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FEDERAL RESERVE BULLETIN

Contents

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EXPANSION IN THE LABOR MARKET

Increases in employment this year have been the largest since the current business expansion began in early 1961 and have exceeded the growth in the labor force. As a result, the unemployment rate in August was at the lowest level since October 1957.

The decline in unemployment has been widespread. Reductions have been large among adult men and have stemmed mainly from increased demands for blue-collar workers in industrial activities. Unemployment also has been reduced somewhat among young people, even though teenagers entered the labor force in sharply increased numbers this summer. Nevertheless, the rate of unemployment of teenagers is still high, as it is among nonwhite workers.

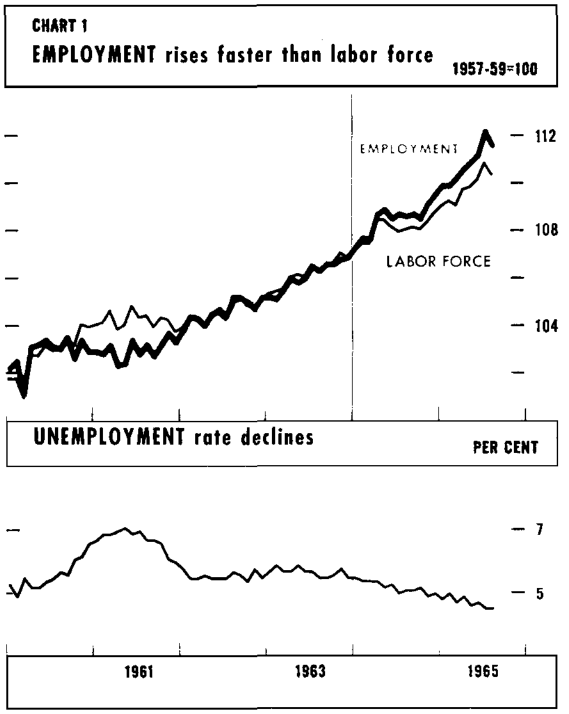


CHART 1

EMPLOYMENT rises faster than labor force

NOTE.—Seasonally adjusted data. Bureau of Labor Statistics household survey. Latest figures shown, August.

Almost all industries have shared in the expansion of job opportunities. Increases in manufacturing employment have been unusually sharp, particularly in the metal and metal-fabricating industries. Gains in production and employment in these industries accompanied increased business expenditures for capital equipment and consumer outlays for autos and other durable goods. Large accumulations of steel inventories prior to the strike deadline also contributed to the expansion in demands for manpower.

With the supply of adult male labor growing more stringent, shortages of workers have been reported in some skills and in certain areas. For the most part, needs for the higher skills are being met by a longer workweek and by expansion of private and public training programs, including many within plants for persons now employed. Most semiskilled blue-collar workers laid off earlier have now been rehired, and employers in recent months have been recruiting more intensively among available young workers.

Demands for workers in professional, managerial, and other occupations requiring extensive education also have continued strong. Upgrading and the increasing number of better educated persons now entering the labor force have, in most instances, provided the required skills.

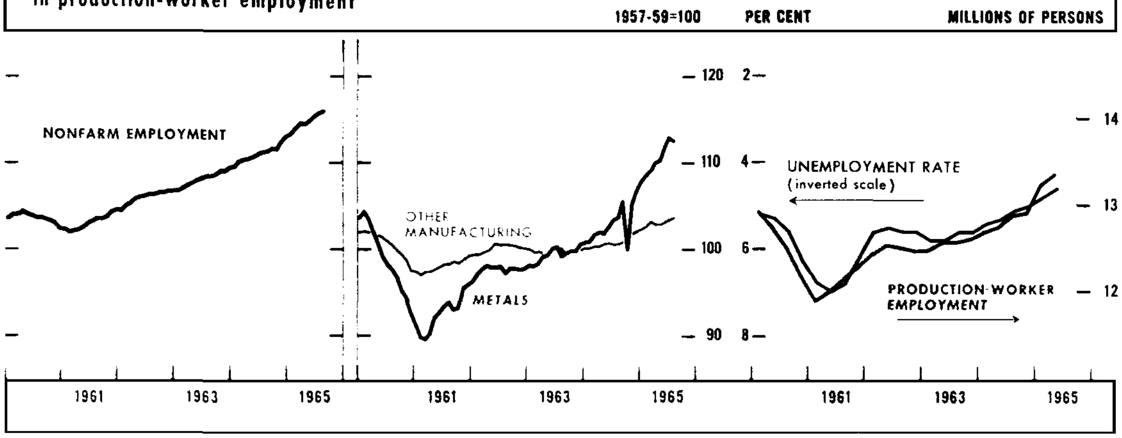
This year—and in fact throughout the current economic expansion—productivity in manufacturing has continued to increase at relatively high rates. At the same time, average increases in hourly compensation have been close to the over-all rate of growth in productivity, and labor costs per unit of output in manufacturing have been relatively stable. General upward pressure of labor costs on prices has been largely avoided, although in some instances price increases have followed wage settlements.

EMPLOYMENT

Nonfarm payroll employment rose sharply in early 1965, in part because of strike-hedge buying of steel and the catch-up in automobile production after a strike last fall. This accelerated pace was sustained through the late summer as consumer and business demands for goods and services maintained their upward momentum. In August nonfarm employment was 2.4 million persons higher than a year earlier; this was the largest August-to-August increase since 1949-50.

CHART 2

EMPLOYMENT advances sharply in metals industries; **UNEMPLOYMENT** responds to increase in production-worker employment

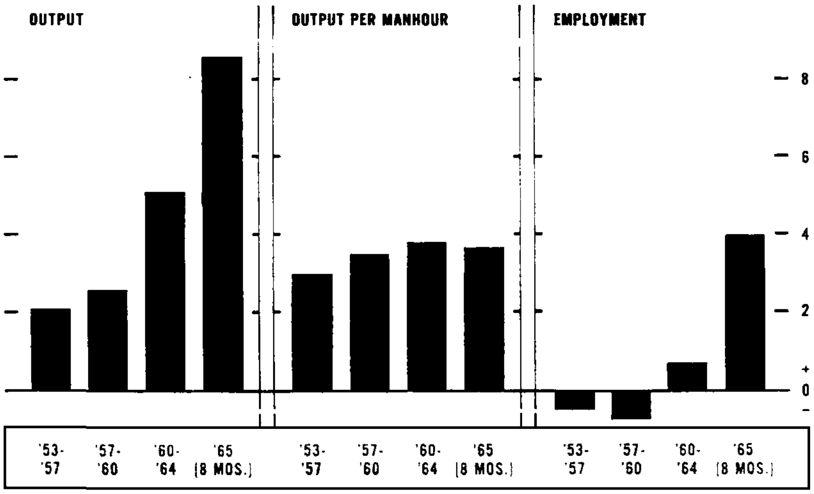


NOTE.—Seasonally adjusted data, Bureau of Labor Statistics establishment data for nonfarm employment and for production workers in manufacturing. "Metals" represent primary and fabricated metals, transportation equipment, machinery, and electrical equipment. Total unemployment, BLS household survey. Latest figures shown, unemployment rate and production-worker employment, second quarter; other series, August.

Short-run developments. Manufacturing employment rose more in the past 12 months than in the preceding 4 years combined. In August, factory employment totaled 18.2 million and surpassed the World War II record. As a consequence, the downward trend in jobs for production workers—a trend that has caused much concern in recent years—was arrested.

Rising outlays for producers' durable equipment have resulted in large increases in employment in both the electrical and nonelectrical machinery industries. Substantial gains also have taken place in the transportation equipment industry in response to stepped-up auto sales. Two factors—inventory accumulation prior to the strike deadline and expanded levels of current consumption —lifted employment in the steel industry to the highest level in over 5 years. Since early 1964 employment in metal-producing and fabricating industries as a group has advanced about 12 per cent compared with 3 per cent in all other manufacturing industries. The metals group employs about two-fifths of all production workers in manufacturing.

CHART 3
MANUFACTURING OUTPUT rises faster than productivity; EMPLOYMENT increases



NOTE.—Bureau of Labor Statistics manufacturing employment data. Federal Reserve estimates for output and output per manhour for all employees in manufacturing. Average annual percentage changes. Latest period shown is change computed from average of first 8 months in 1964, seasonally adjusted.

Nondurable goods employment has moved up slowly but steadily. Such varied industries as apparel, textiles, printing, and chemicals have continued to expand. But in the food, petroleum, and tobacco industries, employment has declined; in August there were fewer employed than at the start of the cyclical recovery in 1961.

The pattern of employment in other industrial activities has been mixed. The job situation has continued to improve in the transportation and public utilities industries. Construction employment, however, in line with a leveling-off in housing activity, has remained on a plateau following a rapid rise during 1963 and 1964. In mining, on the other hand, employment has stabilized after a long-term decline.

A strong underpinning to the expansion in employment has been provided by the increase in retail sales and the rising demands for private and public services. Employment in service industries and in trade has been growing somewhat faster this year than it did last. In State and local governments the gain has been particularly large. Federal civilian employment in August was slightly higher than a year earlier after having shown little change for several years.

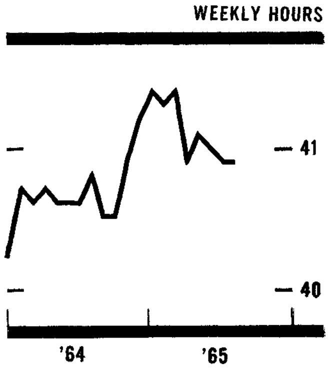
For some time, employment in services has been gaining over that in industrial sectors, although the rate slowed appreciably in the past year. Since early 1960, 4 out of 5 of the net additional jobs have been in public and private services and trade. Only 40 per cent of all nonfarm workers are now employed in industrial activities; a decade ago the proportion was close to 50 per cent.

Cyclical contrasts. Employment gains have been maintained longer and have been larger in terms of absolute numbers than they were in earlier postwar business expansions. Total nonfarm employment has now expanded by more than 6 million workers since the previous cyclical high in the spring of 1960. In prior cycles growth in manufacturing employment had generally slowed down after an initial rapid rise. This time, after a sharp advance from the recession low in early 1961, the rate of gain slowed between mid-1962 and 1963, but then advanced again. In the past 12 months the increase has been as large as in the initial recovery period.

At the cyclical peaks in 1957 and 1960 production-worker employment in manufacturing failed to recover to the preceding high. In the current expansion, with output continuing to rise vigorously, it had passed the 1960 high at the end of 1964 and by August 1965 had risen to about the 1956 high. Meanwhile, the number of salaried workers has iscreased to a record level, and total wage and salary employment in manufacturing in August 1965 was at a new high, almost 1 million above that in 1956.

Hours of work. The workweek has also been lengthened this year as manufacturing industries stepped up production schedules. In the first quarter it averaged 41.4 hours, almost an hour longer than a year earlier and the longest in 20 years. By August the average workweek had been reduced somewhat; it was a half hour less than in the first quarter but still high when compared with earlier expansionary periods. Overtime was increased this year in some plants because of shortages of skilled workers; in others, because of the high fixed costs of hiring and training new workers and providing them with the standard fringe and other benefits.

Overtime has not been used extensively in most nonmanufacturing sectors of the economy to meet increased demands. As in other years part-time workers accounted for a large share of the employment increase, particularly in trade and services. In August there was a total of 7.7 million regular part-time workers, almost double the number 10 years earlier. As a result of this growth in part-time employment—mainly among married women and youths—the workweek in nonmanufacturing has continued to decline this year.



NOTE.—Seasonally adjusted data for production workers in manufacturing.

LABOR FORCE

Before the summer, the labor force had been growing this year at about the same high annual rate as in the two previous years and about in line with expectations based on projections of participation rates of the working-age population. During the first 6 months an average of 1.2 million more persons were working or seeking work than in the corresponding period in 1964. From 1957 through 1962, additions to the labor force had been much smaller—around 800,000 a year.

