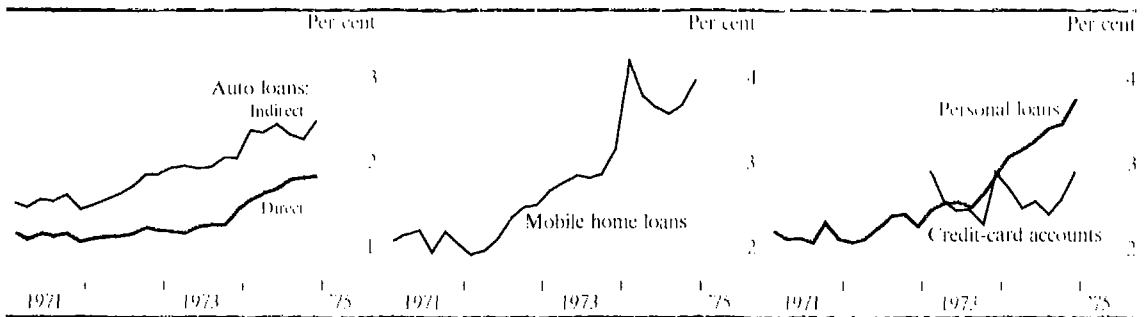
The peak in instalment credit growth at commercial banks coincided with that for total instalment credit, and banks accounted for almost \$12 billion of the over-all increase in that quarter—one-half of the total. By the fourth quarter of 1974, however, growth in total instalment credit outstanding had become nega-

tive; that is, repayments on existing indebtedness exceeded new extensions of credit—at a seasonally adjusted annual rate of \$3.2 billion. On balance, all of the fourth-quarter decline in instalment credit occurred at commercial banks, where the amount outstanding declined at an annual rate of more than \$4 billion.

The reduced rate of growth in instalment credit outstanding after the first quarter of 1973, as well as the contraction during the fourth quarter of 1974 and in the first quarter of 1975, can be attributed to a number of factors. On the demand side, consumer purchasing power has been reduced because of the rise in unemployment, the slowing of wage rate increases, and the continuing, though diminishing, advance in the consumer price index. Measures of consumer sentiment and intentions-to-buy fell to exceptionally low levels near the end of 1974. In addition, a near-record proportion of disposable personal income had already been committed to the repayment of existing instalment loans. As a result, consumer demand for major durable goods that generally require financing, such as mobile homes, automobiles, and furniture and major appliances, declined markedly after mid-1974. Automobile sales dropped from a level that had already been depressed by the energy shortage and high gasoline prices.

While demand factors have probably had the most influence on recent changes in consumer credit outstanding, supply considerations have also been important. Under the general conditions of credit restraint that prevailed throughout much of 1974, lenders appeared less willing to extend new credit. Consumer loan rates advanced somewhat after a lag that may have been related in part to the existence of the Committee on Interest and Dividends during the early months of 1974. And by late in the year rates for some types of consumer loans reached legal ceilings in a number of States. But despite rising consumer loan rates, the spread narrowed during the summer between these rates and the cost of funds to lenders. As a result, net returns available from consumer financing declined relative to other lending opportunities, especially for banks. In addition, the record postwar level of consumer loan delinquencies warranted caution on the part of lenders.

Delinquency rates at commercial banks



AUTOMOBILE CREDIT

Commercial banks still provide most of the financing for consumer purchases of new and used cars, even though the bank share of outstanding automobile credit declined during 1974 and in the early part of 1975. Banks currently hold nearly three-fifths of the automobile installment credit outstanding in the United States; most of the remainder is held by the subsidiary finance companies of automobile manufacturers and by credit unions, both of which have enlarged their share of the automobile credit market since late 1973.

Commercial banks sharply reduced their volume of consumer new-car financing during 1974, both absolutely and relative to other lenders. While total unit sales of new cars—including imported models and domestic fleet sales—declined 2.3 per cent during 1974 from the previous year, the number of new cars financed by banks fell 26 per cent, and the dollar volume of credit extensions was off 19 per cent. As is typical in periods of lessened willingness to extend consumer credit, the percentage declines in the number of units financed and in the dollar volume were down somewhat more for direct new car loans—29 and 23 per cent, respectively—than for the larger category of contracts purchased from retail dealers, which declined 23 per cent in number and 17 per cent in dollar volume.

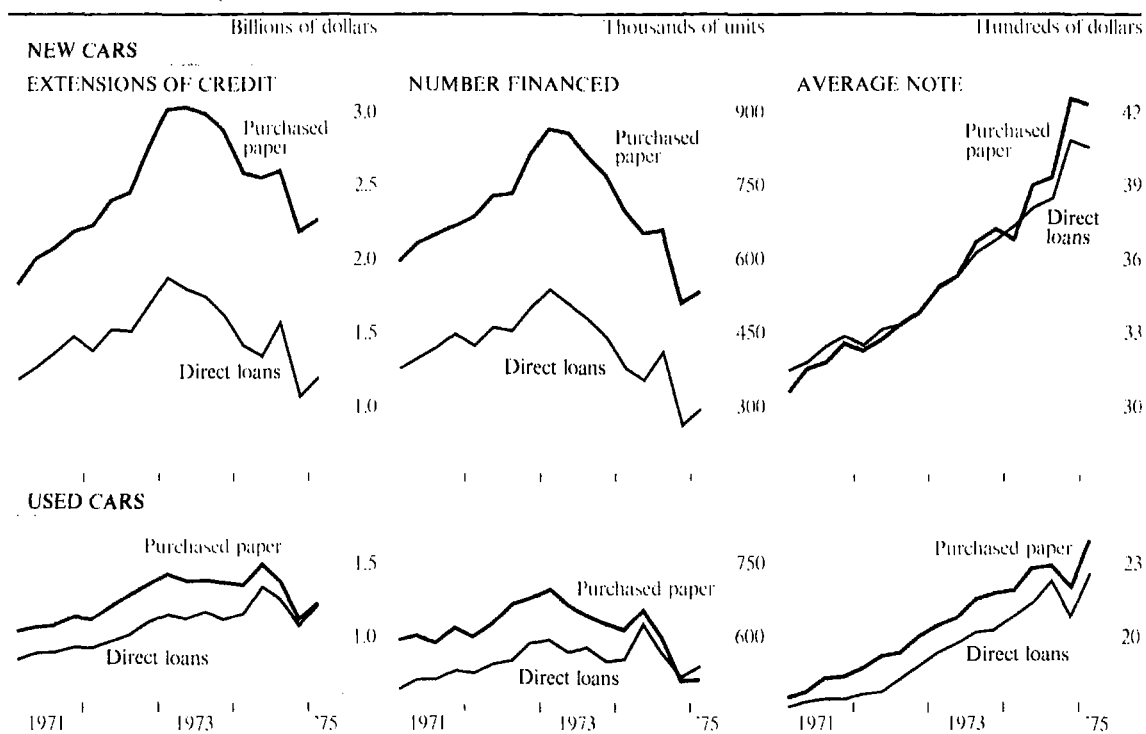
Possible explanations for the lesser volatility in purchased paper volume can be found in the relationship between banks and auto dealers, as well as in other institutional factors. During periods of limited credit availability such as in

1974, commercial banks may continue to acquire consumer automobile finance contracts from cooperating dealers, either because of prior commitments—possibly related to dealer inventory-financing agreements—or because of a desire to maintain business relationships and dealer balances for long-run profit. Also, banks may find it relatively easy to deter direct lending by reducing their consumer loan promotion and their advertising efforts. Conversely, when funds become more available, banks may expand consumer lending activity more readily by increasing their advertising and by rationing direct loans less strictly than by purchasing additional automobile paper from participating dealers.

During 1973 and through the first quarter of 1974, banks commanded a relatively stable share—around 6.3 per cent—of the volume of credit extended for new and used cars combined. But the bank share of the auto credit market began to slide in the second quarter of last year, and by December it had fallen to just over 5.5 per cent. The drop was particularly marked during the fourth quarter—almost 3 percentage points—as automobile credit extensions at banks contracted as much as 20 per cent on a seasonally adjusted basis.

While the bulk of the drop in automobile credit volume at commercial banks is obviously related to the depressed level of car sales, other factors account for the decline in the bank share of the market. In part, the decline came in reaction to the vigorous expansion of automobile financing by banks that had occurred after 1970. Total automobile credit extended by banks expanded 66 per cent between the end

Automobile Financing at commercial banks



Quarterly totals for extensions of credit and number of cars financed. Average note includes finance charges.

of 1970 and the end of 1973. In contrast, finance companies—the second largest source of this type of financing—raised auto credit extensions only by 29 per cent during the same period.

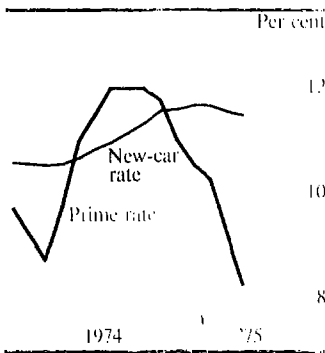
With such a sharp expansion in lending, banks apparently made loans to some higher-risk borrowers. Delinquency rates on automobile loans at commercial banks trended upward throughout most of 1972 and 1973 while remaining stable or rising only moderately at other financial institutions. The incentive for banks to restructure their automobile loan portfolios increased during 1974 as delinquencies rose even more sharply at banks than at other lenders.

Because of strong competing demands for credit—particularly short-term business credit for inventory and other financing needs—banks were also pressured during the period of general financial stringency to curtail all types of discretionary consumer instalment lending. With businesses and consumers drawing upon existing credit lines, banks limited approval of new requests for non-line credit such as consumer applications for automobile loans. In addition,

there was a decline in the relative profitability of auto loans and this further discouraged auto financing. Increases in auto finance rates failed to match those for other types of loans, even without allowance for the higher servicing costs of consumer loans. During part of 1974, in fact, the prime rate for business loans at many banks was higher than the finance rates that these banks charged consumers for new cars.

Commercial banks adopted various means to restrict or discourage automobile credit demand during 1974—by both rate and non-rate terms. At such banks, on the average, the most common finance rate on direct new-car loans with 36-month maturities rose from about 10.5 per cent, annual percentage rate, in the fall of 1973 to 11.6 per cent by the end of 1974—somewhat more than the rate increase on retail new-car contracts purchased by finance companies over the same period. Also, it appears that many banks tightened their standards of creditworthiness; others curtailed advertising, restricted lending to depositors only, eliminated marginal dealer accounts, stopped seeking ad-

New-car finance rate compared with prime rate



First week of month. Predominant prime rate to large business borrowers and the average of "most common" rates on direct 36-month new-car loans to consumers.

ditional dealer arrangements, or raised down-payment requirements.

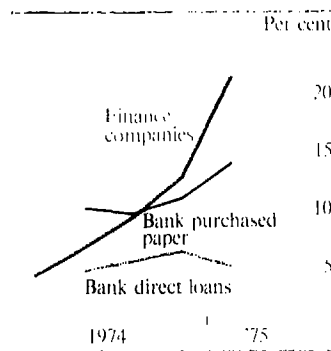
These restrictions were offset in part by a lengthening of maturities on some new-car contracts. Data from a recently revised survey at commercial banks indicate that the proportion of new-car contracts with maturities exceeding 36 months rose from 8.3 per cent in May 1974 to 10.6 per cent in February 1975. However, almost all of this liberalization has been accounted for by paper purchased from retail dealers; the proportion of direct loans with maturities in excess of 36 months at commercial banks—5 per cent in February—was virtually unchanged from May 1974.

At finance companies, meanwhile, the proportion of new-car contracts having maturities of more than 36 months soared to 21.6 per cent in February, up from 4.4 per cent in February 1974 and from 6.8 per cent in May 1974. Most of this increase is the result of longer maturities on contracts purchased from retail dealers by the subsidiary finance companies of the automobile manufacturers.

Despite the relative severity of bank curtailment of automobile financing volume last year, signs of a turnaround have become evident in 1975. A number of banks instituted partial interest rebate plans on car loans during February and March analogous to the auto producers' partial price rebate plans, and the bank share of automobile credit extensions was somewhat above the December 1974 low in each month of the first quarter.

Finance rates on new-car loans have also begun to ease at commercial banks, with the average most common rate falling below 11.5 per cent in March. Further, the sharp decline in short-term market interest rates and the slackening of business loan demands since late 1974 have begun to make automobile financing relatively more attractive to banks than it had been during most of last year.

Proportion of over 36-month new-car contracts at banks and at finance companies.



FINANCING OF "OTHER CONSUMER GOODS"

Even though the rate of growth in instalment credit outstanding for "other consumer goods" slowed markedly during 1974—and the deceleration was especially abrupt toward year-end—the total amount of such credit outstanding at all holders exceeded automobile debt in December for the first time on record. At most nonbank financial institutions—finance companies, credit unions, and miscellaneous lenders—other consumer goods credit consists primarily of loans to purchase mobile homes, recreational vehicles and motorcycles, boats, furniture, household appliances and electronic equipment, jewelry, and miscellaneous items. In addition to these items, outstanding balances on bank credit-card accounts are included as other consumer goods credit by commercial banks.

Financial institutions held 63 per cent of the \$52 billion total in other consumer goods paper outstanding at the end of 1974, and commercial

banks accounted for two-thirds of all holdings by financial institutions. The remaining 37 per cent of other consumer goods credit—more than \$19 billion—was held by retail outlets, with a substantial part in the form of revolving credit account balances.

MOBILE HOMES. Until late 1973 the growth in mobile home credit outstanding at commercial banks and finance companies matched the rapid rate of growth in bank credit-card balances. During 1974, however, consumer demand for mobile homes and for related financing fell sharply, and the mobile home industry experienced a severe retrenchment in production, shipments, and sales. At the same time, with rates of delinquency and repossession measurably higher, financial institutions became considerably more reluctant to extend credit to consumers for purchases of mobile homes. Their reluctance reflected in part the relative unattractiveness of finance rates on mobile

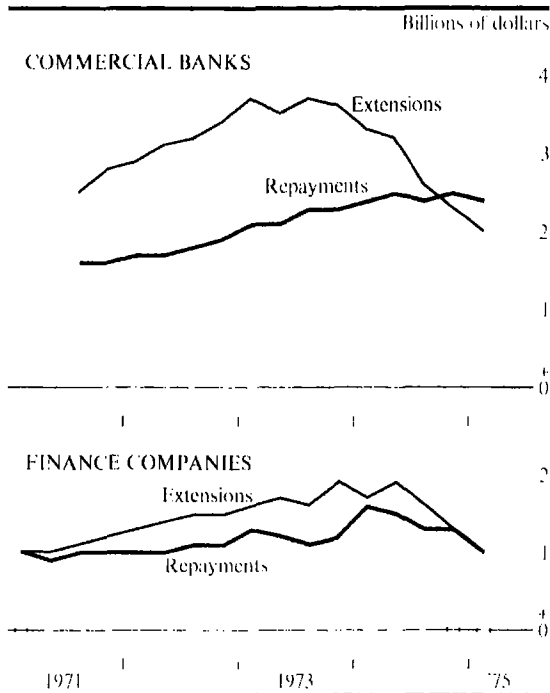
homes, given the risk involved, and in part the rapid lengthening in mobile home loan maturities in recent years.

Commercial banks cut back their net mobile home lending from a peak of \$1.6 billion, at a seasonally adjusted annual rate, in the first quarter of 1973 to a negative rate of \$184 million in the fourth quarter of 1974. By the first quarter of 1975 repayments to banks on mobile home loans exceeded bank extensions of new credit by \$460 million at a seasonally adjusted annual rate, and extensions of credit for consumer mobile home purchases had decreased from nearly 15 per cent of banks' total financing for other consumer goods in the fourth quarter of 1973 to less than 8 per cent.

BANK CREDIT CARDS. Growth in bank-card credit outstanding—either cash advances or credit for retail purchases—continued strong until the final month of 1974, when repayments exceeded extensions on a seasonally adjusted basis for the first time since January 1972. Even with the decline in December, and another in March 1975, bank credit-card outstandings at the end of the first quarter amounted to \$7.9 billion, an increase of nearly 20 per cent from the \$6.7 billion total of such balances a year earlier. As a proportion of total instalment credit extensions at banks, card credit expanded from 22.6 per cent in January 1974 to as much as 28.0 per cent in November. The credit-card share of extensions had averaged less than 20 per cent during 1973.

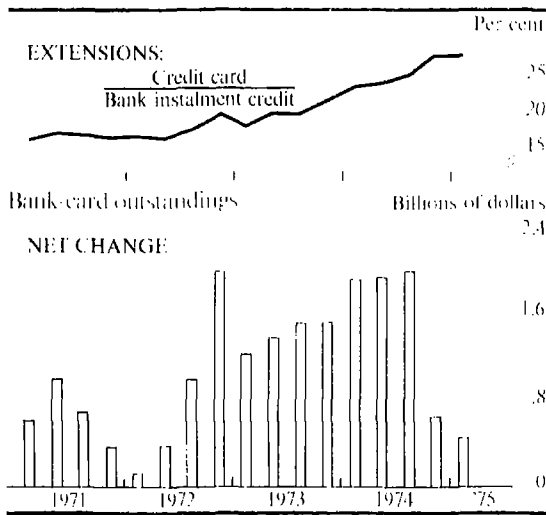
The continued growth in amounts outstanding on credit cards reflects the special cyclical behavior of this type of indebtedness. On the demand side, card credit may be used for a wide variety of relatively small purchases, and consumers may increase their use of such credit during the early stages of cyclical downturns in an attempt to maintain customary standards of living; that is, over the short run they use credit cards instead of cash. On the supply side, banks find it difficult to curtail card usage because, for the most part, such usage involves exercising lines of credit already authorized. In contrast, banks can restrict direct automobile lending more readily; since each

Mobile home financing



Quarterly totals at seasonally adjusted annual rates.

Credit card usage in relation to total bank instalment lending to consumers



automobile loan requires individual approval, the banks can tighten lending standards and apply those standards immediately to all subsequent extensions of credit.

Last year's expansion of indebtedness on card credit also reflected a trend at banks toward diverting to credit-card plans many small personal and goods-financing loans. The reasons for the shift include the lower administrative costs of handling original and repeat extensions of credit under a card plan, the greater likelihood of generating additional borrowing, and the higher finance charges that are generally applied on credit-card balances.

At some point during a cyclical downturn, however, the countercyclical strength in bank card credit must lessen unless the downturn is brief because the forces tending to expand such credit cannot operate indefinitely. In time, the increased use of credit-card lines during a downswing will push outstanding balances up against credit ceilings; as a result, tighter bank standards for issuing new cards and for raising credit limits on existing cards will become gradually more effective. The December decline in credit-card balances and the relatively weak first-quarter increase suggest that such a temporary saturation point may have been reached for many accounts.

PERSONAL LOANS

Finance companies still hold the largest share of the market for personal instalment loans, but commercial banks and credit unions have become increasingly important participants in this type of financing. Some of the rise in bank participation reflects the growth in availability and usage of check credit—classified as personal loans. Most check-credit plans allow bank customers to overdraw checking account balances within pre-established limits, with the amount of the overdraft generally rounded to an incrementally larger figure—considered as a personal instalment loan on which interest is charged.

At the end of March 1975 the amounts due from consumers on check-credit plans were 11 per cent larger than a year earlier, and they accounted for 16 per cent of the \$15.1 billion in personal instalment loans outstanding at commercial banks. However, the bank share of the over-all \$44 billion personal loan market was up only slightly from the previous year, mainly because the expansion at banks in personal loans other than check credit lagged the expansion in personal loans at other financial institutions—particularly at credit unions.

The rise in check-credit-plan loans during 1974 is analogous to the increase in bank credit-card balances discussed earlier. A line of credit has already been allocated to a prospective user at a predetermined rate of interest, and from the standpoint of customer relations, it is difficult for a bank to make the terms more restrictive on existing accounts.

Rates on check-credit-plan loans vary from around 10 per cent, annual percentage rate, at some banks to a more general level of 12 per cent to 18 per cent. In this respect, such loans are reasonably competitive with conventional direct personal instalment loans at banks—for which the average most common rate is now about 13.5 per cent for 12-month maturities.

HOME MORTGAGE CREDIT

Commercial banks are second only to savings and loan associations as a source of home mortgage credit. During 1974 banks accounted for

about one-fifth of the long-term home mortgages acquired by all major lenders.

Most of the long-term home mortgage loans held by commercial banks are made directly to households. Occasionally, however, banks buy in the secondary market home mortgages that are insured by the Federal Housing Administration or are guaranteed by the Veterans Administration. During 1974, in fact, banks originated 98 per cent of the dollar volume of all long-term home mortgages that they acquired. Furthermore, although commercial banks sometimes originate and sell home mortgages to other types of investors—while retaining the servicing function—they hold in their own portfolios most of the home mortgage loans that they make. Home mortgage loans sold by banks during 1974 were equivalent to 11 per cent of the volume of loans originated (Table 1).

TABLE 1

Commercial bank activity in 1- to 4-family mortgages, 1974

Item	Amount (in millions of dollars)	Banks as a per cent of all major lenders
Construction loans:		
Net acquisitions	6,541	40
Long-term loans:		
Gross acquisitions	16,223	18
Loans originated	15,839	23
Loans purchased	384	2
Less: Loans sold	1,786	8
Equals: Net acquisitions ..	14,437	22
Net change in holdings ¹ ..	6,987	22

¹Net acquisitions less repayments and other liquidations.

SOURCE: U.S. Department of Housing and Urban Development.

Almost three-fourths of the long-term mortgage loans made by banks to households last year were secured by homes that had been previously owned rather than newly built. As a result, banks occupied a somewhat more prominent position in the existing-home mortgage market than in the new-home market. Moreover, banks have been making relatively few FHA-insured or VA-guaranteed home loans. In 1974 Government-underwritten loans accounted for only about 7 per cent of the volume of long-term home mortgages originated by commercial banks, compared with more than

TABLE 2

Originations of long-term mortgages on 1- to 4-family properties at commercial banks, 1974
By type of mortgage and property

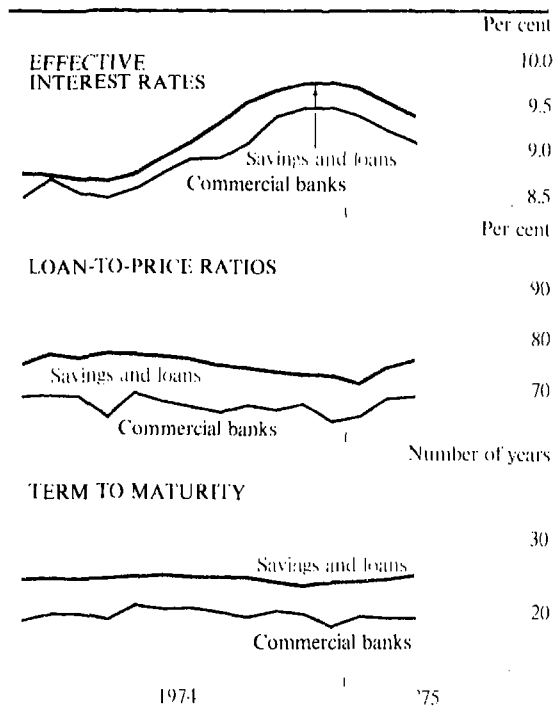
Item	Amount (in millions of dollars)	Banks as a per cent of all major lenders
Loans originated	15,839	23
New properties	4,281	18
FHA-insured	144	9
VA-guaranteed	286	11
Conventional	3,851	19
Existing properties	11,558	27
FHA-insured	226	7
VA-guaranteed	467	9
Conventional	10,865	31

SOURCE: U.S. Department of Housing and Urban Development.

20 per cent for all other major lenders combined (Table 2).

On the average, commercial banks charge somewhat lower interest rates on conventional home mortgage loans than do most other major lenders. The lower finance rates reflect in part lower loan-to-value ratios and shorter maturities

Conventional mortgages on existing homes
Average terms



Federal Home Loan Bank Board data.

at banks than at other lending institutions. In 1974 the average loan-to-value ratio on conventional loans for existing homes originated by the principal lending institutions ranged from 67 per cent at commercial banks to 86 per cent at mortgage companies; and the average contract maturity ranged from 20 years at banks to 29 years at mortgage companies, according to data from the Federal Home Loan Bank Board. On improved properties, national banks are prohibited by law from making conventional mortgages with loan-to-value ratios greater than 90 per cent and with maturities exceeding 30 years.

Until recently, mortgage loans made by national banks had to constitute first liens, and second and other junior mortgages were prohibited. Among other things, the Housing and Community Development Act of 1974, which became effective last August, amended the Federal Reserve Act to permit national banks to make junior mortgages under certain conditions. In three-fourths of the States, banking regulations authorize State-chartered banks to make second mortgages, although many of these States allow such loans only if the bank holds the first mortgage or if the second mortgage is for the purpose of liquidating other loans by the same borrower at the bank.

LENDING BY SIZE OF BANK

Virtually all commercial banks extend credit to consumers, but the relative importance of consumer financing in the total loan portfolio and the degree of specialization within the major categories of consumer credit vary widely by deposit size of bank. Of some 14,200 insured commercial banks, fewer than 50 banks reported no holdings of short- or intermediate-term consumer credit, according to the Federal Deposit Insurance Corporation report of condition for December 31, 1974: less than 5 per cent held no home mortgages.

Consumer and mortgage loans combined accounted for around one-third of total commercial bank loans outstanding, almost equal to the amount of commercial and industrial loans. The breakdown was 16 per cent of all bank loans as consumer instalment loans, 5 per cent as single-payment loans to individuals and others, and nearly 15 per cent as mortgage loans on 1- to 4-family properties. The bulk of such credit is held at the largest banks: the three largest deposit-size groups hold nearly two-fifths of total consumer and mortgage credit at all banks (Table 3). Even so, such banks gener-

TABLE 3

Loans at FDIC insured commercial banks, December 31, 1974

Banks		Loans outstanding (in billions of dollars)		Ratios to total loans (in per cent)				
Deposit size (in millions of dollars)	Number	Total	Consumer and mortgage	Consumer and mortgage	Consumer loans			1 to 1 family mortgage loans
					Total	Instalment	Single payment	
Less than 25	10,531	60.5	29.1	48.1	28.8	22.3	6.5	19.3
25-99,999	2,879	80.4	40.9	50.9	30.6	24.1	6.5	20.3
100-499,999	631	82.9	37.5	45.3	27.4	22.1	5.3	17.9
500-999,999	91	45.6	17.7	38.7	23.1	16.9	6.1	15.6
1,000-9,999,999	75	123.2	34.1	27.6	15.3	12.0	3.3	12.3
10,000 and over	9	109.5	17.6	16.0	8.0	5.8	2.2	8.0
All banks	14,216	502.1	176.8	35.2	20.5	15.9	4.6	14.7

NOTE: Data from Federal Deposit Insurance Corporation report of condition for Dec. 31, 1974.

Report of condition figures for consumer instalment and noninstalment loans outstanding on Dec. 31, 1974, are not strictly comparable with the regular monthly consumer credit totals previously published by the Federal Reserve Board for the corresponding date because of certain adjustments made in the monthly series, and because of the time lag in benchmarking the monthly series to report of condition data. Also, report of condition data for 1- to 4-family mortgages include construction and land loans for such properties. Percentages based on dollar amount of loans outstanding.

TABLE 4

Selected types of consumer instalment loans as a proportion of total consumer instalment loans at FDIC-insured commercial banks, December 31, 1974

Banks	Deposit size (in millions of dollars)	Number	"Other consumer goods"				Home improvement
			Automobile	Total	Bank credit cards	Mobile home	Personal
Less than 25	10,531	51.7	22.3	.8	11.6	20.4	5.6
25-99,999	2,879	48.1	24.8	2.8	12.5	20.8	6.3
100-499,999	631	40.0	30.1	10.8	11.7	22.8	7.1
500-999,999	91	34.2	35.6	16.7	11.1	22.6	7.6
1,000-9,999,999	75	32.3	35.4	18.4	10.9	24.5	7.8
10,000 and over	9	27.5	36.6	26.0	6.3	27.8	8.0
All banks	14,216	40.9	29.5	10.3	11.2	22.6	6.9

NOTE: See Note to Table 3.

ally commit a smaller share of their total loan portfolio to this type of lending than do smaller banks, where credit demands tend to be less diversified.

As of the end of 1974, except for the smallest deposit-size category—consisting mostly of rural banks that make mainly farm loans—the proportion of consumer and mortgage loans in the total portfolio declined as the deposit size of banks increased. This pattern was most pronounced for instalment loans; the home mortgage category traced a similar but less marked pattern. Single-payment loans, including such loans for nonconsumer purposes, showed little variability in portfolio concentration, except for a lower proportion at banks with \$1.0 billion and over in deposits.

Within the instalment loan category, banks differ according to deposit size in the type of loan emphasized (Table 4). On the average, car financing accounted for 41 per cent of all instalment credit outstanding at banks at the end of 1974 (down from 43 per cent in June), but the smaller banks exceeded this proportion and the larger banks fell below it. Large banks showed a comparative preference for loans for home improvement and for other consumer goods. The latter category includes credit-card bal-

ances, which account for 10 per cent of total instalment credit outstanding. In this field the larger banks, which are often "card-issuing" banks, tend to dominate, whereas smaller banks tend to be "agent" banks that may hold little, if any, credit under this form of lending arrangement. The nine largest banks in deposit size held 20 per cent of all credit-card receivables at the end of 1974. On the other hand, emphasis on mobile home loans appeared to be unrelated to the size of bank, if banks with \$10 billion and over in deposits are excluded.

The data, while clearly showing variations in loan distribution among banks grouped by deposit size, nevertheless obscure a wide range of loan practices among banks within given size groups. For instance, in each size group—including the largest—some banks held no mobile home loans; in contrast, for some banks in the small- to medium-sized categories, mobile home loans comprised 60 to 70 per cent of their entire consumer instalment loan portfolios. Similar diversity existed in the other instalment loan categories; several banks with deposits of less than \$100 million made only auto loans or only personal loans. For all types of loans other than card credit, the smaller banks tended to specialize more than the larger ones.

The Current Recession in Perspective

I am glad to meet with this distinguished group of business and financial journalists in a leisurely setting. As a policy-maker, I feel I have much in common with the members of your profession. Both you and I must be alert to every twist and nuance of the changing economic scene. Both you and I must keep busy searching the business skies for some clues to the economic future. I find this aspect of my work exciting and intriguing as I am sure you do. But it does involve a certain risk for both of us.

Sharing as we do the problem of continually meeting deadlines, we are in danger of becoming so preoccupied with the very short run that we fail to see economic events in perspective. For that very reason, I have wanted to take advantage of your invitation so that we might ponder together the historical developments that have brought our economy to its present condition. This is a large and highly important subject. I cannot hope to do full justice to it on the present occasion. Nevertheless, I shall make a start this evening.

As you are well aware these past few years have been trying times for the American people. Not only have we lived through the agony of Vietnam and Watergate but some of us have even begun to wonder whether our dream of full employment, a stable price level, and a rising standard of living for all our people is beyond fulfillment.

Early last year economic expansion began to falter in our country as it did in other countries around the world. At the same time, the pace of the inflation that had been building for more than a decade accelerated sharply further. As

the year advanced it became increasingly clear that our economy was moving into a recession.

During the past two quarters the real gross national product has declined by 5 per cent, and the level of industrial production is now 12 or 13 per cent below that of last September. The unemployment rate has risen swiftly and so also has the idle capacity in our major industries. The decline in business activity since last fall has been the steepest of the postwar period, and yet the advance of the price level—while considerably slower than last year—is continuing at a disconcerting pace.

No business-cycle movement can be comprehended solely in terms of the events that occur within that cycle or the one preceding it. The economic currents of today are heavily influenced by longer range developments—such as changes in economic and financial institutions, the course of public policy, and the attitudes and work habits of people. By examining the historical background of recent economic troubles, we should be able to arrive at a better understanding of where we now are.

The current recession is best viewed, and I believe it will be so regarded by historians, as the culminating phase of a long economic cycle.

There have been numerous long cycles in the past—that is, units of experience combining two or more ordinary business cycles. One such long cycle ran its course from 1908 to 1921, another from 1921 to 1933. And if we go back to the 19th century, we encounter long cycles from 1879 to 1894 and from 1894 to 1908. These long cycles differ in innumerable ways from one another. But they also have some features in common—in particular, each culminates in an economic decline of more than average intensity.

The beginning of the long cycle that now appears to be approaching its natural end may be dated as early as 1958, but it is perhaps best

NOTE: Paper presented by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, at the 12th annual meeting of the Society of American Business Writers, Washington, D.C., May 6, 1975.

to date its start in 1961. The upward movement of economic activity that began in that year was checked briefly in 1967 and was interrupted more significantly in 1970. Although these interruptions were watched with concern and some anxiety by practicing economists and other interested citizens, they will be passed over lightly by economic historians concerned with large events.

The reason is not hard to see. Putting aside monthly and quarterly data and looking only at annual figures, we find that total employment rose every year from 1961 through 1973. So also did disposable personal income and personal consumption expenditures—both viewed on a per capita basis and in real terms. This sustained upward trend of the economy came to an end in 1974.

The successive phases of the long upswing from 1961 to 1974 provide a useful perspective on our current problems. Some years ago in my work at the National Bureau of Economic Research, I observed a pattern in past long upswings—an initial stage that may be called the “industrial phase” followed by what is best described as the “speculative phase.” The imbalances that develop in this latter phase lead inevitably to the final downturn. The events of the past 15 years conform rather closely to this pattern.

The period from 1961 through 1964 may be regarded as the industrial phase of the long upswing. Productivity grew rapidly—increasing in the private nonfarm sector at an annual rate of 3.6 per cent between the final quarters of 1960 and 1964, or well above the average rate of the preceding decade. Unit labor costs were then remarkably stable, and so too was the general price level. Real wages and profits rose strongly. During this period of sustained economic expansion, unemployment fell from about 7 per cent of the labor force to 5 per cent, while the rate of use of industrial capacity rose substantially.

The second—or speculative—phase of the long upswing began around 1965 and continued through much of 1974. This 10-year period was marked by a succession of major, interrelated, and partly overlapping speculative waves that in varying degrees gripped the other leading

industrial countries as well as the United States.

The first speculative movement involved corporate mergers and acquisitions. In the euphoria of what some commentators have called the “go-go” years, rapid growth of earnings per share of common stock became the overriding goal of many business managers. Other yardsticks of corporate performance—such as the rate of return on new investments—were neglected, and so too were the serious risks of increased leveraging of common stock.

The aggregate volume of large corporate acquisitions, which for some years had been running at about \$2 billion per year, jumped to \$3 billion in 1965, \$8 billion in 1967, \$12.5 billion in 1968, and then tapered off. This was the great era of conglomerates, when a variety of unrelated businesses were brought together under a single corporate management. Entrepreneurs who displayed special skill in such maneuvers were hailed as financial geniuses—until their newly built empires began to crumble. Being preoccupied with corporate acquisitions and their conglomerate image, many businessmen lost sight of the traditional business objective of seeking larger profits through better technology, aggressive marketing, and improved management. The productivity of their businesses suffered and so too did the Nation’s productivity.

The spectacular merger movement of the late 1960’s was reinforced, and to a degree made possible, by the speculative movement that developed in the market for common stocks. The volume of trading on the New York Stock Exchange doubled between 1966 and 1971, and for a time trading volume on the American Exchange rose even faster. The prices of many stocks shot up with little regard to actual or potential earnings. During the 2-year period 1967–68, the average price of a share of common stock listed on the New York Exchange rose 40 per cent, while earnings per share of the listed companies rose less than 2 per cent. On the American Exchange the average price per share rose during the same years more than 140 per cent on an earnings base that again was virtually unchanged.

Much of this speculative ardor came from a section of the mutual fund industry. For the new

breed of "performance funds," long-term investment in the shares of established companies with proven earnings became an outmoded concept. In their quest for quick capital gains these institutions displayed a penchant for risky investments and aggressive trading. In 1965 a typical mutual fund turned over about one-fifth of its common stock portfolio; by 1969 that fraction had risen to nearly one half. As Wall Street then had it, the "smart money" went into issues of technologically oriented firms or into corporate conglomerates—no matter how well or poorly they met the test of profitability.

Speculation in equities was cooled for a time by the stock market decline of 1969–70, but then it resumed again and took on new forms. Money managers began to channel a preponderant part of their funds into the stocks of large and well-known firms—apparently with the thought that earnings of those companies were impervious to the vicissitudes of economic life. A huge disparity was thereby created between the price/earnings ratios of the "favored 50" and those of other corporations. Share prices of these "favored" companies were, of course, especially hard hit in the subsequent shakeout of the stock market.

Speculation in common stocks was not confined to the United States. From the late 1960's until about 1973 nearly every major stock exchange in the world experienced a large run-up in share prices, only to be followed by a drastic decline. Indeed, speculation reached a more feverish pace in some countries than in the United States. On the Tokyo stock exchange, for example, both share prices and the trading volume actually doubled in the 12 months between January 1972 and January 1973 and then suffered a sharp reversal.

The third speculative wave that nourished the long upswing of our national economy occurred in the real estate market. Homebuilding fluctuated around a horizontal trend during the 1960's. The vacancy rate in rental housing was at a high level from 1960 to 1965, then fell steadily until the end of the decade, and thus helped pave the way for a new housing boom. Between January 1970 and January 1973 the volume of new housing starts doubled. Since then, homebuilding has plunged, and in some

sections of the Nation it has virtually come to a halt. Failures of construction firms and unemployment among construction workers have reached depression levels. These unhappy developments stem in large measure from the excesses of the housing boom that got under way in 1970.

Inflationary expectations clearly played a substantial role in bolstering the demand for houses. But the boom was fostered also by an array of governmental policies designed to stimulate activity in the housing sector. These governmental measures, however well-intentioned, gave little heed to basic supply conditions in the industry or to the underlying demand for housing.

In response to easy credit and Federal subsidies merchant builders moved ahead energetically, put up 1 family homes well ahead of demand, and thus permitted the inventory of unsold homes to double between 1970 and 1973. Speculative activity was even more intense in the multifamily sector—that is, in apartments built for renting, and particularly in condominiums and cooperatives, which accounted for a fourth of the completions of multifamily structures by the first half of 1974.

The boom in housing was financed by a huge expansion of mortgage credit and construction loans. Real estate investment trusts played an exceptionally large role in supplying high-risk construction loans for condominiums, recreational developments, and other speculative activities. The growth of real estate trusts was extraordinary by any yardstick. Their assets, amounting to less than \$700 million in 1968, soared to upwards of \$20 billion by 1973. Unsound practices accompanied this rapid growth and, as a result, many real estate trusts now face difficult financial problems.

The speculative boom in real estate was not confined to residential structures. It extended to speculation in land, widespread building of shopping centers, and construction of office buildings. By 1972 the vacancy rate in office buildings reached 13 per cent, but this type of construction still kept climbing.

The real estate boom in the United States during the early 1970's had its parallel in other countries. Speculation in land and properties

became rampant in the United Kingdom. In 1972 alone new house prices rose 47 per cent on the average. The amount of credit absorbed in real estate ventures rose so rapidly that the Bank of England felt forced to place special controls on bank lending for such purposes. And in Germany the boom in residential construction during 1971-73 left an inventory of about a quarter million unsold units—more than a third of a peak year's output—that now overhang the market.

It is in the nature of speculative movements to spread from one country or market to another. Just as the speculative wave in real estate was beginning to taper off in 1973, a new wave of speculation got under way—this time in inventories. That was the fourth and final speculative episode of the long economic upswing from 1961 to 1974. It involved massive stocking up of raw materials, machinery, parts, and other supplies in the United States and in other industrial countries.

The inventory speculation of 1973 and 1974 was the outgrowth of a boom in business activity that had raised its head by 1972 in virtually every industrial country of the world. The synchronism of economic expansion in these countries was partly coincidental, but the expansion that stemmed from ordinary business-cycle developments was reinforced by the adoption of stimulative economic policies almost everywhere. As a result, production increased rapidly around the world and led to a burgeoning demand for raw materials, machine tools, component parts, and capital equipment—goods for which our country is a major source of supply. The pressure of rising world demand was reinforced in our markets by the devaluation of the dollar, which greatly improved our competitive position in international trade.

By the beginning of 1973, as business firms attempted to meet intense demands from both domestic and foreign customers, serious bottlenecks and shortages had begun to develop in numerous industries—especially those producing steel, nonferrous metals, paper, chemicals, and other raw materials. In this environment of scarcities, the rise in prices of industrial commodities quickened both here and abroad. The

dramatic advance of food prices in 1973, and later in energy prices, greatly compounded the worldwide inflationary problem. In our country these price pressures were suppressed for a time by price and wage controls, but the general price level exploded when controls were phased out in late 1973 and early 1974.

One of the unfortunate consequences of inflation is that it masks underlying economic realities. As early as the spring of 1973 a perceptible weakening could be detected in the trend of consumer buying in this country. The business community, however, paid little attention to this ominous development. The escalating pace of inflation fostered expectations of still higher prices and persistent shortages in the years ahead so that intensive stockpiling of commodities continued. Inventories increased out of all proportion to actual or prospective sales. In fact, the ratio of inventories to sales, expressed in physical terms, had risen by the summer of 1974 to the highest figure for any business-cycle expansion since 1957—another year when a severe recession got under way.

In summary, the period from 1965 to 1974 was marked by a succession of interrelated, partly overlapping, speculative waves: first, in buying up of existing businesses; then, in the stock market; next, in markets for real estate; and finally, in markets for industrial materials and other commodities.

A prolonged speculative boom of this kind can seldom be traced to a single causal factor. In this instance, however, a dominant source of the problem appears to have been the lack of discipline in governmental finances.

The industrial phase of the long upswing drew to a close in late 1964 or early 1965. By then the level of real output was very close to the limits imposed by our Nation's physical capacity to produce. By then the level of wholesale prices was already moving out of its groove of stability. Nevertheless, our Government did nothing to moderate the pace of expansion of aggregate monetary demand. On the contrary, it actually embarked on a much more expansive fiscal policy. The tax reductions of 1964 were followed in 1965 by fresh tax reductions and by a huge wave of spending both for new social programs and for the war in Vietnam. These

misadventures of fiscal policy doomed the economy to serious trouble, but we were slow to recognize this. Indeed, substantial tax reductions occurred again in 1969 and 1971, and they too were followed by massive increases of expenditures.

Deficits therefore mounted, and they persisted year in and year out. Over the last ten complete fiscal years—that is, from 1965 through 1974—the Federal debt held by the public, including obligations of Federal credit agencies, rose by more than 50 per cent. The large and persistent deficits added little to our Nation's capacity to produce, but they added substantially to aggregate monetary demand for goods and services. They were thus directly responsible for much of the accelerating inflation that has taken place in the past decade.

Monetary and credit policies were not without some fault. As every student of economics knows, inflation cannot continue indefinitely without an accommodating increase in supplies of money and credit. It is very difficult, however, for a central bank to maintain good control of money and credit when heavy governmental borrowing drives up interest rates and when the public is unwilling to face squarely the long-run dangers inherent in excessively stimulative economic policies.

To make matters worse, laxity in our national economic policies spilled over into private markets. The "new economics," of which less is heard now than before, held out the possibility, if not the actual promise, of perpetual prosperity. Many businessmen and financiers came to view the business cycle as dead and to expect the Federal Government to bail out almost any enterprise that ran into financial trouble. All too frequently, therefore, the canons of financial prudence that had been developed through hard experience were set aside.

Many of our business corporations courted trouble by permitting sharp reductions in their equity cushions or their liquidity. In the manufacturing sector, the ratio of debt to equity—which had been stable in the previous decade—began rising in 1964 and nearly doubled by the end of 1974. Moreover, a large part of the indebtedness piled up by business firms was in the form of short-term obligations, and these

in turn grew much more rapidly than holdings of current assets.

Similar trends developed in some segments of commercial banking. Large money market banks came to rely more heavily on volatile short-term funds to finance their business customers, and at times they increased their loan commitments to businesses beyond prudent limits. A few bank managers, too, began to concern themselves excessively with maximizing short-run profits so that the prices quoted for their common stock would move higher. Capital ratios of many banks deteriorated; questionable loans were extended at home and abroad; insufficient attention was given here and there to the risks of dealing in foreign exchange markets; and too much bank credit went into the financing of speculative real estate ventures.

A variety of loose practices also crept into State and local government finance. Faced with rapidly expanding demands for services and limited sources of revenue, some governmental units resorted to extensive short-term borrowing and employed dubious accounting devices to conceal their budget deficits. Statutory debt limits were circumvented through the creation of special public authorities to finance the construction of housing, schools, and health facilities. Some of these authorities issued so-called "moral obligation" bonds, which investors in many instances regarded as the equivalent of "full faith and credit" obligations. The novel financial devices seemed innocuous at the time, but they have recently become a source of serious concern to investors in municipal securities.

A nation cannot realistically expect prosperous economic conditions to continue very long when its Federal government fails to heed the warning signs of accelerating inflation, when many of its business leaders spend their "finest" hours arranging financial maneuvers, and when aggressive trade unions push up wage rates far beyond productivity gains. After 1965 the strength of the American economy was gradually sapped by these ominous trends. Productivity in the private nonfarm sector, which had grown at an annual rate of 3.6 per cent from 1961 through 1964, slowed to a 2.2 per cent rate of advance from 1964 to 1969, then

to 1.5 per cent from 1969 to 1974. Expansion in the physical volume of national output likewise declined during successive quinquennia. The rate of inflation, meanwhile, kept accelerating.

With the pace of inflation quickening, seeds of the current recession were thus sown across the economy. Rising prices eroded the purchasing power of workers' incomes and savings. Corporate profits diminished—a fact that businessmen were slow to recognize because of faulty accounting techniques. New dwellings were built on a scale that greatly exceeded the underlying demand. Inventories of commodities piled up, often at a fantastic pace, as businessmen reacted to gathering fears of shortages. Credit demands, both public and private, soared, and interest rates rose to unprecedented heights.

These basic maladjustments are now being worked out of the economic system by recession—a process that entails enormous human and financial costs. Our country has gone a considerable distance in developing policies to alleviate economic hardships, and these policies have been strengthened recently. Nevertheless, the recession has wrought great damage to the lives and fortunes of many of our people.

This recession has cut deeply into economic activities. It must not, however, be viewed as being merely a pathological phenomenon. Since we permitted inflation to get out of control, the recession is now performing a painful—but also an unavoidable—function.

First, it is correcting the imbalances that developed between the production and sales of many items, between the orders and inventories, between capital investment and consumer spending, and between the trend of costs and prices.

Second, business managers are responding to the recession by moving energetically to improve efficiency—by concentrating production in more modern and efficient installations, eliminating wasteful expenditures, stimulating employees to work more diligently, and working harder themselves.

Third, the recession is improving the condition of financial markets. Interest rates have moved to lower levels as a result of declining

credit demands and of the Federal Reserve's efforts to bolster the growth of money and credit. Commercial banks have taken advantage of the reduced demand for loans to repay their borrowings from Federal Reserve Banks, reduce reliance on volatile sources of funds, and rebuild liquid assets. The rapidly rising inflow of deposits to thrift institutions has likewise permitted a reduction of their indebtedness and an addition to their liquid assets.

Fourth, the recession is wringing inflation out of the economic system. Wholesale prices of late have moved down, and the rise of consumer prices has also slowed. Although general price stability is not yet in sight, a welcome element of price competition has at long last been restored to our markets.

These and related business developments are paving the way for recovery in economic activity. No one can foresee with confidence when the recovery will begin. The history of our country indicates clearly, however, that the culminating downward phase of a long cycle need not be of protracted duration.

Signs are multiplying, in fact, that an upturn in economic activity may not be far away. For example, employment rose in April after six successive months of decline. The length of the workweek also stabilized last month. The rate of layoffs in manufacturing is now turning down, and some firms have been recalling workers who formerly lost their jobs. Sales of goods at retail—apart from autos—have risen further. Business and consumer confidence has been improving. And prospects for an early upturn in economic activity have been strengthened by passage of the Tax Reduction Act of 1975.

Our Nation stands at present at a crossroads in its history. With the long and costly cycle in business activity apparently approaching its end, the critical task now is to build a solid foundation for our Nation's economic future. We will accomplish that only if we understand and benefit from the lessons of recent experience.

Since World War II a consensus has been building in this country that the primary task of economic policy is to maintain full employment and to promote maximum economic

growth. We have pursued these goals by being ever ready to stimulate the economy through increased Federal spending, lower taxes, or monetary ease. Neglect of inflation, and of longer-run economic and financial problems, has thus crept insidiously into public policy-making. Our Government has become accustomed to respond with alacrity to any hint of weakness in economic activity, but to react sluggishly, and sometimes not at all, to signs of excess demand and developing inflationary pressures.

The thinking of many of our prominent economists has encouraged this bias in our economic policies. During the 1950's and 1960's they frequently argued that "creeping inflation" was a small price to pay for full employment. Some even suggested that a little inflation was a good thing—that it energized the economic system and thus promoted rapid economic growth.

This is a dangerous doctrine. While inflation may begin slowly in an economy operating at high pressure, it inevitably gathers momentum. A state of euphoria then tends to develop, economic decision-making becomes distorted, managerial and financial practices deteriorate, speculation becomes rampant, industrial and financial imbalances pile up, and the strength of the national economy is slowly but surely sapped. That is the harsh truth that the history of business cycles teaches.

To emphasize this truth I should now like to offer this distinguished group of journalists a bit of professional advice. Since few of you are reluctant to pass along hints as to how I should do my job, I have decided to suggest to you what the really big economic news story of 1975 is likely to be.

The story has to do with the drama now unfolding on Capitol Hill in the implementation of the Budget Control Act adopted last year. If I am right in thinking that our present economic difficulties are largely traceable to the chronic bias of the Federal budget toward deficits, there can be no doubt about the importance of what is now being attempted. No major democracy that I know of has had a more deficient legislative budget process than the United States—with revenue decisions sepa-

rated from spending decisions and the latter handled in piecemeal fashion. Budgets in this country have just happened. They certainly have not been planned.

We are now attempting to change that by adopting integrated congressional decisions on revenues and expenditures. My advice to you journalists is to follow this new effort closely. It has a significance for our Nation that may carry far into the future. But nothing can be taken for granted here. We have tried budgetary reform once before under the Legislative Reorganization Act of 1946 and it failed. It failed partly because of the challenge to cherished committee prerogatives, partly also because the Congress as a whole balked at accepting so much self-discipline. I would urge you to study the history of that earlier effort and to watch the present undertaking for telltale signs of a similar faltering.

The potential gain for our Nation from budget reform is enormous even in this first year of a "dry run." If, in fact, the work of the new budget committees produces in the Congress a deeper understanding of the impossibility of safely undertaking all the ventures being urged by individual legislators, a constructive beginning toward a healthier economic environment will have been made. On the other hand, if the new budget procedures are scuttled, or if they are used with little regard to curbing the bias toward large-sized Federal deficits, there ultimately may be little anyone can do to prevent galloping inflation and social upheaval.

I am inclined to be optimistic about the outcome. More and more of our people are becoming concerned about the longer-range consequences of Federal financial policies. A perspective on our Nation's economic problems is gradually being gained by our citizens and their congressional representatives. A healthy impatience with inflation is growing. You journalists are becoming more actively involved in the educational process. I therefore remain hopeful that we shall practice greater foresight in dealing with our Nation's economic problems than we have in the recent past and that we will thus build a better future for ourselves and our children in the process.

Statements to Congress

Statement by Jeffrey M. Bucher, Member, Board of Governors of the Federal Reserve System, before the Subcommittee on Consumer Affairs of the Committee on Banking, Currency and Housing, U.S. House of Representatives, April 22, 1975.

I appreciate the opportunity to appear before the Subcommittee on Consumer Affairs to offer the views of the Board of Governors of the Federal Reserve System on H.R. 3386, amending the Equal Credit Opportunity Act, which was introduced by you, Mr. Chairman, and co-sponsored by other members of this subcommittee. The Act forbids discrimination in the extension of credit on the basis of sex or marital status. The bill would add to these categories race, color, religion, national origin, and age.

Let me begin by stating, as I did in testifying before this subcommittee on June 20, last year, that the Board strongly favors the elimination of discrimination based on factors other than creditworthiness in credit transactions.

Although no legal right to receive credit exists and the creation of such a right would be inappropriate in our free enterprise system, the Board believes a great deal can be done to assure that there is access to credit on a just and fair basis for equally creditworthy people. The denial of credit based upon group identification without reference to creditworthiness works to the economic disadvantage of applicants and creditors alike.

Nevertheless, the Board recommends that the Congress delay enactment of this legislation until such time as experience is available to assess the impact of the Equal Credit Opportunity Act, which goes into effect later this year. Our study of this proposed legislation has come at a time when the Board and its staff are immersed in the preparation of regulations to

implement the existing Act. In working on those regulations, we have come to appreciate more fully the many problems inherent in regulations of this nature and the serious possibility that without a thorough and detailed examination of these problems such regulations may be ineffective or even counterproductive. There is always the risk that Federal regulations might—without intending to do so, and without even accomplishing positive benefits—so hobble the credit-granting process as to significantly increase credit losses. The result of such increased losses would be either increased costs to other borrowers or a general raising of credit standards—with the resulting exclusion of some of the more marginal credit risks, typically among the disadvantaged, who are now able to obtain credit. Either kind of reallocation of credit risks, if at all extensive, would be contrary to the public interest.

We must say, in all candor, that even in the area of preventing credit discrimination on the basis of sex or marital status it will be extremely difficult to accomplish the worthy objectives while successfully avoiding the pitfalls along the way. Our best hope for achieving this will depend upon our efforts to study and understand the problems as thoroughly as possible, to consult as extensively as we can, to draft the regulations as carefully and objectively as we know how, and then to stand ready to amend them promptly as may prove necessary in the light of experience. Each of us at the Board is spurred by the keen realization of how much is at stake in this endeavor. Unless it is carried out in the best possible manner, we not only may fail to gain the positive benefits that are so earnestly sought but we also may damage the credit machinery—and even bring discredit upon this and other laudable efforts to dispel bias and prejudice by reasoned and orderly developments in our legal system.

The experience with truth in lending a subject that is inherently far less difficult and less controversial than that of discrimination in lending— can, we believe, be instructive here. Truth in lending was discussed and debated in congressional committees over an extended period. Representatives of all points of view had ample opportunity to consider and present their positions. After carefully weighing the various presentations, the Congress spelled out in the law a great portion of the principles and even the details that it wished to have followed. The Board of Governors was then given a year within which to write regulations filling in the remaining details.

I am convinced that a good part of whatever success has been achieved in administering truth in lending can be attributed to the thoroughness with which the subject was studied and the explicitness with which the Congress set forth its intention.

Even though legislation on credit discrimination probably cannot be as explicit or detailed as that on truth in lending or fair credit billing, we believe it is of vital importance that any extensions of the Equal Credit Opportunity Act be launched with optimal prospects for success. Crucial to such prospects will be the extent to which the Congress identifies and analyzes the issues, sets forth its intentions in the statute, and allows adequate time for the writing of regulations.

In light of these considerations, we are convinced that further extension of the Equal Credit Opportunity Act should be preceded by extensive exploration, delineation, and resolution of the extremely complex issues that are inherent in this subject. In this connection, the category of "age," one of the additional categories which would be covered by H.R. 3386, poses unusually complex questions. For example, there is a very important issue as to what extent it may be valid to analogize statistical credit experience to the actuarial tables dealing with life expectancy that are used by insurance companies in setting premium rates. Should a creditor be permitted to take into account the borrower's statistically predicted life expectancy in making a long-term loan to an individual 65 or 70 years of age? Or should the creditor be

restricted to an inquiry as to the probable stability of income of the particular applicant—an inquiry which might or might not properly include a question as to that individual's health and life expectancy?

At the other end of the spectrum, should a creditor in deciding whether to lend to a 20-year-old applicant be permitted to take into consideration the creditor's own experience in the particular geographical area with the payment record of persons in, say, the 18- to 25-year age bracket? Or must the creditor restrict inquiry to the credit record—possibly quite a limited record—of the individual applicant? If the latter, then a further question arises as to whether alternative indexes of stability are available that will make it possible for the creditor to distinguish between good and bad credit risks within a particular age bracket as effectively as he could do on the basis of statistics derived from his general experience. The creditor's cost of granting credit will be increased to the extent that such alternative tests do not eliminate bad credit risks as efficiently as can be done through statistically based scoring (and offsetting benefits do not occur). The cost of credit will also be increased to the extent that the alternative tests are more expensive to apply. And any such increased costs, of course, will have to be borne by borrowers generally, unless the creditor chooses the alternative of raising credit standards. This, in turn, will have the effect of depriving marginal borrowers—often those in lower income brackets—of access to credit.

Even though different forms of discrimination require somewhat different remedies, we would hope that experience under the regulations to prevent discrimination on the basis of sex or marital status would be helpful to both the Board and to the Congress in formulating measures to deal with other forms of unfair discrimination. Accordingly, we would suggest that the Congress continue its study of the problems involved in extending the Equal Credit Opportunity Act to cover the proposed new categories not only to permit full analysis of the issues but also to get the benefit of experience under the regulations with respect to credit discrimination based on sex and marital status (we will

issue these regulations this week for comment). We believe it essential for the Congress to have the benefit of assessing the experience of consumers and creditors in living under the regulation in this particular area of credit discrimination before enlarging the scope of the Equal Credit Opportunity Act.

If the Congress, after considering these factors, nevertheless chooses to proceed with the inclusion of additional categories under the Act, the Board would wish to emphasize the importance of adequate time in rulewriting in these new and little-studied areas in order to afford a suitable opportunity for public participation in the rulewriting process. Draft regulations must be prepared and submitted for public comment. This process in itself requires extensive informal consultation with consumer and creditor groups, as well as background economic studies—wherever feasible—in the effort to illuminate some of the difficult trade-offs

mentioned above. It may also be desirable to provide an opportunity for oral presentation of comments before the Board. Resulting comments must be analyzed and the earlier draft revised.

In adopting the Equal Credit Opportunity Act, the Congress deferred the effective date of the statute for 1 year in order to allow time for these procedures to be carried out in an orderly fashion. It is becoming evident that a year will provide a bare minimum of the time needed for writing rules in a single category of credit discrimination.

In view of the increased number and complexity of the issues that are likely to be inherent in the proposed extension of the Equal Credit Opportunity Act to cover discrimination on the basis of race, color, religion, national origin, and age, we believe that 2 years should be allowed for the difficult and vitally important task to be performed, ! !

Statement by Arthur F. Burns, Chairman, Board of Governors of the Federal Reserve System, before the Committee on Banking, Housing and Urban Affairs, U.S. Senate, May 1, 1975.

I welcome the opportunity to discuss with this distinguished committee the condition of the national economy and the course of monetary policy.

As you well know, our Nation at present is experiencing a severe recession. During the past two quarters the real gross national product has declined by 5 per cent and the level of industrial production is now 12.5 per cent below last September. This is the steepest decline of economic activity in a long generation.

The recession has resulted in a large reduction of jobs and in substantial underemployment of our labor and capital resources. The unemployment rate has risen swiftly, the amount of overtime work has been cut drastically, and the number of employees placed on a part-time basis has also risen.

The recession has been accompanied by a notable degree of moderation in the rate of inflation. Nevertheless, despite the severity of the economic decline, the general price level has continued to advance quite rapidly. In other respects this recession resembles earlier declines of the past 30 years. Thus, consumer demand for autos, furniture, household appliances, and other durable goods has fallen. Orders or contracts by business firms for new facilities and equipment have likewise declined. And in this as in earlier recessions, a shift from inventory accumulation to inventory liquidation has been a major depressant of production and employment.

Last fall business firms were rather slow in reacting to the weakness that had been developing in consumer markets, in part because of their lingering concern about shortages of raw materials and other supplies. As a result, a build-up of inventories—much of it involuntary—occurred in the final quarter of 1974. In the opening months of this year, however, as sales to final users stabilized in real terms,

liquidation of inventories got under way on a huge scale. Actually, all of the decline in the Nation's physical volume of production between the fourth quarter of 1974 and the first quarter of 1975 reflects a shift on the part of the business community from inventory investment to inventory liquidation.

As production declined much of our industrial capacity was idled, and this has left its mark on commodity prices. Sensitive prices of industrial raw materials had already begun to weaken in the spring of 1974. By late fall the effects of declining business activity began to show up in wholesale prices of intermediate materials, supplies, and components, and later on in prices of finished goods. Since November the over-all index of wholesale prices has moved down, with farm prices falling substantially and the advance of industrial prices moderating. In recent months the index of consumer prices has also risen less rapidly than during 1974, and the prices of many products have been marked down in retail markets.

These price developments have served as a significant stimulus to consumer spending. Although after tax incomes of consumers in the first 3 months of this year were lower in real terms than in the final months of 1974, consumer purchases—especially of durable goods—have perked up in response to price concessions on autos and other items. In fact, consumer expenditures rose in real terms as well as in dollars during the first quarter. Largely for this reason the efforts of business firms to work down their excess stocks have been notably successful, and inventories are now in better balance with sales.

This has been one of the economic adjustments needed to lay the basis for recovery in production and employment. Other corrective adjustments have also been under way. Business managers have been moving energetically to improve efficiency—by concentrating production in more modern installations, eliminating wasteful expenditures here and there, stimulating employees to work more diligently, and working harder themselves. Significant progress has also been made in strengthening the financial position of businesses. Exceptionally large amounts of longer-term securities have been

issued by corporations this year, and stock offerings have also increased somewhat. A part of the proceeds of these financings has been used to repay short-term debt, thereby improving corporate liquidity.

Financial institutions have also improved their financial condition. Commercial banks have taken advantage of the reduced demand for business loans to repay their borrowings from Federal Reserve Banks, reduce reliance on volatile sources of funds, and rebuild liquid assets. At nonbank thrift institutions, the rapidly rising inflow of deposits has likewise permitted a reduction of indebtedness and an addition to liquid asset holdings. Thus, financial institutions are now in a better position to meet the needs for credit that will accompany the renewal of economic expansion.

No one can foresee with confidence when an economic recovery will begin. Signs are emerging, however, that the turn in business activity may not be far away.

For example, new mortgage loan commitments by savings and loan associations have risen strongly since last October. Industrial production and total employment fell further in March, but the declines were much smaller than in the previous 4 months. Prices of sensitive industrial raw materials have stabilized recently as supply and demand have come into better balance. Sales of goods at retail—apart from autos—rose further in March. Of late, consumer surveys have indicated that there is some improvement in confidence. And stock prices, another indicator of confidence, have continued to rise briskly.

Prospects for an upturn in economic activity have also been strengthened by passage of the Tax Reduction Act of 1975. The large rebate of 1974 tax liabilities, the additional payment to social security beneficiaries, and the reduction in withholding of 1975 taxes will soon add to disposable incomes and bolster consumer spending. Larger consumer buying will help to stem the erosion in business investment plans, and the liberalization of the investment tax credit will also stimulate business capital outlays. More business investment is urgently needed not only to provide additional jobs but also to improve the capacity and efficiency of

our industrial plants--thereby contributing to moderation of inflationary pressures.

Let me turn now to the contribution that monetary policy has made to establishing a basis for recovery in business activity.

Once evidence began to accumulate during the summer of last year that economic activity was weakening, the Federal Reserve took steps to ease credit conditions and bolster growth rates of the monetary aggregates. Open market operations became more accommodative, and as the year progressed they were persistently directed toward more ample provision of reserves to the banking system. Other monetary instruments reinforced open market policy. Reductions of reserve requirements of member banks were ordered last September, November, and again this January. The discount rate was also reduced--once in each month from December through March.

These Federal Reserve actions to augment the supply of loanable funds, together with the weakening of private demands for credit, had a dramatic effect on short-term rates of interest. For example, the Federal funds rate--the rate banks pay when borrowing reserves from one another--has declined from a level of about 13½ per cent, registered in July of last year, to about 5½ per cent at present. The interest rate on commercial paper declined from over 12 per cent last July to around 6 per cent. And the prime rate of interest on bank loans to businesses has fallen from 12 to 7½ per cent.

Short-term market rates of interest in the United States fell earlier, more rapidly, and to lower levels than in other industrial countries. Consequently, investors were able to obtain higher yields by shifting funds out of dollar assets into investment in other currencies. These interest rate differentials help to explain the large decline that occurred in the foreign-exchange value of the dollar between September 1974 and early March of this year. During recent weeks short-term interest rates in foreign countries have declined relative to those here, and the dollar has strengthened in exchange markets.

In the markets for long-term securities, interest rates in the United States have also declined from their previous peaks, although much less

than short-term rates. Of course, long-term rates typically fluctuate within a narrower range than short-term rates; but in the present instance, other powerful factors have also been at work. Fears of inflation are still widespread in the business and financial community and long-term interest rates therefore still contain a sizable inflation premium. Moreover, as I noted earlier, corporations have issued an enormous volume of bonds in the past several months, and State and local governments have also borrowed large sums in the capital markets.

More recently, the huge financing demands of the Treasury have become a major disturbing element in the money and capital markets. By the end of this fiscal year, new Federal borrowing--including borrowing by the off-budget agencies and Government-sponsored enterprises--will probably amount to more than \$60 billion. A large part of that total deficit is due to the recession, and it has been financed thus far without undue difficulty because private credit demands have been declining. During the next fiscal year, however, the total deficit will rise to perhaps as much as \$100 billion. Participants in financial markets recognize that private credit demands, too, may be rising soon, and they have therefore become concerned about the strains that may develop in financial markets.

The Federal Reserve has responded to these developing tensions in the capital market by shifting the emphasis in its open market operations from Treasury bills to longer-term Government securities. Since the end of February System purchases of coupon issues of the Treasury and Federal agencies have amounted to almost \$2.5 billion. In view of the limited scope of the market for longer-term Federal securities, this is a very large volume of buying in a short span of time.

These purchases have been helpful in steadying the bond market. But let there be no mistaking the fact that Federal Reserve operations in the market can have only an ephemeral influence on long-term interest rates. The fundamental factor forcing up long-term interest rates in recent years has been the high rate of inflation. Appreciably lower long-term interest rates are needed now to stimulate economic expansion, but they are unlikely to be attained unless

further progress is made in bringing inflation under control.

Success in this endeavor will require more fiscal discipline than we have managed to achieve in recent years. It will also require a course of moderation in monetary policy—a course that will provide an expansion in supplies of money and credit adequate to facilitate a good economic recovery but not so large as to rekindle the fires of inflation.

What the Federal Reserve has been trying to accomplish in this regard cannot be understood adequately by focusing on a single measure of money balances. Some observers believe that the Federal Reserve should devote almost exclusive attention to the behavior of the narrowly defined money supply (M_1)—that is, currency plus demand deposits—in the conduct of monetary policy. We in the Federal Reserve do not take so narrow a view of our responsibilities.

The public's demands for currency, for checking deposits, for savings deposits, and for a host of other liquid assets are constantly changing. Financial technology in our country has developed rapidly in the past 20–30 years. As a rule consumers and business firms no longer hold all, or even most, of their spendable funds in the form of currency or demand deposits. More and more corporate treasurers have learned how to get along with a minimum of deposits in their checking accounts. Consumers, too, are learning to keep an increasing part of their transactions and precautionary balances in the form of savings deposits at commercial banks, of shares in savings and loan associations, of certificates of deposit, of Treasury bills, or other income earning liquid instruments. Moreover, as yields vary, many individuals and business firms have become accustomed to shifting their liquid resources frequently among these assets. The result is that no single concept of money now conveys adequately the spendable funds held by the public.

The behavior of the narrowly defined money supply, M_1 , can prove to be a misleading guide to the degree of monetary ease or restraint. For example, in periods of declining economic activity, weakness in transactions demands for cash and in business and consumer demands for credit will tend to slow the growth of M_1 . But

during such periods market rates of interest usually decline and stimulate faster rates of growth of consumer type deposits at banks and nonbank thrift institutions.

For example, the growth of M_1 since last summer had been quite modest until recent weeks. The annual rate of increase in this measure of money was 1.6 per cent during the third quarter of 1974, 4.6 per cent in the fourth quarter, and 3.5 per cent in the first quarter of this year. Over this time span, however, the annual rate of growth of consumer-type time deposits at commercial banks increased from 7.1 per cent during the third quarter of 1974 to 12.7 per cent in the first quarter of 1975. The improvement in deposit inflows to nonbank thrift institutions—that is, mutual savings banks, savings and loan associations, and credit unions—was even more pronounced.

During periods of economic expansion, the behavior of M_1 may again be misleading. At such times large demands for credit and money are likely to strengthen the growth of M_1 , but interest rates will tend to rise and thereby curtail the flow of interest-bearing deposits to banks and savings institutions. A monetary policy formulated on the basis of M_1 alone would ignore the pressures of disintermediation that develop in periods of economic expansion and thus threaten further damage to the mortgage market and to the homebuilding industry.

In an effort to avoid errors of this kind, the Federal Reserve takes into account the behavior of a variety of monetary and credit aggregates in conducting monetary policy. We also pay careful attention to the condition of financial markets—that is, to movements in interest rates, lending terms, the liquidity needs of businesses and financial institutions, and other variables, including the international value of the dollar, all of which must be given weight in the conduct of monetary policy.

Included with my statement today are four tables. Two show the recent behavior of a number of the principal monetary and credit aggregates, and the others show the recent behavior of the various components of the several measures of money.

Let me describe briefly what is encompassed in each of these money and credit measures.

TABLE 1

Growth in measures of money and credit

Seasonally adjusted percentage change, at annual rates

Year or quarter	M_1	M_2	M_3	M_4	M_5	Credit proxy
1972	8.7	11.1	13.2	12.5	14.0	11.3
1973	6.1	8.8	8.8	11.6	10.6	10.1
1974	-4.7	7.4	6.8	10.8	9.1	10.2
1974 Q1	5.5	9.3	8.9	10.9	10.0	8.2
Q2	7.0	7.9	6.8	15.4	11.6	20.4
Q3	1.6	-4.5	-4.0	6.0	5.1	6.7
Q4	-4.6	7.0	7.0	9.2	8.6	-4.2
1975 Q1	3.5	8.5	10.3	7.2	9.2	3.1

NOTE: These percentage rates of growth are calculated from average levels in last months of the annual or quarterly periods. Percentage rates of growth based on quarterly average data would show a somewhat different pattern.

M_1 , as I have already noted, includes currency in circulation plus demand deposits at commercial banks. M_2 is derived by adding to M_1 the time deposits at commercial banks other than large-denomination negotiable certificates of deposit (CD's). M_3 is obtained by adding to M_2 the time and savings deposits held at nonbank thrift institutions—that is, savings banks, savings and loan associations, and credit unions. M_4 is obtained by adding large CD's to M_2 ; M_5 is derived by adding large CD's to M_3 . This last measure, M_5 , is the most comprehensive of this group, for it includes the currency holdings of the public plus deposits at all financial institutions. Finally, the credit proxy indicates the funds that member banks of the Federal Reserve System have available for lending and is thus an indicator of changes in their total loans and investments.

Each of these magnitudes reflects a different dimension of monetary policy. For example, the annualized growth rate of M_1 in the first quarter of this year was 3.5 per cent, as noted earlier. Growth in the credit proxy was marginally lower, reflecting, in part, an outright decline in the outstanding volume of CD's and of nondeposit liabilities of member banks. The other measures of money, on the other hand, show growth rates in the 7 to 10 per cent range, or about as high as in 1973.

Of late, there has been some concern in the Congress and elsewhere that supplies of money

and credit were not growing rapidly enough. This judgment, based largely on the behavior of M_1 , could have been avoided by taking a more comprehensive view of the economy's needs for money, credit, and liquid assets, and how these needs are met by our complex financial system.

We in the Federal Reserve recognize that the growth rates of money and credit that are appropriate at any moment of time depend on underlying economic conditions. At present, our Nation is experiencing very high rates of unemployment and idle industrial capacity. Thus, even though an upturn in business activity may be near at hand, the restoration of full employment of our labor and capital resources will remain a central objective of public policy for many months to come.

The Federal Reserve System is presently seeking a moderate rate of expansion in the monetary and credit aggregates. We believe that the course we are pursuing will promote an increase in M_1 of between 5 and 7½ per cent over the 12 months from March 1975 to March 1976. This is a rather high rate of expansion by historical standards, but it is not too high when idle resources are extensive and financing needs still reflect rising prices.

A growth rate of M_1 in the range of 5 to 7½ per cent would, we believe, be accompanied by higher rates of increase in the other major monetary and credit aggregates—ranging from 8½ to 10½ per cent for M_2 , 10 to 12 per cent for M_3 , and 6½ to 9½ per cent for the credit proxy. Increases of this order of magnitude

TABLE 2

Levels of money and credit measures

Seasonally adjusted, billions of dollars

Year or quarter	M_1	M_2	M_3	M_4	M_5	Credit proxy
1972 Dec. ...	255.8	525.7	844.9	569.7	888.8	406.4
1973 Dec. ...	271.5	572.2	919.6	636.0	983.4	448.7
1974 Dec. ...	284.3	614.3	982.5	704.6	1,072.8	494.3
1974 Mar. ...	275.2	585.5	940.0	653.4	1,007.9	457.9
June ...	280.0	597.1	955.9	678.5	1,037.2	481.2
Sept. ...	281.1	603.8	965.5	688.7	1,050.3	489.2
Dec. ...	284.3	614.3	982.5	704.6	1,072.8	494.3
1975 Mar. ...	286.8	627.4	1,007.8	717.2	1,097.5	498.1

would imply a good inflow of deposits to non-bank intermediaries and a relatively ample supply of mortgage funds.

These rates of monetary and credit expansion are sufficient, we believe, to finance a vigorous economic recovery. If past experience is any guide, the strength of the recovery will depend principally on the willingness of the public to use existing money balances, rather than on the growth rate of the money stock. The first few quarters of a cyclical recovery in business activity typically witness increases in the turnover of money that are much larger than the rate of rise in the money stock. This characteristic of business-cycle experience is of vital importance to monetary policy, and it must never be neglected.

We recognize that our capacity to foresee the future is very limited and that our control of the monetary and credit aggregates is imperfect. The growth ranges for the aggregates we have set out to achieve may need to be adjusted in one way or another. New information on economic and financial developments becomes available daily, and the course of monetary policy must therefore be reappraised continuously. In an economy as dynamic as ours, subject to unforeseen developments—such as a

TABLE 4

Levels of components of money stock measures
Seasonally adjusted, billions of dollars

Year or quarter	Currency	Demand deposits	Commercial bank time deposits other than CD's	Nonbank deposits ¹	CD's
1972 Dec	56.9	198.9	269.9	319.1	43.9
1973 Dec	61.6	209.9	300.7	347.4	63.8
1974 Dec	67.8	216.6	330.0	368.3	90.3
1974 Mar	63.3	211.9	310.3	354.5	68.0
June	64.6	215.4	317.1	358.8	81.3
Sept	65.9	215.3	322.7	361.6	84.8
Dec	67.8	216.6	330.0	368.3	90.3
1975 Mar	69.4	217.5	340.5	380.4	89.8

¹Deposits in mutual savings banks, savings and loan associations, and credit unions.

major business failure or a disruption of energy supplies—the economic and financial outlook can change quickly and dramatically. The Federal Reserve must stand ready to make promptly such adaptations in the course of policy as may be needed to minimize economic and financial difficulties. The Board and the Federal Open Market Committee therefore meet frequently. Thus, while I have given you our present views on the appropriate ranges of growth in the monetary and credit aggregates, these views may need to be modified a month or two from now.

The rates of growth in monetary and credit aggregates presently desired by the Federal Reserve, while appropriate in the present environment, could not be maintained indefinitely without running a serious risk of releasing new inflationary pressures. As the economy returns to higher rates of resource utilization, it will be necessary to reduce the rate of monetary and credit expansion so that the basis for a lasting prosperity is laid.

Let me remind this committee that the principal cause of the current recession is our earlier failure to bring inflation under control. As the pace of inflation quickened in recent years, the seeds of recession were sown across the economy. Rising prices eroded the purchasing power of workers' incomes and savings. Managerial practices of business enterprises be-

TABLE 3

Growth in components of money stock measures
Seasonally adjusted percentage change, at annual rates

Year or quarter	Currency	Demand deposits	Commercial bank time deposits other than CD's	Nonbank deposits ¹	CD's
1972	8.2	8.9	13.5	16.8	31.0
1973	8.3	5.5	11.4	8.9	45.3
1974	10.1	3.2	9.7	6.0	41.5
1974 Q1	11.0	3.8	12.8	8.2	26.3
Q2	8.2	6.6	8.8	4.9	78.2
Q3	8.0	0.2	7.1	3.1	17.2
Q4	11.5	2.1	9.0	7.4	25.9
1975 Q1	9.4	1.7	12.7	13.1	2.2

¹Deposits in mutual savings banks, savings and loan associations, and credit unions.

NOTE: These percentage rates of growth are calculated from average levels in last months of the annual or quarterly periods. Percentage rates of growth based on quarterly average data would show a somewhat different pattern.

came lax, productivity languished, and corporate profits diminished—a fact that businessmen were slow to recognize because of faulty accounting techniques. New homes, recreational dwellings, and condominiums were built on a scale that greatly exceeded the underlying demand. Inventories of raw materials and other supplies piled up, often at a reckless pace, as businessmen reacted to fears of shortages and still higher prices. Credit demands, both public and private, soared and interest rates rose to unprecedented heights. Commercial banks became overextended; the quality of loans tended to deteriorate, and the capital position of many banks was weakened.

These basic maladjustments are now being worked out of the economic system by recession—a painful process that could have been avoided if the inflation had not gotten out of control. Fortunately, the rate of inflation has declined substantially in recent months, but the behavior of prices is still unsatisfactory. The general price level still appears to be rising at a 7 to 8 per cent annual rate; wage increases continue to exceed by a wide margin the long-run trend of productivity; and interest rates remain at high levels by historical standards. The menace of inflation is by no means behind us. Defeat of inflationary forces must therefore remain a major goal of public policy.

The Federal Reserve is firmly committed to do what it can to restore general price stability in this country. The Federal Reserve is also firmly committed to restore full employment in this country.

During the next year this Nation can, and I believe it will, make progress toward the achievement of both of these objectives. The immediate need is to get the economy moving again. But as we go forward, I hope we will be mindful of the damage that has been wrought in our economy by allowing inflation to get out of control, and that we will deal resolutely with the serious longer-range economic problems facing our country. A better measure of discipline is needed in Federal finances. The progressively diminishing fraction of the national income that goes to people who work and invest requires searching scrutiny. Regulatory practices that weaken private enterprise need to be relaxed or scrapped. Ways must be found to stimulate production of energy supplies, to increase incentives for expansion and modernization of productive capacity in other lines, and to strengthen the state of business finances.