An upsurge of job seekers in July and August, the result primarily of the rapidly growing population of teenagers, expanded the civilian labor force to a record high of 76 million persons. For those 2 months the civilian labor force averaged almost 2 million more than in July and August 1964, one of the sharpest gains in recent years and a larger rise than had been officially projected earlier.

Young workers. In addition to accelerated growth in the younger age brackets of the population, rising economic activity and concentrated efforts by business and government to provide summer employment opportunities were important factors in the sharp expansion in the number of young people in the labor force. In July and August persons 14 to 24 years of age accounted for 1.3 million of the 2.0 million increase in the labor force from a year earlier. The largest increase was among those 18 years old.

Sufficient jobs were available to more than match the record increase of young workers in the labor force. About one-third of the employment rise among youths from a year ago was in service activities, largely in private household work and educational services, and one-fourth was in Federal, State, and local government jobs. Also more young workers were employed in durable goods manufacturing and retail trade than in August last year.

Approximately a third of the younger entrants have completed high school or college and will become relatively permanent members of the labor force. The others are mostly students who wanted work only for the summer. Because of favorable business conditions, however, the number who will leave school and remain in the labor force this fall may be somewhat larger than usual.

The structure of the labor force has been changing and will change significantly further as young workers enter the labor force in increasing numbers. Of the almost 8 million net addition to the labor force expected by 1970, almost half will be under 25 years of age. Between 1950 and 1960 their proportion of total growth was only 5 per cent. The proportion accounted for by women is expected to decline somewhat in the last half of the decade, even though as many women will enter the labor force as in the past 5 years. The number of adult men will not increase much until about 1970.

Armed forces. According to recent plans the armed forces will be expanded over the next year or so by 340,000 men to a total of about 3 million, mainly through higher draft calls and increased enlistments. Calls have been raised to 33,600 for October and to 36,000 for November from an average of 15,000 a month in the second quarter of 1965.

Those to be drafted will be primarily in the 20 to 22 year age group, and most are likely to be taken from the civilian labor force—deferments are expected to continue high for those in school. Workers in this age group usually have limited training and skill and can often be replaced by younger workers from among the unemployed or from outside the labor force. The number of men now in the younger age groups is large, and their unemployment is greater than during the Korean war or the Berlin crisis. Use of the draft, as opposed to calling up reserves, will tend to minimize the impact of the armed forces expansion on the labor market.

By way of comparison, during the Berlin crisis from mid-1961 to early 1962, the armed forces were increased by about 350,000 to a total of 2.9 million in a shorter time span than for the increase currently being planned. The demands on manpower during the Korean war were much larger. More than 2 million men were added to the armed forces in less than 2 years. This brought the total strength to 3.5 million by early 1952. In both instances reserves were called up.

UNEMPLOYMENT

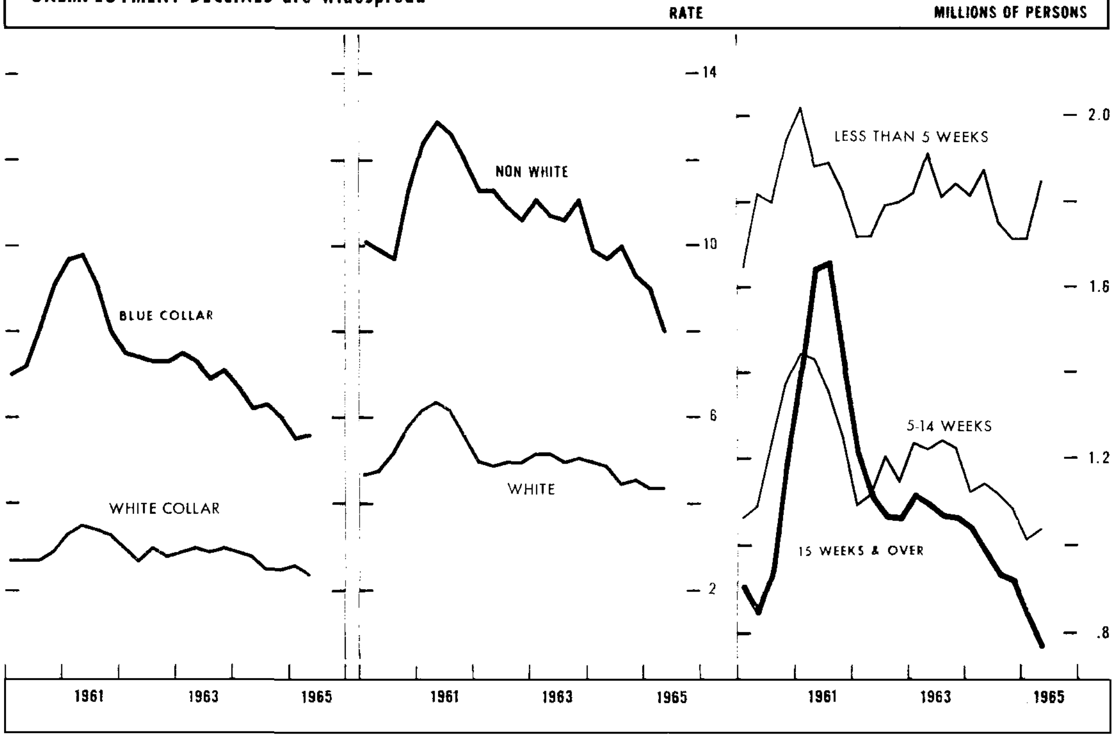
By August 1965 the number of persons looking for work had declined to 3.4 million or 4.5 per cent of the civilian labor force; a year earlier the rate was 5.1 per cent; 2 years earlier, 5.5 per cent. Unemployment was also lower than in early 1960, but still above the 4.0 per cent rate in early 1956.

General developments. Reductions in unemployment among adult men largely reflected increases in employment, and in contrast to the other age-sex groups, were little affected by growing population. Unemployment for men began to decline as early as mid-1963, following a period of relative stability. Their rate is now among the lowest for any group. In August the rate for men 20 years of age and older was 3.2 per cent, down from 4.2 per cent 2 years earlier. For married men the rate was even lower—2.6 per cent. Nevertheless, about 40 per cent of all unemployed are adult men.

Changes in unemployment among men in the primary working ages have been closely associated with job opportunities in manufacturing. In mid-1963 there were still substantially fewer production workers employed in manufacturing than in 1960 and 1956. Unemployment rates among blue-collar workers were very high, and the group represented a large proportion of the long-term unemployed. When demands for manufactured goods began to accelerate, many unemployed blue-collar workers were able to

CHART 4

UNEMPLOYMENT DECLINES are widespread



NOTE.—Seasonally adjusted data. Bureau of Labor Statistics household survey. Unemployment by type of worker and color are rates; duration is number of unemployed. Latest figures shown, August.

find jobs in industries and occupations in which they had previously been employed. In August unemployment in blue-collar occupations was down to 5.0 per cent compared with 6.9 per cent 2 years earlier.

In clerical and service occupations, however, unemployment has declined only moderately. Inexperienced new workers with relatively high unemployment rates—mainly teenagers and married women—usually seek jobs in these expanding but typically lower paying activities.

Long-term unemployment has also been reduced, and its composition has altered this year. In August, 700,000 or one-fifth of all the unemployed had been seeking work for 15 weeks or more—almost 200,000 less than in August 1964. The proportion of young workers in the long-term group was higher than it had been earlier, while unskilled and semiskilled older workers represented a smaller proportion.

Most geographical areas have shared in the widespread improvement in job opportunities. By mid-summer only 19 of the 150 major labor market areas had unemployment rates of 6 per cent or more; this was 16 fewer than a year earlier and the smallest number since early 1957. Meanwhile, there were 46 areas with low unemployment—less than 3 per cent—21 more than a year ago. Aircraft, steel, machinery, and other manufacturing centers including Pittsburgh, Philadelphia, Providence, Paterson, and Seattle were removed from the substantial labor surplus category over the year. High unemployment rates persist, however, in the long depressed coal mining areas of Appalachia as well as in a few defense and other areas of insufficient diversification of industry.

Unemployed youth. In August 900,000 teenagers were seeking jobs, and their unemployment rate—12.4 per cent—was the lowest since 1962. Although teenagers represented a little less than a tenth of the total labor force, they accounted for more than one-fourth of the unemployed. Both of these proportions have been rising.

Unemployment among youths has always been higher than for other age groups. Before 1963, changes in their unemployment tended to be roughly similar to those for other workers. As the postwar baby crop began to reach working age, unemployment among youths worsened. But in recent months sustained demand for labor has made inroads into the unemployment rates of teenagers. Nevertheless, young workers who have not completed high school and who lack adequate vocational training continue to have difficulty finding full-time jobs, because they are increasingly competing with high school graduates.

Nonwhite workers. In August 7.6 per cent of the nonwhite workers were unemployed; this compares with 9.8 per cent a year earlier. Their unemployment rate continued to be about double that of white workers, as it has been since 1955. While the combined forces of strong demand and special legislation seem to have had some effect this year in reducing unemployment, the relative disadvantage for nonwhite workers is still marked because of their inadequate training and education and because of discriminatory hiring practices.

Among nonwhite workers unemployment has declined more for men than for women or younger persons in the past year. Men have benefited somewhat from the growing demands for semiskilled workers in the metals and other related industries. Also a small but increasing proportion of nonwhite men have been able to find professional and skilled employment.

For all younger nonwhite workers, unemployment has remained at the extremely high levels of recent years. About 1 out of 4 teenagers is unemployed and for those 20 to 24 years old the proportion is only moderately lower. Whether high school graduates or dropouts, male workers in these groups seek employment chiefly as operatives and laborers in both farm and nonfarm activities. Disappearance of farm jobs, however, has cut down an important source of work for these young men.

The problem of unemployment among nonwhite girls is even more severe; nearly 1 out of 3 is out of work, two-fifths more than in 1960. The jobless rates for high school graduates and dropouts have been about the same. When they do find jobs, it is most likely to be in private households and other service activities in which part-time and intermittent employment is common.

Unemployment statistics provide only a partial measure of hardship or poverty, especially in a period of generally high economic activity. Currently, underemployment, low wages, and disability probably rank as the most important factors that depress family income. Of the 7.2 million families estimated as poor according to Government classifications in 1963, more than half reported that the head of the family had some employment. Among nonwhites, the proportion with jobs was even higher. Moreover, of those in the poverty group who did not have jobs, most were reported as out of the labor force rather than unemployed. Nevertheless, the rate of unemployment among the heads of poor families was more than 3 times higher than for heads of families above the poverty level.

Many special programs have been introduced—nationally, regionally, and in local communities—to aid those groups with low income who have been unable to find steady work even in periods of high economic activity. Most new programs will help to upgrade the skills, training, and education of disadvantaged young people who are now, or soon will be, entering the labor force in search of jobs.

PRODUCTIVITY AND LABOR COSTS

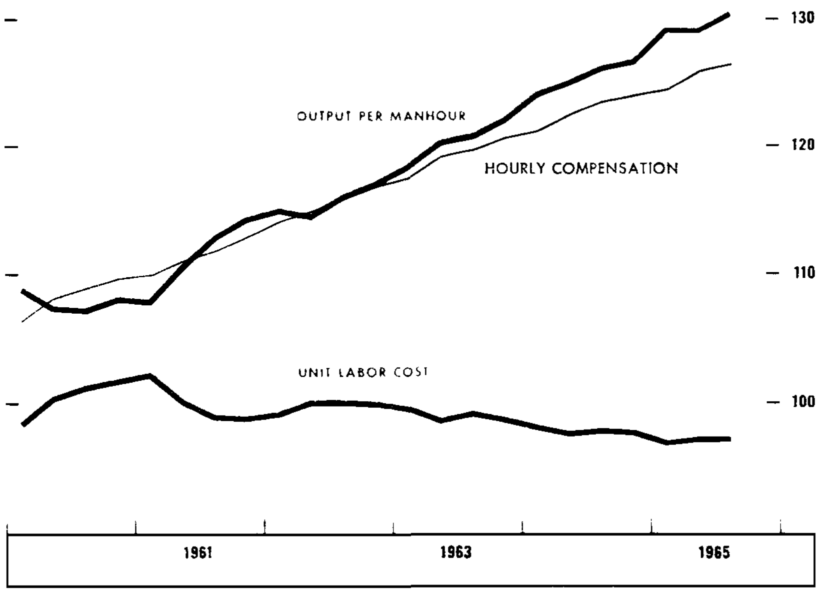
One of the most favorable factors in the current expansion has been the continuing high rate of growth in productivity in the economy as a whole and in the manufacturing sector. Output per manhour in manufacturing industries has grown at a rate of about 4 per cent a year since 1960. This is a higher rate than for the postwar period as a whole or for any of the preceding cyclical upswings.

Preliminary data suggest that in the first 8 months of 1965 gains in output per manhour in manufacturing were being maintained, with little evidence of a slowing down that in the past characterized later stages of cyclical expansion. Contributing to this relatively high growth in productivity have been the sustained expansion of the economy; the modernization of plant and equipment that has been encouraged by rising profits and tax programs to induce investment; and pressures to minimize costs.

CHART 5

UNIT LABOR COST in manufacturing stable this year

1957-59=100



NOTE.—Seasonally adjusted, quarterly averages. Federal Reserve estimates for output per manhour for all manufacturing employees. Hourly compensation, including supplements, based on Bureau of Labor Statistics and Department of Commerce data; unit labor costs, Census Bureau. Figures for third quarter 1965 are estimates.

Meanwhile, increases in hourly compensation, including fringe benefits, have on average been about in line with gains in productivity. Thus, labor costs per unit of output in manufacturing have not changed significantly since the start of this year and have been close to those in all other years in the current cyclical upswing. The stability of labor costs per unit of output contrasts with preceding cyclical expansions. Price increases in the earlier periods were closely associated with accelerated advances in wages and retarded growth in productivity. In the current period wages have increased more slowly than they did in earlier expansions, and productivity has advanced somewhat faster.

Labor income—wages and salaries plus supplements such as employer contributions to private and public pension and welfare funds—was at an annual rate of $389 billion in the second quarter, a rise of 7.4 per cent in the past year compared with a 5.0 per cent average annual gain in the preceding 2 years. In the main the greater advance is due to larger increases in nonfarm employment and a longer workweek in manufacturing.

Earnings in manufacturing. Average hourly earnings in manufacturing in August were $2.60, up 8 cents or 3.2 per cent from a year earlier. If overtime pay is excluded, the advance of 2.9 per cent has shown little deviation from the average rate of increase in straight-time earnings in the 1960-64 period.

The longer workweek in manufacturing contributed significantly to a sharp rise in workers' earnings. In the first 8 months of 1965 weekly earnings averaged 4.4 per cent more than a year earlier; this is the largest annual increase since 1962. Almost one-third of the increase came from longer hours of work; most of the extra worktime was paid for at premium rates of time and a half.

Supplements to wages have been rising relatively faster than wages, but in recent months the rate of increase in fringe benefits has moderated. This reflects in part the growing importance of fringe payments in total employee compensation; the relative increase has tended to grow smaller as the total amount of fringe payments has increased. Total hourly compensation in manufacturing, including fringes and earnings of salaried workers, increased by about 3 per cent over the past year, the same as in the previous 12 months.

Nonmanufacturing earnings. Wage increases this year in most nonmanufacturing industries for which data are available were, as in previous years, somewhat higher than in manufacturing. In the mining, contract construction, and trucking industries, increases of about 4 per cent or somewhat more in wage and fringe benefits have developed as a result of collective bargaining this year or increases provided for in earlier long-term contracts. In some services and in retail trade wage gains have also been relatively high in the past year. In part, this reflects continuing large demands for workers in a tighter labor market, but past and prospective increases in minimum wages also have been a factor in lifting wages in the lower paid service and trade occupations.

In September 1964 about 660,000 workers in certain service, retail trade, and other nonmanufacturing activities received an increase in minimum wages from $1.00 to $1.15 an hour. This September the last step in minimum wage increases provided under the 1961 amendments of the Fair Labor Standards Act became effective, and 810,000 workers in the same industries as last year are receiving an increase to $1.25 per hour. About 29.5 million workers, 45 per cent of total private employment, are now covered by the Federal $1.25 per hour minimum wage.

COLLECTIVE BARGAINING

Labor management agreements have reflected economic conditions and special collective bargaining arrangements prevailing in industries in which new contracts have been negotiated. As a result, there have been substantial differences in costs, benefits provided, and length of contracts. These differences have further reduced the importance of pattern-setting by the major industries.

In some industries with strong demands for labor and considerably higher profits, unions have been able to negotiate wage and fringe benefit increases well above the average for all manufacturing industries. Other unions have settled for less than average increases. Unions concerned with the impact of automation have attached special importance again this year to measures to increase employment and to extend job security.

The recent wage contract in the steel industry will be in effect until August 1, 1968. It provides for an average rise in hourly compensation of 3.2 per cent according to the Council of Economic Advisers and is in line with the rise in economy-wide productivity. The cost of this contract is somewhat less than earlier agreements in such major industries as automobile, aluminum, and rubber.

Domestic and foreign competitive conditions, a large inventory overhang, and concern with future job prospects in the steel industry were important restraints on union demands this year. While somewhat higher increases in hourly compensation were provided in the new contracts than in those negotiated in 1962 and 1963, they were less than in 1960 and far below the annual increase of 8 per cent agreed to in 1956. A major feature of the new steel agreement, as well as of many others concluded in the past year, was the relatively high proportion of added employment costs for nonwage items. Increased pensions, early retirement, and improved insurance accounted for almost half of the estimated value of the new contract.

With upward pressures on consumer prices limited, unions have not pushed for cost of living clauses in new contracts. Such adjustments were eliminated from the steel contracts in 1962 and were not reintroduced in the new pact. There are now about 2 million workers covered by agreements with escalator clauses tied to the consumer price index, about the same number as in 1963 and 1964, but significantly fewer than the 4 million in 1957, a period of rapidly rising prices.

Measures of Banking Structure and Competition

In 1961 the Board of Governors launched a new program for comprehensive research in the field of banking structure and bank competition. At that time the Board set up a Banking Markets Unit in its Division of Research and Statistics to undertake studies and also to foster research in banking markets by others.

The research undertaken in this field involves the measurement of concentration as part of an over-all study of the structures of banking markets. This article, written by Wm. Paul Smith of the Banking Markets Unit, discusses the usefulness of concentration ratios and other measures in assessing the extent of bank concentration.[1]

The structure of commercial banking has changed markedly during recent years. These structural changes have resulted from mergers of operating institutions, formation of holding companies and acquisitions by them, the opening and closing of branch offices, entry of new banks, and the failure of established institutions. These activities have engendered a wide interest in and concern regarding the structure of commercial banking.

BANKING STRUCTURE AND COMPETITION

The role of competition in banking has been an important underlying issue in much of the recent attention given by Congress, bank supervisors, and academic scholars to changes in bank structure. Under the Bank Holding Company Act of 1956, for example, the Board of Governors must consider—in addition to banking factors and the convenience and needs of the areas affected—whether a bank holding company's acquisition of a bank is consistent with the preservation of competition in commercial banking in the area. Similarly, the Bank Merger Act of 1960 requires that the Federal bank supervisory agencies consider the effect of the merger on competition as well as banking factors and the convenience and needs of the communities involved. In each case, the relevant agency may not approve the transaction—merger or holding company acquisition—unless, after weighing each of these factors, it finds the transaction, on balance, is in the public interest. In merger and holding company cases considered by the banking agencies, competition is neither the exclusive nor necessarily the dominant factor in any particular case. In contrast, competition is the exclusive issue considered by the Department of Justice in the bank merger cases it has challenged under the antitrust laws.

At this writing court decisions have been rendered in three cases in which the Department of Justice challenged a merger after it had been approved by one of the Federal bank supervisory agencies. In the *Philadelphia National Bank* and *Lexington* cases[2] the Supreme Court ruled that the contested

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[1] For this and all other notes, see pp. 1221-22.

mergers violated the antitrust laws by unduly increasing concentration and eliminating competition in the local market. In the *Manufacturers-Hanover* case,[3] Judge MacMahon of the Federal District Court ruled that the impact of the merger on competition in both the local and the national markets would violate the antitrust laws.

The courts, supervisory authorities, and academic analysts have frequently utilized simple measures of structure—the number and relative size of competing institutions—as indices of competitiveness in banking markets. Underlying this use of structural measures is a presumption based on *a priori* reasoning that structure is a major determinant of the degree of competition and resultant performance in a market. It is generally maintained that competition in more concentrated markets will be less vigorous. As a consequence the expected performance[4] of more concentrated markets would be less desirable in a social sense.[5]

Some observers have argued that bank regulation and supervision designed primarily to protect the safety of depositors and the circulating medium have restrained competition among commercial banks and with other financial institutions. For example, Regulation Q's ceilings on interest rates for time and savings deposits have restricted the opportunities for commercial banks to compete for such accounts. But such restraints on the competitive behavior of banks apply uniformly in most areas and hence cannot be a major cause of contrasting behavior in differing markets. Thus, regulations notwithstanding, variations in competitiveness and performance in different markets can still stem partly from diversities in market structure.

To that extent market structure may provide a meaningful proxy for the degree of competition and market performance in a wide range of cases and, further, structural changes may be tantamount to changes in competition and performance. However, the measurement of structure is neither simple nor free of ambiguity.

MEASURES OF BANKING STRUCTURE

The number and diversity of markets, combined with the necessity for quick appraisals of the impact of structural changes on competition, have contributed to reliance on simple indices for measuring market structure. The concentration ratio is the most frequently used measure of market structure. It was utilized initially in connection with broad systematic studies of the structure of individual industries undertaken by the National Resources Committee, the Temporary National Economic Committee, and other groups during the 1930's. The data prepared by these organizations were immediately seized upon by individuals concerned with concentration and market power in manufacturing industries. Since World War II the Federal Trade Commission, congressional committees, and individual scholars have prepared similar data for manufacturing industries during various years. The users of the expanding tabulations of concentration ratios have increased more rapidly than the list of compilers.

Given the wide use of concentration ratios for manufacturing industries, it is not surprising that this concept was adopted by those concerned with the structure of banking markets. The concentration ratio is simply the share of the total of some economic variable (employment, sales, assets, etc.) for all firms in a market that is accounted for by a relatively few of the largest firms in that market. The concentration ratio typically computed for local—urban and metropolitan areas—banking markets is the share of total commercial bank deposits in the area that are held by the three largest commercial banks. Concentration ratios for States most often are for the five largest banks, while for the entire United States the 100 largest banks usually are selected.

These concentration ratios suggest some of the problems inherent in their use as indicia of competition in commercial banking. The selection of the number of banks included in the few largest whose combined market share is computed is largely arbitrary. Further, in order to derive reliable inferences from concentration ratios, or any other measure of market structure, it is necessary to determine the boundaries of the markets involved. Also, the computation of concentration ratios based on total deposits rather than, for example, demand deposits or business loans bypasses the determination of the relevant products. Such a determination is crucial to the results derived from the use of measures of structure.

TABLE 1
CONCENTRATION RATIOS FOR COMMERCIAL BANKS
Share of deposits held in selected years

Area	3 largest banks[1] in—		
	1962	1964	
Metropolitan area:[2]			
Birmingham, Ala.	92.5	97.3	
Buffalo, N.Y.	93.1	94.8	
Honolulu, Hawaii	82.8	79.6	
Los Angeles, Calif.	76.9	71.2	
Miami, Fla.	44.4	40.0	
Oklahoma City, Okla.	72.1	65.2	
Paterson, N.J.	41.5	43.2	
Phoenix, Ariz.	93.3	90.3	
	5 largest banks[1] in—		
	1961	1964	
State			
California	81.3	78.6	
Illinois	46.4	44.8	
Maryland	61.5	66.2	
Michigan	49.9	49.0	
New York	59.1	58.8	
Ohio	36.3	33.3	
Pennsylvania	39.0	38.9	
Texas	28.1	31.3	
	100 largest banks in—		
	1960	1962	1964
United States	46.1	46.3	46.3

[1] All banks controlled by one bank holding company are consolidated.