Attention to these longer-range problems is essential; for the critical task now facing our country is not only to encourage the process of economic recovery but also to build a solid foundation for our Nation's economic future.

Statement by George W. Mitchell, Vice Chairman, Board of Governors of the Federal Reserve System, before the Subcommittee on Domestic Monetary Policy of the Committee on Banking, Currency and Housing, U.S. House of Representatives, May 8, 1975.

Mr. Chairman and members of the subcommittee, I welcome the opportunity you have afforded me to present the views of the Board of Governors on H.R. 4316, a bill to authorize and direct the General Accounting Office to audit the Federal Reserve Board, the Federal Advisory Council, the Federal Open Market Committee, and the Federal Reserve Banks and their branches.

The bill would authorize the GAO to conduct an annual audit, and in so doing the Comptroller General would be accorded access to such records, including reports of examinations of member banks, from whatever source, as he finds necessary for the conduct of the audits. The Comptroller General would be required to submit a report of each audit to the Congress.

As we understand the bill, the Comptroller General would be granted virtually unrestricted authority to look into the financial and operational aspects of the Federal Reserve System and would thus have the authority to review and evaluate all aspects of Federal Reserve activities, including formulation and implementation of monetary policy.

The Board of Governors over the years has consistently opposed such proposals. Our objections stem not from any reservations about the GAO, which enjoys a well-deserved reputation for competence and integrity. Rather, our objections stem from a basic concern about the optimal functioning of the Nation's money and credit system.

In summary, the Board believes:

1. An audit by the GAO of the Federal Reserve System's accounts and expenditures, compliance with applicable laws and regulations, and efficiency and economy of operations would be a needless duplication of present efforts and would result in unnecessary additional expenditures.
2. To go further and authorize the GAO to audit Federal Reserve policies, including the processes by which those policies are reached, would unwisely inject a third party into the sensitive area of monetary policy. This would run contrary to congressional decisions over the years based on the view that noninterference with the internal management of the Federal Reserve would, in the long run, provide better monetary and credit policies. We believe the Congress has acted prudently and that the System should not be inhibited, directly or indirectly, from exercising its best professional and entirely independent judgment.
3. The recent passage of House Concurrent Resolution 133 by the Congress has sharply altered the context in which the question of a GAO audit must be considered. As you know, this resolution provides for a direct "audit" of Federal Reserve policy by the congressional principals—the Committee on Banking, Currency and Housing in the House of Representatives and its counterpart in the Senate. Thus, a policy audit by the GAO not only could fault public policy but also would be literally redundant to the action taken by the Congress this year.
4. Certain functions and activities of extreme sensitivity having to do with bank examinations and international monetary relations would be or would need to be substantially modified were a GAO review to be put into effect. The need for exclusion of these activities was recognized to some degree in the bill (H.R. 10265) reported by the full Committee on Banking and Currency in the 93rd Congress, and to a greater extent in the bill finally adopted by the House of Representatives last year.

With your permission, I'd now like to sketch briefly the background on this subject.

1. From its establishment in 1913 until 1921 the Board of Governors was audited by the Treasury.

2. The Congress created the GAO in 1921. For the next 12 years the Board of Governors, but not the Federal Reserve Banks and branches, came under the GAO's scrutiny.

3. The Banking Act of 1933 provided that the Board's funds should not be construed to be "Government funds or appropriated moneys." In this Act, the Congress deliberately voted to remove the Board from the jurisdiction of the GAO. The purpose, described in a committee report, was to "leave to the Board the determination of its own internal management policies."

4. In the years between 1933 and 1952, audit teams from Federal Reserve Banks performed the audit of the Board's books.

5. Beginning in 1952 and continuing up to this time, the Board, using the discretion that the Congress provided, voted to employ nationally recognized public accounting firms to perform this function in order to assure an independent oversight of the Board's administrative activities. Each year the audit report is reproduced in the Board's *Annual Report*, and copies of the audit report are furnished to this committee and to the Senate Committee on Banking, Housing and Urban Affairs.

6. Meanwhile, year in and year out, the Board's examiners have examined the Reserve Banks. Since 1952 the procedures used by the Board's examination staff have been observed by the outside accounting firms employed to audit the Board's books. This provides an external evaluation of the adequacy and effectiveness of the examination procedures. A copy of the latest such report, from Touche Ross & Company, was recently transmitted to this committee and to the Senate Committee on Banking, Housing and Urban Affairs, along with a response to the report prepared by the Board's staff.

7. In 1945 during hearings on the Government Corporation Control Act, the GAO expressed the view that the Reserve Banks should be excluded from the Act because they are examined frequently and thoroughly by examiners under the direction of the Board of Governors.

8. In 1954 at hearings on H.R. 7602, the Bureau of the Budget stated that the independence of the Federal Reserve System was "an important cornerstone of the Administration's fiscal and monetary policies."

THE INTEGRITY OF THE CENTRAL BANK

This brief chronology indicates, among other things, that both the Board of Governors and the Boards of Directors of the Federal Reserve Banks have traditionally been committed to thorough audits of System activities. We are so committed because the Federal Reserve System has the responsibility, above everything else, of maintaining the integrity of its operations as the Nation's central bank.

These audits not only serve to meet the responsibility that the Congress has placed on the Federal Reserve but also serve to remove any doubt, throughout a world that uses the dollar as a reserve and a vehicle of currency, as to the integrity of the System's accounts. This involves a full and prompt disclosure of Federal Reserve assets and liabilities and the assurance, given the powers conferred upon it by the Congress, that the Federal Reserve stands ready and able to meet the commitments on its balance sheet at home and abroad.

In 1974 the Reserve Banks handled 21.8 billion pieces of currency and coin having a value of \$63.9 billion. Of the 26 billion checks written in 1974, 11.7 billion checks in the amount of \$4.4 trillion, passed through the System. In addition, 14.5 million wire transfers, which moved \$30 trillion, were handled, and 2.5 billion food coupons, having a value of \$5.6 billion, were redeemed and destroyed. To perform these functions as well as the numerous transactions in securities,¹ which also involve

billions of dollars, with a minimum loss or defalcation, requires a comprehensive control and audit program. If we have erred in the extent of control, it has been toward overcontrol, and it has been intentional. No system is perfect, and we have had our occasional difficulties and problems, which have not been hidden from public view; but the record shows a high rate of success in preventing irregularities.

We believe that a GAO audit would duplicate the audit costs and resources the Federal Reserve must, by necessity, incur regardless of any audit activity on the part of the GAO. The System spends \$8.5 million annually for auditing the Reserve Banks and the Board. While this is a large sum of money, it is less than 1½ per cent of the total expenses of the System and is miniscule in comparison with either the assets or the transactions that the audit program is designed to protect.

The Congress originally established the Board of Governors, which is an agency of the Government, as the organizational unit designated by the Congress to review the operations of the Reserve Banks. The record clearly shows the Board is continuing to fulfill this charter.

THE FEDERAL RESERVE SYSTEM AUDIT PROGRAM

Let me briefly summarize our audit program. First, we have audits of financial operations and legal compliance. Audits of this type are performed on an unannounced basis in the various departments of each Reserve Bank and branch by the internal auditors on a frequency schedule agreed to by the System's Conference of General Auditors and approved by the Board's staff. Also, once each year, the Board's examiners perform a financial examination in each Bank and branch, which includes a review of compliance with approved procedures, policies, and regulations. Thus, at least twice each year the assets and liabilities of each Bank and branch are verified or confirmed. Going beyond this, policies, procedures, and transactions are reviewed at each location by internal auditors to evaluate how well the organization carries out its programs and activities and how well it uses

¹ See p. 295 for information on the volume of securities transactions.

its financial, property, and personnel resources. There is latitude in the scope of these reviews because it can always be expanded if conditions warrant a review in greater depth. To provide further assurance, at least once in 3 years the Board's operations analysts review the operating functions of each Reserve Bank and each branch. These reviews are more than a routine, periodic check for their scope and frequency reflect deficiencies observed by the Board's financial examiners, deficiencies or problems reported by internal auditors, the occurrence of irregularities, conditions found at the previous review performed by the operations analysts, requests from Bank management or Boards of Directors, and other situations. In most cases, the reports comment on management attention, planning, sufficiency and effectiveness of supervision, adequacy of staff, staff knowledge, procedures employed, adequacy of facilities, and operating problems. Also, recommendations are made to improve procedures either to increase efficiency or to provide better controls.

H.R. 4316 provides specific authority for the GAO to audit both the Federal Open Market Committee and the System Open Market Account. The Committee by statute is exclusively a policy-making body. The Committee has designated the Federal Reserve Bank of New York to carry out transactions, including open market operations in domestic securities markets and in foreign currency transactions, for the 12 Reserve Banks. The annual examination of the New York Bank includes a comprehensive examination of the accounts relating to these transactions. The internal auditors in the New York Reserve Bank also conduct a continuous audit of these transactions. Both the audits and the examinations include procedures to determine that open market operations are consistent with directives from the Federal Open Market Committee.

In the last few years, with the advent of extensive use of computers, the Board's staff and the audit departments in the Reserve Banks have developed a comprehensive electronic data processing review procedure. In late 1974 the Board employed a nationally recognized consulting firm to review our staff's procedures and to make recommendations for further improve-

ments. The following statement was included in the report prepared by the consultants:

I am very impressed with the quality of the staff you have organized. They have a good appreciation of the balance needed between management concerns, audit requirements, and complex technical analysis in the EDP area. We have worked with many organizations on EDP audits in the past few years. Your organization matches the very best that we have worked with in large commercial banks, financial institutions, and multidivisional corporations. I am pleased to see that the Federal Reserve System is in the forefront of this previously neglected, but critical, area of EDP operational audit.

Another examination activity performed by the Board's staff covers the internal audit departments in the Reserve Banks. Our staff not only reviews the monthly reports of audit activities and findings prepared by the Bank's General Auditors but on-site visits are made to review and observe programs and practices. The competence and effectiveness of the staff and supervisors are also appraised during these visits, and an evaluation is made concerning the independence of the General Auditor from Bank management.

Organizationally the audit function in a Reserve Bank is independent of the Bank's management as the General Auditor is the only individual in a Bank, except for the President, who reports directly to the Chairman of the Board of Directors. In addition, each Bank's Board of Directors has an Audit Committee, which meets frequently with the General Auditor to discuss his reports. Well before it was a general practice for directors of private enterprises to have an audit committee, the Reserve Banks had this feature in their organization. The independence of the General Auditor is further strengthened by the fact that appointments to the position are made by each Bank's Board of Directors, not Bank management, and approved by the Board of Governors. Likewise, salary adjustments for incumbents in the position are recommended by the Board of Directors at each Bank and approved by the Board of Governors.

Thus, there are at least three lines of defense at the Reserve Banks against irregularities. The first is the operating management of the Bank; the second is the internal auditing staff directed

by the Bank's Board of Directors; and the third is the examination staff, which works under the direction of the Board of Governors. Each of these groups is also committed to improving operating effectiveness.

From time to time Boards of Directors of individual Banks have also had public accounting firms review their auditing departments for further assurance that the programs and personnel are effective and up to date. In these cases, the primary difference in the recommendations made by the outside firms and those of the Board's staff is that the Board's staff has insisted on either more frequent or more in-depth audits than have the outside firms.

ECONOMY AND EFFICIENCY OF OPERATIONS

Now let me comment on the System's commitment to economy and efficiency of operations. While the integrity of Federal Reserve System statements and accounts relating to assets, liabilities, and operations is of paramount importance to the Board of Governors, the prospective expenditures of the Banks also receive continuous scrutiny and attention. Budgets are initially prepared by management in the Banks, under general guidelines from the Board of Governors. The budgets are then reviewed by each Bank's Board of Directors and adjusted if, in the judgment of the Directors, such adjustment is needed. The staff of the Board of Governors also reviews the budgets and resolves issues related to unusual requests and adherence to guidelines. This review incorporates a detailed analysis of rates of expense growth in the Banks arising from new initiatives, volume increases, and increasing operating costs in order to satisfy the Board as to the reasonableness of the projected expenditures. Final approval, in light of the foregoing review, is given by the Board of Governors.

During recent years the volume of operations in the Reserve Banks has grown significantly, and several new areas of responsibilities have been added to our workload. As you know, the Congress has given the Federal Reserve increased, or new, responsibilities for supervision

and regulation of bank holding companies, truth in lending, fair credit billing, equal credit opportunity, and "unfair or deceptive" practices by banks. We have also lived up to our assurances to the Congress to reduce float in the payments mechanism. Through changes in regulations, improvements in the check transportation system, and establishment of regional check processing centers and automated clearing houses, the average daily payments mechanism float has been reduced from \$3.5 billion in 1969 to \$2.3 billion in 1974. Without the improvements initiated by the Federal Reserve System, the float would now be in the range of \$5.6 billion.

Even with the added assignments, the budget discipline imposed within the Federal Reserve System has held growth in its expenses to reasonable dimensions. During the period 1970 through 1973, total System expense growth averaged 15 per cent per year. A report on Reserve Bank expenses for 1974, which represented further improvement, was recently transmitted to this committee and to the Senate Committee on Banking, Housing and Urban Affairs. That report showed an increase in expenses in 1974 of 12.1 per cent over the expenses in 1973. We believe this is an excellent record in light of our expanding responsibilities and the cost trends in the economy. Moreover, the System's approved total expense budget for 1975 represents a targeted increase of only 10.3 per cent above 1974 expenses.

In addition to the programs carried on by internal auditing departments in the Reserve Banks and by the Board's staff of operations analysts for improving operating procedures and making them more effective and efficient, the Conferences of Reserve Bank Presidents and First Vice Presidents have developed an effective program that focuses upon improving the efficiency of operations. Bank planning departments, inter-Bank operations research groups, and task forces with Board staff participation are working out most of the technological adaptations needed in the System's electronic accounting, automated currency handling, and electronic fund transfer systems. Outside consultants are employed on an *ad hoc* basis as needs develop.

CAPACITY FOR INDEPENDENT JUDGMENT

Let me say a word now about the need to maintain the present capacity of the System to exercise, within the Government, its best judgment regarding monetary policy without being unduly affected by external pressures. Even many who oppose this or that action of the Federal Reserve willingly concede that the maintenance of independent judgment by the Nation's central bank is essential if monetary policy is to play its proper role in achieving economic stability and growth, a high level of employment, and stability in the purchasing power of the dollar. This independence is not absolute, of course. Since the Federal Reserve System is a creation of the Congress, the System is clearly accountable to the Congress, and we attempt to meet our responsibilities to the Congress and the public fully and conscientiously.

Besides publishing more detailed information about its activities than any other central bank in the world, the Federal Reserve furnishes a steady flow of information to the Congress. Our release of data about Federal Reserve operations is continuous and wide ranging, covering transactions on a daily, weekly, monthly, quarterly, annual, and *ad hoc* basis. Members of the Board testify frequently at congressional hearings on the System's policies and operations, and the Board responds promptly to the congressional inquiries that come to us every working day. In the past, when requested, we have provided congressional committees, on a confidential basis, with volumes of materials pertaining to audit and examination procedures, as well as reports of examinations of Federal Reserve Banks.

It is clear that the Congress and its committees have the right to inquire into the effectiveness with which the System is discharging its responsibilities. And, as I have already noted, today's discussion occurs in a framework entirely different from that which prevailed in 1973 and 1974. By the adoption of House Concurrent Resolution 133, the Congress has established a systematic mechanism for the review of Federal Reserve monetary policy. Under the terms of the resolution, the full

Committee on Banking, Currency and Housing will hold semiannual hearings in conjunction with its Senate counterpart to hear "the Board of Governors" and the Federal Open Market Committee's objectives and plans with respect to the ranges of growth or diminution of the monetary and credit aggregates in the upcoming twelve months." In short, the Congress has established a policy "audit" of monetary policy in the most direct and responsible manner through the expedient of the congressional oversight hearing. We have every confidence that the two banking committees will do an exemplary job in overseeing monetary policy. (I should note that the first of these hearings was held on May 1.)

ACCESS TO CERTAIN INFORMATION

My final point goes to the System's concern about the access by any outside organization to certain System records, operations, and transactions. These records include examination reports of commercial banks, transactions conducted with and on behalf of foreign central banks, and information about open market and lending operations.

The record of the Federal Reserve in making information relative to its operations available should demonstrate that we do not begin with any bias for secrecy per se. In fact, a great deal of effort is required to properly protect certain information. We recognize, too, that the GAO now is accorded access to highly sensitive information in the Department of Defense and in other departments and agencies and that no compromise of security results from these arrangements. Nevertheless, we firmly believe that there are compelling reasons that argue for the maintenance of certain information—in the possession of the Federal Reserve—from access by any outside organization. Public knowledge that the GAO—or anyone else—had review powers over such information could have an adverse effect on the bank supervisory process, would alter our relationships with foreign governments and central banks, and might necessitate a change in our open market and discount functions.

An audit by the GAO of foreign accounts held by the Federal Reserve System, we believe, would jeopardize the existing relationships between foreign monetary institutions, the Federal Reserve, and the U.S. Treasury. It could, as a result, aggravate the Nation's international financial relationships.

Foreign monetary authorities channel a substantial proportion of their dollar transfers and U.S. dollar reserve holdings through their accounts with the Federal Reserve Banks. Nearly 130 foreign central banks, foreign governments, and international financial institutions have accounts with Federal Reserve Banks. These correspondents held \$60 billion of U.S. Treasury and Federal agency securities in their accounts at the end of 1974. During 1974 transactions in these securities through their accounts at the Reserve Banks totaled \$85 billion. These transfers and investments are often the counterpart of official foreign exchange intervention or official reserve investment operations that reflect sovereign actions and policies these authorities insist on keeping confidential. It is their explicit understanding that use of an account with a Federal Reserve Bank maintains this confidentiality. Only those employees with a need-to-know have access to the information concerning foreign transactions. Extreme care is taken in assigning either internal auditors or examiners from the Board of Governors, although no compromises in the sufficiency of the audits are tolerated.

Just what action the foreign central banks, foreign governments, and international financial institutions might take if the confidential status of accounts with Reserve Banks were not maintained cannot be predicted with certainty. It is probable, however, that their use of accounts at the Federal Reserve Banks would be considerably curtailed. They might even change the composition of their reserve holdings so that the dollar assets would be a smaller part.

Action that resulted in transferring the investments of foreign official institutions to non-governmental financial institutions would make it more difficult for the Federal Reserve System to conduct its open market operations because the Federal Reserve would no longer be able to coordinate its own very large transactions

with the comparably large transactions that it conducts on behalf of foreign monetary authorities. There would also be a reduced flow of financial information, and the relationships maintained with foreign financial institutions and governments could be harmed.

A similar issue was discussed when legislation (Public Law 91-599) was being considered regarding audits of the Exchange Stabilization Fund by the GAO. The following is quoted from the hearings pertaining to that legislation:

The Exchange Stabilization Fund deals in extremely confidential and highly sensitive monetary transactions with foreign governments. It is important not only that such transactions and the arrangements underlying them remain confidential but also that nothing be done which would in any way impair the confidentiality of such transactions. The prospect of decisions of the Secretary of the Treasury with respect to transactions through this Fund being subjected to possible public question and debate would undoubtedly be disturbing to markets and to foreign governments, and would therefore hamper the use of the Fund by the Secretary of the Treasury for its intended purpose.

The Congress wisely recognized that foreign exchange operations and other aspects of international financial policy must not be subject to premature disclosure under any circumstances. The legislation exempted "information determined by the Secretary to be of an internationally significant nature" from audit by the GAO.

We believe providing the GAO access to "reports of examination of member banks, from whatever source," as H.R. 4316 would do, could reduce the flow and change the character of communications essential to effective bank supervision. It should be emphasized that although the Federal Deposit Insurance Corporation is audited by the GAO, reports of examination of insured banks are properly exempt from the scope of the audit authority. Neither does the GAO have access to reports of examinations conducted by the Comptroller of the Currency. Enactment of H.R. 4316, as it is presently worded, could give the GAO access to reports of examination prepared not only by the Federal Reserve but also by the other supervisory agencies. We strongly oppose providing such access to the GAO. In this connection, I might note that H.R. 10265, as reported by the full committee in 1973, provided an explicit and

complete exemption for both transactions conducted on behalf of foreign central banks and examination reports of member banks.

We also believe it would be unwise to allow access to specific files and memoranda containing information relating to Federal Reserve Bank lending cases. It has long been an established practice in the field of banking that private information relating to a borrower and made available to the lending institution is held in strictest confidence. This practice is founded on the very sound principle that the lender should have access to all the information it needs to make a prudent lending decision without exposing the borrowers' private, internal plans and operations to scrutiny by its competitors or the public. As with other forms of banking, lending to a member bank requires the borrower to provide confidential information on its financial condition and internal operations as well as certain plans. Administration of such credit re-

quires very candid communications between the borrowing bank and the Reserve Bank with respect to problems a bank may be encountering in its day-to-day operations and the specific strategies that it plans to follow to remedy its difficulties. Because the information required from borrowing banks is sensitive, we strongly oppose providing anyone access to these files except those charged with the responsibility for the lending function.

At a time when financial markets are already nervous, when citizens of this country are fearful of the inflationary impact of the growing Federal deficit, and when foreign central banks are looking to the Federal Reserve for leadership in international financial matters, enactment of this legislation would be particularly unfortunate. We see no need to risk damaging effects upon our efforts toward international financial negotiations or to risk reinforcing the financial uncertainties at home.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM: STAFF MEMORANDUM

SECURITIES TRANSACTIONS OF FEDERAL RESERVE BANKS

In 1974 the Federal Reserve Banks issued, redeemed, and exchanged U.S. Government securities valued at \$3.08 trillion.

The bulk of System open market operations are for the purpose of offsetting the potentially destabilizing market impact of short term variations in member bank reserves arising from such technical factors as movements in bank float and changes in the Treasury deposit balance at Federal Reserve Banks. To achieve this purpose, the Federal Reserve makes extensive use of repurchase agreements and matched sale-purchase transactions. The volume of such transactions in 1974 amounted to somewhat more than \$172 billion (or twice that if both the sale and purchase are included), or about 88 per cent of the total of system open market transactions of approximately \$195 billion. When the System uses repurchase agreements and matched sale-purchase transactions, market participants immediately understand that the System is only temporarily supplying (absorbing) reserves, and that this process will be reversed in a short period.

The knowledge that the process is self-

reversing enables the market to avoid possible misinterpretation of System activities.

Volume of System Open Market Operations Transactions in Government Securities in 1974 (in millions of dollars)

Type	Amount
Repurchase agreements	108,147
Matched sale-purchase transactions	64,228
Outrights:	
Treasury bills	
Purchases	11,659
Sales	5,829
Treasury notes and bonds	
Purchases	1,746
Sales	—
Redemptions	—
Federal agencies	
Purchases	3,087
Sales	3
Total	194,699

NOTE.—Data for repurchase agreements and matched sale-purchase transactions reflect the initial side of these transactions only. Thus, for example, the total for repurchase agreements is the sum of purchases made by the System under such contracts, and it does not include the subsequent resale of securities back to their original owners.

Statement by Robert C. Holland, Governor, Board of Governors of the Federal Reserve System, before the Committee on Banking, Currency and Housing, U.S. House of Representatives, May 12, 1975.

I am pleased to meet with this committee to present the views of the Board of Governors of the Federal Reserve System on H.R. 6676. This bill would establish a program of mandatory reporting on the volume of commercial bank credit channeled to various categories of credit that are designated as national priorities. It raises serious and complex issues that extend to the fundamental structure of our economic system and to our Nation's primary reliance on market processes to resolve the allocation of credit among competing uses.

The stated purpose of the bill is "to maximize the availability of credit for national priority uses." Although the bill does no more than establish a mandatory reporting system at this time, it could facilitate later efforts to impose mandatory credit controls and, by the force of what is perceived as congressional intent, it might well influence current lending policies at banks. In any event, the bill is likely to be construed by the market as a first step in the direction of a credit allocation program that could ultimately supplant the decision-making processes of the private market. In the Board's view, moving in this direction would represent a grave error for no good substitute has been found for our highly developed and intensely competitive private financial markets in distributing credit resources.

Any governmental program for allocating credit on a priority basis at commercial banks would be subject to serious problems. There is, first of all, the fundamental question of choosing which specific credit uses should be accorded a "national priority" designation and which should be denied it. Second, borrowing at banks— which is all that is covered by this bill— represents only one, highly variable, part of the total flow of credit being channeled into various uses by our financial system. For example, over the last 5 years banks have provided, on average, about three-eighths of the total nonfinancial funds raised in our credit

markets. Furthermore, many customers who have borrowed from banks also have ready access to other sources of credit. Thus, if a particular customer, or class of customer, were to be denied access to bank credit, he might well be able to obtain funds in the open market or from other institutional lenders.

On first glance it might seem that if certain bank customers were to be diverted to the market, more funds would be left in the bank for lending to higher-priority users or to those not having access to nonbank sources. However, banks must compete in the market for funds like anyone else. To the extent that former bank customers would also turn to the open market for financing, interest rates would tend to rise, raising the cost of funds to banks and reducing their willingness to lend, except at higher loan rates and on stiffer nonprice terms. Thus, looking at the results in credit markets as a whole, designated priority credit users at commercial banks might well find that the cost of funds had risen and the availability had become limited.

Efforts to deal with these shortcomings would ultimately require a credit control program going beyond the banks and encompassing all suppliers of funds. Such a comprehensive credit control program is just not feasible in this country, at least in peacetime. Controls would need to include not only banks but also other institutional lenders, such as mutual savings banks, savings and loan associations, finance companies, insurance companies, and pension funds. The open markets for debt and equity securities would need to be covered, not to mention the network of trade credit. Moreover, borrowers' access to credit obtained from abroad would have to be regulated.

Any attempt to impose a comprehensive credit allocation program would disrupt the orderly processes of financial markets and could well lead to imbalances in the markets for goods and services. The present bill, of course, does not establish such a program. The basic difficulty, however, is that market participants may come to believe that it will lead to over-all, mandatory credit controls or, at a minimum, to controls on banks alone. When and as this conviction becomes strong among private borrowers, they would be likely to protect them-

selves by borrowing substantial sums in anticipation of their future credit needs. Such actions would tend to exert upward pressure on interest rates and would tend to work to the disadvantage of borrowers with limited flexibility—such as homebuyers, small businesses, and consumers.

Given the possibility that this bill will be interpreted as a step in the direction of mandatory credit allocation, the Board believes that the bill should not be enacted. To the extent that the collection of information on credit uses from commercial banks is necessary, the Board believes that it should continue to be on a voluntary basis.

The Board has already been collecting some credit use information from a sample of about 125 large banks. The initial survey was undertaken in January of this year and was designed to determine how banks had adapted their lending policies in light of a statement issued by the Federal Advisory Council in September 1974. (See the Federal Reserve *BULLETIN* for March 1975, pages 129 and 130, for a summary of responses to the initial survey.)

The initial survey showed that banks continued to respond to the expressed credit needs of businesses, homebuilders, and individuals. The number of loan requests for financial or speculative purposes had dropped off to a much lower level than usual, and 90 per cent of the banks reported that they had approved either none at all or a significantly smaller-than-normal proportion of such applications.

The Federal Advisory Council's statement was issued during a period of monetary restraint, and economic and financial conditions have, of course, changed considerably since then. A second survey, on which we made some modifications in light of our experience with the first survey, was conducted in April. We do not have a complete tabulation of responses yet, but I can report that about three-fifths of the respondents in our latest survey found that problems of allocating credit at their individual banks were significantly less than in the fall of last year. In the January 1975 survey only one-third had so indicated. Allocation of credit among competing creditworthy borrowers is clearly fading as a problem at our banks, reflecting both the larger inflows of funds and the

smaller over-all demands for credit that they are now experiencing.

The banks surveyed have cooperated very well in these two surveys. In developing the questions for the surveys, the Board has had to take into account the practical availability of information at banks and the desirability of avoiding heavy administrative and cost burdens. Most of the material obtained has been qualitative rather than quantitative in nature because the banks simply are unable to provide actual dollar figures without reviewing and reclassifying all of their loans. That would be a very costly process.

The Board could, of course, revise the questionnaire to seek quantitative data on a voluntary basis should the Congress so direct. But it must be kept in mind that the resulting information—though appearing to be hard numbers—might not be of much value for the public purposes being sought.

Our long experience in data collection indicates that it is difficult to define lending categories that can be related in a meaningful way to customer uses of the funds borrowed. Money is an all-purpose commodity. Virtually all borrowers have funds that become available from a variety of sources, and they make expenditures for a variety of purposes. It is difficult to sort these various sources and uses of funds into particular pockets, even when both borrowers and lenders have the best intentions. But when one kind of credit use is indicated to be preferred over another, both parties to the loan transaction will tend to take advantage of the fungibility of money to classify the purpose as being for the preferred use.

This is a shortcoming of any system of loan classification by purpose. But the loan classifications for indicated priority uses contained in this bill involve other difficult definitional and interpretive problems as well. In many cases, for example, the definitions could be interpreted as involving the need for subjective judgments on the part of banks—such as deciding which loans represent funds for “essential structures and equipment” or for “uses essential to orderly functioning of markets.” These judgments would be likely to differ bank by bank so that the reported results could mean little in the

aggregate. Moreover, if the banks utilize national priority categories as a basis for discriminating among borrowers, the subjectivity of interpretation could lead to inequitable treatment of borrowers as some banks apply stricter standards than others.

There is also a practical problem at this moment—H.R. 6676 might adversely affect the urgently needed economic recovery. The bill's mandated questionnaire on national priority uses of credit, under current circumstances, could have counter-productive effects in terms of stimulating economic recovery. It would create uncertainties at banks as to interpretation. It would run the risk that some banks, already in a cautious frame of mind, might hold back on approving some otherwise sound credits for fear that they might be inconsistent with the priority scheme.

Thus, it is doubtful, in the Board's view, whether such a survey of credit allocation is desirable at this time when private credit demands on banks are extremely weak and when

monetary policy is attempting to stimulate economic recovery. Indeed, the results of the Board's two voluntary surveys of bank lending policies suggest that there is little or no further economic and financial need for such surveys under prevailing circumstances.

For the various reasons I have noted, the Board is unable to support this or any other bill related to mandatory reporting of bank credit accommodation along explicit or implied priority lines. The Board as a general matter believes that if any information on credit use is to be collected, it should be done on a voluntary basis and tailored to what a voluntary reporting effort would support in order to minimize possibilities of market misinterpretation. If the Congress nevertheless feels that it is essential to pass this kind of legislation, the Board would strongly suggest that the categories not be termed "national priority uses of credit" because this could, under current circumstances, discourage some lending and in that degree retard economic recovery. [.]

Record of Policy Actions of the Federal Open Market Committee

MEETING HELD ON MARCH 18, 1975

1. Domestic Policy Directive

The information reviewed at this meeting suggested that real output of goods and services was continuing to fall sharply in the first quarter of 1975, that the rise in prices was moderating, and that nominal GNP was declining. Staff projections, like those of a month earlier, suggested that real economic activity would recede further in the second quarter and that price increases would continue to moderate; they also suggested that activity would turn up later in the year.

In February retail sales had risen slightly, according to the advance estimate. Largely because of continuing efforts by business to liquidate inventories, however, cutbacks in production were again substantial and widespread. Curtailments in employment also were substantial, particularly in manufacturing establishments, and the factory workweek was reduced sharply. Although unemployment rates increased for adult males and heads of households, the over-all rate was unchanged, at 8.2 per cent, as the civilian labor force declined sharply.

The advance in the index of average hourly earnings for private nonfarm production workers accelerated somewhat in February, but it remained considerably less rapid than in the spring and summer of last year. Wholesale prices of industrial commodities again increased moderately—although the rise in prices of both consumer and producer finished goods slowed—and wholesale prices of farm and food products declined sharply further. In January, as in December, the increase in the consumer price index had not been so large as in most months in 1974.

Staff projections suggested that the decline in real GNP would not be nearly so sharp in the second quarter as in the first, in large part because of the behavior of business inventories; it was anticipated that inventories, after shifting from heavy accumulation in the fourth quarter of 1974 to substantial liquidation in the current quarter, would decline at only a moderately faster pace in the

second quarter. The extent of the inventory liquidation expected in the first half—along with the improved conditions in credit markets and the stimulative fiscal measures in prospect—strengthened the probabilities of an upturn in economic activity in the second half.

Exchange rates for the dollar against leading foreign currencies—which had rallied in early February, owing in part to official intervention purchases of dollars—declined during the remainder of the month. However, the dollar strengthened again in early March, as short-term interest rates abroad continued to decline relative to rates in the United States and as market attitudes toward the dollar were improved somewhat by, among other things, moderation of the rise in U.S. prices. In January the U.S. foreign trade deficit had been only moderately above the rate in the fourth quarter of 1974, despite a large bulge in recorded imports of oil in advance of the February 1 increase of \$1 per barrel in import fees. Net outflows of capital reported by banks continued large as foreigners drew down deposits in U.S. offices.

Total loans and investments at U.S. commercial banks grew very little from the end of January to the end of February. Outstanding bank loans to business declined, as business demands for short-term credit remained weak both at banks and in the commercial paper market. Consumer loans at banks also declined, while real estate loans edged up. Bank holdings of U.S. Government securities expanded sharply.

The narrowly defined money stock (M_1)—which had expanded at an annual rate of about 4.5 per cent in the fourth quarter of 1974 and then had declined at a rate of about 9 per cent in January—grew at a rate of about 7 per cent in February. Net inflows of consumer-type time and savings deposits to banks and nonbank thrift institutions were particularly large, and broader measures of the money stock (M_2 and M_3) increased at substantial rates. Banks reduced the outstanding volume of large-denomination CD's and Euro-dollar borrowings, reflecting the growth in demand deposits and in time deposits other than CD's as well as the weakness in loan demand.

System open market operations since the February 19 meeting had been guided by the Committee's decision to seek bank reserve and money market conditions consistent with more rapid growth

in monetary aggregates over the months ahead than had occurred in recent months, while taking account of developments in domestic and international financial markets. Accordingly, operations had been directed toward a gradual further easing in bank reserve and money market conditions. The Federal funds rate, which had averaged $6\frac{1}{4}$ per cent in the statement week ending February 19, had declined to about $5\frac{1}{2}$ per cent in the days preceding this meeting.

Private short term market interest rates declined a little further over the inter-meeting period, in response to the easing in money market conditions and the weakening in private demands for short term credit, but the declines were small, as market participants apparently came to expect that money market conditions would not ease much further in the near future. Treasury bill rates rose somewhat over the period despite strong demands for bills because the Treasury had enlarged the supply in the weekly and monthly auctions. On the day before this meeting the market rate on 3 month Treasury bills was 5.39 per cent, compared with 5.32 per cent on the day before the last meeting. Effective March 10, Federal Reserve discount rates were reduced from $6\frac{1}{4}$ to $6\frac{1}{2}$ per cent at 10 Reserve Banks; shortly thereafter, rates were reduced at the remaining 2 Banks.

Yields on longer term bonds increased during the inter-meeting period, in response to continuation of a large volume of offerings. On February 24 the Treasury announced that over the period to mid April it would raise about \$7 billion in new cash by auctioning coupon issues. Public offerings of corporate bonds remained heavy in February, and a substantial increase was in prospect for March. Actual and prospective offerings of State and local government issues during March and April also were large; in addition, the market for such securities was being adversely affected by the financial problems of a major State corporation. In the home mortgage market, yields declined somewhat further.

The Committee decided that the economic situation and outlook called for more rapid growth in monetary aggregates over the months ahead than had occurred in recent months. A staff analysis suggested that the demand for money would be weak in the near term in association with the expected weakness in economic activity and that money market conditions would have to ease

slightly further in the period immediately ahead if M_1 were to grow at a rate consistent with the Committee's longer-run objectives for the monetary aggregates. Some further increase in net inflows of consumer-type time and savings deposits to banks and to nonbank thrift institutions was anticipated, in response to lower short-term interest rates. While private demands for short-term credit were likely to remain weak, the Treasury would be borrowing sizable amounts of new cash over the months ahead.

The Committee decided that growth in M_1 and M_2 over the March-April period at annual rates within ranges of tolerance of 5 to 7½ per cent and 8 to 10 per cent, respectively, would be consistent with its longer-run objectives for the monetary aggregates. The members concluded that such growth rates would be likely to involve growth in reserves available to support private nonbank deposits (RPD's) within a range of 3½ to 5½ per cent. They agreed that in the period until the next meeting the weekly average Federal funds rate might be expected to vary in an orderly fashion in a range of 4¾ to 5¾ per cent, if necessary, in the course of seeking monetary growth rates within the ranges specified. The members also agreed that in the conduct of operations, account should be taken of developments in domestic and international financial markets.

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 continuing to fall sharply in the current quarter. In February industrial production and employment declined substantially further. The unemployment rate was unchanged, at 8.2 per cent, as the civilian labor force declined sharply. Average wholesale prices of industrial commodities rose moderately again in February, and prices of farm and food products declined sharply further. The advance in average wage rates, although large, remained well below the increases of last spring and summer.

The foreign exchange value of the dollar declined in February, but it strengthened somewhat in early March, as short-term interest rates abroad fell further and as market attitudes toward the dollar improved somewhat. In January the U.S. foreign trade deficit was only moderately above the rate in the fourth quarter of 1974 despite a large bulge in recorded imports of oil. Net outflows of capital reported by banks continued large as foreigners withdrew deposits.

The narrowly defined money stock, which had declined sharply in January, expanded considerably in February, and broader measures of the money stock grew at substantial rates. Net inflows of consumer type time and savings deposits were particularly large. Large-denomination CD's outstanding contracted in February and total bank credit showed little net change. Business demands for short-term credit remained weak, both at banks and in the commercial paper market, while demands in the long-term market continued exceptionally strong. Since mid-February short-term market interest rates have declined a little while longer term yields have risen. Federal Reserve discount rates were reduced from 6½ to 6¼ per cent in early March.

In light of the foregoing developments, it is the policy of the Federal Open Market Committee to foster financial conditions conducive to stimulating economic recovery, while resisting inflationary pressures and working toward equilibrium in the country's balance of payments.

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

Votes for this action: Messrs. Burns, Hayes, Baughman, Coldwell, Holland, MacLaury, Mayo, Mitchell, and Wallich. Votes against this action: Messrs. Bucher, Eastburn, and Sheehan.

Messrs. Bucher, Eastburn, and Sheehan dissented from this action because they believed that the economic situation and outlook together with recent slow growth in the monetary aggregates called for more aggressive efforts in the near term to achieve the Committee's longer-run objectives for the aggregates. In particular, they favored higher upper limits on the 2-month ranges of tolerance for the monetary aggregates and a lower inter-meeting range for the Federal funds rate than adopted by the Committee.

Subsequent to the meeting, on March 27, the available data suggested that in the March–April period the annual rates of growth in both M_1 and M_2 would be above the upper limits of the ranges of tolerance that had been specified by the Committee. During the

latest statement week the Federal funds rate had averaged about 5½ per cent. In light of the behavior of the aggregates, the System Account Manager would, under normal circumstances, have permitted the weekly average Federal funds rate to rise to the upper limit of its range of tolerance—namely, 5¾ per cent. However, members of the Committee—with the exception of Mr. Sheehan—concurred in the Chairman's recommendation of March 27 that, in view of the weakness in the economy and of the sensitive conditions in financial markets, particularly bond markets, the Manager be instructed to treat 5½ per cent as the approximate upper limit for the weekly average funds rate for the time being. Mr. Sheehan did not concur because he believed that, in light of past shortfalls in monetary growth and of sensitive conditions in the bond market, the Committee should continue its easing posture by gradually reducing the funds rate.

2. Authorization for Domestic Open Market Operations

On March 10 Committee members had voted to amend a provision of paragraph 2 of the authorization for domestic open market operations to raise from \$1 billion to \$2 billion the limit on System holdings of special short-term certificates of indebtedness purchased directly from the Treasury. This action had been taken on the recommendation of the Account Manager, who had advised that he would recommend restoration of the \$1 billion limit as soon as it appeared reasonable to do so. In view of the likelihood that the higher limit would be required from time to time over coming months, the Committee voted at today's meeting to maintain the limit at \$2 billion for a period of 1 year, unless in the interim the Committee decided otherwise.

Votes for this action: Messrs. Burns, Hayes,
Baughman, Bucher, Coldwell, Eastburn, Mac-
Laury, Mayo, Mitchell, Sheehan, and Wallich.
Vote against this action: Mr. Holland.

Mr. Holland dissented from this action because he preferred to tailor the ceiling more closely to changing needs on a month-to-month basis.

3. Review of Continuing Authorizations

This being the first meeting of the Federal Open Market Committee following the election of new members from the Federal Reserve Banks to serve for the year beginning March 1, 1975, and their assumption of duties, the Committee followed its customary practice of reviewing all of its continuing authorizations and directives. The Committee reaffirmed the Authorization for Domestic Open Market Operations, the Authorization for Foreign Currency Operations, and the Foreign Currency Directive in the forms in which they were presently outstanding.

Votes for these actions: Messrs. Burns, Hayes, Baughman, Bucher, Coldwell, Eastburn, Holland, MacLaury, Mayo, Mitchell, Sheehan, and Wallich.
Votes against these actions: None.

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 45 days after the meeting and are subsequently published in the *BULLETIN*.

Law Department

Statutes, regulations, interpretations, and decisions

RESERVES OF MEMBER BANKS AND FOREIGN ACTIVITIES OF NATIONAL BANKS

The Board of Governors has approved amendments to Regulation D, Reserves of Member Banks, and to Regulation M, Foreign Activities of National Banks, to reduce from 8 per cent to 4 per cent the reserve requirement on member banks' Euro-dollar borrowings and foreign branch loans to United States residents.

AMENDMENTS TO REGULATIONS D AND M

Effective May 22, 1975, Sections 204.5(c) of Regulation D and 213.7 of Regulation M are amended to read as follows:

SECTION 204.5—RESERVE REQUIREMENTS

* * * * *

(c) **Reserve percentages against certain deposits by foreign banking offices.** Deposits represented by promissory notes, acknowledgements of advance, due bills, or similar obligations described in § 204.1(f) to foreign offices of other banks,⁷ or to institutions the time deposits of which are exempt from the rate limitations of Regulation Q pursuant to § 217.3(g) thereof, shall not be subject to paragraph (a) of this section or to § 204.3(a)(1) and (2); but during each week of the four-week period beginning May 22, 1975, and during each successive four-week ("maintenance") period, a member bank shall maintain with the Reserve Bank of its district a daily average balance equal to 4 per cent of the daily average amount of such deposits during the four-week computation period ending on the Wednesday fifteen days before the beginning of the maintenance period. An excess or deficiency in reserves in any week of a maintenance period under this paragraph shall be subject to § 204.3(a)(3), as if computed under §

204.3(a)(2), and deficiencies under this paragraph shall be subject to § 204.3(b).⁸

⁸The term "computation period" in § 204.3(a)(3) and (b) shall, for this purpose, be deemed to refer to each week of a maintenance period under this paragraph.

SECTION 213.7—RESERVES AGAINST FOREIGN BRANCH DEPOSITS.

(a) **Transactions with parent bank.** During each week of the four-week period beginning May 22, 1975, and during each week of each successive four-week ("maintenance") period, a member bank having one or more foreign branches shall maintain with the Reserve Bank of its district, as a reserve against its foreign branch deposits, a daily average balance equal to 4 per cent of the daily average total of

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

(2) assets (including participations) held by such branches which were acquired from its domestic offices (other than assets representing credit extended to persons not residents of the United States), during the four-week computation period ending on the Wednesday fifteen days before the beginning of the maintenance period.

(b) **Credit extended to United States residents.** During each week of the four-week period beginning May 22, 1975, and during each week of each successive four-week maintenance period, a member bank having one or more foreign branches shall maintain with the Reserve Bank of its district, as a reserve against its foreign branch deposits, a daily average balance equal to 4 per cent of the daily average credit outstanding from such branches to United States residents⁷ (other

⁷Any banking office located outside the States of the United States and the District of Columbia of a bank organized under domestic or foreign law.

⁷(a) Any individual residing (at the time the credit is extended) in any State of the United States or the District of Columbia; (b) any corporation, partnership, association or other entity organized therein ("domestic corporation"); and (c) any branch or office located therein of any other entity wherever organized. Credit extended to a foreign branch, office, subsidiary, affiliate or other foreign establishment ("foreign affiliate") controlled by one or more such domestic corporations will not be deemed to be credit extended to a United States resident if the proceeds will be used in its foreign business or that of other foreign affiliates of the controlling domestic corporations).

than assets acquired and net balances due from its domestic offices) during the four week computation period ending on the Wednesday fifteen days before the beginning of the maintenance period: *Provided*, That this paragraph does not apply to credit extended (1) in the aggregate amount of \$100,000 or less to any United States resident, (2) by a foreign branch which at no time during the computation period had credit outstanding to United States residents exceeding \$1 million, (3) to enable the borrower to comply with the requirements of the Office of Foreign Direct Investments, Department of Commerce,⁸ (4) under binding commitments entered into before May 17, 1973, or (5) to another member bank that will be maintaining reserves on such credit under § 204.5(c) of Regulation D.

INTEREST ON DEPOSITS

The Board of Governors has amended its Regulation Q to prohibit member banks from accepting deposits subject to negotiable order of withdrawal (NOW) from governmental units.

AMENDMENT TO REGULATION Q

Effective May 16, 1975, Section 217.1(c)(3) of Regulation Q (12 CFR 217) is amended to read as follows:

SECTION 217.1 DEFINITIONS

* * * * *

(c) Savings deposits.

* * * * *

(3) In those States where banks are permitted to offer deposits subject to negotiable orders of withdrawal, such deposits may be maintained if such deposit consists of funds deposited to the credit of or in which the entire beneficial interest is held by one or more individuals, or of a corporation, association, or other organization operated primarily for religious, philanthropic, charitable, educational, fraternal, or other similar purposes, and not operated for profit. Any deposit account subject to negotiable orders of withdrawal established prior to May 16, 1975, which consists of funds deposited to the credit of or in which the entire beneficial interest is held by a governmental unit not qualifying herein may be maintained through December 31, 1975.

* * * * *

⁸The branch may in good faith rely on the borrower's certification that the funds will be so used.

INTERPRETATION OF REGULATION M

Under the third paragraph of section 25 of the Federal Reserve Act, as amended (12 U.S.C. 601), any national banking association¹ possessing a capital and surplus of \$1,000,000 or more may file application with the Board for permission, upon such conditions and under such regulations as may be prescribed by the Board, "to acquire and hold, directly or indirectly, stock or other evidences of ownership in one or more banks organized under the law of a foreign country or a dependency or insular possession of the United States and not engaged, directly or indirectly, in any activity in the United States except as, in the judgment of the Board shall be incidental to the international or foreign business of such foreign bank; and, notwithstanding the provisions of section 23A of the Federal Reserve Act (12 U.S.C. 371c), to make loans or extensions of credit to or for the account of such bank in the manner and within the limits prescribed by the Board by general or specific regulation or ruling."

Pursuant to its authority under the third paragraph of section 25 of the Federal Reserve Act, the Board has promulgated section 213.4 of this part (Regulation M), which sets forth appropriate conditions and limitations on a member bank's acquisition and holding, directly or indirectly, of the stock or other evidences of ownership in one or more foreign banks, and section 213.5 of this part which allows a member bank, which holds directly or indirectly² stock or other evidences of ownership in a foreign bank, to make loans or extensions of credit to or for the account of such foreign bank without regard to the provisions of section 23A of the Federal Reserve Act (12 U.S.C. 371c).

In several recent applications filed with the Board by member banks under section 25 of the Act, the issue has arisen as to whether particular foreign institutions can be considered as foreign banks for the purposes of section 25 of the Act and sections 213.4 and 213.5 of this part. While the Board has by regulation defined the term "foreign bank" to mean a bank organized under the law of a foreign country and not engaged, directly or indirectly, in any activity in the United States except as, in the judgment of the Board, shall be incidental to the international or foreign business of such foreign bank,³ such definition

¹ Paragraph 20 of section 9 of the Federal Reserve Act (12 U.S.C. 335) also makes the provisions of section 25 applicable to State member banks.

² Whether through a corporation operating under section 25 of the Act or organized under section 25(a) of the Act, or otherwise.

³ Section 213.2 of this part.

imposes the statutory limitation on activities in the United States that can be conducted by a foreign bank, the shares of which are owned by a member bank, and does not define as a threshold matter which foreign institutions can be considered as foreign banks eligible for investment and Board exemption from the provisions of section 23A under section 25 of the Act.

Congress in the third paragraph of section 25 of the Act has imposed incorporation and other requirements intended to ensure that a foreign bank acquired under that section is not engaged in a domestic banking business. Congress did not, however, specify in section 25 the criteria a foreign institution must satisfy in order to be considered a foreign bank for purposes of that section.¹ The third paragraph of section 25 was enacted in 1966 in order to give member banks organizational flexibility in conducting their banking operations abroad. Prior to its enactment, the Board had interpreted the "stock purchase" prohibitions of Section 5136 of the Revised Statutes as preventing member banks from acquiring directly the shares of foreign banks. Thus, until that time, member banks were limited to conducting their banking operations abroad either through branches established under section 25 or through agencies, branches or subsidiaries of their Edge or Agreement Corporations established, respectively, under section 25(a) or section 25 of the Federal Reserve Act. Because the laws of some foreign countries prevented the establishment of branches and because the holding of shares of foreign banks through Edge or Agreement Corporation subsidiaries resulted in an unnecessary layering of organizational relationships, the enactment of the third paragraph of section 25 essentially was intended to allow member banks to hold *directly* the shares of foreign banks, instead of holding them indirectly through their Edge or Agreement Corporation subsidiaries.² The provision in that paragraph which gives the Board the power to waive the restrictions of section 23A on loans or extensions of credit from a member bank to its foreign bank affiliate was supported by the Board because section 23A in such circumstance tends to restrict normal correspondent banking relationships between banks and their foreign bank affiliates.

¹While the term "bank" is defined in section 1 of the Federal Reserve Act (12 U.S.C. 221), that definition—"State bank, banking association, and trust company"—is not applicable in the context of section 25.

²See 112 Cong. Rec. 11866 (1966) (remarks of Senator Robertson).

In the Board's judgment, a foreign bank for purposes of section 25 of the Act and sections 213.4 and 213.5 of this part should be interpreted to mean, with certain limited exceptions hereinafter described, a foreign institution that is *principally engaged in a commercial banking business*. The Board believes that such an interpretation is consonant with the limited purposes of section 25 and accords with Congress' intent in enacting that section. This interpretation will apply both for purposes of determining permissible investments for member banks under section 213.4 of this part and for purposes of the regulatory exemption from the provisions of section 23A under section 213.5 of this part. In adopting this interpretation, however, the Board has determined that, in general, certain minimum criteria should be met in every case. Accordingly, in order for a foreign institution to be considered as principally engaged in a commercial banking business, the institution must, at least, receive deposits to a substantial extent in the regular course of its business, and also have the power to accept deposits that the depositor has a legal right to withdraw on demand. In addition, the Board believes that for a foreign institution to be considered as a foreign bank under section 25, the institution should also be supervised, regulated, examined or otherwise recognized as a commercial bank by the appropriate bank supervisory or monetary authority of either the country of its organization or the country of its principal banking operations.

The Board has also determined, however, that notwithstanding the above test and minimum criteria, foreign institutions organized for the sole purpose of holding the shares of a foreign bank, or organized for the sole purpose of performing nominee, fiduciary, or other banking services incidental to the activities of a foreign branch or banking affiliate of a member bank may be considered as foreign banks for purposes of section 25 and sections 213.4 and 213.5 of this part. The Board may recognize other exceptions to the criteria adopted in this general interpretation if it determines that any such exception would not be inappropriate under section 25 of the Federal Reserve Act and this part (Regulation M).

INTERPRETATION OF REGULATION Q INTEREST ON DEPOSITS

The Board of Governors has been asked to reconsider its view, adopted in 1936, that a member bank may not permit a depositor to withdraw

funds from his savings account by means of a telephone or other oral order (1936 Fed. Res. Bulletin 624). That position was based upon the Board's concern for member bank security and also upon its concern that unrestricted telephone access to savings accounts might lead depositors to treat such accounts as extensions of their checking accounts and destroy the distinction between the accounts.

The Board has studied the telephone withdrawal systems currently being developed by several member banks and feels that the security and record keeping devices made possible by new technology and incorporated into these systems will keep errors and unauthorized use to a minimum.

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

ORDERS UNDER SECTION 3 OF BANK HOLDING COMPANY ACT

THE BANK OF NOVA SCOTIA,
TORONTO, ONTARIO

Order Approving Formation of Bank Holding Company

The Bank of Nova Scotia, Toronto, Ontario, Canada, 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 75 per cent or more of the voting shares of Banco Mercantil de Puerto Rico, Inc., San Juan (Rio Piedras), Puerto Rico ("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 Canadian commercial bank chartered under the Bank Act of Canada, has 982 offices located in Canada and abroad and controls approximately \$12.1 billion of deposits.¹ Applicant has been doing business in Puerto Rico for 65 years and operates four branches there with deposits aggregating \$80.5 million, ranking Applicant, in terms of deposits, as the ninth largest bank in Puerto Rico.² Applicant also maintains an

The Board recognizes that the telephone has become an accepted medium for transmitting financial data and that the telephone merely provides the customer with an additional method of communicating instructions regarding his account to his bank. In fact, numerous other depository institutions including nonmember commercial banks and savings and loan associations have for some time been permitted to offer telephone withdrawal services.

Therefore, the Board withdraws its policy against the offering of telephone withdrawal services while advising member banks to safeguard such transfers with proper procedures and internal control.

agency each in New York City and San Francisco, and owns The Bank of Nova Scotia Trust Company, New York, New York, a New York State chartered trust company, which has approximately \$1 million in deposits. Upon becoming a bank holding company, Applicant has indicated that it will file applications under section 4 of the Act to retain its interest in The Bank of Nova Scotia Trust Company, and The Nova Scotia Corporation, New York, New York, a dormant shell corporation.

Bank, with deposits of \$87 million at December 31, 1974, is organized under the laws of the Commonwealth of Puerto Rico and operates one branch office each in Rio Piedras, Santurce, and Ponce, and has received a conditional license to establish a fourth office at Hato Rey. In terms of deposits at December 31, 1973, Bank ranked 10th among 14 nongovernment owned commercial banks operating in Puerto Rico. Bank has a wholly owned subsidiary, Bankmere Investment Group, Inc., Hato Rey, Puerto Rico, engaged in leasing activities, which Applicant will seek to retain under section 4 of the Act after consummation of the proposed acquisition.

Applicant and Bank are presently two of the smaller competing banks in the San Juan banking market,³ where the four largest banks control approximately 71.6 per cent of the market's \$2.3 billion of deposits.⁴ Applicant ranks ninth in the market with approximately 3.1 per cent of the market's deposits, and Bank ranks eleventh with

¹All banking and financial data for Applicant and its subsidiaries are as of October 31, 1974.

²Applicant's deposit data for Puerto Rico are as of December 31, 1973, unless otherwise indicated.

³The San Juan banking market consists of the San Juan SMSA.

⁴All deposit data for the San Juan banking market are as of June 30, 1973.

approximately 2.0 per cent of the market's deposits. Consummation of the proposal would advance Applicant's rank to sixth in the market, as it would increase Applicant's share to 5.1 per cent of the market's deposits. While consummation of the proposal would eliminate some existing competition between Applicant and Bank and would slightly increase the concentration of banking resources in the market, in the Board's judgment, these anticompetitive effects would 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, because Bank's viability as a competitor in the market has been greatly lessened as a result of its financial and managerial problems. Due to Bank's condition, it would also appear that no substantial potential competition between Applicant and Bank is being foreclosed, and, while it might be more desirable to have Bank serve as a foothold entry for another banking organization outside the market, the necessity of finding a timely resolution of its present problems must be the dominant consideration.

The financial and managerial resources and future prospects of Applicant are regarded as satisfactory and consistent with approval. The financial and managerial resources and future prospects of Bank are considered to be poor, and if it is to continue as a viable banking institution it must be acquired by a sound and well-managed banking institution such as Applicant. Acquisition of Bank by Applicant will provide Bank with needed financial and managerial resources and will greatly improve its future prospects. Particularly important from the Board's viewpoint is the fact that upon consummation of the proposal, Applicant will take full managerial control of Bank. These factors lend great weight toward approval.

Convenience and needs factors also lend great weight toward approval, as the continuity of banking services by a locally-chartered institution would be maintained in those areas now served by Bank. Applicant intends to operate Bank as a separate subsidiary, perhaps in combination with its other branch offices in Puerto Rico. This should also improve the range and quality of banking services available to the public at Bank's offices. It is the Board's judgment that consummation of the proposed transaction would be in the public interest and that the application to acquire Bank 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 thir-

tieth 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 9, 1975.

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

(Signed) THEODOR F. ALLISON,
[SEAL] *Secretary of the Board.*

GOOSE RIVER HOLDING COMPANY, MAYVILLE, NORTH DAKOTA

Order Approving Formation of Bank Holding Company

Goose River Holding Company, Mayville, North Dakota, 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 93.1 per cent or more of the voting shares of The Goose River Bank, Mayville, North Dakota ("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 is a non-operating corporation organized for the purpose of becoming a bank holding company through the acquisition of Bank. Bank (deposits of \$12.3 million), the only bank in Mayville, is the second largest of five banks in the relevant market, approximated by Traill County, and holds 28.8 per cent of the commercial bank deposits in the market.¹ Traill County (population of approximately 10,000) is a predominantly agricultural area in the east central portion of North Dakota directly adjacent to the Minnesota border. Since the proposal is essentially a restructuring of Bank's ownership whereby the ownership of Bank will be shifted from individuals to a corporation owned by the same individuals, consummation of the proposal would eliminate neither

¹All banking data are as of June 30, 1974.

existing or potential competition, nor would it increase the concentration of banking resources in any relevant area. Accordingly, on the basis of the facts of record, the Board regards competitive considerations involved in the proposal as being consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant are dependent upon those of Bank, which are considered to be generally satisfactory. Bank's projected income appears adequate to service the debt that will be incurred by Applicant as an incident to the acquisition. Therefore, considerations relating to the banking factors are consistent with approval of the application. Although consummation of the transaction is not expected to produce any immediate changes in Bank's operations nor immediate benefits to the public, considerations relating to the convenience and needs of the community to be served are consistent with approval of the application. It is the Board's judgment that the acquisition would be consistent with 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 Minneapolis pursuant to delegated authority.

By order of the Board of Governors, effective April 7, 1975.

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

(Signed) THEODORE E. ALLISON,
[SEAL] *Secretary of the Board.*

Dissenting Statement of Vice Chairman Mitchell and Governor Wallich

The bank holding company form of organization enhances management powers and opportunities in banking and bank related activities. The record in this case does not indicate that any direct public benefit is foreseen as a result of the formation of this holding company. Moreover the record, in our opinion, supports the inference that, other than enhancement of the corporate interest, any indirect effects are likely to be negative so far as the public interest is concerned. For that reason we would deny the application.

**MIDWEST BANCSHARES, INC.,
POPLAR BLUFFS, MISSOURI**

Order Denying Formation of Bank Holding Company

Midwest Bancshares, Inc., Poplar Bluff's, 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 acquisition of 80 per cent of the voting shares of Dexter National Bank, Dexter, 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 all comments received, including those submitted by the Comptroller of the Currency, in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant is a nonoperating corporation organized under the laws of Missouri for the purpose of becoming a bank holding company through the acquisition of Bank. With deposits of \$8 million, Bank holds approximately 15.1 per cent of the total deposits held by commercial banks in the relevant banking market (approximated by Stoddard County) and is the third largest of the market's six banks.¹ Inasmuch as this proposal represents merely a reorganization of existing ownership interests, and since Applicant has no present banking subsidiaries, the acquisition of Bank by Applicant would not have any significantly adverse effect upon either actual or potential competition within the relevant market. Accordingly, the Board concludes that competitive considerations are consistent with approval of the application.

The Board has indicated on previous occasions that it believes that a holding company should provide a source of financial and managerial strength to its subsidiary bank(s), and that the Board will closely examine the condition of the Applicant in each case with this consideration in mind. In connection with this proposal, Applicant will incur acquisition debt which it proposes to service over a twelve year period primarily through dividends from Bank. In the Board's view, the projected earnings of Applicant over the debt-retirement period appear to be somewhat optimistic in view of Bank's previous earnings and,

¹All banking data are as of June 30, 1974, unless otherwise indicated.

even if actually realized, would not provide Applicant with the financial flexibility necessary to meet its annual debt service requirements while maintaining adequate capital at Bank.² Furthermore, the financial requirements imposed upon Applicant as a result of the debt could prevent it from resolving any unforeseen problems that may arise and thereby impair Bank's ability to continue to serve the community as a viable banking organization.

On the basis of the above and other facts of record, the Board is of the view that it would not be in the public interest to approve the formation of a bank holding company with an initial debt structure that could result in impairing Bank's overall financial condition. Accordingly, the Board concludes that the considerations relating to the banking factors weigh against approval of the application.

As indicated above, the proposed formation essentially involves the reorganization of the ownership interest of Bank without any significant changes in Bank's operations or the services offered to customers of Bank. Consequently, considerations relating to the convenience and needs of the community to be served lend no weight toward approval of the application.

On the basis of all of the circumstances concerning this application, the Board concludes that the banking considerations involved in this proposal present adverse factors bearing upon the financial conditions and prospects of both Applicant and Bank. Such adverse factors are not outweighed by any procompetitive effects or by benefits that would result in serving the convenience and needs of the community. Accordingly, it is the Board's judgment that approval of the application would not be in the public interest and that the application should be denied.

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

By order of the Board of Governors, effective April 17, 1975.

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

(Signed) THEODORE E. ALLISON,
[SEAL] *Secretary of the Board.*

²In a letter dated March 4, 1975 to the Board, the Comptroller of the Currency indicated that he was not recommending approval of the application because Bank's past earnings history and capital structure made it seem unlikely that the annual debt service requirements and the anticipated growth in business volume would be met by Bank's projected net earnings.

YORK STATE COMPANY,
YORK, NEBRASKA

Order Approving Formation of Bank Holding Company

York State Company, York, 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 York State Bank, York, 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 corporation with no subsidiaries, was organized for the purpose of becoming a bank holding company through the acquisition of Bank. Bank (deposits of \$21 million) is the smaller of two banks in York and the second largest of seven banks operating in the relevant banking market,¹ controlling approximately 29 per cent of the total deposits in commercial banks in the market.² Upon acquisition of Bank, Applicant would control approximately 0.4 per cent of the total commercial bank deposits in the State. Since the purpose of the proposed transaction is essentially a reorganization to effect a transfer of the ownership of the shares of Bank from an individual to a corporation owned by the same individual, consummation of the proposal would not eliminate any existing competition, nor would it appear to have any adverse effects on other banks or on the development of potential competition in the relevant market. Therefore, competitive considerations are consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant are dependent upon those of Bank. Those of Bank are regarded as satisfactory. Although Applicant will assume debt in acquiring the shares of Bank, it appears that income from Bank will provide sufficient revenue to service the debt adequately without impairing the financial condition of Bank. Considerations relating to the banking factors are consistent with

¹The relevant banking market is approximated by York County.

²Banking data are as of June 30, 1974.

approval of the application. Although consummation of the transaction would have no immediate effect on area banking needs, considerations relating to the convenience and needs of the community to be served are consistent with approval of the application. It is the Board's judgment that consummation of the proposed transaction would be consistent with 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, 1975.

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

(Signed) GRIFFITH L. GARWOOD,
[SEAL] Assistant Secretary of the Board.

Dissenting Statement of Governor Coldwell

I would deny the application of York State Company to become a bank holding company through the acquisition of York State Bank, York, Nebraska.

A bank holding company form of organization enhances management powers and opportunities in banking, and enables the organization to pursue expansion into permissible nonbanking activities. Thus, it is important that the financial soundness of the bank holding company be assured and that the holding company be a source of strength to its subsidiaries. The amount of debt being assumed by the holding company in this proposal is high and, in my view, is a questionable element. Moreover, the record in this case does not indicate that any direct benefits to the public would result from the formation of the holding company. The only discernible benefits that will result are those relating to the personal financial interests of the present owner of Bank, who will also be the principal owner of the holding company. In my view, the approval of a holding company presupposes a real public interest benefit. It should not be approved by the Board where the debt to be incurred by the holding company is high, potentially impairing the financial soundness of the

subsidiary bank, and where the only benefits flowing from the proposal are those that pertain to an individual. I cannot believe that the public interest is served by use of the holding company structure in this fashion.

For these reasons, I would deny the application.

DETROITBANK CORPORATION,
DETROIT, MICHIGAN

Order Approving Acquisition of Bank

DETROITBANK Corporation, Detroit, Michigan, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire all of the voting shares (less directors' qualifying shares) of First National Bank of Warren, Warren, Michigan ("Bank").

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

Applicant, the fourth largest bank holding company in Michigan, controls three subsidiary banks¹ with aggregate deposits of about \$2.3 billion,² representing approximately 8.1 per cent of the total commercial bank deposits in the State. Applicant's acquisition of Bank would increase Applicant's share of commercial bank deposits in the State by 0.2 per cent and would not result in a significant increase in the concentration of banking resources in Michigan.

Bank (deposits of \$45.2 million) is located in Warren, a suburb of Detroit, and operates in the Detroit banking market,³ which is the relevant banking market. Some 41 banking organizations with a total of 638 offices compete in the Detroit banking market. Applicant's lead bank operates 85 offices in the Detroit banking market, including offices which serve the Warren area and compete directly with Bank. Thus, it appears that consummation of this acquisition would result in the elimination of some existing and future competition in the Detroit banking market, although this situation is mitigated to some extent by the large

¹Two of Applicant's subsidiary banks are recently formed *de novo* banks.

²Banking data are as of June 30, 1974.

³The Detroit banking market is approximated by Macomb, Oakland, and Wayne Counties.

number of competing banks operating in the market. While it is the Board's view that consummation of the proposed acquisition would result in some adverse effects on competition in the Detroit banking market, this situation must be examined in light of the financial, managerial, and convenience and needs considerations discussed below.

The financial and managerial resources and future prospects of Applicant and its subsidiary banks are regarded as favorable. The financial and managerial resources and future prospects of Bank are not entirely satisfactory at the present time but are expected to show marked improvement as a result of Bank's affiliation with Applicant. Applicant has committed that, upon consummation of the acquisition, it would make a substantial contribution of funds to increase Bank's capital position and would provide additional experienced personnel to augment Bank's management. The Board regards these commitments as significant and believes that financial and managerial factors lend substantial weight toward approval of the application.

Affiliation with Applicant would enable Bank to draw upon Applicant's resources and expertise and thereby offer expanded services to its customers. Applicant states that, following consummation of the acquisition, Bank would make available to its customers numerous new and improved services, including: personal and corporate trust services, international banking services, accounts receivable financing, computerized services, lock boxes, and personal property leasing. It is expected that enabling Bank's customers to obtain these services through Bank would result in Bank's becoming a more attractive banking alternative and a strong competitor in the Warren area. Convenience and needs considerations also lend weight toward approval of the application. The Board is of the view that, under the circumstances of this case, the convenience and needs factors, considered together with the financial and managerial factors discussed above, outweigh in the public interest the adverse competitive effects of this proposal. It is the Board's judgment that consummation of the proposed transaction would be in the public interest and that the application should be approved.

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

By order of the Board of Governors, effective April 11, 1975.

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

(Signed) THEODORE E. ALLISON,

[SEAL]

Secretary of the Board.

GENERAL BANCSHARES CORPORATION, ST. LOUIS, MISSOURI

Order Approving Acquisition of Bank

General Bancshares Corporation, St. Louis, Missouri, a bank holding company within the meaning of the Bank Holding Company Act ("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 (less directors' qualifying shares) of the voting shares of Traders National Bank of Kansas City, Kansas City, Missouri ("Bank").

Notice of application, affording opportunity for interested persons to submit comments and views, has been given in accordance with § 3(b) of the Act (12 U.S.C. § 1842(b)). 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 is the seventh largest banking organization in Missouri and controls seven Missouri banks with total deposits of \$362.8 million, representing approximately 2.4 per cent of the total deposits held by commercial banks in the State.¹ In addition, Applicant controls three banks in Illinois and one in Tennessee, all of which were acquired by Applicant prior to the enactment of the Bank Holding Company Act of 1956. Acquisition of Bank would increase Applicant's share of State deposits by approximately one-half of one per cent, while Applicant's rank among the State's banking organizations would remain unchanged.

Bank (deposits of \$81.5 million) is the eighth largest commercial bank in the Kansas City banking market and controls approximately 1.9 per cent of the total deposits held by commercial banks in this market.² Applicant's closest Missouri banking

¹All banking data are as of June 30, 1974.

²The Kansas City banking market is approximated by the Kansas City SMSA less Ray County, and the southern half of Cass County, Missouri.

subsidiary to Bank is located approximately 2-40 miles east of Bank in St. Louis County, Missouri. There is no significant existing competition between any of Applicant's banking or nonbanking subsidiaries and Bank, and it appears unlikely that any such competition would develop in the future due in part to Missouri's branching law. Inasmuch as the six largest Missouri bank holding companies each own two or more banks in the market, acquisition of Bank by Applicant may promote competition by introducing a new banking alternative into the market and by strengthening Bank's competitive position therein. Accordingly, on the basis of the facts of record, the Board concludes that competitive considerations are consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant and its subsidiary banks are regarded as generally satisfactory and consistent with approval of the application. Bank's affiliation with Applicant should result in a strengthening of Bank's overall financial condition, as well as providing Bank with additional managerial expertise. Thus, the banking factors lend weight toward approval of the application.

In regard to considerations relating to convenience and needs, Applicant intends to supply Bank with access to Applicant's wide range of banking expertise, particularly in the area of data processing services. In addition, Bank's construction and cattle lending activities would be expanded. These considerations relating to the convenience and needs of the community to be served lend additional 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 St. Louis pursuant to delegated authority.

By order of the Board of Governors, effective April 1, 1975.

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

(Signed) THEODOR E. ALLISON,
Secretary of the Board.

[SEAL]

UNITED BANKS OF COLORADO, INC.,
DENVER, COLORADO

Order Denying Acquisition of Bank

United Banks of Colorado, Inc., Denver, Colorado, 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 Republic National Bank of Englewood, Englewood, Colorado ("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 (39 Federal Register 36394, October 9, 1974). 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 16 banks with aggregate deposits of about \$918.6 million, representing approximately 13.7 per cent of the total commercial bank deposits in Colorado and is the second largest banking organization in the State.¹ The acquisition of Bank (deposits of \$13.1 million) would increase Applicant's control of commercial bank deposits in Colorado by 0.2 of one per cent and would not alter Applicant's rank among Colorado banking organizations.

Bank, which is located in a suburban area about 7 miles from downtown Denver, competes in the Denver banking market (approximated by Denver, Adams, Arapahoe and Jefferson Counties and the Broomfield area of Boulder County) and controls approximately .3 of one per cent of total market deposits. Applicant is also represented in the Denver market and ranks therein as the second largest banking organization with six subsidiaries in the market controlling approximately 17 per cent of the total market deposits. Consummation of the proposed transaction would have some adverse effects on the concentration of banking resources by increasing Applicant's position in the market and by increasing the percentage of deposits held by the five largest organizations in the market to about 69.3 per cent of the total.

In addition to the effects of the proposal on the concentration of banking resources, the proposal

¹ All banking data are as of June 30, 1974, and reflect bank holding company formations and acquisitions approved by the Board through January 31, 1975.

would have adverse effects on existing and future competition within the Denver market. As noted above, Applicant is already represented in the relevant market, and the record indicates that there is meaningful competition between Applicant and Bank which would be eliminated by this proposal, as evidenced by the fact that two of Applicant's subsidiaries derive significant amounts of loans and deposits from the area served by Bank. Furthermore, the proposal would foreclose the development of future competition by removing Bank as an independent competitor. Accordingly, the Board is of the view that consummation of the proposal would have adverse effects on both existing and future competition.

On the basis of the foregoing and other facts of record, the Board concludes that competitive considerations relating to this application weigh sufficiently against approval so that it should not be approved unless the anticompetitive effects are outweighed by other positive considerations reflected in the record such as the financial and managerial resources and future prospects of Applicant and Bank or the convenience and needs of the communities to be served.

The financial and managerial resources and prospects of Applicant, its subsidiaries, and Bank are regarded as generally satisfactory and consistent with approval of the application, although such considerations do not provide weight for approval of the application. The same conclusion pertains to considerations relating to the convenience and needs of the communities to be served. Accordingly, the Board finds that neither the considerations relating to the banking factors nor those relating to convenience and needs outweigh the adverse competitive effects the Board finds present in Applicant's proposal.

On the basis of all the facts in the record, and in light of the factors set forth in § 3(c) of the Act, it is the Board's judgment that approval of the proposal would not be in the public interest. Accordingly, the application is denied for the reasons summarized above.

By order of the Board of Governors, effective April 11, 1975.

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

(Signed) THEODORE E. ALLISON,
Secretary of the Board.

[SEAL]

UNITED BANKS OF COLORADO, INC., DENVER, COLORADO

Order Approving Acquisition of Bank

United Banks of Colorado, Inc., Denver, Colorado, 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 United Bank of Monaco, N.A., Denver, Colorado ("Bank"), a proposed new bank.

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with § 3(b) of the Act (39 Federal Register 41312, November 26, 1974). The time for filing comments and views has expired, and the Board has considered the application and all comments received, including those of Frontier Bank of Denver, Denver, Colorado ("Protestant"), in light of the factors set forth in § 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant controls 16 banks with aggregate deposits of about \$918.6 million, representing approximately 13.7 per cent of the total commercial bank deposits in Colorado, and is the second largest banking organization in the State.¹ Since Bank is a proposed new bank, its acquisition by Applicant would not immediately increase Applicant's share of commercial bank deposits in the State.

Bank is a new bank which has received preliminary charter approval from the Comptroller of the Currency and is to be located in southeast Denver within the Denver market, which is approximated by Denver, Adams, Arapahoe, and Jefferson Counties and the Broomfield area of Boulder County. With six subsidiaries in the Denver market (the relevant market), Applicant controls deposits of \$659.8 million, representing about 17 per cent of the market deposits, and ranks thereby as the second largest banking organization in the market. The first and third largest banking organizations in the market control, respectively, about 22 and 14 per cent of the market deposits. Since Bank is a proposed new bank, consummation of Applicant's proposal would not eliminate any ex-

¹All banking data are as of June 30, 1974, and reflect bank holding company formations and acquisitions approved through January 31, 1975.

isting competition, nor would it have any immediate effect on Applicant's share of commercial bank deposits in the market. While Applicant is the second largest banking organization in the market, it is noted that its market share has been declining recently, and it does not appear that Applicant occupies a dominant position within the market.

In its analysis of the subject application, the Board has also considered the comments submitted on behalf of Protestant, a bank located less than two miles from the proposed site of Bank. Generally speaking, Protestant contends that the proposal would have anticompetitive effects. In support of this contention, Protestant argues that the area that will be served by Bank is "in the state of economic lethargy" and is not in need of a new bank; Applicant is already dominant in this area, and the establishment of a new bank by Applicant at this time would adversely affect Protestant, a recently opened bank.⁷ In the Board's judgment, the issues raised by Protestant are not sufficient to warrant denial of the subject application.

On the basis of the facts of record, the Board disagrees with Protestant's assessment of the adverse effects of the proposal. As noted above, the relevant banking market for assessing the competitive effects of the proposal is the Denver market. Applicant's position within this market has been declining in recent years and the instant proposal represents, in the Board's view, an effort to serve the growing banking needs of the Denver area. Even though there are over 70 banks in the market, it appears that there is a need for additional banks to serve the Denver market, as indicated by a population per banking office ratio of approximately 18,000 as compared to about 9,000 for the State. Even using the service area delineated by Protestant (which is only a guesstimate that may prove inaccurate in actual practice), the Board is unable to conclude that Applicant is dominant in the area or that the area would not support an additional bank. In this latter connection, it is noted that the Denver area, including southeast Denver, has experienced significant growth in the past and, while the overall growth of the area has slowed recently, the prospects for future growth in the market, as well as the area in the vicinity of Bank, are favorable. Furthermore, the growth experienced by the banks in the vicinity of Bank's proposed site, including the significant growth of

Protestant, indicate the area would support another bank. With respect to the final contention that the proposal would adversely affect Protestant, the Board recognizes that the introduction of a new banking alternative may slow the rate of Protestant's growth; however, the evidence in the record is not sufficient, in the Board's judgment, to conclude that the proposal would adversely affect Protestant as a viable banking organization.

Accordingly, on the basis of the facts of record and having considered the comments of Protestant, the Board concludes that consummation of the proposed acquisition would not have significant adverse effects on existing or potential competition and that competitive considerations are consistent with approval of the application.

The financial and managerial resources of Applicant and its subsidiaries are regarded as generally satisfactory. Bank, a proposed new bank, has no financial or operating history; however, its prospects as a subsidiary of Applicant appear favorable. Considerations relating to banking factors, therefore, are consistent with approval of the application. In regard to convenience and needs considerations, Bank would serve as an additional source of full banking services to the residents of the area, including the businesses and customers of the nearby shopping center who now must travel approximately two miles to the nearest bank. Accordingly, these considerations relating to convenience and needs 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 that date, and (c) United Bank of Monaco, N.A., Denver, Colorado, shall be opened for business not later than six months after the effective date of this Order. Each of the periods described in (b) and (c) may be extended for good cause by the Board, or by the Federal Reserve Bank of Kansas City pursuant to delegated authority.

By order of the Board of Governors, effective April 11, 1975.

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

(Signed) THEODORE E. ALLISON,
Secretary of the Board.

[SEAL]

⁷On March 26, 1975, the Board approved the application of Frontier Bancorporation of Denver, Inc., Denver, Colorado, to become a bank holding company. Protestant is a subsidiary of that bank holding company.

UNITED MISSOURI BANCSHARES, INC.,
KANSAS CITY, MISSOURI

Order Denying Acquisition of Bank

United Missouri 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 80 per cent or more of the voting shares of Westport Bank, Kansas City, Missouri ("Bank").