[2] Metropolitan areas are the Census Bureau's standard metropolitan statistical areas. Some larger areas are not shown due to changes in definitions which distort comparisons.

NOTE.—The concentration ratios for metropolitan areas are for all commercial banks as of June 30. Those for individual States and the United States are based on year-end figures for insured commercial banks, except for the United States in 1962, which are figures for December 28.

The number and size distribution of all banks in a market affect the degree of competition and the resultant social performance of that market. Thus, reliance on 3-bank concentration ratios for metropolitan areas obscures other structural characteristics that also influence these markets. While this figure gives an indication of the extent of concentration of banking business controlled by relatively few banks, it is silent on the disparity of size among the larger banks. Further, the 3-bank concentration figures are unresponsive to differences in other dimensions of market structure that influence performance—such as the number of banks and the size disparity between a core of the largest banks and the whole of the market.

Structure of deposit markets. The failure of concentration ratios to reflect these differences may be seen by referring to Table 2, which shows the share of total deposits held by each of the five largest commercial banks.

The three largest banks in each of these major metropolitan areas hold about the same share of total deposits; the figures range from a low of 76.7 per cent in Syracuse and Wilmington to 77.9 per cent in Springfield, the highest. While the 3-bank figures are virtually identical, the size distribution of banks varies considerably among these areas. The fourth largest bank in Syracuse, for example, is larger in relation to the largest bank in its area than is the case with the second largest bank in three of the other areas—Akron, San Francisco, and Wilmington. Further, a comparison of the largest banks' share reveals a spread of more than 15 percentage points. The failure to reflect consistently such differences in the size distribution of banks is an inescapable inadequacy of the concentration ratio as a measure of structure.

TABLE 2

SHARES OF TOTAL DEPOSITS HELD BY FIVE LARGEST BANKS, JUNE 30, 1964[1]

Selected major metropolitan areas

Metropolitan area	Number of institutions	Share of total deposits held by—				
		Largest	Second	Third	Fourth	Fifth
Syracuse, N.Y...	9	30.9	24.9	21.0	17.3	2.1
Wilmington, Del.	23	44.4	19.7	12.6	7.1	1.9
Springfield-Chicopee-Holyoke, Mass.-Conn...	13	29.3	28.3	20.3	5.7	3.9
Akron, Ohio....	11	42.5	18.8	16.4	6.3	4.6
San Francisco-Oakland, Calif.........	36	39.3	23.8	14.0	5.4	4.6

[1] All banks in an area that were controlled by one holding company are consolidated.

NOTE.—The "metropolitan areas" are the Census Bureau's standard metropolitan statistical areas.

The futility of selecting some other number of banks—say, one—for computing concentration ratios can be seen by reference to Table 3. Each of the smaller metropolitan areas for which data are shown there, has one-bank concentration figures falling between 35.5—Waco, Texas—and 36.0—Billings, Montana. As the share of total deposits held by the two and three largest banks tend to indicate, the market structures for these smaller metropolitan areas also vary widely. Within these five metropolitan areas there is a spread of more than 20 percentage points in the share of deposits held by the two largest banks and the variation in the three largest banks' share exceeds 32 percentage points. Hence, the concentration ratio would not appear to be a sufficiently reliable index of market structure to warrant the heavy burdens that are placed upon it.

Measures of market structure should take account of all competitors within a market, and they also should be more sensitive to the different sizes of banks. A measure of market structure developed a few years ago by Orris C. Herfindahl, an industrial organization economist, avoids some of the difficulties encountered in using concentration ratios.[6] The Herfindahl index takes account of the size of all banks in a market although it is most sensitive to the largest.[7] Interpretation of figures derived from the Herfindahl index is similar to interpretation of different values for the concentration ratio. That is, higher values of the index indicate more concentrated markets, which presumably are less competitive and, consequently, generate less desirable performances in a social sense.

TABLE 3

SHARES OF TOTAL DEPOSITS HELD BY LARGEST BANKS JUNE 30, 1964[1]

Selected small metropolitan areas

Metropolitan area	Number of institutions	Share of total deposits		
		Largest	Two largest	Three largest
Waco, Texas..................	15	35.5	70.1	76.2
Billings, Montana..............	6	36.0	69.5	87.7
Scranton, Pennsylvania..........	20	35.6	49.4	55.1
Trenton, New Jersey............	12	35.9	57.2	66.2
Raleigh, North Carolina.........	11	35.6	64.1	77.8

[1] All banks in an area that were controlled by one holding company are consolidated.

NOTE.—The "metropolitan areas" are the Census Bureau's standard metropolitan statistical areas.

A comparison of figures for the Corpus Christi and Des Moines areas illustrates some of the advantages of the Herfindahl index over the concentration ratio. As Table 4 shows, the three largest banks in each of these metropolitan areas account for about the same proportion of total deposits in their areas: 71.7 per cent in Corpus Christi as compared with 71.5 per cent in Des Moines. However, as the figures for the largest and the two largest banks tend to indicate, there is considerable difference in the size distribution of banks in these areas. In particular, the largest bank's share in Corpus Christi—44.8 per cent—is much more prominent than it is in Des Moines, where the largest bank accounts for only 30.2 per cent of the area's total deposits. The different values of the Herfindahl index shown in Table 4—260 for Corpus Christi as compared with 202 for Des Moines—are indicative of the variations in the size distribution of banks in these two areas. Similarly, a comparison of the measures of banking structure for Lynchburg with those for Corpus Christi indicates that use of the Herfindahl index avoids at least some of the problems that arise with arbitrary choice of the number of banks utilized in computing concentration ratios.

TABLE 4

SELECTED MEASURES OF BANKING STRUCTURE
JUNE 30, 1964

Metropolitan area	Number of institutions[1]	Share of total deposits			Herfindahl index
		Largest	Two largest	Three largest	
Des Moines, Iowa....	18	30.2	57.8	71.5	202
Corpus Christi, Texas.	13	44.8	64.1	71.7	260
Lynchburg, Virginia..	4	45.8	73.3	93.5	337

[1] All banks in an area that were controlled by one holding company are consolidated.

NOTE.—The "metropolitan areas" are the Census Bureau's standard metropolitan statistical areas.

Despite its advantages, the Herfindahl index has limitations that detract from its usefulness as a measure of market structure. As indicated earlier, a satisfactory measure of market structure must account for differences in both the number of banks in a market and the relative sizes of those banks. As both a logical and a pragmatic matter, this places an impossible burden on any formula from which a single numeric value is derived. The difficulties arise from the attempt to measure the disparity in the size of banks and concomitantly take account of the total number of banks in the market area. A greater inequality of size leads to a higher value of the index, while a greater number of banks in the market, other things being equal, leads to a lower value of the index. A small number of banks in a market is not necessarily accompanied by a high degree of size inequality, nor are the sizes of a large number of banks necessarily similar.

This can be more readily appreciated by comparing the data for San Francisco and Syracuse given in Table 2. The structure of banking in Syracuse reveals a smaller size disparity of banks than does San Francisco's banking structure and thus a lower degree of concentration. However, the smaller number of banking institutions in Syracuse suggests a more concentrated market structure on that count.

Irrespective of the sophistication exercised in the development of formulae to measure market structure, the meaningfulness of computations based on them depends upon a realistic, reliable delineation of the relevant products and the market areas for these products. Hence the analyst must determine whether total deposits represent the relevant banking product or service for measuring banking structure and for deriving inferences of competition and performance; and whether metropolitan areas constitute the relevant market area.

The metropolitan area may indeed be the appropriate market area. If so, the State, or the nation, could not also constitute the appropriate market area. Any extension of the area covered would lead to a reduction in the value of concentration measures. Further, arbitrary enlargements of the areas covered would give spurious declines in concentration. These may generate unwarranted differences in appraisals of the degree of competition and the impact of structural changes on market performance.

Because of convenience factors the smaller customers of a bank—for example, households and small business—are led to rely on local banks to satisfy their needs for banking products and services. But in view of the mobility of urban populations, the entire metropolitan area may represent a satisfactory approximation of the relevant market area for banking products and services supplied predominantly to smaller customers.[8] Alternatively, the market area for banking products and services supplied to such customers may be limited to the town in which they are located or even only a part of a metropolitan area.[9] Banks' other customers are by no means confined to their local areas. Many larger firms have operating divisions in several States, and much of their banking business is similarly decentralized. Large businesses whose operations are geographically limited also find that it is economically feasible and advantageous to rely in part on banks hundreds of miles from the site of their principal operations. The market area for bank services and products demanded by businesses in this category extends beyond the metropolitan area to broad regions that may include the entire nation or even transcend national boundaries.

The characteristics and opportunities of different classes of bank customers dictate national as well as local market areas. However, the products that are associated with these different geographical markets are distinct and separable. The special checking account, for example, is used almost exclusively by local individuals. The market for certificates of deposit, on the other hand, may be national in scope. The different amounts typically involved in these and other banking products or services that can be allocated to either a local or a national market would distinguish them in the absence of other characteristic differences. In fact, the size of account or transaction may be the most useful criterion for allocating some banking services—for example, regular checking accounts or commercial and industrial loans—between the local and the national markets. In the *Manufacturers-Hanover* decision, Judge MacMahon relied heavily on deposit and loan-account size as criteria for this purpose.[10]

The most common and the only unique service supplied by commercial banks is the checking account. Individuals and small businesses typically depend on locally available banking outlets for demand deposit services because of convenience factors. Such customers usually maintain relatively small balances. For example, the 1959 survey of demand deposit ownership revealed that accounts of less than $10,000 represented almost 70 per cent of the volume and about 99 per cent of the number of demand deposit accounts of individuals.[11] The balances maintained by large businesses that are able to obtain banking services nationally, of course, are much larger. Businesses with balances of more than $100,000 undoubtedly are customers whose accounts would be accepted, and probably actively sought, by banks in nearby or even remote cities. Such customers should be assigned to a national market irrespective of where they are located in relation to their present banking connections. Thus customers with demand deposit balances of $100,000 or more could be allocated to a national market, while those with balances of less than that could be allocated to a local market.[12]

By using the data on size of accounts collected by the Federal Deposit Insurance Corporation, it is possible to illustrate the consequences of segregating customers by size of account. Table 5 shows the shares of demand deposits in differing size categories that are held by the three largest banks in four selected metropolitan areas. In each of these areas the share of smaller accounts held by the three largest banks is lower than their share of the total, and markedly so in three cases. The largest differences are in Chicago—where, as in other unit-banking areas, the largest banks have placed greater emphasis on the national market and less on their own local market than is true of larger branch banks in other metropolitan areas.

TABLE 5

THREE LARGEST BANKS' SHARE OF DEMAND DEPOSITS BY SIZE OF ACCOUNT[1]

Metropolitan area	All demand deposits in area	Size of account	
		Under $100,000	Under $10,000
Chicago	48.7	24.0	13.4
Detroit	73.4	64.7	59.8
Akron	81.5	78.3	75.0
Indianapolis	83.1	74.6	67.2

[1] Based on Nov. 18, 1964, data for the demand deposits of individuals, partnerships, and corporations held by insured commercial banks within the standard metropolitan statistical areas as defined by the Census Bureau.

SOURCE.—Records of the Federal Deposit Insurance Corporation.

There is considerable variation among these areas in the decline in concentration ratios as smaller accounts are considered. The 3-bank concentration ratio for total demand deposits is highest in Indianapolis. In contrast, the level of concentration is significantly higher in Akron if one considers only accounts of less than $10,000. Thus the use of total deposits—which include national accounts—in an analysis of market structure does not give a reliable indication of concentration in a local market, and it may greatly overstate the level of concentration. In metropolitan areas such as Chicago, for example, failure to eliminate national accounts could lead to a seriously misleading appraisal of the local market's structure.