Notice of receipt of the application, affording opportunity for interested persons to submit comments and views with respect to the proposed transaction, was published in the Federal Register (39 F.R. 7998). As required by § 3(b) of the Act, the Board gave written notice of receipt of the application to the Commissioner of Finance of the State of Missouri and requested his views and recommendations thereon. Within 30 days of the receipt of that notice, the Commissioner submitted in writing a statement expressing disapproval of the application. Accordingly, as required by § 3(b) of the Act, the Board directed that a public hearing be held commencing on April 3, 1974, at the Federal Reserve Bank of Kansas City before the Honorable John G. Liebert, Administrative Law Judge. Notice of the hearing was published in the Federal Register (39 F.R. 10190), and all persons desiring to give testimony, present evidence, or otherwise participate in the hearing held in Kansas City, Missouri, on April 3, 1974, and July 23 through July 25, 1974, were afforded an opportunity to do so. The hearing and related proceedings have been conducted in accordance with the Board's Rules of Practice for Formal Hearings (12 CFR 263).¹

In a Recommended Decision of December 30, 1974, the Administrative Law Judge concluded that the evidence supported approval of the application and found that the financial and managerial resources and future prospects of Applicant, Applicant's present affiliates, and Bank are satisfactory and consistent with approval of the application. Accordingly, he recommended that the Board of Governors determine that the proposed acquisition satisfies the requirements of § 1842(e) of the Act and that the application be approved.

While the Board recognizes that little or no

controversy exists as to many of the relevant facts cited by the Administrative Law Judge, the Board does disagree with the conclusions, inferences, and legal conclusions to be drawn from these facts. Accordingly, the Board having considered the entire record of the hearing, including the transcript, exhibits, rulings, all briefs, and memoranda filed in connection with the hearing and the Recommended Decision, findings of fact, and conclusions of law filed by the Administrative Law Judge, together with the exceptions taken thereto, and having determined that the subject application should be denied, all findings of the Administrative Law Judge inconsistent with the Board's findings and determination herein are hereby vacated. The Board now makes the following findings of fact and conclusions of law.

Applicant is the fifth largest banking organization in Missouri where it controls 17 banks holding aggregate deposits of \$720.9 million, representing 4.8 per cent of the total commercial bank deposits in the State.² Acquisition of Bank, with deposits of \$36.1 million, would increase Applicant's share of the State's total commercial bank deposits to approximately 5 per cent and would not alter Applicant's rank among Missouri banking organizations.

Bank, which is located in a suburban area about four miles from downtown Kansas City, competes in the Kansas City banking market (approximated by the Kansas City Standard Metropolitan Statistical Area less Ray County and the southern portion of Cass County) and controls approximately .8 of 1 per cent of total market deposits. Applicant is also represented in the Kansas City banking market and ranks therein as the third largest banking organization with five subsidiaries in the market controlling approximately 11.9 per cent of the total market deposits. Upon consummation of the proposed transaction, Applicant's share of the market's total deposits would increase to 12.7 per cent. The resulting organization's share of IPC demand deposits in accounts under \$20,000 would increase from 7.8 per cent to 9.3 per cent of the market total (as of June 30, 1972).

As noted above, Applicant is already represented in the relevant market, and the record indicates that its lead bank is located approximately four miles north of Bank. Four other subsidiary banks of Applicant, all located in the

¹Board counsel's participation in the hearing was confined to "represent[ing] the Board in a nonadversary capacity for the purpose of developing for the record information relevant to the issues to be determined by the presiding officer and the Board" (12 CFR 263.6(d)).

²All banking data, unless otherwise indicated, are as of December 31, 1973, and reflect acquisitions of existing banks approved by the Board through July 15, 1974. All such data is taken from the record certified by the Administrative Law Judge.

Kansas City banking market, have their main offices located five, nine, twelve, and sixteen miles, respectively, from Bank. Moreover, the record discloses that the service area overlap of deposits and loans by the Applicant's five banking subsidiaries and Bank is substantial. Applicant's subsidiaries derive approximately \$118.3 million of total IPC deposits from the service area of Bank. The majority of this total, however, or \$97.5 million, is accounted for by Applicant's lead bank; 12.3 per cent of this total (\$12 million) is in accounts less than \$10,000. Applicant's subsidiaries derive total loans of approximately \$96.8 million from the service area of Bank of which \$86.5 million are accounted for by Applicant's lead bank.³ In the Board's view, the proposed acquisition would eliminate substantial existing competition between Applicant's subsidiary banks and Bank in the Kansas City banking market. Furthermore, the proposal would foreclose the development of future competition by removing Bank as an independent competitor. Accordingly, the Board is of the view that consummation of the proposal would have adverse effects on both present and future competition.

On the basis of the foregoing and other facts of record, the Board concludes that competitive considerations relating to this application weigh sufficiently against approval so that it should not be approved unless the anticompetitive effects are outweighed by other positive considerations reflected in the record, such as the financial and managerial resources and future prospects of Applicant and Bank or the convenience and needs of the communities to be served.

The financial and managerial resources and prospects of Applicant, its subsidiaries, and Bank are regarded as generally satisfactory. Although Bank suffered a decline of \$1.5 million in total deposits during 1973, its deposit growth appears to have been satisfactory in the period 1968 to 1972. In the Board's judgment, Bank's future prospects appear favorable. It does not appear that a possible management succession problem at Bank is critical; nor does the record contain any evidence to show that Bank has explored any alternatives to this acquisition for providing successor management. Accordingly, managerial and financial considerations lend only slight weight toward approval of the application. Applicant proposes to assist Bank by upgrading its trust department and by offering additional expertise in

the areas of accounts receivable financing, freight payment arrangements, equipment leasing, computer services, and international financing. Applicant also proposes to offer a "Blue Banner Account" program, which includes a package of retail banking services for a monthly fee. While convenience and needs considerations lend some weight for approval of the application, they do not, in the Board's judgment, outweigh the anti-competitive effects of the proposal. Accordingly, the Board finds that neither the considerations relating to the banking factors nor those relating to convenience and needs outweigh the adverse competitive effects the Board finds present in Applicant's proposal.

On the basis of all the facts in the record and in light of the factors set forth in § 3(c) of the Act, it is the Board's judgment that approval of the proposal would not be in the public interest. Accordingly, the application is denied for the reasons summarized above.

By order of the Board of Governors, effective April 28, 1975.

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

(Signed) GRIFFITH L. GARWOOD,
[SEAL] Assistant Secretary of the Board.

FIRST BANCGROUP-ALABAMA, INC.,
MOBILE, ALABAMA

Order Approving Merger of Bank Holding Companies

First Bancgroup-Alabama, Inc., Mobile, Alabama ("FBA"), a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 3(a)(5) of the Act (12 U.S.C. § 1842(a)(5)) to merge with United Alabama Bancshares, Inc., Birmingham, Alabama ("United"), under the charter of Applicant and the name of First United Bancgroup-Alabama, Inc.

Notice of receipt of the application, affording an opportunity for interested persons to submit comments and views, has been given in accordance with § 3(b) of the Act. The time for filing comments and views has expired, 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)).

FBA controls three banks with aggregate deposits of \$351 million, representing approximately 4.4 per cent of the total deposits in commercial

³Approximately one half of the loans are greater than \$1 million.

banks in Alabama, and is the sixth largest multi-bank holding company in the State.¹ United controls three banks² with total deposits of \$58 million, representing less than 1 per cent of total deposits in the State, and is Alabama's seventh multi-bank holding company. Consummation of the proposed merger would result in FBA's control of approximately 5 per cent of total deposits in the State's commercial banks, and the resulting organization would become the State's fifth largest multi-bank holding company, approximately one-half the size of the State's fourth largest banking organization.

FBA's present subsidiary banks are located in Mobile, Huntsville, and Foley, Alabama. United's present subsidiary banks are located in Huntsville, Eufaula, Dothan, and Bessemer, Alabama. While FBA and United each owns and controls a bank in Huntsville, United has committed to divest its Huntsville bank, thereby removing any adverse competitive effects that would result from the elimination of competition in the Huntsville area.³ United's subsidiary bank in Eufaula (First National Bank of Eufaula with deposits of \$14 million) is the second largest of seven banks competing in the Barbour County banking market and holds about 21 per cent of the total deposits in that market. United's subsidiary bank in Dothan (City National Bank of Dothan with deposits of \$22 million) is the third largest of seven banking organizations competing in the Houston County banking market and holds approximately 13 per cent of the total deposits in that market. United's subsidiary bank in Bessemer (First Western Bank with deposits of \$22 million) is the sixth largest of 12 banking organizations competing in the Jefferson County banking market and holds approximately 1 per cent of the total deposits in that market.

Consummation of the proposed merger would not appear to have an adverse effect on existing competition since the distance separating FBA's

subsidiary bank nearest to a subsidiary bank of United is approximately 97 miles, the distance between Huntsville and Bessemer and no subsidiary of FBA competes in any geographic market in which a subsidiary of United competes (other than in the Huntsville area). In addition, the relatively small sizes of FBA and United and the fact that United does not have a lead bank, suggest the absence of any development of competition between those organizations, absent consummation of the proposed merger. While FBA is capable of entering each of the relevant markets *de novo*, the low population per bank and personal income per bank office ratios in Barbour and Houston Counties⁴ and the number of larger holding companies presently represented in Jefferson County makes each of these markets unattractive for such entry in the near future. The proposed merger should result, however, in the development of a new State-wide holding company with the financial resources to compete effectively with the State's largest bank holding companies.

The Board recognizes that consummation of the proposal would foreclose the possibility that United would expand to become a State-wide competitor of FBA. However, taking into account the time lag and financial resources necessary to establish competitive effectiveness through "foot-hold" or *de novo* entry, the Board does not view the record in this case as reflecting a probability that, absent this proposal, United would or could expand to become an effective State-wide competitor of FBA and the State's other bank holding companies in the reasonably foreseeable future. In prior Orders involving mergers of bank holding companies, the Board has noted that a substantial adverse effect on potential competition occurs only where there is a probability rather than just a possibility that substantial competition would develop between the banking organizations involved absent the proposed affiliation.⁵ Therefore, on the basis of the record, the Board concludes that consummation of the proposed transaction would not have significant adverse effects on existing or potential banking competition in any relevant area.

The financial condition and managerial resources and future prospects of FBA, its subsidiary

¹Banking data are as of June 30, 1974, and reflect holding company formations and acquisitions approved through November 30, 1974.

²United also controls The Bank of Huntsville, Huntsville, Alabama, which it has committed to divest by offering all the stock of the bank to United's shareholders in exchange for their shares of United or by a distribution of shares of the bank to United's shareholders as a dividend, or by both means. United shall take other measures necessary to ensure effective termination of its control of The Bank of Huntsville.

³It does not appear that severance of the relationship between United and The Bank of Huntsville (deposits of \$40 million as of December 31, 1974) which has exhibited continuous and substantial growth since 1969 will weaken the competitive vitality of that bank; nor does it appear that The Bank of Huntsville would encounter serious problems in raising equity capital as an independent bank.

⁴The number of banks located in these counties has not increased in the last five years.

⁵See Board's Order of February 16, 1973 approving merger of First Florida Bancorporation and United Baneshares of Florida, Inc., 59 Fed. Res. BULLETIN, 183, at 184 (1973); and Board's Order of August 1, 1973, approving the merger of Atlantic Bancorporation and Citizens Baneshares of Florida, Inc., 59 Fed. Res. BULLETIN 685, at 686 (1973).

banks and United appear satisfactory. The financial condition and managerial resources and future prospects of United's subsidiary banks appear generally satisfactory in light of the fact that FBA will be able to provide financial and managerial strength to those banks. These considerations are consistent with approval of the application. The primary banking needs of the areas served by both holding companies appear to be adequately met at the present time. However, consummation of the proposal would provide customers of United's banks immediate access to trust department services and investment advice. In addition, FBA intends to provide its new subsidiaries with a ready source for loan participations, as well as marketing services and computer facilities. Considerations relating to the convenience and needs of the communities to be served lend some weight toward approval. It is the Board's judgment that the proposed transaction is in the public interest and should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be 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 16, 1975.

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

(Signed) THEODORE E. ALLISON,
[SEAL] Secretary of the Board.

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

THE CITIZENS AND SOUTHERN CORPORATION,
CHARLESTON, SOUTH CAROLINA

Order Approving Retention of Carolina National Mortgage Investment Company and CN Mortgages, Inc.

The Citizens and Southern Corporation, Charleston, South Carolina, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under § 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to retain all of the

voting shares of Carolina National Mortgage Investment Company, Inc. ("Carolina Mortgage"), and its indirect subsidiary, CN Mortgages, Inc., both located in Charleston, South Carolina.¹

Carolina Mortgage would, upon approval, continue to engage directly in the activities of a mortgage banking company and, through its ownership of CN Mortgages, Inc., to engage indirectly in the activities of a second mortgage lender. Carolina Mortgage would also continue to act as agent in the sale of credit life, accident and health insurance to its borrowing customers. Such activities have been determined by the Board to be closely related to banking (12 CFR § 225.4(a)(1), (3) and (9)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors has been duly published (40 Federal Register 7007). The time for filing comments and views has expired, and the Board has considered all comments received in the light of the public interest factors set forth in § 4(c)(8) of the Act. (12 U.S.C. § 1843(c)(8)).

Applicant controls one banking subsidiary, Citizens and Southern National Bank of South Carolina ("C&S Bank"), with deposits of approximately \$461 million, representing 12.3 per cent of the deposits in commercial banks in South Carolina, and is the second largest banking organization and bank holding company in the State.² In addition to Carolina Mortgage, Applicant has five nonbanking subsidiaries respectively engaged in data processing, holding bank premises, community rehabilitation, mobile home financing, and providing bank management advisory services.

C&S Bank is engaged in making mortgage loans for its own account. It appears, however, that most of its loans at the time it acquired Carolina Mortgage were construction loans and loans on non-residential property. At the time of acquisition, though, C&S was engaged in making some 14 family residential mortgage loans.

Although it also originated construction loans and mortgages on nonresidential property, Caro-

¹On December 15, 1970, Applicant acquired Carolina Mortgage and merged it into Citizens Mortgage Corporation, a wholly-owned subsidiary of Applicant. At the same time, Applicant indirectly acquired shares of CN Enterprises, Inc., Charleston, South Carolina, a 49 per cent owned subsidiary of CN Mortgages, Inc. CN Enterprises, Inc. engages in real estate development. Applicant is not seeking approval to retain CN Enterprises, Inc. which is subject to the prohibitions in § 4(a)(2) of the Act. It is the intention of Applicant to divest the assets of CN Enterprises, Inc. by December 31, 1980.

²Unless otherwise indicated, all banking data are as of June 30, 1974, and reflect bank holding company formations and acquisitions approved through February 28, 1975.

lina Mortgage's loan originations during 1970 were to a great degree comprised of mortgages on 1-4 family residences. The major geographic markets affected by the acquisition are approximated by the Charleston, Columbia, and Greenville Standard Metropolitan Statistical Areas and Spartanburg County, all in South Carolina. At the time of the acquisition and thereafter, the economy of these areas was expanding with an attendant rise in housing demand and growth. During the period 1970 to 1973, these areas were among the fastest growing in the country. Carolina Mortgage accounted for approximately 5.7, 2.3, and 3.6 per cent of 1-4 family residential mortgage loan originations during 1970 in the first three markets respectively.³ C&S Bank's market shares in those markets were approximately 2.5, 0.5, and 0.3 per cent, respectively, at the time. As of June 30, 1971, Carolina Mortgage was the 174th largest mortgage company in the country, based on a servicing volume of \$119 million. Its mortgage servicing portfolio has increased by \$76 million since it ceased operating as an independent mortgage company.

It is estimated that there were 18, 23, and 26 residential mortgage competitors respectively in the Charleston, Columbia, and Greenville markets in 1970. Considering the number of residential mortgage banking competitors already in those markets and the respective market shares of C&S Bank and Carolina Mortgage, Applicant's acquisition of Carolina Mortgage had only slightly adverse effects on competition in the origination of 1-4 family residential mortgage loans.⁴ The slight adverse competitive effect of the acquisition is outweighed by the public benefits which appear to have resulted from Applicant's acquisition of Carolina Mortgage. Affiliation has provided greater access to capital markets for Carolina Mortgage and thereby increased the amount of its available funds to meet the growing credit demands for housing and other construction in its respective mortgage markets. The Board concludes that the potential public benefits outweigh the adverse effect resulting from the affiliation at the time of the acquisition.

The Board's review of the record of affiliation

indicates that public benefits have continued to outweigh the slight adverse effect on competition. Through Applicant's support, Carolina Mortgage has increased its servicing volume to nearly \$197 million, and it is now the 151st largest mortgage company in the country. During the post-acquisition period (1970 to 1973), Carolina Mortgage increased its originations by nearly 247 per cent. In addition, Carolina Mortgage has entered *de novo*, thereby stimulating competition, two new geographic markets: Atlanta, Georgia, and Knoxville, Tennessee. The Board believes that the affiliation is sufficiently likely to continue to produce public benefits in the foreseeable future so that, on balance, divestiture would be contrary to the public interest.

Carolina Mortgage also sells credit related insurance on the loans it originates. Due to the limited nature and scope of its insurance activities, it does not appear that the acquisition of Carolina Mortgage's insurance activities had any significant effect on either existing or potential competition. The activities of CN Mortgages, Inc. (total assets of \$4.8 million) are likewise so limited in scope that its acquisition did not have any significant competitive effects.

There is no evidence in the record to indicate that the proposed retentions would lead to an undue concentration of resources, conflicts of interests, unsound banking practices, or other adverse effects upon the public interest.

Based upon the foregoing and other considerations reflected in the record, the Board has determined, in accordance with the provisions of § 4(c)(8), that consummation of this proposal can reasonably be expected to result in benefits to the public that outweigh possible adverse effects. Accordingly, the application is hereby approved. This determination is subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, and to prevent evasion thereof.

By order of the Board of Governors, effective April 2, 1975.

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

(Signed) THEODORE E. ALLISON,
Secretary of the Board.

[SLAT]

³Market shares are based upon Applicant's estimates of total 1-4 family mortgage originations. No such estimate is available for Spartanburg County.

⁴It appears that the acquisition also eliminated competition between C&S Bank and Carolina Mortgage in the origination of construction loans and the origination of mortgages upon nonresidential property. Geographic markets for these services are regional in scope and the amount of competition eliminated is not deemed significant.

FIDELCOR, INC.,
ROSEMONT, PENNSYLVANIA

*Order Approving Acquisition of
Keen Factors, Inc.*

Fidelcor, Inc., Rosemont, Pennsylvania, a bank holding company within the meaning of the Bank Holding Company Act ("Act"), has applied for the Board's approval, under section 4(c)(8) of the Act and section 225.4(b)(2) of the Board's Regulation Y, to establish a *de novo* indirect¹ subsidiary named Trefoil Capital Corporation of California, Inc., and through said subsidiary to acquire substantially all of the assets of Keen Factors, Inc., Beverly Hills, California ("Keen"), a company that engages in the making and acquiring, for its own account or for the account of others, loans and other extensions of credit such as would be made by a commercial finance or factoring company, and the servicing of such loans and other extensions of credit for others. Such activities have been determined by the Board to be closely related to banking (12 C.F.R. § 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 (39 Federal Register 33408). The time for filing comments and views has expired, and the Board has considered all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)).

Applicant, the sixth largest banking organization in Pennsylvania, controls one bank (The Fidelity Bank, Rosemont, Pennsylvania) with total domestic deposits of \$1.5 billion, representing approximately 3.9 per cent of the total deposits held by commercial banks in the State.² Applicant also has wholly-owned nonbanking subsidiaries engaged in the activities of real estate lending, advising a real estate investment trust, consumer lending, and commercial financing, among others.

Keen lends funds on a secured basis usually receiving security in the form of accounts receivable, inventory, machinery, equipment and real estate.³ In addition, Keen purchases a small⁴

amount of accounts receivable from its clients prior to the dates that payments are due from its clients' customers. This advance factoring is done on a notification basis, whereby debtors are informed by Keen that it has purchased the accounts receivable and that they are to make their payments directly to Keen. Keen operates its sole office in Beverly Hills, California, and, as of February 28, 1974, held total gross receivables of approximately \$1.3 million, including factored accounts. Applicant's subsidiary, Trefoil Capital Corporation ("Trefoil"), with offices located in both New York, New York and Philadelphia, Pennsylvania, engages only in commercial finance lending. Subsequent to its acquisition of Trefoil in 1973, Applicant transferred the commercial finance lending activities of its subsidiary bank to Trefoil. Trefoil's gross receivables, as of June 30, 1974, amounted to approximately \$22 million. Due to the geographical distances between offices of Trefoil and that of Keen (approximately 3,000 miles), and the fact that neither Trefoil nor Keen originate any loans in the service areas of the other, it does not appear that competition exists between the two firms. Further, in view of the relatively small size of Keen, and of its estimated market shares (less than one per cent), it would not appear that its affiliation with Applicant would foreclose entry into any commercial financing market by others.⁵ Neither Trefoil nor Keen appears to be a likely *de novo* entrant into any market in which the other competes. Thus, the Board concludes that consummation of the proposed transaction would have no significantly adverse effects on either actual or potential competition.

Applicant's acquisition of Keen would enhance Keen's access to financial resources necessary to expand its commercial financing and factoring operations. Those operations have not expanded significantly since 1971. Consummation should produce further public benefits to the extent that the availability of additional commercial financing and factoring facilities may be expected to increase; at least moderately, the volume of Keen's business and to decrease interest rates in the relevant market area. There is no evidence in the record indicating that acquisition of Keen by Applicant would result in any undue concentration of resources, unfair competition, conflicts of in-

¹Trefoil Capital Corporation of California, Inc., would be wholly owned by Applicant's subsidiary, Trefoil Capital Corporation, New York, New York.

²All banking data are as of June 30, 1974, and reflect bank holding company formations and acquisitions approved through October 31, 1974.

³Real estate never serves as the sole collateral for a loan by Keen, but, on occasion, serves as collateral in addition to other collateral.

⁴As of February 28, 1974, Keen's purchased receivables amounted to \$189,876.

⁵The relevant market in which Keen competes is the Los Angeles Regional Area, covering eleven counties in the southern third of California and Mohave County in northwestern Arizona and Clark and Lincoln counties in southeastern Nevada. Trefoil competes in regional markets centered upon New York City and Philadelphia.

terests, unsound banking practices or other adverse effects upon the public interest.

Based upon the foregoing and other considerations reflected in the record, the Board has determined in accordance with the provisions of section 4(c)(8) of the Act that consummation of this proposal can reasonably be expected to produce benefits to the public that outweigh possible adverse effects. 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 Philadelphia, pursuant to authority delegated hereby.

By order of the Board of Governors, effective April 1, 1975.

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

(Signed) THEODOR E. ALLISON,
[SEAL] *Secretary of the Board.*

FIRST ARKANSAS BANKSTOCK CORPORATION,
LITTLE ROCK, ARKANSAS

*Order Approving Acquisition of Consumers
Protective Life Insurance Company*

First Arkansas Bankstock Corporation, Little Rock, Arkansas, 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 (12 U.S.C. § 1843(c)(8)) and § 225.4(b)(2) of the Board's Regulation Y (12 CFR § 225.4(b)(2)), to acquire all of the voting shares of Consumers Protective Life Insurance Company ("Company"), Phoenix, Arizona, a company that would engage *de novo* in the activity of underwriting, as reinsurer, credit life and credit accident and health insurance directly related to extensions of credit¹ by Applicant's credit granting subsidiaries. Such activity has been determined by the Board to be closely related to banking (12 CFR § 225.4(a)(10)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (40 Federal Register 839). The time for filing comments and views has expired, and the Board has considered the application and all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. § 1843(c)(8)). The Insurance Commissioner for the State of Arkansas scheduled a hearing for the purpose of reviewing Applicant's proposal to determine whether it would violate relevant Arkansas statutes. On March 26, 1975, the Insurance Commissioner issued an Order approving Applicant's proposed reinsurance agreement. Accordingly, the Arkansas statutes do not present any impediment to the Board's approval of the application.

Applicant, the largest banking organization in Arkansas, controls three subsidiary banks with aggregate deposits of approximately \$394 million, representing approximately 7.8 per cent of the total commercial bank deposits in the State.² Applicant also engages, through nonbank subsidiaries, in real and personal property leasing, consumer finance, mortgage banking, data processing, and travel agency activities, and financial institution advisory services.

Consumers will engage *de novo* in the activity of underwriting, as reinsurer, credit life and credit accident and health insurance directly related to extensions of credit by Applicant's subsidiary banks, and by Applicant's industrial loan subsidiary, National Credit Corporation, Pine Bluff, Arkansas.³ Consumers will be qualified to underwrite insurance directly only in Arizona, and accordingly, the insurance sold by Applicant's subsidiaries in Arkansas will be directly underwritten by an unaffiliated insurance company qualified to do business in Arkansas and will thereafter be as

¹These extensions of credit include loans secured by second mortgages on real estate. Such loans would be essentially equivalent to consumer finance loans, and in this instance range from six months to seven years in maturity and from \$500 to \$6,000 in amount. Age is not a factor in the rate charged for credit life insurance related to such loans. Such loans are not considered "long term" or "high value" within the meaning of footnote 1 in the Board's Order of May 21, 1973 approving the application of Northwest Bancorporation to acquire Banco Credit Life Insurance Company. 38 Fed. Reg. 14208 (1973).

²Banking data are as of June 30, 1974.

³Officers and directors of Applicant control indirectly the First National Bank in Mena, Mena, Arkansas. The instant application does not include the First National Bank in Mena, and, accordingly, Consumers would not reinsure credit life and credit accident and health insurance sold in connection with extensions of credit by First National Bank in Mena.

signed or ceded to Consumers under a reinsurance agreement. Since this proposal involves a *de novo* acquisition, consummation of the transaction would not have any adverse effects on existing or potential competition in any relevant market.

Credit life and credit accident and health insurance is generally made available by banks and other lenders and is designed to assure repayment of a loan in the event of death or disability of the borrower. In connection with the addition of the underwriting of such insurance to the list of permissible activities for bank holding companies, the Board has stated:

To assure that engaging in the underwriting of credit life and credit accident and health insurance can reasonably be expected to be in the public interest, the Board will only approve applications in which the applicant demonstrates that approval will benefit the consumer or result in other public benefits. Normally, such a showing would be made by a projected reduction in rates or increase in policy benefits due to bank holding company performance of this service.

Applicant has stated that it will provide reducing term credit life insurance at rates which are 6.67 per cent below those presently being charged by Applicant's subsidiaries.¹ Applicant also states that it will reduce the rates which its subsidiaries presently charge for credit accident and health insurance by 5 per cent. The Board views the proposed reductions in the premiums charged for such insurance as a consideration favorable to the public interest. The Board concludes, therefore, that Applicant's proposal is procompetitive and in the public interest.

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

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 St. Louis, pursuant to authority hereby delegated.

By order of the Board of Governors, effective April 28, 1975.

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

(Signed) GRIFFITH L. GARWOOD,
[SEAL] Assistant Secretary of the Board.

FIRST SECURITY CORPORATION, SALT LAKE CITY, UTAH

Order Conditionally Approving Acquisition of Securities-Intermountain, Inc.

First Security Corporation, Salt Lake City, Utah, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to acquire all of the common¹ shares of Securities-Intermountain, Inc., Portland, Oregon ("Simco"),² a mortgage company that engages in the making and acquiring, for its own account and for the account of others, loans and other extensions of credit and the servicing of such loans for itself and for others; acting as an insurance agent, through a wholly owned subsidiary, with respect to insurance directly related to said extensions of credit and insurance otherwise sold as a matter of convenience to borrowers, and participating as an investment adviser to a real estate investment trust through a 20 per cent ownership interest in Bancorp Management Advisors, Inc. Such activities have been determined by the Board to be closely related to banking (12 C.F.R. 225.4(a)(1), (3), (5), 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 (39 Federal Register 37544). The time for filing comments and views has expired, and the Board has considered the application and all comments received in the light of public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

¹Applicant had applied to reinsure level term credit life insurance on single payment loans. However, the March 26, 1975 Order of the Insurance Commissioner of the State of Arkansas found that the policies to be reinsured shall consist solely of reducing term policies.

²It is proposed that all outstanding preferred shares of Securities-Intermountain, Inc. would be retired prior to consummation of the proposed acquisition.

³An application by U.S. Bancorp to acquire Simco was denied by the Board on January 31, 1972 (57 Fed. Reg. 2858).

Applicant controls eight subsidiary banks³ with aggregate deposits of \$1.4 billion.⁴ It is the largest bank holding company in Utah, holding 29.4 per cent of that State's commercial bank deposits. Through certain of its nonbanking subsidiaries, Applicant also engages in mortgage banking and acting as agent for credit life and credit disability insurance directly related to extensions of credit by subsidiaries of the holding company.

Simco, with a mortgage servicing portfolio of approximately \$199 million (as of March 30, 1974), engages in a full range of mortgage banking activities including the origination, sale and servicing of all types of mortgage loans. Its main office is located in Portland, Oregon, and it operates three offices in the State of Washington and two offices in the State of California. It appears that consummation of the acquisition would not eliminate a significant amount of actual competition between Applicant and Simco since they are not significant direct competitors of one another in any mortgage banking market. Applicant's mortgage and banking subsidiaries operate primarily in the States of Utah, Idaho, Colorado, and New Mexico, while Simco operates in the States of Washington, Oregon, and California. Approximately \$10 million, or 2.8 per cent, of Applicant's \$365 million servicing portfolio are mortgages on properties located in Washington, Oregon, and California and \$1 million, or less than .5 per cent, of Simco's servicing portfolio of \$199 million represent mortgages on properties in markets served by mortgage and banking subsidiaries of Applicant. Furthermore, the markets served by Simco do not appear so concentrated that entry by Applicant through *de novo* expansion would produce such important benefits as to warrant denial of this proposal. Simco's market share does not exceed 1.4 per cent in any market and it competes with numerous large commercial banks and large mortgage companies in each market in which it operates. On the basis of the facts of record, any elimination of actual and probable future competition between Applicant and Simco resulting from consummation of the proposed acquisition appears minimal.

Simco, indirectly, through Intermountain Insurance Agency ("Agency"), its subsidiary, also engages in the sale of homeowner's, mortgage redemption, credit accident and health and other

insurance directly related to extensions of credit by Simco to customers of Simco and to Simco itself. To some extent, Agency is currently engaged in activities impermissible for bank holding companies insofar as Agency derives 39 per cent of its aggregate insurance premium income from the sale of "convenience" insurance. Applicant states that Agency has terminated solicitation of such "convenience" insurance, that prior to consummation of the proposed transaction, the sale of such "convenience" insurance will be terminated and existing policies will be terminated without renewal upon their expiration date. Thereafter, Applicant indirectly would only engage in the sale of insurance in accordance with Regulation Y and the Board's interpretation relating thereto.

Additionally, Simco is engaged in land development activities through three wholly-owned subsidiaries: Corley Mortgage Company, Inland Homes, Inc., and River View Homes, Inc. Land development activities are not permissible for bank holding companies under Regulation Y.⁵ Applicant states that it would dispose of the impermissible land development holdings⁶ of the three subsidiaries within six months of the date of consummation of the proposal, if the instant application is approved by the Board. The Board's action herein is conditioned upon such disposition.

Simco also participates with U.S. Bancorp, Portland, Oregon ("Bancorp"), a bank holding company, through Simco's 20 per cent ownership interest in Bancorp Management Advisors, Inc. ("BMA"), Portland, Oregon, in the management of a real estate investment trust, U.S. Bancorp Realty and Mortgage Trust, Portland, Oregon, and in the making or acquisition of commercial and mortgage loans. The remaining 80 per cent of the equity in BMA is held directly and indirectly by Bancorp. In its Order of January 31, 1972 denying Bancorp's application to acquire shares of Simco, the Board found that an affiliation of the two companies would eliminate substantial existing competition in two geographic markets and adversely affect potential competition in a third geographic market. Thereafter, BMA was formed and the mutual interest of Bancorp and Simco was established.

The Board has recognized that joint ventures require cooperation between venturers and that, where two venturers are competitors of one an-

³Applicant controls six banks in Utah, one in Idaho, and one in Wyoming. The banks in Idaho and Wyoming were owned by Applicant at the time of enactment of the Holding Company Act and are "grandfathered."

⁴Unless otherwise indicated, all financial data are as of June 30, 1974.

⁵12 CFR 225.126.

⁶The term "impermissible land development holdings" as used herein includes raw land, income-producing real property irrespective of whether construction has been completed and single family dwelling units in various stages of construction.

other, such cooperation may decrease competition in markets in which the two meet in direct competition.⁷ That principle appears applicable to the instant application, and the Board concludes that the performance of investment advisory services by Simco through BMA gives rise to a serious possibility of decreased competition,⁸ a possible adverse effect not outweighed by any benefit to the public that may be reasonably expected to derive from such performance.

It appears that consummation of this proposed transaction would not result in any undue concentration of resources, conflicts of interests or other adverse effect on the public interest. Applicant states that affiliation with Simco should increase the financial resources available to Simco and thereby enable it to increase the availability of credit to its customers. Simco has experienced steady losses of its market shares since 1970. Applicant expects to reverse those losses. Thus, the Board regards public benefits considerations as lending slight weight toward approval of that portion of the application that does not relate to BMA. As to that portion of the application contemplating the indirect acquisition of shares of BMA, the Board finds that no benefit to the public may reasonably be expected to derive therefrom.

Based upon the foregoing and other considerations reflected in the record, the Board has determined, in accordance with the provisions of § 4(c)(8), that consummation of the portion of this proposal not related to BMA can reasonably be expected to result in benefits to the public that outweigh possible adverse effects. Accordingly, the application is hereby approved to the extent it contemplates the acquisition of shares of Simco, but is denied to the extent the application contemplates the indirect acquisition of shares of BMA. This determination is subject to the condition that the Agency's premium income which is not directly related to an extension of credit or directly related to the provision of other financial services

be reduced to less than 5 per cent of the premium income of Agency in accordance with the Board's Regulation Y, that Applicant dispose of the aforementioned impermissible land development holdings within six months of the consummation of this proposal and that Simco dispose of all shares of BMA prior to consummation of the proposal. The approval further 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 consummated not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of San Francisco pursuant to authority delegated hereby.

By order of the Board of Governors, April 21, 1975.

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

(Signed) THEODORE F. ALLISON,
[SEAL] Secretary of the Board.

MEMPHIS TRUST COMPANY,
MEMPHIS, TENNESSEE

*Order Denying Acquisition of Homeowners
Savings and Loan Association, Inc.*

Memphis Trust Company, Memphis, Tennessee, 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 100 per cent of the permanent stock of Homeowners Savings and Loan Association, Inc., Collierville, Tennessee ("Company"), a company that proposes to engage in the *de novo* operation of a savings and loan association.

Notice of the application, affording opportunity for interested persons to submit comments and views on whether such activity is closely related to banking, as well as on the public interest factors, has been duly published (38 Federal Register 32849). The time for filing comments and views has expired and those filed, including testimony

⁷ Board's Order of April 15, 1974, approving applications of the Fort Worth National Corporation, Fort Worth, Texas, and Shawmut Association, Inc., Boston, Massachusetts, 60 Fed. Res. Bulletin 382, 384 (1974), 39 Fed. Reg. 14255, 14256 (1974).

⁸ The prospect of decreased competition resulting from the BMA joint venture is not limited to the area of competition between Simco and Bancorp. Bancorp is the largest banking organization in Oregon; Applicant is the largest banking organization in Utah. Both are substantial banking organizations in the Northwestern United States. In the past, the two organizations have evidenced an inclination toward cooperation at least in the area of provision of data processing services, having filed, but subsequently withdrawn, an application to engage in that activity in a joint venture. The instant application suggests that an inclination toward cooperation may still exist.

and exhibits received at an oral presentation before available members of the Board, held October 30 and 31, 1973, have been considered.

Applicant controls one bank located in the State of Tennessee.¹ Memphis Bank & Trust Company, Memphis, Tennessee ("Bank"), with deposits of \$120 million, which represent approximately 1 per cent of the total deposits in commercial banks in Tennessee. Applicant is the ninth largest banking organization in the State.²

Company, chartered in 1972, has not commenced operation. Company would operate in the manner of a traditional savings and loan association. Its office would be located in Collierville, Tennessee, approximately 25 miles southeast of downtown Memphis.

The Board has previously considered the nature and the structure of the savings and loan industry in connection with the application of American Fletcher Corporation to acquire shares of Southwest Savings and Loan Association.³ The record of that proceeding has been made a part of this application and the Board concludes, as it was compelled to in connection with that case, that the activity in which Company would engage is closely related to banking. Whether it is a "proper incident thereto" within the meaning of section 4(c)(8) of the Act requires a determination whether its performance by Company as an affiliate of Applicant can reasonably be expected to produce benefits to the public that outweigh possible adverse effects.

Four savings and loan associations operate offices in Shelby County. The largest held approximately 78 per cent of the total assets held by savings and loan associations located in Shelby County, as of June 30, 1973. At that time, that association held the largest amount of real estate loans held by all 13 Shelby County banks and savings and loan associations, approximately 47 per cent. The four largest such financial institutions held more than 86 per cent of the real estate loans held by the 13. Applicant does not operate a savings and loan association although it does indirectly, through Bank, engage in the receipt of deposits and, through Bank, engage in the making of mortgage loans.

Bank, as of June 30, 1973,⁴ was the fourth largest of the nine commercial banks with offices in Shelby County. However, it held only 3.8 per cent of the time and savings deposits in the County. The three largest of the nine commercial banks in Shelby County held more than 85 per cent of the total time and savings deposits held in the County. Bank held the eighth largest real estate loan portfolio among the 13 commercial banks and savings and loan associations in the County. Its real estate loans amounted to approximately 1.6 per cent of the total amount of real estate loans held by commercial banks and savings and loan associations in the County.

Time and savings deposit and real estate loan markets approximating Shelby County are concentrated. Bank, however, is not dominant in either field. Consummation of Applicant's proposal, rather than eliminating actual or probable future competition, may increase competition as it appears to represent a method by which Applicant would reach customers for those services in the Collierville area in a more direct fashion. There is no savings and loan association within a twelve-mile radius of Company's proposed office, despite the rapid economic development that the Collierville area is experiencing. Although Bank may lawfully establish a branch office in Collierville, Applicant's entry into Collierville through Company may constitute a greater benefit to time and savings depositors and residential real estate borrowers in view of the higher interest rates Company may pay on such deposits and the greater emphasis that Company may place on residential mortgages.

The Board has previously expressed the view that at this time bank holding companies generally should slow their rate of expansion into new activities and should direct their energies toward strengthening existing operations, particularly where such expansion may be into new activities in which bank holding companies have not previously engaged.⁵ That view is especially applicable to bank holding companies applying to acquire or form companies which are or would be highly leveraged and which would require continuing infusions of capital.⁶ Here Company will be lo-

¹Applicant also owns 24.8 and 22 per cent respectively of the outstanding voting shares of two banks located in the State of Mississippi.

²Banking data are as of June 30, 1974.

³Order of November 4, 1974, denying application of American Fletcher Corporation, Indianapolis, Indiana, to acquire shares of Southwest Savings and Loan Association, Phoenix, Arizona, 39 Federal Register 39912 (1974); 60 Fed. Res. Bulletin 868 (1974).

⁴There is no reason to believe that any significant change has occurred in the textual data since June 30, 1973.

⁵See Order of September 9, 1974, concerning the underwriting of real estate mortgage guaranty insurance, 39 Federal Register 33712, 33713, 60 Fed. Res. Bulletin 727 (1974).

⁶See Order of June 29, 1973, denying application of Chemical New York Corporation to acquire CNA Nuclear Leasing, Inc., 38 Federal Register 18407, 18408 (1973); 59 Fed. Res. Bulletin 698, 699 (1973).

cated in a rapidly developing area southeast of Memphis, an area in which no other savings and loan associations currently maintain offices, and Applicant anticipates significant growth by Company. That growth would require continuing infusion of capital by Applicant into Company.

The Board has frequently reiterated its view that the primary role of a bank holding company should be to serve as a source of financial strength and support for its subsidiaries. The financial and managerial resources of a bank holding company should not be unduly diverted from that role. The formation and acquisition of Company, even absent any commitment by Applicant to inject capital into Company, would divert its resources away from Bank's probable future needs. Although consummation of the proposed transaction would increase competition in Shelby County mortgage and savings deposit markets by providing a new convenient alternative source of such services, such diversion constitutes a significant adverse effect of the proposed affiliation that is not outweighed, at this time and under these circumstances, in the Board's judgment, by any benefits to the public that can reasonably be expected to be produced by the affiliation.

Based upon the foregoing and other considerations reflected in the record, the Board is unable to determine, under section 4(c)(8) of the Act, that the proposed affiliation can reasonably be expected to produce benefits to the public that outweigh possible adverse effects. Accordingly, the application is hereby denied.

By order of the Board of Governors, effective April 10, 1975.

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

(Signed) THEODORE E. ALLISON,
[SEAL] Secretary of the Board.

MIDLANTIC BANKS INC.,
WEST ORANGE, NEW JERSEY

*Order Approving Acquisition of
Great Eastern Leasing Corporation*

Midlantic Banks Inc., West Orange, New Jersey, 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 (12 U.S.C. 1843(c)(8)) and section 225.4(b)(2) of the Board's Regulation Y (12 CFR 225.4(b)(2)), to acquire through its subsidiary,

Midlantic Commercial Corporation, all of the voting shares of Great Eastern Leasing Corporation, New York, New York ("Company"), a company that engages in the activity of full pay-out leasing and equipment financing.¹ Such activity has been determined by the Board to be closely related to banking (12 CFR 225.4(a)(6)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (40 Federal Register 1571). The time for filing comments and views has expired, and the Board has considered all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843 (c)(8)).

Applicant is the third largest banking organization in New Jersey with approximately 7 per cent of the total deposits in commercial banks in the State. Applicant controls eight banks with aggregate deposits of approximately \$1.4 billion.² Company, organized in 1968, has total assets of \$1.9 million.³ Company's leasing activities involve to equal extents both direct and vendor-originated leases. Most of its direct leases involve printing presses and machine tools, while the vendor-originated leases are in the office machine field. Most of Company's leases are of equipment valued under \$25,000. Company operates primarily in the Metropolitan New York area market, approximated by southeastern New York State, the northern Counties of New Jersey, and the southern Counties of Connecticut. Applicant also engages in leasing activity in the same market through a department of its lead bank, Midlantic National Bank and also through Midlantic Commercial Corporation, a subsidiary. Through Midlantic National Bank Applicant held approximately \$6.5 million in leasing receivables. Midlantic Commercial Co. commenced operations *de novo* in August, 1974. Although some existing and future competition would therefore be eliminated as a result of this proposal, in view of the large number of competitors and the intensity of competition in the New York market, such a reduction in competition as would occur would not be significant.

There is no evidence in the record that consummation of the proposed transaction would result in undue concentration of resources, conflicts of

¹Non-lease equipment financing constitutes less than 10 per cent of Company's volume and is a method of financing the same types of equipment as that leased by Company.

²Banking data are as of June 30, 1974.

³Company data are as of December 31, 1973.

interests, unsound banking practices, unfair competition, or other adverse effects. Furthermore, it appears that Company, as a subsidiary of Midlantic Commercial Co., will be able to offer its present and future customers a wider range of financial services than it is currently providing.

Based upon the foregoing and other considerations reflected in the record, the Board has determined, in accordance with section 4(c)(8) of the Act, that consummation of this proposal can reasonably be expected to produce benefits to the public that outweigh possible adverse effects. Accordingly, the application is hereby approved. This determination is subject to the conditions set forth in section 225.4(c) of Regulation Y (12 CFR 225.4(c)) and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

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 New York pursuant to authority delegated hereby.

By order of the Board of Governors, effective April 18, 1975.

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

(Signed) THEODORE E. ALLISON,
Secretary of the Board.

[SEAL]

NCNB CORPORATION,
CHARLOTTE, NORTH CAROLINA

*Order Approving Proposal to Operate a
Trust Company in South Carolina*

NCNB Corporation, Charlotte, North Carolina, a bank holding company within the meaning of the Bank Holding Company Act, has proposed under § 4(c)(8) of the Act and § 225.4(b)(1) of the Board's Regulation Y, to engage indirectly *de novo* in the performance of certain activities that may be performed by a trust company, including acting as executor, administrator, receiver, assignee, trustee and in any other fiduciary capacity, acting as an investment and financial advisor,

manager, and counselor, investing, re-investing and generally managing the funds entrusted to it in its fiduciary or advisory capacity, and other incidental activities necessary to conduct a general trust company business. These activities would be performed by the American Trust Company, Inc., Camden, South Carolina, a wholly-owned subsidiary of NCNB Corporation.

After notice and hearing, the Board approved Applicant's proposal on March 9, 1973¹ to the extent permitted by South Carolina law. On that date, certain South Carolina statutes appeared to prohibit any corporation controlled by a non-South Carolina corporation from serving as an executor, administrator, or testamentary trustee in South Carolina.² On April 6, 1973, Applicant petitioned for review of the Board's Order in the United States Court of Appeals for the District of Columbia. On May 31, 1973, Applicant and American Trust Company instituted suit in the United States District Court for the District of South Carolina for a declaratory judgment that the pertinent South Carolina statutes were invalid on the ground that they contravened the Constitution of the United States. On September 3, 1974, that Court entered an order declaring that the pertinent statutes denied the American Trust Company equal protection of the laws in violation of the Fourteenth Amendment of the United States Constitution, and permanently enjoining certain South Carolina public officials "from prohibiting American Trust Company from serving as an executor, administrator, or testamentary trustee of the estate of any person domiciled in South Carolina at the time of his death because it is controlled by [Applicant]." On December 30, 1974, the U.S. Court of Appeals for the District of Columbia remanded this matter to the Board.

In its Statement accompanying its Order of March 9, 1973, the Board indicated that, but for the pertinent South Carolina statutes, it would have approved the entire proposal. The invalidity of those statutes now having been established, the Board, for reasons set forth in the Board's Statement of March 9, 1973 has determined, in accordance with section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. § 1843(c)(8)), that consummation of Applicant's proposal can reasonably

¹ Board's Order of March 9, 1973 Conditionally Approving Proposal of NCNB Corporation to Operate a Trust Company in South Carolina. 59 Fed. Res. BULLETIN 305 (1973), 38 Fed. Reg. 7364 (1973).

² Code of Laws of South Carolina, §§ 19-592 and 67-53(a)(3) (1972 Supp.).

be expected to produce benefits to the public that outweigh possible adverse effects. Accordingly, the proposal 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 consummated not later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Richmond.

By order of the Board of Governors, April 29, 1975.

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

(Signed) GRIFFITH L. GARWOOD,
[SEAL] Assistant Secretary of the Board.

ORDERS NOT PRINTED IN THIS ISSUE ORDERS APPROVED BY THE BOARD OF GOVERNORS

During March or April 1975, 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)(3) OF BANK HOLDING COMPANY ACT— APPLICATIONS FOR ACQUISITION OF BANK

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Hawkeye Bancorporation, Des Moines, Iowa	Farmers & Merchants State Bank, Lake Mills, Iowa	4/28/75	40 F.R. 19707 5/6/75
T.N.B. Financial Corp., Springfield, Massachusetts	Ware Trust Company, Ware, Massachusetts	4/9/75	40 F.R. 17201 4/17/75
United Banks of Colorado, Inc., Denver, Colorado	United Bank of Steamboat Springs, Steamboat Springs, Colorado	4/11/75	40 F.R. 17347 4/17/75

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

<i>Applicant</i>	<i>Nonbanking company (or activity)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
First Commercial Banks Inc., Albany, New York	FCB Life Insurance, Ltd., Phoenix, Arizona	3/31/75	40 F.R. 15454 4/7/75
First National Bancorporation, Inc., Denver, Colorado	The Grand Valley Agency, Grand Junction, Colorado	4/23/75	40 F.R. 19707 5/6/75

**ORDERS UNDER SECTIONS 3 AND 4 OF BANK HOLDING COMPANY ACT—
APPLICATIONS TO FORM BANK HOLDING COMPANY AND ENGAGE IN
NONBANKING ACTIVITIES**

<i>Applicant</i>	<i>Bank(s)</i>	<i>Nonbanking company (or activity)</i>	<i>Effective date</i>	<i>Federal Register citation</i>
American Corporation, North Platte, Nebraska	American Security Bank, North Platte, Nebraska	Insurance agent for the sale of credit related insurance	3/31/75	40 F.R. 15452 4/7/75
F&M Bancorporation, Tulsa, Oklahoma	The F&M Bank and Trust Company; and Farnisco, Inc., both located in Tulsa, Oklahoma	Inland Life In- surance Com- pany, Tulsa, Oklahoma	3/13/75	40 F.R. 13044 3/24/75
Tipton Insurance Agency, Inc., Tipton, Kansas	The Tipton State Bank, Tipton, Kansas	Tipton Insurance Agency, Tipton, Kansas	3/17/75	40 F.R. 13019 3/24/75

ORDERS APPROVED BY THE SECRETARY OF THE BOARD

During April 1975, applications were approved by the Secretary of the Board 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 Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

**ORDER UNDER SECTION 3(a)(1) OF BANK HOLDING COMPANY ACT—
APPLICATION TO MERGE BANK HOLDING COMPANY**

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
Homewood Bancorporation, Inc., Homewood, Illinois	Bank of Homewood, Homewood, Illinois	4/8/75	40 F.R. 16885 4/15/75

**ORDER UNDER SECTION 3(a)(3) OF BANK HOLDING COMPANY ACT—
APPLICATION FOR ACQUISITION OF BANK**

<i>Applicant</i>	<i>Bank(s)</i>	<i>Board action (effective date)</i>	<i>Federal Register citation</i>
First National Corporation of Oak Brook, Oak Brook, Illinois	First National Bank and Trust Company of Oak Brook, Oak Brook, Illinois	4/24/75	40 F.R. 19543 5/5/75

ORDERS APPROVED BY FEDERAL RESERVE BANKS

During April 1975, applications were approved 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)(1) OF BANK HOLDING COMPANY ACT—
APPLICATION FOR FORMATION OF BANK HOLDING COMPANY**

<i>Applicant</i>	<i>Bank(s)</i>	<i>Reserve Bank</i>	<i>Effective date</i>	<i>Federal Register citation</i>
Bankshares of Florida, Inc., Hollywood, Florida	First National Bank of Hollywood; Holly- wood National Bank; First National Bank of Hallandale; First National Bank of Moore Haven; and First National Bank of Miramar, all in Florida	Atlanta	4/28/75	40 F.R. 19706 5/6/75

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

<i>Applicant</i>	<i>Bank(s)</i>	<i>Reserve Bank</i>	<i>Effective date</i>	<i>Federal Register citation</i>
Country Agencies & Invest- ments, Inc., Odessa, Missouri	Bank of Odessa, Odessa, Missouri	Kansas City	4/24/75	40 F.R. 19541 5/5/75
Country Agencies & Invest- ments, Inc., Odessa, Missouri	La Monte Community Bank, La Monte, Missouri	Kansas City	4/24/75	40 F.R. 19541 5/5/75
First Financial Group of New Hampshire, Inc., Manchester, New Hampshire	Colonial Trust Company, Nashua, New Hampshire	Boston	4/22/75	40 F.R. 19542 5/5/75
First National Charter Corporation, Kansas City, Missouri	The Aurora Bank, Aurora, Missouri	Kansas City	4/16/75	40 F.R. 18600 4/29/75

Announcements

RESIGNATION OF MR. SHEEHAN AS MEMBER OF THE BOARD OF GOVERNORS

Governor John E. Sheehan, a Member of the Board of Governors of the Federal Reserve System, has announced his resignation from the Board, effective June 1, 1975.

Governor Sheehan's letter of resignation to President Ford and the President's letter of acceptance follow:

April 15, 1975

Dear Mr. President:

Please accept my resignation as a Member of the Board of Governors of the Federal Reserve System, effective June 1, 1975, or at such earlier date following your receipt of this letter as may suit your convenience.

The critical role which this central bank plays in the life of the Nation can hardly be overstated. Thus, to serve as a Member of this Board is a uniquely satisfying privilege and experience. My appreciation of this opportunity is the greater for having served with associate members possessing the highest sense of integrity and public dedication.

In executing the duties assigned to us by the Congress, this Board enjoys the support of a truly brilliant staff unmatched in my experience, and said by informed observers to be the finest in government. It has been a pleasure to work with them.

In closing, may I suggest that it might be of benefit to you if we met before I depart Washington in order that I might share with you some of the impressions I have gained in these years of public service.

Sincerely yours,
s/John E. Sheehan

THE WHITE HOUSE

April 22, 1975

Dear Jack:

I have your letter of April 15, and it is with deep regret that I accept your resignation as a Member of the Board of Governors of the Federal Reserve System, effective June 1, 1975, as you requested.

For more than three years, you have served the Board and our Nation with devotion and distinction. I know that the rapid and fundamental changes in the world economy and our own country's economic problems, particularly during recent months, have made the work of the Board especially difficult and challenging. In addition, as you understand so well, the unique responsibilities of the Board within our governmental system require the very best in terms of sound judgment, independence and skill from some of the most capable and dedicated individuals in public service. You have fulfilled each of these requirements with a rare blend of wisdom, energy and experience, thereby earning my highest esteem and the admiration of your colleagues.

Now as you return to private life, I hope you will always look back with pride on the contributions you have made to a more efficient and responsible government and to the improved well-being of all our fellow citizens. It is only through the willingness of people such as you to serve that our system can receive its needed breadth of views and talents.

You may be sure you take with you my warm best wishes for your continued success and happiness.

Sincerely,
s/Gerald R. Ford

CHANGE IN DISCOUNT RATE

The Board of Governors approved actions by the directors of the Federal Reserve Banks of Boston, New York, Philadelphia, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Kansas City, and Dallas, reducing the discount rates of those Banks from $6\frac{1}{4}$ per cent to 6 per cent, effective May 16. The Board subsequently approved similar actions by the directors of the Federal Reserve Banks of San Francisco, effective May 19, and of Minneapolis, effective May 23.

The action was taken in recognition of declines that have occurred recently in other short-term interest rates and is intended to bring the discount rate into better alignment with short-term rates generally.

The discount rate is the interest rate charged member commercial banks when they borrow from their district Federal Reserve Bank.

PILOT SURVEY ON POSSIBLE HOUSING DISCRIMINATION

The Board of Governors on May 6, 1975, made available for public inspection data collected in connection with a pilot survey on possible housing discrimination.

The purpose of the survey was to attempt to determine if discrimination against minorities occurs in the granting of credit for home improvements and home mortgages, and, if so, whether this type of survey could identify and measure it. Such discrimination is forbidden by the 1968 Civil Rights Act.

The data are based on a fair housing survey conducted in six metropolitan areas from June 1 through November 30, 1974, by the Federal Reserve, Federal Deposit Insurance Corporation, Comptroller of the Currency, and the Federal Home Loan Bank Board, using a questionnaire developed by the Federal Reserve and the FDIC.

The six metropolitan areas covered by the Federal Reserve-Federal Deposit Insurance Corporation survey were Baltimore, Jersey City, Tampa-St. Petersburg, Galveston-Texas City, Jackson in Mississippi, and Vallejo-Fairfield-Napa in California.

Eighteen metropolitan areas were surveyed in all. The Comptroller of the Currency and the Federal Home Loan Bank Board collected somewhat different data for the other 12 metropolitan areas surveyed.

The survey did not yield definitive evidence with respect to whether discrimination occurs in residential lending. The usefulness of the data was lessened by the low level of mortgage activity during the period of the survey.

The data are available for inspection at the Board's offices, at the Federal Reserve Banks, and at the Federal Deposit Insurance Corporation office in Washington.

TRUTH IN LENDING DISCLOSURE FORM

The Board of Governors on May 12, 1975, announced the adoption of a Truth in Lending disclosure form to assist consumers in understanding the credit terms of home purchase transactions.

The new form will be part of a combined settlement and credit cost form developed by the Department of Housing and Urban Development to implement the requirements of the Real Estate Settlement Procedures Act of 1974.

The Act requires that consumers be given a Uniform Disclosure/Settlement Statement at the time of lender commitment (but in no case less than 12 days before settlement) and again at the time of settlement in home purchase credit transactions.

This statement will contain all information required to be disclosed under the Truth in Lending Act. The Federal Reserve Board prepared this part of the statement since it is the rule-making agency under the Truth in Lending Act.

The new form is accompanied by instructions for its use. The form will be the third page of the Uniform Disclosure/Settlement Statement.

The Board also published an interpretation of its Regulation Z, Truth in Lending, in connection with the disclosure requirement.

EXTENDED SUSPENSION OF SAME-DAY CREDIT RESTRICTION FOR STOCKS

The Board of Governors on May 1, 1975, extended until September 30 a suspension of the rule that normally applies to the use of the same-day substitution privilege in stock margin accounts. (See November 1974 *BULLETIN*, p. 802.) The extension will allow time for further consideration by the Board and consultation with interested parties of the impact of the rule on margin customers, brokerage firms, and the stock market itself.

CHANGES IN BOARD STAFF

The Board of Governors has announced the following appointments to its official staff:

John D. Hawke, Jr., Partner in the Washington, D.C., law firm of Arnold and Porter and adjunct professor of law at the Georgetown University Law Center, as General Counsel in the Legal Division, effective April 28, 1975. Mr. Hawke received a B.A. from Yale University and an LL.B. from the Columbia University School of Law.

Jay Paul Brenneman, Legislative Analyst, Office of Management and Budget, as Special Assistant to the Board, effective May 14, 1975. Mr. Brenneman holds a B.A. from Franklin and Marshall College and an M.A. from the University of Tennessee.

Bruce M. Beardsley, Director of Computing Science, Department of the Treasury, as Associate

Director of the Division of Data Processing, effective June 9, 1975. Mr. Beardsley holds a B.S. from Brigham Young University and has also taken graduate work at U.C.L.A.

In addition, the Board announced the promotion of William H. Wallace from Assistant Director to Associate Director in the Division of Federal Reserve Bank Operations, effective May 25, 1975. Mr. Wallace will assume the responsibilities of E. Maurice McWhirter who is on extended leave.

DATA SERIES ON LOAN COMMITMENTS

The new statistical series on loan commitments at selected large commercial banks (see April 1975 *BULLETIN*, pp. 226-28) is now available on a monthly basis. The G.21 statistical release will cover both unused commitments and outstanding loans under commitments at 138 large commercial banks. The release may be obtained from Publications Services, Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS, 1974 ERRATUM

Figures for total loans (gross) adjusted and total loans and investments (gross) adjusted shown in the adjustment bank (bottom) line of the table that appeared on p. A-82 of the April *BULLETIN* as 891 and 1,211 should have been 755 and 1,075, respectively.

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, 1975, through May 15, 1975:

Michigan

Southfield The Detroit Bank - Southfield

South Dakota

Sioux Falls SunBank of South Dakota

Virginia

Richmond ... Bank of Virginia Trust Company

Industrial Production

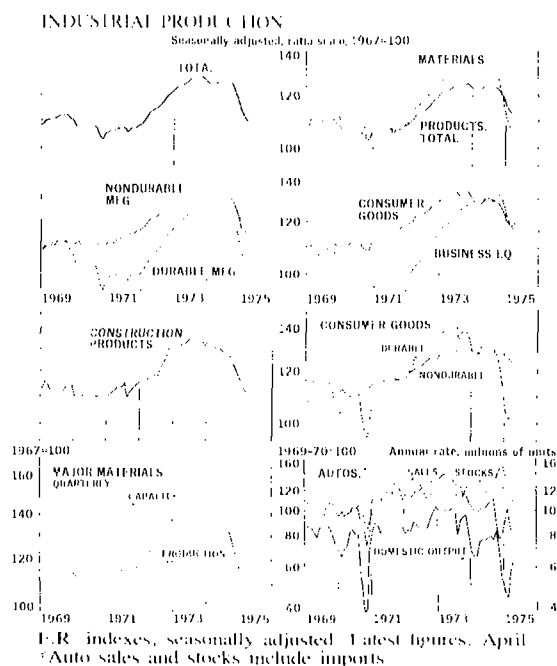
Released for publication May 15

Industrial production declined by an estimated 0.4 per cent in April, less than the March decline and substantially under the sharp drops of last winter. The index during April was 109.4 per cent of the 1967 average and about 13 per cent below September 1974. During April an upturn in output of consumer goods was offset by further declines in business equipment, steel, and other durable goods materials. (On a revised basis, the index declined by 1.3 per cent in March and 2.2 per cent in February.)

Consumer goods production rose 1 per cent in April, reflecting mainly a 1.3 per cent increase in autos and some gain in output of nondurable consumer goods. Auto assemblies were at a 6.3 million unit annual rate. Output exceeded sales and new-car stocks rose by about 5 per cent; production increases previously scheduled for the next few months are being scaled down. Output of business equipment, already down 11 per cent since last September, declined about 1½ per cent further in April.

Production of industrial materials was reduced 1.4 per cent further in April. Durable materials, such as basic metals and equipment parts, experienced additional cutbacks in production as inventory liquidation continued. Raw steel output has

been curtailed sharply further in early May. Following a reduction of a fifth since last autumn which resulted in a substantial lowering of producers' inventories—output of nondurable materials leveled off in April. Textile production, however, increased further.



Industrial production	Seasonally adjusted 1967=100			Per cent changes from		Per cent changes, annual rate		
	1975			Month ago	Year ago	1974		1975
	Feb.	Mar. ^a	Apr. ^a			Q3	Q4	Q1
Total	111.2	109.8	109.4	.4	12.4	.3	13.1	32.0
Products, total	113.6	112.6	112.8	.2	8.1	.6	8.7	23.5
Final products	113.1	112.4	112.5	.1	6.8	2.0	6.5	23.2
Consumer goods	118.8	118.4	119.6	1.0	6.9	.0	10.8	21.9
Durable goods	101.4	103.8	106.4	2.5	18.7	4.5	7.0	52.9
Nondurable goods	125.4	124.0	124.6	.5	2.4	2.2	1.2	10.9
Business equipment	119.3	117.5	115.9	1.4	9.4	4.0	2.4	31.7
Intermediate products	116.0	113.9	113.8	.1	12.1	3.7	15.9	23.1
Construction products	113.1	111.6	111.4	.2	14.8	7.7	21.6	24.8
Materials	107.4	105.4	103.9	1.4	19.3	.9	21.5	45.7

^aPreliminary

^aEstimated.

Financial and Business Statistics

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

(In millions of dollars)

Period or date	Factors supplying reserve funds							Special Drawing Rights certificate account	Treasury currency outstanding
	Reserve Bank credit outstanding								
	U.S. Govt. securities ¹			Loans	Float ³	Other F.R. assets ⁴	Total ⁵		
Total	Bought outright ²	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
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	7,145
1971—Dec.....	69,158	68,868	290	107	3,905	982	74,255	10,132	7,611
1972—Dec.....	71,094	70,790	304	1,049	3,479	1,138	76,851	10,410	8,293
1973—Dec.....	79,701	78,833	868	1,298	3,414	1,079	85,642	11,567	8,668
1974—Apr.....	81,567	80,873	694	1,714	2,295	1,160	86,907	11,567	8,807
May.....	83,434	82,037	1,397	2,580	2,025	1,093	89,405	11,567	8,838
June.....	82,812	81,859	953	3,000	2,114	1,106	89,254	11,567	8,877
July.....	84,313	83,496	817	3,308	2,267	1,343	91,554	11,567	8,905
Aug.....	84,493	84,221	272	3,351	1,983	1,258	91,367	11,567	8,951
Sept.....	84,384	84,049	335	3,287	2,239	1,349	91,617	11,567	8,992
Oct.....	83,735	83,303	432	1,793	2,083	2,984	90,971	11,567	9,041
Nov.....	84,052	83,395	657	1,285	2,409	3,171	91,302	11,567	9,113
Dec.....	86,679	85,202	1,477	703	2,734	3,129	93,967	11,630	9,179
1975—Jan.....	86,039	85,369	670	390	2,456	3,391	93,002	11,647	9,235
Feb.....	84,744	83,843	901	147	2,079	3,419	91,168	11,626	9,284
Mar.....	84,847	84,398	449	106	1,994	3,142	90,819	11,620	9,362
Apr.....	87,080	86,117	963	110	2,164	3,237	93,317	11,620	9,410
Week ending—									
1975—Feb. 5.....	85,613	84,999	614	98	2,128	3,839	92,509	11,634	9,267
12.....	83,801	83,111	690	90	1,987	3,680	90,301	11,628	9,271
19.....	84,255	83,357	898	229	1,993	3,396	90,633	11,624	9,276
26.....	85,376	84,148	1,228	180	2,261	2,933	91,533	11,621	9,303
Mar. 5.....	85,505	84,207	1,298	70	1,666	3,071	91,159	11,621	9,352
12.....	82,658	82,658	.....	60	2,098	3,085	88,571	11,620	9,341
19.....	83,345	83,345	.....	167	1,993	3,217	89,381	11,620	9,344
26.....	86,867	85,854	1,013	155	1,685	3,197	92,719	11,620	9,386
Apr. 2.....	86,518	86,518	.....	51	2,356	3,083	92,679	11,620	9,400
9.....	84,508	84,508	.....	30	2,504	3,086	90,793	11,621	9,399
16.....	85,109	84,705	404	22	1,857	3,125	90,796	11,620	9,407
23.....	87,465	86,682	783	165	2,090	3,315	93,745	11,620	9,415
30.....	91,411	88,467	2,944	241	1,786	3,281	97,578	11,620	9,422
End of month									
1975—Feb.....	86,416	84,152	2,264	77	1,370	3,005	91,861	11,621	9,371
Mar.....	86,608	86,608	.....	60	2,132	3,072	92,537	11,620	9,453
Apr.....	93,917	88,812	5,105	1,538	2,117	3,297	102,054	11,620	9,426
Wednesday									
1975—Feb. 5.....	83,909	83,909	.....	89	5,302	4,665	94,632	11,629	9,270
12.....	86,154	83,741	2,413	117	2,387	3,580	93,180	11,625	9,275
19.....	83,976	83,976	.....	1,126	3,339	2,984	92,061	11,621	9,281
26.....	86,886	84,121	2,765	834	2,357	2,740	93,696	11,621	9,334
Mar. 5.....	83,282	83,282	.....	58	2,561	3,156	89,733	11,620	9,339
12.....	80,626	80,626	.....	87	2,306	3,170	86,856	11,620	9,343
18.....	83,955	83,955	.....	854	2,637	3,161	91,262	11,620	9,348
26.....	88,078	85,991	2,087	813	2,163	3,139	95,221	11,620	9,389
Apr. 2.....	86,358	86,358	.....	42	2,278	3,067	92,422	11,621	9,396
9.....	83,810	83,810	.....	14	3,035	3,134	90,643	11,620	9,403
16.....	87,741	84,915	2,826	48	2,922	3,146	94,736	11,620	9,412
23.....	88,387	86,977	1,410	1,068	2,855	3,260	96,336	11,620	9,419
30.....	93,917	88,812	5,105	1,538	2,117	3,297	102,054	11,620	9,426

¹ Includes Federal agency issues held under repurchase agreements beginning Dec. 1, 1966, and Federal agency issues bought outright beginning Sept. 29, 1971.

² Includes, beginning 1969, securities loaned - fully guaranteed by U.S. Govt. securities pledged with F.R. Banks, and excludes (if any), securities sold and scheduled to be bought back under matched sale-purchase transactions.

³ Beginning with 1960 reflects a minor change in concept; see Feb. 1961 BULLETIN, p. 164.

⁴ 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."

⁵ 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 table on F.R. Banks on p. A-10. See also note 3.

⁶ Includes certain deposits of domestic nonmember banks and foreign-owned banking institutions held with member banks and redeposited in full with F.R. Banks in connection with voluntary participation by nonmember institutions in the Federal Reserve System's program of credit restraint.

As of Dec. 12, 1974, the amount of voluntary nonmember and foreign agency and branch deposits at F.R. Banks that are associated with marginal reserves are no longer reported. However, deposits voluntarily held by agencies and branches of foreign banks operating in the United States as reserves and Euro-dollar liabilities are reported.

Notes continued on opposite page.

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

(In millions of dollars)

Factors absorbing reserve funds										Period or date
Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves with F.R. Banks			Other F.R. accounts ⁴	Other F.R. liabilities and capital ⁴	Member bank reserves		Total ⁸	
		Treasury	Foreign	Other ^{3,6}			With F.R. Banks	Currency and coin 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.
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.
71,646	323	1,892	406	717		2,942	28,352	6,635	35,068	1973—Dec.
72,176	308	1,712	328	702		2,985	29,469	6,402	35,929	1974—Apr.
72,876	286	3,000	320	699		3,168	29,861	6,600	36,519	May
73,749	293	2,015	491	691		3,187	29,672	6,668	36,390	June
74,556	275	2,795	296	773		3,216	30,514	6,824	37,338	July
74,709	283	2,633	326	831		3,240	30,264	6,765	37,029	Aug.
75,098	303	2,451	456	766		3,345	30,156	6,920	37,076	Sept.
75,654	315	1,601	294	869		3,260	29,985	6,811	36,796	Oct.
77,029	302	864	370	770		3,149	29,898	6,939	36,837	Nov.
78,951	220	1,741	357	874		3,266	29,767	7,174	36,941	Dec.
77,780	221	2,087	336	884		3,264	29,713	7,779	37,492	1975—Jan.
76,979	236	2,374	317	711		3,358	28,503	7,062	35,565	Feb.
77,692	277	1,887	363	958		3,076	27,948	6,811	34,779	Mar.
78,377	309	3,532	307	718		3,137	28,367	6,878	35,245	Apr.
Week ending:										
76,469	250	2,634	342	848		3,741	29,543	7,431	36,974	1975—Feb. 5
77,052	239	1,492	270	634		3,342	28,573	7,456	36,029	12
77,298	234	1,960	364	612		3,162	28,304	6,814	35,118	19
76,964	240	3,489	300	703		3,239	27,920	6,686	34,606	26
77,022	255	2,845	340	988		3,238	27,845	6,950	34,795	Mar. 5
77,715	258	590	309	923		2,952	27,186	7,296	34,482	12
77,874	272	386	332	994		3,006	27,883	6,627	34,510	19
77,767	294	3,424	376	843		3,088	28,333	6,486	34,819	26
78,030	307	2,826	476	1,039		3,160	28,261	6,826	35,087	Apr. 2
78,355	309	1,919	359	646		2,952	27,671	6,992	34,663	9
78,672	318	976	267	642		3,093	28,354	7,041	35,395	16
78,384	306	3,521	289	660		3,194	28,824	6,477	35,301	23
78,123	300	7,902	279	576		3,342	28,498	7,014	35,512	30
End of month										
76,834	254	2,884	409	901		3,326	28,644	6,950	35,594	1975—Feb.
78,062	307	4,269	402	709		3,120	27,139	6,826	33,965	Mar.
78,340	300	8,363	270	573		3,452	32,202	7,014	39,216	Apr.
Wednesday										
76,860	249	779	277	732		4,859	32,175	7,441	39,606	1975—Feb. 5
77,493	236	1,308	250	683		3,174	31,336	7,456	38,792	12
77,408	230	3,040	319	700		3,232	28,414	6,814	35,248	19
77,053	238	3,187	271	851		3,229	30,223	6,686	36,909	26
77,474	261	956	277	867		2,951	28,308	6,950	35,258	Mar. 5
78,058	271	*	314	989		2,893	25,695	7,296	32,991	12
77,980	297	1,795	321	870		2,971	28,396	6,627	35,023	19
78,033	306	3,554	428	792		3,080	30,437	6,486	36,923	26
78,322	312	2,430	429	795		2,908	28,642	6,826	35,468	Apr. 2
78,764	329	467	267	595		3,030	28,614	6,992	35,606	9
78,749	308	1,638	296	615		3,166	31,396	7,041	38,437	16
78,380	308	6,191	249	640		3,261	28,746	6,477	35,223	23
78,340	300	8,363	270	573		3,452	32,202	7,014	39,216	30

⁷ Part allowed as reserves Dec. 1, 1959—Nov. 23, 1960; all allowed thereafter. Beginning 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.

⁸ Beginning with week ending Nov. 15, 1972, includes \$450 million of reserve deficiencies on which F.R. Banks are allowed to waive penalties for a transition period in connection with bank adaptation to Regulation J

as amended effective Nov. 9, 1972. Beginning 1973, allowable deficiencies included are (beginning with first statement week of quarter): Q1, \$279 million; Q2, \$172 million; Q3, \$112 million; Q4, \$84 million. Beginning 1974, Q1, \$67 million; Q2, \$58 million. Transition period ended after second quarter, 1974.

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				Excess	Borrowings
	Total held ¹	Re-quired	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	663	29
1950—Dec.....	17,391	16,364	1,027	142	.....	125	58	8	5	232	50	.....	.....	.....	.....
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—Dec.....	35,068	34,806	262	1,298	41	-23	74	43	28	28	761	133	435	.....	.....
1974—Apr.....	35,929	35,771	158	1,714	50	19	114	69	41	-58	987	70	572	.....	.....
May.....	36,519	36,325	194	2,580	102	-20	772	29	20	-4	939	131	849	.....	.....
June.....	36,390	36,259	131	3,000	130	-26	1,303	-8	51	26	799	89	847	.....	.....
July.....	37,338	37,161	177	3,308	149	45	1,457	19	70	12	848	125	933	.....	.....
Aug.....	37,029	36,851	178	3,351	165	58	1,464	6	23	78	860	152	1,004	.....	.....
Sept.....	37,076	36,885	191	3,287	139	133	1,662	20	17	-77	792	115	816	.....	.....
Oct.....	36,796	36,705	91	1,793	117	49	502	-18	36	36	569	122	686	.....	.....
Nov.....	36,837	36,579	258	1,285	67	8	257	38	14	90	566	138	448	.....	.....
Dec.....	36,941	36,602	339	703	32	132	80	5	18	39	323	163	282	.....	.....
1975—Jan.....	37,492	37,556	-64	390	13	119	156	16	16	91	87	162	131	.....	.....
Feb.....	35,565	35,333	232	147	10	31	37	17	10	41	29	143	71	.....	.....
Mar.....	34,779	34,513	266	106	7	53	22	20	10	56	28	137	46	.....	.....
Apr.....	35,245	35,008	237	110	6	3	26	-26	14	-35	38	111	32	.....	.....
Week ending—															
1974—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.....	36,256	35,927	329	1,816	46	78	107	-19	101	37	1,093	175	515	.....	.....
24.....	36,055	35,916	139	1,939	52	-12	69	70	4	-12	1,233	35	633	.....	.....
1974—Nov. 6.....	36,995	36,672	323	1,125	78	54	68	32	.....	105	425	132	632	.....	.....
13.....	36,479	36,335	144	1,097	70	15	188	29	30	40	480	148	399	.....	.....
20.....	36,812	36,785	27	1,367	64	16	465	8	29	87	495	122	378	.....	.....
27.....	36,769	36,459	310	1,479	63	69	243	27	.....	87	814	127	422	.....	.....
Dec. 4.....	36,961	36,678	283	1,070	51	141	226	4	.....	-16	450	154	394	.....	.....
11.....	36,293	36,452	-159	648	35	-173	73	-36	26	-50	281	100	268	.....	.....
18.....	36,762	36,545	217	818	31	59	60	23	54	-39	417	174	287	.....	.....
25.....	36,845	36,416	429	662	29	137	72	52	.....	89	333	151	257	.....	.....
1975—Jan. 1.....	37,588	37,011	577	561	24	-8	83	61	.....	223	218	301	260	.....	.....
8.....	37,312	37,175	137	311	18	55	36	-27	.....	-26	107	135	168	.....	.....
15.....	38,207	38,249	-42	609	12	-130	317	1	69	-89	108	176	115	.....	.....
22.....	38,265	38,079	186	594	12	29	328	1	.....	45	130	111	136	.....	.....
29.....	37,240	37,066	174	142	10	71	.....	-13	.....	-24	33	140	109	.....	.....
Feb. 5.....	36,974	36,579	395	98	11	133	.....	33	.....	84	12	145	86	.....	.....
12.....	36,029	35,970	59	90	10	-37	6	20	.....	-5	15	121	69	.....	.....
19.....	35,118	34,960	158	229	11	.....	140	-22	.....	-18	20	198	69	.....	.....
26.....	34,606	34,447	159	180	10	-15	.....	29	39	35	71	110	70	.....	.....
Mar. 5.....	34,795	34,386	409	70	9	117	.....	4	.....	90	10	198	60	.....	.....
12.....	34,482	34,252	230	60	7	122	.....	15	.....	20	19	113	41	.....	.....
19.....	34,510	34,490	20	167	6	-96	88	37	.....	10	36	143	43	.....	.....
26.....	34,819	34,675	144	155	7	54	8	16	44	-12	58	86	45	.....	.....
Apr. 2.....	35,087	34,808	279	51	7	-30	.....	7	.....	99	8	203	43	.....	.....
9.....	34,663	34,552	111	30	8	62	.....	15	.....	-51	7	85	23	.....	.....
16.....	35,295	35,076	219	22	6	25	.....	14	.....	36	4	172	18	.....	.....
23.....	35,301	35,158	143	165	6	-17	42	17	25	-41	77	99	21	.....	.....
30.....	35,512	35,304	208	241	6	-17	67	-6	37	6	71	142	66	.....	.....

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, \$84 million. Beginning 1974, Q1, \$67 million; Q2, \$58 million. Transition period ended after second quarter, 1974. For weeks for which figures are preliminary, figures by class of bank do not add to the total because adjusted data by class are not available.

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.