Other financial institutions. The analysis thus far has ignored the competition commercial banks face from other types of financial institutions. In contrast to demand deposit services, most products and services supplied by commercial banks meet close competition from similar products and services supplied by other financial institutions. For example, mutual savings banks, savings and loan associations, and credit unions all provide services that are closely competitive with commercial banks' time and savings deposit services. Failure to consider other institutions overstates the position of any and all commercial banks in such markets.[13]

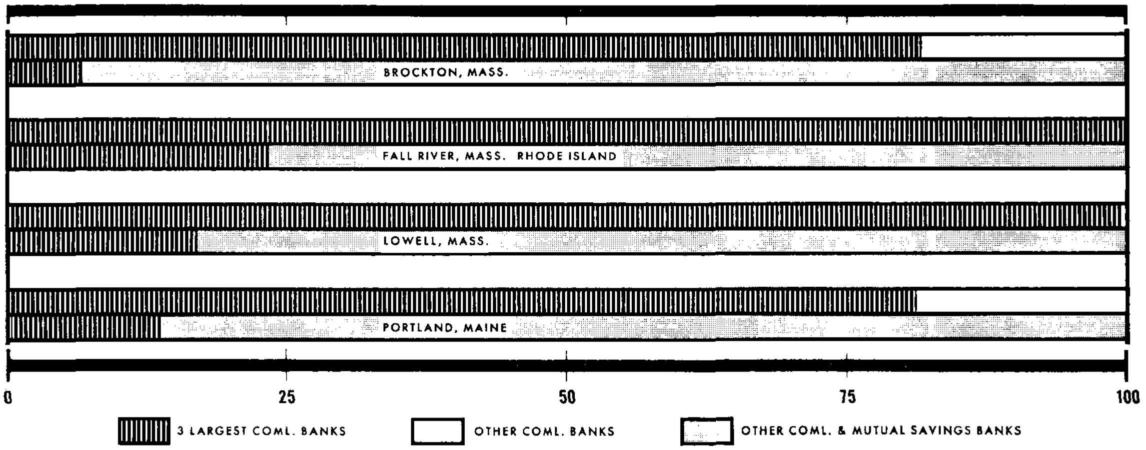
An illustration of this point is provided in the accompanying chart. Mutual savings banks are prominent in each of the smaller metropolitan areas for which data are shown in this chart. In these areas the three largest commercial banks hold a much larger proportion of time and savings deposits of all commercial banks in the area than they do of time and savings deposits held by both commercial banks and mutual savings banks. Failure to include mutual savings banks in the market for savings deposits in these metropolitan areas clearly gives an unrealistic view of market structure and would lead to an unreliable appraisal of the degree of competition in these markets. Analogously, ignoring credit unions or savings and loan associations in markets where they are active engenders both distorted views of market structure and mistaken assessments of the extent of competition.

Unfortunately, data for savings and loan associations and credit unions which would permit a complete analysis of the structures of markets in which they compete with commercial banks are largely unavailable. Proper consideration of competition arising from these institutions thereby is made more difficult. Nevertheless, this neither reduces their importance nor excuses neglect of them in the analysis of the structure of markets in which they compete with commercial banks. These institutions can be included in a census of competitors in those markets in which they compete with banks. Headcounts of competitors are very useful, and they represent the minimum compilation of data for an analysis of market structure.

Structure of loan markets. The maintenance of competition in markets in which banks supply credit is fully as important, from a public policy standpoint, as the maintenance of competition in markets for deposit services. The problems of assaying competition in lending markets parallel the difficulties discussed above. Conceptually, the problems encountered in the development of a satisfactory measure of market structure remain, irrespective of the products or services involved. The delineation of products and market areas may in practice be more difficult for loan and investment markets because of both a greater number and diversity of the relevant product markets and, also, the paucity of adequately refined data.

The loans and investments of commercial banks typically range from holdings of U.S. Government securities of varying maturities to instalment loans made to individuals. The markets for each of these asset items, and competition within them, may be quite different. Like deposits, asset items might be assigned to different markets on the basis of size—either size of loan or size of borrower—or nature of the product. Undoubtedly the broadest market in which commercial banks compete is the U.S. Government

THREE LARGEST COMMERCIAL BANKS' SHARE OF SAVINGS DEPOSITS, JUNE 30, 1964.



NOTE.—Savings deposits are time and savings deposits of individuals, partnerships, and corporations. Metropolitan areas are the Census Bureau's standard metropolitan statistical areas.

securities market—an example par excellance of a national market. The largest commercial bank in the United States accounts for slightly more than 1 per cent of all Government securities publicly held, while the three largest hold less than 3 per cent, and all commercial bank holdings represent less than 37 per cent of the total. The remainder is accounted for by a wide variety of other holders ranging from individuals to insurance companies and manufacturing corporations. It is unlikely that any foreseeable structural change in commercial banking would have a discernible influence on the competitive situation in this market.

The markets for consumer instalment loans represent a very different facet of the spectrum of markets in which banks compete as lenders. Borrowers in these markets are largely confined to lenders in their immediate areas. But within these highly localized markets commercial banks typically meet active competition from a wide variety of sources including small loan companies, credit unions, and sales finance companies. Similarly, banks face competition from savings and loan associations, insurance companies, and Governmental agencies in mortgage markets. Competition from such institutions not only dilutes the market power of commercial banks but also reduces the impact of structural changes—for example, mergers—on competition in these markets. Again, detailed data on the activities of nonbank institutions in these markets are not generally available. Nevertheless, simple censuses of the institutions operating in these markets afford the basis for some appraisal, albeit imperfect, of their effect on competition in these markets.

In contrast, commercial banks may face only limited competition from a relatively few other financial institutions in some product markets. For example, they may be the only readily available and economically feasible source of short-term loans to small and medium-sized businesses in some areas. In such cases detailed analysis involving the elimination of data for loans made in more highly competitive markets may reveal a higher degree of concentration than would be suggested by the use of data for all loans. Such cases in which analysis of relevant product markets shows a higher degree of concentration than analysis based on overall figures are probably exceptional. As a general rule, measure of market structure based on aggregates, such as total assets or liabilities of commercial banks only, suggest a more highly concentrated market structure than actually exists.

SUMMARY AND CONCLUSIONS

The above discussion has considered the major difficulties encountered in attempting to reduce to a neat formula the measurement of the structure of markets in which banks compete. The first difficulty is a conceptual one of selecting, or developing, a meaningful measure of market structure. The most frequently used measure of market structure, the concentration ratio, is inherently inadequate for the burdens placed upon it in the analysis of particular market situations. Although other measures of market structure such as the Herfindahl index are more responsive to some crucial dimensions of market structure, the results obtained from their use may be ambiguous. The other difficulties encountered in the measurement of market structure are more pragmatic and involve the problems of defining products and delineating market areas as well as identifying and taking account of the influence of all competitors upon these markets.

For broad comparisons over the entire spectrum of industries, concentration ratios and other summary measures of market structure are useful descriptive tools. However, measures of structure that are computed on the basis of aggregate data without regard to relevant products and markets can be highly misleading in particular situations.

The degree of competition in individual markets often is influenced by factors other than market structure. One such factor, which frequently appears in merger cases, is the presence or absence of aggressive competitive behavior on the part of individual banks. The elimination of a bank that is actively seeking additional business in competition with the other banks and financial institutions in its area has a very different impact on competition from that in which a more passive competitor is eliminated. An appraisal of the behavior of the banks involved is necessary to determine the intensity of competition in a local market. Thus, no matter how much care is exercised in their development, one should not rely solely on summary measures of structure in arriving at public policy decisions.

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1. The author wishes to express his appreciation for the cooperation and assistance of his colleagues in the Banking Markets Unit, especially Tynan Smith, who reviewed the present article, and Stuart Schmid, who undertook the computer programming necessary to develop some of the data used in this article.

2. The Clayton Act was applied to mergers of commercial banks in *United States v. Philadelphia National Bank,* 374 U.S. 321 (1963) while the Sherman Act was applied in *United States v. First National Bank & Trust of Lexington,* 376 U.S. 665 (1964).

3. Judge MacMahon ruled that this merger's impact on both the local and the national market was in violation of both the Sherman Act and the Clayton Act. *United States v. Manufacturers Hanover Trust Company,* 240 F. Supp. 867 (1965).

4. Aspects of performance in this sense include, among others: (1) the prices paid for the use of resources—interest rates on time deposits; (2) the prices charged for services or products supplied—interest rates on loans; and (3) the degree of innovative activity—the rate at which new services are made available to bank customers.

5. The relationships between the structure of banking markets and performance in metropolitan areas has been the subject of two recent monographs:

Franklin R. Edwards, *Concentration and Competition in Commercial Banking: A Statistical Study* (Research Report to the Federal Reserve Bank of Boston, No. 26, 1964. Based on a Ph.D. Dissertation, Harvard University, 1964); Theodore G. Flechsig, *Banking Market Structure & Performance in Metropolitan Areas: A Statistical Study of Factors Affecting Rates on Bank Loans* (Washington, D.C.: Board of Governors of the Federal Reserve System, 1965).

Edwards' statistical study of concentration and performance revealed higher loan rates in more concentrated markets. The data utilized by Edwards were later employed in Flechsig's study of market structure and performance. Flechsig utilized more refined product and market definitions and different measures of market structure. His analysis did not reveal any statistically significant relationship between concentration and the rates charged on business loans once account was taken of regional variations in the supply of funds and the demand for credit. Both studies were confined to an investigation of only one aspect of performance in 49 of the largest metropolitan areas; perforce neither one provides direct evidence on the relationship of structure and performance in smaller urban or rural areas. Their conclusions are further limited by the fact that it was not possible to take account of credit terms such as the existence and level of compensating balance requirements.

6. This index was advanced in Orris C. Herfindahl's Ph.D. dissertation, *Concentration in the Steel Industry* (New York: Columbia University, 1950). An extensive discussion of this and other measures of structure is provided by Gideon Rosenbluth's "Measures of Concentration," in *Business Concentration and Price Policy* (Princeton, N. J.: Princeton Univerity Press, 1955).

7. The Herfindahl index's sensitivity to the largest firms is a direct result of its definition and computa-

tion. The value of the index equals the sum of the squares of the market shares of each firm. In Table 4 the decimal point has been dropped.

8. This view of the market area may be reasonable for smaller metropolitan areas. However, it undoubtedly falls wide of the mark for the largest metropolitan areas such as New York, Chicago, Los Angeles, Detroit, and Philadelphia.

9. The Board's analyses of market areas in merger cases has often recognized a portion of a metropolitan area as the relevant market area. See, for example, the Board's statements approving Chemical Bank New York Trust Company's acquisition of the Bensonhurst National Bank of Brooklyn and Provident Tradesmens Bank and Trust Company's merger with Second National Bank of Philadelphia. Federal Reserve BULLETIN, March 1964, pp. 321-24, and August 1964, pp. 1003-06.

10. He used size of loan for allocating commercial and industrial loans and single-payment loans to individuals between the local and the national markets and size of account for allocating demand deposits between the local and national markets. 240 F. Supp. 867 (1965), p. 921.

11. Federal Reserve BULLETIN, April 1959, p. 380.

12. This is the size break used by Judge MacMahon for allocating demand deposit accounts between the local and the national markets. 240 F. Supp. 867 (1965), p. 921.

13. It should be noted that a review of the Board's decisions under the Bank Holding Company Act of 1956 indicates that it has limited its consideration of the competitive factor to competition within commercial banking. In contrast, under the Bank Merger Act of 1960 the Federal bank supervisory agencies have frequently considered competition arising from other financial institutions.

Treasury and Federal Reserve Foreign Exchange Operations

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

This report was prepared by Charles A. Coombs, Vice President in charge of the Foreign Department of the Federal Reserve Bank of New York, and Special Manager, System Open Market Account. It covers the period March–August 1965. Previous reports were published in the BULLETINS *for September 1962, for March and September 1963 and 1964, and for March 1965.*

During the period covered by this report —March-August 1965—the exchange markets reflected not only the shifts taking place in underlying balance of payments positions but more particularly the speculative pressures focusing on the pound. During the summer months, the market became increasingly skeptical of the outlook for sterling, largely discounting each new measure taken by the British Government to right its payments position and thus failing to reflect the over-all improvement that was gradually taking place. For the first 8 months of this year as compared with the same period in 1964, British exports, for example, rose by about 6 per cent while imports grew by 1 per cent, cutting the trade deficit by well over a third. On the other hand, the turnabout in the U.S. balance of payments following introduction of the Voluntary Foreign Credit Restraint Program and other measures in February was so sharp as to have a major effect on the exchanges. Lingering doubts about the stability of the dollar evaporated, and the U.S. Treasury and Federal Reserve were able to make good progress in reducing the foreign currency commitments that had been undertaken the previous fall and winter when a massive U.S. deficit had coincided with the sterling crisis. To be sure, gold sales by the U.S. Treasury reached very high levels despite the striking improvement in the U.S. payments position. These sales, however, to a large extent resulted from the overhang of dollars that had accumulated in official reserves in earlier months, as well as the persistent surplus position of France whose gold purchase policy has been widely publicized. Italy also continued to experience very large surpluses, but policies were adopted by the Italian authorities that minimized the impact of these surpluses on the exchanges and on official reserves.

It was against this background that the Federal Reserve swap network was further strengthened by increases in the swap arrangements with the Bank of Italy (from $250 million to $450 million), the Bank of Japan (from $150 million to $250 million), and the Bank for International Settlements (from $150 million to $300 million). The swap network now covers reciprocal credit lines totaling $2.8 billion, as shown in Table 1.

TABLE 1

FEDERAL RESERVE RECIPROCAL CURRENCY ARRANGEMENTS, SEPTEMBER 1, 1965

Other party to arrangement	Amount (in millions of dollars)	Term of arrangement (in months)
Austrian National Bank	50	12
National Bank of Belgium	100	12
Bank of Canada	250	12
Bank of England	750	12
Bank of France	100	3
German Federal Bank	250	6
Bank of Italy	450	12
Bank of Japan	250	12
Netherlands Bank	100	3
Bank of Sweden	50	12
Swiss National Bank	150	6
Bank for International Settlements	300	6
Total for all banks	2,800	

As noted in the previous report covering the period September 1964-February 1965, Federal Reserve drawings on the swap lines amounted to $380 million equivalent at the end of February 1965. Subsequently, such drawings rose to a peak of $585 million equivalent on April 6, but by the end of July, all but $48 million had been repaid. However, partly as a result of intensified pressures on sterling, new Federal Reserve drawings on the swap network became necessary in August, and as of September 17 the System was indebted under the swap lines to the extent of $228 million, including $100 million to the Bank of Italy, $55 million to the National Bank of Belgium, $48 million to the Swiss National Bank, and $25 million to the Netherlands Bank.

During the period under review, the Bank of England was the only foreign central bank to draw on its swap facility with the Federal Reserve. Bank of England drawings had declined from a peak of $700 million on November 27, 1964, to only $105 million at the end of February 1965. Further drawings in March and April brought the net amount outstanding on May 25 to $230 million, which was completely repaid on that date out of the proceeds of the $1.4 billion equivalent British drawing on the International Monetary Fund (IMF). To offset speculative pressures developing during the summer months, the Bank of England made new drawings of $360 million during June and had further recourse to the swap line in July and August.

On September 10 the Bank of England announced that new facilities for support of sterling had been provided by the U.S. monetary authorities together with nearly all of the other central banks that had joined in the November 1964 rescue operation. This new assistance came at a time when further corrective measures had just been announced by the British Government and growing confidence in sterling was evident in the market. Rather than representing a defensive measure taken at a time of pressure on sterling, the current arrangements permit acceleration of a favorable trend. They demonstrate the solidarity of the cooperative arrangements linking the major central banks and treasuries of the free world. Within this defensive network, any government which is fully prepared to defend its currency should be able to mobilize sufficient financial resources to beat off any speculative attack.

A comprehensive view of drawings and repayments under reciprocal currency arrangements between the Federal Reserve System and foreign monetary institutions from March 1962 through the summer months of 1965 is provided in Tables 2 and 3. As indicated in Table 2, nearly half of all Federal Reserve drawings of $2.3 billion during the period was repaid within 3 months, and almost three-quarters of such

TABLE 2

DRAWINGS AND REPAYMENTS BY FEDERAL RESERVE SYSTEM UNDER RECIPROCAL CURRENCY ARRANGEMENTS, MARCH 1962–AUGUST 1965

(In millions of dollar equivalent)

Bank and year	Drawn	Repaid within—				Outstanding Aug. 31, 1965
		3 months	3–6 months	6–9 months	9–12 months	
Austrian National Bank:						
1962	50.0	50.0				
National Bank of Belgium:[1]						
1962	30.5	30.5				
1963	25.0	25.0				
1964	145.0	62.5	37.5	45.0		
1965[2]	140.0	45.0	35.0	5.0		
Total	340.5	163.0	72.5	50.0		55.0*
Bank of Canada:						
1963	20.0	20.0				
Bank of England:						
1962	50.0	50.0				
1963	35.0	35.0				
Total	85.0	85.0				
Bank of France:						
1962	50.0		50.0			
1963	21.5	21.5				
Total	71.5	21.5	50.0			
German Federal Bank:						
1963	286.0	143.5	142.5			
1964	105.0	105.0				
1965[2]	15.0	15.0				
Total	406.0	263.5	142.5			
Bank of Italy:						
1962	50.0	50.0				
1965[2]	350.0	82.0	168.0			
Total	400.0	132.0	168.0			100.0*
Netherlands Bank:						
1962	60.0	50.0	10.0			
1963	150.0	60.0	90.0			
1964	100.0		55.0	45.0		
1965[2]	25.0					
Total	335.0	110.0	155.0	45.0		25.0*
Swiss National Bank:						
1962	50.0				50.0	
1963	80.0	5.0	20.0	55.0		
1964	25.0	25.0				
1965[2]	150.0	90.0	12.0			
Total	305.0	120.0	32.0	55.0	50.0	48.0**
Bank for International Settlements:						
1962	80.0	40.0	5.0	19.5	15.5	
1963	150.0	5.0	65.0	80.0		
1964	100.0		35.0	65.0		
Total	330.0	45.0	105.0	164.5	15.5	
Total for all banks:						
1962	420.5	270.5	65.0	19.5	65.5	
1963	767.5	315.0	317.5	135.0		
1964	475.0	192.5	127.5	155.0		
1965[2]	680.0	232.0	215.0	5.0		
Total	2,343.0	1,010.0	725.0	314.5	65.5	228.0

* Outstanding less than 3 months.

** Outstanding more than 6 but less than 9 months.

[1] Data relate to disbursements and repayments under the $50 million fully drawn portion of the swap facility and to utilization of the $50 million standby portion available since December 1964.

[2] Figures for 1965 are for first 8 months.

TABLE 3

DRAWINGS AND REPAYMENTS BY FOREIGN CENTRAL BANKS UNDER RECIPROCAL CURRENCY ARRANGEMENTS MARCH 1962–JUNE 1965

(In millions of dollars)

Bank and year	Drawn	Repaid within—		Outstanding June 30, 1965
		3 months	3–6 months	
National Bank of Belgium:				
1963	45.0	40.0	5.0	....
Bank of Canada:				
1962	250.0	....	250.0	....
Bank of England:				
1963	25.0	25.0	....	....
1964	1,370.0	1,370.0	....	....
1965[1]	1,215.0	855.0	....	....
Total	2,610.0	2,250.0	....	360.0*
Bank of Italy:				
1963	50.0	....	50.0	....
1964	100.0	....	100.0	......
Total	150.0	....	150.0	....
Bank of Japan:				
1964	80.0	30.0	50.0	...
Total for all banks:				
1962	250.0	....	250.0	....
1963	120.0	65.0	55.0	....
1964	1,550.0	1,400.0	150.0	....
1965[1]	1,215.0	855.0	....	....
Total	3,135.0	2,320.0	455.0	360.0

* Outstanding for less than 3 months.

[1] Figures for 1965 are for first 6 months.

drawings were liquidated within 6 months. Similarly, nearly three-quarters of foreign drawings of $3.1 billion under the arrangements were paid off within 3 months, thus confirming that in practice the swap network has been used—as intended—as a means of providing temporary financing.

In addition to central bank swap transactions, the monetary authorities in a number of countries continued to refine and develop further the use of forward exchange operations as an efficient instrument for dealing with pressures in their markets. The Bank of England continued to exert a strong stabilizing effect on the dollar–sterling forward market, while temporary cushioning operations were also undertaken by the Swiss National Bank, the German Federal Bank, and the Netherlands Bank. In addition, forward operations by the Italian authorities had the effect of reducing Italian reserve gains and of simultaneously preventing an excessive build-up of domestic liquidity in Italy by channeling dollar inflows back into the Euro-dollar market. Otherwise, a severe squeeze on Euro-dollar credit availabilities might have been produced by the U.S. Voluntary Foreign Credit Restraint Program. In connection with this operation, the U.S. Treasury once again undertook to share with the Italian authorities sizable commitments in forward lire, which will subsequently be reported in some detail.

The foreign currency bonds issued by the U.S. Treasury rose from a total of $1,137 million equivalent as of early March to a new peak of $1,259 million as of September 17. Additional issues of $125 million equivalent were made to the Bank of Italy and $23 million to the Bank for International Settlements (BIS) for purposes of absorbing dollars on the books of the Italian and Swiss central banks. On the other hand, as the German balance of payments moved into deficit, it proved possible for the U.S. Treasury to accumulate marks, and on July 12, $25 million equivalent was employed to retire a maturing mark-denominated bond for that amount previously issued to the German Federal Bank.

Extensive use thus continued to be made by the United States and other major industrial countries of the spectrum of international credit facilities available for financing payments imbalances. One of the more significant developments during the period under review was the U.S. drawing from the IMF. This drawing which provided medium-term financing, permitted repayment of earlier drawings under the swap network, as well as the absorption of dollars temporarily accumulated by foreign central banks, thus economizing on the use of gold in international settlements.

STERLING

By mid-January 1965, sterling began to show signs of recovery from the speculative onslaught of late 1964, and this improvement continued through February. In March, however, the market once again became beset by doubts as to whether the British Government's pledge to defend the sterling parity would be matched by truly effective measures to curb excessive domestic demand and to restrain the inflationary trend of wage settlements. New complications arose as the U.S. Voluntary Foreign Credit Restraint Program led to some withdrawal of funds from London. Large forward commitments previously entered into by the Bank of England also began to mature, but firm defensive operations in both the spot and forward markets facilitated the rolling over of most of these commitments. For those interested in the technical complexities of official intervention in the forward markets, a useful summary may be found in the Bank of England's *Quarterly Bulletin* for June 1965, pages 107-08.

With the announcement of new restraint measures in Chancellor Callaghan's budget message on April 6, sterling moved strongly upward and this trend was reinforced as the Bank of England on April 29 introduced special deposit requirements for the London clearing and Scottish banks and on May 5 requested the London clearing banks to limit the increase in their advances to the private sector to no more than 5 per cent during the year ending March 1966. The other banks operating in London and a wide range of other financial institutions were also asked to exercise comparable restraint. However, following the announcement in mid-May of disappointing trade figures for April, the sterling rate once more began to drift downward. The British drawing on May 25 of $1.4 billion equivalent from the IMF and full repayment with the proceeds of $1,097 million of short-term central bank credits did little to bolster market sentiment. On the contrary, publication of figures showing a continuing deterioration in the British trade position during the second quarter further undermined market confidence, and substantial support had to be given to both the spot and forward markets. By late July, the market had become convinced that a new crisis was shaping up for the autumn months. Against this ominous background, the British Government took further corrective action on July 27, announcing cutbacks and deferments in public sector spending programs and a further tightening of instalment credit.