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

Effective Apr. 19, 1963, the Board's Regulation A, which governs lending by F.R. 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 re-serves ¹	Less		Net		Gross transactions		Total two-way trans- actions ²	Net transactions		Loans to dealers ³	Bor- row- ings from dealers ⁴	Net loans
		Bor- row- ings at F.R. Banks	Net inter-bank federal funds trans.	Surplus or deficit	Per cent of avg. required reserves	Pur- chases	Sales		Pur- chases of net buying banks	Sales of net selling banks			
Total—46 banks													
1975—Mar. 5.....	128		15,962	15,834	98.2	22,134	6,172	5,203	16,931	969	3,120	765	2,355
12.....	225	6	18,903	18,684	116.0	24,585	5,682	5,337	19,248	345	4,717	824	3,893
19.....	38	106	16,302	16,446	101.1	21,491	5,189	4,708	16,782	480	4,614	608	4,006
26.....	29	78	14,639	14,688	90.8	21,345	6,706	5,373	15,972	1,333	3,233	710	2,523
Apr. 2.....	100		14,360	14,260	87.3	21,992	7,631	6,068	15,924	1,563	3,700	526	3,175
9.....	72		17,178	17,106	105.7	23,124	5,946	5,304	17,820	641	3,674	552	3,122
16.....	68	4	16,414	16,350	98.8	22,696	6,282	5,779	16,917	503	3,577	635	2,942
23.....	11	83	14,411	14,483	88.3	20,699	6,288	5,149	15,550	1,139	2,577	442	2,135
30.....	69	142	9,755	9,827	60.2	17,254	7,499	5,192	12,062	2,307	2,120	1,363	757
8 in New York City													
1975—Mar. 5.....	74		6,080	6,006	90.0	6,867	786	786	6,081		1,466	462	1,004
12.....	178		7,566	7,387	109.2	8,379	813	814	7,566		2,123	555	1,568
19.....	35	88	5,425	5,548	81.6	6,395	971	874	5,522	97	1,958	410	1,548
26.....	20	6	4,678	4,664	69.7	6,170	1,492	1,363	4,807	129	1,650	342	1,308
Apr. 2.....	7		4,635	4,643	68.5	6,434	1,798	1,472	4,962	327	1,745	304	1,441
9.....	37		5,753	5,716	84.5	6,612	859	854	5,757	4	1,436	362	1,074
16.....	35		5,060	5,025	72.9	6,744	1,684	1,361	5,384	324	1,492	308	1,184
23.....	1	36	3,555	3,590	52.5	5,473	1,918	1,286	4,187	632	1,243	295	948
30.....	3	67	1,687	1,757	26.1	3,932	2,245	1,616	2,317	630	995	393	602
38 outside New York City													
1975—Mar. 5.....	54		9,882	9,828	104.0	15,267	5,385	4,417	10,850	969	1,654	304	1,351
12.....	47	6	11,338	11,297	120.9	16,206	4,868	4,524	11,682	345	2,593	269	2,325
19.....	3	18	10,877	10,899	115.1	15,095	4,218	3,835	11,261	384	2,656	198	2,458
26.....	9	73	9,961	10,024	105.6	15,174	5,213	4,009	11,165	1,204	1,583	368	1,215
Apr. 2.....	108		9,725	9,617	100.6	15,558	5,833	4,596	10,962	1,237	1,955	221	1,733
9.....	35		11,425	11,390	120.8	16,512	5,088	4,450	12,062	637	2,237	190	2,047
16.....	33	4	11,354	11,326	117.2	15,952	4,598	4,419	11,533	179	2,085	326	1,759
23.....	10	47	10,856	10,893	111.9	15,226	4,371	3,864	11,363	507	1,334	147	1,187
30.....	72	75	8,068	8,070	84.2	13,322	5,254	3,577	9,745	1,677	1,126	970	155
5 in City of Chicago													
1975—Mar. 5.....	11		3,877	3,866	217.5	4,712	835	835	3,877		280		280
12.....	33		4,541	4,507	257.7	5,303	763	763	4,541		396		396
19.....	24		4,065	4,089	227.5	4,698	633	633	4,065		519		519
26.....	10	43	3,800	3,832	218.5	4,502	702	702	3,800		354		354
Apr. 2.....	41		3,587	3,546	202.6	4,514	926	923	3,591	3	440		440
9.....	29		4,334	4,305	250.2	5,094	760	760	4,334		444		444
16.....	4		4,026	4,030	222.5	4,930	904	904	4,026		318		318
23.....	14		4,065	4,051	231.8	4,981	916	916	4,065		313		313
30.....	11	36	3,532	3,557	204.1	4,499	968	967	3,532		291		291
33 others													
1975—Mar. 5.....	43		6,005	5,962	77.7	10,555	4,551	3,582	6,973	969	1,375	304	1,071
12.....	14	6	6,797	6,789	89.4	10,903	4,106	3,761	7,142	345	2,198	269	1,929
19.....	21	18	6,812	6,810	88.7	10,397	3,585	3,202	7,196	384	2,137	198	1,940
26.....	1	30	6,161	6,192	80.0	10,672	4,511	3,307	7,365	1,204	1,228	368	861
Apr. 2.....	67		6,138	6,071	77.7	11,045	4,907	3,673	7,371	1,233	1,514	221	1,293
9.....	6		7,090	7,084	91.9	11,418	4,327	3,689	7,728	637	1,794	190	1,604
16.....	37	4	7,328	7,296	92.9	11,022	3,515	3,515	7,507	179	1,767	326	1,440
23.....	4	47	6,791	6,842	87.5	10,245	3,454	2,947	7,298	507	1,021	147	874
30.....	62	39	4,536	4,513	57.6	8,823	4,287	2,609	6,213	1,677	835	970	136

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 ⁴		
	Under Secs. 13 and 13a ¹			Under Sec. 10(b) ²								
				Regular rate			Special rate ³					
	Rate on 4/30/75	Effective date	Previous rate	Rate on 4/30/75	Effective date	Previous rate	Rate on 4/30/75	Effective date ³	Previous rate	Rate on 4/30/75	Effective date	Previous rate
Boston.....	6¼	3/10/75	6¾	6¼	3/10/75	7¼	8	3/10/75	8½	9	3/10/75	9½
New York.....	6¼	3/10/75	6¾	6¼	3/10/75	7¼	8	3/10/75	8½	9	3/10/75	9½
Philadelphia.....	6¼	3/10/75	6¾	6¼	3/10/75	7¼	8	3/10/75	8½	9	3/10/75	9½
Cleveland.....	6¼	3/10/75	6¾	6¼	3/10/75	7¼	8	3/10/75	8½	9	3/10/75	9½
Richmond.....	6¼	3/10/75	6¾	6¼	3/10/75	7¼	8	3/10/75	8½	9	3/10/75	9½
Atlanta.....	6¼	3/10/75	6¾	6¼	3/10/75	7¼	8	3/10/75	8½	9	3/10/75	9½
Chicago.....	6¼	3/10/75	6¾	6¼	3/10/75	7¼	8	3/14/75	8½	9	3/14/75	9½
St. Louis.....	6¼	3/14/75	6¾	6¼	3/14/75	7¼	8	3/14/75	8½	9	3/14/75	9½
Minneapolis.....	6¼	3/10/75	6¾	6¼	3/10/75	7¼	8	3/10/75	8½	9	3/10/75	9½
Kansas City.....	6¼	3/10/75	6¾	6¼	3/10/75	7¼	8	3/10/75	8½	9	3/10/75	9½
Dallas.....	6¼	3/14/75	6¾	6¼	3/14/75	7¼	8	3/14/75	8½	9	3/14/75	9½
San Francisco.....	6¼	3/10/75	6¾	6¼	3/10/75	7¼	8	3/10/75	8½	9	3/10/75	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.

² Advances secured to the satisfaction of the F.R. Bank. Advances secured by mortgages on 1- to 4-family residential property are made at the Section 13 rate.

³ Applicable to special advances described in Section 201.2(c)(2) of Regulation A.

⁴ 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.

SUMMARY OF EARLIER CHANGES

(Per cent per annum)

Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.	Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.	Effective date	Range (or level)—All F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1955.....	2½	2½	1964—Nov. 24.....	3½-4	4	1971—Nov. 11.....	4¾-5	5
1956—Apr. 13.....	2½-3	2¾	30.....	4	4	19.....	4¾	4¾
20.....	2¾-3	2¾	1965—Dec. 6.....	4-4½	4½	Dec. 13.....	4½-4¾	4¾
Aug. 24.....	2¾-3	3	13.....	4½	4½	17.....	4½-4¾	4½
31.....	3	3	1967—Apr. 7.....	4-4½	4	24.....	4½	4½
1957—Aug. 9.....	3-3½	3	14.....	4	4	1973—Jan. 15.....	5	5
23.....	3½	3½	Nov. 20.....	4-4½	4½	Feb. 26.....	5-5½	5½
Nov. 15.....	3-3½	3	27.....	4½	4½	Mar. 2.....	5½	5½
Dec. 2.....	3	3	1968—Mar. 15.....	4½-5	4½	Apr. 23.....	5½-5¾	5½
1958—Jan. 22.....	2¾-3	3	22.....	5	5	May 4.....	5¾	5¾
24.....	2¾-3	2¾	Apr. 19.....	5-5½	5½	11.....	5¾-6	6
Mar. 7.....	2¾-3	2¾	26.....	5½	5½	18.....	6	6
13.....	2¾-2¾	2¾	Aug. 16.....	5¼-5½	5½	June 11.....	6-6½	6½
21.....	2¾	2¾	30.....	5¼	5¼	15.....	6½	6½
Apr. 18.....	1¾-2¼	1¾	Dec. 18.....	5¼-5½	5½	July 2.....	7	7
May 9.....	1¾	1¾	20.....	5½	5½	Aug. 14.....	7-7½	7½
Aug. 15.....	1¾-2	1¾	1969—Apr. 4.....	5½-6	6	23.....	7½	7½
Sept. 12.....	1¾-2	2	8.....	6	6	1974—Apr. 25.....	7½-8	8
23.....	2	2	1970—Nov. 11.....	5¾-6	6	30.....	8	8
Oct. 24.....	2-2½	2	13.....	5¾-6	5¾	Dec. 9.....	7¾-8	7¾
Nov. 7.....	2½	2½	16.....	5¾	5¾	16.....	7¾	7¾
1959—Mar. 6.....	2½-3	3	Dec. 1.....	5½-5¾	5¾	1975—Jan. 6.....	7¼-7¾	7¾
16.....	3	3	4.....	5½-5¾	5½	10.....	7¼-7¾	7¼
May 29.....	3-3½	3½	11.....	5½	5½	24.....	7¼	7¼
June 12.....	3½	3½	1971—Jan. 8.....	5¼-5½	5¼	Feb. 5.....	6¾-7¼	6¾
Sept. 11.....	3½-4	4	15.....	5¼	5¼	7.....	6¾	6¾
18.....	4	4	19.....	5-5¼	5¼	Mar. 10.....	6¼-6¾	6¼
1960—June 3.....	3½-4	4	22.....	5-5¼	5	14.....	6¼	6¼
10.....	3½-4	3½	29.....	5	5	In effect, Apr. 30, 1975....	6¼	6¼
14.....	3½	3½	Feb. 13.....	4¾-5	5			
Aug. 12.....	3-3½	3	19.....	4¾	4¾			
Sept. 9.....	3	3	July 16.....	4¾-5	5			
1963—July 17.....	3-3½	3½	23.....	5	5			
26.....	3½	3½						

NOTE.—Rates under Secs. 13 and 13a (as described in table and notes above). For data before 1956, 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, Sept. 8, 15.....					4	4	5	
1967 Mar. 2, Mar. 16.....					3½ 3	3½ 3	6	
1968 Jan. 11, 18.....	16½	17	12	12½				
1969 Apr. 17.....	17	17½	12½	13				
1970 Oct. 1.....							5	
Beginning Nov. 9, 1972								
Effective date	Net demand ^{2,4}					Time ³		
	0.2	2-10	10-100	100-400	Over 400	Savings	Other time	
							0.5	Over 5 ½, maturing in
							30-179 days	180 days and over
1972 Nov. 9, Nov. 16.....	8	10	12	6 16½ 13	17½	7-3	7-3	7-5
1973 July 19.....		10½	12½	13½	18			
1974 Dec. 12.....					17½		6	3
1975 Feb. 13.....	7½	10	12	13	16½			
In effect Apr. 30, 1975	7½	10	12	13	16½	3	3	6 3
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. See "Announcements" in Apr. 1975 BULLETIN, p. 260, concerning reduction in requirements to be effective May 22, 1975.

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 I.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 A marginal reserve requirement was in effect between June 21, 1973, and Dec. 11, 1974, against increases in the aggregate of the following types of obligations: (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 existing reserve requirements on time deposits, and (c) beginning July 12, 1973, funds from sales of finance bills. The requirement applied to balances above a specified base, but was not applicable to banks having obligations of these types aggregating less than \$10 million. For details, including percentages and maturity classifications, see "Announcements" in BULLETINS for May, July, Sept., and Dec. 1973 and Sept. and Nov. 1974.

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

⁷ See columns above for earliest effective date of this rate.

NOTE. Required reserves must be held in the form of deposits with I.R. Banks or vault cash.

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Rates July 20, 1966 - June 30, 1973					Rates beginning July 1, 1973				
Type and size of deposit	Effective date				Type and size of deposit	Effective date			
	July 20, 1966	Sept. 26, 1966	Apr. 19, 1968	Jan. 21, 1970		July 1, 1973	Nov. 1, 1973	Nov. 27, 1974	Dec. 23, 1974
Savings deposits.....	4	4	4	4½	Savings deposits.....	5	5	5	5
Other time deposits: ¹					Other time deposits (multiple- and single-maturity): ^{1, 2}				
Multiple maturity: ²					Less than \$100,000:				
30-89 days.....	4	4	4	4½	30-89 days.....	5	5	5	5
90 days to 1 year.....				5	90 days to 1 year.....	5½	5½	5½	5½
1-2 years.....	5	5	5	5½	1 2½ years.....	6	6	6	6
2 years or more.....				5¾	2½ years or more.....	6½	6½	6½	6½
Single-maturity:					Minimum denomination of \$1,000:				
Less than \$100,000:					4-6 years.....	(4)	7¼	7¼	7¼
30 days to 1 year.....				5	6 years or more.....	(5)	(5)	7½	7½
1-2 years.....	5½	5	5	5½	Governmental units.....	(5)	(5)	7½	7½
2 years or more.....				5¾	\$100,000 or more.....	(3)	(3)	(3)	(3)
\$100,000 or more:									
30-89 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)					

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:

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

Rates on multiple-maturity time deposits in denominations 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 certificates maturing in 4 years or more with minimum denominations 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 denominations of \$1,000. There is no limitation on the amount of these certificates that banks may issue.

⁵ Prior to Nov. 27, 1974, no distinction was made between the time deposits of governmental units and of other holders, insofar as Regulation Q ceilings on rates payable were concerned. Effective Nov. 27, 1974, governmental units were permitted to hold savings deposits and could receive interest rates on time deposits with denominations under \$100,000 irrespective of maturity, as high as the maximum rate permitted on such deposits at any federally insured depository institution.

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		For credit extended under Regulations T (brokers and dealers), U (banks), and G (others than brokers, dealers, or banks)						
Beginning date	Ending date	On margin stocks			On convertible bonds			On short sales (T)
		T	U	G	T	U	G	
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)

Outright transactions in U.S. Govt. securities, by maturity (excluding matched sale-purchase transactions)															
Period	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
1974.....	11,660	5,830	4,550	450	.....	1,314	797	.....	697	434	.....	1,675	196	.....	205
1974 -Mar....	664	566	165	.....	.....	.....	109	.....	.....	56	.....	.....	25	.....	.....
Apr....	1,237	49	407	.....	.....	.....	172	.....	.....	.....	.....	.....	.....	.....	.....
May....	737	100	.....	112	.....	2,563	26	.....	2,663	31	.....	.....	38	.....	100
June....	614	954	204	48	.....	.....	34	.....	.....	78	.....	.....	16	.....	.....
July....	988	211	.....	27	.....	.....	53	.....	.....	9	.....	.....	36	.....	.....
Aug....	1,652	850	.....	.....	.....	2,867	.....	.....	1,057	.....	.....	1,940	.....	.....	130
Sept....	717	565	786	22	.....	200	651	.....	200	53	.....	.....	37	.....	.....
Oct....	547	1,110	1,063	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Nov....	1,422	273	107	148	.....	1,623	92	.....	1,757	78	.....	465	25	.....	200
Dec....	973	426	6	85	.....	126	123	.....	126	53	.....	.....	20	.....	.....
1975 -Jan....	341	945	600	14	.....	.....	305	.....	.....	61	.....	.....	26	.....	.....
Feb....	357	460	900	.....	.....	2,437	129	.....	2,836	113	.....	249	74	.....	150
Mar....	760	156	487	1,579	.....	1,494	361	.....	194	450	.....	.....	217	.....	.....
Period	Total outright ¹			Matched sale-purchase transactions (U.S. Govt. securities)		Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities		Federal agency obligations		Bankers' acceptances, net		Net change ³	
	Gross purchases	Gross sales	Redemptions	Gross sales	Gross purchases	Gross purchases	Gross sales	Gross purchases	Gross sales	Gross purchases	Sales or redemptions	Repurchase agreements, net	Outright	Repurchase agreements	Net change
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	74,755	8,610	.....	865	239	29	-2	-36	9,227
1974.....	13,537	5,830	4,682	64,229	62,801	71,333	70,947	1,984	.....	3,087	322	469	541	420	6,149
1974 -Mar....	854	566	165	702	702	6,248	5,124	1,246	.....	170	48	185	4	223	1,780
Apr....	1,409	49	407	.....	.....	8,069	8,498	524	.....	360	48	33	8	89	789
May....	944	100	.....	4,586	4,586	9,192	8,648	1,388	.....	201	15	424	16	142	2,155
June....	790	954	204	4,580	4,580	6,124	6,667	911	.....	309	73	372	70	70	1,115
July....	1,113	211	.....	2,587	.....	4,269	4,965	2,381	.....	761	35	270	.....	207	2,011
Aug....	1,652	850	.....	9,064	11,287	2,096	2,096	3,028	.....	238	3	.....	59	.....	3,322
Sept....	893	565	786	9,420	9,782	3,551	3,551	96	.....	207	16	.....	40	187	3,322
Oct....	547	1,110	1,063	12,574	12,516	4,618	4,618	1,684	.....	.....	.....	.....	100	185	1,970
Nov....	1,765	273	238	6,880	6,404	6,990	6,121	1,647	.....	311	.....	369	174	218	2,739
Dec....	1,254	426	6	8,855	7,962	11,470	11,895	498	.....	360	.....	142	188	201	393
1975 -Jan....	746	945	600	9,237	10,467	9,260	8,748	844	.....	14	409	103	136	387	387
Feb....	673	460	900	7,167	6,634	11,267	10,305	258	.....	376	81	246	12	39	309
Mar....	3,362	156	1,788	15,933	16,763	5,011	6,928	332	.....	210	2	347	5	323	136

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; Nov. 1974, 131; Mar. 1975, 1,560.

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. Details may not add to totals because of rounding.

CONVERTIBLE FOREIGN CURRENCIES HELD BY FEDERAL RESERVE BANKS

(In millions of U.S. dollar equivalent)

End of period	Total	Pounds sterling	Belgian francs	Canadian dollars	French francs	German marks	Italian lire	Japanese yen	Mexico pesos	Netherlands guilders	Swiss francs
1970.....	257	154	*	*	.....	98	.....	.....	.....	*	4
1971.....	18	3	3	*	.....	2	.....	.....	.....	.....	8
1972.....	192	*	*	*	.....	164	.....	.....	.....	20	6
1973.....	4	*	.....	*	.....	*	.....	.....	.....	.....	3
1974 -Feb....	32	*	20	*	.....	10	.....	.....	.....	.....	.....
Mar....	6	*	5	*	.....	*	.....	.....	.....	.....	.....
Apr....	6	*	5	*	.....	*	.....	.....	.....	.....	.....
May....	63	*	5	*	.....	57	.....	.....	.....	.....	.....
June....	90	*	5	*	.....	84	.....	.....	.....	.....	.....
July....	8	*	1	*	.....	6	.....	.....	.....	.....	.....
Aug....	220	*	*	*	.....	39	.....	.....	180	.....	.....
Sept....	242	*	*	*	.....	61	.....	.....	180	.....	.....
Oct....	190	*	1	*	.....	8	.....	.....	180	.....	.....
Nov....	40	*	*	*	.....	38	.....	.....	.....	.....	.....
Dec....	2	*	*	*	.....	1	.....	.....	.....	.....	.....
1975 -Jan....	2	*	*	*	.....	1	.....	.....	.....	.....	.....

CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1975					1975		1974
	Apr. 30	Apr. 23	Apr. 16	Apr. 9	Apr. 2	Apr. 30	Mar. 31	Apr. 30
Assets								
Gold certificate account.....	11,620	11,620	11,620	11,620	11,621	11,620	11,620	11,460
Special Drawing Rights certificate account.....	400	400	400	400	400	400	400	400
Cash.....	347	341	344	332	342	347	352	234
Loans:								
Member bank borrowings.....	1,538	1,068	48	14	42	1,538	60	1,747
Other.....								
Acceptances:								
Bought outright.....	689	650	643	649	677	689	665	81
Held under repurchase agreements.....	496	116	236	1		496		135
Federal agency obligations:								
Bought outright.....	5,189	5,189	5,189	5,189	5,189	5,189	5,190	2,436
Held under repurchase agreements.....	882	288	410			882		218
U.S. Govt. securities:								
Bought outright:								
Bills.....	37,222	35,918	34,395	33,290	35,838	37,222	36,087	37,181
Certificates—Special.....								
Other.....								
Notes.....	42,488	42,067	41,583	41,583	41,583	42,488	41,583	39,128
Bonds.....	3,913	3,803	3,748	3,748	3,748	3,913	3,748	3,004
Total bought outright.....	183,623	181,788	179,726	178,621	181,169	183,623	181,418	179,313
Held under repurchase agreements.....	4,223	1,122	2,416			4,223		694
Total U.S. Govt. securities.....	87,846	82,910	82,142	78,621	81,169	87,846	81,418	80,007
Total loans and securities.....	96,640	90,231	88,668	84,474	87,077	96,640	87,333	84,624
Cash items in process of collection.....	27,209	28,286	9,192	7,890	7,649	27,209	5,588	8,502
Bank premises.....	277	278	278	276	276	277	275	231
Operating equipment.....	2	2	2	2	2	2	2	
Other assets:								
Denominated in foreign currencies.....	2	22	2	12	2	2	19	6
All other.....	3,016	2,958	2,864	2,844	2,787	3,016	2,776	1,076
Total assets.....	119,513	114,128	113,370	107,850	110,156	119,513	108,365	106,533
Liabilities								
F.R. notes.....	69,561	69,610	69,989	70,022	69,581	69,561	69,270	63,816
Deposits:								
Member bank reserves.....	32,202	28,746	31,396	28,614	28,642	32,202	27,139	28,795
U.S. Treasury—General account.....	8,363	6,191	1,638	467	2,430	8,363	4,269	2,813
Foreign.....	270	249	296	267	429	270	402	517
Other:								
All other ²	573	640	615	595	795	573	709	697
Total deposits.....	41,408	35,826	33,945	29,943	32,296	41,408	32,519	32,822
Deferred availability cash items.....	5,092	5,431	6,270	4,855	5,371	5,092	3,456	6,766
Other liabilities and accrued dividends.....	1,192	1,112	1,121	1,086	1,070	1,192	1,012	1,087
Total liabilities.....	117,253	111,979	111,325	105,906	108,318	117,253	106,257	104,491
Capital accounts								
Capital paid in.....	906	907	906	903	903	906	903	874
Surplus.....	897	897	897	897	897	897	897	844
Other capital accounts.....	457	345	242	144	38	457	308	324
Total liabilities and capital accounts.....	119,513	114,128	113,370	107,850	110,156	119,513	108,365	106,533
Contingent liability on acceptances purchased for foreign correspondents.....	2	6	20	24	34	2	37	700
Marketable U.S. Govt. securities held in custody for foreign and international accounts.....	38,174	38,894	40,137	38,698	37,824	38,174	37,974	27,349
Federal Reserve Notes—Federal Reserve Agents' Accounts								
F.R. notes outstanding (issued to Bank).....	74,871	74,913	74,916	74,687	74,548	74,871	74,473	68,018
Collateral held against notes outstanding:								
Gold certificate account.....	2,587	3,337	3,337	3,492	3,809	2,587	3,809	2,150
Special Drawing Rights certificate account.....	138	138	138	138	138	138	138	
Acceptances.....								
U.S. Govt. securities.....	73,930	73,080	72,955	72,830	72,477	73,930	72,277	67,195
Total collateral.....	76,655	76,555	76,430	76,460	76,424	76,655	76,224	69,345

¹ See note 2 on p. A-2.² See note 6 on p. A-2.

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

(In millions of dollars)

Item	Wednesday					End of month		
	1975					1975		1974
	Apr. 30	Apr. 23	Apr. 16	Apr. 9	Apr. 2	Apr. 30	Mar. 31	Apr. 30
Loans - Total.....	1,538	1,068	46	14	41	1,538	59	1,747
Within 15 days.....	1,536	1,068	46	7	35	1,536	58	1,709
16-90 days.....	2			7	6	2	1	38
91 days to 1 year.....								
Acceptances - Total.....	1,185	766	879	650	677	1,185	665	216
Within 15 days.....	594	227	363	94	103	594	111	150
16-90 days.....	366	359	355	399	414	366	139	63
91 days to 1 year.....	225	180	161	157	160	225	415	3
U.S. Govt. securities - Total.....	87,846	82,910	82,142	78,621	81,169	87,846	81,418	80,007
Within 15 days ¹	13,679	5,962	5,457	2,636	5,050	13,679	3,771	5,327
16-90 days.....	17,837	21,199	21,502	20,950	21,379	17,837	22,146	19,917
91 days to 1 year.....	21,009	20,919	20,884	20,636	20,341	21,009	21,102	22,589
1-5 years.....	21,772	21,496	21,288	21,288	21,288	21,772	21,288	22,516
5-10 years.....	10,759	10,653	10,485	10,485	10,485	10,759	10,485	7,836
Over 10 years.....	2,790	2,681	2,626	2,626	2,626	2,790	2,626	1,822
Federal agency obligations - Total.....	6,071	5,477	5,599	5,189	5,189	6,071	5,190	2,651
Within 15 days ¹	926	331	455	2		926	6	218
16-90 days.....	192	192	191	234	236	192	189	119
91 days to 1 year.....	616	617	603	603	603	616	643	260
1-5 years.....	2,567	2,567	2,580	2,580	2,580	2,567	2,580	978
5-10 years.....	1,209	1,209	1,209	1,209	1,209	1,209	1,211	723
Over 10 years.....	561	561	561	561	561	561	561	356

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		
1974 Mar.....	20,165.1	8,914.4	4,718.0	11,250.7	6,532.8	118.3	292.5	120.8	80.3	64.7
Apr.....	20,062.3	8,637.9	4,747.6	11,424.3	6,676.7	115.4	274.6	119.7	80.2	65.0
May.....	20,564.7	8,970.1	4,820.8	11,594.6	6,773.8	117.1	275.3	122.3	81.1	65.4
June.....	20,457.3	9,065.7	4,768.0	11,391.6	6,623.6	116.9	279.9	120.0	79.8	64.3
July.....	20,899.6	9,140.4	4,892.1	11,759.2	6,867.1	119.8	282.1	123.5	82.8	67.0
Aug.....	21,481.7	9,240.8	5,173.0	12,241.0	7,068.0	123.4	286.4	132.0	86.3	68.9
Sept.....	22,017.5	9,970.8	5,092.1	12,046.7	6,954.7	125.1	310.5	127.5	83.8	66.9
Oct.....	22,348.8	10,271.1	5,084.7	12,077.6	6,993.0	127.0	316.8	127.3	84.1	67.5
Nov.....	22,918.7	10,538.9	5,160.2	12,379.8	7,219.6	131.8	324.6	131.5	87.5	70.6
Dec.....	22,192.4	9,931.8	5,152.7	12,260.6	7,107.9	128.0	312.8	131.8	86.6	69.3
1975 Jan.....	22,856.3	10,157.8	4,868.4	11,698.4	6,830.1	127.2	321.8	125.9	83.4	67.3
Feb.....	22,952.7	10,918.0	4,992.8	12,034.7	7,041.9	133.3	343.2	127.4	85.8	69.6
Mar.....	22,121.4	10,241.1	4,848.2	11,880.2	7,032.0	124.6	318.3	116.9	81.7	67.7

¹ Excludes interbank and U.S. Govt. demand deposit accounts.

² Boston, Philadelphia, Chicago, Detroit, San Francisco-Oakland, and Los Angeles-Long Beach.

NOTE: Total SMSA's include 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)

Period	Seasonally adjusted					Not seasonally adjusted				
	M ₁	M ₂	M ₃	M ₄	M ₅	M ₁	M ₂	M ₃	M ₄	M ₅
Composition of measures is described in the Note below.										
1972—Dec.....	255.8	525.7	844.9	569.7	888.8	263.0	530.7	848.0	574.9	892.2
1973—Dec.....	271.5	572.2	919.6	636.0	983.4	279.1	577.3	922.8	641.3	986.8
1974—Mar.....	275.2	585.5	940.0	653.4	1007.9	272.5	584.9	941.1	651.5	1007.7
Apr.....	276.6	589.4	945.9	663.3	1019.8	278.2	593.5	952.2	665.3	1024.0
May.....	277.6	591.6	948.8	670.2	1027.3	272.9	589.7	948.3	666.9	1025.5
June.....	280.0	597.1	955.9	678.5	1037.2	278.2	596.6	957.4	676.2	1037.0
July.....	280.5	599.7	959.9	683.3	1043.5	280.1	599.3	961.2	682.1	1044.0
Aug.....	280.7	602.2	963.0	686.0	1046.7	277.5	598.7	958.9	685.8	1046.0
Sept.....	281.1	603.8	965.5	688.7	1050.3	279.4	600.7	961.2	689.4	1049.9
Oct.....	282.2	608.1	971.2	694.3	1057.4	281.7	606.3	968.0	695.1	1056.7
Nov.....	283.8	613.0	978.3	698.5	1063.8	285.3	611.1	974.2	698.2	1061.2
Dec.....	284.3	614.3	982.5	704.6	1072.8	292.2	619.4	985.8	709.8	1076.3
1975 Jan.....	282.2	616.2	987.7	708.9	1080.4	289.3	622.1	993.1	714.0	1085.0
Feb.....	283.8	621.1	996.3	713.2	1088.4	280.8	618.7	994.1	707.9	1083.3
Mar.....	286.8	627.4	1007.8	717.2	1097.6	284.0	626.9	1008.7	715.0	1096.8

Note. Composition of the money stock measures is as follows:

M₁: 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.

M₂: Averages of daily figures for M₁ plus savings deposits, time deposits open account, and time certificates other than negotiable CD's of \$100,000 of large weekly reporting banks.

M₃: M₂ plus mutual savings bank deposits, savings and loan shares, and credit union shares (nonbank thrift).

M₄: M₂ plus large negotiable CD's.

M₅: M₂ plus large negotiable CD's.

For a description of the latest revisions in M₁, M₂, and M₃, see "Revision of Money Stock Measures and Member Bank Reserves and Deposits" on pp. 817-27 of the Dec. 1974 BULLETIN.

Latest monthly and weekly figures are available from the Board's H.6 release. Back data are available from the Banking Section, Division of Research and Statistics.

COMPONENTS OF MONEY STOCK MEASURES AND RELATED ITEMS

(In billions of dollars)

Period	Seasonally adjusted						Not seasonally adjusted								U.S. Govt. de- pos- its ³
	Cur- ren- cy	De- mand de- pos- its	Commercial banks			Non- bank thrift insti- tutions ²	Cur- ren- cy	Commercial banks					Non- bank thrift insti- tutions ²		
			Time and savings deposits					Demand deposits			Time and savings deposits				
			CD's ¹	Other	Total			Total	Mem- ber	Dom- estic non- mem- ber	CD's ¹	Other		Total	
1972—Dec.....	56.9	198.9	43.9	269.9	313.8	319.1	57.9	205.1	152.4	51.4	44.2	267.6	311.8	317.3	7.4
1973—Dec.....	61.6	209.9	63.8	300.7	364.5	347.4	62.7	216.4	157.0	56.6	64.0	298.2	362.2	345.6	6.3
1974—Mar.....	63.3	211.9	68.0	310.3	378.3	354.5	62.7	209.8	152.3	54.7	66.7	312.4	379.1	356.2	6.4
Apr.....	63.9	212.8	73.9	312.7	386.7	356.5	63.5	214.7	155.8	56.2	71.8	315.3	387.1	358.7	6.0
May.....	64.3	213.3	78.5	314.0	392.5	357.1	64.1	208.8	151.3	54.8	77.2	316.7	393.9	358.7	7.6
June.....	64.6	215.4	81.3	317.1	398.4	358.8	64.8	213.5	153.6	56.1	79.6	318.3	397.9	360.8	6.1
July.....	64.8	215.7	83.6	319.2	402.8	360.2	65.3	214.8	154.4	56.6	82.8	319.2	402.0	361.9	5.4
Aug.....	65.5	215.3	83.8	321.5	405.2	360.7	65.7	211.9	152.3	56.3	87.1	321.1	408.2	360.3	4.0
Sept.....	65.9	215.3	84.8	322.7	407.5	361.6	65.8	213.6	153.3	57.0	88.7	321.3	410.1	360.5	5.5
Oct.....	66.5	215.7	86.2	325.9	412.1	363.1	66.4	215.3	154.4	57.7	88.8	324.6	413.3	361.7	3.7
Nov.....	67.3	216.5	85.5	329.2	414.7	365.3	67.8	217.5	155.9	58.4	87.1	325.8	412.9	363.0	3.3
Dec.....	67.8	216.6	90.3	330.0	420.3	368.3	68.9	223.3	160.3	59.7	90.5	327.2	417.6	366.5	4.8
1975 Jan.....	68.1	214.1	92.7	334.0	426.7	371.5	67.7	221.6	158.7	59.7	91.9	332.8	424.7	371.0	4.0
Feb.....	68.6	215.1	92.1	337.3	429.4	375.2	67.8	213.0	152.2	57.6	89.2	337.9	427.1	375.4	3.3
Mar.....	69.4	217.5	89.8	340.5	430.3	380.4	68.8	215.3	153.9	58.2	88.1	342.9	430.9	381.8	3.8

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, for savings capital at savings and loan associations, and for credit union shares.

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	
	Total	Non-borrowed	Re-quired	Avail-able ²	S.A.				N.S.A.					
					Total	Time and savings	Demand		Total	Time and savings	Demand			
							Private	U.S. Govt.			Private	U.S. Govt.		
1971- Dec....	31.33	31.20	31.15	29.03	360.3	210.7	143.8	5.8	364.6	209.7	149.2	5.7	365.2	369.5
1972- Dec....	31.46	30.41	31.17	29.09	402.0	242.0	154.5	5.6	406.8	240.7	160.1	6.1	406.4	411.2
1973- Dec....	35.16	33.87	34.86	32.97	442.2	280.0	158.2	3.9	447.5	278.5	164.0	5.0	448.7	454.0
1974- Mar....	34.98	33.67	34.85	33.13	450.4	288.6	158.7	3.2	450.4	288.6	156.9	4.9	457.9	457.9
Apr....	35.88	34.15	35.70	33.66	461.2	296.6	160.0	4.6	462.5	296.2	161.5	4.8	469.2	470.6
May....	36.52	33.93	36.34	34.26	467.1	302.3	159.1	5.6	464.7	303.0	155.6	6.1	475.8	473.5
June....	36.74	33.73	36.54	34.71	472.9	307.0	160.6	5.3	470.0	306.4	158.9	4.7	481.2	478.4
July....	37.40	34.10	37.24	34.96	475.7	310.7	160.7	4.2	474.3	310.1	160.0	4.1	484.9	483.5
Aug....	37.27	33.93	37.08	35.27	478.5	312.4	159.9	6.2	475.1	315.3	157.0	2.9	487.5	484.2
Sept....	37.28	34.00	37.09	35.30	480.6	314.4	159.9	6.3	479.7	317.2	158.3	4.2	489.2	488.2
Oct....	36.86	35.04	36.73	34.89	480.5	317.2	159.5	3.7	480.5	318.6	159.1	2.7	488.3	488.3
Nov....	36.87	35.62	36.67	34.87	483.6	318.4	160.6	4.6	481.2	317.4	161.4	2.4	491.2	488.8
Dec....	36.91	36.18	36.65	34.64	485.9	323.4	160.7	1.9	491.8	321.7	166.6	3.5	494.3	500.1
1975- Jan....	36.91	36.51	36.76	34.41	488.2	328.5	159.0	7	495.1	327.2	165.0	2.9	495.8	502.6
Feb....	35.46	35.32	35.27	33.60	489.2	328.9	159.7	6	487.0	326.5	158.0	2.4	495.7	493.5
Mar....	34.85	34.74	34.65	33.03	491.6	329.2	161.7	7	491.6	328.9	159.8	2.8	498.1	498.1

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, loans sold to bank-related institutions, 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 Money Stock Measures and Member Bank Reserves and Deposits" on pp. 817-27 of the Dec. 1974 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					
	Loans			Securities			Loans			Securities		
	Total loans and investments ¹	Commercial and industrial ³		U.S. Treasury	Other ⁴		Total loans and investments ¹	Commercial and industrial ³		U.S. Treasury	Other ⁴	
		Total ¹	Plus loans sold ²		Total ¹	Plus loans sold ²		Total ¹	Plus loans sold ²		Total ¹	Plus loans sold ²
1971- Dec. 31....	484.8	320.3	323.1	115.9	117.5	60.1	497.9	328.3	331.1	118.5	120.2	64.9
1972- Dec. 31....	556.4	377.8	380.4	129.7	131.4	61.9	571.4	387.3	389.9	132.7	134.4	67.0
1973- Dec. 31....	630.3	447.3	451.6	155.8	158.4	52.8	647.3	458.5	462.8	159.4	162.0	58.3
1974- Apr. 24....	666.9	476.3	481.7	169.5	172.6	57.1	664.2	473.0	478.4	170.2	173.3	56.4
May 29....	673.4	481.4	487.1	172.9	176.0	57.2	669.8	480.3	485.9	172.3	175.4	54.1
June 30....	677.5	484.5	489.9	174.6	177.5	56.4	681.6	491.8	497.2	177.2	180.1	52.1
July 31....	687.5	494.8	500.2	178.0	180.9	55.9	686.3	497.2	502.6	178.4	181.3	52.2
Aug. 28....	691.9	501.5	506.8	181.0	183.9	55.3	689.4	500.6	505.9	179.4	182.3	52.0
Sept. 25....	689.9	500.2	505.5	181.4	184.2	52.3	689.5	501.2	506.5	181.5	184.3	50.7
Oct. 30....	690.8	502.0	507.2	183.2	186.0	49.8	689.5	500.7	505.9	182.0	184.8	50.7
Nov. 27....	692.5	503.8	508.7	184.3	187.0	49.1	692.2	502.0	506.9	183.2	185.9	52.1
Dec. 31....	687.0	498.2	503.0	182.6	185.3	48.7	705.5	510.6	515.4	186.8	189.5	54.4
1975- Jan. 29....	689.1	500.7	505.3	183.9	186.6	48.8	688.3	495.9	500.5	181.7	184.4	53.6
Feb. 26....	691.0	497.6	502.1	182.1	184.8	53.3	685.3	491.5	496.0	180.3	183.0	54.7
Mar. 26....	694.7	496.4	501.1	180.4	183.2	58.7	690.2	490.3	495.0	180.0	182.8	59.6
Apr. 30....	696.1	492.4	497.0	179.8	182.5	64.4	695.2	490.5	495.1	180.4	184.1	63.7

¹ Adjusted to exclude domestic commercial interbank loans.

² Loans sold are those sold outright for banks' own foreign branches, nonconsolidated nonbank affiliates of the bank, the banks' holding company (if not a bank), and nonconsolidated nonbank subsidiaries of the holding company. Prior to Aug. 28, 1974, the institutions included had been defined somewhat differently, and the reporting panel of banks was also different. On the new basis, both "Total loans" and "Commercial and industrial loans" were reduced by about \$100 million.

³ Reclassification of loans at one large bank reduced these loans by about \$400 million as of June 30, 1972.

⁴ Farmers Home Administration insured notes included in "Other securities" rather than in loans beginning June 30, 1971, when such notes totaled about \$700 million.

⁵ Data beginning June 30, 1974, include one large mutual savings bank that merged with a nonmember commercial bank. As of that date there were increases of about \$500 million in loans, \$100 million in "Other securities," and \$600 million in "Total loans and investments."

⁶ As of Oct. 31, 1974, "Total loans and investments" of all commercial banks were reduced by \$1.5 billion in connection with the liquidation of one large bank. Reductions in other items were: "Total loans," \$1.0 billion (of which \$0.6 billion was in "Commercial and industrial loans"), and "Other securities," \$0.5 billion. In late November "Commercial and industrial loans" were increased by \$0.1 billion as a result of loan reclassifications at another large bank.

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 F.R.S. membership and FDIC insurance	Loans and investments					Total assets		Deposits					Bor- row- ings	Total capital ac- counts	Num- ber of banks	
	Total	Loans	Securities		Cash assets ³	Total ¹	Interbank ³		Other		Time ²					
			U.S. Treasury	Other ²			De- mand	Time	U.S. Govt.	Other						
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...	116,284	38,057	69,221	9,006	37,502	155,177	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	104,703	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—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																
Apr. 24...	699,290	508,140	56,410	134,740	102,360	838,740	669,730	31,450	7,290	5,900	236,170	388,920	67,580	59,950	14,261	
May 29...	703,820	514,280	54,080	135,460	115,575	857,695	683,175	34,870	8,200	5,940	238,215	395,950	69,910	60,330	14,290	
June 30...	718,713	528,951	52,114	137,648	126,487	884,295	709,917	42,016	8,903	8,367	252,434	398,197	67,548	61,623	14,337	
July 31...	720,730	531,580	52,230	136,920	107,850	872,560	695,230	33,580	9,680	4,360	243,870	403,740	68,030	61,530	14,367	
Aug. 28...	722,110	533,320	52,010	136,780	100,610	865,740	688,490	30,530	9,970	4,070	235,780	408,140	67,230	61,530	14,383	
Sept. 25...	721,160	532,890	50,690	137,580	107,390	873,710	692,830	29,760	10,610	7,380	236,550	408,530	67,920	61,850	14,398	
Oct. 30...	723,350	534,520	50,730	138,080	110,770	880,750	700,420	33,150	10,180	3,080	243,090	410,920	68,350	62,180	14,422	
Nov. 27...	729,640	539,400	52,140	138,100	116,220	894,530	708,150	34,230	10,310	3,910	248,730	410,970	71,470	62,210	14,440	
Dec. 31...	743,998	549,101	54,411	140,486	128,015	919,381	747,727	43,483	11,496	4,807	267,463	420,478	58,373	63,654	14,465	
1975																
Jan. 29...	724,080	531,630	53,560	138,890	101,400	873,940	701,390	29,900	11,740	4,530	233,730	421,490	61,320	64,010	14,475	
Feb. 26...	724,010	530,160	54,720	139,130	103,470	877,120	701,120	29,770	10,440	2,640	234,380	423,890	63,920	64,460	14,497	
Mar. 26...	729,508	529,590	59,620	140,290	105,230	886,450	710,440	30,160	11,680	3,970	236,540	428,090	62,838	65,100	14,523	
Apr. 30...	728,270	523,630	63,720	140,920	113,290	895,240	720,370	32,790	11,880	7,930	242,130	425,640	60,580	64,940	14,523	
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	60,609	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—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																
Apr. 24...	535,917	399,092	39,273	97,552	87,005	653,285	512,792	29,396	6,364	4,743	179,927	292,362	62,859	45,896	5,763	
May 29...	538,801	403,619	37,282	97,900	99,155	669,357	524,837	32,452	7,274	4,746	182,060	298,305	64,820	46,090	5,763	
June 30...	550,388	415,061	35,934	99,393	108,971	692,199	547,031	39,211	7,818	6,624	193,979	299,400	62,836	46,946	5,761	
July 31...	552,643	418,088	35,858	98,697	91,430	680,511	533,807	31,153	8,598	3,180	186,360	304,516	63,042	46,907	5,766	
Aug. 28...	552,845	418,727	35,878	98,240	84,947	673,296	527,573	28,487	8,887	2,958	179,429	307,812	61,781	46,816	5,766	
Sept. 25...	550,843	417,631	34,683	98,529	91,002	679,160	531,194	27,831	9,522	5,782	180,114	307,945	62,166	47,054	5,774	
Oct. 30...	548,622	415,941	34,813	97,868	93,674	680,173	535,128	31,043	9,089	2,117	184,573	308,306	60,803	47,131	5,775	
Nov. 27...	556,088	421,428	36,394	98,266	98,603	694,743	542,515	32,422	9,222	2,859	189,688	308,324	65,411	47,320	5,774	
Dec. 31...	568,577	429,557	38,924	100,096	107,008	715,675	575,612	41,062	10,052	3,183	204,232	317,083	52,856	48,244	5,780	
1975																
Jan. 29...	550,264	414,426	37,549	98,289	86,321	676,905	536,256	28,311	10,299	3,247	177,701	316,698	56,136	48,411	5,783	
Feb. 26...	549,144	412,076	38,628	98,440	88,430	678,970	535,250	28,157	8,991	1,989	178,596	317,517	58,868	48,741	5,785	
Mar. 26...	552,957	411,446	42,544	98,967	89,685	685,906	542,076	28,564	10,231	2,794	180,214	320,273	58,030	49,219	5,785	
Apr. 30...	550,722	406,634	45,137	98,951	96,678	692,063	549,780	31,102	10,433	6,191	184,671	317,383	55,697	49,265	5,785	
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...	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—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	
1974																
June 30...	709,904	521,424	51,832	136,648	123,536	871,986	703,767	40,534	8,427	8,355	250,225	396,226	65,514	61,003	14,108	
Dec. 31...	734,406	541,029	54,093	139,285	125,348	906,154	741,489	42,586	10,692	4,799	265,401	418,011	55,992	63,043	14,216	
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...	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—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	29,696	33,125	4,659	
1974																
June 30...	418,329	313,659	27,631	77,039	73,703	516,632	407,915	20,086	4,912	5,038	145,954	231,925	48,123	34,966	4,693	
Dec. 31...	428,479	321,486	29,078	77,915	76,535	534,267	431,088	23,497	6,750	2,437						

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

(Amounts in millions of dollars)

Classification by IRS membership and FDIC insurance	Loans and investments				Total assets ¹ Total liabilities and capital accounts ⁴	Total ³	Deposits					Total capital accounts	Num- ber of banks		
	Total	Loans ¹	Securities				Cash assets ³	Interbank ²		Other				Bor- row- ings	
			U.S. Treasury	Other ²				Demand	Time ⁵	Demand					
										U.S. Govt.	Other				
Call date series															
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....	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	10,816	1,092
1973- 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
1974 June 30....	132,388	101,732	8,303	22,353	35,268	175,896	139,446	19,125	2,906	1,586	47,690	68,138	14,713	11,980	1,068
Dec. 31....	140,373	108,346	9,846	22,181	30,473	181,683	144,799	17,565	3,301	746	49,807	73,380	13,247	12,425	1,074
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....	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- 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
1974 June 30....	159,186	106,033	15,898	37,255	14,565	179,457	156,406	1,323	610	1,731	56,580	96,162	2,678	14,057	8,347
Dec. 31....	165,555	111,197	15,168	39,189	18,340	190,204	165,602	1,524	640	1,616	61,169	100,653	3,136	14,799	8,436
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....	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	153
1970- Dec. 31....	3,079	2,132	304	642	934	4,365	2,570	375	101	401	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- 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
1974 June 30....	9,269	7,987	282	1,001	2,951	12,770	6,610	1,481	476	12	2,209	2,432	2,033	620	229
Dec. 31....	9,981	8,461	319	1,201	2,667	13,616	6,627	897	803	8	2,062	2,857	2,382	611	249
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....	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- 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
1974 June 30....	168,456	114,020	16,180	38,256	17,516	192,227	163,016	2,804	1,086	1,743	58,789	98,593	4,711	14,677	8,576
Dec. 31....	175,536	119,658	15,487	40,390	21,007	203,820	172,229	2,421	1,443	1,624	63,231	103,510	5,518	15,410	8,685

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-16.

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-24.

² See first 2 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 For 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 Member bank data for Oct. exclude assets of \$3.6 billion of one large bank.

⁹ 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: 3 before Jan. 1960 and 2 through Dec. 1960. Those banks are not included in insured commercial banks.

Effective June 30, 1959, 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 1 national bank in Puerto Rico.

Beginning Dec. 31, 1973, June 30, 1974, and Dec. 31, 1974, respectively, member banks exclude and noninsured nonmember banks include 1, 2, and 3 noninsured trust companies that are members 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, 1974

(Amounts in millions of dollars)

Account	All commercial banks	Insured commercial banks	Total	Member banks ¹					Non-member banks ¹
				Large banks				All other	
				New York City	City of Chicago	Other large			
Cash bank balances, items in process,	128,015	125,348	107,008	27,604	4,816	40,126	34,462	21,007	
Currency and coin,	11,654	11,629	8,846	691	198	2,889	5,068	2,808	
Reserves with F.R. banks,	27,112	27,112	27,112	4,960	1,783	10,356	10,013		
Demand balances with banks in United States,	36,077	34,321	21,695	7,265	357	4,382	9,692	14,382	
Other balances with banks in United States,	4,173	3,872	2,602	62	275	853	1,413	1,571	
Balances with banks in foreign countries,	1,722	1,302	1,165	412	89	532	132	557	
Cash items in process of collection,	47,277	47,112	45,588	14,214	2,115	21,115	8,144	1,689	
Total securities held—Book value,	194,897	193,378	139,020	16,412	5,612	47,254	69,741	55,877	
U.S. Treasury,	54,411	54,093	38,924	5,332	1,820	13,323	18,448	15,487	
Other U.S. Govt. agencies,	32,835	32,373	20,859	2,005	874	6,450	11,529	11,976	
States and political subdivisions,	100,397	100,031	74,283	8,288	2,706	25,761	37,528	26,114	
All other securities,	7,255	6,881	4,954	787	212	1,719	2,236	2,300	
Trade-account securities,	7,989	7,984	7,916	3,040	831	3,805	240	74	
U.S. Treasury,	2,548	2,543	2,521	970	461	1,047	53	27	
Other U.S. Govt. agencies,	1,352	1,352	1,347	541	120	637	49	4	
States and political subdivisions,	3,370	3,370	3,337	1,341	250	1,612	135	34	
All other,	719	719	710	188		519	3	9	
Bank investment portfolios,	186,907	185,394	131,105	13,372	4,781	43,449	69,502	55,803	
U.S. Treasury,	51,863	51,550	36,403	4,362	1,360	12,286	18,396	15,460	
Other U.S. Govt. agencies,	31,483	31,021	19,511	1,464	753	5,813	11,480	11,972	
States and political subdivisions,	97,026	96,661	70,946	6,947	2,456	24,150	37,393	26,080	
All other,	6,536	6,162	4,244	599	212	1,200	2,233	2,291	
Federal funds sold and securities resale agreements,	40,035	38,873	29,841	1,887	985	14,741	12,228	10,194	
Commercial banks,	33,800	32,638	23,715	1,052	698	10,628	11,338	10,084	
Brokers and dealers,	4,386	4,386	4,330	615	253	2,815	647	56	
Others,	1,849	1,849	1,795	220	35	1,298	243	54	
Other loans,	509,455	502,156	399,990	82,049	24,261	149,804	143,876	109,465	
Real estate loans,	130,587	130,304	94,584	8,184	1,325	35,945	49,131	36,003	
Secured by farmland,	5,904	5,887	2,634	14	2	345	2,274	3,270	
Secured by residential,	81,605	81,402	60,577	4,567	887	24,133	30,991	21,027	
1- to 4-family residences,	74,033	73,857	54,316	3,135	827	21,198	29,155	19,717	
FHA insured,	5,914	5,870	5,110	254	40	2,815	2,000	805	
VA guaranteed,	3,187	3,143	2,703	188	20	1,401	1,094	485	
Other,	64,931	64,844	46,503	2,693	766	16,982	26,061	18,428	
Multifamily,	7,572	7,545	6,262	1,432	59	2,934	1,846	1,310	
FHA insured,	941	925	823	166	27	355	275	118	
Other,	6,631	6,620	5,439	1,266	32	2,579	1,561	1,192	
Secured by other properties,	43,078	43,015	31,372	3,602	437	11,467	15,866	11,706	
Loans to domestic and foreign banks,	12,265	10,017	9,500	4,731	679	3,628	462	2,765	
Loans to other financial institutions,	35,234	35,011	33,627	12,911	5,009	13,047	2,661	1,607	
Loans on securities to brokers and dealers,	5,241	5,193	5,073	3,597	550	763	161	169	
Other loans for purchase/carry securities,	4,026	4,001	3,343	566	329	1,527	921	683	
Loans to farmers,	18,237	18,216	10,501	120	252	2,457	7,672	7,735	
Commercial and industrial loans,	186,767	182,743	156,354	43,095	13,408	60,473	39,378	30,413	
Loans to individuals,	103,196	102,937	74,465	5,213	1,558	26,751	40,943	28,731	
Installment loans,	80,227	80,018	57,443	3,177	835	20,819	32,611	22,784	
Passenger automobiles,	32,848	32,764	22,127	462	161	6,954	14,551	10,721	
Residential repair/modernize,	5,546	5,536	4,075	206	39	1,734	2,096	1,472	
Credit cards and related plans,	11,078	11,077	9,807	1,113	388	5,479	2,828	1,271	
Charge-account credit cards,	8,281	8,280	7,430	665	358	4,273	2,134	851	
Check and revolving credit plans,	2,797	2,797	2,377	447	30	1,206	694	420	
Other retail consumer goods,	15,368	15,345	10,831	155	118	3,799	6,758	4,537	
Mobile homes,	8,998	8,996	6,520	97	54	2,353	4,017	2,477	
Other,	6,371	6,349	4,311	59	64	1,447	2,741	2,060	
Other installment loans,	15,386	15,295	10,602	1,242	129	2,853	6,379	4,784	
Single-payment loans to individuals,	22,969	22,919	17,022	2,036	723	5,932	8,332	5,947	
All other loans,	13,903	13,735	12,544	3,631	1,152	5,214	2,546	1,359	
Total loans and securities,	744,387	734,406	568,852	100,348	30,859	211,799	225,845	175,536	
Fixed assets—Buildings, furniture, real estate,	15,097	15,019	11,374	1,116	448	4,622	5,189	3,723	
Investments in subsidiaries not consolidated,	1,763	1,739	1,723	768	134	752	69	41	
Customer acceptances outstanding,	10,857	10,648	10,364	5,629	451	3,912	172	492	
Other assets,	19,650	18,994	16,629	5,101	872	7,132	3,520	3,022	
Total assets,	919,770	906,154	715,950	140,569	37,581	268,343	269,457	203,820	
Number of banks,	14,465	14,216	5,780	13	9	155	5,603	8,685	

¹ Member banks exclude and nonmember banks include 3 noninsured trust companies that are members of the Federal Reserve System, and member banks exclude 2 national banks outside the continental United States.

² See table (and notes), *Deposits Accumulated for Payment of Personal Loans*, p. 24.

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. Beginning with the fall Call Report, data for future spring and fall Call Reports will be available from the Data Production Section of the Division of Data Processing.

Dollars may not add to totals because of rounding.

LIABILITIES AND CAPITAL BY CLASS OF BANK, DECEMBER 31, 1974

(Amounts in millions of dollars)

Account	All commercial banks	Insured commercial banks	Total	Member banks ¹				Non-member banks ¹
				Large banks			All other	
				New York City	City of Chicago	Other large		
Demand deposits.....	315,752	312,785	248,477	55,556	11,307	88,451	93,163	67,276
Mutual savings banks.....	1,363	1,197	1,121	559	3	190	370	242
Other individuals, partnerships, and corporations..	235,774	234,779	180,819	30,816	7,538	67,111	75,354	54,954
U.S. Government.....	4,807	4,799	3,183	226	36	815	2,106	1,624
States and political subdivisions.....	18,611	18,481	13,126	666	218	3,889	8,354	5,485
Foreign governments, central banks, etc.....	2,124	1,882	1,855	1,465	24	357	8	269
Commercial banks in United States.....	35,316	35,053	33,824	14,399	3,039	11,985	4,401	1,492
Banks in foreign countries.....	6,804	6,336	6,116	4,593	198	1,192	134	688
Certified and officers' checks, etc.....	10,954	10,258	8,432	2,833	251	2,912	2,436	2,522
Time and savings deposits.....	432,364	428,703	327,410	51,799	17,491	119,486	138,634	104,954
Savings deposits.....	135,524	135,280	97,596	6,061	2,060	34,273	55,202	37,928
Accumulated for personal loan payments ²	189	187	275	261	6	69	206	115
Mutual savings banks.....	479	463	451	271	6	171	16	28
Other individuals, partnerships, and corporations..	221,710	219,905	170,180	30,329	11,996	62,467	65,388	51,530
U.S. Government.....	476	476	352	39	6	146	160	124
States and political subdivisions.....	50,087	49,915	37,065	2,060	1,307	16,494	17,205	13,023
Foreign governments, central banks, etc.....	12,682	12,048	11,891	7,369	1,315	3,174	32	791
Commercial banks in United States.....	8,611	8,417	7,858	4,119	775	2,546	418	753
Banks in foreign countries.....	2,405	1,813	1,742	1,561	29	145	7	662
Total deposits.....	748,116	741,489	575,887	107,355	28,799	207,936	231,797	172,229
Federal funds purchased and securities sold under agreements to repurchase.....	52,325	51,139	48,351	10,048	4,295	26,357	7,651	3,974
Other liabilities for borrowed money.....	6,049	4,852	4,505	1,571	63	2,406	464	1,544
Mortgage indebtedness.....	715	712	509	77	4	259	169	206
Bank acceptances outstanding.....	11,433	11,221	10,936	6,155	469	3,938	373	497
Other liabilities.....	28,784	25,043	20,426	4,397	1,346	8,029	6,653	8,358
Total liabilities.....	847,421	834,456	660,614	129,603	34,977	248,927	247,107	186,807
Minority interest in consolidated subsidiaries.....	6	5	2	.....	.....	.....	2	3
Total reserves on loans/securities.....	8,688	8,649	7,089	1,594	488	2,668	2,338	1,600
Reserves for bad debts (IRS).....	8,402	8,366	6,909	1,593	488	2,598	2,230	1,493
Other reserves on loans.....	116	115	70	1	.....	17	51	46
Reserves on securities.....	171	169	110	.....	.....	53	57	60
Total capital accounts.....	63,655	63,043	48,244	9,372	2,115	16,748	20,010	15,410
Capital notes and debentures.....	4,290	4,227	3,423	755	61	1,673	933	868
Equity capital.....	59,364	58,817	44,822	8,616	2,054	15,076	19,076	14,542
Preferred stock.....	54	43	24	.....	.....	10	13	30
Common stock.....	14,821	14,724	11,015	2,188	568	3,560	4,699	3,806
Surplus.....	25,397	25,225	19,227	3,720	1,140	6,898	7,526	6,170
Undivided profits.....	18,124	17,920	13,908	2,704	301	4,398	6,504	4,216
Other capital reserves.....	968	904	649	4	44	267	334	319
Total liabilities, reserves, minority interest, capital accounts.....	919,770	906,154	715,950	140,569	37,581	268,343	269,457	203,820
Demand deposits adjusted ³	228,352	225,821	165,881	26,717	6,117	54,535	78,512	62,471
Average total deposits (past 15 days).....	724,271	717,664	555,930	103,014	27,229	199,287	226,400	168,341
Average total loans (past 15 days).....	519,116	510,735	401,694	81,665	24,493	150,485	145,050	117,423
Selected ratios:								
Percentage of total assets								
Cash and balances with other banks.....	13.9	13.8	14.9	19.6	12.8	15.0	12.8	10.3
Total securities held.....	21.2	21.3	19.4	11.7	14.9	17.6	25.9	27.4
Trading account securities.....	.9	.9	1.1	2.2	2.2	1.4	.1	.....
U.S. Treasury.....	.3	.3	.4	.7	1.2	.4	.....	.....
States and political subdivisions.....	.4	.4	.5	1.0	.7	.6	.....	.....
All other trading account securities.....	.2	.2	.3	.5	.3	.4	.....	.....
Bank investment portfolios.....	20.3	20.5	18.3	9.5	12.7	16.2	25.8	27.4
U.S. Treasury.....	5.6	5.7	5.1	3.1	3.6	4.6	6.8	7.6
States and political subdivisions.....	10.5	10.7	9.9	4.9	6.5	9.0	13.9	12.8
All other portfolio securities.....	4.1	4.1	3.3	1.5	2.6	2.6	5.1	7.0
Other loans and Federal funds sold.....	59.7	59.7	60.0	59.7	67.2	61.3	57.9	58.7
All other assets.....	5.1	5.1	5.6	9.0	5.1	6.1	3.4	3.6
Total loans and securities.....	80.9	81.0	79.5	71.4	82.1	78.9	83.8	86.1
Reserves for loans and securities.....	.9	1.0	1.0	1.1	1.3	1.0	.9	.8
Equity capital—Total.....	6.5	6.5	6.3	6.1	5.5	5.6	7.1	7.1
Total capital accounts.....	6.9	7.0	6.7	6.7	5.6	6.2	7.4	7.6
Number of banks.....	14,465	14,216	5,780	13	9	155	5,603	8,685

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	
				U.S. Treasury securities	Other securities					To brokers and dealers		To others		Pers. and sales finan. cos., etc.	Real estate
				U.S. Treasury securities	Other securities					U.S. Treasury secs.	Other secs.	U.S. Treasury secs.	Other secs.		
<i>Large banks—</i>															
<i>Total</i>															
1974															
Apr. 3	384,367	16,688	15,172	937	355	224	280,449	118,477	3,795	726	4,557	138	2,772	9,088	56,257
10	385,133	16,440	15,003	891	237	309	281,091	118,926	3,790	857	4,731	138	2,753	8,950	56,349
17	386,531	15,633	14,155	867	271	340	284,031	120,453	3,788	770	4,756	134	2,787	9,406	56,571
24	382,529	14,936	13,495	857	207	377	282,274	119,795	3,807	481	4,433	133	2,770	8,922	56,716
1975															
Mar. 5	399,986	22,935	17,689	2,904	1,377	965	289,909	126,769	3,424	1,618	3,249	80	2,408	9,761	59,524
12	399,940	22,196	16,103	3,438	1,510	1,145	289,474	125,701	3,447	3,284	3,467	82	2,395	9,488	59,585
19	395,863	19,539	14,675	2,320	1,537	1,007	288,234	126,027	3,402	1,573	3,699	84	2,374	9,443	59,542
26	393,847	19,373	15,316	2,072	1,196	789	286,180	125,732	3,393	914	3,212	84	2,374	9,280	59,508
Apr. 2 ^u	397,163	21,607	17,153	2,364	1,285	805	286,813	125,970	3,395	1,341	3,036	82	2,359	9,622	59,474
9 ^u	398,004	21,643	16,744	2,995	1,158	746	286,078	125,874	3,406	1,440	2,884	82	2,351	9,360	59,440
16 ^u	397,450	20,463	16,633	1,828	1,255	747	286,527	126,056	3,414	855	2,715	81	2,352	9,821	59,489
23 ^u	389,432	16,613	13,199	1,848	954	612	284,255	125,291	3,435	742	2,476	79	2,349	9,118	59,459
30 ^u	391,304	17,464	14,094	1,580	1,010	780	284,977	125,413	3,425	606	2,561	78	2,351	9,296	59,358
<i>New York City</i>															
1974															
Apr. 3	84,328	2,382	2,377	.....	.....	5	66,712	34,300	149	630	2,567	35	609	3,121	6,420
10	83,371	1,330	1,287	6	.....	37	66,688	34,235	151	765	2,709	35	614	3,083	6,419
17	84,399	1,746	1,683	6	22	35	67,698	34,659	150	656	2,907	35	605	3,327	6,489
24	82,735	2,117	2,076	5	.....	36	66,466	34,295	156	403	2,667	35	599	3,024	6,504
1975															
Mar. 5	90,795	1,359	1,111	121	1	126	74,080	39,356	113	1,421	2,239	17	485	3,432	7,429
12	91,554	1,807	1,376	144	1	286	74,490	38,870	111	2,987	2,361	19	489	3,275	7,438
19	90,670	1,892	1,443	133	1	315	73,266	38,857	110	1,354	2,649	20	482	3,283	7,444
26	89,283	2,024	1,813	131	.....	80	71,930	38,738	109	781	2,280	19	476	3,167	7,444
Apr. 2 ^u	90,579	2,711	2,480	94	.....	137	72,360	38,716	101	1,206	2,125	19	468	3,359	7,459
9 ^u	89,659	1,928	1,688	95	.....	145	71,817	38,474	101	1,145	2,084	20	463	3,273	7,447
16 ^u	90,362	3,134	2,886	86	.....	162	71,477	38,523	101	751	1,841	21	468	3,488	7,483
23 ^u	87,420	2,568	2,436	108	.....	24	70,114	38,195	100	583	1,687	19	465	3,112	7,462
30 ^u	87,975	2,975	2,756	69	10	140	70,570	38,254	100	503	1,747	18	457	3,205	7,474
<i>Outside New York City</i>															
1974															
Apr. 3	300,039	14,306	12,795	937	355	219	213,737	84,177	3,646	96	1,990	103	2,163	5,967	49,837
10	301,762	15,110	13,716	885	237	272	214,403	84,691	3,639	92	2,022	103	2,139	5,867	49,930
17	302,132	13,887	12,472	861	249	305	216,333	85,794	3,638	114	1,849	99	2,182	6,079	50,082
24	299,794	12,819	11,419	852	207	341	215,808	85,500	3,651	78	1,766	98	2,171	5,898	50,212
1975															
Mar. 5	309,191	21,576	16,578	2,783	1,376	839	215,829	87,413	3,311	197	1,010	63	1,923	6,329	52,095
12	308,386	20,389	14,727	3,294	1,509	859	214,984	86,831	3,336	297	1,106	63	1,906	6,213	52,147
19	305,193	17,647	13,232	2,187	1,536	692	214,968	87,170	3,292	219	1,050	64	1,892	6,160	52,098
26	304,564	17,349	13,503	1,941	1,196	709	214,250	86,994	3,284	133	932	65	1,898	6,113	52,064
Apr. 2 ^u	306,584	18,896	14,673	2,270	1,285	668	214,453	87,254	3,294	135	911	63	1,891	6,263	52,015
9 ^u	308,345	19,715	15,056	2,900	1,158	601	214,261	87,400	3,305	295	800	62	1,888	6,087	51,993
16 ^u	307,088	17,329	13,747	1,742	1,255	585	215,050	87,533	3,313	104	874	60	1,884	6,333	52,006
23 ^u	302,012	14,045	10,763	1,740	954	588	214,141	87,096	3,335	159	789	60	1,884	6,006	51,997
30 ^u	303,329	14,489	11,338	1,511	1,000	640	214,407	87,159	3,325	103	814	60	1,894	6,091	51,984

For notes see p. A-22.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Loans (cont.)					Investments										Wednesday	
Other (cont.)					U.S. Treasury securities					Other securities						
To commercial banks		Consumer instalment	Foreign govts. ²	All other	Total	Bills	Certificates	Notes and bonds maturing—			Total	Obligations of States and political subdivisions		Other bonds, corp. stocks, and securities		
Domestic	Foreign							Within 1 yr.	1 to 5 yrs.	After 5 yrs.		Tax warrants ³	All other	Certif. of participation ⁴	All other ⁵	
Large banks—Total																
1974																
3,928	6,234	33,179	1,747	20,465	25,339	5,166	.....	4,273	11,920	3,980	61,891	7,356	40,981	2,443	11,111	..... Apr. 3
3,859	6,345	33,226	1,752	20,152	25,694	5,195	.....	4,306	12,192	4,001	61,908	7,510	40,881	2,438	11,079	..... 10
3,803	6,212	33,286	1,866	20,552	24,784	4,439	.....	4,222	12,094	4,029	62,083	7,656	41,026	2,443	10,958	..... 17
3,977	6,352	33,267	1,895	20,188	23,419	3,202	.....	4,192	12,031	3,994	61,900	7,544	41,028	2,417	10,911	..... 24
1975																
2,745	5,329	34,258	1,453	18,770	25,459	4,107	.....	3,711	14,161	3,480	61,683	6,196	40,441	2,610	12,436	..... Mar. 5
2,671	5,168	34,132	1,363	18,392	26,423	4,966	.....	3,885	14,122	3,450	61,847	6,329	40,444	2,608	12,466	..... 12
2,684	5,222	34,034	1,308	18,617	26,739	4,787	.....	3,732	14,252	3,968	61,351	6,090	40,173	2,490	12,598	..... 19
2,740	5,159	33,937	1,308	18,306	27,243	5,092	.....	3,705	14,592	3,854	61,051	6,108	39,973	2,452	12,518	..... 26
2,794	5,131	33,915	1,329	18,083	27,855	4,844	.....	4,027	15,194	3,790	60,888	5,904	39,885	2,416	12,683	..... Apr. 2 ^p
2,651	5,125	33,841	1,268	18,076	29,146	5,264	.....	4,054	15,969	3,859	61,137	6,196	39,869	2,452	12,620	..... 9 ^p
2,690	5,193	33,881	1,343	18,296	28,969	5,267	.....	3,986	15,947	3,769	61,491	6,543	39,932	2,475	12,541	..... 16 ^p
2,607	5,236	33,876	1,209	18,122	27,931	4,807	.....	4,025	15,494	3,605	60,633	6,276	39,641	2,459	12,257	..... 23 ^p
2,680	5,218	33,878	1,304	18,520	28,481	4,958	.....	3,941	16,053	3,529	60,382	6,091	39,609	2,418	12,264	..... 30 ^p
New York City																
1974																
1,396	3,018	2,467	783	4,616	5,225	1,643	.....	531	1,783	1,268	10,009	1,944	5,440	567	2,058	..... Apr. 3
1,374	2,950	2,480	784	4,405	5,233	1,633	.....	557	1,778	1,265	10,120	2,081	5,448	564	2,027	..... 10
1,357	2,796	2,501	790	4,638	4,662	1,086	.....	573	1,738	1,265	10,293	2,200	5,524	564	2,005	..... 17
1,405	2,845	2,513	781	4,424	4,004	485	.....	559	1,704	1,256	10,148	2,108	5,476	548	2,016	..... 24
1975																
1,401	2,701	2,609	751	4,017	5,459	1,022	.....	358	2,967	1,112	9,897	1,656	5,331	563	2,347	..... Mar. 5
1,325	2,613	2,602	709	3,769	5,542	1,111	.....	468	2,889	1,074	9,715	1,682	5,183	531	2,319	..... 12
1,293	2,686	2,597	665	3,888	5,808	1,059	.....	393	2,954	1,402	9,704	1,679	5,121	533	2,371	..... 19
1,389	2,633	2,591	674	3,670	5,688	1,011	.....	355	3,047	1,275	9,641	1,684	5,034	522	2,401	..... 26
1,394	2,565	2,575	668	3,742	5,999	783	.....	497	3,456	1,263	9,509	1,604	4,900	526	2,479	..... Apr. 2 ^p
1,344	2,456	2,566	609	3,932	6,502	852	.....	540	3,809	1,301	9,412	1,583	4,879	525	2,425	..... 9 ^p
1,357	2,504	2,575	648	3,860	6,107	704	.....	438	3,736	1,229	9,644	1,757	4,985	557	2,345	..... 16 ^p
1,253	2,519	2,588	526	3,784	5,514	624	.....	484	3,320	1,086	9,224	1,709	4,722	533	2,260	..... 23
1,301	2,472	2,586	614	4,058	5,397	478	.....	428	3,458	1,033	9,033	1,564	4,662	531	2,276	..... 30 ^p
Outside New York City																
1974																
2,532	3,216	30,712	964	15,849	20,114	1,523	.....	3,742	10,137	2,712	51,882	5,412	35,541	1,876	9,053	..... Apr. 3
2,485	3,395	30,746	968	15,747	20,461	1,562	.....	3,749	10,414	2,736	51,788	5,429	35,433	1,874	9,052	..... 10
2,446	3,416	30,785	1,076	15,914	20,122	3,353	.....	3,649	10,356	2,764	51,790	5,456	35,502	1,879	8,953	..... 17
2,572	3,507	30,754	1,114	15,764	19,415	2,717	.....	3,633	10,327	2,738	51,752	5,436	35,552	1,869	8,895	..... 24
1975																
1,344	2,628	31,649	702	14,753	20,000	1,085	.....	3,353	11,194	2,368	51,786	4,540	35,110	2,047	10,089	..... Mar. 5
1,346	2,555	31,530	654	14,623	20,881	1,855	.....	3,417	11,233	2,376	52,132	4,647	35,261	2,077	10,147	..... 12
1,391	2,536	31,437	643	14,729	20,931	3,728	.....	3,339	11,298	2,566	51,647	4,411	35,052	1,957	10,227	..... 19
1,351	2,526	31,346	634	14,636	21,555	4,081	.....	3,350	11,545	2,579	51,410	4,424	34,939	1,930	10,117	..... 26
1,400	2,566	31,340	661	14,341	21,856	4,061	.....	3,530	11,738	2,527	51,379	4,300	34,985	1,890	10,204	..... Apr. 2 ^p
1,307	2,669	31,275	659	14,144	22,644	4,412	.....	3,514	12,160	2,558	51,725	4,613	34,990	1,927	10,195	..... 9 ^p
1,333	2,689	31,306	695	14,436	22,862	4,563	.....	3,548	12,211	2,540	51,847	4,786	34,947	1,918	10,196	..... 16 ^p
1,354	2,717	31,288	683	14,338	22,417	4,183	.....	3,541	12,174	2,519	51,409	4,567	34,919	1,926	9,997	..... 23 ^p
1,379	2,746	31,292	690	14,462	23,084	4,480	.....	3,513	12,595	2,496	51,349	4,527	34,947	1,887	9,988	..... 30 ^p

For notes see p. A-22.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Deposits													
Wednesday	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	Demand					
								Total	IPC	States and political subdivisions	U.S. Govt.	Domestic Interbank	
												Commercial	Mutual savings
Large banks—Total													
1974													
Apr. 3	33,262	20,994	4,037	12,812	1,477	23,188	480,137	163,147	113,210	6,064	3,714	24,731	838
10	32,794	21,499	4,221	12,695	1,480	22,903	480,725	161,834	113,146	6,064	1,714	24,580	779
17	35,297	22,205	4,493	12,838	1,495	23,156	486,015	167,455	117,111	6,076	4,796	24,570	739
24	29,510	21,945	4,543	11,747	1,519	23,285	475,078	155,738	110,523	5,890	3,573	22,294	651
1975													
Mar. 5	34,060	22,208	4,136	11,717	1,681	35,022	508,810	161,001	114,720	6,327	2,332	23,655	677
12	32,055	19,650	4,505	11,537	1,681	35,035	504,403	158,996	116,472	5,868	1,714	22,034	649
19	30,809	21,539	4,655	11,397	1,680	33,876	499,819	156,667	112,656	5,942	3,565	21,647	618
26	30,531	23,710	4,635	11,123	1,692	35,539	501,077	155,387	112,725	6,366	1,657	21,123	590
Apr. 2 ^a	33,453	22,265	4,499	11,647	1,700	35,575	506,302	162,031	117,808	6,418	1,281	22,434	899
9 ^a	30,082	22,198	4,455	12,750	1,732	35,751	504,972	159,319	115,412	5,787	1,015	23,240	795
16 ^a	33,326	24,933	4,649	11,974	1,707	35,224	509,263	163,786	119,324	6,300	2,327	22,519	783
23 ^a	30,664	21,717	4,770	10,952	1,754	35,216	494,505	156,206	113,769	5,589	1,541	21,483	722
30 ^a	32,678	23,887	4,711	12,560	1,826	35,815	502,781	163,010	115,418	6,617	4,388	23,119	812
New York City													
1974													
Apr. 3	11,436	5,592	507	5,833	691	7,182	115,569	47,616	24,217	491	819	12,477	466
10	12,250	5,401	497	6,469	691	7,139	115,818	47,450	23,835	405	313	12,702	414
17	11,518	6,223	495	5,855	692	7,205	116,387	47,709	24,380	313	1,188	12,469	367
24	10,512	6,272	509	5,688	696	7,188	113,600	44,855	23,980	305	635	11,572	329
1975													
Mar. 5	11,948	7,313	481	4,818	767	12,589	128,711	46,359	26,138	418	473	10,761	360
12	11,278	5,290	501	4,949	765	12,775	127,112	45,084	26,211	328	248	10,458	341
19	11,241	5,181	493	4,785	765	11,631	124,766	44,434	24,905	403	600	10,659	320
26	11,968	7,053	495	4,970	771	12,766	127,306	45,875	25,531	551	268	10,726	307
Apr. 2 ^a	11,469	6,810	485	4,666	782	12,481	127,272	46,093	26,600	583	116	10,451	532
9 ^a	10,883	7,497	507	6,253	781	12,593	128,173	45,702	25,161	309	110	11,758	445
16 ^a	11,569	7,503	506	5,292	793	12,361	128,386	45,936	26,550	498	236	10,899	442
23 ^a	11,622	6,580	512	4,491	797	12,352	123,774	45,280	25,026	286	235	11,017	403
30 ^a	11,859	6,896	499	6,203	804	12,428	126,664	47,850	26,466	490	859	11,999	432
Outside New York City													
1974													
Apr. 3	21,826	15,402	3,530	6,979	786	16,006	364,568	115,531	88,993	5,573	2,895	12,254	372
10	20,544	16,098	3,724	6,226	789	15,764	364,907	114,384	89,311	5,659	1,401	11,878	365
17	23,779	15,982	3,998	6,983	803	15,951	369,628	119,746	92,731	5,763	3,608	12,101	372
24	18,998	15,673	4,034	6,059	823	16,097	361,478	110,883	86,543	5,585	2,938	10,722	322
1975													
Mar. 5	22,112	14,895	3,655	6,899	914	22,433	380,099	114,642	88,582	5,909	1,859	12,894	317
12	20,777	14,360	4,004	6,588	916	22,260	377,291	113,912	90,261	5,540	1,466	11,576	308
19	19,568	16,358	4,162	6,612	915	22,245	375,053	112,233	87,751	5,539	2,965	10,988	298
26	18,563	16,657	4,140	6,153	921	22,773	373,771	109,512	87,194	5,815	1,389	10,397	283
Apr. 2 ^a	21,984	15,455	4,014	6,981	918	23,094	379,030	115,938	91,208	5,835	1,165	11,983	367
9 ^a	19,199	14,701	3,948	6,497	951	23,158	376,799	113,617	90,251	5,478	905	11,482	350
16 ^a	21,757	17,430	4,143	6,682	914	22,863	380,877	117,850	92,774	5,802	2,091	11,620	341
23 ^a	19,042	15,137	4,258	6,461	957	22,864	370,731	110,926	88,743	5,303	1,306	10,466	319
30 ^a	20,819	16,991	4,212	6,357	1,022	23,387	376,117	115,160	88,952	6,127	3,529	11,120	380

For notes see page A-22.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Deposits (cont.)												Federal funds purchased, etc. ⁷	Borrowings from		Other liabilities, etc. ⁸	Wednesday
Demand (cont.)			Time and savings						F.R. Banks		Others					
Govts., etc. ²	Commercial banks	Certified and officers' checks	Total ⁶	IPC		States and political subdivisions	Domestic interbank	Foreign govts. ²	F.R. Banks							
				Savings	Other											
Large banks Total																
1974																
1,327	4,701	8,562	197,888	58,485	102,517	23,578	5,114	7,480	54,544	823	6,301	19,604	Apr. 3			
2,203	4,670	8,678	200,141	58,394	104,080	23,986	5,330	7,651	54,569	1,017	6,250	19,091	10			
1,671	4,422	8,070	200,935	58,036	103,904	24,733	5,490	8,105	53,303	939	6,060	19,597	17			
1,479	4,669	6,659	203,065	57,923	105,641	24,994	5,676	8,152	51,244	1,728	6,111	19,490	24			
1975																
1,153	5,181	6,956	224,687	60,209	118,651	25,009	7,263	11,626	55,401	.....	3,952	23,449	Mar. 5		
1,223	5,123	5,913	225,720	60,698	118,854	24,895	7,763	11,579	51,752	40	4,094	23,439	12			
1,029	4,939	6,271	226,110	61,152	118,579	24,660	8,104	11,681	47,580	798	4,090	24,240	19			
1,129	4,978	6,819	226,916	61,555	118,791	24,526	8,349	11,703	49,900	738	4,019	23,771	26			
1,281	4,650	7,260	226,136	62,238	117,469	24,322	8,292	11,814	50,786	.....	3,712	23,120	Apr. 2 ^p		
1,373	4,637	7,060	225,326	62,508	116,371	24,387	8,379	11,822	52,706	.....	3,662	23,379	9 ^p		
1,260	4,707	6,566	224,220	62,272	114,667	25,067	8,449	11,837	53,687	24	3,773	23,260	16 ^p			
1,178	4,777	7,147	224,297	62,327	114,434	25,292	8,549	11,780	45,198	1,041	3,623	23,619	23 ^p			
1,385	4,989	6,382	223,612	62,389	113,854	25,016	8,615	11,922	46,371	1,344	3,687	23,981	30 ^p			
New York City																
1974																
1,122	3,534	4,490	36,230	5,130	22,080	1,804	3,222	3,847	11,785	340	2,821	6,970	Apr. 3			
1,916	3,471	4,394	37,241	5,127	22,810	1,815	3,390	3,946	11,420	145	2,851	6,807	10			
1,456	3,262	4,274	37,421	5,090	22,698	1,724	3,475	4,269	11,368	150	2,895	6,959	17			
1,233	3,415	3,386	37,797	5,076	22,901	1,726	3,581	4,345	11,206	385	2,849	6,646	24			
1975																
950	3,807	3,452	47,030	5,257	27,994	1,466	3,624	7,238	15,205	.....	1,609	7,827	Mar. 5		
1,017	3,732	2,749	47,058	5,307	27,853	1,413	3,827	7,213	14,778	.....	1,683	7,822	12		
753	3,596	3,198	46,716	5,349	27,421	1,326	3,915	7,267	11,829	615	1,804	8,684	19			
933	3,648	3,911	46,947	5,407	27,638	1,305	3,854	7,280	13,795	53	1,828	8,130	26			
1,069	3,358	3,384	47,219	5,497	27,608	1,301	3,921	7,405	13,746	.....	1,626	7,905	Apr. 2 ^p		
1,170	3,210	3,549	46,759	5,541	27,163	1,284	3,891	7,431	15,006	.....	1,441	8,543	9 ^p		
1,067	3,417	2,827	46,428	5,541	26,672	1,320	3,937	7,534	15,022	.....	1,538	8,763	16 ^p		
1,005	3,387	3,921	46,172	5,542	26,554	1,279	3,893	7,482	11,321	295	1,484	8,506	23 ^p			
1,211	3,553	2,840	45,839	5,550	26,234	1,262	3,777	7,684	11,464	470	1,424	8,796	30 ^p			
Outside New York City																
1974																
205	1,167	4,072	161,658	53,355	80,437	21,774	1,892	3,633	42,759	583	3,480	12,634	Apr. 3			
287	1,199	4,284	162,900	53,267	81,270	22,171	1,940	3,705	43,149	872	3,399	12,284	10			
215	1,160	3,796	163,514	52,946	81,206	23,009	2,015	3,836	41,935	789	3,165	12,638	17			
246	1,254	3,273	165,268	52,847	82,740	23,267	2,095	3,807	40,028	1,343	3,262	12,844	24			
1975																
203	1,374	3,504	177,657	54,952	90,657	23,543	3,639	4,388	40,196	.....	2,343	15,622	Mar. 5		
206	1,391	3,164	178,662	55,391	91,001	23,482	3,936	4,366	36,974	40	2,411	15,617	12			
276	1,343	3,073	179,394	55,803	91,158	23,334	4,189	4,414	35,751	183	2,286	15,556	19			
196	1,330	2,908	179,969	56,148	91,153	23,221	4,495	4,423	36,105	685	2,191	15,641	26			
212	1,292	3,876	178,917	56,741	89,861	23,021	4,371	4,409	37,040	.....	2,086	15,215	Apr. 2 ^p		
203	1,427	3,521	178,567	56,967	89,208	23,103	4,388	4,391	37,700	.....	2,221	14,836	9 ^p		
193	1,290	3,739	177,792	56,729	87,995	23,747	4,512	4,303	38,665	24	2,235	14,497	16 ^p			
173	1,390	3,226	178,125	56,785	87,880	24,013	4,656	4,298	33,877	746	2,139	15,113	23 ^p			
174	1,436	3,442	177,773	56,839	87,620	23,754	4,838	4,238	34,907	874	2,263	15,185	30 ^p			

For notes see p. A-22.