Unfortunately, an initially favorable market reaction to the July 27 measures was quickly swamped by the report on August 3 of a reserve loss for July that was much larger than the market had anticipated. As a result, sterling was again heavily offered in both the spot and forward markets, requiring substantial official support. By mid-August, however, the market began to take on a more balanced look, no doubt reflecting in part the improved July trade figures but also suggesting that sterling had become grossly oversold. From time to time, the market gave clear evidence of a squeeze for sterling balances.

Against these mixed developments during August, the British Government on September 2 announced its intention to seek statutory authority to require advance notification and, if deemed appropriate, temporary deferment of wage and price increases. This basic policy action went a long way toward relieving the market's apprehension of a progressive undermining of the sterling parity by wage and price inflation. Meanwhile, negotiations were progressing among the central banks with the objective of providing additional facilities in order to further the recovery of confidence. On Friday, September 10, the Bank of England announced that these negotiations had been completed, stating that:

> There is increasing evidence that the measures taken by Her Majesty's Government to restore the United Kingdom balance of payments are having their effect. Sentiment towards sterling in the exchange markets is improving. To further this trend the Bank of England with the full authority of Her Majesty's Government has entered into new arrangements with the central banks of Austria, Belgium, Canada, Germany, Holland, Italy, Japan, Sweden, Switzerland, the United States, and the Bank for International Settlements who co-operated in the support of sterling last November.
>
> These new arrangements take various forms and will enable appropriate action to be taken in the exchange markets with the full co-operation of the central banks concerned.

Immediately following this announcement, concerted market action was initiated. As the spot rate for sterling moved up, short covering developed, causing a further jump in the rate. The recent measures thus appeared to be yielding good results.

SWISS FRANC

In late 1964, the Swiss National Bank had taken in a sizable amount of dollars as funds moved into Switzerland during the sterling crisis. These dollars were partially absorbed by a Federal Reserve drawing of $100 million equivalent in Swiss francs in December under the System's swap line with the BIS. Further Swiss franc drawings, amounting to $60 million equivalent on January 19 and $90 million equivalent on March 1, were made for the same purpose—this time under the swap line with the Swiss National Bank. Thus, by March 1, the System had utilized $250 million of its $300 million credit facilities in Swiss francs. In addition, further dollars were absorbed through Swiss purchases of gold from the U.S. Treasury totaling $50 million during the first 4 months of the year.

The operations just mentioned, though carried out for the most part during the early months of 1965, were made necessary by the overhang of dollars accumulated by the Swiss National Bank during the latter part of 1964. In point of fact, the Swiss franc began to ease shortly after the year-end as Swiss banks, finding themselves liquid, started to place funds abroad, and the U.S. Treasury was able in February to purchase $10 million equivalent of Swiss francs in order to reduce by that amount a $25 million equivalent sterling–Swiss franc swap with the BIS. By March, the rate had moved below $0.2300, and the Swiss National Bank sold dollars to the market for the first time since 1962. Swiss commercial demand for dollars accentuated the effects of the continued ease in the money market, and this softness in the franc rate persisted through the early summer. Moreover, by the end of April, the Bank of Italy had fully repaid its $100 million equivalent Swiss franc–lira swap with the Swiss National Bank initiated in June 1964. The Swiss National Bank thus found itself in need of dollars to cover its lira requirements for remittances by Italian workers in Switzerland. Under these circumstances, the U.S. authorities were able to acquire a total of $175 million equivalent in Swiss francs during the period April–July, to some extent through market purchases but mainly through direct transactions with the Swiss National Bank. These acquisitions were used to reduce a variety of Swiss franc obligations of the System and the Treasury.

At the end of March a start was made on repayment of the System's Swiss franc drawings when $20 million equivalent of francs was acquired from the Bank of England in connection with a credit to the latter by the Swiss National Bank. These francs, along with $82 million equivalent purchased during subsequent months, were used to reduce the System's liability under its swap line with the Swiss National Bank from $150 million to $48 million equivalent. In addition, the System fully repaid its $100 million drawing on the BIS, partly with francs acquired through spot purchases and partly with the proceeds of a $40 million equivalent swap of German marks for Swiss francs with the BIS. (This latter transaction illustrated once again the flexibility of third-currency swaps, where available balances in one foreign currency can be used to acquire other needed currencies.)

Treasury commitments resulting from forward sales of Swiss francs in the Swiss market, which had been reduced from $121 million to $51.5 million equivalent during 1964, were paid down further by $29 million equivalent to $22.5 million equivalent by late June. In addition, System forward sales of Swiss francs were completely liquidated. These sales, which had been initiated in December to calm the market and to encourage Swiss banks to invest abroad dollars they might otherwise have sold to the Swiss National Bank, reached a peak of $32.5 million equivalent by January 8. (The bulk of these contracts were paid off by mid-February through spot purchases of Swiss francs.) Through all these operations, official U.S. commitments in Swiss francs were thus reduced by a total of $233 million during January–July.

In June, the Swiss franc began to firm, rising to a range of $0.2307-0.2310, in conjunction with the approach of midyear positioning by Swiss commercial banks. The usual pressures associated with such operations were absent this year, however, as the Swiss authorities acted in both the money and foreign exchange markets to mitigate the seasonal liquidity squeeze. Swiss Confederation bonds falling due at the end of June were only partially refunded, and the Swiss National Bank undertook substantial swap operations with Swiss commercial banks, buying U.S. dollars spot against Swiss francs and selling them back to the banks for delivery after midyear.

Consequently, the Swiss franc remained below its effective ceiling during June, and U.S. authorities continued to acquire Swiss francs from the Swiss National Bank. Opportunities for further acquisitions diminished considerably after midyear, however, as the unwinding of the midyear swaps brought about a tightening in the Swiss money market and the Swiss franc advanced to its effective ceiling. Under the circumstances, the Swiss National Bank decided to repurchase part of the foreign exchange that it had sold on a covered basis to Swiss commercial banks earlier in the year when the domestic market had been excessively liquid. The liquidity thus injected into the market by the reversal of these earlier swaps helped to reduce dollar repatriations by these banks.

Renewed nervousness about sterling in the exchanges held the franc at its ceiling until the latter part of August. Under the circumstances, the Swiss National Bank had to buy additional dollars in the market, and the U.S. authorities in turn absorbed part of this inflow by purchasing dollars from the central bank against Swiss francs. The francs needed for this operation were obtained by sale to the BIS on July 30 of a $23 million equivalent 15-month Swiss-franc-denominated U.S. Treasury bond. (This sale raised the Treasury's Swiss franc bond indebtedness to $350 million equivalent.) As the period closed, renewed Swiss commercial demand for dollars and easier Swiss money market conditions brought about a moderate decline of the franc below its ceiling.

NETHERLANDS GUILDER

Official U.S. commitments in Netherlands guilders reached a peak of $348 million equivalent on January 8 as a result of operations undertaken during August 1964–January 1965 when the basic Dutch payments position was strong and when, in addition, funds were moving into the Netherlands as a result of pressures on sterling. Thus, the $100 million Federal Reserve swap facility with the Netherlands Bank had been fully utilized, a temporary $35 million swap between the U.S. Treasury and the Netherlands Bank had been arranged, another $50 million of guilders had been acquired through sterling–guilder swaps with the BIS for sale to the Netherlands Bank to absorb dollars, and $163 million equivalent of guilders had been sold forward in the Netherlands market.

Early in January the $35 million U.S. Treasury–Netherlands Bank temporary swap was liquidated as Federal Reserve and Treasury sales of forward guilders, initiated in mid-December, induced covered outflows of funds from the Netherlands by the Dutch commercial banks, thus facilitating the acquisition of spot guilders by the U.S. authorities. Commitments on these forward contracts through the market reached a peak of $197 million equivalent on January 19, but by early February $10 million of short-dated contracts had been paid off at maturity. Moreover, in the early part of February, the Federal Reserve started to repay its drawings under the swap arrangement, reducing the amount outstanding to $70 million equivalent by the end of the month. However, major reductions in U.S. commitments had to wait until the early spring and summer months, when the Netherlands balance of payments was seasonally less strong and guilder purchases could be made in size. A Dutch payments deficit did begin to emerge in March, and by late July the U.S. authorities had acquired a sufficient amount of guilders, mainly through purchases from the Netherlands Bank as it sold dollars in its market, to reduce outstanding commitments by a total of $225 million equivalent. These acquisitions were made despite the persistence of generally tight money market conditions in the Netherlands and occasional pressures arising from shifts of funds out of sterling. Thus, during March and April, the System purchased enough guilders from the Netherlands Bank to repay a further $25 million equivalent of its swap drawings. The remaining $45 million equivalent of swap drawings was paid off in late May with guilders acquired in conjunction with the United Kingdom drawing from the IMF.

In addition to reducing Federal Reserve swap drawings, the U.S. authorities paid off at maturity a total of $68 million equivalent of forward contracts by late April. As the guilder continued on offer another $62 million equivalent was acquired by the Federal Reserve and the Treasury in June and July to repay forward contracts at maturity, thereby reducing the total outstanding to $57 million equivalent. Some of these repayments, occurring as they did prior to midyear, helped relieve tight money market conditions in the Netherlands. In addition, in June the System and the Treasury liquidated a total of $25 million equivalent of sterling-guilder swaps. Finally, the Netherlands Bank also undertook exchange transactions in July to alleviate the money market pressures generated by a seasonal increase in currency in circulation, buying dollars spot from the Dutch commercial banks and selling them back forward, mainly for 1-month maturities.

Toward midsummer, renewed nervousness regarding sterling contributed to flows of funds into the Netherlands. These flows coincided more or less with the abatement of seasonal pressure on the Netherlands' payments position, and the Netherlands Bank consequently began to buy dollars to prevent too rapid a rise in the guilder rate. Its dollar acquisitions soon raised its total holdings above usual levels, and some absorption of the excess dollar holdings accordingly was called for. Consequently, the U.S. Treasury purchased $25 million at the end of July with guilders drawn from the IMF under a $300 million equivalent multicurrency drawing (see section on U.S. drawings on the IMF), and in August the Federal Reserve reactivated its swap arrangement with the Netherlands Bank to the extent of $25 million equivalent. By the end of August, buying pressure on the guilder diminished as the exchange markets calmed and the Dutch money market eased.

GERMAN MARK

In late December 1964, the Federal Reserve had drawn $50 million equivalent under its $250 million swap facility with the German Federal Bank to absorb dollars taken in by that bank at the time of the sterling crisis. This drawing was reversed in late January, as short-term outflows from Germany combined with German military purchases in the United States enabled the Federal Reserve to acquire $50 million of marks from the German Federal Bank. Another small drawing of $15 million equivalent in February was likewise quickly reversed.

Beginning in May, the mark began to display an increasingly softer tone. For some time German import demand had been outpacing export growth, with the result that the previously very sizable trade surplus that had helped to keep the mark close to its ceiling for nearly 2 years began to decline. Indeed, by June the trade account had swung into deficit for the first time since 1958, and the mark was quoted below its par of $0.2500 for the first time since February 1963. Apart from the sharp shift in the German trade account and the related change in the pattern of leads and lags, there were some indications that the U.S. Voluntary Foreign Credit Restraint Program had had some influence on capital movements, reinforcing the downward pressure on the mark rate. Under these conditions, first the Treasury and then the Federal Reserve began in June to purchase marks systematically, in the market as well as from the German Federal Bank, with a view toward employing the marks to liquidate other foreign currency commitments. Thus, the Federal Reserve purchased $39 million of marks in June and early July and on July 8 swapped $40 million equivalent of marks for Swiss francs with the BIS in order to repay the remaining Federal Reserve Swiss franc commitment under the swap drawings from that institution. Additional marks were purchased by the Federal Reserve during July and August, part of which were used on two occasions to acquire a total of $12.5 million equivalent of Dutch guilders through a third-currency swap with the BIS; an equivalent amount of sterling which had been previously swapped with the BIS for Dutch guilders was simultaneously reacquired.