ASSETS AND LIABILITIES OF LARGE COMMERCIAL BANKS—Continued

(In millions of dollars)

Wednesday	Reserves for		Total capital accounts	Total loans (gross) adjusted ⁹	Total loans and investments (gross) adjusted ⁹	Demand deposits adjusted ¹⁰	Memoranda						Gross liabilities of banks to their foreign branches	
	Loans	Securities					Large negotiable time CDs included in time and savings deposits ¹¹			All other large time deposits ¹²				
							Total	Issued to IPC's	Issued to others	Total	Issued to IPC's	Issued to others		
Large banks Total														
1974														
Apr. 3	4,994	74	32,762	278,047	365,267	101,440	69,479	48,173	21,306					2,717
10	4,991	74	32,758	278,669	366,271	102,746	71,540	49,788	21,752					2,908
17	4,995	73	32,658	281,706	368,573	102,792	71,753	49,589	22,164					3,020
24	4,992	66	32,654	279,738	365,057	100,361	73,600	51,235	22,365					2,495
1975														
Mar. 5	5,635	60	34,625	292,410	379,552	100,954	87,649	60,198	27,451	36,749	20,093	16,656		1,899
12	5,653	60	34,649	292,896	381,166	103,193	88,059	60,427	27,632	36,791	20,094	16,697		1,684
19	5,636	60	34,638	290,414	378,504	100,646	88,038	60,023	28,015	36,542	19,943	16,599		2,671
26	5,631	60	34,655	287,497	375,791	102,076	88,812	60,538	28,274	36,137	19,630	16,507		1,922
Apr. 2 ^a	5,661	68	34,788	288,473	377,216	104,863	87,397	59,135	28,262	35,774	19,402	16,372		1,950
9 ^b	5,653	68	34,859	288,326	378,609	104,982	86,545	58,260	28,285	35,580	19,166	16,414		2,834
16 ^c	5,674	68	34,771	287,667	378,127	105,614	85,264	56,776	28,488	35,859	18,851	17,008		2,738
23 ^d	5,665	68	34,788	285,062	373,626	102,518	85,017	56,581	28,436	36,055	18,799	17,256		2,175
30 ^e	5,705	69	35,002	285,667	374,530	102,825	84,355	55,911	28,444	35,956	18,707	17,249		2,677
New York City														
1974														
Apr. 3	1,370		8,537	65,321	80,555	22,884	21,933	15,093	6,840					1,829
10	1,370		8,534	65,357	80,710	22,185	22,944	15,805	7,139					2,072
17	1,376		8,509	66,404	81,359	22,534	22,969	15,660	7,309					1,683
24	1,377		8,485	65,102	79,254	22,136	23,373	16,034	7,339					1,206
1975														
Mar. 5	1,616		9,065	72,927	88,283	23,177	30,256	20,259	9,997	8,977	5,383	3,594		1,120
12	1,628		9,059	73,596	88,853	23,100	30,337	20,154	10,183	8,798	5,304	3,494		1,005
19	1,631		9,053	72,422	87,934	21,934	29,999	19,814	10,185	8,738	5,205	3,533		1,902
26	1,631		9,047	70,752	86,081	22,913	30,384	20,197	10,187	8,603	5,138	3,465		1,014
Apr. 2 ^a	1,615		9,068	71,197	86,705	24,057	30,409	19,954	10,455	8,582	5,194	3,388		1,151
9 ^b	1,602		9,120	70,713	86,627	22,951	30,101	19,647	10,454	8,538	5,153	3,385		2,086
16 ^c	1,608		9,091	70,368	86,119	23,232	29,811	19,210	10,601	8,453	5,047	3,406		1,803
23 ^d	1,615		9,101	68,993	83,731	22,406	29,625	19,154	10,471	8,357	4,964	3,393		1,341
30 ^e	1,631		9,190	69,488	83,918	23,133	29,362	18,782	10,580	8,323	4,931	3,392		1,642
Outside New York City														
1974														
Apr. 3	3,624	74	24,225	212,716	284,712	78,556	47,546	33,080	14,466					888
10	3,621	74	24,224	213,312	285,561	80,561	48,596	33,983	14,613					836
17	3,619	73	24,149	215,302	287,214	80,258	48,784	33,929	14,855					1,337
24	3,615	66	24,169	214,636	285,803	78,225	50,227	35,201	15,026					1,289
1975														
Mar. 5	4,019	60	25,560	219,483	291,269	77,777	57,393	39,939	17,454	27,772	14,710	13,062		779
12	4,025	60	25,590	219,300	292,313	80,093	57,722	40,273	17,449	27,993	14,790	13,203		679
19	4,005	60	25,585	217,992	290,570	78,712	58,039	40,209	17,830	27,804	14,738	13,066		769
26	4,000	60	25,608	216,745	289,710	79,163	58,428	40,341	18,087	27,534	14,492	13,042		908
Apr. 2 ^a	4,046	68	25,720	217,276	290,511	80,806	56,988	39,181	17,807	27,192	14,208	12,984		799
9 ^b	4,051	68	25,739	217,613	291,982	82,031	56,444	38,613	17,831	27,042	14,013	13,029		748
16 ^c	4,066	68	25,680	217,299	292,008	82,382	55,453	37,566	17,887	27,406	13,804	13,602		935
23 ^d	4,050	68	25,687	216,069	289,895	80,112	55,392	37,427	17,965	27,698	13,815	13,863		834
30 ^e	4,074	69	25,812	216,179	290,612	79,692	54,993	37,129	17,864	27,633	13,776	13,857		1,035

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 stocks.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.¹² All other time deposits issued in denominations of \$100,000 or more (not included in large negotiable CDs).

COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding					Net change during								
	1975					1975			1975	1974		1974		
	Apr. 30	Apr. 23	Apr. 16	Apr. 9	Apr. 2	Apr.	Mar.	Feb.	I	IV	III	2nd half	1st half	
Durable goods manufacturing:														
Primary metals.....	2,058	2,077	2,096	2,058	2,029	14	72	10	39	77	63	140	56	
Machinery.....	8,141	8,178	8,259	8,154	8,044	53	228	4	653	127	349	222	1,848	
Transportation equipment.....	3,683	3,672	3,685	3,702	3,633	152	112	95	7	365	340	705	587	
Other fabricated metal products.....	2,895	2,891	2,934	2,972	2,949	35	94	8	19	178	253	75	503	
Other durable goods.....	4,446	4,458	4,466	4,448	4,443	8	79	85	421	265	512	247	909	
Nondurable goods manufacturing:														
Food, liquor, and tobacco.....	3,646	3,678	3,668	3,663	3,708	183	157	283	1,092	484	500	984	220	
Textiles, apparel, and leather.....	3,316	3,287	3,317	3,333	3,316	43	49	90	151	725	107	618	909	
Petroleum refining.....	2,433	2,316	2,375	2,283	2,255	234	28	66	51	473	494	967	108	
Chemicals and rubber.....	3,332	3,316	3,351	3,394	3,457	117	79	87	67	58	311	256	610	
Other nondurable goods.....	2,234	2,230	2,230	2,206	2,202	23	51	228	295	135	158	23	338	
Mining, including crude petroleum and natural gas.....	4,809	4,826	4,922	4,812	4,806	44	8	50	272	556	290	846	387	
Trade: Commodity dealers.....	1,334	1,343	1,325	1,373	1,441	95	179	105	648	703	195	508	273	
Other wholesale.....	5,858	6,001	6,023	6,147	6,148	317	120	146	553	349	135	484	829	
Retail.....	6,549	6,497	6,583	6,653	6,627	35	102	88	193	246	219	465	1,099	
Transportation.....	6,244	6,283	6,267	6,220	6,267	8	38	4	150	261	22	283	139	
Communication.....	2,301	2,307	2,285	2,252	2,256	173	118	38	369	90	92	2	475	
Other public utilities.....	7,484	7,455	7,442	7,558	7,687	116	17	281	1,018	609	1,088	1,697	504	
Construction.....	5,609	5,595	5,575	5,536	5,556	42	64	44	535	276	231	45	594	
Services.....	10,967	11,010	11,038	11,073	11,162	289	202	155	698	171	133	304	594	
All other domestic loans.....	9,918	9,858	10,217	10,138	10,075	76	6	126	290	387	357	744	1,117	
Bankers' acceptances.....	2,059	2,058	2,201	2,161	2,163	173	134	507	571	309	365	56	443	
Foreign commercial and industrial loans.....	4,435	4,457	4,327	4,370	4,344	135	108	104	63	249	208	457	611	
Total classified loans.....	103,713	103,793	104,586	104,406	104,568	675	767	810	6,637	2,578	4,264	6,842	12,491	
Comm. paper included in total classified loans.....	247													
Total commercial and industrial loans of large commercial banks.....	125,413	125,291	126,056	125,874	125,970	329	727	954	6,133	3,468	4,795	8,263	13,491	

† For notes see table below.

"TERM" COMMERCIAL AND INDUSTRIAL LOANS OF LARGE COMMERCIAL BANKS

(In millions of dollars)

Industry	Outstanding									Net change during				
	1975					1974				1975				
	Apr. 30	Mar. 26	Feb. 26	Jan. 29	Dec. 31 (1974)	Nov. 27	Oct. 30	Sept. 25	Aug. 28	I	IV	III	II	2nd half
Durable goods manufacturing:														
Primary metals.....	1,323	1,284	1,237	1,249	1,210	1,176	1,107	1,133	1,104	74	77	28	41	105
Machinery.....	4,302	4,071	4,117	4,138	4,145	4,049	3,970	3,896	3,789	74	249	610	172	859
Transportation equipment.....	1,705	1,672	1,712	1,737	1,673	1,586	1,570	1,535	1,419	1	138	125	45	263
Other fabricated metal products.....	1,280	1,312	1,323	1,243	1,197	1,113	1,093	1,066	1,000	115	131	112	43	243
Other durable goods.....	2,210	2,251	2,256	2,288	2,391	2,361	2,339	2,268	2,198	140	123	161	192	284
Nondurable goods manufacturing:														
Food, liquor, and tobacco, Textiles, apparel, and leather.....	1,571	1,561	1,614	1,703	1,763	1,674	1,661	1,649	1,604	202	114	78	42	192
Petroleum refining.....	1,091	1,158	1,083	1,124	1,145	1,179	1,187	1,151	1,171	13	6	23	39	17
Chemicals and rubber.....	1,617	1,483	1,458	1,542	1,518	1,272	1,208	1,097	1,048	35	421	134	18	555
Other nondurable goods.....	1,814	1,846	1,812	1,839	1,878	1,818	1,820	1,778	1,790	32	100	41	134	141
Mining, including crude petroleum and natural gas.....	1,126	1,130	1,119	1,221	1,235	1,170	1,187	1,204	1,189	105	31	33	32	64
Trade: Commodity dealers.....	3,636	3,537	3,446	3,523	3,701	3,620	3,468	3,339	3,319	164	362	209	115	571
Other wholesale.....	142	150	153	169	155	171	157	139	166	5	16	2	1	14
Retail.....	1,487	1,450	1,420	1,472	1,492	1,431	1,488	1,449	1,419	42	43	43	83	86
Transportation.....	2,192	2,283	2,298	2,369	2,594	2,602	2,578	2,527	2,529	311	67	99	52	166
Communication.....	4,492	4,524	4,505	4,455	4,550	4,379	4,370	4,349	4,322	26	201	76	8	125
Other public utilities.....	1,148	1,135	1,125	1,158	1,082	1,076	1,047	1,029	1,021	53	53	1	64	52
Construction.....	4,017	4,034	3,870	3,885	3,963	3,987	3,810	3,672	3,664	71	291	229	289	520
Services.....	2,272	2,197	2,191	2,224	2,294	2,281	2,237	2,272	2,218	97	22	142	232	164
All other domestic loans.....	5,352	5,430	5,370	5,320	5,532	5,417	5,340	5,350	5,301	102	182	77	197	259
Foreign commercial and industrial loans.....	3,210	3,082	3,144	3,079	3,224	3,255	3,215	3,173	3,074	142	102	105	209	207
Total loans.....	2,596	2,528	2,544	2,524	2,457	2,473	2,487	2,401	2,500	71	56	147	198	91
Total loans.....	48,583	48,118	47,797	48,262	49,199	48,090	47,339	46,426	45,845	1,081	2,773	2,023	1,872	4,796

† New item to be reported as of the last Wednesday of each month.

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 CORPORATIONS¹

(In billions of dollars)

Class of bank, and quarter or month	Type of holder					Total deposits, 1PC
	Financial business	Nonfinancial business	Consumer	Foreign	All other	
All insured commercial banks:						
1970- Dec.....	17.3	92.7	53.6	1.3	10.3	175.1
1971- June.....	18.1	89.6	56.2	1.3	10.5	175.8
Sept.....	17.9	91.5	57.5	1.2	9.7	177.9
Dec.....	18.5	98.4	58.6	1.3	10.7	187.5
1972- Mar.....	20.2	92.6	54.7	1.4	12.3	181.2
June.....	17.9	97.6	60.5	1.4	11.0	188.4
Sept.....	18.0	101.5	63.1	1.4	11.4	195.4
Dec.....	18.9	109.9	65.4	1.5	12.3	208.0
1973- Mar.....	18.6	102.8	65.1	1.7	11.8	200.0
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.....	18.9	108.4	70.6	2.3	11.0	211.2
June.....	18.2	112.1	71.4	2.2	11.1	215.0
Sept.....	17.9	113.9	72.0	2.1	10.9	216.8
Dec.....	19.0	118.8	73.3	2.3	11.7	225.0
1975- Mar.....	18.6	111.3	71.2	2.3	10.9	216.3
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- Dec.....	14.9	66.2	28.0	2.2	6.8	118.1
1974- Apr.....	14.7	62.2	29.6	2.1	6.2	114.7
May.....	14.2	62.3	28.0	2.1	6.1	112.7
June.....	14.1	63.4	28.1	2.0	6.3	113.9
July.....	14.4	63.5	28.5	2.1	6.5	115.1
Aug.....	14.1	62.6	28.0	1.9	5.8	112.5
Sept.....	13.9	64.4	28.4	2.0	6.3	115.0
Oct.....	14.7	64.4	28.4	2.0	6.4	115.8
Nov.....	14.6	65.9	28.7	2.1	6.5	117.7
Dec.....	14.8	66.9	29.0	2.2	6.8	119.7
1975- Jan.....	14.8	65.6	29.2	2.2	6.6	118.3
Feb.....	14.4	63.1	27.9	2.3	6.2	113.9
Mar.....	14.1	63.2	28.2	2.2	6.4	114.1

¹ Including cash items in process of collection.

NOTE.—Daily-average balances maintained during month as estimated

from reports supplied by a sample of commercial banks. For a detailed description of the type of depositor in each category, see June 1971 BULLETIN, p. 466.

DEPOSITS ACCUMULATED FOR PAYMENT OF PERSONAL LOANS

(In millions of dollars)

Class of bank	Dec. 31, 1972	Dec. 31, 1973	June 30, 1974	Dec. 31, 1974	Class of bank	Dec. 31, 1972	Dec. 31, 1973	June 30, 1974	Dec. 31, 1974
All commercial.....	559	507	460	389	All member- Cont.				
Insured.....	554	503	457	387	Other large banks ¹	69	58	63	69
National member.....	311	288	265	236	All other member ¹	313	294	267	206
State member.....	71	64	65	39	All nonmember.....	177	155	130	115
All member.....	381	352	330	275	Insured.....	172	152	127	112
					Noninsured.....	5	3	3	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 p. A-14; from the figures for weekly reporting banks as shown on pp. A-18-A-22 (consumer instalment loans); and from the figures in the table at the bottom of p. A-13. But they are included in the figures for "Time deposits" and "Loans" for call dates as shown on pp. A-14-A-17.

LOANS SOLD OUTRIGHT BY COMMERCIAL BANKS

(Amounts outstanding; in millions of dollars)

Date	Total	To selected related institutions ¹		
		By type of loan		
		Commercial and industrial	Real estate	All other
1975: Jan. 1	4,809	3,746	182	1,881
8	4,641	3,679	184	1,778
15	4,663	3,703	181	1,779
22	4,664	3,691	181	1,792
29	4,642	3,724	181	1,737
Feb. 5	4,478	3,630	181	1,664
12	4,609	3,788	178	1,679
19	4,510	3,661	174	1,675
26	4,545	3,707	179	1,659
Mar. 5	4,688	3,741	201	1,746
12	4,721	3,800	201	1,720
19	4,693	3,769	204	1,720
26	4,677	3,791	204	1,682
Apr. 2	4,584	3,714	202	1,668
9	4,587	3,748	201	1,638
16	4,529	3,718	201	1,613
23	4,519	3,704	197	1,618
30	4,587	3,744	204	1,639

¹ To bank's own foreign branches, nonconsolidated non bank affiliates of the bank, the bank's holding company (if not a bank), and nonconsolidated nonbank subsidiaries of the holding company.

NOTE: Series changed on Aug. 28, 1974. For a comparison of the old and new data for that date, see p. 741 of the Oct. 1974 BULLETIN. Revised figures received since Oct. 1974 that affect that comparison are shown in note 2 to this table in the Dec. 1974 BULLETIN, p. A-27.

COMMERCIAL PAPER AND BANKERS ACCEPTANCES OUTSTANDING

(In millions of dollars)

End of period	Commercial paper						Dollar acceptances									
	All issuers	Financial companies ¹		Non-financial companies ⁴	Bank-related ⁵		Total	Held by					Based on			
		Dealers placed ²	Directly placed ³		Dealers placed	Directly placed		Accepting banks			U.R. Banks		Others	Imports into United States	Exports from United States	All other
								Total	Own bills	Bills bought	Own acct.	Foreign corr.				
1966.....	13,645	2,332	10,556	757			3,603	1,198	983	215	193	191	3,022	997	829	1,778
1967.....	17,085	2,790	12,184	2,111			4,317	1,906	1,447	459	164	156	2,090	1,086	989	2,241
1968.....	21,173	4,427	13,972	2,774			4,428	1,544	1,344	200	88	109	2,717	1,423	952	2,053
1969.....	32,600	6,503	20,741	5,356	1,160	3,134	5,451	1,567	1,318	249	64	146	3,674	1,889	1,153	2,408
1970.....	33,071	5,514	20,424	7,133	352	1,997	7,058	2,694	1,960	735	57	150	4,057	2,601	1,561	2,895
1971.....	32,126	5,297	20,582	6,247	524	1,449	7,889	3,480	2,689	791	261	254	3,894	2,834	1,546	3,509
1972.....	34,721	5,655	22,098	6,968	1,336	1,411	6,898	2,706	2,006	700	106	179	3,907	2,531	1,909	2,458
1973.....	41,073	5,487	27,204	8,382	1,938	2,943	8,892	2,837	2,318	519	68	581	5,406	2,273	3,499	3,120
1974-Feb.....	47,164	7,201	29,169	10,794	1,923	3,606	9,364	2,854	2,328	525	69	592	5,850	2,434	3,182	3,748
Mar.....	44,690	6,571	28,869	9,250	2,137	3,908	10,166	2,986	2,413	573	296	684	6,200	2,827	2,979	4,361
Apr.....	44,677	6,228	28,752	9,697	2,370	4,564	10,692	3,232	2,744	488	216	700	6,544	2,900	2,833	4,959
May.....	46,171	5,699	30,426	10,046	1,978	5,106	11,727	3,089	2,642	447	373	732	7,532	2,952	2,899	5,876
June.....	44,846	4,970	29,908	9,968	1,579	5,373	13,174	3,535	3,066	469	304	795	8,540	3,287	3,219	6,668
July.....	45,561	4,655	30,344	10,562	1,465	5,585	15,686	3,499	2,983	516	218	1,023	10,947	3,589	3,774	8,323
Aug.....	47,967	5,308	31,774	10,885	2,425	6,350	16,167	3,388	2,866	522	277	1,202	11,300	3,585	3,933	8,649
Sept.....	49,087	5,333	31,095	12,659	2,185	6,446	16,035	3,347	2,942	405	504	1,459	10,724	3,526	3,806	8,703
Oct.....	51,754	5,242	32,509	14,003	2,046	6,408	16,882	3,291	2,872	419	218	2,037	11,335	3,493	3,759	9,330
Nov.....	51,883	4,860	32,491	14,532	1,947	6,697	17,553	3,789	3,290	499	611	1,703	11,452	3,810	3,709	10,035
Dec.....	49,070	4,611	31,765	12,694	1,874	6,444	18,484	4,276	3,685	542	999	981	12,278	4,023	4,067	10,494
1975 Jan.....	51,528	5,029	31,851	14,648	1,946	6,625	18,602	4,357	3,903	454	966	363	12,894	4,120	4,314	10,168
Feb.....	52,325	5,167	32,426	14,732	1,854	7,228	18,579	4,864	4,370	494	993	130	12,593	3,974	4,210	10,496

¹ Financial companies are institutions engaged primarily in activities such as, but not limited to, commercial, savings, and mortgage banking; sales, personal, and mortgage financing; factoring, finance leasing, and other business lending; insurance underwriting; and other investment activities.

² As reported by dealers; includes all financial company paper sold in the open market.

³ As reported by financial companies that place their paper directly with investors.

⁴ Nonfinancial companies include public utilities and firms engaged primarily in activities such as communications, construction, manufacturing, mining, wholesale and retail trade, transportation, and services.

⁵ Included in dealer- and directly placed financial company columns. Coverage of bank-related companies was expanded in Aug. 1974. Most of the increase resulting from this expanded coverage occurred in directly-placed paper.

PRIME RATE CHARGED BY BANKS

(Per cent per annum)

Effective date	Rate	Effective date	Rate	Effective date	Rate	Effective date	Rate
1974—Apr. 11.....	9¾-9⅞-10- 10⅞	1974—June 3.....	11½-11⅞-10- 11¾	1974—Oct. 28.....	10¾-11- 11¼- 11½	1975—Feb. 3.....	8¾-9-9¼- 9½-9¾
15.....	10-10⅞-10- 10¼	7.....	11¼-11½- 11⅞	Nov. 4.....	10¾-11- 11¼	4.....	8½-9-9¼
19.....	10-10⅞-10- 10¼	10.....	11½- 11⅞	11.....	10½-10¾- 11	10.....	8½-9
Apr. 23.....	10¼-10⅞-10- 10¼	21.....	11¼-11½- 11⅞	14.....	10½-10¾- 11	18.....	8½-8¾-9
24.....	10¼-10- 10½	24.....	11½-11¾- 11⅞	18.....	10-10½- 10¾	24.....	8½-8¾
25.....	10¼-10⅞-10- 10½	25.....	11½-11¾- 11⅞	19.....	10-10½- 10¾	Mar. 3.....	8¼-8½
26.....	10¼-10- 10½	26.....	11½-11¾- 11⅞	25.....	10-10½- 10¾	5.....	8¼-8½
30.....	10½- 10¾-11	28.....	11¾-11⅞-10- 12	Dec. 2.....	9¾-10-10¼- 10½	6.....	7¾-8¼- 8½
May 2.....	10½-10⅞-10- 10¾	July 3.....	11¾-11⅞-10- 12	13.....	9½-9¾-10- 10¼	10.....	7¾-8-8½
3.....	10⅞-10¾- 11	5.....	11⅞-12- 12¼	15.....	9½-9¾-10- 10¼	17.....	7¾-8
6.....	10⅞-10¾- 11	9.....	12-12¼- 12½	20.....	9½-9¾-10- 10¼	18.....	7½-7¾-8
7.....	11- 11¼	23.....	10¾-12- 12¼	28.....	9½-9¾-10- 10¼	24.....	7½-7¾-8
10.....	11-11¼- 11½	Aug. 20.....	10¾-12- 11¾	29.....	9½-9¾-10- 10¼	25.....	7½-7¾
13.....	11¼-11½-10- 11½	Sept. 26.....	10¾-11½- 11¾			31.....	7½-7½- 7¾
17.....	11¼-11½-10- 11½	Oct. 7.....	10¾-11½- 11¾				
20.....	11½-11¾	15.....	10¾-11½- 11¾				
		21.....	10¾-11½- 11¾				

NOTE.—Beginning Nov. 1971, several banks adopted a floating prime rate keyed to money market variables. ■ denotes the predominant 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	Size of loan (in thousands of dollars)											
	All sizes		1-9		10-99		100-499		500-999		1,000 and over	
	Feb. 1975	Nov. 1974	Feb. 1975	Nov. 1974	Feb. 1975	Nov. 1974	Feb. 1975	Nov. 1974	Feb. 1975	Nov. 1974	Feb. 1975	Nov. 1974
Short-term												
35 centers.....	9.94	11.64	10.94	11.81	10.73	12.04	10.25	11.97	9.93	11.80	9.73	11.44
New York City.....	9.61	11.35	10.82	12.31	10.60	12.11	10.14	12.05	9.74	11.56	9.50	11.21
7 Other Northeast.....	10.31	12.22	12.07	13.03	11.31	12.84	10.64	12.46	10.09	12.34	9.96	11.91
8 North Central.....	9.87	11.66	10.55	11.54	10.49	11.99	10.09	11.93	9.85	11.77	9.74	11.53
7 Southeast.....	10.24	11.52	10.59	11.44	10.52	11.34	10.21	11.43	10.22	11.62	10.12	11.62
8 Southwest.....	10.01	11.56	10.36	10.87	10.47	11.64	10.11	11.77	9.83	11.74	9.84	11.36
4 West Coast.....	9.99	11.48	11.23	12.26	10.75	11.99	10.22	11.86	10.05	11.56	9.84	11.32
Revolving credit												
35 centers.....	9.20	11.60	11.03	12.71	10.56	12.00	10.14	11.99	10.18	11.60	8.98	11.56
New York City.....	7.84	11.60	10.98	12.25	10.59	11.97	9.98	11.89	9.87	11.77	7.61	11.57
7 Other Northeast.....	10.83	12.26	12.05	12.08	10.60	11.98	9.97	11.68	10.98	11.75	10.90	12.50
8 North Central.....	10.32	11.82	11.77	13.34	11.14	12.29	10.97	12.57	10.24	11.79	10.22	11.72
7 Southeast.....	9.77	11.53	10.61	11.41	10.41	11.41	10.35	13.09	9.00	10.98	9.76	11.25
8 Southwest.....	10.54	12.06	11.61	13.03	11.18	12.33	10.57	12.28	10.75	11.82	10.37	12.06
4 West Coast.....	9.52	11.39	10.67	12.70	10.13	11.89	9.77	11.68	10.17	11.57	9.40	11.33
Long-term												
35 centers.....	10.26	12.16	10.54	11.74	10.55	12.04	10.57	12.09	10.16	11.71	10.21	12.23
New York City.....	9.62	11.96	9.27	8.87	10.82	11.45	10.46	12.37	9.78	12.02	9.53	11.93
7 Other Northeast.....	10.48	12.35	10.99	12.66	10.77	12.52	10.51	11.98	10.20	11.55	10.49	12.61
8 North Central.....	11.33	12.29	10.32	10.90	10.25	11.89	10.17	11.90	9.45	11.75	11.81	12.44
7 Southeast.....	10.42	13.81	9.67	11.21	10.47	11.45	11.11	12.14	11.95	12.02	9.16	17.29
8 Southwest.....	9.87	12.27	11.99	12.39	10.12	12.18	10.46	12.28	10.09	12.68	9.60	12.49
4 West Coast.....	10.07	12.01	8.36	12.75	10.77	11.99	11.28	12.04	10.94	11.60	9.78	12.06

MONEY MARKET RATES

(Per cent per annum)

Period	Prime commercial paper ¹		Finance co. paper placed directly, 3 to 6 months ²	Prime bankers' acceptances, 90 days ³	Federal funds rate ⁴	U.S. Government securities ⁵						
	90-119 days	4 to 6 months				3-month bills ⁶		6-month bills ⁶		9- to 12-month issues		3- to 5-year issues ⁷
						Rate on new issue	Market yield	Rate on new issue	Market yield	1-year bill (market yield) ⁶	Other ⁷	
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
1974.....	10.05	9.87	8.62	9.92	10.51	7.886	7.84	7.926	7.95	7.71	8.25	7.81
1974—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
May.....	10.82	10.62	8.94	10.68	11.31	8.430	8.23	8.496	8.40	8.21	8.78	8.24
June.....	11.18	10.96	9.00	10.79	11.93	8.145	7.90	8.232	8.12	8.16	8.71	8.14
July.....	11.93	11.72	9.00	11.88	12.92	7.752	7.55	8.028	7.94	8.04	8.89	8.39
Aug.....	11.79	11.65	9.31	12.08	12.01	8.744	8.96	8.853	9.11	8.88	9.54	8.64
Sept.....	11.36	11.23	9.41	11.06	11.34	8.363	8.06	8.599	8.53	8.52	8.95	8.38
Oct.....	9.55	9.36	9.03	9.34	10.06	7.244	7.46	7.559	7.74	7.59	8.04	7.98
Nov.....	8.95	8.81	8.50	9.03	9.45	7.585	7.47	7.551	7.52	7.29	7.67	7.65
Dec.....	9.18	8.98	8.50	9.19	8.53	7.179	7.15	7.091	7.11	6.79	7.33	7.22
1975—Jan.....	7.39	7.30	7.31	7.54	7.13	6.493	6.26	6.525	6.36	6.27	6.74	7.29
Feb.....	6.36	6.33	6.24	6.35	6.24	5.583	5.50	5.674	5.62	5.56	5.97	6.85
Mar.....	6.06	6.06	6.00	6.22	5.54	5.544	5.49	5.635	5.62	5.70	6.10	7.00
Apr.....	6.11	6.15	5.97	6.15	5.49	5.694	5.61	6.012	6.00	6.40	6.83	7.76
Week ending—												
1975—Jan. 4.....	9.13	8.84	8.47	9.08	7.35	7.113	6.96	7.101	6.99	6.70	7.17	7.26
11.....	7.95	7.83	7.98	8.33	7.70	6.698	6.59	6.682	6.64	6.45	6.91	7.23
18.....	7.63	7.53	7.65	7.66	7.22	6.678	6.54	6.646	6.54	6.44	6.95	7.32
25.....	6.85	6.85	6.78	7.03	7.17	6.369	5.98	6.373	6.14	6.15	6.66	7.36
Feb. 1.....	6.55	6.48	6.38	6.59	6.99	5.606	5.68	5.825	5.92	5.87	6.31	7.23
8.....	6.50	6.45	6.25	6.34	6.46	5.669	5.61	5.736	5.65	5.51	5.95	6.91
15.....	6.38	6.34	6.25	6.47	6.28	5.800	5.65	5.800	5.70	5.60	6.06	6.92
22.....	6.31	6.28	6.25	6.26	6.29	5.408	5.25	5.483	5.43	5.44	5.84	6.71
Mar. 1.....	6.25	6.25	6.23	6.33	6.15	5.455	5.47	5.675	5.66	5.67	6.04	6.83
8.....	6.25	6.25	6.18	6.37	5.88	5.637	5.57	5.742	5.68	5.69	6.07	6.86
15.....	6.08	6.08	6.05	6.29	5.44	5.622	5.46	5.655	5.56	5.62	6.03	6.88
22.....	5.95	5.95	5.90	6.11	5.38	5.376	5.41	5.473	5.54	5.66	6.06	7.05
29.....	5.91	5.91	5.88	6.11	5.53	5.542	5.53	5.669	5.69	5.81	6.20	7.19
Apr. 5.....	6.03	6.03	5.88	6.18	5.59	5.562	5.62	5.786	5.90	6.20	6.58	7.47
12.....	6.18	6.23	5.95	6.20	5.28	6.021	5.74	6.351	6.09	6.48	6.94	7.74
19.....	6.18	6.20	6.00	6.11	5.44	5.538	5.44	5.843	5.86	6.30	6.76	7.75
26.....	6.13	6.13	6.00	6.16	5.54	5.653	5.66	6.067	6.09	6.49	6.91	7.90
May 3.....	6.03	6.15	6.00	6.07	5.71	5.716	5.51	6.158	5.95	6.36	6.81	7.87

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 Beginning Aug. 15, 1974, the rate is the average of the midpoint of the range of daily dealer closing rates offered for domestic issues; prior data are averages of the most representative daily offering rate quoted by dealers.

⁴ Seven-day averages for week ending Wednesday. Beginning with statement week ending July 25, 1974, 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.

⁵ Except for new bill issues, yields are averages computed from daily closing bid prices.

⁶ Bills quoted on bank-discount-rate basis.

⁷ Selected note and bond issues.

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

BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds						Corporate bonds						Stocks		
	United States (long-term)	State and local			Aaa utility		Total ¹	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total ¹	Aaa	Baa	New issue	Recently offered		Aaa	Baa	Industrial	Railroad	Public utility	Preferred	Common	Common
Seasoned issues															
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	7.12
1974.....	6.99	6.19	5.89	6.53	9.33	9.34	8.98	8.57	9.50	8.78	8.98	9.27	8.23	4.47	11.76
1974—Apr.....	7.04	5.76	5.45	6.06	8.99	8.95	8.50	8.25	8.88	8.39	8.51	8.68	7.83	3.86	.....
May.....	7.07	6.06	5.89	6.30	9.24	9.13	8.68	8.37	9.10	8.55	8.73	8.86	8.11	4.00	.....
June.....	7.03	6.17	5.95	6.41	9.38	9.40	8.85	8.47	9.34	8.69	8.89	9.08	8.25	4.02	10.30
July.....	7.18	6.70	6.34	7.10	10.20	10.04	9.10	8.72	9.55	8.95	9.08	9.35	8.40	4.42	.....
Aug.....	7.33	6.70	6.38	7.10	10.07	10.19	9.36	9.00	9.77	9.16	9.30	9.70	8.61	4.90	.....
Sept.....	7.30	6.77	6.49	7.18	10.38	10.30	9.67	9.24	10.12	9.44	9.46	10.11	8.93	5.45	14.62
Oct.....	7.22	6.56	6.21	6.99	10.16	10.23	9.80	9.27	10.41	9.53	9.64	10.31	8.78	5.38	.....
Nov.....	6.93	6.54	6.06	7.01	9.21	9.34	9.60	8.89	10.50	9.30	9.59	10.14	8.60	5.13	.....
Dec.....	6.78	7.04	6.65	7.50	9.53	9.56	9.56	8.89	10.55	9.23	9.59	10.02	8.78	5.43	13.14
1975 Jan.....	6.68	6.89	6.39	7.45	9.36	9.45	9.55	8.83	10.62	9.19	9.52	10.10	8.41	5.07	.....
Feb.....	6.61	6.40	5.96	7.03	8.97	9.09	9.33	8.62	10.43	9.01	9.32	9.83	8.07	4.61	.....
Mar.....	6.73	6.70	6.28	7.25	9.35	9.38	9.28	8.67	10.29	9.05	9.25	9.67	8.04	4.42	.....
Apr.....	7.03	6.95	6.46	7.43	9.67	9.65	9.49	8.95	10.34	9.30	9.39	9.88	8.27	4.34	.....
Week ending—															
1975 Mar. 1.....	6.64	6.51	6.10	7.10	8.94	9.06	9.26	8.57	10.32	8.95	9.26	9.73	8.02	4.58	.....
8.....	6.67	6.51	6.10	7.10	8.91	9.17	9.25	8.59	10.31	8.98	9.24	9.67	7.92	4.45	.....
15.....	6.67	6.64	6.20	7.20	9.27	9.31	9.24	8.61	10.28	9.01	9.22	9.63	8.06	4.42	.....
22.....	6.75	6.76	6.35	7.30	9.60	9.41	9.28	8.69	10.28	9.07	9.29	9.66	8.02	4.39	.....
29.....	6.83	6.89	6.45	7.40	9.60	9.62	9.34	8.78	10.29	9.15	9.29	9.70	8.17	4.42	.....
Apr. 5.....	6.88	6.89	6.45	7.40	9.80	9.70	9.38	8.87	10.28	9.19	9.35	9.75	8.08	4.49	.....
12.....	7.05	6.99	6.55	7.40	9.65	9.60	9.46	8.94	10.32	9.26	9.38	9.83	8.20	4.47	.....
19.....	7.03	6.92	6.40	7.40	9.51	9.55	9.50	8.95	10.34	9.42	9.38	9.90	8.35	4.26	.....
26.....	7.08	6.99	6.45	7.50	9.66	9.71	9.53	8.97	10.37	9.36	9.41	9.94	8.29	4.28	.....
May 3.....	7.09	6.94	6.40	7.45	9.80	9.69	9.57	9.01	10.43	9.38	9.45	10.00	8.42	4.22	.....
Number of issues ²	14	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 weekly, 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 Federal Reserve Bank of New York. (2) State and local

govt., general obligations only, based on Thurs. figures, from Moody's Investors Service. (3) Corporate, rates for "New issue" and "Recently offered" Aaa utility bonds, weekly averages compiled by the Board of Governors of the Federal Reserve System; and rates for seasoned issues, 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 as of end of period. Preferred stock ratio based on 8 median yields for a sample of non-callable issues -12 industrial and 2 public utility. Common stock ratios on the 500 stocks in the price index. Quarterly earnings are seasonally adjusted at annual rates.

NOTES TO TABLES ON OPPOSITE PAGE:

Security Prices:

NOTE: Annual data are averages of weekly or 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-28 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, presently conducted 5 days per week for 6 hours per day.

Stock Market Customer Financing:

¹ Margin credit includes all credit extended to purchase or carry stocks or related equity instruments and secured at least in part by stock (Dec. 1970 BULLETIN, p. 920). 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.

SECURITY PRICES

Period	Bond prices (per cent of par)			Common stock prices											Volume of trading in stocks (thousands of shares)			
				New York Stock Exchange														
				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	Cor- porate AAA	Total	Indus- trial	Rail- road	Public utility	Total	Indus- trial	Trans- porta- tion	Utility	Fi- nance	Amer- ican Stock Ex- change total index (Aug. 31, 1973=100)	NYSE	AMEX
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	15,381	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	120.10	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			
1974.....	57.45	76.3	58.8	82.85	92.91	37.53	38.91	43.84	48.08	31.89	29.82	49.67	79.97	13,883	1,908			
1974—Apr.....	57.01	80.2	60.3	92.46	103.66	40.26	44.03	49.21	53.95	35.87	32.59	58.72	93.57	12,109	1,752			
May.....	56.81	77.3	59.7	89.67	101.17	37.04	39.35	47.35	52.53	33.62	30.25	52.85	84.71	12,512	1,725			
June.....	57.11	76.2	59.5	89.79	101.62	37.31	37.46	47.14	52.63	33.76	29.20	51.20	82.88	12,268	1,561			
July.....	55.97	71.9	58.5	82.82	93.54	35.63	35.37	43.27	48.35	31.01	27.50	44.23	77.92	12,459	1,610			
Aug.....	54.95	71.6	57.6	76.03	85.51	35.06	34.00	39.86	44.19	29.41	26.72	40.11	74.97	12,732	1,416			
Sept.....	55.13	71.0	56.2	68.12	76.54	31.55	30.93	35.69	39.29	25.86	24.94	36.42	65.70	13,998	1,808			
Oct.....	55.69	72.7	55.9	69.44	77.57	33.70	33.80	36.62	39.81	27.26	26.76	39.28	66.78	16,396	1,880			
Nov.....	57.80	72.6	56.3	71.74	80.17	35.95	34.45	37.98	41.24	28.40	27.60	41.89	63.72	14,341	1,823			
Dec.....	58.96	68.6	56.1	67.07	74.80	34.81	32.85	35.41	38.32	26.02	26.18	39.27	59.88	15,007	2,359			
1975—Jan.....	59.70	70.9	56.4	72.56	80.50	37.31	38.19	38.56	41.29	28.12	29.55	44.85	68.31	19,661	2,117			
Feb.....	60.27	74.1	56.6	80.10	89.29	37.80	40.37	42.48	46.00	30.21	31.31	47.59	76.08	22,311	2,545			
Mar.....	59.33	70.9	56.2	83.78	93.90	38.35	39.55	44.35	48.63	31.62	31.04	47.83	79.15	22,680	2,665			
Apr.....	57.05	69.5	55.8	84.72	95.27	38.55	38.19	44.91	49.74	31.70	30.01	47.35	82.03	20,334	2,302			
Week ending—																		
1975—Apr. 5.....	58.15	69.0	55.9	82.16	92.15	37.63	38.39	43.60	47.95	31.08	30.19	46.42	79.45	14,888	1,760			
12.....	56.90	68.7	55.6	82.43	92.54	37.54	37.98	43.70	48.18	31.02	29.93	46.20	80.01	18,290	2,006			
19.....	57.05	70.8	56.0	86.41	97.26	39.08	38.46	45.76	50.81	31.94	30.12	48.32	83.07	26,930	3,006			
26.....	56.72	69.4	55.9	86.62	97.55	39.30	38.22	45.92	51.05	32.33	30.00	48.32	83.98	21,886	2,520			
Mar. 3.....	56.63	69.3	55.8	87.30	98.39	39.64	38.05	46.23	51.51	32.45	30.00	47.84	84.23	19,904	2,276			

For notes see opposite page.

STOCK MARKET CUSTOMER FINANCING

(In millions of dollars)

End of period	Margin credit at brokers and banks ¹										Free credit balances at brokers ⁴	
	Regulated ²									Unregu- lated ³		
	By source			By type								
	Total	Brokers	Banks	Margin stock		Convertible bonds		Subscription issues				Nonmargin stock credit at banks
				Brokers	Banks	Brokers	Banks	Brokers	Banks			
1974—Feb.....	6,462	5,423	1,039	5,230	977	183	46	10	16	1,843	420	1,604
Mar.....	6,527	5,519	1,008	5,330	944	180	48	9	16	1,869	425	1,583
Apr.....	6,567	5,558	1,009	5,370	952	179	44	9	13	1,868	415	1,440
May.....	6,381	5,361	1,020	5,180	963	172	44	9	13	1,858	395	1,420
June.....	6,297	5,260	1,037	5,080	991	172	34	8	12	2,072	395	1,360
July.....	5,948	4,925	1,023	4,760	978	158	33	7	12	2,091	402	1,391
Aug.....	5,625	4,672	953	4,510	912	156	29	6	12	2,119	429	1,382
Sept.....	5,097	4,173	924	4,020	881	148	31	5	12	2,060	437	1,354
Oct.....	4,996	4,080	916	3,930	872	145	32	5	12	2,024	431	1,419
Nov.....	4,994	4,103	891	3,960	851	139	29	4	11	2,054	410	1,447
Dec.....	4,836	3,980	856	3,840	815	137	30	3	11	2,064	411	1,424
1975—Jan.....	4,934	4,086	848	3,950	806	134	29	2	13	1,919	410	1,446
Feb.....	5,099	4,269	830	4,130	783	136	34	3	13	1,897	478	1,604
Mar.....		4,320		4,180		134		6			514	1,764

For notes see opposite page.

**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
1974—Mar..	5,330	5.0	7.0	11.4	19.4	30.2	27.1
Apr..	5,370	4.4	6.0	9.9	16.5	26.5	37.0
May..	5,180	4.2	5.1	8.5	13.7	23.3	45.3
June..	5,080	4.0	5.0	7.7	12.6	21.8	49.1
July..	4,760	4.0	4.8	7.9	13.3	22.2	47.9
Aug..	4,510	3.5	4.0	6.6	11.2	18.4	56.3
Sept..	4,020	3.5	3.9	6.1	10.2	18.0	58.3
Oct..	3,930	4.6	5.5	9.4	16.8	27.3	36.4
Nov..	3,960	4.2	5.1	8.5	14.8	24.4	42.8
Dec..	3,840	4.3	4.6	8.8	13.9	23.0	45.4
1975—Jan..	3,950	5.6	7.3	13.5	24.6	28.1	21.2
Feb..	4,130	5.9	7.2	14.6	25.4	28.5	18.4
Mar..	4,180	6.5	8.0	15.3	27.6	25.8	16.9

¹ Note 1 appears at the bottom of p. A-28.

NOTE.—Each customer's equity in his collateral (market value of collateral less net debit balance) is expressed as a percentage of current collateral values.

**SPECIAL MISCELLANEOUS ACCOUNT BALANCES
AT BROKERS, BY EQUITY STATUS OF ACCOUNTS**

(Per cent of total, except as noted)

End of period	Net credit status	Equity class of accounts in debit status		Total balance (millions of dollars)
		60 per cent or more	Less than 60 per cent	
1974—Mar..	40.0	41.2	18.9	6,784
Apr..	39.6	42.3	19.4	6,526
May..	37.8	40.0	22.2	6,344
June..	40.3	37.4	22.4	6,538
July..	40.2	36.5	23.2	6,695
Aug..	39.9	34.0	26.0	6,783
Sept..	40.7	31.2	27.0	7,005
Oct..	40.9	35.1	24.0	7,248
Nov..	40.0	34.6	25.3	6,926
Dec..	41.1	32.4	26.5	7,013
1975—Jan..	41.1	39.3	19.8	7,185
Feb..	42.2	40.1	17.8	7,303
Mar..	44.4	40.1	15.5	7,277

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		Securities			Cash	Other assets	Total assets— Total liabilities and general reserve accts.	Deposits	Other liabilities	General reserve accounts	Mortgage loan commitments ² classified by maturity (in months)				
	Mortgage	Other	U.S. Govt.	State and local govt.	Corporate and other ¹							3 or less	3-6	6-9	Over 9	Total
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 ³	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.....	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.....	74,891	3,812	2,555	930	22,550	2,167	2,645	109,550	98,701	2,888	7,961	664	418	232	726	2,040
1974—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
Mar....	73,957	4,825	2,851	934	22,302	1,634	2,373	108,876	98,557	2,595	7,724	1,302	525	413	929	3,168
Apr....	74,181	4,425	2,852	951	22,366	1,601	2,347	108,722	98,035	2,943	7,744	1,214	584	401	994	3,193
May....	74,011	4,388	2,750	893	22,241	1,656	2,355	108,295	97,391	3,173	7,731	1,129	608	400	1,014	3,151
June....	74,281	4,274	2,758	880	22,324	1,651	2,488	108,654	98,190	2,688	7,776	1,099	602	328	1,001	3,031
July....	74,541	4,311	2,650	884	22,383	1,402	2,487	108,660	97,713	3,144	7,803	990	586	316	1,076	2,968
Aug....	74,724	4,031	2,604	879	22,292	1,334	2,519	108,383	97,067	3,475	7,841	949	496	417	977	2,839
Sept....	74,790	4,087	2,574	876	22,218	1,303	2,573	108,420	97,425	3,089	7,906	932	382	450	904	2,668
Oct....	74,835	3,981	2,525	870	22,190	1,303	2,608	108,313	97,252	3,158	7,904	775	374	360	792	2,301
Nov....	74,913	4,226	2,553	877	22,201	1,406	2,633	108,809	97,582	3,291	7,936	724	398	317	743	2,182
Dec....	74,891	3,812	2,555	930	22,550	2,167	2,645	109,550	98,701	2,888	7,961	664	418	232	726	2,040
1975—Jan....	74,957	4,287	2,571	967	22,979	1,706	2,663	110,130	99,211	2,948	7,971	726	400	225	620	1,971
Feb....	75,057	4,658	2,677	1,017	23,402	1,856	2,709	111,376	100,149	3,211	8,016	654	360	217	579	1,810

¹ Also includes securities of foreign governments and international organizations and nonguaranteed issues of U.S. Govt. agencies.² 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.³ Balance sheet data beginning 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 Bank, which

were net of valuation reserves. For most items, however, the differences are relatively small.

NOTE.—NAMSBA 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				Business securities			Mortgages	Real estate	Policy loans	Other assets
		Total	United States	State and local	Foreign ¹	Total	Bonds	Stocks				
1971.....	222,102	11,000	4,455	3,363	3,182	99,805	79,198	20,607	78,496	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.....	252,436	11,403	4,328	3,412	3,663	117,715	91,796	25,919	81,369	7,693	20,199	14,057
1974.....	263,817	11,890	4,396	3,653	3,841	119,580	97,430	22,150	86,258	8,249	22,899	14,941
1974—Jan.....	251,531	11,465	4,410	3,463	3,592	119,079	93,082	25,997	81,490	7,816	20,242	13,449
Feb.....	254,739	11,535	4,429	3,518	3,588	119,715	93,672	26,043	81,745	7,825	20,382	13,547
Mar.....	255,847	11,766	4,595	3,511	3,660	119,936	94,037	25,899	81,971	7,831	20,538	13,805
Apr.....	256,583	11,594	4,317	3,526	3,751	120,466	95,010	25,456	82,469	7,795	20,830	13,429
May.....	257,518	11,606	4,318	3,538	3,750	120,642	95,721	24,921	82,750	7,840	21,067	13,613
June.....	258,398	11,617	4,290	3,562	3,765	120,526	95,934	24,592	83,228	7,878	21,321	13,828
July.....	259,187	11,675	4,301	3,572	3,802	120,404	96,507	23,897	83,697	7,924	21,581	13,906
Aug.....	258,951	11,725	4,338	3,577	3,810	119,139	96,723	22,416	84,119	7,998	21,888	14,088
Sept.....	258,668	11,718	4,306	3,596	3,816	117,740	96,861	20,879	84,509	8,055	22,202	14,444
Oct.....	261,778	11,748	4,319	3,603	3,826	120,198	97,515	22,683	85,054	8,087	22,503	14,188
Nov.....	262,738	11,820	4,363	3,618	3,839	120,176	92,892	27,284	85,529	8,143	22,710	14,360
Dec.....	263,817	11,890	4,396	3,653	3,841	119,580	97,430	22,150	86,258	8,249	22,899	14,941
1975—Jan.....	266,823	12,065	4,461	3,669	3,935	121,986	93,690	28,110	86,526	8,313	23,058	14,875

¹ Issues of foreign governments and their subdivisions and bonds of the International Bank for Reconstruction and Development.

NOTE: Institute of Life Insurance estimates for all life insurance companies in the United States.

Figures are annual statement asset values, with bonds carried on an amortized basis and stocks at year-end market value. Adjustments for interest due and accrued and for differences between market and book values are not made on each item separately but are included, in total in "Other assets."

SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

End of period	Assets				Total assets	Liabilities					Mortgage loan commitments outstanding at end of period ⁴
	Mortgages	Investment securities ¹	Cash	Other		Savings capital	Net worth ²	Borrowed money ³	Loans in process	Other	
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.....	231,733	21,055		19,117	271,905	226,768	17,056	17,172	4,667	9,042	9,526
1974.....	249,306	23,235		23,075	295,616	242,914	18,435	24,824	3,205	6,238	7,454
1974—Mar.....	236,136	23,993		20,316	280,445	235,136	17,435	16,725	4,481	6,668	12,006
Apr.....	238,645	23,544		20,787	282,976	234,918	17,709	18,159	4,796	7,394	12,918
May.....	241,263	23,705		21,421	286,389	235,429	18,019	19,355	5,038	8,548	12,480
June.....	243,400	23,003		21,614	288,017	238,114	17,838	20,347	5,013	6,685	11,732
July.....	245,115	23,052		21,926	290,113	237,631	18,101	21,708	4,867	7,806	10,844
Aug.....	246,713	22,081		22,461	291,155	236,472	18,377	22,891	4,584	8,831	9,851
Sept.....	247,624	21,166		22,758	291,548	237,877	18,201	24,136	4,226	7,108	9,176
Oct.....	248,189	22,126		23,016	293,331	238,304	18,444	24,544	3,809	8,230	8,127
Nov.....	248,711	23,249		23,306	295,266	239,530	18,674	24,580	3,444	9,068	7,773
Dec.....	249,306	23,235		23,075	295,616	242,914	18,435	24,824	3,205	6,238	7,454
1975—Jan.....	249,734	25,383		23,338	298,454	246,182	18,585	23,398	3,022	7,267	7,887
Feb.....	250,845	26,995		23,754	301,594	249,480	18,815	21,938	3,015	8,346	8,787
Mar.....	252,461	28,285		24,788	305,034	255,964	18,648	20,411	3,237	6,774	10,063

¹ Excludes stock of the Federal Home Loan Bank Board. Compensating changes have been made in "Other assets."

² Includes net undistributed income, which is accrued by most, but not all, associations.

³ Advances from FHLLBB and other borrowing.

⁴ Data comparable with those shown for mutual savings banks (on opposite page) except that figures for loans in process are not included above but are included in the figures for mutual savings banks.

⁵ Beginning 1973, participation certificates guaranteed by the Federal Home Loan Mortgage Corporation, loans and notes insured by the Farmers Home Administration, and certain other Govt.-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: FHLLBB 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.

FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	U.S. budget			Means of financing								Other means of financing, net ³	
	Receipts	Outlays	Surplus or deficit (-)	Borrowings from the public						Less: Cash and monetary assets			
				Public debt securities	Agency securities	Less: Investments by Govt. accounts ¹		Less: Special notes ²	Equals: Total	Treasury operating balance	Other		
						Special issues	Other						
Fiscal year:													
1971.....	188,392	211,425	23,033	27,211	347	6,616	801		19,448	710	- 710	3,587	
1972.....	208,649	231,876	-23,227	29,131	-1,269	6,796	1,623		19,442	1,362	1,108	6,003	
1973.....	232,225	246,526	-14,301	30,881	216	11,712	109		19,275	2,459	1,613	-1,129	
1974.....	264,932	268,392	-3,460	16,918	903	13,673	1,140		3,009	-3,417	898	-2,063	
Half year:													
1973—Jan.—June.....	126,164	127,947	- 1,784	8,843	661	5,716	577		1,889	1,503	93	1,305	
July—Dec.....	124,256	130,362	- 6,106	11,756	478	5,376	845		6,014	2,202	319	-2,429	
1974—Jan.—June.....	140,679	138,032	2,647	5,162	426	8,297	295		3,004	1,215	1,089	231	
July—Dec.....	139,870	153,399	-13,591	18,429	- 646	2,840	150		14,794	3,228	248	-4,183	
Month:													
1974—Mar.....	16,819	22,903	- 6,083	3,813	392	155	52		4,307	690	200	-2,666	
Apr.....	29,657	22,273	7,384	-2,597	37	93	35		-2,502	3,125	1,319	-438	
May.....	19,243	23,981	-4,739	2,773	-28	2,947	-211		8	-5,032	1,120	-1,423	
June.....	31,259	24,172	7,087	385	29	4,178	121		-3,886	2,711	249	-252	
July.....	20,939	24,411	- 3,472	1,109	-126	858	198		1,644	2,705	658	-1,534	
Aug.....	23,620	25,408	- 1,787	6,447	- 56	4,133	- 25		2,283	1,012	83	-1,425	
Sept.....	28,377	24,712	3,666	-326	-167	1,311	250		569	3,244	797	-194	
Oct.....	19,633	26,460	-6,827	-1,242	-242	2,053	152		721	-6,445	338	-677	
Nov.....	22,292	24,965	-2,673	5,139	-17	653	- 31		4,500	2,816	96	-915	
Dec.....	24,946	27,442	-2,496	7,300	38	2,276	90		5,077	2,874	268	-561	
1975—Jan.....	25,020	28,934	- 3,914	1,475	23	2,173	42		3,667	58	319	508	
Feb.....	19,975	26,200	-6,225	5,571	306	1,224	495		4,535	2,359	132	801	
Mar.....	20,134	27,986	-7,852	9,949	5	1,216	79		11,249	3,115	285	3	

End of period	Selected balances										Memo: Debt of Govt.-sponsored corps.—Now private ⁵
	Treasury operating balance					Borrowing from the public.					
	F.R. Banks	Tax and loan accounts	Other depositaries ⁴	Total	Public debt securities	Agency securities	Less: Investments of Govt. accounts ¹		Less: Special notes ²	Equals: Total	
							Special issues	Other			
Fiscal year:											
1971.....	1,274	7,372	109	8,755	398,130	12,163	82,740	22,400	825	304,328	37,086
1972.....	2,344	7,934	139	10,117	427,260	10,894	89,536	24,023	825	323,770	41,814
1973.....	4,038	8,433	106	12,576	458,142	11,109	101,248	24,133	825	343,045	51,325
1974.....	2,919	6,152	88	9,159	475,060	12,012	114,921	25,273	825	346,053	65,411
Calendar year:											
1973.....	2,543	7,760	70	10,374	469,898	11,586	106,624	24,978	825	349,058	59,857
1974.....	3,113	2,749	70	5,932	492,664	11,367	117,761	25,423	(9)	360,847	.....
Month:											
1974—Mar.....	1,372	6,915	69	8,356	474,500	11,975	107,889	25,328	825	352,433	59,897
Apr.....	2,814	8,576	89	11,480	471,903	12,012	107,796	25,363	825	349,931	61,151
May.....	3,134	3,226	88	6,448	474,675	11,984	110,743	25,152	825	349,939	62,650
June.....	2,919	6,152	88	9,159	475,060	12,012	114,921	25,273	825	346,053	65,411
July.....	3,822	2,544	88	6,454	475,344	11,895	114,063	25,471	(9)	347,706	68,243
Aug.....	3,304	2,049	91	5,443	481,792	11,831	118,196	25,446	.....	349,980	69,951
Sept.....	3,211	5,384	92	8,687	481,466	11,664	116,885	25,696	.....	350,549	73,068
Oct.....	789	1,381	71	2,241	480,224	11,422	114,832	25,544	.....	351,270	75,343
Nov.....	1,494	1,571	.....	3,066	485,364	11,404	115,485	25,513	.....	355,770	75,706
Dec.....	3,113	2,745	70	5,928	492,664	11,367	117,761	25,423	.....	360,847	76,459
1975—Jan.....	3,541	2,115	220	5,876	494,139	11,343	115,588	25,380	.....	364,514	76,921
Feb.....	2,884	410	220	3,514	499,710	11,037	116,812	24,886	.....	369,049	75,964
Mar.....	4,269	2,140	220	6,629	509,659	11,042	115,596	24,807	.....	380,298	.....

¹ With the publication of the Oct. 1974, Federal Reserve BULLETIN, these series have been corrected (beginning in fiscal year 1971) to exclude special issues held by the Federal home loan banks and the General Services Admin. Participation Certificate Trust, which are not Govt. accounts.

² 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.

³ Includes accrued interest payable on public debt securities, deposit funds, miscellaneous liability and asset accounts, and seigniorage.

⁴ 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 depositories that have been converted from a time to a demand basis to permit greater flexibility in Treasury cash management).

⁵ Includes debt of Federal home loan banks, Federal land banks, R.F.K. Stadium Fund, FNMMA (beginning Sept. 1968), and Federal intermediate credit banks and banks for cooperatives (both beginning Dec. 1968).

⁶ Beginning July 1974, public debt securities excludes \$825 million of notes issued to International Monetary Fund to conform with Office of Management and Budget's presentation of the budget.

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																
		Individual income taxes						Corporation income taxes		Social insurance taxes and contributions								
		Total	With- held	Pres. Elec- tion Cam- paign Fund ¹	Non- with- held	Re- funds	Net total	Gross re- ceipts	Re- funds	Employment taxes and contributions ²		Un- empl. insur.	Other net re- ceipts ³	Net total	Excise taxes	Cus- toms	Estate and gift	Misc. re- ceipts ⁴
										Pay- roll taxes	Self- empl.							
Fiscal year:																		
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	2,287	5,436	3,633
1973		232,225	98,093		27,017	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
1974		264,932	112,084		28,812	23,952	118,952	41,744	3,125	62,886	3,008	6,837	4,051	76,780	16,844	3,334	5,035	5,368
Half year:																		
1973	Jan.-June	126,164	52,037		22,123	21,179	52,094	23,730	1,434	30,013	2,206	3,616	1,841	37,657	8,016	1,637	2,584	1,861
	July-Dec.	124,256	52,966		6,207	999	58,172	16,589	1,494	29,965	201	2,974	1,967	35,109	8,966	1,633	2,514	2,768
1974	Jan.-June	140,679	59,103		28,246	22,953	60,782	25,156	1,631	32,919	2,808	3,862	2,082	41,672	7,878	1,701	2,521	2,601
	July-Dec.	139,807	61,377		7,099	1,016	67,460	18,247	2,016	34,418	254	2,914	2,187	39,774	8,761	1,958	2,284	3,341
Month:																		
1974	Mar.	16,819	9,664		2,186	8,631	3,221	5,887	338	5,059	228	96	338	5,721	1,211	277	465	376
	Apr.	29,657	9,946		13,111	6,313	14,764	5,893	430	4,390	1,603	552	351	6,896	1,275	286	371	602
	May	19,243	10,083		5,120	5,651	5,641	1,318	218	7,196	311	2,190	339	10,036	1,391	295	437	343
	June	31,759	10,611		4,477	462	14,231	9,269	237	4,757	281	18	329	5,386	1,423	301	370	517
	July	20,939	10,227		957	378	10,806	1,796	310	5,005		418	358	5,781	1,517	325	418	607
	Aug.	23,620	10,223		491	229	10,485	1,084	256	7,813		1,363	368	9,544	1,415	355	453	540
	Sept.	28,377	9,754		4,323	130	13,947	6,082	435	5,428	240	62	489	6,119	1,465	305	352	543
	Oct.	19,633	10,106		561	78	10,590	1,717	511	4,558		221	363	5,142	1,401	347	370	578
	Nov.	22,292	10,638		308	111	10,832	1,111	314	6,633		762	353	7,748	1,474	319	350	773
	Dec.	24,946	10,428		461	90	10,799	6,458	190	4,982	14	89	356	5,441	1,489	307	341	301
1975	Jan.	25,020	10,252		1,366	132	15,487	1,745	557	4,802	223	245	402	5,673	1,351	307	385	629
	Feb.	19,975	10,957		7,104	4,264	7,747	1,275	496	7,670	225	732	352	8,979	1,277	260	399	535
	Mar.	20,134	9,617		2,661	8,152	4,134	7,228	649	6,268	208	21	373	6,870	1,160	295	356	741
Period		Budget outlays ⁵																
		Total	Nati- onal de- fense	Int'l. affairs	Gen- eral sci- ence, space, and tech.	Agri- cul- ture	Nati- onal re- sources, envir., and energy	Com- merce and transp.	Comm- uni- cation and region- al devel- opment	Educa- tion, man- power, and social serv.	Health and wel- fare	Vet- erans	Inter- est	Gen- eral Govt., law en- force- ment, and justice				
Fiscal year:																		
1972		231,876	77,356	4,723	4,299	5,279	5,019	10,601	4,699	11,696	81,482	10,730	20,582	4,116				
1973		246,826	75,072	2,956	4,169	4,855	5,461	9,938	5,869	11,874	91,790	12,013	22,813	4,813				
1974		268,392	78,569	3,593	4,154	2,230	6,390	13,100	4,910	11,600	106,505	13,386	28,072	5,789				
1975*		311,446	85,276	4,853	4,183	1,773	9,412	11,796	4,887	14,714	133,188	15,466	31,331	5,672				
1976*		349,372	94,027	6,294	4,581	1,816	10,028	13,723	5,920	14,623	146,774	15,592	34,419	6,468				
Month:																		
1975	Feb.	26,200	7,528	482	450	156	468	666	119	1,024	11,174	1,933	2,618	467				
	Mar.	27,986	7,435	503	379	347	723	1,415	19	1,209	12,154	1,811	2,656	568				

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 L. R. Banks and other miscellaneous receipts.

⁵ Budget outlays have been revised to reflect the new functional classification of outlays presented in the 1976 Budget. For a description of these functions, see *Budget of the U.S. Government, Fiscal Year 1976*, pp. 64-65.

⁶ Consists of interest received by trust funds, rents and royalties on the Outer Continental Shelf, and Govt. contributions for employee retirement.

⁷ Contains retroactive payments of \$2,617 million for fiscal 1972.

⁸ Estimates presented in *Budget of the U.S. Government, Fiscal Year 1976*. Breakdowns do not add to totals because special allowances for contingencies, civilian agency pay raises, and energy tax equalization payments totaling \$700 million for fiscal 1975 and \$8,050 million for fiscal 1976 are not included.

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 (interest-bearing)										Special issues ⁵
		Total	Marketable					Con-vertible bonds	Nonmarketable			
			Total	Bills	Certifi-cates	Notes	Bonds ²		Total ³	Foreign issues ⁴	Savings bonds and notes	
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—Dec.....	469.9	360.7	270.2	107.8	.....	124.6	37.8	2.3	88.2	26.0	60.8	107.1
1974—Apr.....	471.9	361.7	270.5	107.3	.....	127.6	35.5	2.3	89.0	25.7	61.9	108.4
May.....	474.7	361.5	269.6	107.9	.....	128.4	33.2	2.3	89.6	26.0	62.1	111.3
June.....	475.1	357.8	266.6	105.0	.....	128.4	33.1	2.3	89.0	25.0	62.4	115.4
July.....	475.3	359.7	268.8	107.3	.....	128.4	33.0	2.3	88.7	24.4	62.7	114.6
Aug.....	481.8	362.0	272.1	110.6	.....	127.7	33.9	2.3	87.6	23.2	62.8	118.7
Sept.....	481.5	362.7	272.6	111.1	.....	127.7	33.8	2.3	87.8	23.2	63.0	117.4
Oct.....	480.2	363.9	273.5	112.1	.....	127.7	33.8	2.3	88.1	23.1	63.3	115.3
Nov.....	485.4	368.2	277.5	114.6	.....	129.6	33.3	2.3	88.4	23.1	63.6	115.9
Dec.....	492.7	373.4	282.9	119.7	.....	129.8	33.4	2.3	88.2	22.8	63.8	118.2
1975—Jan.....	494.1	377.1	286.1	120.0	.....	131.8	33.3	2.3	88.8	23.0	64.2	116.0
Feb.....	499.7	381.5	289.8	123.0	.....	132.7	34.1	2.3	89.4	23.3	64.5	117.2
Mar.....	509.7	392.6	300.0	124.0	.....	141.9	34.1	2.3	90.4	24.0	64.8	116.0
Apr.....	516.7	399.8	307.2	127.0	.....	145.0	35.3	2.3	90.3	23.6	65.2	116.0

¹ Includes non-interest-bearing debt (of which \$615 million on April 30, 1975, 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): depository bonds, retirement plan bonds, Rural Electrification Administration bonds, State and local government bonds, and Treasury deposit funds.

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 *Monthly Statement of the Public Debt of the United States*, published by U.S. Treasury. See also second paragraph in NOTE to table below.

OWNERSHIP OF PUBLIC DEBT

(Par value, in billions of dollars)

End of period	Total gross public debt	Held by—		Held by private investors									
		U.S. Govt. agencies and trust funds	F.R. Banks	Total	Com-mercial banks	Mutual savings banks	Insur-ance companies	Other corporations	State and local govts.	Individuals		Foreign and inter-national ¹	Other misc. inves-tors ²
										Savings bonds	Other securities		
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	53.3	17.0
1973—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—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
Apr.....	471.9	131.1	80.0	260.7	56.8	2.7	5.9	10.5	30.1	61.4	17.8	55.9	19.7
May.....	474.7	133.9	81.4	259.4	54.8	2.6	5.8	11.2	29.2	61.7	18.3	57.3	18.5
June.....	475.1	138.2	80.5	256.4	53.2	2.6	5.9	10.8	28.3	61.9	18.8	57.7	17.3
July.....	475.3	137.5	78.1	259.7	53.9	2.6	5.7	11.3	28.8	62.2	19.4	56.9	18.8
Aug.....	481.8	141.6	81.1	259.0	53.0	2.6	5.7	11.0	29.2	62.3	20.3	56.0	19.0
Sept.....	481.5	140.6	81.0	259.8	52.9	2.5	5.7	10.5	29.3	62.5	20.8	56.0	19.5
Oct.....	480.2	138.4	79.4	262.5	53.5	2.5	5.9	11.2	28.8	62.8	21.0	56.6	20.3
Nov.....	485.4	139.0	81.0	265.3	54.5	2.5	5.9	11.0	28.7	63.2	21.1	58.3	20.1
Dec.....	492.7	141.2	80.5	271.0	56.5	2.5	6.1	11.0	29.2	63.4	21.5	58.4	22.4
1975—Jan.....	494.1	139.0	81.3	273.8	54.5	2.6	6.2	11.3	30.0	63.7	21.6	61.5	22.3
Feb.....	499.7	139.8	81.1	278.9	56.9	2.7	6.2	11.4	30.5	64.0	21.3	64.6	21.3

¹ Consists of investments of foreign and international accounts in the United States.

² Consists of savings and loan assns., nonprofit institutions, corporate pensions 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 REVISION. 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. Beginning in July 1974, total gross public debt includes Federal Financing Bank bills and excludes notes issued to the IMF (\$825 million).

OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value, in millions of dollars)

Type of holder and date	Total	Within 1 year					10-20 years	Over 20 years
		Total	Bills	Other	1-5 years	5-10 years		
All holders:								
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--Dec. 31.....	282,891	148,086	119,747	28,339	85,311	27,897	14,833	6,764
1975--Feb. 28.....	289,827	154,782	122,995	31,787	85,181	27,494	15,508	6,863
Mar. 31.....	299,989	158,046	123,972	34,074	90,362	29,255	15,476	6,850
U.S. Govt. agencies and trust funds:								
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--Dec. 31.....	21,391	2,400	588	1,812	7,823	4,721	4,670	1,777
1975--Feb. 28.....	20,888	2,481	512	1,969	7,957	3,980	4,802	1,667
Mar. 31.....	20,841	2,519	511	2,008	7,871	3,998	4,802	1,651
Federal Reserve Banks:								
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--Dec. 31.....	80,501	45,388	36,990	8,399	23,282	9,664	1,453	711
1975--Feb. 28.....	81,086	46,956	35,909	11,047	21,377	10,326	1,476	950
Mar. 31.....	81,418	47,019	36,087	10,932	21,288	10,485	1,507	1,119
Held by private investors:								
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--Dec. 31.....	180,999	100,298	82,168	18,130	54,206	13,512	8,710	4,274
1975--Feb. 28.....	187,853	105,345	86,574	18,771	55,847	13,188	9,230	4,246
Mar. 31.....	192,730	108,508	87,374	21,134	61,203	14,772	9,167	4,080
Commercial banks:								
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	4,027	1,065	272
1974--Dec. 31.....	42,755	14,873	6,952	7,921	22,717	4,151	733	280
1975--Feb. 28.....	43,756	14,487	5,978	8,509	23,735	4,502	736	296
Mar. 31.....	48,840	16,217	6,976	9,241	26,503	5,126	722	272
Mutual savings banks:								
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--Dec. 31.....	1,477	399	207	192	614	174	202	88
1975--Feb. 28.....	1,543	330	128	202	660	207	199	147
Mar. 31.....	1,751	385	152	233	743	285	195	143
Insurance companies:								
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--Dec. 31.....	4,741	722	414	308	1,061	1,310	1,297	351
1975--Feb. 28.....	4,824	652	355	297	1,296	1,214	1,340	321
Mar. 31.....	5,119	720	405	315	1,357	1,357	1,336	348
Nonfinancial corporations:								
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--Dec. 31.....	4,246	2,623	1,859	764	1,423	115	26	59
1975--Feb. 28.....	4,407	2,649	1,812	837	1,519	169	25	44
Mar. 31.....	4,911	2,777	2,011	766	1,805	264	21	41
Savings and loan associations:								
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--Dec. 31.....	1,663	350	87	263	835	282	173	23
1975--Feb. 28.....	1,701	419	148	271	861	238	166	18
Mar. 31.....	1,969	511	240	271	995	278	166	19
State and local governments:								
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--Dec. 31.....	7,864	4,121	3,119	802	1,796	815	800	132
1975--Feb. 28.....	9,015	5,417	4,747	670	1,756	609	917	316
Mar. 31.....	8,189	4,793	4,078	715	1,590	545	918	343
All others:								
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--Dec. 31.....	118,253	77,210	69,330	7,880	25,760	6,664	5,479	3,141
1975--Feb. 28.....	122,605	81,390	73,405	7,985	26,018	6,249	5,846	3,102
Mar. 31.....	126,952	83,105	73,512	9,593	28,210	6,918	5,806	2,914

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) 5,564 commercial banks, 475 mutual savings

banks, and 733 insurance companies combined, each about 90 per cent; (2) 461 nonfinancial corporations and 486 savings and loan assns., each about 50 per cent; and (3) 503 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	Com- mercial banks		All other ¹
1974—Mar.	3,697	2,814	450	369	64	744	892	1,071	991	733	
Apr.	3,338	2,682	438	173	45	614	836	951	937	710	
May	3,542	2,645	693	133	72	711	905	991	936	861	
June	3,084	2,549	385	110	41	693	759	877	755	978	
July	2,566	2,114	348	66	38	490	685	681	710	1,044	
Aug.	3,097	2,407	389	238	64	554	876	789	878	856	
Sept.	4,114	3,327	472	265	50	683	1,351	1,022	1,058	1,227	
Oct.	3,543	2,802	498	193	50	607	1,087	928	920	1,150	
Nov.	3,977	2,872	635	384	86	560	1,049	1,144	1,224	1,186	
Dec.	4,111	3,126	550	369	67	671	1,196	1,120	1,124	1,087	
1975—Jan.	5,415	3,495	1,514	303	104	887	1,549	1,503	1,478	1,244	
Feb.	5,770	3,353	1,521	711	185	698	2,044	1,511	1,518	1,233	
Mar.	4,464	2,812	993	462	197	670	1,183	1,196	1,415	928	
Week ending—											
1975—Mar.	5.	4,090	2,606	1,116	290	77	608	1,145	1,112	1,225	885
	12.	4,721	3,355	812	463	92	749	1,261	1,360	1,351	936
	19.	4,271	2,443	1,127	636	65	622	1,025	1,204	1,419	846
	26.	4,854	2,835	1,085	452	480	685	1,470	1,133	1,566	1,130
Apr.	2.	4,541	2,988	1,092	265	196	560	1,050	1,188	1,743	752
	9.	6,147	4,313	1,273	402	159	851	1,908	1,424	1,965	1,219
	16.	5,694	4,394	959	235	107	893	1,507	1,459	1,835	838
	23.	4,876	3,127	1,270	339	140	609	1,308	1,134	1,824	909
	30.	4,170	3,100	788	162	120	550	1,109	941	1,570	715

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	
1974—Mar.....	2,587	2,149	50	287	102	1,045
Apr.....	1,536	1,577	-121	62	17	719
May.....	495	421	-33	66	41	791
June.....	594	447	52	78	16	1,226
July.....	263	219	-50	90	4	935
Aug.....	2,487	1,819	228	356	84	1,073
Sept.....	3,060	2,317	334	340	69	1,216
Oct.....	2,870	2,149	430	260	31	1,445
Nov.....	4,513	2,999	728	618	169	1,531
Dec.....	4,831	3,100	975	559	197	1,803
1975—Jan.....	4,634	2,689	1,236	600	113	1,578
Feb.....	5,588	3,658	1,180	536	213	1,469
Mar.....	5,737	3,435	1,486	618	198	1,444
Week ending—						
1975—Feb. 5.....	5,104	3,106	1,044	673	281	1,497
12.....	5,590	3,902	922	539	227	1,411
19.....	5,482	3,958	775	553	195	1,574
26.....	6,061	3,619	1,775	501	167	1,617
Mar. 5.....	5,458	3,438	1,434	435	151	1,479
12.....	5,520	3,598	1,271	497	154	1,426
19.....	6,063	3,438	1,518	940	167	1,419
26.....	5,876	3,306	1,709	576	285	1,487

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		
1974—Mar.....	3,817	1,196	952	485	1,185
Apr.....	2,449	600	728	287	833
May.....	1,637	26	486	213	913
June.....	2,477	241	884	268	1,083
July.....	1,710	6	596	216	892
Aug.....	4,138	988	1,248	548	1,354
Sept.....	4,709	1,312	1,247	480	1,671
Oct.....	4,621	1,194	1,003	571	1,853
Nov.....	5,626	1,466	1,245	561	2,355
Dec.....	6,904	2,061	1,619	691	2,534
1975—Jan.....	6,185	1,455	1,277	864	2,590
Feb.....	6,295	1,672	1,077	714	2,832
Mar.....	6,881	1,879	1,650	838	2,513
Week ending—					
1975—Feb. 5.....	5,605	1,351	821	707	2,727
12.....	6,204	1,738	1,080	761	2,626
19.....	6,338	1,632	1,045	713	2,950
26.....	6,784	1,865	1,295	728	2,897
Mar. 5.....	6,784	1,826	1,147	709	3,102
12.....	7,097	1,968	1,741	954	2,433
19.....	7,148	2,018	1,885	828	2,417
26.....	6,506	1,689	1,499	786	2,532

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.

OUTSTANDING ISSUES OF FEDERALLY SPONSORED CREDIT AGENCIES, MARCH 31, 1975

Agency, and date of issue and maturity	Cou- pon rate	Amount (millions of dollars)	Agency, and date of issue and maturity	Cou- pon rate	Amount (millions of dollars)	Agency, and date of issue and maturity	Cou- pon rate	Amount (millions of dollars)
Federal home loan banks			Federal National Mortgage Association— Cont.			Banks for cooperatives		
Bonds:			Debentures:			Bonds:		
4/12/73 - 5/27/75.....	7.15	700	4/12/71 - 6/10/75.....	5.25	500	10/1/74 - 4/1/75.....	9.55	463
8/25/70 - 5/26/75.....	8.05	265	10/13/70 - 9/10/75.....	7.50	350	11/4/74 - 5/1/75.....	8.55	683
2/25/74 - 5/27/75.....	6.80	300	3/12/73 - 9/10/75.....	6.80	650	1/2/74 - 6/2/75.....	8.05	542
7/27/70 - 8/25/75.....	7.95	300	3/10/72 - 12/10/75.....	5.70	500	1/2/75 - 7/1/75.....	7.40	485
7/25/73 - 8/25/75.....	7.88	500	9/10/73 - 12/10/75.....	8.25	300	2/3/75 - 8/4/75.....	7.05	474
10/25/73 - 8/25/75.....	7.15	400	3/11/71 - 3/10/76.....	5.65	500	3/3/75 - 9/2/75.....	6.05	392
12/18/70 - 11/25/75.....	6.50	350	6/12/73 - 3/10/76.....	7.13	400	10/1/73 - 4/4/77.....	7.70	200
5/25/73 - 11/25/75.....	7.05	600	6/10/71 - 6/10/76.....	6.70	250	12/2/74 - 10/1/79.....	8.00	201
5/28/74 - 11/25/75.....	9.10	700	2/10/72 - 6/10/76.....	5.85	450			
6/21/74 - 2/25/76.....	8.70	400	9/10/74 - 6/10/76.....	10.00	700	Federal intermediate credit banks		
8/25/71 - 2/25/76.....	7.38	300	11/10/71 - 9/10/76.....	6.13	300	Bonds:		
8/27/73 - 2/25/76.....	8.75	300	6/12/72 - 9/10/76.....	5.85	500	7/1/74 - 4/1/75.....	9.25	811
8/26/74 - 2/25/76.....	9.20	600	12/10/74 - 9/10/76.....	7.50	200	8/1/74 - 5/1/75.....	9.45	784
6/22/73 - 5/25/76.....	7.20	600	7/12/71 - 12/10/76.....	7.45	300	9/13/74 - 6/2/75.....	9.80	714
11/27/73 - 5/25/76.....	7.45	300	12/11/72 - 12/10/76.....	6.25	500	10/1/74 - 7/1/75.....	9.60	769
7/25/73 - 8/25/76.....	7.80	500	6/10/74 - 12/10/76.....	8.45	600	1/3/72 - 7/1/75.....	5.70	302
9/25/74 - 8/25/76.....	9.55	700	2/13/62 - 2/10/77.....	4.50	198	11/4/74 - 8/4/75.....	8.45	743
10/25/74 - 11/26/76.....	8.60	600	9/11/72 - 3/10/77.....	6.30	500	1/2/74 - 9/2/75.....	8.05	783
7/25/74 - 11/26/76.....	9.55	500	3/11/74 - 3/10/77.....	7.05	400	1/2/75 - 10/1/75.....	7.35	513
10/25/73 - 2/25/77.....	7.20	500	12/10/70 - 6/10/77.....	6.38	250	2/3/75 - 11/1/75.....	7.05	754
11/25/74 - 2/25/77.....	8.05	500	5/10/71 - 6/10/77.....	6.50	150	3/3/75 - 12/1/75.....	6.15	897
6/21/74 - 5/25/77.....	8.70	500	12/10/73 - 6/10/77.....	7.20	500	3/1/73 - 1/5/76.....	6.65	261
6/25/71 - 5/25/77.....	6.95	200	9/10/71 - 9/12/77.....	6.88	300	7/2/73 - 1/3/77.....	7.10	236
4/12/73 - 8/25/77.....	7.15	300	9/10/73 - 9/12/77.....	7.85	400	7/1/74 - 4/4/77.....	8.70	321
5/28/74 - 8/25/77.....	8.80	600	7/10/73 - 12/12/77.....	7.25	500	1/2/74 - 1/3/78.....	7.10	406
2/26/73 - 11/25/77.....	6.75	300	10/1/73 - 12/12/77.....	7.55	500	1/2/75 - 1/2/79.....	7.40	410
11/27/73 - 11/25/77.....	7.45	300	6/10/74 - 3/10/78.....	8.45	650			
8/26/74 - 11/25/77.....	9.15	700	3/10/75 - 3/10/78.....	6.70	350			
9/25/74 - 2/27/78.....	9.38	400	6/12/73 - 6/12/78.....	7.15	600			
9/21/73 - 5/25/78.....	7.60	500	3/11/74 - 9/11/78.....	7.15	550	Federal land banks		
8/26/74 - 11/27/78.....	9.10	500	10/12/71 - 12/11/78.....	6.75	300	Bonds:		
6/21/74 - 2/26/79.....	8.65	600	7/10/74 - 12/11/78.....	8.95	450	4/20/65 - 4/21/75.....	4.38	200
9/25/74 - 2/26/79.....	9.45	600	12/10/73 - 12/1/79.....	7.25	500	7/20/73 - 4/21/75.....	7.65	300
10/25/74 - 5/25/79.....	8.65	500	9/10/73 - 6/11/79.....	7.85	300	2/15/72 - 7/21/75.....	5.70	425
5/28/74 - 5/25/79.....	8.75	400	9/10/74 - 6/11/79.....	9.80	600	4/22/74 - 7/21/75.....	8.30	300
7/25/74 - 8/27/79.....	9.50	500	6/12/72 - 9/10/79.....	6.40	300	7/20/71 - 10/20/75.....	7.20	300
11/25/74 - 11/26/79.....	8.15	500	12/10/74 - 10/1/79.....	7.80	700	10/23/74 - 10/20/75.....	7.40	362
12/23/74 - 11/26/79.....	7.50	500	12/10/71 - 12/10/79.....	6.55	350	4/20/72 - 1/20/76.....	6.25	300
3/25/70 - 2/25/80.....	7.75	350	2/10/72 - 3/10/80.....	6.88	250	7/22/74 - 1/20/76.....	9.20	650
2/25/74 - 2/25/80.....	7.05	300	3/10/75 - 3/10/80.....	7.25	750	2/21/66 - 2/24/76.....	5.00	123
10/15/70 - 10/15/80.....	7.80	200	6/10/74 - 6/10/80.....	8.50	600	1/22/73 - 4/20/76.....	6.25	373
10/27/71 - 11/27/81.....	6.60	200	2/16/73 - 7/31/80.....	5.19	1	4/22/74 - 4/20/76.....	8.25	400
10/25/74 - 11/25/81.....	8.65	400	2/16/73 - 7/31/80.....	3.18	9	7/20/66 - 7/20/76.....	5.38	150
4/12/73 - 5/25/83.....	7.30	183	10/1/73 - 9/10/80.....	7.50	400	1/21/74 - 7/20/76.....	7.05	360
2/25/75 - 11/25/83.....	7.38	400	1/16/73 - 10/30/80.....	4.46	5	4/23/73 - 10/20/76.....	7.15	450
5/28/74 - 5/25/84.....	8.75	300	12/11/72 - 12/10/80.....	6.60	300	4/22/74 - 4/20/77.....	8.25	565
10/25/73 - 11/26/94.....	7.38	400	6/29/72 - 1/29/81.....	6.15	156	7/20/73 - 7/20/77.....	7.50	550
Federal Home Loan Mortgage Corporation			3/12/73 - 3/10/81.....	7.05	350	10/20/71 - 10/20/77.....	6.35	300
Bonds:			4/18/73 - 4/10/81.....	6.59	26	10/21/74 - 1/23/78.....	8.70	546
5/29/73 - 8/25/76.....	7.05	400	3/21/73 - 5/1/81.....	4.50	18	2/20/63 - 2/20/73 78.....	4.13	148
5/11/72 - 2/25/77.....	6.15	350	3/21/73 - 5/1/81.....	5.77	2	5/2/66 - 4/20/78.....	5.13	150
11/19/70 - 11/27/95.....	8.60	140	1/21/71 - 6/10/81.....	7.25	250	1/20/75 - 4/20/78.....	7.60	713
7/15/71 - 8/26/96.....	7.75	150	9/10/71 - 9/10/81.....	7.25	250	7/20/72 - 7/20/78.....	6.40	269
5/11/72 - 5/26/97.....	7.15	150	9/10/74 - 9/10/81.....	9.70	300	7/22/74 - 7/20/78.....	9.15	350
Certificates:			3/11/74 - 12/10/81.....	7.30	250	10/23/73 - 10/19/78.....	7.35	550
2/25/75 - 3/15/98.....	8.20	300	7/10/74 - 3/10/82.....	8.88	300	2/20/67 - 1/22/79.....	5.00	285
Federal National Mortgage Association—			6/28/72 - 5/1/82.....	5.84	58	1/21/74 - 1/22/79.....	7.10	300
Secondary market operations			2/10/71 - 6/10/82.....	6.65	250	9/15/72 - 4/23/79.....	6.85	235
Discount notes:			9/11/72 - 9/10/82.....	6.80	200	2/20/74 - 7/23/79.....	7.15	389
Capital debentures:			12/10/73 - 12/10/82.....	7.45	300	10/23/72 - 10/23/79.....	6.80	400
4/1/70 - 4/1/75.....	8.00	200	3/11/71 - 6/10/83.....	6.75	200	1/22/73 - 1/21/80.....	6.70	300
9/30/71 - 10/1/96.....	4.38	248	6/12/73 - 6/10/83.....	7.30	300	7/20/73 - 7/21/80.....	7.50	250
10/2/72 - 10/1/97.....	7.40	250	11/10/71 - 9/12/83.....	6.75	250	10/21/74 - 10/20/80.....	8.70	400
Mortgage-backed bonds:			4/21/71 - 6/11/84.....	6.25	200	2/23/71 - 4/20/81.....	6.70	224
6/1/70 - 6/2/75.....	8.38	250	12/10/74 - 9/10/84.....	7.95	300	7/22/74 - 7/20/81.....	9.10	265
3/14/73 - 1/15/81.....	3.58	53	10/1/71 - 12/10/84.....	6.90	250	1/20/75 - 1/20/82.....	7.80	400
3/14/73 - 1/15/81.....	5.48	5	3/10/75 - 3/11/85.....	7.65	500	4/20/72 - 4/20/82.....	6.90	200
6/21/73 - 7/1/82.....	5.85	71	3/10/72 - 3/10/92.....	7.00	200	4/23/73 - 10/20/82.....	7.30	239
6/21/73 - 7/1/82.....	5.92	35	6/12/72 - 6/10/92.....	7.05	200	10/23/73 - 10/20/83.....	7.30	300
3/1/73 - 8/31/84.....	5.50	10	12/11/72 - 12/10/97-82.....	7.10	200			
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						

Non. These securities are not guaranteed by the U.S. Govt.; see also note to table at top of p. A-38.

MAJOR BALANCE SHEET ITEMS OF SELECTED FEDERALLY SPONSORED CREDIT AGENCIES

(In millions of dollars)

End of period	Federal home loan banks						Federal National Mortgage Assn. (secondary market operations)		Banks for cooperatives		Federal intermediate credit banks		Federal land banks	
	Assets			Liabilities and capital			Mortgage loans (A)	Debentures and notes (L)	Loans to cooperatives (A)	Bonds (L)	Loans and discounts (A)	Bonds (L)	Mortgage loans (A)	Bonds (L)
	Advances to members	Investments	Cash and deposits	Bonds and notes	Member deposits	Capital stock								
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.....	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—Apr...	16,020	1,615	82	13,902	2,067	2,337	25,264	23,668	2,891	2,810	7,850	7,403	11,878	10,843
May...	17,103	1,956	96	14,893	2,215	2,376	25,917	25,089	2,694	2,674	8,195	7,585	12,142	10,843
June...	17,642	2,564	115	16,393	2,158	2,413	26,559	25,232	2,733	2,449	8,479	7,860	12,400	10,843
July...	18,582	2,578	150	17,390	1,954	2,450	27,304	25,878	3,008	2,477	8,706	8,212	12,684	11,782
Aug...	19,653	2,052	80	18,759	1,935	2,495	28,022	26,639	3,026	2,622	8,548	8,381	12,941	11,782
Sept...	20,772	2,681	135	20,647	2,160	2,543	28,641	27,312	3,092	2,835	8,931	8,502	13,185	11,782
Oct...	21,409	3,224	105	22,058	2,129	2,580	29,139	27,543	3,598	2,855	8,838	8,482	13,418	12,427
Nov...	21,502	2,568	106	21,474	2,182	2,603	29,407	28,024	3,573	3,295	8,700	8,441	13,643	12,427
Dec...	21,804	3,094	144	21,878	2,484	2,624	29,709	28,201	3,575	3,561	8,848	8,400	13,643	12,427
1975—Jan...	20,728	4,467	113	21,778	2,612	2,699	29,797	28,030	3,910	3,653	8,888	8,419	14,086	13,020
Feb...	19,460	4,838	99	20,822	2,819	2,698	29,846	27,730	3,821	3,592	9,031	8,484	14,326	13,021
Mar...	18,164	6,415	154	18,453	3,025	2,677	29,870	28,420	3,741	3,440	9,303	8,703	14,641	13,021

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 preceding page. Loans are gross of valuation reserves and represent cost for FNMA and unpaid principal for other agencies.

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			Edu- cation	Roads and bridges	Util- ities ⁴	Hous- ing ⁵	Veter- ans' aid	Other purposes
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	6,741	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	8,335	8,176
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	8,176	8,176	8,176
1974.....	23,705	13,204	9,961	461	79	4,659	8,499	10,470	20,210	4,709	767	5,513	1,045	8,176	8,176	8,176
1974—Mar...	2,029	1,181	617	227	4	344	793	887	1,906	366	258	363	241	678	678	678
Apr....	2,406	1,708	689	.....	9	360	862	1,177	2,361	516	9	595	178	1,063	1,063	1,063
May....	2,313	1,101	1,203	.....	9	451	1,097	756	2,237	442	18	711	8	1,058	1,058	1,058
June....	2,171	1,075	856	234	6	580	721	864	2,079	220	62	664	334	799	799	799
July....	1,466	859	600	.....	7	540	158	761	1,456	314	58	154	.....	930	930	930
Aug....	1,109	576	529	.....	4	141	400	565	1,067	228	85	257	15	482	482	482
Sept....	1,705	869	832	.....	4	448	641	611	1,669	251	11	380	21	1,006	1,006	1,006
Oct....	2,865	1,707	1,153	.....	5	328	974	1,558	2,738	343	110	236	110	1,939	1,939	1,939
Nov....	2,487	1,110	1,374	.....	3	689	1,005	789	2,403	698	4	866	9	826	826	826
Dec....	1,500	761	717	.....	22	222	558	700	1,475	297	64	424	53	637	637	637
1975—Jan...	2,295	1,347	942	.....	6	372	668	1,256	2,273	710	49	640	155	719	719	719
Feb....	2,314	1,712	597	.....	5	877	582	853	2,281	430	206	412	105	1,128	1,128	1,128
Mar....	1,967	1,268	698	.....	1	373	646	950	1,922	410	88	468	35	921	921	921

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				Total	Corporate				
		U.S. Govt. ²	U.S. Govt. agency ³	State and local (U.S.) ⁴	Other ⁵		Bonds		Stock		
							Total	Publicly offered	Privately placed	Preferred	Common
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.....	100,417	19,057	23,883	22,700	1,385	33,391	22,268	13,649	8,620	3,372	7,750
1974 ⁶						37,870	31,567	25,337	6,230	2,253	4,050
1974—Jan. 6.....						3,328	2,898	2,115	783	152	278
Feb.....						2,687	2,101	1,683	418	268	318
Mar.....						3,217	2,457	2,020	437	398	362
Apr.....						3,066	2,265	1,594	671	355	446
May.....						3,164	2,957	2,350	607	65	142
June.....						2,981	2,455	1,939	516	113	413
July.....						3,260	2,706	2,086	620	228	327
Aug.....						2,668	2,341	2,042	299	107	218
Sept.....						1,629	1,215	897	318	216	289
Oct. ⁷						4,625	3,793	3,423	370	196	636
Nov. ⁷						3,762	3,352	3,016	336	93	317
Dec. ⁷						3,483	3,027	2,172	855	152	304
1975—Jan.....						5,074	4,498	3,665	833	235	341

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
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.....	4,329	643	1,283	1,559	1,881	43	5,585	4,661	3,535	1,369	5,661	2,860
1974 ⁶	9,883	547	1,865	958	993	22	8,868	3,964	3,716	222	6,252	598
1974—Jan. 6.....	867	29	136	124	78	.....	1,192	249	142	4	485	27
Feb.....	354	36	55	143	2	1	536	293	372	25	783	87
Mar.....	479	161	52	71	76	.....	850	449	310	21	691	58
Apr.....	1,193	9	238	56	6	.....	446	685	289	5	95	47
May.....	847	15	332	71	44	.....	837	75	660	3	239	44
June.....	434	44	311	139	5	15	859	288	355	1	491	39
July.....	1,051	43	257	93	62	1	318	300	242	53	777	65
Aug.....	601	4	38	62	14	.....	862	216	364	.....	462	44
Sept.....	186	2	46	47	50	5	384	296	331	18	218	48
Oct. ⁷	740	3	102	29	306	.....	1,414	695	439	36	791	70
Nov. ⁷	1,696	2	124	100	336	.....	739	224	62	31	397	54
Dec. ⁷	1,435	199	174	23	14	.....	431	194	150	25	823	15
1975—Jan.....	1,749	3	145	60	88	.....	691	507	920	5	904	.....

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 opposite 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			
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			
1973.....	33,559	11,804	21,754	21,501	8,810	12,691	12,057	2,993	9,064			
1974.....	39,334	9,935	29,399	31,554	6,255	25,098	7,980	3,678	4,302			
1973—IV.....	10,711	4,378	6,334	7,013	3,786	3,227	3,698	591	3,107			
1974—I.....	8,973	2,031	6,942	6,810	1,442	5,367	2,163	588	1,575			
II.....	9,637	2,048	7,589	7,847	1,584	6,263	1,790	465	1,326			
III.....	8,452	2,985	5,467	6,611	1,225	5,386	1,841	1,759	82			
IV.....	12,272	2,871	9,401	10,086	2,004	8,082	2,186	866	1,319			
Period	Type of issues											
	Manu- facturing		Commercial and other ²		Transpor- tation ³		Public utility		Communi- cation		Real estate and financial ¹	
	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks	Bonds and notes	Stocks
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	1,399	3,523	1,181
1974.....	7,404	17	1,116	-135	341	-20	7,308	3,834	3,499	398	5,428	207
1973—IV.....	-131	147	-162	460	176	-13	1,068	1,506	1,051	575	1,225	431
1974—I.....	906	324	-11	363	-37	-35	2,172	827	675	76	1,662	20
II.....	1,921	-12	698	213	-13	12	1,699	1,038	1,080	-7	877	82
III.....	1,479	-421	189	-664	49	-6	1,358	862	1,116	222	1,194	88
IV.....	3,098	126	240	-47	342	9	2,079	1,107	628	107	1,695	17

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 preceding page, new issues

exclude foreign sales and include sales of securities held by affiliated companies, special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements are defined in the same way and also include securities retired with internal funds or with proceeds of issues for that purpose.

OPEN-END INVESTMENT COMPANIES

(In millions of dollars)

Year	Sales and redemption of own shares			Assets (market value at end of period)			Month	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales ¹	Redemptions	Net sales	Total ²	Cash position ³	Other		Sales ¹	Redemptions	Net sales	Total ²	Cash position ³	Other
1963.....	2,460	1,504	952	25,214	1,341	23,873	1974-Mar...	297	346	-49	44,423	4,406	40,017
1964.....	3,404	1,875	1,528	29,116	1,329	27,787	Apr...	262	327	-65	42,679	4,426	38,253
1965.....	4,359	1,962	2,395	35,220	1,803	33,417	May...	323	320	3	41,015	4,389	36,626
1966.....	4,671	2,005	2,665	34,829	2,971	31,858	June...	337	276	61	40,040	4,461	35,579
1967.....	4,670	2,745	1,927	44,701	2,566	42,135	July...	442	352	90	37,669	4,609	33,060
1968.....	6,820	3,841	2,979	52,677	3,187	49,490	Aug...	446	339	107	35,106	4,953	30,153
1969.....	6,717	3,661	3,056	48,291	3,846	44,445	Sept...	499	292	207	31,985	5,078	26,907
1970.....	4,624	2,987	1,637	47,618	3,649	43,969	Oct...	816	311	505	37,115	5,652	31,463
1971.....	5,145	4,751	*394	*55,045	*3,038	*52,007	Nov...	619	335	284	36,366	5,804	30,562
1972.....	4,892	6,563	-1,671	59,831	3,035	56,796	Dec...	736	411	325	35,777	5,637	30,140
1973.....	4,358	5,651	-1,261	46,518	4,002	42,516	1975-Jan...	1,067	428	639	3,7407	3,889	33,518
1974.....	5,346	3,937	1,409	35,777	5,637	30,140	Feb...	889	470	419	39,330	4,006	35,324
							Mar...	847	623	224	40,449	3,870	36,579

¹ Includes contractual and regular single-purchase sales, voluntary and contractual accumulation plan sales, and reinvestment of investment income dividends; excludes reinvestment of realized capital gains dividends.² Market value at end of period less current liabilities.³ Cash and deposits, receivables, all U.S. Govt. securities, and other short-term debt securities, less current liabilities.

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

CORPORATE PROFITS, TAXES, AND DIVIDENDS

(In billions of dollars)

Year	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances ¹	Quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits	Corporate capital consumption allowances ¹
1968.....	87.6	39.9	47.8	23.6	24.2	46.8	1973 I....	120.4	48.9	71.5	28.7	42.8	69.2
1969.....	84.9	40.1	44.8	24.3	20.5	51.9	II....	124.9	50.9	74.0	29.1	44.9	70.8
1970.....	74.0	34.8	39.3	24.7	14.6	56.0	III....	122.7	49.9	72.9	29.8	43.1	71.6
1971.....	83.6	37.5	46.1	25.0	21.1	60.4	IV....	122.7	49.5	73.2	30.7	42.5	73.1
1972.....	99.2	41.5	57.7	27.3	30.3	66.3	1974 I....	135.4	52.2	83.2	31.6	51.6	74.1
1973.....	122.7	49.8	72.9	29.6	43.3	71.2	II....	139.0	55.9	83.1	32.5	50.5	75.7
1974.....	140.7	55.7	85.0	32.7	52.4	76.7	III....	157.0	62.7	94.3	34.2	61.1	77.6
							IV....	131.5	52.0	79.5	33.3	46.2	79.3

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		
1970.....	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
1971.....	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
1972—I.....	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
II.....	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
1973—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
1974—I.....	253.2	653.9	62.8	11.7	3.2	265.6	258.9	51.6	400.7	4.5	256.7	18.7	120.7
II.....	257.4	673.3	62.2	10.4	3.4	278.7	269.7	48.8	415.8	4.7	268.4	17.4	125.3
III.....	263.6	696.0	63.9	10.7	3.5	284.1	282.7	51.1	432.4	5.1	276.6	20.5	130.2

¹ Receivables from, and payables to, the U.S. Govt. exclude amounts offset against each other on corporations' books.

NOTE: Based on Securities and Exchange Commission estimates.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing		Mining	Transportation			Public utilities		Communications	Other ¹	Total (S.A. A.R.)
		Durable	Non-durable		Railroad	Air	Other	Electric	Gas and other			
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	15.94	2.76	12.85	21.40	.....
1974.....	112.40	22.62	23.39	3.18	2.54	2.00	2.12	17.63	2.92	13.96	22.05	.....
1972—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.....	24.10	4.74	4.75	.68	.50	.47	.34	3.85	.52	3.19	5.05	107.27
II.....	28.16	5.59	5.69	.78	.64	.61	.49	4.56	.75	3.60	5.46	111.40
III.....	28.23	5.65	5.96	.80	.64	.43	.58	4.42	.78	3.39	5.57	113.99
IV.....	31.92	6.64	6.99	.91	.78	.48	.71	4.80	.87	3.78	5.97	116.22
1975—I.....	25.33	4.87	5.60	.87	.66	.46	.53	3.81	.56	7.98	.....	113.22

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 BY TYPE OF HOLDER

(In millions of dollars)

Type of holder, and type of property	End of year			End of quarter				
	1970	1971	1972	1973	1974			
					IV	I	II	III
ALL HOLDERS	451,726	499,758	564,825	634,955	645,948	664,337	678,037	687,484
1- to 4-family.....	280,175	307,200	345,384	386,241	391,770	402,165	409,725	414,344
Multifamily ¹	58,023	67,367	76,496	85,401	86,591	88,269	90,183	91,893
Commercial.....	82,292	92,333	107,508	123,965	127,384	132,122	134,967	136,977
Farm.....	31,236	32,858	35,437	39,348	40,203	41,781	43,162	44,270
PRIVATE FINANCIAL INSTITUTIONS ..	355,929	394,239	450,000	505,401	513,946	528,212	536,868	541,497
1- to 4-family.....	231,317	253,540	288,053	322,048	326,863	335,442	340,398	342,757
Multifamily ¹	45,796	52,498	59,204	64,730	65,386	66,594	67,757	68,371
Commercial.....	68,697	78,345	92,222	107,128	110,047	114,185	116,430	117,960
Farm.....	10,119	9,856	10,521	11,495	11,650	11,991	12,283	12,409
<i>Commercial banks</i> ²	73,275	82,515	99,314	119,068	121,882	127,320	129,943	131,043
1- to 4-family.....	42,329	48,020	57,004	67,998	69,374	72,253	73,539	74,162
Multifamily ¹	3,311	3,984	5,778	6,932	7,046	7,313	7,415	7,478
Commercial.....	23,284	26,306	31,751	38,696	39,855	41,926	43,011	43,375
Farm.....	4,351	4,205	4,781	5,442	5,607	5,828	5,978	6,028
<i>Mutual savings banks</i>	57,948	61,978	67,556	73,331	73,957	74,264	74,792	74,890
1- to 4-family.....	37,342	38,641	41,650	44,247	44,462	44,426	44,593	44,649
Multifamily ¹	12,594	14,386	15,490	16,843	17,011	17,081	17,202	17,225
Commercial.....	7,893	8,901	10,354	12,084	12,425	12,698	12,938	12,956
Farm.....	119	50	62	57	59	59	59	60
<i>Savings and loan associations</i>	150,331	174,250	206,182	231,733	236,136	243,400	247,624	249,306
1- to 4-family.....	124,970	142,275	167,049	187,750	191,223	197,008	200,352	201,564
Multifamily ¹	13,830	17,355	20,783	22,524	22,763	23,342	23,574	23,684
Commercial.....	11,531	14,620	18,350	21,459	22,150	23,050	23,698	24,058
<i>Life insurance companies</i>	74,375	75,496	76,948	81,369	81,971	83,228	84,509	86,258
1- to 4-family.....	26,676	24,604	22,350	22,053	21,804	21,755	21,914	22,382
Multifamily ¹	16,061	16,773	17,153	18,431	18,566	18,858	19,566	19,984
Commercial.....	25,989	28,518	31,767	34,889	35,617	36,511	36,783	37,571
Farm.....	5,649	5,601	5,678	5,996	5,984	6,104	6,246	6,321
FEDERAL AND RELATED AGENCIES ..	32,992	39,357	45,790	55,664	58,262	62,585	67,829	72,267
1- to 4-family.....	21,993	26,453	30,147	35,454	37,168	39,784	43,188	45,748
Multifamily ¹	3,359	4,555	6,086	8,489	8,923	9,643	10,644	11,790
Commercial.....	16	11						
Farm.....	7,624	8,338	9,557	11,721	12,171	13,158	13,997	14,729
<i>Government National Mortgage Association</i>	5,222	5,323	5,113	4,029	3,664	3,618	4,052	4,848
1- to 4-family.....	26,902	2,770	2,490	1,330	1,189	1,194	1,337	1,600
Multifamily ¹	2,304	2,542	2,623	2,699	2,415	2,424	2,715	3,248
Commercial.....	16	11						
<i>Farmers Home Administration</i>	767	819	837	1,200	1,300	1,400	1,500	1,600
1- to 4-family.....	330	398	387	550	596	642	688	734
Farm.....	437	421	450	650	704	758	812	866
<i>Federal Housing and Veterans Administra-</i> <i>tions</i>	3,505	3,389	3,338	3,476	3,514	3,619	3,765	3,900
1- to 4-family.....	2,771	2,517	2,199	2,013	1,964	1,980	2,037	2,083
Multifamily ¹	734	872	1,139	1,463	1,500	1,639	1,728	1,817
<i>Federal National Mortgage Association</i>	15,502	17,791	19,791	24,175	24,875	26,539	28,641	29,578
1- to 4-family.....	15,181	16,681	17,697	20,370	20,516	21,691	23,258	23,778
Multifamily ¹	321	1,110	2,094	3,805	4,359	4,868	5,383	5,800
<i>Federal land banks (farm only)</i>	7,187	7,917	9,107	11,071	11,467	12,400	13,185	13,863
<i>Federal Home Loan Mortgage Corporation</i>	357	964	1,789	2,604	2,627	3,191	3,713	4,586
1- to 4-family.....	357	934	1,754	2,446	2,472	2,951	3,414	4,217
Multifamily ¹		30	35	158	165	240	299	369
<i>GNMA Pools</i>	452	3,154	5,815	9,109	10,865	11,798	12,973	13,892
1- to 4-family.....	452	3,153	5,620	8,745	10,431	11,326	12,454	13,336
Multifamily ¹		1	195	364	434	472	519	556
INDIVIDUALS AND OTHERS ³	62,805	66,162	69,035	73,890	73,740	73,540	73,340	73,720
1- to 4-family.....	26,865	27,207	27,184	28,739	27,739	26,939	26,139	25,839
Multifamily ¹	8,868	10,314	11,206	12,182	12,282	12,032	11,782	11,732
Commercial.....	13,579	13,977	15,286	16,837	17,337	17,937	18,537	19,017
Farm.....	13,493	14,664	15,359	16,132	16,382	16,632	16,882	17,132

¹ Structure of 5 or more units.² Includes loans held by nondeposit trust companies but not bank trust departments.³ Includes some U.S. agencies for which amounts are small or separate data are not readily available.

NOTE.—Based on data from various institutional and Govt. sources, with some quarters estimated in part by Federal Reserve in conjunction with the Federal Home Loan Bank Board and the Dept. of Commerce. Separation of nonfarm mortgage debt by type of property, where not reported directly, and interpolations and extrapolations where required, estimated mainly by Federal Reserve.

FEDERAL NATIONAL MORTGAGE ASSOCIATION AND FEDERAL HOME LOAN MORTGAGE CORPORATION— SECONDARY MORTGAGE MARKET ACTIVITY

(In millions of dollars)

End of period	FNMA							FHLMC						
	Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments		Mortgage holdings			Mortgage transactions (during period)		Mortgage commitments	
	Total ¹	FHA-insured	VA-guaranteed	Purchases	Sales	Made during period	Out-standing	Total	FHA-VA	Conventional	Purchases	Sales	Made during period	Out-standing
1971.....	17,791	12,681	5,110	3,574	336	9,828	6,497	968	821	147	778	64	.....	182
1972.....	19,791	14,624	5,112	3,699	211	8,797	8,124	1,789	1,503	286	1,298	408	1,606	198
1973.....	24,175	16,852	6,352	6,127	71	8,914	7,889	2,604	1,743	861	1,334	409	1,629	186
1974.....	29,578	19,189	8,310	6,953	5	10,765	7,960	4,586	1,904	2,682	2,191	52	4,553	2,390
1974--Mar...	24,875	17,315	6,340	462	1	1,646	7,913	2,638	1,724	914	29	2	595	748
Apr....	25,263	17,450	6,503	526	1	2,154	9,292	2,722	1,756	967	101	.....	400	1,037
May....	25,917	17,725	6,794	821	.....	1,145	9,475	2,986	1,827	1,159	281	.....	1,486	2,221
June....	26,559	17,966	7,079	770	.....	537	9,019	3,191	1,877	1,314	222	.....	628	2,598
July....	27,304	18,250	7,384	886	.....	1,175	9,044	3,309	1,883	1,426	129	.....	1,127	3,583
Aug....	28,022	18,526	7,704	868	2	1,202	9,115	3,451	1,886	1,565	155	.....	81	3,500
Sept....	28,641	18,758	7,994	760	.....	997	9,043	3,713	1,896	1,817	273	.....	69	3,278
Oct....	29,139	18,966	8,206	612	.....	878	8,987	4,107	1,910	2,197	410	7	30	2,871
Nov....	29,407	19,083	8,291	379	.....	201	8,532	4,352	1,908	2,445	270	12	28	2,621
Dec....	29,578	19,189	8,310	278	.....	231	7,960	4,586	1,904	2,682	266	16	34	2,390
1975--Jan...	29,670	19,231	8,318	208	.....	146	7,285	4,744	1,900	2,845	199	26	26	2,190
Feb....	29,718	19,256	8,313	169	.....	137	6,672	4,533	1,893	2,640	113	31	21	2,070
Mar....	29,754	19,277	8,304	151	1	639	6,636	.....	.....	.....	.....	.....	.....	.....

¹ Includes conventional loans not shown separately.

NOTE: Data from FNMA and FHLMC, respectively.

For FNMA: Holdings include loans used to back bond issues guaranteed by GNMA. Commitments 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).

For FHLMC: Data for 1970 begin with Nov. 26, when the FHLMC became operational. Holdings and transactions cover participations as well as whole loans. Holdings include loans used to back bond issues guaranteed by GNMA. Commitments cover the conventional and Govt.-underwritten loan programs.

TERMS AND YIELDS ON NEW HOME MORTGAGES

Period	Conventional mortgages							FHA-insured loans - Yield in private secondary market ⁵	
	Terms ¹						Yields (per cent) in primary market		
	Contract rate (per cent)	Fees and charges (per cent) ²	Maturity (years)	Loan/price ratio (per cent)	Purchase price (thous. of dollars)	Loan amount (thous. of dollars)	FHLMC series ³	HUD series ⁴	
1971.....	7.60	.87	26.2	74.3	36.3	26.5	7.74	7.75	7.70
1972.....	7.45	.88	27.2	76.8	37.3	28.1	7.60	7.64	7.52
1973.....	7.78	1.11	26.3	77.3	37.1	28.1	7.95	8.30	.....
1974.....	8.71	1.30	26.3	75.8	40.1	29.8	8.92	9.22	9.55
1974--Mar.....	8.43	1.35	26.4	77.3	39.1	29.5	8.64	8.60	8.66
Apr.....	8.47	1.21	26.1	77.3	38.5	29.2	8.67	8.90	9.17
May.....	8.55	1.20	25.8	76.8	37.9	28.8	8.74	9.15	9.46
June.....	8.65	1.25	26.3	76.9	39.7	30.1	8.85	9.25	9.46
July.....	8.75	1.28	26.1	74.4	40.5	29.6	8.96	9.40	9.85
Aug.....	8.87	1.32	26.4	75.3	40.2	29.5	9.09	9.60	10.30
Sept.....	8.97	1.30	26.1	74.8	42.4	31.1	9.19	9.80	10.38
Oct.....	8.95	1.37	26.7	74.7	42.3	30.7	9.17	9.70	10.13
Nov.....	9.04	1.40	26.2	73.6	41.3	30.2	9.27	9.55	.....
Dec.....	9.13	1.44	27.5	75.5	42.4	31.3	9.37	9.45	9.51
1975--Jan.....	9.09	1.51	26.7	73.8	43.2	31.6	9.33	9.15	8.99
Feb.....	8.88	1.44	26.8	76.7	44.4	33.0	9.12	9.05	8.84
Mar.....	8.83	1.55	26.4	75.0	46.2	33.8	9.08	8.90	8.69

¹ 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, as compiled by Federal Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation. Data are not strictly comparable with earlier figures beginning Jan. 1973.

² Fees and charges—related to principal mortgage amount—include loan commissions, fees, discounts, and other charges, but exclude closing costs related solely to transfer of property ownership.

³ Effective rate, reflecting fees and charges as well as contract rates

(as shown in first column of this table) and an assumed prepayment at end of 10 years.

⁴ Rates on first mortgages, unweighted and rounded to the nearest 5 basis points.

⁵ Based on opinion reports submitted by field offices of prevailing local conditions as of the first of the succeeding month. Yields 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.

NOTE TO TABLE AT BOTTOM OF PAGE A-44:

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.

FEDERAL NATIONAL MORTGAGE ASSOCIATION AUCTIONS OF COMMITMENTS TO BUY HOME MORTGAGES

Item	Date of auction											
	1974				1975							
	Nov. 18	Dec. 2	Dec. 16	Dec. 30	Jan. 13	Jan. 27	Feb. 10	Feb. 24	Mar. 10	Mar. 24	Apr. 7	Apr. 21
Amounts (millions of dollars):												
Govt.-underwritten loans												
Offered 1.....	25.7	52.5	49.6	35.7	25.3	41.4	24.6	36.2	99.2	460.5	551.6	470.9
Accepted 1.....	17.6	23.3	43.3	31.8	21.2	28.6	18.1	23.8	60.1	321.4	277.2	247.3
Conventional loans												
Offered 1.....	20.6	24.0	20.1	17.2	17.9	11.1	14.8	20.0	34.4	60.7	99.8	79.2
Accepted 1.....	6.8	12.0	18.5	10.1	14.9	10.6	9.1	9.1	21.1	35.8	44.6	51.3
Average yield (per cent) on short-term commitments ²												
Govt.-underwritten loans.....	9.81	9.61	9.52	9.47	9.37	9.12	8.98	8.87	8.78	8.85	8.98	9.13
Conventional loans.....	9.92	9.80	9.72	9.59	9.50	9.39	9.20	9.04	8.96	9.00	9.13	9.26

¹ Mortgage amounts offered by bidders are total bids received.² Average accepted bid yield (before deduction of 38 basis-point fee paid for mortgage servicing) 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. Commitments mature in 4 months.

MAJOR HOLDERS OF FHA-INSURED AND VA-GUARANTEED RESIDENTIAL MORTGAGE DEBT

(End of period, in billions of dollars)

Holder	June 30, 1973	Sept. 30, 1973	Dec. 31, 1973	Mar. 31, 1974	June 30, 1974	Sept. 30, 1974	Dec. 31, 1974
All holders.....	133.6	133.8	135.0	136.7	137.8	138.6	140.3
FHA.....	86.4	85.6	85.0	85.0	84.9	84.1	84.1
VA.....	47.2	48.2	50.0	51.7	52.9	54.5	56.2
Commercial banks.....	11.7	11.7	11.5	11.1	11.0	10.8	9.8
FHA.....	8.5	8.4	8.2	7.8	7.6	7.4	6.5
VA.....	3.2	3.3	3.3	3.3	3.4	3.4	3.2
Mutual savings banks.....	28.7	28.6	28.4	28.2	27.9	27.7	27.3
FHA.....	15.8	15.7	15.5	15.3	15.1	14.9	14.7
VA.....	12.9	12.9	12.9	12.9	12.8	12.8	12.6
Savings and loan assns.....							
FHA.....	29.8	30.1	29.7	29.8	29.7	29.8	29.8
VA.....							
Life insurance cos.....	14.0	13.7	13.6	13.3	13.1	12.9	12.7
FHA.....	9.5	9.3	9.2	9.0	8.8	8.7	8.6
VA.....	4.5	4.4	4.5	4.3	4.3	4.2	4.2
Others.....	49.4	50.0	52.1	54.3	56.1	57.4	60.7
FHA.....							
VA.....							

NOTE.—VA-guaranteed residential mortgage debt is for 1- to 4-family properties while FHA-insured includes some debt in multifamily structures.

Detail by type of holder partly estimated by Federal Reserve for first and third quarters, and for most recent quarter.

COMMITMENTS OF LIFE INSURANCE COMPANIES FOR INCOME PROPERTY MORTGAGES

Period	Number of loans	Total amount committed (millions of dollars)	Averages						
			Loan amount (thousands of dollars)	Contract interest rate (per cent)	Maturity (yrs./mos.)	Loan-to-value ratio (per cent)	Capitalization rate (per cent)	Debt coverage ratio	Per cent constant
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
1973.....	2,140	4,833.3	2,259	8.76	23/3	74.3	9.5	1.29	10.0
1973—Oct.....	161	203.3	1,263	9.09	22/6	73.6	9.4	1.24	10.3
Nov.....	95	313.5	3,300	9.17	22/2	74.3	9.7	1.25	10.4
Dec.....	55	152.8	2,778	9.18	23/3	74.8	9.9	1.27	10.3
1974—Jan.....	61	91.5	1,501	9.07	20/11	73.7	9.7	1.24	10.4
Feb.....	90	209.4	2,327	9.10	23/1	73.6	9.8	1.33	10.2
Mar.....	117	238.8	2,041	8.99	21/11	74.2	9.6	1.31	10.1
Apr.....	141	306.7	2,175	9.02	21/9	73.8	9.9	1.33	10.2
May.....	148	352.4	2,381	9.31	21/11	74.2	10.0	1.30	10.4
June.....	147	287.5	1,956	9.35	20/10	75.7	10.1	1.24	10.7
July.....	121	234.6	1,939	9.60	20/0	74.1	10.1	1.26	10.8
Aug.....	105	312.4	2,975	9.80	22/10	74.3	10.2	1.31	10.7
Sept.....	95	241.6	2,543	10.04	20/11	74.4	10.3	1.29	11.1
Oct.....	57	108.3	1,899	10.29	19/7	74.6	10.6	1.25	11.5
Nov.....	47	79.7	1,695	10.37	18/4	74.0	10.7	1.26	11.6
Dec.....	37	140.0	3,784	10.28	19/10	74.8	11.0	1.33	11.3

See NOTE on preceding page.

TOTAL CREDIT

(In millions of dollars)

End of period	Total	Instalment					Noninstalment				
		Total	Auto-mobile paper	Other consumer goods paper	Home improvement loans ¹	Personal loans	Total	Single-payment loans	Charge accounts		Service credit
									Retail outlets	Credit cards ²	
1965.....	89,883	70,893	28,437	18,483	3,736	20,237	18,990	7,671	5,724	706	4,889
1966.....	96,239	76,245	30,010	20,732	3,841	21,662	19,994	7,972	5,812	874	5,336
1967.....	100,783	79,428	29,796	22,389	4,008	23,235	21,355	8,558	6,041	1,029	5,727
1968.....	110,770	87,745	32,948	24,626	4,239	25,932	23,025	9,532	5,966	1,227	6,300
1969.....	121,146	97,105	35,527	28,313	4,613	28,652	24,041	9,747	5,936	1,437	6,921
1970.....	127,163	102,064	35,184	31,465	5,070	30,345	25,099	9,675	6,163	1,805	7,456
1971.....	138,394	111,295	38,664	34,353	5,413	32,865	27,099	10,585	6,397	1,953	8,164
1972.....	157,564	127,332	44,129	40,080	6,201	36,922	30,232	12,256	7,055	1,947	8,974
1973.....	180,486	147,437	51,130	47,530	7,352	41,425	33,049	13,241	7,783	2,046	9,979
1974.....	190,121	156,124	51,689	52,009	8,162	44,264	33,997	12,979	8,012	2,122	10,884
1974—Mar.....	177,572	145,768	50,310	46,536	7,430	41,492	31,804	13,188	6,097	1,842	10,677
Apr.....	179,495	147,047	50,606	47,017	7,573	41,851	32,448	13,315	6,556	1,878	10,699
May.....	181,680	148,852	51,076	47,588	7,786	42,402	32,828	13,331	6,948	1,999	10,550
June.....	183,425	150,615	51,641	48,099	7,930	42,945	32,810	13,311	7,002	2,104	10,393
July.....	184,805	152,142	52,082	48,592	8,068	43,400	32,663	13,192	6,936	2,204	10,331
Aug.....	187,369	154,472	52,777	49,322	8,214	44,164	32,897	13,202	6,983	2,282	10,430
Sept.....	187,906	155,139	52,848	49,664	8,252	44,375	32,767	13,131	6,876	2,277	10,483
Oct.....	188,023	155,328	52,736	49,986	8,287	44,319	32,695	13,003	7,027	2,156	10,509
Nov.....	188,084	155,166	52,325	50,401	8,260	44,180	32,918	12,950	7,174	2,144	10,650
Dec.....	190,121	156,124	51,689	52,009	8,162	44,264	33,997	12,979	8,012	2,122	10,884
1975 Jan.....	187,080	153,952	50,947	51,142	8,048	43,815	33,128	12,675	7,162	2,153	11,138
Feb.....	185,381	152,712	50,884	50,136	7,966	43,726	32,669	12,560	6,468	2,074	11,567
Mar.....	184,253	151,477	50,452	49,391	7,925	43,709	32,776	12,542	6,452	2,033	11,749

¹Holdings of financial institutions; holdings of retail outlets are included in "Other consumer goods paper."

²Service station and miscellaneous credit-card accounts and home-heating-oil accounts.

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.

CONSUMER CREDIT HELD BY COMMERCIAL BANKS

(In millions of dollars)

End of period	Total	Instalment									Non-in- stalment	
		Total	Automobile paper		Other consumer goods paper			Home improve- ment loans	Personal loans			Single payment loans
			Purchased	Direct	Mobile homes	Credit cards	Other		Check credit	Other		
1965.....	35,652	28,962	10,209	5,659		4,166		2,571	6,357	6,690		
1966.....	38,265	31,319	11,024	5,956		4,681		2,647	7,011	6,946		
1967.....	40,630	33,152	10,972	6,232		5,469		2,731	7,748	7,478		
1968.....	46,310	37,936	12,324	7,102		1,307	5,387	2,858	798	8,374		
1969.....	50,974	42,421	13,133	7,791		2,639	6,082	2,996	1,081	8,553		
1970.....	53,867	45,398	12,918	7,888		3,792	7,113	3,071	1,336	8,469		
1971.....	60,556	51,240	13,837	9,277	4,423	4,419	4,501	3,236	1,497	9,316		
1972.....	70,640	59,783	16,320	10,776	5,786	5,288	5,122	3,544	1,789	10,857		
1973.....	81,248	69,495	19,038	12,218	7,223	6,649	6,054	3,982	2,144	11,753		
1974.....	84,010	72,510	18,582	11,787	7,645	8,242	6,414	4,458	2,424	11,500		
1974—Mar.....	80,918	69,232	18,775	11,985	7,333	6,667	6,082	3,958	2,169	11,686		
Apr.....	81,750	69,944	18,896	12,039	7,399	6,761	6,208	4,028	2,180	11,806		
May.....	82,527	70,721	19,037	12,100	7,491	6,887	6,323	4,135	2,199	11,806		
June.....	83,417	71,615	19,220	12,169	7,564	7,076	6,420	4,224	2,230	11,802		
July.....	84,078	72,384	19,377	12,250	7,623	7,222	6,484	4,316	2,266	11,694		
Aug.....	84,982	73,302	19,511	12,344	7,681	7,491	6,541	4,409	2,312	11,680		
Sept.....	85,096	73,455	19,389	12,314	7,706	7,638	6,527	4,445	2,348	11,641		
Oct.....	84,887	73,372	19,246	12,195	7,709	7,749	6,530	4,480	2,376	11,515		
Nov.....	84,360	72,896	18,981	12,031	7,700	7,846	6,469	4,490	2,362	11,464		
Dec.....	84,010	72,510	18,582	11,787	7,645	8,242	6,414	4,458	2,424	11,500		
1975 Jan.....	82,986	71,776	18,230	11,581	7,587	8,325	6,323	4,399	2,448	11,210		
Feb.....	82,229	71,151	18,104	11,497	7,522	8,149	6,272	4,359	2,447	11,078		
Mar.....	81,201	70,183	17,754	11,377	7,459	7,890	6,272	4,318	2,403	11,018		

See NOTE to table above.

INSTALMENT CREDIT HELD BY NONBANK LENDERS

(In millions of dollars)

End of period	Finance companies						Other financial lenders			Retail outlets		
	Total	Auto-mobile paper	Other consumer goods paper		Home improvement loans	Personal loans	Total	Credit unions	Miscellaneous lenders ¹	Total	Auto-mobile dealers	Other retail outlets
			Mobile homes	Other								
1965.....	23,851	9,218	4,343		232	10,058	8,289	7,324	965	9,791	315	9,476
1966.....	24,796	9,342	4,925		214	10,315	9,315	8,255	1,060	10,815	277	10,538
1967.....	24,576	8,627	5,069		192	10,688	10,216	9,003	1,213	11,484	287	11,197
1968.....	26,074	9,003	5,424		166	11,481	11,717	10,300	1,417	12,018	281	11,737
1969.....	27,846	9,412	5,775		174	12,485	13,722	12,028	1,694	13,116	250	12,866
1970.....	27,678	9,044	2,464	3,237	199	12,734	15,088	12,986	2,102	13,900	218	13,682
1971.....	28,883	9,577	2,561	3,052	247	13,446	17,021	14,770	2,251	14,151	226	13,925
1972.....	32,088	10,174	2,916	3,589	497	14,912	19,511	16,913	2,598	15,950	261	15,689
1973.....	37,243	11,927	3,378	4,434	917	16,587	22,567	19,609	2,958	18,132	299	17,833
1974.....	38,925	12,435	3,570	4,751	993	17,176	25,216	22,116	3,100	19,473	286	19,187
1974- Mar.....	37,005	11,624	3,324	4,497	1,018	16,542	22,562	19,550	3,012	16,969	292	16,677
Apr.....	37,291	11,684	3,364	4,547	1,057	16,639	22,753	19,704	3,049	17,059	293	16,766
May.....	37,751	11,810	3,413	4,583	1,097	16,848	23,203	20,053	3,150	17,177	294	16,883
June.....	38,159	11,957	3,449	4,626	1,114	17,013	23,630	20,501	3,129	17,211	296	16,915
July.....	38,479	12,040	3,505	4,664	1,118	17,152	23,968	20,825	3,143	17,311	297	17,014
Aug.....	38,943	12,267	3,539	4,680	1,097	17,360	24,677	21,402	3,275	17,550	299	17,251
Sept.....	38,921	12,345	3,573	4,662	1,073	17,268	25,085	21,792	3,293	17,678	298	17,380
Oct.....	38,901	12,458	3,597	4,658	1,054	17,134	25,204	21,893	3,311	17,851	296	17,555
Nov.....	38,803	12,462	3,603	4,611	1,021	17,106	25,195	21,975	3,220	18,272	292	17,980
Dec.....	38,925	12,435	3,570	4,751	993	17,176	25,216	22,116	3,100	19,473	286	19,187
1975- Jan.....	38,340	12,315	3,559	4,642	967	16,857	25,032	21,966	3,066	18,804	282	18,522
Feb.....	38,194	12,406	3,539	4,580	923	16,746	25,213	22,089	3,124	18,154	280	17,874
Mar.....	37,910	12,371	3,519	4,427	903	16,690	25,506	22,227	3,279	17,878	276	17,602

¹ Savings and loan associations and mutual savings banks.

See also NOTE to table at top of preceding page.

FINANCE RATES ON SELECTED TYPES OF INSTALMENT CREDIT

(Per cent per annum)

Month	Commercial banks					Finance companies				
	New automobiles (36 mos.)	Mobile homes (84 mos.)	Other consumer goods (24 mos.)	Personal loans (12 mos.)	Credit-card plans	Automobiles		Mobile homes	Other consumer goods	Personal loans
						New	Used			
1973-Mar.....	10.04	10.67	12.48	12.71	17.19	11.85	16.32	12.54	18.92	20.79
Apr.....	10.04	10.64	12.50	12.74	17.19	11.88	16.44			
May.....	10.05	10.84	12.48	12.78	17.22	11.91	16.52	12.73	18.88	20.76
June.....	10.08	10.57	12.57	12.78	17.24	11.94	16.61			
July.....	10.10	10.84	12.51	12.75	17.21	12.02	16.75	12.77	18.93	20.55
Aug.....	10.25	10.95	12.66	12.84	17.22	12.13	16.86			
Sept.....	10.44	11.06	12.67	12.96	17.23	12.28	16.98	12.90	18.69	20.52
Oct.....	10.53	10.98	12.80	13.02	17.23	12.34	17.11			
Nov.....	10.49	11.19	12.75	12.94	17.23	12.40	17.21	13.12	18.77	20.65
Dec.....	10.49	11.07	12.86	13.12	17.24	12.42	17.31			
1974-Jan.....	10.55	11.09	12.78	12.96	17.25	12.39	16.56	13.24	18.90	20.68
Feb.....	10.53	11.25	12.82	13.02	17.24	12.33	16.62			
Mar.....	10.50	10.92	12.82	13.04	17.23	12.29	16.69	13.15	18.69	20.57
Apr.....	10.51	11.07	12.81	13.00	17.25	12.28	16.76			
May.....	10.63	10.96	12.88	13.10	17.25	12.36	16.86	13.07	18.90	20.57
June.....	10.81	11.21	13.01	13.20	17.23	12.50	17.06			
July.....	10.96	11.46	13.14	13.42	17.20	12.58	17.18	13.21	19.24	20.78
Aug.....	11.15	11.71	13.10	13.45	17.21	12.67	17.32			
Sept.....	11.31	11.72	13.20	13.41	17.15	12.84	17.61	13.42	19.30	20.93
Oct.....	11.53	11.84	13.28	13.60	17.17	12.97	17.78			
Nov.....	11.57	11.87	13.16	13.47	17.16	13.06	17.88	13.60	19.49	21.16
Dec.....	11.62	11.71	13.27	13.60	17.21	13.10	17.89			
1975-Jan.....	11.61	11.66	13.28	13.60	17.12	13.08	17.27	13.60	19.58	21.24
Feb.....	11.51	12.14	13.20	13.44	17.24	13.07	17.39			
Mar.....	11.46	11.66	13.07	13.40	17.15	13.07	17.52			

NOTE.—Rates are reported on an annual percentage rate basis as specified in Regulation Z (Truth in Lending) of the Board of Governors. Commercial bank rates are "most common" rates for direct loans with

specified maturities; finance company rates are weighted averages for purchased contracts (except personal loans). For back figures and description of the data, see BULLETIN for Sept. 1973.

INSTALMENT CREDIT EXTENDED AND REPAYD

(In millions of dollars)

Period	Total	Type				Holder			
		Automobile paper	Other consumer goods paper	Home improve- ment loans	Personal loans	Commercial banks	Finance companies	Other financial lenders	Retail outlets
Extensions									
1967.....	87,171	26,320	29,504	2,369	28,978	31,382	26,461	11,238	18,090
1968.....	99,984	31,083	33,507	2,534	32,860	37,395	30,261	13,206	19,122
1969.....	109,146	32,553	38,332	2,831	35,430	40,955	32,753	15,198	20,240
1970.....	112,158	29,794	43,873	2,963	35,528	42,960	31,952	15,720	21,526
1971.....	124,281	34,873	47,821	3,244	38,343	51,237	32,935	17,966	22,143
1972.....	142,951	40,194	55,599	4,006	43,152	59,339	38,464	20,607	24,541
1973.....	165,083	46,453	66,859	4,728	47,043	69,726	43,221	21,414	28,722
1974.....	166,478	42,756	71,077	4,650	47,995	69,554	41,809	24,510	30,605
1974—Mar.....	13,823	3,484	5,933	424	3,982	5,710	3,497	1,976	2,640
Apr.....	14,179	3,545	6,034	447	4,153	5,838	3,671	2,054	2,616
May.....	14,669	3,769	6,156	468	4,276	6,023	3,832	2,140	2,674
June.....	14,387	3,731	6,043	425	4,188	6,076	3,729	2,040	2,542
July.....	14,635	3,812	6,164	416	4,243	6,129	3,685	2,201	2,620
Aug.....	14,394	3,887	5,993	388	4,126	6,034	3,476	2,290	2,594
Sept.....	14,089	3,835	5,935	302	4,017	6,050	3,408	2,079	2,552
Oct.....	13,626	3,369	5,948	348	3,961	5,600	3,229	2,160	2,637
Nov.....	12,609	3,062	5,700	321	3,526	5,390	2,823	1,863	2,533
Dec.....	12,702	3,205	5,798	294	3,405	5,012	3,240	1,901	2,549
1975—Jan.....	12,859	3,348	5,430	289	3,792	5,368	3,068	2,048	2,375
Feb.....	13,465	3,856	5,561	302	3,746	5,649	3,195	2,104	2,517
Mar.....	12,797	3,419	5,535	339	3,501	5,357	2,872	2,044	2,524
Repayments									
1967.....	83,988	26,534	27,847	2,202	27,405	29,549	26,681	10,337	17,421
1968.....	91,667	27,931	31,270	2,303	30,163	32,611	28,763	11,705	18,588
1969.....	99,786	29,974	34,645	2,457	32,710	36,470	30,981	13,193	19,142
1970.....	107,199	30,137	40,721	2,506	33,835	40,398	31,705	14,354	20,742
1971.....	115,050	31,393	44,933	2,901	35,823	45,395	34,730	16,033	21,892
1972.....	126,914	34,729	49,872	3,218	39,095	50,796	35,259	18,117	22,742
1973.....	144,978	39,452	59,409	3,577	42,540	60,014	38,066	20,358	26,540
1974.....	157,791	42,197	66,598	3,840	45,156	66,539	40,127	21,861	29,264
1974—Mar.....	13,206	3,544	5,596	308	3,758	5,479	3,452	1,827	2,448
Apr.....	13,026	3,498	5,483	312	3,733	5,470	3,375	1,784	2,197
May.....	13,407	3,601	5,607	315	3,884	5,573	3,528	1,855	2,451
June.....	13,301	3,577	5,615	335	3,774	5,564	3,405	1,835	2,497
July.....	13,310	3,563	5,610	320	3,817	5,541	3,513	1,819	2,437
Aug.....	12,882	3,443	5,444	309	3,686	5,463	3,166	1,851	2,402
Sept.....	13,412	3,604	5,700	279	3,829	5,808	3,371	1,723	2,510
Oct.....	13,224	3,470	5,499	321	3,934	5,542	3,250	1,962	2,470
Nov.....	13,009	3,423	5,561	325	3,700	5,671	2,981	1,860	2,497
Dec.....	13,516	3,668	6,037	341	3,470	5,803	3,308	1,822	2,583
1975—Jan.....	13,260	3,534	5,549	336	3,841	5,669	3,331	1,827	2,433
Feb.....	13,228	3,605	5,632	350	3,641	5,747	3,134	1,824	2,523
Mar.....	13,234	3,772	5,708	357	3,397	5,924	2,971	1,782	2,557
Net change									
1967.....	3,183	-214	1,657	167	1,573	1,833	-220	901	669
1968.....	8,317	3,152	2,237	231	2,697	4,784	1,498	1,501	534
1969.....	9,360	2,579	3,687	374	2,720	4,485	1,772	2,005	1,098
1970.....	4,959	-343	3,152	457	1,693	2,977	-168	1,366	784
1971.....	9,231	3,480	2,888	343	2,520	5,842	1,205	1,933	251
1972.....	16,037	5,465	5,727	788	4,057	8,543	3,205	2,490	1,799
1973.....	20,105	7,001	7,450	1,151	4,503	9,712	5,155	3,056	2,182
1974.....	8,687	559	4,379	810	2,839	3,015	1,682	2,649	1,341
1974—Mar.....	617	-60	337	116	224	231	45	149	192
Apr.....	1,153	47	551	135	420	368	296	270	219
May.....	1,262	168	549	153	392	450	304	285	223
June.....	1,086	154	428	90	414	512	324	205	45
July.....	1,325	249	554	96	426	588	172	382	183
Aug.....	1,512	444	549	79	440	571	310	439	192
Sept.....	677	231	235	23	188	242	37	356	42
Oct.....	402	101	449	27	27	58	21	198	167
Nov.....	400	361	139	4	174	281	158	3	36
Dec.....	814	463	239	47	65	791	68	79	34
1975—Jan.....	401	186	119	47	49	301	263	221	58
Feb.....	237	251	71	48	105	98	61	280	6
Mar.....	437	383	173	18	107	567	99	262	33

Note.—Monthly estimates are seasonally adjusted and include adjustments for differences in trading days. Annual totals are based on data not seasonally adjusted.

Estimates are based on accounting records and often include finance charges. Renewals and refinancing of loans, purchases and sales of in-

stalment 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.

MARKET GROUPINGS

(1967 = 100)

Grouping	1967 pro- por- tion	1974 aver- age	1974									1975			
			Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar. ^a	Apr. ^a
Total index.....	100.0	124.8	124.9	125.7	125.8	125.5	125.2	125.6	124.8	121.7	117.4	113.7	111.2	109.8	109.4
Products, total.....	62.21	123.1	122.7	123.8	124.0	124.0	123.5	123.6	122.9	121.4	118.7	115.4	113.6	112.6	112.8
Final products.....	48.95	121.7	120.8	122.4	122.6	122.8	122.1	122.6	122.3	120.9	118.2	114.9	113.1	112.4	112.5
Consumer goods.....	28.53	128.8	128.5	129.7	130.2	130.0	129.8	128.8	128.2	126.3	123.4	120.1	118.8	118.4	119.6
Equipment.....	20.42	111.7	110.1	112.2	112.0	113.0	111.4	113.8	114.0	113.2	110.7	107.8	105.1	104.0	102.9
Intermediate products.....	13.26	128.3	129.4	129.2	128.9	127.8	128.6	127.6	125.3	123.0	120.5	117.6	116.0	113.9	113.8
Materials.....	37.79	127.4	128.7	129.1	128.8	128.0	128.5	129.3	128.1	122.1	114.8	110.5	107.4	105.4	103.9
Consumer goods															
Durable consumer goods.....	7.86	127.9	130.9	132.8	133.5	131.6	131.8	129.1	126.5	119.7	110.1	104.0	101.4	103.8	106.4
Automotive products.....	2.84	110.0	113.8	116.1	117.3	113.5	114.9	111.6	114.7	102.1	87.5	80.3	78.8	88.4	94.3
Autos.....	1.87	94.9	97.7	100.3	99.6	101.5	103.1	99.6	108.4	91.0	69.8	62.6	58.9	73.1	82.4
Auto parts and allied goods.....	.97	139.0	144.7	146.5	151.3	136.9	137.6	134.5	126.9	123.6	121.5	114.4	117.2	117.8	117.3
Home goods.....	5.02	138.0	140.6	142.3	142.7	141.8	141.2	139.0	133.2	129.7	123.0	117.5	114.3	112.5	113.2
Appliances, TV, and radios.....	1.41	132.0	135.2	137.7	141.2	139.3	139.1	133.2	120.9	115.3	102.5	94.4	89.1	85.4	.....
Appliances and A/C.....	.92	148.8	148.6	152.6	155.3	151.7	156.2	150.2	139.5	131.9	119.8	108.0	103.1	99.6	.....
TV and home audio.....	.49	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Carpeting and furniture.....	1.08	153.5	158.2	157.4	157.2	155.3	157.1	155.4	151.8	144.7	143.8	135.1	134.7	133.0	.....
Misc. home goods.....	2.53	134.7	136.0	138.3	137.4	137.3	135.8	135.3	132.2	131.4	125.5	123.0	119.8	119.0	119.1
Nondurable consumer goods.....	20.67	129.2	127.6	128.5	129.0	129.4	129.1	128.7	128.9	128.8	128.4	126.3	125.4	124.0	124.6
Clothing.....	4.32	109.0	106.2	107.0	108.9	108.6	106.4	106.0	104.5	103.1	102.0	95.0	95.1	.....	.....
Consumer staples.....	16.34	134.5	133.2	134.2	134.3	134.9	135.1	134.8	135.4	135.6	135.5	134.5	133.4	132.3	132.9
Consumer foods and tobacco.....	8.37	125.4	123.9	124.7	124.7	125.5	124.4	124.4	125.2	126.2	125.3	123.3	124.0	122.0	123.4
Nonfood staples.....	7.98	144.0	143.1	144.3	144.4	144.7	146.5	145.7	146.1	145.3	146.2	146.4	143.4	143.4	143.0
Consumer chemical products.....	2.64	158.4	159.7	157.5	156.8	154.6	159.0	157.7	159.8	155.2	159.1	160.6	155.0	155.4	.....
Consumer paper products.....	1.91	125.2	119.4	124.7	123.9	124.4	129.5	130.9	128.5	127.4	126.7	122.0	121.9	121.7	.....
Consumer fuel and lighting.....	3.43	143.8	143.7	145.1	146.0	148.4	146.2	144.6	145.4	147.9	147.3	149.2	146.2	146.2	.....
Residential utilities.....	2.25	153.7	151.6	153.2	155.3	157.8	155.4	156.2	155.5	159.3	159.0	159.9	157.8	.....	.....
Equipment															
Business equipment.....	12.74	129.4	127.9	130.2	130.2	131.3	128.8	132.3	132.0	131.0	127.1	122.3	119.3	117.5	115.9
Industrial equipment.....	6.77	128.7	127.6	129.6	129.0	130.3	129.6	132.0	130.9	129.3	126.7	122.9	120.6	118.9	117.4
Building and mining equip.....	1.45	136.0	133.5	135.0	137.4	136.2	136.5	139.8	141.2	140.1	137.4	138.4	137.1	136.9	135.1
Manufacturing equipment.....	3.85	121.7	122.1	124.1	121.9	124.9	123.1	124.4	122.5	119.4	116.5	111.8	110.0	107.9	105.7
Power equipment.....	1.47	139.9	136.6	138.4	139.0	138.4	139.6	144.2	142.8	144.5	142.6	136.6	131.4	130.2	130.0
Commercial, transit, farm equip.....	5.97	130.3	128.2	130.9	131.5	132.5	127.6	132.8	133.2	132.9	127.6	121.6	117.9	116.0	114.1
Commercial equipment.....	3.30	141.1	140.4	141.5	142.7	143.5	134.0	143.3	144.1	143.1	139.3	135.2	130.2	128.4	126.0
Transit equipment.....	2.00	109.6	106.7	110.2	110.4	111.4	109.3	111.8	111.2	109.8	102.9	91.8	91.5	89.5	88.0
Farm equipment.....	.67	138.7	131.2	140.2	140.6	141.4	150.5	144.1	145.4	151.9	143.7	143.8	135.8	133.5	.....
Defense and space equipment.....	7.68	82.3	80.6	82.2	81.7	82.6	82.7	83.1	84.1	83.7	83.4	83.8	81.9	81.6	81.4
Military products.....	5.15	81.2	79.9	81.2	79.7	81.4	81.5	82.3	82.5	81.8	81.3	81.5	79.9	79.4	79.3
Intermediate products															
Construction products.....	5.93	129.6	130.8	130.8	129.6	128.2	128.0	127.4	123.5	121.3	118.3	115.7	113.1	111.6	111.4
Misc. intermediate products.....	7.34	127.3	128.2	127.9	128.4	127.5	129.2	127.8	126.8	124.2	122.5	119.2	118.3	115.8	.....
Materials															
Durable goods materials.....	20.91	127.3	127.3	128.3	127.5	125.8	128.1	129.2	129.3	123.5	114.2	110.3	107.4	104.9	102.4
Consumer durable parts.....	4.75	112.1	112.5	114.7	114.1	117.2	117.5	117.2	115.2	104.1	91.7	83.7	82.0	82.4	83.1
Equipment parts.....	5.41	123.8	120.1	122.5	122.1	120.6	125.8	125.0	124.0	122.2	118.3	116.9	112.6	109.4	107.6
Durable materials nec.....	10.75	135.9	137.5	137.2	136.2	132.3	133.9	136.6	138.3	132.7	122.9	118.8	116.2	112.6	108.4
Nondurable goods materials.....	13.99	128.5	131.9	130.9	131.3	131.1	130.4	129.3	126.8	122.1	116.2	109.2	105.1	103.3	103.0
Textile, paper, and chem. mat.....	8.58	139.8	143.9	143.3	143.6	143.6	143.2	142.2	138.1	131.1	122.9	112.9	108.1	105.2	105.0
Nondurable materials n.e.c.....	5.41	110.6	112.7	111.4	111.9	111.3	110.0	108.9	108.9	107.8	105.7	103.3	100.9	101.3	101.0
Fuel and power, industrial.....	2.89	132.6	123.2	124.7	126.3	128.0	123.5	129.0	126.4	112.7	113.0	117.8	118.6	117.8	117.7
Supplementary groups															
Home goods and clothing.....	9.34	124.6	124.6	126.0	127.1	126.4	125.0	123.8	120.0	117.4	113.2	107.1	105.4	103.2	103.9
Containers.....	1.82	139.4	147.0	141.5	141.6	142.1	140.4	136.7	131.5	127.6	120.3	126.1	119.8	124.2	.....
Gross value of products in market structure															
(In billions of 1963 dollars)															
Products, total.....	286.3	.....	445.4	449.5	449.7	448.1	446.9	447.1	445.7	439.0	426.7	416.4	410.4	407.8	410.1
Final products.....	221.4	.....	342.9	347.2	347.7	346.6	345.0	346.1	346.5	341.3	331.0	322.3	317.5	316.6	319.2
Consumer goods.....	156.3	.....	233.8	235.9	236.6	235.0	235.1	233.1	233.7	228.9	222.3	216.4	213.7	214.3	218.0
Equipment.....	65.3	.....	109.0	111.2	111.2	111.6	109.9	112.8	112.7	112.4	108.8	105.9	103.7	102.3	101.3
Intermediate products.....	64.9	.....	102.5	102.2	102.0	101.2	102.1	101.0	99.4	97.4	95.8	94.3	92.9	91.2	90.9

For NOTE see opposite page.

INDUSTRY GROUPINGS

(1967 = 100)

Grouping	1967 pro- portion	1974 aver- age	1974										1975			
			Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar. ^a	Apr. ^a	
Manufacturing	88.32	124.4	124.8	125.7	125.6	125.2	125.2	125.5	124.6	120.9	116.1	111.2	109.3	107.8	107.7	
Durable.....	52.33	120.7	120.7	122.1	121.6	121.6	122.1	121.6	117.9	112.2	108.2	104.8	103.0	102.8	102.8	
Nondurable.....	36.22	129.7	130.4	130.9	130.8	130.8	130.4	130.5	128.9	125.4	121.9	117.0	115.8	114.8	114.8	
Mining and utilities	11.45	127.3	127.8	128.0	128.1	128.9	127.4	128.7	128.5	125.9	125.7	127.0	126.3	125.8	125.5	
Mining.....	6.37	109.3	111.3	111.0	110.2	110.2	107.3	109.2	110.5	108.0	104.3	107.0	107.0	106.4	105.9	
Utilities.....	5.08	149.9	148.7	149.2	150.6	152.4	152.6	153.1	151.2	152.3	152.6	153.0	150.5	150.2	150.4	
Durable manufactures																
Primary and fabricated metals	12.85	127.5	127.5	128.1	128.4	126.9	126.5	127.2	127.6	124.4	116.9	111.4	107.3	104.2	102.0	
Primary metals.....	6.61	124.1	124.0	124.6	124.7	123.2	121.9	123.0	126.0	121.0	108.6	107.2	102.0	97.9	94.0	
Iron and steel, subtotal.....	4.23	119.9	116.4	118.0	118.5	119.9	120.7	119.1	123.9	117.7	107.9	110.6	105.0	102.1	97.5	
Fabricated metal products.....	5.94	141.4	131.3	131.9	132.5	131.1	131.5	132.0	129.6	128.2	124.1	118.2	113.2	111.2	111.3	
Machinery and allied goods	32.44	116.3	115.5	117.5	117.7	117.3	117.8	118.8	118.4	114.9	109.6	105.4	102.5	101.1	101.7	
Machinery.....	17.39	128.1	128.2	129.7	130.4	129.9	130.5	132.5	131.1	128.9	124.8	119.6	115.9	113.3	112.3	
Nonelectrical machinery.....	9.17	133.8	130.7	131.9	131.7	131.1	136.4	137.8	137.4	135.1	132.5	126.7	123.1	120.1	118.5	
Electrical machinery.....	8.22	125.2	125.3	127.4	129.0	128.4	123.7	126.4	124.0	121.7	116.3	111.5	107.9	105.5	105.4	
Transportation equipment.....	9.29	96.9	97.8	100.6	99.4	98.7	99.9	100.4	102.1	93.7	83.6	78.9	77.1	77.6	81.9	
Motor vehicles and parts.....	4.56	113.2	116.4	119.6	116.9	117.3	117.8	118.6	123.0	107.1	86.4	78.2	77.6	78.4	86.3	
Aerospace and misc. trans. eq.....	4.73	81.1	80.0	82.4	82.6	80.9	82.6	82.8	81.9	80.9	80.9	79.5	76.6	72.0	73.0	
Instruments.....	2.07	143.9	143.8	146.1	147.5	146.7	146.7	144.9	142.0	142.3	139.5	139.1	134.7	132.8	133.0	
Ordnance, private and Govt.....	3.69	86.1	84.3	86.1	86.4	87.2	87.1	87.5	87.2	86.6	86.6	86.2	85.9	85.4	85.0	
Lumber, clay, and glass	4.44	121.6	128.9	128.0	126.4	125.5	123.4	120.6	117.8	113.7	111.6	109.6	105.5	103.8	105.1	
Lumber and products.....	1.65	120.1	126.8	126.8	125.6	124.6	121.5	116.6	109.3	105.2	101.3	99.9	99.4	97.5	.....
Clay, glass, and stone products.....	2.79	125.7	130.3	128.7	126.9	127.7	124.6	123.0	122.9	118.8	116.9	115.1	109.2	107.6	.....
Furniture and miscellaneous	2.90	146.1	136.8	138.9	138.5	139.7	140.1	138.8	136.7	129.0	128.4	126.0	118.8	112.3	112.9	
Furniture and fixtures.....	1.38	126.9	128.8	129.7	131.1	131.6	130.5	129.4	128.5	120.5	120.4	110.6	109.6	108.4	.....
Miscellaneous manufactures.....	1.52	144.4	144.1	147.3	145.3	147.1	148.8	147.5	146.9	136.9	135.7	128.9	127.0	125.5	.....
Nondurable manufactures																
Textiles, apparel, and leather	6.90	108.9	109.3	109.8	108.5	108.1	107.4	106.5	105.1	101.9	96.3	88.9	89.9	88.5	91.2	
Textile mill products.....	2.69	122.7	123.4	124.0	125.1	125.3	124.3	121.9	119.1	112.8	102.9	95.6	94.0	95.0	.....
Apparel products.....	3.31	105.4	105.8	105.0	102.1	102.7	102.5	102.5	102.8	100.1	98.0	94.0	90.9	.....	.....
Leather and products.....	.88	77.3	79.5	83.9	81.6	75.7	73.4	74.2	70.6	74.7	69.7	66.1	73.9	73.3	.....
Paper and printing	7.92	121.6	121.3	121.3	122.3	122.4	121.0	122.7	120.8	115.7	112.3	108.2	106.6	105.7	103.9	
Paper and products.....	3.18	134.0	135.4	135.1	136.7	136.1	132.2	135.3	133.9	124.3	116.1	114.3	109.5	108.3	.....
Printing and publishing.....	4.74	112.3	111.7	111.9	112.7	113.4	113.4	114.4	111.9	110.0	109.8	104.1	104.7	104.0	101.7	
Chemicals, petroleum, and rubber	11.92	151.7	153.5	153.0	153.7	153.9	154.4	154.7	152.4	146.5	141.6	136.5	132.5	131.3	131.1	
Chemicals and products.....	7.86	154.3	156.2	156.2	156.9	155.8	156.7	158.3	155.9	148.3	143.1	139.0	134.5	133.5	132.9	
Petroleum products.....	1.80	124.0	126.9	126.1	126.2	127.9	125.8	121.9	125.4	127.0	125.8	126.8	124.1	122.4	122.0	
Rubber and plastics products.....	2.26	164.4	165.5	163.7	164.5	167.2	169.0	168.6	161.8	155.7	148.9	135.4	131.8	130.9	.....
Food and tobacco	9.48	124.8	124.3	126.5	125.3	124.8	124.8	124.3	123.7	123.8	123.5	120.0	121.6	120.6	120.7	
Foods.....	8.81	126.2	125.9	127.8	127.1	126.6	126.3	125.7	124.8	125.4	125.7	121.2	122.7	121.5	121.6	
Tobacco products.....	.67	106.4	104.6	109.4	102.9	101.5	104.2	106.0	110.3	103.8	96.2	104.7	108.4	.....	.....
Mining																
Metal, stone, and earth minerals	1.26	117.2	117.5	117.9	112.4	113.5	109.9	115.4	121.8	120.7	117.9	119.1	116.5	113.8	110.7	
Metal mining.....	.51	129.2	127.4	128.1	121.1	120.3	110.0	130.5	141.4	136.8	134.7	133.8	131.1	125.2	.....
Stone and earth minerals.....	.75	109.1	110.7	111.0	106.4	108.8	109.9	105.0	107.5	109.8	106.4	109.0	106.5	106.1	.....
Coal, oil, and gas	5.11	107.3	109.8	109.2	109.7	109.4	105.7	107.7	107.8	101.2	101.1	103.9	104.7	104.6	104.8	
Coal.....	.69	105.1	110.3	112.4	118.3	115.6	99.4	112.1	110.3	67.6	85.3	111.3	116.5	115.1	112.0	
Oil and gas extraction.....	4.42	107.7	109.7	108.8	108.4	108.4	107.9	107.1	107.4	106.4	103.6	102.9	102.9	103.1	103.7	
Utilities																
Electric.....	3.91	159.5	158.3	159.0	160.3	162.7	162.8	162.4	161.2	162.9	163.0	162.5	160.6	.....	.....
Gas.....	1.17	117.9	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

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.

SELECTED BUSINESS INDEXES

(1967=100, except as noted)

Period	Industrial production										Manu- facturing ²		Prices ⁴		
	Total	Market					Indus- try	Ca- pacity utiliza- tion in ind. (1967 output = 100)	Con- struc- tion con- tracts	Nonre- sidential employ- ment ¹	Em- ploy- ment	Pay- rolls	Total retail sales ³	Con- sumer	Whole- sale com- modity
		Products													
		Total	Final	Equip- ment	Inter- mediate	Materials									
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	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	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	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	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	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	103.2	101.4	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	106.9	103.2	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	107.7	98.1	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	108.1	94.2	122	121.2	113.9
1972.....	115.2	113.8	111.9	123.6	95.5	121.1	117.4	114.0	78.6	165.3	111.9	97.6	142	125.3	119.8
1973.....	125.6	123.4	121.3	131.7	106.7	131.1	129.3	125.2	83.0	181.3	116.7	103.1	148.9	133.1	134.7
1974.....	124.8	123.1	121.7	128.8	111.7	128.3	127.4	124.4	.....	168.6	118.9	102.1	156.6	147.7	160.1
1974—Mar.....	124.7	122.6	121.0	128.5	110.1	128.2	128.8	124.6	80.5	181.0	118.6	102.9	168	143.1	151.4
Apr.....	124.9	122.7	120.8	128.5	110.1	129.4	128.7	124.8	.....	167.0	118.8	103.0	169	143.9	152.7
May.....	125.7	123.8	122.4	129.7	112.2	129.2	129.1	125.7	80.1	188.0	119.0	103.0	172	145.5	155.0
June.....	125.8	124.0	122.6	130.2	112.0	128.9	128.8	125.6	.....	166.0	119.1	103.2	170	146.9	155.7
July.....	125.5	124.0	122.8	130.0	113.0	127.8	128.0	125.2	.....	177.0	119.2	103.0	177	148.0	161.7
Aug.....	125.2	123.5	122.1	129.8	111.4	128.6	128.5	125.2	79.4	170.0	119.4	102.6	180	149.9	167.4
Sept.....	125.6	123.6	122.6	128.8	113.8	127.6	129.3	125.5	.....	187.0	119.7	102.5	176	151.7	167.2
Oct.....	124.8	122.9	122.3	128.2	114.0	125.3	128.1	124.6	.....	148.0	119.8	101.7	175	153.0	170.2
Nov.....	121.7	121.4	120.9	126.3	113.2	123.0	122.1	120.9	75.7	154.0	119.1	99.4	170	154.3	171.9
Dec.....	117.3	118.7	118.2	123.4	110.7	120.5	114.8	116.1	.....	176.0	118.0	96.3	171	155.4	171.5
1975 Jan.....	113.7	115.4	114.9	120.1	107.8	117.6	110.5	111.7	.....	135.0	117.3	93.6	176	156.1	171.8
Feb.....	111.2	113.6	113.1	118.8	105.1	116.0	107.4	109.3	68.3	135.0	116.5	90.8	179	157.2	171.3
Mar.....	109.8	112.6	112.4	118.4	104.0	113.9	105.4	107.8	.....	153.0	115.9	90.0	176	157.8	170.4
Apr.....	109.4	112.8	112.5	119.6	102.9	113.8	103.9	107.7	.....	.....	115.8	89.5	178	.....	172.1

¹ Employees only; excludes personnel in the Armed Forces.² Production workers only. Revised back to 1968.³ F.R. index based on Census Bureau figures.⁴ Prices are not seasonally adjusted. Latest figure is final.⁵ Figure is for first quarter 1974.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 Information Systems Company F.W. Dodge Division, monthly index of dollar value of total construction contracts, including residential, nonresidential, and heavy engineering.

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	1973	1974	1974										1975		
			Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Total construction contracts ¹	99,304	93,076	7,911	8,929	10,158	8,480	9,295	8,416	8,359	7,227	6,179	7,304	5,100	4,955	6,574
By type of ownership:															
Public.....	26,563	32,209	2,481	2,336	3,082	2,968	3,242	3,311	3,273	2,720	2,391	2,496	2,254	2,031	2,182
Private ²	72,741	60,867	5,430	6,593	7,076	5,512	6,053	5,105	5,086	4,508	3,788	4,809	2,846	2,924	4,393
By type of construction:															
Residential building ¹	45,696	34,174	3,374	3,924	3,862	3,546	3,350	3,060	2,503	2,457	1,931	1,715	1,562	1,583	2,316
Nonresidential building.....	31,534	33,859	2,752	2,842	3,120	2,989	3,698	3,246	3,320	2,710	2,618	2,451	2,233	2,199	2,402
Nonbuilding.....	22,074	25,042	1,785	2,163	3,176	1,945	2,247	2,110	2,536	2,061	1,630	3,139	1,305	1,172	1,856
Private housing units authorized..... (In thousands, S.A., A.R.)	1,829	1,053	1,410	1,296	1,120	1,106	1,017	900	823	782	730	822	682	714	710

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 Information Systems Company, F.W. Dodge Division. Totals of monthly data may differ from annual totals because adjustments 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.

VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total	Private							Public				
		Total	Residential	Nonresidential				Total	Military	Highway	Conservation and development	Other	
				Total	Buildings								Other
					Industrial	Commercial	Other buildings ¹						
1965	74,412	51,350	27,944	24,416	5,118	6,739	4,735	6,874	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	14,176
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	93,728	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	109,950	80,079	43,267	36,812	5,423	11,619	5,437	14,333	29,571	901	10,658	2,095	16,217
1972	124,077	93,893	54,288	39,605	4,676	13,462	5,898	15,569	30,184	1,087	10,429	2,172	16,496
1973	135,456	102,894	57,623	45,271	6,243	15,453	5,888	17,687	32,562	1,170	10,559	2,313	18,520
1974	134,506	96,124	54,740	41,384	7,745	16,029	5,951	11,659	38,382	1,188			
1974 Mar.	135,069	98,631	48,643	49,988	7,500	16,652	6,346	19,500	36,438	1,401	10,985	2,463	21,589
Apr.	136,399	97,445	48,164	49,281	6,920	16,296	6,264	19,801	38,954	1,505	12,209	2,665	22,575
May	138,163	97,889	47,971	49,918	7,606	16,408	5,890	20,014	40,274	1,181	12,322	2,692	24,079
June	136,889	98,404	48,269	50,135	8,027	16,425	6,034	19,649	38,485	1,169	11,475	3,310	22,531
July	137,879	97,924	48,875	49,049	7,158	15,953	5,915	20,023	39,955	1,131	12,518	2,581	23,725
Aug.	134,425	96,225	48,208	48,017	7,166	15,053	5,691	19,657	38,200	978	11,968	2,568	22,686
Sept.	133,028	94,728	46,005	48,723	7,677	15,668	5,776	19,602	38,300	1,167	13,134	2,886	20,913
Oct.	134,046	95,180	44,285	50,895	8,294	16,300	5,799	20,502	38,866	1,065	12,566	3,070	22,165
Nov.	131,133	93,532	42,341	51,191	8,670	16,037	5,854	20,630	37,601		11,573	2,926	
Dec.	132,761	90,865	40,145	50,720	8,774	15,372	5,781	20,793	41,896				
1975 Jan.	130,256	88,471	47,665	50,806	8,525	15,053	5,779	21,449	41,785	1,305			
Feb.	125,556	86,625	46,249	50,376	8,734	15,249	5,844	20,529	38,931	1,449			
Mar.	125,754	84,418	45,683	48,735	8,151	13,467	5,453	21,663	41,336	1,553			

¹ Includes religious, educational, hospital, institutional, and other buildings.
² Sewer and water, formerly shown separately, now included in "Other."

NOTE: Census Bureau data; monthly series at seasonally adjusted annual rates.

PRIVATE HOUSING ACTIVITY

(In thousands of units)

Period	Starts			Completions			Under construction (end of period)			Mobile home shipments	New 1-family homes sold and for sale ¹			
	Total	1-family	2 or more family	Total	1-family	2 or more family	Total	1-family	2 or more family		Units		Median prices (in thousands of dollars) of units	
											Sold	For sale (end of period)	Sold	For sale
1965.....	1,473	964	509							217	575	228	20.0	21.3
1966.....	1,165	779	386							217	461	196	21.4	22.8
1967.....	1,292	844	448							240	487	190	22.7	23.6
1968.....	1,508	899	608	1,320	859	461				318	490	218	24.7	24.6
1969.....	1,467	811	656	1,399	808	592	885	350	535	413	448	228	25.6	27.0
1970.....	1,434	813	621	1,418	802	617	922	381	541	401	485	227	23.4	26.2
1971.....	2,052	1,151	901	1,706	1,014	692	1,254	505	749	497	656	294	25.2	25.9
1972.....	2,357	1,309	1,048	1,972	1,143	828	1,586	640	947	576	718	416	27.6	28.3
1973.....	2,045	1,132	913	2,014	1,174	840	1,599	583	1,016	567	620	456	32.5	32.9
1974.....	1,338	888	450	1,689	930	759	1,194	519	676	371	500	408	35.9	36.2
1974--Feb.....	1,881	1,046	835	1,867	1,005	861	1,611	601	1,010	449	515	458	34.9	33.5
Mar.....	1,511	969	542	1,813	954	859	1,567	597	970	475	564	452	36.0	34.0
Apr.....	1,580	975	605	1,727	917	809	1,545	600	945	435	556	450	35.7	34.3
May.....	1,467	925	542	1,660	889	771	1,512	594	918	451	569	444	35.7	34.7
June.....	1,533	1,000	533	1,805	1,053	752	1,480	581	899	441	524	436	35.1	35.0
July.....	1,314	920	394	1,655	934	721	1,443	578	865	380	509	430	36.8	35.3
Aug.....	1,156	826	330	1,592	919	674	1,406	570	836	370	466	425	35.7	35.5
Sept.....	1,157	845	312	1,562	899	663	1,372	565	807	316	495	414	36.2	35.7
Oct.....	1,106	792	314	1,627	908	719	1,322	553	769	248	433	409	37.2	35.9
Nov.....	1,017	802	215	1,657	893	763	1,225	541	714	218	435	404	37.3	36.0
Dec.....	880	682	198	1,606	852	754	1,229	545	684	216	384	400	37.5	36.2
1975 Jan.....	999	739	260	1,544	965	578	1,181	526	655	185	391	403	37.5	36.5
Feb.....	986	722	264	1,266	755	512	1,165	523	642	219	392	407	38.1	36.7
Mar.....	980	575	223											

¹ Merchant builders only.

NOTE.—All series except prices, seasonally adjusted. Annual rates for starts, completions, mobile home shipments, and sales. Census data except

for mobile homes, which are private, domestic shipments as reported by the Mobile Home Manufacturers' Assn. and seasonally adjusted by Census Bureau. Data for units under construction seasonally adjusted by Federal Reserve.

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

(In thousands of persons, except as noted)

Period	Total non-institutional population (N.S.A.)	Not in labor force (N.S.A.)	Total labor force (S.A.)	Total	Civilian labor force (S.A.)			Unemployed	Unemployment rate ² (per cent; S.A.)
					Total	Employed ¹			
						In nonagri-cultural industries	In agriculture		
1969.....	137,841	53,602	84,240	80,734	77,902	74,296	3,606	2,812	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
1974.....	150,827	57,587	93,240	91,011	85,936	82,443	3,492	5,076	5.6
1974 Apr.....	150,283	58,547	92,567	90,324	85,787	82,272	3,515	4,517	5.0
May.....	150,507	58,349	92,982	90,753	86,062	82,565	3,497	4,691	5.2
June.....	150,710	55,952	93,069	90,857	86,088	82,755	3,333	4,769	5.2
July.....	150,922	55,426	93,503	91,283	86,403	82,970	3,433	4,880	5.3
Aug.....	151,135	56,456	93,419	91,199	86,274	82,823	3,451	4,925	5.4
Sept.....	151,367	57,706	93,922	91,705	86,402	82,913	3,489	5,303	5.8
Oct.....	151,593	57,489	94,058	91,844	86,304	82,864	3,440	5,540	6.0
Nov.....	151,812	57,991	93,921	91,708	85,689	82,314	3,375	6,019	6.6
Dec.....	152,020	58,482	94,015	91,803	85,202	81,863	3,339	6,601	7.2
1975 Jan.....	152,230	58,888	94,284	92,091	84,562	81,179	3,383	7,529	8.2
Feb.....	152,445	59,333	93,709	91,511	84,027	80,701	3,326	7,484	8.2
Mar.....	152,646	59,053	94,027	91,829	83,849	80,584	3,265	7,980	8.7
Apr.....	152,840	59,276	94,457	92,262	84,086	80,848	3,238	8,176	8.9

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 and public utilities	Trade	Finance	Service	Government
1969.....	70,442	20,167	619	3,525	4,435	14,704	3,562	11,228	12,202
1970.....	70,920	19,149	621	3,536	4,504	15,040	3,687	11,621	12,561
1971.....	71,246	18,572	603	3,639	4,457	15,352	3,802	11,903	12,887
1972.....	73,711	19,090	622	3,831	4,517	15,975	3,943	12,392	13,340
1973.....	76,833	20,054	638	4,028	4,646	16,665	4,075	12,986	13,742
1974.....	78,334	20,016	672	3,985	4,699	17,011	4,173	13,506	14,285
SEASONALLY ADJUSTED									
1974—Apr.....	78,226	20,147	665	4,087	4,704	16,945	4,154	13,367	14,157
May.....	78,357	20,151	668	4,066	4,701	16,994	4,161	13,429	14,187
June.....	78,421	20,184	669	3,994	4,698	17,031	4,156	13,488	14,201
July.....	78,479	20,169	675	3,920	4,693	17,107	4,157	13,516	14,242
Aug.....	78,661	20,112	676	3,965	4,701	17,140	4,168	13,573	14,326
Sept.....	78,844	20,112	682	3,939	4,679	17,166	4,176	13,647	14,443
Oct.....	78,865	19,982	693	3,911	4,699	17,160	4,185	13,705	14,531
Nov.....	78,404	19,633	693	3,861	4,697	17,048	4,183	13,721	14,568
Dec.....	77,690	19,146	662	3,798	4,668	16,912	4,182	13,734	14,588
1975—Jan.....	77,227	18,718	700	3,789	4,607	16,863	4,173	13,747	14,630
Feb.....	76,708	18,297	702	3,596	4,561	16,832	4,164	13,771	14,785
Mar.....	76,546	18,154	706	3,478	4,511	16,788	4,156	13,752	14,801
Apr.....	76,293	18,058	700	3,462	4,499	16,794	4,164	13,773	14,843
NOT SEASONALLY ADJUSTED									
1974—Apr.....	77,994	20,011	659	3,919	4,671	16,851	4,137	13,380	14,366
May.....	78,545	20,063	669	4,058	4,701	16,964	4,161	13,536	14,393
June.....	79,287	20,345	684	4,190	4,759	17,108	4,202	13,677	14,322
July.....	78,322	20,066	688	4,187	4,740	17,064	4,219	13,665	13,693
Aug.....	78,561	20,288	690	4,286	4,734	17,058	4,222	13,668	13,615
Sept.....	79,097	20,350	688	4,191	4,721	17,153	4,180	13,647	14,167
Oct.....	79,429	20,142	693	4,150	4,718	17,225	4,172	13,719	14,610
Nov.....	79,125	19,763	693	3,981	4,702	17,342	4,309	13,707	14,771
Dec.....	78,441	19,175	657	3,722	4,663	17,591	4,161	13,665	14,807
1975—Jan.....	76,185	18,538	689	3,372	4,552	16,687	4,131	13,513	14,703
Feb.....	75,753	18,132	687	3,229	4,497	16,475	4,127	13,606	15,000
Mar.....	75,735	18,015	691	3,210	4,475	16,498	4,131	13,656	15,059
Apr.....	76,080	17,936	694	3,320	4,468	16,664	4,147	13,787	15,064

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 1968, series has been adjusted to Mar. 1973 benchmark.

CONSUMER PRICES

(1967 = 100)

Period	All items	Housing							Apparel and upkeep	Transportation	Health and recreation				
		Food	Total	Rent	Home-ownership	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
1968	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	93.9	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	131.4	135.0	124.3	146.7	136.0	126.4	124.9	126.8	123.8	130.2	137.7	125.2	125.9	129.0
1974	147.7	161.7	150.6	130.2	163.2	144.6	145.8	140.5	136.2	137.7	140.3	150.5	137.3	131.8	137.2
1974—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
Apr.	143.9	158.6	146.0	128.8	158.2	206.5	141.9	134.0	133.6	133.7	136.3	145.6	133.1	130.4	133.6
May	148.5	159.7	147.6	129.3	159.4	211.0	143.9	137.0	133.0	136.4	137.7	147.2	134.9	132.0	134.4
June	146.9	160.1	149.2	129.8	161.2	214.2	144.5	139.2	135.7	138.8	139.4	149.4	136.8	133.5	135.8
July	148.0	160.5	150.9	130.3	163.2	218.5	146.2	141.4	135.3	140.6	141.0	151.4	137.8	134.6	137.7
Aug.	149.9	162.8	153.8	130.9	165.4	220.9	148.5	143.9	138.1	141.3	142.6	153.7	139.3	135.2	139.4
Sept.	151.7	165.0	154.9	131.4	167.9	223.7	150.2	146.6	139.9	142.2	144.0	155.2	141.2	137.0	140.4
Oct.	153.0	166.1	156.7	132.2	170.1	225.5	151.5	149.0	141.1	143.9	145.2	156.3	143.0	137.8	141.4
Nov.	154.3	167.8	158.3	132.8	171.7	229.2	154.0	151.0	142.4	144.4	146.3	157.5	144.2	138.8	142.7
Dec.	158.4	169.7	159.9	133.5	174.0	228.8	156.7	152.3	141.9	143.5	147.5	159.0	145.3	139.8	143.9
1975—Jan.	156.1	170.9	161.2	134.0	175.6	228.9	160.2	153.2	139.4	143.2	148.9	161.0	146.5	141.0	144.8
Feb.	157.2	171.6	162.7	135.1	177.3	229.5	162.7	154.7	140.2	143.5	150.2	163.0	147.8	141.8	145.9
Mar.	157.8	171.3	163.6	135.5	178.2	228.3	164.0	155.6	140.9	144.8	151.1	164.6	148.9	142.0	146.5

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.	Non-metallic minerals	Transportation equipment	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
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	134.7	176.3	148.1	125.9	123.8	143.1	134.3	110.0	112.4	177.2	122.1	132.8	121.7	115.2	130.2	115.1	119.7
1974	160.1	187.7	170.9	153.8	139.1	145.1	208.3	146.8	136.2	183.6	151.7	171.9	149.4	127.9	153.2	125.5	133.1
1974—Apr.	152.7	186.2	159.1	146.6	137.5	145.4	197.9	132.3	129.4	200.2	114.4	161.2	130.8	122.9	146.7	119.4	128.2
May	155.0	180.8	158.9	150.5	139.1	146.3	204.3	137.0	133.7	198.0	146.6	168.7	134.1	124.5	150.7	121.4	133.2
June	155.7	168.6	157.4	153.6	141.7	146.0	210.5	142.8	135.6	192.2	147.5	174.0	137.2	126.1	152.3	122.8	134.3
July	161.7	180.8	167.6	157.8	142.1	146.6	221.7	148.4	139.5	188.6	153.3	180.3	140.3	128.2	156.4	125.1	135.2
Aug.	167.4	189.2	179.7	161.6	142.3	146.2	226.0	158.5	143.4	183.7	162.9	185.6	144.3	129.8	157.6	126.7	135.4
Sept.	167.2	182.7	176.8	162.9	142.1	148.1	225.0	161.7	145.9	180.4	164.2	187.1	146.8	132.8	159.8	127.7	136.3
Oct.	170.2	187.5	183.5	164.8	140.5	145.2	228.5	168.5	147.5	169.4	166.0	186.9	150.0	135.5	162.2	134.2	137.1
Nov.	171.9	187.8	189.7	165.8	139.8	144.5	227.4	172.9	148.5	165.8	166.9	186.7	152.7	136.9	163.4	135.1	140.7
Dec.	171.5	183.7	188.2	166.1	138.4	143.2	229.0	174.0	149.4	165.4	167.2	184.6	154.0	137.7	164.3	137.0	142.4
1975																	
Jan.	171.8	179.7	186.4	167.5	137.5	142.1	232.2	176.0	149.6	164.7	169.8	185.5	156.6	138.8	168.5	137.1	145.5
Feb.	171.3	174.6	182.6	168.3	136.5	141.7	232.3	178.1	150.0	169.3	169.8	186.3	157.7	139.1	170.3	138.2	146.4
Mar.	170.4	171.1	177.3	168.9	134.3	143.2	233.0	181.8	149.7	169.6	170.0	186.1	158.8	138.5	170.8	139.5	146.8
Apr.	172.1	177.7	179.4	169.7	134.4	147.5	236.5	182.4	149.4	174.9	169.7	185.7	159.7	138.5	173.0	139.9	147.3

¹ Dec. 1968 = 100.

GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929	1933	1941	1950	1970	1971	1972	1973	1974	1974					1975
										I	II	III	IV	I ^a	
Gross national product.....	103.1	55.6	124.5	284.8	977.1	1,054.9	1,158.0	1,291.9	1,392.4	1,358.8	1,383.8	1,416.3	1,430.9	1,419.2	
Final purchases.....	101.4	57.2	120.1	278.0	972.6	1,046.6	1,149.6	1,276.6	1,388.2	1,351.9	1,370.8	1,397.6	1,413.1	1,397.1	
Personal consumption expenditures.....	77.2	45.8	80.6	191.0	617.6	667.1	729.0	805.2	876.7	840.6	869.1	901.3	895.8	916.3	
Durable goods.....	9.2	3.5	9.6	30.5	91.3	103.9	118.4	130.3	127.5	123.9	129.5	136.1	120.7	125.5	
Nondurable goods.....	37.7	22.3	42.9	98.1	263.8	278.4	299.7	338.0	380.2	364.4	375.8	389.0	391.7	399.3	
Services.....	30.3	20.1	28.1	62.4	262.6	284.8	310.9	336.9	369.0	352.4	363.8	376.2	383.5	391.5	
Gross private domestic investment.....	16.2	1.4	17.9	54.1	136.3	153.7	179.3	209.4	209.4	210.5	211.8	205.8	209.4	164.6	
Fixed investment.....	14.5	3.0	13.4	47.3	131.7	147.4	170.8	194.0	195.2	193.6	198.3	197.1	191.6	182.6	
Nonresidential.....	10.6	2.4	9.5	27.9	100.6	104.6	116.8	136.8	149.2	145.2	149.4	150.9	151.2	147.4	
Structures.....	5.0	.9	2.9	9.2	36.1	37.9	41.1	47.0	51.3	52.0	51.3	52.2	51.0	53.7	
Producers' durable equipment.....	5.6	1.5	6.6	18.7	64.4	66.6	75.7	89.8	97.1	93.9	97.2	99.9	97.5	94.6	
Residential structures.....	4.0	.6	3.9	19.4	31.2	42.8	54.0	57.2	46.0	48.4	48.8	46.2	40.4	35.2	
Nonfarm.....	3.8	.5	3.7	18.6	30.7	42.3	53.4	56.7	45.2	47.8	48.0	45.4	39.7	34.7	
Change in business inventories.....	1.7	1.6	4.5	6.8	4.5	6.3	8.5	15.4	14.2	16.9	13.5	8.7	17.8	18.0	
Nonfarm.....	1.8	1.4	4.0	6.0	4.3	4.9	7.8	11.4	11.9	13.1	10.4	6.6	17.5	16.6	
Net exports of goods and services.....	1.1	.4	1.3	1.8	3.6	.2	6.0	3.9	2.1	11.3	1.5	3.1	1.9	5.4	
Exports.....	7.0	2.4	5.9	13.8	62.9	65.4	72.4	100.4	140.2	131.2	138.5	143.6	147.5	143.5	
Imports.....	5.9	2.0	4.6	12.0	59.3	65.6	78.4	96.4	138.1	119.9	140.0	146.7	145.7	138.1	
Government purchases of goods and services..	8.5	8.0	24.8	37.9	219.5	234.2	255.7	276.4	309.2	296.3	304.4	312.3	323.8	332.8	
Federal.....	1.3	2.0	16.9	18.4	96.2	97.6	104.9	106.6	116.9	111.5	114.3	117.2	124.5	127.7	
National defense.....			13.8	14.1	74.6	71.2	74.8	74.4	78.7	75.8	76.6	78.4	84.0	85.2	
Other.....			3.1	4.3	21.6	26.5	30.1	32.2	38.2	35.7	37.7	38.8	40.6	42.5	
State and local.....	7.2	6.0	7.9	19.5	123.3	136.6	150.8	169.8	192.3	184.8	190.1	195.1	199.3	205.1	
Gross national product in constant (1958) dollars.....	203.6	141.5	263.7	355.3	722.5	746.3	792.5	839.2	821.2	830.5	827.1	823.1	804.0	782.3	

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. For back data and explanation of series, see the *Survey of Current Business* (generally the July issue) and the Aug. 1966 Supplement to the Survey.

NATIONAL INCOME

(In billions of dollars)

Item	1929	1933	1941	1950	1970	1971	1972	1973	1974	1974					1975
										I	II	III	IV	I ^a	
National income.....	86.8	40.3	104.2	241.1	800.5	857.7	946.5	1,065.6	1,142.5	1,118.8	1,130.2	1,155.5	1,165.1	.....
Compensation of employees.....	51.1	29.5	64.8	154.6	603.9	643.1	707.1	786.0	855.8	828.8	848.3	868.2	877.7	875.4	
Wages and salaries.....	50.4	29.0	62.1	146.8	542.0	573.6	626.8	691.6	750.7	727.6	744.6	761.5	769.2	764.9	
Private.....	45.5	23.9	51.9	124.4	426.9	449.5	491.4	545.1	592.4	573.8	588.3	602.5	605.1	597.2	
Military.....	.3	.3	1.9	5.0	19.6	19.4	20.5	20.6	21.2	21.0	20.9	20.8	22.0	22.0	
Government civilian.....	4.6	4.9	8.3	17.4	95.5	104.7	114.8	126.0	137.1	132.8	135.4	138.2	142.1	145.7	
Supplements to wages and salaries.....	.7	.5	2.7	7.8	61.9	69.5	80.3	94.4	105.1	101.2	103.7	106.7	108.6	111.5	
Employer contributions for social insurance.....	.1	.1	2.0	4.0	29.7	33.1	38.6	48.4	53.6	52.3	51.2	54.5	54.6	55.2	
Other labor income.....	.6	.4	.7	3.8	32.2	36.4	41.7	46.0	51.4	48.9	50.5	52.3	54.0	55.3	
Proprietors' income.....	15.1	5.9	17.5	37.5	66.9	69.2	75.9	96.1	93.0	98.4	89.9	92.1	91.6	85.0	
Business and professional.....	9.0	3.3	11.1	24.0	50.0	52.0	54.9	57.6	61.2	59.3	60.7	62.3	62.5	62.8	
Farm.....	6.2	2.6	6.4	13.5	16.9	17.2	21.0	38.5	31.8	39.1	29.1	29.8	29.1	22.2	
Rental income of persons.....	5.4	2.0	3.5	9.4	23.9	25.2	25.9	26.1	26.5	26.4	26.3	26.6	26.8	27.0	
Corporate profits and inventory valuation adjustment.....	10.5	1.2	15.2	37.7	69.2	78.7	92.2	105.1	105.6	107.7	105.6	105.8	103.4	.....
Profits before tax.....	10.0	1.0	17.7	42.6	74.0	83.6	99.2	122.7	140.7	135.4	139.0	157.0	141.5	.....
Profits tax liability.....	1.4	.5	7.6	17.8	34.8	37.5	41.5	49.8	55.7	52.2	55.9	62.7	52.0	.....
Profits after tax.....	8.6	.4	10.1	24.9	39.3	46.1	57.7	72.9	85.0	83.2	83.1	94.3	79.5	.....
Dividends.....	5.8	2.0	4.4	8.8	24.7	25.0	27.3	29.6	32.7	31.6	32.5	32.5	33.3	33.7	
Undistributed profits.....	2.8	1.6	5.7	16.0	14.6	21.1	30.3	43.3	52.4	51.6	50.5	61.1	46.2	.....
Inventory valuation adjustment.....	.5	2.1	2.5	5.0	4.8	4.9	7.0	17.6	35.2	27.7	33.4	51.2	28.5	6.2	
Net interest.....	4.7	4.1	3.2	2.0	36.5	41.6	45.6	52.3	61.6	57.5	60.1	62.8	65.9	68.8	

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	1970	1971	1972	1973	1974	1974				1975
										I	II	III	IV	I ¹
Gross national product	103.1	55.6	124.5	284.8	977.1	1,051.9	1,158.0	1,294.9	1,397.4	1,358.8	1,383.8	1,416.3	1,430.9	1,419.2
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	87.3	93.7	102.9	110.8	119.5	115.8	118.6	120.7	122.9	125.0
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	93.5	102.7	110.0	119.2	126.9	122.6	125.9	129.5	129.8	132.2
Business transfer payments	.6	.7	.5	.8	4.0	4.3	4.6	4.9	5.2	5.1	5.2	5.3	5.3	5.4
Statistical discrepancy	.7	.6	.4	1.5	6.4	2.3	3.8	5.0	.4	6.3	.3	3.0	4.8	.....
Plus: Subsidies less current surplus of government enterprises	.1	.....	.1	.2	1.7	1.1	2.3	.6	2.9	2.7	3.7	2.4	2.7	2.6
Equals: National income	86.8	40.3	104.2	241.1	800.5	857.7	946.5	1,065.6	1,142.5	1,118.8	1,130.2	1,155.5	1,165.1	.....
Less: Corporate profits and inventory valuation adjustment	10.5	1.2	15.2	37.7	69.2	78.7	92.2	105.1	105.6	107.7	105.6	105.8	103.4	.....
Contributions for social insurance	.2	.3	2.8	6.9	57.7	63.8	73.0	91.2	101.5	99.1	100.8	103.0	103.2	104.5
Excess of wage accruals over disbursements	.....	.....	.....	.....	.0	.6	.0	.1	.5	.0	-.6	1.5	.0	.0
Plus: Government transfer payments	.9	1.5	2.6	14.3	75.1	89.0	98.6	113.0	134.6	123.1	130.6	138.7	145.8	158.7
Net interest paid by government and consumers	2.5	1.6	2.2	7.2	31.0	31.2	33.0	38.3	42.3	40.8	41.9	42.7	43.6	43.6
Dividends	5.8	2.0	4.4	8.8	24.7	25.0	27.3	29.6	32.7	31.6	32.5	33.2	33.3	33.7
Business transfer payments	.6	.7	.5	.8	4.0	4.3	4.6	4.9	5.2	5.1	5.2	5.3	5.3	5.4
Equals: Personal income	85.9	47.0	96.0	227.6	808.3	864.0	944.9	1,055.0	1,150.5	1,112.5	1,131.6	1,168.2	1,186.9	1,193.0
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	116.6	117.6	142.4	151.3	170.8	161.9	168.2	175.1	178.1	175.7
Equals: Disposable personal income	83.3	45.5	92.7	206.9	691.7	746.4	802.5	903.7	979.7	950.6	966.5	993.1	1,008.8	1,017.1
Less: Personal outlays	79.1	46.5	81.7	193.9	635.5	685.9	749.9	829.4	902.7	866.2	894.9	927.6	922.3	942.5
Personal consumption expenditures	77.2	45.8	80.6	191.0	617.6	667.1	729.0	805.2	876.7	840.6	869.1	901.3	895.8	916.3
Consumer interest payments	1.5	.5	.9	2.4	16.8	17.7	19.8	22.9	25.0	24.4	24.8	25.3	25.5	25.3
Personal transfer payments to foreigners	.3	.2	.2	.5	1.0	1.1	1.1	1.3	1.0	1.2	1.0	.9	.9	.9
Equals: Personal saving	4.2	.9	11.0	13.1	56.2	60.5	52.6	74.4	77.0	84.4	71.5	65.5	86.5	74.8
Disposable personal income in constant (1958) dollars	150.6	112.2	190.3	249.6	534.8	555.4	580.5	619.6	602.8	610.3	603.5	602.9	594.8	591.0

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	1973		1974										1975		
	1973	1974	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Total personal income	1,055.0	1,150.5	1,117.1	1,125.3	1,135.2	1,143.5	1,159.5	1,167.2	1,178.0	1,185.0	1,184.5	1,191.0	1,191.1	1,193.4	1,194.6
Wage and salary disbursements	691.7	751.2	732.1	737.1	745.3	753.2	759.7	761.6	767.7	773.0	767.8	766.6	765.7	763.6	765.6
Commodity-producing industries	251.9	270.9	265.3	267.4	270.0	272.6	273.3	276.5	278.3	279.5	272.3	269.3	266.4	260.7	259.9
Manufacturing only	196.6	211.8	205.5	207.8	210.1	212.5	214.0	215.5	217.8	219.4	211.2	209.7	206.4	202.9	202.4
Distributive industries	165.1	178.9	173.9	175.3	177.8	179.1	180.8	180.7	183.1	183.8	183.9	183.8	183.2	184.0	184.1
Service industries	128.2	142.6	138.2	139.1	141.1	142.6	143.5	144.9	146.4	146.9	147.4	148.3	149.8	151.2	152.2
Government	146.6	158.8	154.6	155.3	156.3	158.9	162.1	159.5	159.9	162.8	164.2	165.2	166.2	167.6	169.3
Other labor income	46.0	51.4	49.4	49.9	50.5	51.1	51.7	52.3	52.9	53.5	54.0	54.5	54.9	55.3	55.7
Proprietors' income	96.1	93.0	96.0	92.8	89.9	86.9	90.0	93.1	93.2	91.7	91.6	91.5	88.7	85.0	81.2
Business and professional	57.6	61.2	59.9	60.2	60.8	61.2	61.9	62.5	62.5	62.5	62.5	62.5	62.7	62.8	62.8
Farm	38.5	31.8	36.1	32.6	29.1	25.7	28.1	30.6	30.7	29.2	29.1	29.0	26.0	22.2	18.4
Rental income	26.1	26.5	26.4	25.5	26.7	26.7	26.6	26.6	26.6	26.7	26.8	26.9	27.0	27.0	27.0
Dividends	29.6	32.7	31.9	32.1	32.5	33.0	33.1	33.2	33.4	33.5	33.6	32.7	33.9	33.8	33.5
Personal interest income	90.6	103.8	99.0	100.4	102.0	103.5	104.4	105.3	106.9	108.0	109.5	111.1	111.9	112.5	112.7
Transfer payments	117.8	139.8	129.5	134.6	135.8	137.0	142.5	143.6	146.0	147.6	149.8	156.1	158.6	165.5	168.1
Less: Personal contributions for social insurance	42.8	47.9	47.0	47.2	47.6	47.9	48.5	48.4	48.6	48.9	48.5	48.4	49.5	49.2	49.2
Nonagricultural income	1,008.0	1,109.9	1,071.6	1,083.1	1,096.6	1,106.8	1,121.7	1,126.8	1,137.4	1,145.7	1,145.2	1,151.4	1,154.3	1,160.1	1,165.1
Agricultural income	47.1	41.5	45.5	42.1	38.6	36.8	37.1	40.4	40.6	39.3	39.3	39.5	36.8	33.3	29.5

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		1974												
		1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	111	112	
Funds raised, by type and sector														
1	Total funds raised by nonfinancial sectors.....	69.9	67.9	82.4	95.9	91.8	98.2	147.4	169.4	187.4	175.7	190.8	160.6	1
2	Excluding equities.....	69.6	66.9	80.0	95.9	88.0	92.5	135.9	158.9	180.1	172.4	185.5	159.3	2
3	U.S. Government.....	1.8	3.6	13.0	13.4	3.6	12.8	25.5	17.3	9.7	13.0	6.3	19.6	3
4	Public debt securities.....	1.3	2.3	8.9	10.3	1.3	12.9	26.0	13.9	7.7	13.1	5.1	21.1	4
5	Budget agency issues.....	.5	1.3	4.1	3.1	2.4	.1	.5	3.4	2.0	.1	1.2	1.5	5
6	All other nonfinancial sectors.....	68.1	64.3	69.4	82.5	95.5	85.4	121.9	152.1	177.7	162.7	184.5	141.0	6
7	Corporate equities.....	.3	1.0	2.4	*	3.9	5.8	11.5	10.5	7.2	3.3	5.4	1.2	7
8	Debt instruments.....	67.9	63.3	67.0	82.6	91.6	79.7	110.4	141.6	170.4	159.4	179.2	139.7	8
9	Debt capital instruments.....	38.8	38.9	45.7	50.6	50.6	57.6	84.2	94.9	97.1	92.9	100.9	84.9	9
10	State and local government securities.....	7.3	5.6	7.8	9.5	9.9	11.2	17.6	14.4	13.7	17.0	17.8	16.1	10
11	Corporate and foreign bonds.....	5.9	11.0	15.9	14.0	13.0	20.6	19.7	13.2	10.2	20.9	20.2	21.7	11
12	Mortgages.....	25.6	22.3	22.0	27.1	27.7	25.7	46.9	67.3	73.2	55.0	62.9	47.2	12
13	Home mortgages.....	15.4	11.7	11.5	15.1	15.7	12.8	26.1	39.6	43.3	31.3	35.8	26.9	13
14	Other residential.....	3.6	3.1	3.6	3.4	4.7	5.8	8.8	10.3	8.4	7.3	7.3	7.7	14
15	Commercial.....	4.4	5.7	4.7	6.4	5.3	5.3	10.0	14.8	13.0	11.3	15.7	7.0	15
16	Farm.....	2.2	1.8	2.3	2.2	1.9	1.8	2.0	2.6	4.4	4.8	4.1	5.5	16
17	Other private credit.....	29.0	24.4	21.3	32.0	41.0	22.1	26.3	46.7	73.4	66.5	78.2	54.8	17
18	Bank loans n.e.c.....	14.1	10.7	9.5	13.1	15.3	6.4	9.3	21.8	38.6	29.9	42.1	17.7	18
19	Consumer credit.....	9.6	6.4	4.5	10.0	10.4	6.0	11.2	19.2	22.9	9.6	12.7	6.6	19
20	Open-market paper.....	-1.3	1.0	2.1	1.6	3.3	3.8	.9	1.6	1.8	14.9	15.4	14.4	20
21	Other.....	5.6	6.2	5.1	7.2	12.0	5.9	6.6	7.3	10.0	12.1	8.1	16.0	21
22	By borrowing sector.....	68.1	64.3	69.4	82.5	95.5	85.4	121.9	152.1	177.7	162.7	184.5	141.0	22
23	Debt instruments.....	67.9	63.3	67.0	82.6	91.6	79.7	110.4	141.6	170.4	159.4	179.2	139.7	23
24	Foreign.....	2.4	1.8	4.0	2.7	3.2	2.7	4.6	4.7	7.7	15.7	20.1	11.3	24
25	State and local governments.....	7.7	6.3	7.9	9.8	10.7	11.3	17.8	14.2	12.3	15.8	16.0	15.7	25
26	Households.....	28.3	22.7	19.3	30.0	31.7	23.4	39.8	63.1	72.8	42.5	47.5	37.6	26
27	Nonfinancial business.....	29.5	32.5	35.7	40.1	46.0	42.3	48.2	59.6	77.6	85.4	95.6	75.1	27
28	Farm.....	3.3	3.1	3.6	2.8	3.2	3.2	4.1	4.9	8.6	7.4	7.3	7.5	28
29	Nonfarm noncorporate.....	5.7	5.4	5.0	5.6	7.4	5.3	8.7	10.4	9.3	6.7	7.2	6.3	29
30	Corporate.....	20.4	24.0	27.2	31.7	35.5	33.8	35.4	44.4	59.7	71.3	81.2	61.4	30
31	Corporate equities.....	.3	1.0	2.4	*	3.9	5.8	11.5	10.5	7.2	3.3	5.4	1.2	31
32	Foreign.....	.3	.3	1.1	.2	.5	.1	.*	.4	.2	.2	.2	.2	32
33	Corporate business.....	*	1.3	2.4	.2	3.4	5.7	11.4	10.9	7.4	3.5	5.6	1.4	33
34	Totals including equities.....	2.7	1.5	4.0	2.8	3.7	2.7	4.6	4.3	7.5	15.5	19.9	11.2	34
35	Foreign.....	29.4	33.8	38.1	39.9	49.4	48.0	59.6	70.5	85.1	88.9	101.2	76.5	35
36	Nonfinancial business.....	20.4	25.3	29.6	31.5	38.9	39.5	46.8	55.3	67.2	74.7	86.7	62.8	36
37	Corporate.....	1.0	.4	1.2	1.1	.4	2.8	3.2	.3	1.7	-4.8	-2.3	-7.2	37
38	Memo: U.S. Govt. cash balance.....													
38	Totals net of changes in U.S. Govt. cash balances.....	70.9	68.3	81.3	97.1	91.4	95.5	144.2	169.7	189.0	180.5	193.1	167.8	38
39	Total funds raised.....	2.8	4.0	11.8	14.5	-4.0	10.0	22.3	17.6	11.4	17.7	8.6	26.8	39
39	By U.S. Government.....													
Private domestic net investment and borrowing in credit markets														
Total, households and business														
1	Total capital outlays ¹	173.1	190.6	188.1	207.6	226.7	224.2	253.5	293.0	334.7	330.7	331.6	329.7	1
2	Capital consumption ²	110.3	118.5	128.4	140.4	154.3	166.0	178.9	194.3	211.0	220.4	218.2	222.6	2
3	Net physical investment.....	62.8	72.2	59.7	67.2	72.4	58.2	74.6	98.7	123.7	110.3	113.5	107.1	3
4	Net funds raised.....	57.8	56.5	57.5	69.9	81.1	71.4	99.4	133.6	157.9	131.4	148.7	114.1	4
5	Excess net investment ³	5.1	15.7	2.2	-2.7	-8.7	13.2	-24.8	-34.9	34.2	-21.1	35.2	7.1	5
Total business														
6	Total capital outlays.....	83.6	96.4	93.4	97.9	108.9	108.0	117.1	134.3	160.5	164.1	166.8	161.4	6
7	Capital consumption.....	50.5	54.2	58.5	63.2	69.5	74.6	80.3	88.2	95.2	103.1	100.9	105.3	7
8	Net physical investment.....	33.1	42.3	35.0	34.7	39.4	33.5	36.8	46.0	65.3	61.0	65.9	56.1	8
9	Net debt funds raised.....	29.5	32.5	35.7	40.1	46.0	42.3	48.2	59.6	77.6	85.4	95.6	75.1	9
10	Corporate equity issues.....	*	1.3	2.4	-2	3.4	5.7	11.4	10.9	7.4	3.5	5.6	1.4	10
11	Excess net investment ³	3.7	8.5	3.2	-5.2	-10.0	14.5	-22.8	-24.5	-19.8	-27.9	-35.4	-20.4	11
Corporate business														
12	Total capital outlays.....	62.3	76.5	71.4	75.0	83.7	84.0	87.2	102.5	121.5	125.8	126.0	125.6	12
13	Capital consumption.....	35.2	38.2	41.5	45.1	49.8	53.6	57.7	63.0	67.5	72.5	70.8	74.2	13
14	Net physical investment.....	27.1	38.3	29.9	29.9	33.9	30.4	29.5	39.4	54.0	53.3	55.2	51.4	14
15	Net debt funds raised.....	20.4	24.0	27.2	31.7	35.5	33.8	35.4	44.4	59.7	71.3	81.2	61.4	15
16	Corporate equity issues.....	*	1.3	2.4	-2	3.4	5.7	11.4	10.9	7.4	3.5	5.6	1.4	16
17	Excess net investment ³	6.7	13.0	.4	-1.6	-5.0	9.1	-17.3	-15.8	-13.1	-21.4	31.6	-11.3	17
Households														
18	Total capital outlays.....	89.6	94.2	94.6	109.7	117.8	116.2	136.4	158.8	174.1	166.6	164.9	168.3	18
19	Capital consumption.....	59.9	64.3	69.9	77.2	84.8	91.4	98.6	106.1	115.7	117.3	117.3	117.3	19
20	Net physical investment.....	29.7	29.9	24.7	32.5	33.0	24.7	37.8	52.7	58.4	49.3	47.6	51.0	20
21	Net funds raised.....	28.3	22.7	19.3	30.0	31.7	23.4	39.8	63.1	72.8	42.5	47.5	37.6	21
22	Excess net investment ³	1.4	7.2	5.4	2.5	1.3	1.4	-2.1	-10.4	-14.4	6.8	.2	13.3	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 FHIA, Export-Import Bank, and TVA. Issues by Federally sponsored credit agencies are excluded as borrowing by financial institutions. Such issues are on p. A-57, 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	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1974	
											III	II
1 Total funds advanced in credit markets to nonfinancial sectors.....	69.6	66.9	80.0	98.9	88.0	92.5	138.9	158.9	180.1	172.4	185.5	159.3
2 By public agencies and foreign.....	8.9	11.9	11.3	12.2	15.7	28.1	41.7	18.3	33.2	49.0	39.7	58.3
3 U.S. Government securities.....	3.7	3.4	6.8	3.4	7	15.9	13.8	8.4	11.0	8.8	6.9	10.8
4 Residential mortgages.....	4	2.8	2.1	2.8	4.6	5.7	5.7	5.2	7.6	13.9	11.7	16.1
5 FHLB advances to S&I's.....	7	9	2.5	6	4.0	1.3	3.7	*	7.2	6.1	6.8	6.5
6 Other loans and securities.....	4.1	4.8	4.9	5.1	6.3	5.2	4.9	4.6	7.5	19.7	14.3	25.0
7 By agency.....	2.8	4.9	4.6	4.9	2.9	2.8	3.2	2.6	3.0	5.9	2.4	9.4
8 Sponsored credit agencies.....	2.2	5.1	1	1.2	8.9	10.0	3.2	7.0	20.3	24.0	20.3	21.7
9 Monetary authorities.....	3.8	3.5	4.8	3.7	4.2	5.0	8.9	3	9.2	6.3	6.1	6.2
10 Foreign.....	1	1.6	2.0	3.4	3.3	10.3	26.4	8.4	7	12.9	10.9	15.0
11 Agency borrowing not included in line 1.....	2.1	4.8	6	3.5	8.8	8.2	3.8	6.2	19.6	21.6	16.8	26.5
Private domestic funds advanced												
12 Total net advances.....	62.8	59.8	68.1	87.2	81.1	72.6	98.1	146.7	166.5	145.0	162.5	127.6
13 U.S. Government securities.....	*	5.4	5.2	13.1	4.8	5.2	4.4	15.2	18.3	25.1	16.3	34.0
14 State and local obligations.....	7.3	5.6	7.8	9.5	9.9	11.2	17.6	14.4	13.7	17.0	17.8	16.1
15 Corporate and foreign bonds.....	6.0	10.3	16.0	13.8	12.5	20.0	19.5	13.2	10.1	19.8	18.9	20.6
16 Residential mortgages.....	18.6	12.0	13.0	15.5	15.7	12.8	29.1	44.6	44.1	25.0	41.4	18.6
17 Other mortgages and loans.....	31.6	27.4	23.1	35.9	42.2	24.6	33.7	59.5	82.4	64.9	85.0	44.8
18 Less: FHLB advances.....	7	9	2.5	9	4.0	1.3	2.7	*	7.2	6.7	6.8	6.5
Private financial intermediation												
19 Credit market funds advanced by private financial institutions.....	62.9	45.4	63.3	75.3	55.3	74.9	116.7	153.4	158.8	129.2	154.8	113.7
20 Commercial banking.....	28.7	17.5	35.9	38.7	18.2	35.1	50.6	70.5	86.6	61.8	87.8	35.9
21 Savings institutions.....	14.3	7.9	15.0	15.6	14.5	16.9	41.4	49.3	35.1	27.6	35.2	20.1
22 Insurance and pension funds.....	13.6	15.5	12.9	14.0	12.7	17.3	13.3	17.7	22.1	34.1	28.1	40.0
23 Other finance.....	6.2	4.5	3	7.0	9.9	5.7	5.3	15.8	15.0	5.7	3.8	7.7
24 Sources of funds.....	62.9	45.4	63.3	75.3	55.3	74.9	116.7	153.4	158.8	129.2	154.8	113.7
25 Private domestic deposits.....	38.4	22.5	50.0	45.9	2.6	63.2	90.3	97.5	84.9	71.9	94.6	49.1
26 Credit market borrowing.....	7.9	3.2	4	8.5	18.8	3	9.3	20.3	31.6	16.6	23.3	9.9
27 Other sources.....	16.6	19.8	13.9	21.0	34.0	12.0	11.0	35.8	42.4	40.8	37.0	44.6
28 Foreign funds.....	8	3.7	2.3	2.6	9.3	8.5	3.2	5.2	6.5	11.9	10.5	13.3
29 Treasury balances.....	1.0	5	2	2	*	2.9	2.2	7	1.0	5.3	2.9	8.4
30 Insurance and pension reserves.....	11.4	13.6	12.0	11.4	10.8	13.1	9.1	13.1	16.7	29.0	23.0	35.1
31 Other, incl.....	5.4	3.0	6	7.2	13.8	4.4	2.9	16.5	20.2	5.1	5.8	4.5
Private domestic nonfinancial investors												
32 Direct lending in credit markets.....	1.9	17.6	4.2	20.4	44.5	2.6	3.2	13.7	39.3	32.4	30.9	33.8
33 U.S. Government securities.....	2.9	8.4	1.4	8.1	17.0	9.0	14.0	1.6	18.8	17.9	14.5	21.2
34 State and local obligations.....	2.6	2.6	2.5	2	8.7	1.2	6	2.1	4.4	12.5	8.2	16.8
35 Corporate and foreign bonds.....	3.0	2.0	4.6	4.7	6.6	10.7	9.3	5.2	3.3	3.0	3.0	5.3
36 Commercial paper.....	1.5	2.3	1.9	5.8	10.2	4.4	6	11.3	2.1	7.3	3.1	36
37 Other.....	1	2.3	1.7	2.1	2.0	1.4	1.5	8	3.8	2.9	1.9	3.9
38 Deposits and currency.....	40.5	24.4	52.1	48.3	5.4	66.6	93.7	101.9	88.8	77.9	103.2	82.6
39 Time and savings accounts.....	32.7	20.3	39.3	33.9	2.3	56.1	81.0	85.2	76.3	70.5	88.8	52.1
40 Large negotiable CDs.....	3.6	2	4.3	3.5	13.7	15.0	7.7	8.7	18.5	24.2	30.3	18.0
41 Other at commercial banks.....	16.0	13.3	18.3	17.5	3.4	24.2	32.9	30.6	29.5	24.6	42.0	17.1
42 At savings institutions.....	13.2	7.3	16.7	12.9	8.0	16.9	40.4	45.9	28.2	21.7	26.6	16.9
43 Money.....	7.8	4.1	12.8	14.5	7.7	10.5	12.7	16.7	12.6	7.4	14.3	5
44 Demand deposits.....	5.6	2.1	10.6	12.1	4.8	7.1	9.3	12.3	8.6	1.4	5.8	2.9
45 Currency.....	2.1	2.0	2.1	2.4	2.8	3.5	3.4	4.4	3.9	6.0	8.6	3.4
46 Total of credit market instr., deposits, and currency.....	48.4	42.0	56.3	68.7	49.9	64.1	90.5	115.7	128.1	110.2	134.1	86.3
47 Public support rate (in per cent).....	12.8	17.9	14.1	12.7	17.8	30.4	30.7	11.5	18.4	28.4	21.4	36.6
48 Private financial intermediation (in per cent).....	100.1	75.9	93.2	86.4	68.3	103.1	112.8	104.5	95.4	89.1	95.3	81.3
49 Total foreign funds.....	8	2.1	4.3	2.9	9.1	1.8	23.2	13.6	7.2	24.9	21.4	28.3
Corporate equities not included above												
1 Total net issues.....	3.5	4.8	5.5	6.4	10.0	10.4	14.8	12.9	8.0	6.1	5.9	6.2
2 Mutual fund shares.....	3.2	3.7	3.0	5.8	4.8	2.6	3.1	7	1.6	1.6	8	3.9
3 Other equities.....	3	1.1	2.5	6	5.2	7.7	13.6	13.6	9.6	4.5	6.7	2.3
4 Acquisitions by financial institutions.....	6.1	6.0	9.1	10.8	12.2	11.4	19.3	16.0	13.4	5.0	8.9	1.2
5 Other net purchases.....	2.6	1.2	3.6	4.4	2.2	1.0	4.5	3.1	5.4	1.0	3.0	5.0

Notes

Line

1. Line 2 of p. A-56.
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. Includes 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. Includes 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 6.
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 SUMMARY

(In millions of dollars. Quarterly figures are seasonally adjusted *unless shown in italics*.)

Line	Credits (+), debits (-)	1972	1973	1974 ^a	1973				
					IV	I	II	III	IV ^b
1	Merchandise trade balance 1.....	- 6,986	471	- 5,881	1,210	- 175	- 1,674	- 2,474	- 1,558
2	Exports.....	48,768	70,277	97,081	20,216	22,212	23,921	24,731	26,217
3	Imports.....	-55,754	69,806	102,962	-19,006	-22,387	-25,595	-27,205	-27,775
4	Military transactions, net.....	3,604	- 2,266	- 2,099	123	500	668	473	458
5	Travel and transportation, net.....	-3,055	2,710	- 2,435	- 630	531	- 726	- 566	- 612
6	Investment income, net 2.....	4,526	5,291	9,679	1,378	3,104	1,870	2,282	2,422
7	U.S. direct investments abroad 2.....	6,925	9,415	18,240	2,688	4,650	4,546	4,824	4,220
8	Other U.S. investments abroad.....	3,494	4,569	7,703	1,292	1,499	1,836	2,197	2,170
9	Foreign investments in the United States 2.....	- 5,893	- 8,693	-16,263	- 2,602	- 3,045	- 4,512	- 4,739	- 3,968
10	Other services, net 2.....	3,110	3,540	3,926	901	918	992	984	1,032
11	Balance on goods and services 3.....	- 6,009	4,327	3,191	2,736	2,816	206	247	826
	<i>Not seasonally adjusted.....</i>				3,800	3,948	45	3,030	2,317
12	Remittances, pensions, and other transfers.....	-1,624	-1,943	- 1,775	- 717	- 390	- 467	- 456	- 463
13	Balance on goods, services, and remittances.....	7,634	2,383	1,416	2,019	2,426	- 673	- 703	363
	<i>Not seasonally adjusted.....</i>				3,077	3,584	514	3,502	1,848
14	U.S. Government grants (excluding military).....	- 2,173	- 1,933	- 5,441	- 447	- 2,561	- 1,435	- 772	- 673
15	Balance on current account.....	- 9,807	450	- 4,025	1,572	- 1,135	- 2,108	- 1,475	- 310
	<i>Not seasonally adjusted.....</i>				2,653	1,005	1,990	- 4,239	1,199
16	U.S. Government capital flows excluding nonscheduled repayments, net 5.....	- 1,705	2,938	408	- 1,060	4,129	311	- 186	- 1,014
17	Nonscheduled repayments of U.S. Government assets.....	137	289	1	*	*	*	*	*
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies.....	238	1,111	634	204	53	273	189	119
19	Long-term private capital flows, net.....	- 98	62	7,598	- 1,451	504	- 1,039	- 2,402	- 4,661
20	U.S. direct investments abroad.....	- 3,517	- 4,872	- 6,801	- 1,374	- 627	- 1,527	- 2,047	- 2,600
21	Foreign direct investments in the United States.....	383	2,537	2,308	712	1,281	1,677	- 89	- 561
22	Foreign securities.....	- 654	- 807	- 1,951	- 525	- 646	- 313	- 306	- 686
23	U.S. securities other than Treasury issues.....	4,507	4,051	1,199	670	687	419	168	- 75
24	Other, reported by U.S. banks.....	- 1,158	- 647	- 1,186	- 504	- 221	- 902	68	- 331
27	Other, reported by U.S. nonbanking concerns.....	341	- 200	- 1,167	- 430	- 170	- 393	- 196	- 408
26	Balance on current account and long-term capital 5.....	- 11,235	- 1,026	- 10,580	- 741	1,719	- 2,563	- 3,874	- 5,866
	<i>Not seasonally adjusted.....</i>				999	2,120	2,539	- 6,441	- 3,719
27	Nonliquid short-term private capital flows, net.....	- 1,541	- 4,276	12,955	- 1,253	- 3,994	- 5,296	- 1,427	- 2,238
28	Claims reported by U.S. banks.....	- 1,457	- 3,940	12,223	- 1,119	- 2,817	- 5,311	- 1,653	- 2,442
29	Claims reported by U.S. nonbanking concerns.....	305	- 1,240	- 2,453	664	- 1,591	695	- 207	40
30	Liabilities reported by U.S. nonbanking concerns.....	221	904	1,721	530	414	710	433	164
31	Allocations of Special Drawing Rights (SDR's).....	710							
32	Errors and omissions, net.....	- 1,790	- 2,303	5,197	1,125	1,305	1,463	838	1,592
33	Net liquidity balance.....	- 13,856	- 7,606	- 18,338	- 869	- 970	- 6,396	- 4,463	- 6,512
	<i>Not seasonally adjusted.....</i>				89	144	6,784	- 5,773	5,637
34	Liquid private capital flows, net.....	3,502	2,302	10,268	3,530	2,016	1,874	4,143	2,235
35	Liquid claims.....	1,247	- 1,944	- 5,464	- 493	- 2,732	- 1,197	133	- 1,668
36	Reported by U.S. banks.....	- 742	- 1,103	- 5,445	- 472	- 2,368	- 1,261	- 431	- 1,385
37	Reported by U.S. nonbanking concerns.....	- 505	841	19	- 21	364	64	564	- 283
38	Liquid liabilities.....	4,749	4,246	15,732	4,023	4,748	3,071	4,010	3,903
39	Foreign commercial banks.....	3,716	2,982	12,655	3,227	4,663	2,161	2,896	2,935
40	International and regional organizations.....	104	377	151	384	530	297	221	163
41	Other foreigners.....	929	887	2,926	412	615	613	893	805
42	Official reserve transactions balance, financed by changes in.....	- 10,354	5,304	- 8,070	2,661	1,046	- 4,522	- 320	- 4,277
	<i>Not seasonally adjusted.....</i>				2,982	1,495	- 4,105	- 1,609	- 3,851
43	Liquid liabilities to foreign official agencies.....	9,734	4,452	8,253	- 2,145	- 557	4,255	1,263	3,295
44	Other readily marketable liabilities to foreign official agencies 6.....	399	1,118	596	- 354	- 277	182	61	630
45	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Govt.....	189	- 475	655	- 147	- 2	443	- 1	215
46	U.S. official reserve assets, net.....	32	209	- 1,434	- 15	- 210	- 358	- 1,003	137
47	Gold.....	547					29	123	- 20
48	SDR's.....	703	9	- 172			85	- 152	241
49	Convertible currencies.....	35	233	3		1			
50	Gold tranche position in IMF.....	153	- 33	- 1,265	- 15	- 209	- 244	- 728	- 84
	Memoranda:								
51	Transfers under military grant programs (excluded from lines 2, 4, and 14).....	4,189	2,772	1,790	487	393	542	352	504
52	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20).....	4,521	8,124						
53	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 9 and 21).....	548	945						
	Balances excluding allocations of SDR's:								
54	<i>Net liquidity, not seasonally adjusted.....</i>	- 14,566	- 7,606	- 18,338	- 89	- 144	- 6,784	- 5,773	- 5,637
55	<i>Official reserve transactions, N.S.A.....</i>	- 11,064	- 5,304	- 8,070	2,982	1,495	- 4,105	- 1,609	- 3,851

For notes see opposite page.

2. MERCHANDISE EXPORTS AND IMPORTS

(Seasonally adjusted; in millions of dollars)

	Exports ¹				Imports ²				Trade balance			
	1972	1973	1974	1975	1972	1973	1974 ³	1975	1972	1973	1974 ³	1975
Month:												
Jan.....	4,074	4,955	7,150	9,412	4,436	5,244	6,497	9,622	361	289	-683	-210
Feb.....	3,824	5,070	7,549	8,789	4,473	5,483	7,317	7,872	649	413	232	-917
Mar.....	3,869	5,311	7,625	8,716	4,515	5,413	7,742	7,336	642	103	116	-1,380
Apr.....	3,820	5,494	8,108	.....	4,417	5,360	8,025	.....	596	1,133	83	.....
May.....	3,882	5,561	7,652	.....	4,486	5,703	8,265	.....	604	1,42	610	.....
June.....	3,971	5,738	8,317	.....	4,468	5,775	8,573	.....	497	47	252	.....
July.....	4,074	5,865	8,308	.....	4,565	5,829	8,918	.....	491	37	611	.....
Aug.....	4,197	6,042	8,380	.....	4,726	6,011	9,262	.....	530	142	882	.....
Sept.....	4,176	6,420	8,396	.....	4,612	5,644	8,698	.....	436	776	402	.....
Oct.....	4,316	6,585	8,673	.....	4,738	5,996	8,769	.....	421	1,589	96	.....
Nov.....	4,473	6,879	8,974	.....	5,148	6,684	8,965	.....	675	1,195	9	.....
Dec.....	4,558	6,949	8,862	.....	5,002	6,291	9,250	.....	444	1,658	488	.....
Quarter:												
I.....	11,767	15,337	22,324	26,911	13,403	16,140	21,555	24,830	1,657	-804	-769	12,087
II.....	11,673	16,783	24,077	.....	13,370	16,838	24,863	.....	1,697	56	786	.....
III.....	12,447	18,327	25,084	.....	13,903	17,483	26,878	.....	1,456	1,845	1,294	.....
IV.....	13,347	20,413	26,509	.....	14,888	18,972	26,984	.....	1,540	1,441	475	.....
Year ⁴	49,208	70,823	97,907	.....	55,555	69,476	100,218	.....	6,347	11,348	2,311	.....

¹ Exports of domestic and foreign merchandise (F.A.S. value basis); excludes Department of Defense shipments under military grant-aid programs.

² General imports, which includes imports for immediate consumption plus entries into bonded warehouses.

³ Beginning with 1974 data, imports are reported on an F.A.S. transactions value basis; prior data are reported on a Customs import value basis.

For calendar year 1974, the F.A.S. import transactions value was \$100.2 billion, about 0.7 per cent less than the corresponding Customs import value of \$101.0 billion.

⁴ Sum of unadjusted figures.

NOTE: Bureau of the Census data. Details may not add to totals because of rounding.

3. U.S. RESERVE ASSETS

(In millions of dollars)

End of year	Total	Gold stock ¹		Convertible foreign currencies	Reserve position in IMF	SDR's ³	End of month	Total	Gold stock		Convertible foreign currencies ⁴	Reserve position in IMF	SDR's ⁵
		Total ²	Treasury						Total ²	Treasury			
1961.....	18,753	16,947	16,889	116	1,690	.....	1974						
1962.....	17,220	16,057	15,978	99	1,064	.....	Apr.....	14,642	11,652	11,567	9	824	2,157
1963.....	16,843	15,596	15,513	212	1,035	.....	May.....	14,870	11,652	11,567	66	989	2,163
1964.....	16,672	15,471	15,388	432	769	.....	June.....	14,946	11,652	11,567	94	1,005	2,195
1965.....	15,450	13,806	13,733	781	863	.....	July.....	14,912	11,652	11,567	12	1,021	2,227
1966.....	14,882	13,235	13,159	1,371	376	.....	Aug.....	15,460	11,652	11,567	224	1,384	2,200
1967.....	14,830	12,065	11,982	2,345	420	.....	Sept.....	15,893	11,652	11,567	246	1,713	2,282
1968.....	15,710	10,892	10,867	3,528	1,290	.....	Oct.....	15,890	11,652	11,567	193	1,739	2,306
1969.....	16,964	11,859	10,867	5,2781	2,324	.....	Nov.....	15,840	11,652	11,567	43	1,816	2,329
							Dec.....	15,883	11,652	11,652	5	1,852	2,374
1970.....	14,487	11,072	10,732	629	1,935	851	1975						
1971.....	12,167	10,206	10,132	276	585	1,100	Jan.....	15,948	11,635	11,635	2	1,908	2,403
1972.....	13,151	10,487	10,410	241	465	1,958	Feb.....	16,132	11,621	11,621	2	2,065	2,444
1973.....	14,378	11,652	11,567	8	552	2,166	Mar.....	16,256	11,620	11,620	19	2,194	2,423
1974.....	15,883	11,652	11,652	5	1,852	2,374	Apr.....	16,183	11,620	11,620	2	2,168	2,393

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 5.

² Includes gold in Exchange Stabilization Fund.

³ 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 SDR's.

⁴ 1 or holdings of F.R. Banks only, see p. A-9.

⁵ 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.

⁶ Includes \$28 million increase in dollar value of foreign currencies revalued to reflect market exchange rates as of Dec. 31, 1971.

⁷ 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.

⁸ 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 (Treasury gold stock \$1,157 million), reserve position in IMF \$84 million, and SDR's \$217 million.

⁹ Beginning July 1974, the IMF adopted a technique for valuing the SDR based on a weighted average of exchange rates for the currencies of 16 member countries. The U.S. SDR holdings and reserve position in the IMF are also valued on this basis beginning July 1974. At valuation used prior to July 1974 (SDR 1 = \$1,20635) SDR holdings at end of Apr. amounted to \$2,446 million, reserve position in IMF, \$2,108 million, and total U.S. reserve assets, \$16,076.

NOTE: See Table 20 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.

NOTES TO TABLE 1 ON OPPOSITE PAGE:

¹ Adjusted to balance of payments basis; excludes: exports under U.S. military agency sales contracts, and imports of U.S. military agencies.

² Fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States are excluded from investment income and included in "Other services."

³ Includes special military shipments to Israel that are excluded from the "net exports of goods and services" in the national income and products (GNP) accounts of the United States.

⁴ Includes under U.S. Government grants \$2 billion equivalent, rep-

resenting the refinancing of economic assistance loans to India; a corresponding reduction of credits is shown in line 16.

⁵ Includes some short-term U.S. Govt. assets.

⁶ 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.

NOTE: Data are from U.S. Department of Commerce, Bureau of Economic Analysis. Details may not add to totals because of rounding.

4. 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	Int'l. Monetary Fund	United States	Estimated rest of world	Algeria	Argentina	Australia	Austria	Belgium	Canada	China, Rep. of (Taiwan)	Denmark	Egypt
1970.....	41,275	4,339	11,072	25,865	191	140	239	714	1,470	791	82	64	85
1971.....	41,160	4,732	10,706	26,220	192	90	289	729	1,544	792	80	66	85
1972.....	44,890	5,830	10,487	28,575	208	152	281	792	1,638	834	87	69	92
1973.....	49,850	6,478	11,652	31,720	231	169	311	881	1,781	927	97	77	103
1974: Mar.....	49,840	6,478	11,652	31,710	231	169	312	882	1,781	927	97	77	103
Apr.....		6,478	11,652		231	169	312	882	1,781	927	97	77	103
May.....		6,478	11,652		231	169	312	882	1,781	927	97	77	103
June.....	49,835	6,478	11,652	31,705	231	169	312	882	1,781	927	97	77	103
July.....		6,478	11,652		231	169	312	882	1,781	927	97	77	103
Aug.....		6,478	11,652		231	169	312	882	1,781	927	97	76	103
Sept.....	49,830	6,478	11,652	31,700	231	169	312	882	1,781	927	97	76	103
Oct.....		6,478	11,652		231	169	312	882	1,781	927	97	76	103
Nov.....		6,478	11,652		231	169	312	882	1,781	927	97	76	103
Dec.....	49,765	6,478	11,652	31,665	231	169	312	882	1,781	927	97	76	103
1975: Jan.....		6,478	11,638		231	169	312	882	1,781	927	97	76	
Feb.....		6,478	11,622		231		312	882	1,781	927	97	76	
Mar.....		6,478	1,622		231		312	882	1,781	927	97	76	
End of period	France	Germany, Fed. Rep. of	Greece	India	Iran	Iraq	Italy	Japan	Kuwait	Lebanon	Libya	Mexico	Netherlands
1970.....	3,532	3,980	117	243	131	144	2,887	532	86	288	85	176	1,787
1971.....	3,523	4,077	98	243	131	144	2,884	679	87	322	85	184	1,909
1972.....	3,826	4,359	133	261	142	156	3,130	801	94	350	93	188	2,059
1973.....	4,261	4,966	148	293	159	173	3,483	891	120	388	103	196	2,294
1974: Mar.....	4,262	4,966	149	293	159	173	3,483	891	123	389	103	186	2,294
Apr.....	4,262	4,966	149	293	159	173	3,483	891	118	389	103	155	2,291
May.....	4,262	4,966	149	293	159	173	3,483	891	142	389	103	154	2,291
June.....	4,262	4,966	150	293	159	173	3,483	891	130	389	103	154	2,294
July.....	4,262	4,966	150	293	158	173	3,483	891	130	389	103	154	2,294
Aug.....	4,262	4,966	150	293	158	173	3,483	891	130	389	107	154	2,294
Sept.....	4,262	4,966	150	293	158	173	3,483	891	130	389	103	154	2,294
Oct.....	4,262	4,966	150	293	158	173	3,483	891	138	389	103	154	2,294
Nov.....	4,262	4,966	150	293	158	173	3,483	891	138	389	103	154	2,294
Dec.....	4,262	4,966	150	293	158	173	3,483	891	148	389	103	154	2,294
1975: Jan.....	4,262	4,966	150	293	158	173	3,483	891	140	389	103		2,294
Feb.....	4,262	4,966	150		158	173	3,483	891	140	389	103		2,294
Mar.....	4,262	4,966	150		158		3,483	891	154	389	103		2,294
End of period	Pakistan	Portugal	Saudi Arabia	South Africa	Spain	Sweden	Switzerland	Thailand	Turkey	United Kingdom	Uruguay	Venezuela	Bank for Intl. Settlements ²
1970.....	54	902	119	666	498	200	2,742	92	126	1,349	162	384	282
1971.....	55	921	108	410	498	200	2,909	82	130	775	148	391	310
1972.....	60	1,021	117	681	541	217	3,158	89	136	800	133	425	218
1973.....	67	1,163	129	802	602	244	3,513	99	151	886	148	472	245
1974: Mar.....	67	1,176	129	780	602	244	3,513	99	151	886	148	472	274
Apr.....	67	1,180	129	780	602	244	3,513	99	151	886	148	472	271
May.....	67	1,180	129	777	602	244	3,513	99	151	886	148	472	247
June.....	67	1,180	129	781	602	244	3,513	99	151	886	148	472	259
July.....	67	1,180	129	788	602	244	3,513	99	151	886	148	472	259
Aug.....	67	1,180	129	778	602	244	3,513	99	151	886	148	472	255
Sept.....	67	1,180	129	778	602	244	3,513	99	151	886	148	472	259
Oct.....	67	1,180	129	786	602	244	3,513	99	151	886	148	472	271
Nov.....	67	1,180	129	774	602	244	3,513	99	151	886	148	472	251
Dec.....	67	1,180	129	771	602	244	3,513	99	151	886	148	472	250
1975: Jan.....	67	1,180	129	764	602	244	3,513	99	151		148	472	265
Feb.....	67	1,180		759	602	244	3,513	99	151			472	272
Mar.....	67			754		244	3,513	99	151			472	

¹Includes 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.

²Net gold assets of BIS, i.e., gold in bars and coins and other gold assets minus gold deposit liabilities.

5. U.S. LIQUID AND OTHER LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS, AND LIQUID LIABILITIES TO ALL OTHER FOREIGNERS

(In millions of dollars)

1st of period	Liabilities to foreign countries													
	Total	Liquid liabilities to IMF arising from gold transactions ¹	Official institutions ²							Liquid liabilities to other foreigners			Liquid liabilities to non-monetary intl. and regional organizations ⁴	
			Total	Liquid			Nonmarketable nonconvertible U.S. Treas. bonds and notes ⁴	Other readily marketable liabilities ³	Liquid liabilities to commercial banks abroad ⁵	Total	Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes ^{1,2}		
				Short-term liabilities reported by banks in U.S.	Marketable U.S. Treas. bonds and notes ¹	Nonmarketable nonconvertible U.S. Treas. bonds and notes								
1963.....	26,394	800	14,425	12,467	1,183	703	63	9	5,817	3,387	3,046	341	1,965	
1964 ⁶	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 ⁶	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 ⁶	33,819	1,033	18,201	14,034	908	711	741	1,807	11,209	4,685	4,127	558	691	
.....	33,667	1,033	18,194	14,027	908	711	741	1,807	11,085	4,678	4,120	558	677	
1968 ⁶	38,687	1,030	17,407	11,318	829	701	2,518	2,341	14,472	5,053	4,444	609	725	
.....	38,473	1,030	17,340	11,318	862	701	2,518	2,341	14,472	4,909	4,444	465	722	
1969 ⁶	45,755	1,019	15,975	11,084	346	555	102,515	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. ⁶	47,009	566	23,786	19,333	306	429	3,023	695	17,137	4,676	4,029	647	844	
.....	46,960	566	23,778	19,333	295	429	3,023	695	17,169	4,604	4,039	565	846	
1971 Dec. ⁶	67,681	544	51,705	39,679	1,955	6,060	3,371	144	10,762	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. ⁶	82,862	.....	61,526	40,000	2,236	2,108	3,639	843	14,666	5,043	4,618	428	1,622
1973 Dec. ⁶	92,404	.....	66,810	43,919	5,701	12,319	3,210	1,661	17,661	5,930	500	430	2,003
1974 Mar. ⁶	95,634	.....	65,522	43,412	5,192	12,329	3,210	1,384	22,088	6,546	6,146	400	1,473
Apr. ⁶	97,825	.....	67,152	45,175	5,020	12,330	3,210	1,419	22,520	6,802	6,385	417	1,349
May ⁶	101,285	.....	68,150	46,167	5,013	12,330	3,210	1,430	24,639	6,894	6,528	366	1,602
June ⁶	104,026	.....	69,994	47,430	5,013	12,330	3,655	1,566	25,103	7,159	6,796	363	1,770
July ⁶	107,110	.....	71,091	48,429	5,013	12,330	3,655	1,664	26,810	7,338	6,961	377	1,871
Aug. ⁶	109,942	.....	70,970	48,382	4,940	12,330	3,655	1,663	29,355	7,522	7,156	366	2,095
Sept. ⁶	110,638	.....	72,606	50,114	4,880	12,330	3,655	1,637	27,980	8,051	7,658	393	1,991
Oct. ⁶	111,940	.....	73,713	50,891	4,880	12,330	3,867	1,750	27,970	8,125	7,694	431	2,127
Nov. ⁶	115,616	.....	75,061	51,809	4,906	12,330	3,867	2,149	29,668	8,407	7,926	381	2,480
Dec. ⁶	118,898	.....	76,930	53,687	5,059	12,330	3,867	2,252	30,248	8,783	8,285	698	2,297
1975 Jan. ⁶	118,022	.....	75,793	51,771	5,177	12,487	3,867	2,518	29,134	8,692	8,184	508	4,163
Feb. ⁶	119,166	.....	78,552	54,503	5,359	12,487	3,867	2,666	32,649	9,050	8,440	610	4,315
Mar. ⁶	120,079	.....	79,068	53,681	6,001	12,487	3,867	3,058	32,853	9,013	8,405	608	4,145

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 for 1963.

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 2 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, \$12 million, and other, \$89 million.

¹¹ Data on the second line differ from those on first line because certain accounts previously classified as official institutions are included with banks; a number of reporting banks are included in the series for the first time; and U.S. Treasury securities payable in foreign currencies issued to official institutions of foreign countries have been increased in value to reflect market exchange rates as of Dec. 31, 1971.

NOTE: Based on Treasury Dept. data and on data reported to the Treasury Dept. by banks and brokers in the United States. Data correspond generally to statistics following in this section, except for the exclusion of nonmarketable, nonconvertible U.S. Treasury notes issued to foreign official nonreserve agencies; the inclusion of investments by foreign official reserve agencies in debt securities of U.S. Federally-sponsored agencies and U.S. corporations, and minor rounding differences. Table excludes IMF holdings of dollars, and holdings of U.S. Treasury letters of credit and nonnegotiable, non-interest-bearing special U.S. notes held by other international and regional organizations.

6. 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
1971.....	50,651	30,134	3,980	1,429	13,823	415	870
1972.....	61,526	34,197	4,279	1,733	17,577	777	2,963
1973.....	66,810	45,717	3,853	2,544	10,884	788	3,024
1974—Mar.....	65,527	42,772	4,195	2,887	11,631	1,249	2,793
Apr.....	67,154	42,638	4,309	3,532	12,360	1,402	2,913
May.....	68,150	42,951	4,302	3,384	12,988	1,620	2,905
June.....	69,994	43,200	4,201	4,006	13,992	1,854	2,741
July.....	71,091	43,002	4,125	3,951	15,209	2,055	2,749
Aug.....	70,970	42,292	3,953	4,127	15,526	2,272	2,800
Sept.....	72,606	42,680	3,819	4,421	16,182	2,850	2,654
Oct.....	73,718	43,041	3,809	4,046	17,186	2,947	2,689
Nov.....	75,061	43,223	3,710	3,742	18,525	3,204	2,657
Dec.....	76,570	44,169	3,665	4,419	18,529	3,161	2,627
1975—Jan.....	75,793	43,234	3,626	3,659	19,480	3,232	2,562
Feb. ^a	78,552	44,707	3,616	4,224	20,198	3,356	2,451
Mar. ^a	79,068	45,786	3,546	4,390	19,325	3,433	2,588

¹ Includes Bank for International Settlements and European Fund.² Includes countries in Oceania and Eastern Europe, and Western European dependencies in Latin America.

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.

7. 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					IMF gold investment ⁵	Total	Deposits		U.S. Treasury bills and certificates	Other short-term liab. ⁷
		Total	Demand	Time ²	U.S. Treasury bills and certificates ³	Other short-term liab. ⁴			Demand	Time ²		
1971.....	55,428	55,036	6,459	4,217	33,025	11,335	392	1,367	73	192	210	892
1972.....	60,697	60,201	8,290	5,603	31,850	14,458	496	1,413	86	202	326	800
1973.....	69,022	68,425	11,310	6,863	31,886	18,366	597	1,955	101	83	296	1,474
1974—Mar.....	72,852	72,086	11,651	6,956	31,444	22,034	766	1,206	96	63	227	820
Apr.....	75,244	74,537	11,977	7,303	32,676	22,581	706	1,164	60	57	209	838
May.....	78,721	78,068	11,672	7,609	33,983	24,805	653	1,388	95	53	46	1,194
June.....	80,982	80,190	12,856	8,253	34,038	25,043	792	1,653	106	66	91	1,390
July.....	83,945	83,279	12,222	8,643	34,178	28,235	666	1,745	121	66	51	1,508
Aug.....	86,815	86,069	11,841	9,073	33,179	31,976	746	1,921	81	68	146	1,627
Sept.....	87,652	86,957	12,769	9,222	33,467	31,499	696	1,900	128	69	75	1,629
Oct.....	88,552	87,833	11,228	9,789	34,187	32,628	719	1,997	125	89	93	1,690
Nov.....	91,439	90,695	12,860	9,532	35,020	33,283	744	2,036	128	89	94	1,725
Dec.....	94,755	93,989	14,054	10,081	35,662	34,192	766	3,165	139	105	497	2,424
1975—Jan.....	93,244	92,523	12,298	10,157	38,108	31,960	721	3,911	123	104	1,234	2,450
Feb. ^a	94,247	93,514	12,144	10,322	40,428	30,620	733	3,955	118	95	1,260	2,482
Mar. ^a	93,406	92,724	12,321	10,162	40,094	30,148	682	3,465	189	107	777	2,391

For notes see opposite page.

7. 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						To official institutions ⁸					
	Total	Payable in dollars				Payable in foreign currencies	Total	Payable in dollars				Payable in foreign currencies
		Deposits		U.S. Treasury bills and certificates ³	Other short-term liab. ⁴			Deposits		U.S. Treasury bills and certificates ³	Other short-term liab. ⁴	
		Demand	Time ²					Demand	Time ²			
1971.....	53,661	6,386	4,025	32,415	10,443	392	39,018	1,327	2,039	32,311	3,177	165
1972.....	59,284	8,204	5,401	31,523	13,659	496	40,000	1,591	2,880	31,453	3,905	171
1973.....	67,067	11,209	6,780	31,590	16,892	597	43,919	2,125	3,911	31,511	6,245	127
1974— Mar.....	71,646	11,555	6,894	31,217	21,215	766	43,412	2,631	3,800	31,064	5,790	177
Apr.....	74,080	11,917	7,346	32,467	21,742	706	45,175	2,920	3,949	32,312	5,867	127
May.....	77,334	11,577	7,556	33,937	23,611	653	46,167	3,452	4,025	33,731	5,931	127
June.....	79,329	12,750	8,187	33,947	23,652	792	47,430	3,643	4,277	33,745	6,638	127
July.....	82,200	12,102	8,578	34,128	26,727	666	48,429	2,561	4,445	33,749	7,547	127
Aug.....	84,893	11,760	9,005	33,033	30,349	746	48,382	2,473	4,429	32,687	8,665	127
Sept.....	85,752	12,641	9,153	33,392	29,870	696	50,114	2,824	4,313	32,955	9,895	127
Oct.....	86,555	11,104	9,700	34,094	40,938	719	50,891	2,168	4,483	33,634	10,478	127
Nov.....	89,403	12,732	9,443	34,927	41,558	744	51,809	2,472	4,122	34,467	10,621	127
Dec.....	91,590	13,915	9,976	35,165	41,768	766	53,057	2,951	4,324	34,656	10,999	127
1975— Jan.....	89,332	12,174	10,053	36,874	29,510	721	51,774	2,188	4,351	36,531	8,706	127
Feb. ⁹	90,292	12,026	10,226	39,169	28,138	733	54,203	2,061	4,306	38,840	8,996	127
Mar. ⁹	89,941	12,131	10,054	39,316	27,757	682	53,683	2,426	4,284	39,015	8,059	127
End of period	To banks ⁹						To other foreigners					
	Total	Payable in dollars				Payable in foreign currencies	Total	Payable in dollars				Payable in foreign currencies
		Deposits		U.S. Treasury bills and certificates	Other short-term liab. ⁴			Deposits		U.S. Treasury bills and certificates	Other short-term liab. ⁴	
		Demand	Time ²					Demand	Time ²			
1971.....	14,643	10,721	3,399	320	8	6,995	3,694	1,660	1,666	96	271	228
1972.....	19,284	14,340	4,638	403	5	9,272	4,618	1,955	2,116	65	481	325
1973.....	23,147	17,178	6,941	515	11	9,710	5,500	2,143	2,353	68	936	469
1974— Mar.....	28,233	21,449	6,568	506	54	14,321	6,145	2,356	2,588	98	1,104	619
Apr.....	28,905	21,940	6,599	677	63	14,601	6,385	2,398	2,620	92	1,274	579
May.....	31,167	24,113	6,910	788	82	16,334	6,528	2,315	2,744	124	1,346	526
June.....	31,899	24,439	7,689	996	95	15,660	6,795	2,419	2,915	107	1,355	665
July.....	33,771	26,271	7,105	1,165	204	17,797	6,963	2,436	2,967	178	1,383	539
Aug.....	36,511	28,736	6,890	1,436	200	20,230	7,156	2,397	3,150	145	1,464	618
Sept.....	35,639	27,411	7,096	1,576	258	18,481	7,659	2,722	3,264	179	1,525	568
Oct.....	35,664	27,379	6,361	1,796	268	18,954	7,694	2,574	3,422	193	1,505	591
Nov.....	37,594	29,051	7,622	1,713	253	19,463	7,927	2,638	3,608	207	1,474	617
Dec.....	38,533	29,609	8,253	1,856	232	19,768	8,285	2,710	3,796	277	1,502	639
1975— Jan.....	37,558	28,654	7,362	1,943	158	19,192	8,184	2,625	3,760	186	1,613	721
Feb. ⁹	36,089	26,916	7,145	2,048	129	17,594	8,441	2,820	3,872	200	1,548	733
Mar. ⁹	36,258	27,171	7,066	1,844	101	18,161	8,405	2,740	3,927	200	1,537	682

¹ Data exclude "holdings of dollars" of the IMF.² Excludes negotiable time certificates of deposit, which are included in "Other short-term liabilities."³ Includes nonmarketable certificates of indebtedness and Treasury bills issued to official institutions of foreign countries.⁴ Includes liabilities of U.S. banks to their foreign branches, liabilities of U.S. agencies and branches of foreign banks to their head offices and foreign branches, bankers' acceptances, commercial paper, and negotiable time certificates of deposit.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.⁷ Includes difference between cost value and face value of securities in IMF gold investment account.⁸ Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit.⁹ Foreign central banks and foreign central posts, and their agencies, and Bank for International Settlements and European Fund.¹⁰ Excludes central banks, which are included in "Official institutions."

NOTE: "Short term" refers to obligations payable on demand or having an original maturity of 1 year or less. For data on long-term liabilities reported by banks, see Table 9. 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 nonnegotiable, non-interest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Association.

8. 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	1973	1974							1975		
	Dec.	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Europe:											
Austria.....	161	310	484	530	597	568	557	607	597	624	635
Belgium-Luxembourg.....	1,483	1,836	1,828	1,937	1,933	2,047	2,295	2,506	2,391	2,647	2,539
Denmark.....	659	266	239	251	268	285	338	369	369	324	370
Finland.....	165	174	203	229	219	223	262	260	204	204	202
France.....	3,483	3,425	3,763	3,611	3,565	3,920	3,822	4,274	4,206	4,035	4,276
Germany.....	13,227	13,528	12,602	11,873	9,337	8,623	9,102	9,420	9,948	10,801	11,236
Greece.....	389	332	227	298	293	255	213	248	253	242	192
Italy.....	1,404	1,281	1,327	1,101	3,138	2,748	2,192	2,617	2,101	2,260	2,442
Netherlands.....	2,586	2,352	2,232	2,234	2,498	3,009	3,177	3,234	3,208	3,242	3,459
Norway.....	965	911	879	894	1,023	1,131	1,181	1,040	874	826	843
Portugal.....	534	411	429	422	435	411	338	310	310	303	288
Spain.....	305	324	362	303	377	347	332	382	379	320	358
Sweden.....	1,885	1,211	1,160	1,049	1,096	1,071	1,103	1,138	1,132	1,215	1,209
Switzerland.....	3,377	6,386	7,216	7,850	8,393	8,974	9,378	10,007	9,601	9,453	8,862
Turkey.....	98	125	134	106	100	121	102	152	169	131	243
United Kingdom.....	6,148	8,748	8,558	9,071	8,709	7,565	8,166	7,551	6,580	6,208	7,053
Yugoslavia.....	86	100	106	100	151	136	105	183	187	168	158
Other Western Europe ¹	3,352	2,701	2,851	2,829	3,122	3,218	3,432	4,051	3,103	2,859	2,601
U.S.S.R.....	22	27	27	26	40	44	33	82	65	59	35
Other Eastern Europe.....	110	126	133	147	149	136	140	206	172	120	218
Total.....	40,742	44,473	44,755	44,861	45,438	44,833	46,267	48,595	45,848	46,040	47,176
Canada.....	3,627	3,550	3,595	3,250	3,754	4,226	3,725	3,503	3,405	3,789	3,456
Latin America:											
Argentina.....	924	1,378	1,252	1,189	1,105	1,017	938	886	900	894	822
Bahamas.....	824	1,485	1,546	3,201	1,216	1,678	1,741	1,452	2,160	2,050	1,757
Brazil.....	860	782	778	817	873	894	951	1,034	859	927	1,065
Chile.....	158	240	279	253	266	270	297	276	284	281	258
Colombia.....	247	217	264	285	293	292	305	305	319	317	326
Cuba.....	7	6	7	6	7	6	7	6	6	6	6
Mexico.....	1,285	1,412	1,411	1,610	1,643	1,731	1,731	1,770	1,747	1,734	1,668
Panama.....	282	550	566	445	511	484	474	488	500	476	517
Peru.....	135	166	197	185	182	177	183	272	256	238	225
Uruguay.....	120	121	122	115	120	128	140	147	152	164	171
Venezuela.....	1,468	2,707	2,600	2,999	3,217	2,992	2,896	3,413	2,918	3,351	3,501
Other Latin American republics.....	884	1,071	1,183	1,066	1,214	1,113	1,176	1,316	1,211	1,263	1,348
Netherlands Antilles and Surinam.....	71	122	92	103	123	138	135	158	155	133	143
Other Latin America.....	359	462	672	828	553	508	839	515	892	468	492
Total.....	7,626	10,722	10,966	13,101	11,321	11,429	11,815	12,038	12,359	12,302	12,301
Asia:											
China, People's Rep. of (China Mainland).....	38	33	39	40	40	43	45	50	50	73	82
China, Republic of (Taiwan).....	757	688	772	842	822	797	808	818	977	1,015	1,017
Hong Kong.....	372	462	470	490	621	470	551	530	558	546	528
India.....	85	225	172	131	158	140	156	261	179	177	183
Indonesia.....	133	257	863	785	943	1,600	1,363	1,221	1,327	1,083	497
Israel.....	327	256	226	211	217	218	279	386	417	473	508
Japan.....	6,954	9,440	9,991	9,912	10,136	10,407	10,891	10,897	10,442	10,909	11,330
Korea.....	195	262	215	277	304	313	309	384	315	327	311
Philippines.....	515	772	763	715	748	726	731	747	702	642	745
Thailand.....	247	524	451	403	362	328	333	333	337	327	455
Other.....	1,202	2,572	3,614	4,252	4,726	4,832	5,681	5,446	6,003	6,136	4,651
Total.....	10,826	15,491	17,576	18,060	19,076	19,874	21,147	21,073	21,307	21,708	20,368
Africa:											
Egypt.....	35	84	91	105	73	109	109	103	105	106	92
Morocco.....	11	39	54	63	79	73	59	38	71	81	65
South Africa.....	114	102	170	156	157	138	155	130	150	188	191
Zaire.....	87	58	46	46	43	41	82	84	66	41	38
Other.....	808	1,911	2,042	2,258	2,893	2,973	3,199	3,197	3,272	3,392	3,461
Total.....	1,056	2,193	2,403	2,627	3,244	3,333	3,604	3,551	3,664	3,809	3,848
Other countries:											
Australia.....	3,131	2,831	2,848	2,926	2,847	2,788	2,759	2,742	2,661	2,568	2,725
All other.....	59	69	58	68	72	71	86	89	88	76	66
Total.....	3,190	2,900	2,906	2,994	2,918	2,859	2,845	2,831	2,748	2,644	2,792
Total foreign countries.....	67,067	79,329	82,200	84,893	85,752	86,555	89,403	91,590	89,332	90,292	89,941
International and regional:											
International ²	1,627	1,305	1,383	1,567	1,534	1,665	1,752	2,894	3,616	3,677	3,214
Latin American regional.....	272	227	253	262	261	232	213	202	226	222	207
Other regional ³	57	122	108	93	103	100	70	69	50	57	44
Total.....	1,955	1,653	1,745	1,921	1,900	1,997	2,036	3,165	3,911	3,955	3,465
Grand total.....	69,022	80,982	83,945	86,815	87,652	88,552	91,439	94,755	93,244	94,247	93,406

1 or notes see opposite page.

8. 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 data⁴

Area and country	1972		1973		1974		Area and country	1972		1973		1974	
	Dec.	Apr.	Dec.	Apr.	Dec.	Dec.		Apr.	Dec.	Apr.	Dec.		
Other Western Europe:							Other Asia—Cont.:						
Cyprus.....	3	9	19	10	7		Laos.....	2	3	3	3	3	3
Iceland.....	9	12	8	11	21		Lebanon.....	55	55	62	68	119	
Ireland, Rep. of.....	17	22	62	53	29		Malaysia.....	54	59	58	40	63	
Other Latin American republics:							Pakistan.....	59	93	105	108	91	
Bolivia.....	87	65	68	102	96		Singapore.....	77	53	141	165	240	
Costa Rica.....	92	75	86	88	117		Sri Lanka (Ceylon).....	5	6	13	13	14	
Dominican Republic.....	114	104	118	137	127		Vietnam.....	135	98	88	98	126	
Ecuador.....	121	109	92	90	122		Oil-producing countries.....	534	486	652	1,331	4,640	
El Salvador.....	76	86	90	129	129		Other Africa:						
Guatemala.....	132	127	156	245	214		Algeria.....	32	51	111	110	67	
Haiti.....	27	25	21	28	35		Ethiopia (incl. Eritrea).....	57	75	79	118	95	
Honduras.....	58	64	56	71	88		Ghana.....	10	28	20	22	18	
Jamaica.....	41	32	39	52	69		Kenya.....	23	19	23	20	20	
Nicaragua.....	61	79	99	119	127		Liberia.....	30	31	42	29	39	
Paraguay.....	22	26	29	40	46		Libya.....	393	312	331	257		
Trinidad and Tobago.....	20	17	17	21	107		Nigeria.....	85	140	78	736		
Other Latin America:							Southern Rhodesia.....	2	1	2	1	2	
Bermuda.....	(2)	127	242	201	116		Sudan.....	3	3	3	2	4	
British West Indies.....	36	100	109	354			Tanzania.....	11	16	12	12	11	
Other Asia:							Tunisia.....	10	11	7	17	19	
Afghanistan.....	25	19	22	11	18		Uganda.....	7	19	6	11	13	
Burma.....	2	17	12	42			Zambia.....	28	37	22	66		
Cambodia.....	3	3	2	4	4		All other:						
Jordan.....	4	4	6	6	22		New Zealand.....	30	34	39	33	47	

¹ Includes Bank for International Settlements and European Fund.
² Data exclude holdings of dollars of the International Monetary Fund.

³ Asian, African, and European regional organizations, except BIS and European Fund, which are included in "Europe."

⁴ Represent a partial breakdown of the amounts shown in the other categories (except "Other Eastern Europe").

⁵ Includes Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, Syria, and United Arab Emirates (United States).

9. LONG-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total	To intl. and regional	To foreign countries				Country or area						
			Total	Official institutions	Banks ¹	Other foreigners	Germany	United Kingdom	Other Europe	Total Latin America	Japan	Other Asia	All other countries
1971 ²	902	446	457	144	257	56	164	52	30	111	3	87	9
1972 ²	1,000	562	439	93	259	87	165	63	32	136	1	32	10
1973.....	1,018	580	439	93	259	87	165	63	32	136	1	32	10
1974.....	1,467	761	706	310	296	100	165	66	245	132	5	78	16
1974 Mar.....	1,577	951	626	259	280	87	165	45	232	130	2	39	13
Apr.....	1,690	1,025	665	294	282	89	165	56	227	152	2	50	13
May.....	1,657	1,005	652	296	282	74	165	56	220	144	2	52	13
June.....	1,650	974	676	321	284	73	165	56	220	144	2	77	12
July.....	1,689	978	711	337	299	75	171	56	231	142	2	97	13
Aug.....	1,537	1,005	528	136	316	76	170	60	45	141	1	97	13
Sept.....	1,402	920	482	93	316	73	170	60	45	124	1	70	13
Oct.....	1,332	852	480	111	299	71	170	48	45	116	1	87	13
Nov.....	1,318	832	485	112	298	75	170	48	45	116	1	88	17
Dec.....	1,320	820	500	124	298	79	170	48	45	115	1	101	20
1975 Jan.....	1,406	846	560	223	266	71	150	42	26	118	1	200	21
Feb.....	1,441	776	666	336	264	66	147	41	23	119	1	313	21
Mar.....	1,523	795	728	406	255	67	137	41	24	120	1	383	21

¹ Excludes central banks, which are included with "Official institutions."

² Data on the 2 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.

10. ESTIMATED FOREIGN HOLDINGS OF MARKETABLE U.S. TREASURY BONDS AND NOTES

(End of period; in millions of dollars)

	1974										1975		
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Europe:													
Belgium-Luxembourg.....	7	7	7	7	9	9	10	10	10	10	11	12	14
Sweden.....	260	260	260	260	260	260	250	250	276	251	252	252	252
Switzerland.....	34	33	35	34	35	34	34	30	30	30	31	30	29
United Kingdom.....	439	457	428	424	426	439	459	485	498	493	529	578	598
Other Western Europe.....	90	89	87	89	97	101	96	102	98	97	89	83	80
Eastern Europe.....	5	5	5	5	5	5	5	5	5	5	5	3	5
Total.....	835	851	823	819	832	849	854	883	917	885	916	959	1,180
Canada.....	847	848	849	849	851	756	706	707	711	713	697	584	588
Latin America:													
Latin American republics.....	11	11	11	11	11	11	11	11	11	12	11	91	11
Other Latin America.....	3	3	5	5	5	5	17	25	62	88	88	148	114
Total.....	14	14	16	16	16	16	28	36	74	100	99	239	125
Asia:													
Japan.....	3,703	3,531	3,499	3,498	3,497	3,498	3,497	3,497	3,498	3,498	3,498	3,496	3,496
Other Asia.....	11	11	12	12	12	12	12	12	12	212	325	541	1,071
Total.....	3,714	3,542	3,510	3,510	3,509	3,510	3,509	3,509	3,509	3,709	3,822	4,037	4,567
Africa.....	157	157	157	157	156	151	151	151	151	151	151	151	151
All other.....	25	25	25	25	25	25	25	25	25				
Total foreign countries.....	5,592	5,437	5,379	5,376	5,390	5,306	5,273	5,311	5,387	5,557	5,685	5,969	6,611
International and regional:													
International.....	217	141	174	57	51	102	23	78	80	71	190	201	601
Latin American regional.....	49	44	41	60	75	71	68	52	67	61	61	59	79
Total.....	267	185	214	117	126	173	91	130	147	132	25	260	680
Grand total.....	5,859	5,622	5,594	5,493	5,516	5,479	5,364	5,441	5,534	5,689	5,936	6,229	7,291

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 1-1).

11. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Payable in dollars								Payable in foreign currencies				
	Total	Total	Loans to			Collections outstanding	Acceptances made for acct. of foreigners	Other	Total	Deposits with foreigners	Foreign govt. securities, coml. and finance paper	Other	
			Official institutions	Banks ¹	Others ²								
1971.....	13,272	12,377	3,969	229	2,080	1,660	2,475	4,254	1,679	895	548	173	174
1972 ³	15,471	14,625	5,674	162	2,975	2,537	3,269	3,704	2,478	846	441	223	182
1973 ³	15,676	14,830	5,671	162	2,970	2,540	3,276	3,226	2,657	846	441	223	182
1973 ³	20,698	20,036	7,660	284	4,538	2,839	4,307	4,160	3,910	662	428	119	115
1974 Mar. ²	25,789	24,941	9,029	428	5,776	2,825	4,642	5,150	6,120	849	545	160	144
Apr.....	26,695	25,838	9,537	354	6,124	3,059	4,805	5,838	5,657	857	589	99	169
May.....	29,874	28,990	9,916	367	6,355	3,194	5,081	6,624	7,369	884	611	113	160
June.....	32,483	31,426	11,450	390	7,726	3,334	5,107	7,599	7,270	957	687	130	141
July.....	33,680	32,677	10,882	480	6,831	3,571	5,152	9,177	7,467	1,003	626	207	170
Aug. ²	35,216	34,411	11,590	452	7,792	3,346	5,295	9,459	8,067	805	461	180	164
Sept. ²	34,132	33,214	10,598	526	6,719	3,354	5,245	9,538	7,832	918	468	217	233
Oct.....	34,250	33,220	10,074	371	6,371	3,332	5,356	10,034	7,756	1,030	547	243	240
Nov.....	36,493	35,365	11,040	439	7,174	3,426	5,345	10,693	8,287	1,028	515	283	229
Dec. ²	38,680	37,470	11,342	394	7,389	3,559	5,637	11,190	9,301	1,210	668	289	253
1975 Jan. ²	38,881	37,592	10,232	361	6,318	3,553	5,565	10,995	10,800	1,289	719	351	219
Feb. ²	39,721	38,532	10,313	378	6,414	3,521	5,346	11,090	11,783	1,190	609	336	244
Mar. ²	41,873	40,713	9,942	309	5,999	3,634	5,415	11,294	14,062	1,160	573	290	297

¹ Excludes central banks, which are included with "Official institutions."² Includes International and Regional Organizations.³ Data on the 2 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.

12. 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	1974	1974							1975		
	Dec.	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Europe:											
Austria.....	11	104	18	72	17	21	42	21	18	38	22
Belgium-Luxembourg.....	148	230	266	207	164	301	308	384	401	591	550
Denmark.....	48	65	45	49	51	59	45	46	54	53	41
Finland.....	108	134	150	151	146	128	107	122	132	136	137
France.....	621	731	703	760	637	485	791	673	867	893	849
Germany.....	311	422	372	379	342	332	438	589	390	435	378
Greece.....	35	49	61	66	59	48	57	64	52	42	46
Italy.....	316	572	437	441	354	340	340	345	351	277	287
Netherlands.....	133	212	165	112	130	176	183	348	195	210	187
Norway.....	72	91	103	136	113	94	97	119	115	106	104
Portugal.....	23	32	30	24	26	35	25	20	16	39	32
Spain.....	222	404	392	382	253	227	201	196	184	166	150
Sweden.....	153	117	119	139	159	149	160	180	128	99	72
Switzerland.....	176	663	386	355	377	277	339	335	252	267	230
Turkey.....	10	10	26	19	15	15	14	15	23	17	19
United Kingdom.....	1,459	2,463	2,362	2,619	2,228	1,852	2,332	2,404	2,663	2,770	2,924
Yugoslavia.....	10	20	26	25	28	24	28	22	38	18	16
Other Western Europe.....	27	26	19	22	18	31	38	22	22	27	24
U.S.S.R.....	46	47	35	30	21	27	28	46	44	48	34
Other Eastern Europe.....	59	67	88	89	102	105	86	131	174	100	110
Total.....	3,988	6,458	5,804	6,073	5,239	4,724	5,660	6,076	6,067	6,331	6,212
Canada.....	1,955	2,205	2,348	2,111	2,032	2,556	2,517	2,773	2,904	2,643	2,928
Latin America:											
Argentina.....	499	673	686	704	695	679	704	720	783	808	873
Bahamas.....	875	1,888	1,558	2,086	2,486	2,763	2,616	3,269	3,737	4,653	5,664
Brazil.....	900	1,477	1,507	1,522	1,534	1,476	1,493	1,415	1,264	1,345	1,266
Chile.....	151	187	224	231	250	256	291	290	303	351	395
Colombia.....	397	522	601	679	665	686	675	713	706	679	695
Cuba.....	12	13	12	13	14	13	13	14	13	18	15
Mexico.....	1,373	1,720	1,770	1,828	1,706	1,836	1,898	1,972	1,898	2,004	2,112
Panama.....	266	392	400	401	410	405	402	503	604	458	546
Peru.....	178	281	353	421	408	433	486	518	504	531	555
Uruguay.....	55	40	59	50	47	46	63	63	75	86	104
Venezuela.....	518	606	644	642	627	557	643	704	795	747	736
Other Latin American republics.....	493	675	690	700	711	724	810	852	873	890	890
Netherlands Antilles and Surinam.....	13	41	38	56	64	61	74	62	45	39	39
Other Latin America.....	140	358	312	448	370	693	920	1,138	1,451	1,549	1,585
Total.....	5,870	8,872	8,856	9,781	9,989	10,628	11,088	12,233	13,051	14,156	15,474
Asia:											
China, People's Rep. of (China Mainland).....	31	23	28	23	9	7	8	4	18	65	19
China, Republic of (Taiwan).....	140	354	403	443	461	496	482	497	524	473	500
Hong Kong.....	147	208	200	271	243	214	238	223	203	184	291
India.....	16	18	20	34	17	19	16	14	19	22	17
Indonesia.....	88	115	117	120	122	128	140	157	142	159	145
Israel.....	166	145	193	192	197	200	208	250	271	284	322
Japan.....	6,400	10,843	12,395	12,814	12,390	11,714	12,406	12,496	11,811	11,246	11,327
Korea.....	403	620	641	706	733	760	835	955	1,116	1,286	1,629
Philippines.....	181	302	295	348	340	346	324	371	300	342	353
Thailand.....	273	421	427	429	436	414	416	441	374	374	406
Other.....	394	708	816	677	669	669	666	771	739	776	841
Total.....	8,238	13,757	15,534	16,056	15,617	14,966	15,737	16,178	15,516	15,211	15,850
Africa:											
Egypt.....	35	66	68	83	97	93	91	111	106	114	122
Morocco.....	5	5	14	10	10	11	12	18	19	15	19
South Africa.....	129	202	213	238	243	282	299	329	364	396	413
Zaire.....	60	91	93	97	94	107	101	96	31	38	31
Other.....	159	273	286	275	311	312	291	299	265	291	290
Total.....	388	637	675	702	755	806	795	854	785	853	875
Other countries:											
Australia.....	243	383	400	415	422	478	492	466	433	431	435
All other.....	43	70	63	77	76	91	104	99	125	95	99
Total.....	286	453	463	492	498	569	597	565	558	526	534
Total foreign countries.....	20,725	32,383	33,680	35,215	34,130	34,249	36,392	38,680	38,880	39,721	41,873
International and regional.....	1	1	1	1	2	1	1	1	1	1	1
Grand total.....	20,726	32,383	33,680	35,216	34,132	34,250	36,393	38,680	38,881	39,721	41,873

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.

13. 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						United Kingdom	Other Europe	Canada	Latin America	Japan	Other Asia	All other countries ²
		Loans to				Other long-term claims	Payable in foreign currencies							
		Total	Official institutions	Banks ¹	Other foreigners ²									
1971 ¹	3,667	3,345	570	315	2,460	300	22	130	593	228	1,458	246	583	429
1972 ³	4,954	4,539	829	430	3,281	375	40	145	704	406	1,996	319	881	503
1973 ³	5,063	4,588	840	430	3,319	435	40	150	703	406	2,020	353	918	514
1973 ³	5,992	5,442	1,154	591	3,696	478	72	148	1,124	490	2,112	251	1,331	532
1974- Mar. ¹	6,174	5,558	1,277	657	3,624	541	75	157	1,288	473	2,155	256	1,352	494
Apr. ¹	6,783	6,140	1,567	751	3,823	567	76	201	1,571	478	2,370	254	1,373	532
May ¹	6,830	6,214	1,566	772	3,875	550	67	224	1,559	467	2,434	241	1,381	524
June ¹	7,087	6,475	1,619	792	4,064	546	66	222	1,686	496	2,487	244	1,434	518
July ¹	7,115	6,502	1,486	909	4,108	545	67	249	1,603	498	2,552	269	1,423	520
Aug. ¹	7,055	6,448	1,452	913	4,084	539	68	285	1,545	503	2,527	269	1,416	511
Sept. ¹	6,999	6,386	1,416	853	4,116	542	71	266	1,535	543	2,479	247	1,425	505
Oct. ¹	7,250	6,571	1,438	914	4,220	608	71	333	1,725	523	2,495	264	1,396	515
Nov. ¹	7,251	6,561	1,370	933	4,258	618	72	339	1,652	506	2,574	257	1,392	531
Dec. ¹	7,155	6,481	1,327	931	4,223	607	65	329	1,578	486	2,602	258	1,359	534
1975- Jan. ¹	7,262	6,624	1,364	968	4,293	583	54	323	1,669	475	2,603	248	1,388	552
Feb. ¹	7,457	6,797	1,374	1,035	4,388	606	54	347	1,749	485	2,625	248	1,355	593
Mar. ¹	7,555	6,896	1,395	1,062	4,438	603	55	362	1,769	485	2,695	247	1,409	583

¹ Excludes central banks, which are included with "Official institutions."² Includes international and regional organizations.³ Data on the 2 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.

14. 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					Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales	Purchases	Sales	Net purchases or sales
	Total	Intl. and regional	Foreign											
			Total	Official	Other									
1972.....	3,316	57	3,258	3,281	- 23	19,083	15,015	4,068	1,901	2,932	1,031	2,532	2,123	409
1973.....	305	165	470	465	6	18,569	13,810	4,759	1,474	2,467	993	1,729	1,554	176
1974.....	479	94	573	642	69	15,515	13,830	1,684	1,045	3,325	2,281	1,899	1,718	181
1975 Jan.-Mar.....	1,005	49	1,054	944	109	3,520	3,626	106	434	2,410	1,977	429	487	58
1974- Mar.....	157	166	10	.....	- 10	1,672	1,484	188	102	398	- 295	167	183	16
Apr.....	237	82	155	172	16	1,126	904	222	103	323	219	189	155	34
May.....	28	29	- 57	- 7	50	903	852	51	89	154	- 64	173	174	- 2
June.....	101	97	3	.....	3	1,174	923	251	74	272	- 197	207	117	90
July.....	23	9	14	.....	14	1,049	1,056	7	94	251	- 158	128	116	12
Aug.....	- 37	47	- 84	73	- 11	1,400	1,132	268	59	214	- 155	146	117	29
Sept.....	- 116	82	- 33	60	27	1,361	1,183	178	72	152	- 80	145	100	45
Oct.....	70	32	38	.....	38	1,568	1,364	205	86	362	- 276	89	152	- 63
Nov.....	132	57	76	25	50	1,415	1,311	103	92	170	- 78	124	102	22
Dec.....	134	36	171	153	17	927	978	50	101	524	423	117	87	30
1975- Jan.....	18	109	127	118	9	65	949	- 883	131	1,207	1,076	148	156	9
Feb.....	231	53	285	182	102	1,704	1,356	347	118	554	436	134	173	39
Mar.....	756	114	642	644	- 3	1,751	1,321	431	186	650	464	148	158	- 10

¹ Excludes nonmarketable U.S. Treasury bonds and notes issued to official institutions of foreign countries.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.

15. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE STOCKS, BY COUNTRY

(In millions of dollars)

Period	Pur- chases	Sales	Net pur- chases or sales (1)	France	Ger- many	Nether- lands	Switzer- land	United King- dom	Other Europe	Total Europe	Canada	Latin America	Asia	Other ²
1972.....	14,361	12,173	2,188	372	51	297	642	561	137	1,958	78	32	256	83
1973.....	12,762	9,978	2,785	439	3	339	685	366	274	2,104	99	1	577	5
1974.....	7,887	7,098	889	203	99	330	36	604	80	384	6	33	131	10
1975 Jan.-Mar. ³	3,361	2,303	958	67	51	62	196	177	31	584	47	2	313	17
1974- Mar.....	896	846	49	14	26	40	24	14	25	91	21	9	29	1
Apr.....	577	559	19	22	17	35	3	14	38	21	10	2	4	2
May.....	576	801	18	18	7	29	5	36	8	19	7	15	3	2
June.....	521	813	8	15	8	33	11	18	3	16	13	7	18	2
July.....	808	810	2	14	8	59	9	49	3	2	10	2	14	2
Aug.....	880	802	78	19	18	16	18	7	11	64	14	9	10	1
Sept.....	447	438	9	9	17	21	6	22	3	3	6	4	6	1
Oct.....	673	698	25	17	30	9	99	82	11	114	3	2	98	7
Nov.....	604	616	12	8	1	2	38	51	4	72	2	5	70	1
Dec.....	486	429	21	13	13	20	10	76	9	30	14	10	27	2
1975 Jan.....	731	841	190	34	15	8	42	8	18	107	12	15	84	2
Feb.....	1,383	819	564	21	35	14	115	147	9	331	20	18	180	18
Mar.....	1,148	913	235	12	11	40	39	38	7	146	15	5	80	8

¹ Includes international and regional organizations.**16. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE BONDS, BY COUNTRY**

(In millions of dollars)

Period	Total	France	Ger- many	Nether- lands	Switzer- land	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Africa	Other countries	Intl. and regional
1972.....	1,881	336	77	74	135	367	315	1,303	82	22	323	2	*	148
1973.....	1,948	201	33	19	307	275	473	1,204	49	44	588	*	10	52
1974.....	1,395	96	33	183	96	352	59	702	50	43	587	8	10	34
1975 Jan.-Mar. ³	36	1	4	*	18	1	7	27	34	8	511	2	*	529
1974- Mar.....	139	1	*	2	6	79	6	81	1	6	1	*	*	215
Apr.....	203	60	3	*	8	26	17	114	4	1	*	*	*	86
May.....	66	10	*	*	28	19	1	59	3	5	3	*	*	3
June.....	242	5	3	116	15	64	17	185	1	4	3	*	*	56
July.....	5	1	2	72	2	36	11	100	2	5	7	*	10	128
Aug.....	190	1	1	1	1	29	9	21	2	4	199	*	*	36
Sept.....	176	1	1	1	2	54	3	55	4	5	15	*	*	130
Oct.....	226	10	1	1	13	6	5	25	18	5	100	*	*	79
Nov.....	224	1	1	2	1	20	6	23	11	8	98	*	*	163
Dec.....	11	1	-	4	1	84	5	56	4	17	93	*	*	173
1975 Jan.....	27	1	4	*	6	59	5	74	14	1	182	*	*	212
Feb.....	186	4	4	4	4	83	1	80	16	8	37	*	1	189
Mar.....	198	1	1	1	10	23	1	32	4	4	322	2	*	158

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.

17. 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	Af- rica	Other countries
1972.....	622	90	532	805	635	69	296	66	29
1973.....	818	139	957	141	569	120	168	3	37
1974.....	2,058	60	1,999	544	1,529	93	138	7	22
1975 Jan.-Mar. ³	2,034	835	1,199	86	739	127	269	20	1
1974- Mar.....	311	4	315	24	288	15	16	*	3
Apr.....	144	1	147	8	157	6	13	*	3
May.....	66	8	71	26	35	22	10	*	3
June.....	105	3	107	78	121	6	94	1	3
July.....	146	1	147	63	108	1	24	1	3
Aug.....	126	2	127	38	126	9	42	1	1
Sept.....	35	12	47	41	37	8	25	1	3
Oct.....	340	2	342	81	244	18	1	2	3
Nov.....	56	3	59	21	8	14	21	2	3
Dec.....	393	95	298	27	190	28	67	12	*
1975 Jan.....	1,085	572	514	41	405	28	60	20	*
Feb.....	475	147	328	19	159	97	94	2	*
Mar.....	474	116	358	64	175	3	115	2	1

18. 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)
1971- Dec.....	311	314
1972- June.....	312	339
Sept.....	286	336
Dec.....	372	405
1973- Mar.....	310	364
June.....	316	243
Sept.....	290	255
Dec.....	333	231
1974- Mar.....	383	225
June.....	354	241
Sept.....	298	178
Dec.....	293	193

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.

19a. 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	Non-bank foreigners	
IN ALL FOREIGN COUNTRIES											
Total, all currencies.....	1972-Dec.....	78,202	4,678	2,113	2,565	71,304	11,504	35,773	1,594	22,432	2,220
	1973-Dec.....	121,866	5,091	1,886	3,205	111,974	19,177	56,368	2,693	33,736	4,802
	1974-Feb.....	127,246	4,409	1,612	2,797	117,755	20,357	57,894	3,144	36,360	5,081
	Mar.....	136,984	7,814	5,336	2,478	123,997	22,397	60,563	3,539	37,497	5,174
	Apr.....	140,020	5,980	3,504	2,476	128,823	23,119	62,901	3,753	39,050	5,217
	May.....	145,918	7,894	5,329	2,566	132,513	24,583	64,693	3,703	39,534	5,510
	June.....	147,467	6,677	3,995	2,682	135,054	25,120	64,441	3,610	41,883	5,736
	July.....	145,058	6,147	3,533	2,614	133,199	25,726	61,949	3,689	41,834	5,711
	Aug.....	148,652	9,048	6,550	2,498	133,725	26,428	60,524	3,423	43,349	5,880
	Sept.....	147,720	5,986	3,342	2,645	135,552	26,322	61,301	3,721	44,208	6,181
	Oct.....	145,865	4,331	1,697	2,634	135,573	26,958	59,617	3,849	45,149	5,962
	Nov.....	150,170	7,279	4,687	2,592	136,810	28,366	58,727	4,019	45,698	6,081
	Dec.....	151,611	6,281	3,847	2,434	139,039	27,542	60,248	4,077	47,172	6,292
	1975-Jan.....	151,005	6,546	3,876	2,669	138,495	27,870	58,821	4,152	47,652	5,965
	Feb.....	151,276	4,792	2,191	2,601	140,657	28,936	58,695	4,246	48,779	5,827
Payable in U.S. dollars.....	1972-Dec.....	52,636	4,419	2,091	2,327	47,444	7,869	26,251	1,059	12,264	773
	1973-Dec.....	79,445	4,599	1,848	2,751	73,018	12,799	39,527	1,777	18,915	1,828
	1974-Feb.....	83,963	4,004	1,557	2,448	78,013	13,785	40,922	2,211	21,094	1,946
	Mar.....	92,910	7,396	5,252	2,143	83,572	15,799	43,273	2,487	22,013	1,941
	Apr.....	94,292	5,621	3,456	2,165	86,483	16,043	44,919	2,835	22,685	2,188
	May.....	100,266	7,549	5,281	2,268	90,202	16,890	47,373	2,841	23,099	2,514
	June.....	101,704	6,355	3,945	2,410	92,730	17,478	47,819	2,803	24,629	2,619
	July.....	101,534	5,856	3,484	2,373	92,987	18,480	46,422	2,889	25,196	2,691
	Aug.....	105,760	8,737	6,497	2,239	94,145	19,694	45,681	2,780	25,990	2,879
	Sept.....	104,345	5,709	3,284	2,426	95,585	19,413	46,517	2,873	26,781	3,050
	Oct.....	101,936	4,049	1,640	2,409	94,939	19,785	44,832	3,006	27,316	2,948
	Nov.....	104,962	6,973	4,633	2,340	94,949	20,623	43,741	3,192	27,393	3,039
	Dec.....	105,676	5,985	3,811	2,174	96,535	19,671	45,032	3,289	28,543	3,156
	1975-Jan.....	105,643	6,222	3,835	2,387	96,341	20,425	43,108	3,370	29,437	3,080
	Feb.....	103,983	4,448	2,148	2,300	96,648	20,794	42,575	3,431	29,848	2,888
IN UNITED KINGDOM											
Total, all currencies.....	1972-Dec.....	43,467	2,234	1,138	1,096	40,214	5,659	23,842	606	10,106	1,018
	1973-Dec.....	61,732	1,789	738	1,051	57,761	8,773	34,442	735	13,811	2,183
	1974-Feb.....	63,585	1,477	616	861	59,792	9,209	34,813	916	14,853	2,317
	Mar.....	68,076	3,070	2,319	751	63,020	10,706	36,192	887	15,235	1,986
	Apr.....	68,959	2,589	1,806	783	64,238	10,819	36,775	1,073	15,572	2,131
	May.....	71,982	3,792	2,969	823	66,008	11,759	37,920	889	15,439	2,183
	June.....	71,305	3,561	2,612	949	65,617	11,886	36,468	812	16,452	2,126
	July.....	69,197	3,046	2,205	840	63,974	12,486	34,575	718	16,195	2,177
	Aug.....	70,382	3,599	2,858	741	64,496	12,790	33,942	666	17,097	2,287
	Sept.....	70,965	2,860	2,087	774	65,596	12,436	34,959	829	17,372	2,509
	Oct.....	68,123	1,325	502	823	64,462	12,386	33,608	887	17,581	2,336
	Nov.....	69,137	3,387	2,568	818	63,571	13,122	32,128	753	17,567	2,179
	Dec.....	69,804	3,248	2,472	776	64,111	12,724	32,701	788	17,898	2,445
	1975-Jan.....	68,451	2,633	1,902	731	63,527	12,873	32,057	854	17,743	2,291
	Feb.....	67,038	1,818	1,023	796	63,250	13,246	31,641	848	17,515	1,970
Payable in U.S. dollars.....	1972-Dec.....	30,257		2,146		27,664	4,326	17,874		5,464	446
	1973-Dec.....	40,323		1,642		37,816	6,509	23,899		7,409	865
	1974-Feb.....	41,762		1,384		39,409	6,902	24,415		8,093	969
	Mar.....	46,062		2,967		42,212	8,240	25,365		8,608	882
	Apr.....	46,419		2,499		42,895	8,386	25,768		8,741	1,024
	May.....	49,654		3,693		44,825	9,285	26,994		8,546	1,135
	June.....	49,363		3,462		44,774	9,425	26,147		9,203	1,126
	July.....	48,158		2,958		44,061	9,932	24,698		9,432	1,138
	Aug.....	49,406		3,507		44,677	10,529	24,512		9,637	1,222
	Sept.....	50,075		2,774		45,960	10,305	25,720		9,937	1,339
	Oct.....	47,968		1,235		45,421	10,234	25,233		9,954	1,312
	Nov.....	48,710		3,277		44,198	10,796	23,551		9,852	1,235
	Dec.....	49,211		3,146		44,693	10,265	24,326		10,102	1,372
	1975-Jan.....	47,769		2,542		43,959	10,421	23,271		10,268	1,267
	Feb.....	46,019		1,697		43,244	10,615	22,575		10,055	1,077
IN BAHAMAS AND CAYMANS ¹											
Total, all currencies.....	1972-Dec.....	12,642	1,486	214	1,272	10,986		6,663		4,322	170
	1973-Dec.....	23,771	2,210	317	1,893	21,041		12,974		8,068	520
	1974-Feb.....	25,657	1,874	167	1,707	23,253		14,226		9,026	530
	Mar.....	28,446	3,360	1,973	1,386	24,475		15,404		9,071	611
	Apr.....	28,778	2,390	956	1,434	25,765		16,086		9,679	623
	May.....	30,864	3,166	1,700	1,467	26,953		17,035		9,918	744
	June.....	31,219	2,264	818	1,446	28,168		17,643		10,524	787
	July.....	30,403	2,126	616	1,510	27,462		16,822		10,640	815
	Aug.....	32,250	4,306	2,835	1,471	27,165		16,157		11,009	779
	Sept.....	30,080	2,034	470	1,564	27,190		16,014		11,177	856
	Oct.....	30,030	1,876	381	1,495	27,364		16,280		11,084	790
	Nov.....	32,209	2,827	1,344	1,484	28,498		17,193		11,305	883
	Dec.....	31,514	1,846	464	1,382	28,853		16,854		11,999	815
	1975-Jan.....	33,085	2,740	1,111	1,629	29,508		16,864		12,643	838
	Feb.....	23,258	1,872	381	1,491	30,554		17,342		13,212	832

For notes see p. A-74.

19b. 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				Non-bank foreigners
IN ALL FOREIGN COUNTRIES										
78,203	3,501	997	2,504	72,121	11,121	41,218	8,351	11,432	2,580	.....1972 Dec.
121,866	5,126	1,642	3,968	111,615	18,213	65,389	10,330	17,683	4,641	.....1973 Dec.
127,246	6,230	2,319	3,911	116,416	19,307	67,408	10,447	19,254	4,600	.....1974 Feb.
136,985	7,100	2,429	4,671	124,887	21,073	71,530	10,849	21,434	4,998	.....Mar.
140,020	7,210	2,558	4,652	127,586	22,688	71,232	11,612	22,054	5,224	.....Apr.
145,918	8,275	3,218	5,057	131,978	23,941	74,193	12,187	21,657	5,665	.....May
147,467	9,028	3,488	5,540	132,328	24,234	71,692	14,388	22,015	6,110	.....June
145,057	10,129	4,373	5,757	128,616	25,313	66,855	15,030	21,418	6,312	.....July
148,652	9,352	4,056	5,296	132,774	26,007	68,772	16,304	21,690	6,527	.....Aug.
147,720	9,981	5,058	4,923	131,016	26,337	66,071	17,488	21,121	6,723	.....Sept.
145,865	10,408	5,812	4,596	128,910	26,619	62,606	18,171	21,514	6,548	.....Oct.
150,171	11,797	6,145	5,652	131,619	27,717	63,596	19,979	20,327	6,755	.....Nov.
151,611	11,764	5,590	6,173	132,915	26,903	65,793	20,133	20,187	6,932	.....Dec.
151,005	11,786	6,310	5,476	132,688	26,988	64,144	21,631	19,924	6,532	.....1975 Jan.
151,276	11,812	6,408	5,404	132,966	28,154	63,326	21,899	19,587	6,499	.....Feb.
54,878	3,050	847	2,202	50,406	7,955	29,229	6,781	6,441	1,422	.....1972 Dec.
80,374	5,027	1,477	3,550	73,189	12,554	43,641	7,491	9,502	2,158	.....1973 Dec.
84,649	5,725	2,166	3,559	76,769	13,329	44,462	8,045	10,933	2,155	.....1974 Feb.
93,410	6,528	2,227	4,301	84,380	15,071	48,886	8,475	11,947	2,501	.....Mar.
94,921	6,640	2,378	4,262	84,619	15,783	47,847	9,195	12,794	2,662	.....Apr.
100,714	7,685	3,021	4,664	89,848	16,694	50,848	9,817	12,490	3,181	.....May
102,302	8,414	3,279	5,135	90,359	17,070	48,909	11,630	12,750	3,529	.....June
102,432	9,494	4,160	5,334	89,264	18,438	45,768	12,337	12,721	3,675	.....July
106,842	8,719	3,865	4,854	94,178	19,456	48,394	13,508	12,821	3,945	.....Aug.
106,004	9,294	4,833	4,461	92,630	19,599	46,020	14,533	12,478	4,080	.....Sept.
103,893	9,864	5,609	4,255	90,136	19,481	42,690	15,076	12,889	3,893	.....Oct.
107,323	11,111	5,919	5,192	92,233	20,242	43,147	16,789	12,054	3,979	.....Nov.
107,596	11,218	5,423	5,795	92,428	19,292	43,674	17,392	12,070	3,950	.....Dec.
108,055	11,323	6,158	5,164	92,957	19,969	42,851	18,291	11,846	3,776	.....1975 Jan.
105,738	11,314	6,260	5,053	90,797	20,079	40,625	18,656	11,437	3,628	.....Feb.
IN UNITED KINGDOM										
43,467	1,453	113	1,340	41,020	2,961	24,596	6,433	7,030	994	.....1972 Dec.
61,732	2,431	136	2,295	57,111	3,944	34,979	8,140	10,248	1,990	.....1973 Dec.
63,585	2,573	269	2,303	58,956	4,193	35,355	8,295	11,112	2,057	.....1974 Feb.
68,076	3,167	353	2,814	63,096	4,587	37,700	8,592	12,217	1,813	.....Mar.
68,959	3,123	409	2,714	63,914	4,975	36,524	9,240	13,175	1,922	.....Apr.
71,982	3,729	749	2,979	66,156	4,890	39,596	9,273	12,398	2,097	.....May
71,305	3,744	606	3,138	65,429	4,913	36,711	11,289	12,516	2,132	.....June
69,197	3,439	611	2,828	63,557	5,099	34,393	11,543	12,521	2,201	.....July
70,382	3,701	713	2,988	64,309	4,794	33,920	12,737	12,858	2,373	.....Aug.
70,965	3,503	635	2,867	64,919	5,428	33,766	13,544	12,181	2,543	.....Sept.
68,123	3,227	683	2,544	62,621	5,237	30,621	14,051	12,712	2,275	.....Oct.
69,137	4,376	889	3,487	62,397	5,071	30,352	15,454	11,521	2,363	.....Nov.
69,804	3,978	510	3,468	63,409	4,762	32,040	15,258	11,349	2,418	.....Dec.
68,451	3,804	873	2,931	62,360	4,567	30,266	16,419	11,108	2,287	.....1975 Jan.
67,038	3,826	913	2,912	61,096	4,693	29,207	16,517	10,677	2,117	.....Feb.
30,810	1,272	72	1,200	29,002	2,008	17,379	5,329	4,287	535	.....1972 Dec.
39,689	2,173	113	2,060	36,646	2,519	22,051	5,923	6,152	870	.....1973 Dec.
140,964	2,346	243	2,103	37,579	2,729	21,330	6,476	7,044	1,040	.....1974 Feb.
45,604	2,927	329	2,598	41,708	3,063	24,164	6,830	7,650	969	.....Mar.
46,323	2,878	384	2,494	42,453	3,234	23,207	7,401	8,612	992	.....Apr.
49,301	3,481	734	2,757	44,625	3,083	26,010	7,468	8,064	1,195	.....May
48,970	3,516	579	2,937	44,214	3,255	23,669	9,137	8,155	1,239	.....June
48,018	3,176	568	2,608	43,528	3,364	22,388	9,450	8,426	1,314	.....July
49,481	3,448	692	2,756	44,654	3,278	22,558	10,437	8,382	1,380	.....Aug.
50,212	3,177	605	2,572	45,550	3,667	22,818	11,035	8,030	1,486	.....Sept.
48,314	2,988	651	2,337	44,033	3,690	20,203	11,444	8,696	1,294	.....Oct.
49,668	4,037	865	3,172	44,356	3,557	20,200	12,808	7,691	1,375	.....Nov.
49,666	3,744	484	3,261	44,594	3,256	20,526	13,225	7,587	1,328	.....Dec.
48,490	3,599	854	2,744	43,578	3,172	19,061	13,736	7,609	1,313	.....1975 Jan.
46,698	3,614	895	2,719	41,900	3,266	17,673	13,932	7,029	1,184	.....Feb.
IN BAHAMAS AND CAYMANS										
12,643	1,220			11,260	1,818	8,105		1,338	163	.....1972 Dec.
23,771	1,573			21,747	5,508	14,563		1,676	451	.....1973 Dec.
25,657	2,244			22,979	5,587	15,448		1,944	435	.....1974 Feb.
28,446	2,451			25,553	6,608	16,853		2,091	543	.....Mar.
28,778	2,283			26,017	7,402	16,809		2,106	479	.....Apr.
30,864	2,567			27,706	8,255	17,217		2,233	591	.....May
31,219	2,855			27,725	7,642	17,593		2,490	639	.....June
30,403	3,684			26,039	7,663	16,223		2,153	681	.....July
32,250	2,842			28,670	8,079	18,403		2,188	738	.....Aug.
30,080	3,721			25,626	7,072	16,259		2,295	733	.....Sept.
30,030	4,270			24,995	7,211	15,650		2,135	765	.....Oct.
32,209	4,322			27,107	8,538	16,427		2,141	779	.....Nov.
31,514	4,598			26,138	7,702	16,426		2,011	778	.....Dec.
33,085	4,992			27,341	8,269	16,852		2,220	752	.....1975 Jan.
233,258	5,045			27,426	8,975	16,207		2,244	787	.....Feb.

For notes see p. A-74.

**20. DEPOSITS, U.S. TREAS. SECURITIES,
AND GOLD HELD AT F.R. BANKS FOR
FOREIGN OFFICIAL ACCOUNT**

(In millions of dollars)

End of period	Deposits	Assets in custody	
		U.S. Treas. securities ¹	Earmarked gold
1972.....	325	50,934	215,530
1973.....	251	52,070	217,068
1974.....	418	55,600	16,838
1974—Apr....	517	52,642	17,026
May....	429	54,195	17,021
June....	384	54,442	17,014
July....	330	54,317	16,964
Aug....	372	53,681	16,917
Sept....	411	53,849	16,892
Oct....	376	54,691	16,875
Nov....	626	55,908	16,865
Dec....	418	55,600	16,838
1975 Jan....	391	58,001	16,837
Feb....	409	60,864	16,818
Mar....	402	60,729	16,818
Apr....	270	60,618	16,818

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 changes in par value of the U.S. dollar in May 1972, and in Oct. 1973.

NOTE: Excludes deposits and U.S. Treasury securities held for international and regional organizations. Earmarked gold is gold held for foreign and international accounts and is not included in the gold stock of the United States.

**21. SHORT-TERM LIQUID CLAIMS ON FOREIGNERS
REPORTED BY NONBANKING CONCERNS**

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars		Payable in foreign currencies		United Kingdom	Canada
		Deposits	Short-term investments ¹	Deposits	Short-term investments ¹		
1969.....	1,491	1,062	161	183	86	663	534
1970.....	1,141	697	150	173	121	372	443
1971 ²	1,648	1,092	203	234	120	577	587
	1,507	1,078	127	234	68	580	443
1972 ²	1,965	1,446	169	307	42	702	485
1973.....	2,374	1,910	55	340	68	911	536
	3,160	2,586	37	427	109	1,116	770
1974 Feb....	3,225	2,601	65	361	198	1,219	861
Mar....	3,678	3,011	99	348	219	1,372	1,027
Apr....	3,581	2,967	60	346	209	1,487	930
May....	3,669	3,037	76	329	227	1,441	980
June....	3,661	3,049	62	369	181	1,418	927
July....	3,771	3,223	74	341	133	1,441	828
Aug....	3,504	2,941	51	369	144	1,436	872
Sept....	3,073	2,491	30	362	189	1,194	864
Oct....	2,696	2,130	25	324	216	1,118	835
Nov....	2,996	2,378	15	325	277	1,283	942
Dec....	3,293	2,572	56	403	261	1,340	943
1975 Jan....	3,227	2,519	45	316	348	1,134	1,113
Feb....	3,378	2,512	48	356	411	1,076	1,134

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 2 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 Table 22.

**22. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY
NONBANKING CONCERNS, BY TYPE**

(Amount 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
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	5,000	4,467	289	244
1972—Mar....	2,844	2,407	437	5,173	4,557	317	300
June....	2,925	2,452	472	5,326	4,685	374	268
Sept....	2,933	2,435	498	5,487	4,833	426	228
Dec. 1.....	3,119	2,635	484	5,721	5,074	410	237
	3,453	2,961	492	6,366	5,699	393	274
1973—Mar....	3,375	2,874	502	7,149	6,262	458	429
June....	3,375	2,807	568	7,433	6,574	499	361
Sept....	3,670	2,971	698	7,788	6,849	528	411
Dec....	4,080	3,314	765	8,556	7,645	484	428
1974—Mar....	4,507	3,629	878	10,570	9,643	400	528
June....	5,188	4,173	1,015	11,165	10,235	420	510
Sept....	5,747	4,690	1,057	10,725	9,748	419	558
Dec. 1.....	5,929	4,909	1,020	11,286	10,209	461	616

¹ Data on the 2 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.

23. 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				
	1974					1974				
	Dec.	Mar.	June	Sept.	Dec.	Dec.	Mar.	June	Sept.	Dec.
Europe:										
Austria.....	3	4	12	18	21	17	16	17	15	25
Belgium-Luxembourg.....	186	226	405	489	516	106	153	139	114	131
Denmark.....	9	17	18	22	20	46	37	27	25	40
Finland.....	7	8	9	12	16	44	42	80	91	120
France.....	168	161	204	192	235	310	413	537	491	458
Germany, Fed. Rep. of.....	246	238	222	246	314	284	347	345	322	340
Greece.....	40	21	28	28	40	51	87	76	69	65
Italy.....	116	133	143	150	143	219	330	409	431	418
Netherlands.....	125	114	104	113	107	112	103	126	144	147
Norway.....	9	9	8	10	9	18	22	35	32	36
Portugal.....	13	24	17	20	19	50	112	101	69	81
Spain.....	27	68	56	57	66	243	414	470	424	382
Sweden.....	48	43	52	40	38	71	74	106	97	89
Switzerland.....	103	94	114	106	136	101	90	78	154	136
Turkey.....	18	26	28	38	25	34	41	46	41	45
United Kingdom.....	932	1,113	1,219	1,429	1,235	1,543	1,835	1,869	1,768	1,855
Yugoslavia.....	28	31	36	34	60	49	30	41	39	43
Other Western Europe.....	3	1	6	7	5	19	19	23	20	22
Eastern Europe.....	0	26	31	77	66	104	79	97	90	142
Total.....	2,103	2,371	2,712	3,087	3,071	3,437	4,232	4,571	4,438	4,574
Canada.....	255	320	294	297	290	1,248	1,526	1,571	1,570	1,617
Latin America:										
Argentina.....	22	18	18	28	36	47	52	52	59	69
Bahamas.....	419	206	307	325	281	633	760	992	518	594
Brazil.....	64	78	125	60	119	230	409	523	439	460
Chile.....	20	6	9	14	20	42	78	64	134	103
Colombia.....	9	18	22	13	14	40	41	51	49	50
Cuba.....	*	*	*	*	*	1	1	1	1	1
Mexico.....	54	72	71	64	64	235	260	263	287	292
Panama.....	13	14	19	21	28	129	178	187	174	142
Peru.....	15	17	11	15	13	47	65	60	40	43
Uruguay.....	5	3	2	2	2	5	6	5	6	8
Venezuela.....	41	45	36	54	49	134	136	171	190	193
Other L.A. republics.....	51	45	60	63	83	134	172	172	182	193
Neth. Antilles and Surinam.....	6	5	6	8	25	12	12	16	14	20
Other Latin America.....	22	37	59	50	81	214	158	136	169	148
Total.....	719	864	745	818	815	1,892	2,330	2,692	2,169	2,302
Asia:										
China, People's Republic of (China Mainland).....	47	20	39	23	17	21	8	1	8	19
China, Rep. of (Taiwan).....	34	52	72	72	94	121	184	119	127	137
Hong Kong.....	41	24	19	19	19	48	65	68	64	64
India.....	14	14	13	10	7	17	36	31	37	37
Indonesia.....	14	13	22	38	49	54	51	67	81	85
Israel.....	35	41	39	40	51	38	38	37	53	44
Japan.....	297	314	174	352	346	888	1,212	970	1,109	1,154
Korea.....	17	38	45	66	75	105	109	124	123	201
Philippines.....	17	9	19	28	25	73	87	86	108	94
Thailand.....	6	7	7	10	10	28	31	43	23	24
Other Asia.....	178	273	401	431	547	239	264	313	311	386
Total.....	705	855	1,050	1,089	1,240	1,642	2,087	1,860	2,043	2,246
Africa:										
Egypt.....	10	35	12	6	3	9	9	13	16	18
South Africa.....	14	22	24	35	43	62	69	85	90	101
Zaire.....	19	21	15	17	18	18	20	17	13	19
Other Africa.....	125	134	156	114	129	127	155	195	205	240
Total.....	168	212	206	172	193	216	253	310	325	378
Other countries:										
Australia.....	118	134	94	128	132	97	110	117	134	120
All other.....	12	22	24	32	30	25	31	39	44	49
Total.....	130	156	117	160	162	123	142	157	178	169
International and regional.....	*	29	63	125	159	*	1	1	1	*
Grand total.....	4,080	4,507	5,188	5,747	5,929	6,856	10,570	11,165	10,225	11,286

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.

24. 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
1970- 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	3,068	128	704	717	174	60	653	136	325	86	84
1972- Mar.....	3,093	3,141	129	713	737	175	60	665	137	359	81	85
June.....	3,300	3,206	108	712	748	188	61	671	161	377	86	93
Sept.....	3,448	3,187	128	695	757	177	63	662	132	390	89	96
Dec. ¹	3,540	3,312	163	715	775	184	60	658	156	406	87	109
	3,631	3,409	191	755	793	187	64	692	134	395	86	111
1973- Mar.....	3,818	3,553	156	814	864	165	63	783	124	410	105	125
June.....	3,833	3,622	179	818	819	146	65	813	130	413	108	131
Sept.....	4,066	3,788	216	839	836	147	73	822	140	471	108	137
Dec. ¹	3,946	3,857	290	782	890	145	79	816	128	342	115	142
1974- Mar.....	3,863	4,045	368	756	927	194	81	796	123	469	119	147
June.....	3,549	3,965	362	717	947	184	138	734	122	492	122	148
Sept.....	3,355	4,055	370	702	992	181	145	776	114	523	118	133
Dec. ¹	3,514	4,231	364	636	1,021	187	143	1,015	107	505	125	129

¹ Data on the 2 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.

25. OPEN MARKET RATES

(Per cent per annum)

Month	Canada		United Kingdom				France	Germany, Fed. Rep. of		Netherlands		Switzerland
	Treasury bills, 3 months ¹	Day-to-day money ²	Prime bank bills, 3 months	Treasury bills, 3 months	Day-to-day money	Clearing banks' deposit rates	Day-to-day money ³	Treasury bills, 60-90 days ⁴	Day-to-day money ⁵	Treasury bills, 3 months	Day-to-day money	Private discount rate
1973.....	5.43	5.27	10.45	9.40	8.27	7.96	8.92	6.40	10.18	4.07	4.94	5.09
1974.....	7.63	7.69	12.99	11.36	9.85	9.48	12.87	6.06	8.76	6.90	8.21	6.67
1974-Apr.....	7.18	6.93	13.20	11.53	10.00	9.50	11.81	5.63	5.33	6.64	9.86	6.50
May.....	8.22	7.48	13.31	11.36	10.72	9.50	12.90	6.63	8.36	7.00	9.00	6.50
June.....	8.66	8.36	12.61	11.23	10.58	9.50	13.59	5.63	8.79	7.00	8.98	6.50
July.....	8.88	8.52	13.21	11.20	8.70	9.50	13.75	5.63	9.13	7.50	8.57	7.00
Aug.....	8.76	8.83	12.80	11.24	11.11	9.50	13.68	5.63	9.05	7.50	7.09	7.00
Sept.....	8.70	8.84	12.11	10.91	10.69	9.50	13.41	5.63	9.00	7.42	5.08	7.00
Oct.....	8.67	8.56	11.95	10.93	10.81	9.50	13.06	5.63	8.88	7.38	7.81	7.00
Nov.....	7.84	7.86	12.07	10.98	7.70	9.50	12.40	5.63	7.20	6.72	7.00	7.00
Dec.....	7.29	7.44	12.91	10.99	7.23	9.50	11.88	5.13	8.25	6.69	6.96	7.00
1975-Jan.....	6.65	6.82	11.93	10.59	8.40	9.30	11.20	5.13	7.54	6.60	6.18	7.00
Feb.....	6.34	6.88	11.34	9.88	7.72	9.50	9.91	3.88	4.04	6.56	7.33	7.00
Mar.....	6.29	6.73	10.11	9.49	7.53	8.22	9.06	3.38	4.87	5.94	5.87	7.00
Apr.....	6.59	6.68	9.41	9.26	7.50	7.09	8.34	.....	4.62	5.53	4.13	6.50

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.

NOTES TO TABLES 19a AND 19b ON PAGES A-70 AND A-71, RESPECTIVELY:

¹ Cayman Islands included beginning Aug. 1973.² Total assets and total liabilities payable in U.S. dollars amounted to \$29,563 million and \$29,254 million, respectively, on Feb. 28, 1975.

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.

26. CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of Apr. 30, 1975		Country	Rate as of Apr. 30, 1975	
	Per cent	Month effective		Per cent	Month effective
Argentina.....	18.0	Feb. 1972	Italy.....	8.0	Dec. 1974
Austria.....	6.0	Apr. 1975	Japan.....	8.5	Apr. 1975
Belgium.....	7.0	Apr. 1975	Mexico.....	4.5	June 1942
Brazil.....	18.0	Feb. 1972	Netherlands.....	6.0	Mar. 1975
Canada.....	8.25	Jan. 1975	Norway.....	5.5	Mar. 1974
Denmark.....	8.0	Apr. 1975	Sweden.....	7.0	Aug. 1974
France.....	10.0	Apr. 1975	Switzerland.....	5.0	Feb. 1975
Germany, Fed. Rep. of.....	5.0	Mar. 1975	United Kingdom.....	9.75	Apr. 1975
			Venezuela.....	5.0	Oct. 1970

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;

Japan—Penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;

United Kingdom—The Bank's minimum lending rate, which is the average rate of discount for Treasury bills established at the most recent tender plus one-half per cent rounded to the nearest one-quarter per cent above.

Venezuela—2 per cent for rediscounts of certain agricultural 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.

27. FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Australia (dollar)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Denmark (krone)	France (franc)	Germany (Deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)
1971.....	113.61	4.0009	2.0598	99.021	13.508	18.148	28.768	13.338	244.42	16174	28779
1972.....	119.23	4.3228	2.2716	100.937	14.384	19.825	31.364	13.246	250.08	17132	32995
1973.....	141.94	5.1649	2.5761	99.977	16.603	22.536	37.758	12.071	245.10	17192	36915
1974.....	143.89	5.3564	2.5713	102.257	16.442	20.805	38.723	12.460	234.03	15372	34302
1974—Apr.....	148.41	5.3345	2.5686	103.356	16.496	20.541	39.594	12.711	238.86	15720	36001
May.....	148.44	5.5655	2.6559	103.916	17.012	20.540	40.635	12.841	241.37	15808	35847
June.....	148.34	5.5085	2.6366	103.481	16.754	20.408	39.603	12.735	239.02	15379	35340
July.....	147.99	5.4973	2.6378	102.424	16.858	20.984	39.174	12.759	238.96	15522	34372
Aug.....	148.24	5.3909	2.5815	102.053	16.547	20.912	38.197	12.525	234.56	15269	33082
Sept.....	144.87	5.2975	2.5364	101.384	16.111	20.831	37.580	12.316	231.65	15103	33439
Oct.....	130.92	5.4068	2.5939	101.727	16.592	21.131	38.571	12.416	231.29	14992	33404
Nov.....	131.10	5.5511	2.6529	101.280	16.997	21.384	39.816	12.397	232.52	14996	33325
Dec.....	131.72	5.7176	2.7158	101.192	17.315	22.109	40.816	12.352	232.94	15179	33288
1975—Jan.....	132.95	5.9477	2.8190	100.526	17.816	22.893	42.292	12.300	236.23	15504	33370
Feb.....	134.80	6.0400	2.8753	99.957	18.064	23.390	42.981	12.550	239.58	15678	34294
Mar.....	135.85	6.0648	2.9083	99.954	18.397	23.804	43.120	12.900	241.80	15842	34731
Apr.....	134.16	5.9355	2.8433	98.913	18.119	23.806	42.092	12.686	237.07	15767	34224
Period	Malaysia (dollar)	Mexico (peso)	Netherlands (guilder)	New Zealand (dollar)	Norway (krone)	Portugal (escudo)	South Africa (rand)	Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
1971.....	32.989	8.0056	28.650	113.71	14.205	3.5456	140.29	1.4383	19.592	24.325	244.42
1972.....	35.610	8.0000	31.153	119.35	15.180	3.7023	129.43	1.5559	21.022	26.193	250.08
1973.....	40.988	8.0000	35.977	136.04	17.406	4.1080	143.88	1.7178	22.970	31.700	245.10
1974.....	41.682	8.0000	37.267	140.02	18.119	3.9506	146.98	1.7337	22.563	33.688	234.03
1974—Apr.....	41.959	8.0000	37.416	145.12	18.170	4.0232	148.85	1.7080	22.730	33.044	238.86
May.....	42.155	8.0000	38.509	146.07	18.771	4.1036	148.78	1.7409	23.388	34.288	241.37
June.....	41.586	8.0000	37.757	145.29	18.410	4.0160	148.86	1.7450	22.885	33.449	239.02
July.....	41.471	8.0000	38.043	145.15	18.519	3.9886	149.73	1.7525	22.861	33.739	238.96
Aug.....	42.780	8.0000	37.419	143.73	18.246	3.9277	146.83	1.7466	22.597	33.509	234.56
Sept.....	41.443	8.0000	36.870	139.64	17.993	3.8565	142.69	1.7349	22.333	33.371	231.65
Oct.....	41.560	8.0000	37.639	129.95	18.165	3.9246	142.75	1.7422	22.683	34.528	233.29
Nov.....	43.075	8.0000	38.448	130.42	18.404	3.9911	143.88	1.7522	23.175	36.384	232.52
Dec.....	42.431	8.0000	39.331	130.56	18.873	4.0400	144.70	1.7716	23.897	38.442	232.94
1975—Jan.....	43.359	8.0000	40.715	131.72	19.579	4.0855	145.05	1.7800	24.750	39.571	236.23
Feb.....	44.136	8.0000	41.582	133.30	19.977	4.1139	147.16	1.7784	25.149	40.450	239.58
Mar.....	44.582	8.0000	42.124	134.31	20.357	4.1276	148.70	1.7907	25.481	40.273	241.80
Apr.....	43.797	8.0000	41.291	132.66	20.049	4.0596	147.01	1.7756	25.171	39.080	237.07

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.

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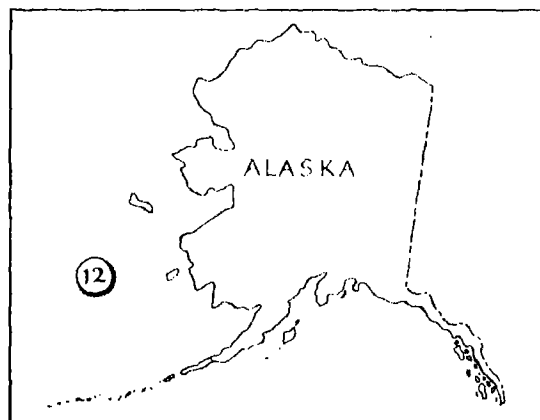
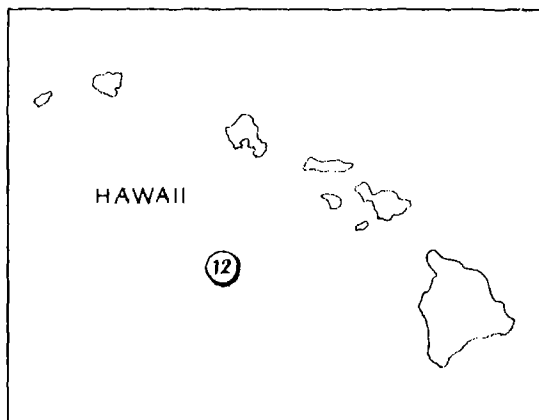
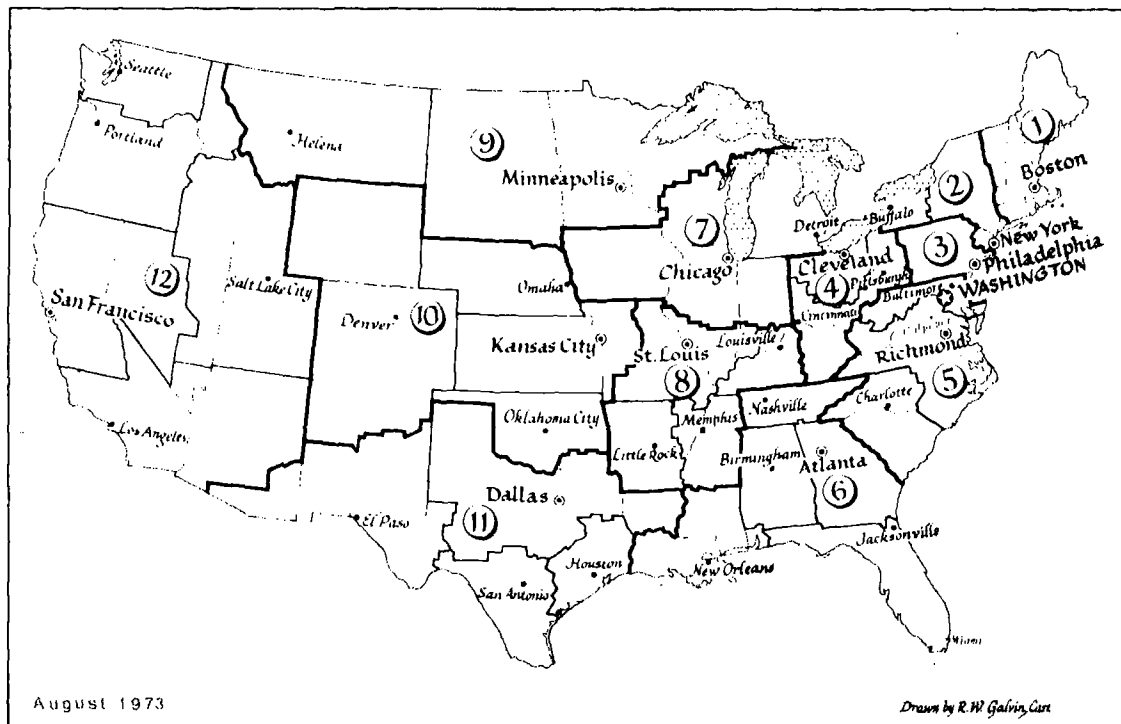
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The Federal Reserve System

Boundaries of Federal Reserve Districts and Their Branch Territories



LEGEND

- Boundaries of Federal Reserve Districts
- Boundaries of Federal Reserve Branch Territories
- ★ Board of Governors of the Federal Reserve System

- ⊙ Federal Reserve Bank Cities
- Federal Reserve Branch Cities
- Federal Reserve Bank Facilities

Guide to Tabular Presentation

SYMBOLS AND ABBREVIATIONS

e	Estimated	N.S.A.	Monthly (or quarterly) figures not adjusted for seasonal variation
c	Corrected	IPC	Individuals, partnerships, and corporations
p	Preliminary	SMSA	Standard metropolitan statistical area
r	Revised	A	Assets
rp	Revised preliminary	L	Liabilities
I, II, III, IV	Quarters	S	Source of funds
n.e.c.	Not elsewhere classified	U	Uses of funds
A.R.	Annual rate	*	Amounts insignificant in terms of the particular unit (e.g., less than 500,000 when the unit is millions)
S.A.	Monthly (or quarterly) figures adjusted for seasonal variation	....	(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.

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