For its part, the Treasury also employed mark acquisitions to modify its third-currency swaps with the BIS. In late July, the Treasury swapped with that institution $15 million equivalent of marks for Swiss francs and $5 million equivalent for Dutch guilders and used the francs and guilders to liquidate equivalent outstanding sterling–Swiss franc and sterling–Dutch guilder swaps with the BIS. At the end of August, the Treasury swapped an additional $7.5 million equivalent of marks for guilders with the BIS, similarly liquidating an equivalent sterling–guilder swap. Earlier, on July 12, the Treasury had redeemed at maturity a $25 million equivalent mark-denominated bond. This represented the first reduction in the Treasury's mark-denominated bonds, which were first issued to the German Federal Bank in January 1963 and which reached a total last year of $679 million equivalent.

BELGIAN FRANC

The diminished rate of growth of Belgian economic activity first evident in 1964 carried over into 1965 and contributed to a slowing down in the rise of Belgian import demand. Belgium continued to run a surplus on its balance of payments during the first 8 months of 1965, and with the Belgian franc generally at its ceiling Belgian official reserves increased by some $47 million. In addition, Belgium's position in the IMF improved by $108 million during the first 7 months of the year.

At the end of 1964, System drawings under the $100 million swap arrangement with the National Bank of Belgium amounted to $45 million equivalent. Continued dollar inflows during January and February were partly absorbed through additional drawings of $40 million equivalent, and in early March the Federal Reserve utilized the remaining $15 million of its Belgian franc facility. In addition, the National Bank of Belgium purchased a total of $62 million in gold from the U.S. Treasury during the first half of the year.

In the latter part of March, demand for dollars in Belgium enabled the System to acquire $10 million of Belgian francs and reduce its drawings by that amount. However, with the Belgian franc back at its ceiling in April, $10 million was again drawn to absorb dollars from the National Bank of Belgium. The first major reduction in the Federal Reserve's Belgian franc commitments occurred in late May when the Federal Reserve purchased $40 million equivalent of Belgian francs from the National Bank of Belgium, following a United Kingdom conversion into dollars of Belgian francs acquired under its $1.4 billion multicurrency drawing from the IMF.

During July and August, there was a succession of drawings and repayments, reflecting in part temporary swings in Belgium's balance of payments position and in part special transactions. In early July, the System once again increased its drawings in Belgian francs—from $60 million to $80 million equivalent—before a temporary demand for dollars in Belgium enabled the Federal Reserve to buy the equivalent of $40 million of Belgian francs from the National Bank of Belgium. In late July, the Federal Reserve liquidated its remaining uncovered Belgian franc position by purchasing from the U.S. Treasury $40 million equivalent of Belgian francs which the Treasury had acquired under its $300 million equivalent multicurrency drawing from the IMF. As indicated elsewhere, this operation represented the first funding of a System swap drawing through use by the United States of an IMF drawing. No sooner had the System reconstituted its franc position than dollars once again began to move into the reserves of the National Bank of Belgium on a substantial scale, mainly as a consequence of the renewed pressures on sterling, and the Federal Reserve during August utilized Belgian francs available under its swap facility with that bank to absorb a total of $55 million.

ITALIAN LIRA

During 1965, the Italian balance of payments continued to show the effects of the stabilization measures introduced during the two preceding years to deal with the severe payments deficit that had emerged in 1963. In fact, during the first 7 months of this year Italy had a balance of payments surplus of over three-fourths of a billion dollars, attributable to record high earnings on invisibles and a much reduced trade deficit. With the Italian financial markets relatively easy as a result of lagging internal demand and a consciously stimulative monetary policy, Italian banks purchased sizable amounts of foreign exchange from the Italian authorities on a swap basis and used the funds to reduce their indebtedness in the Euro-dollar market as well as to finance external trade. Nevertheless, Italian reserves increased, particularly during the summer months when seasonal factors are favorable to Italy. Under the circumstances, the U.S. authorities employed a variety of techniques to absorb official Italian holdings of dollars.

The Federal Reserve reactivated its $250 million swap arrangement with the Bank of Italy on January 22 by drawing $50 million equivalent in lire and selling the proceeds to that bank for dollars. An additional drawing of $50 million equivalent was made in March. With $100 million of the $250 million swap line already utilized and with the prospect of further increases of Italian holdings over the seasonally strong summer months, it was thought desirable to increase the size of the System's swap facility with the Bank of Italy. Thus, on April 1, it was announced that the arrangement had been expanded to $450 million, and a further $100 million was immediately drawn. (Of the $200 million increase in the swap line, $100 million replaced a standby swap facility for a like amount made available to Italy by the U.S. Treasury in March 1964 as part of a $1 billion credit package.) In May, the System increased its swap drawings by another $50 million equivalent in order to absorb additional dollars from the Bank of Italy.

As reported in previous articles, the U.S. Treasury in January 1962 had undertaken to share with the Bank of Italy contracts to purchase forward dollars which that institution had entered into with the Italian commercial banks in order to encourage a re-export of dollars during a period of heavy balance of payments surpluses. The last of these contracts had been reacquired by the Italian authorities in March 1964, thus fully liquidating the Treasury's forward lira commitments. In view of the reappearance of substantial Italian payments surpluses, the U.S. Treasury in 1965 began once again to share contracts to purchase forward dollars with the Bank of Italy. In addition, the Treasury sold to the Bank of Italy $80 million of gold in April, thus absorbing a further part of the dollar inflow and reconstituting part of the gold which Italy had sold to the United States the preceding year.

An opportunity to begin reducing the Federal Reserve's swap drawings became available in late May when the United Kingdom drew $82 million equivalent of lire from the IMF and sold them to the Federal Reserve, thus permitting the System to reduce its swap drawings by that amount on May 25. A similar operation in connection with a subsequent drawing of lire from the Fund by another member enabled the System to make an additional repayment of $5 million on July 2. However, as sizable Italian balance of payments surpluses continued, it seemed appropriate to fund the drawings still outstanding. Accordingly, in July the United States drew $180 million equivalent of lire as part of its $300 million multicurrency drawing from the IMF (see section on U.S. drawings on the IMF). Of this amount, $163 million equivalent was employed to liquidate outstanding Federal Reserve swap drawings and the balance to absorb uncovered dollars from the Bank of Italy. Another $125 million was purchased from the Bank of Italy with proceeds from an 18-month lira-denominated bond which the Treasury issued to the Bank of Italy. In August, inflows partly associated with continuing pressures on sterling caused the Federal Reserve to reactivate its swap facility with the Bank of Italy by drawing $100 million of lire in order to absorb an equivalent amount of dollars.

CANADIAN DOLLAR

Canada's strong balance of payments performance in late 1964, sustained in part by long-term borrowing in the United States and repatriation of funds from the United Kingdom, gave way to a deficit early in 1965, and by March the spot Canadian dollar had fallen below par. This turnabout was in part related to seasonal factors and to a sharp deterioration in Canada's trade account. The U.S. Voluntary Foreign Credit Restraint Program left untouched essential long-term capital flows to Canada but did have the initial effect of inducing U.S. corporations to repatriate an important amount of previous short-term investments in Canada. The great bulk of their withdrawal of short-term funds was apparently met by reduced placement of funds by Canadian banks in New York or other foreign markets and, therefore, had little impact on Canadian reserves.

As a result of a deterioration in the trade and capital accounts, Canadian reserves dipped $120 million during the first quarter of 1965. However, during the second quarter, if allowance is made for Canada's participation in the United Kingdom's IMF drawing, the net effect of which was to reduce Canadian reserves by $72.5 million in May, Canadian reserves remained steady on balance helped by Canadian bond sales in the United States during April and May. (The British IMF drawing, together with net use of Canadian dollars by other IMF members, brought about an improvement in Canada's Fund position of $129 million during the first 6 months of the year, thus compensating for a good part of the reserve drain during this period.)

Around midyear, demand for Canadian dollars once again subsided, and the spot rate gradually declined to its low for the period by mid-July, before turning around once again. The renewed firmness in the Canadian dollar appeared linked primarily to the flotation of further bond issues in the United States and the successful negotiations for substantial Russian purchases of Canadian wheat and flour announced in mid-August. Grain houses, anticipating future U.S. dollar receipts from Russia, purchased Canadian dollars forward. In the spot market, the rate advanced to well above par as banks purchased Canadian dollars spot to cover forward commitments to the grain houses, and commercial interests moved into the market in anticipation of a further strengthening in the rate.

During the period under review, no official

U.S. operations in Canadian dollars were undertaken.

OTHER CURRENCIES

Japanese yen. The series of measures aimed at restraining domestic demand that were initiated by the Japanese authorities as early as October 1963 led to a noticeable improvement in Japan's trade position beginning in the latter part of 1964. While import demand this year has remained fairly steady at a high level, exports have set new records. This improved trade performance has largely offset the effects on Japan's reserves of diminished inflows of foreign capital and has permitted the reversal of previous restrictive measures.

On April 1 the Federal Reserve and the Bank of Japan agreed to increase their reciprocal swap arrangement from $150 million to $250 million. In view of the above-mentioned balance of payments developments, no recourse to the swap facility has been necessary during the period under review.

French franc. France continued to register a substantial balance of payments surplus during the first 8 months of 1965 under the influence of a strong export performance and lagging import demand. This development in the trade account reflected, to a considerable extent, the reduced rate of domestic economic expansion associated with the official stabilization program. Official French reserves rose $241 million during this period notwithstanding a debt prepayment of $179 million to the United States in July. (In addition, the French position in the IMF improved by $247 million during the same period.) Most of the dollar gains were used to purchase gold from the U.S. Treasury. Moreover, substantial amounts of dollars acquired prior to 1965 also were converted into gold. Total French gold purchases consequently constituted the largest single element in U.S. gold sales to foreign countries during the first half of the year, accounting for a little over one-half of total sales. In August, the U.S. Treasury used the francs obtained from its $300 million equivalent multicurrency drawing from the IMF to purchase $40 million from the Bank of France, thus reducing French dollar reserves by that amount.

Austrian schilling. As reported in the March 1965 BULLETIN, the Treasury on February 23 and March 3 issued to the Austrian National Bank two $25 million equivalent 18-month bonds denominated in Austrian schillings and used the proceeds to absorb some of that bank's dollar holdings. Following these transactions, total Treasury bond indebtedness denominated in Austrian schillings amounted to $100 million equivalent.

Swedish krona. On July 30, the U.S. Treasury used kronor obtained from its $300 million equivalent multicurrency drawing from the IMF to purchase $15 million from the Bank of Sweden.

U.S. DRAWINGS ON THE INTERNATIONAL MONETARY FUND

Over the course of several years prior to 1964, foreign countries had been repaying more dollars to the IMF than the IMF had been paying out in new drawings. As a result, the Fund's dollar holdings rose to a point where they equaled the amount that the United States had paid into the IMF as part of its quota. At this point the Fund, under its rules, could no longer accept dollars in repurchase, and countries making repurchases could do so only with other eligible convertible currencies or with gold. In order to be able to sell eligible currencies to countries making repurchases, the U.S. Treasury has itself drawn such currencies from the IMF on a number of occasions beginning in February 1964. By the end of 1964, the Treasury had made five drawings totaling $525 million equivalent in seven continental European currencies. A sixth drawing of this type in the amount of $75 million equivalent ($25 million each in Canadian dollars, German marks, and Italian lire) was made on March 22. As in the case of previous drawings, the bulk of the currencies drawn was sold to countries making repurchases during the ensuing months. No further drawings for the technical purposes described above were made by the United States through the month of August.

As indicated elsewhere, dollars continued to accumulate in the official reserves of certain European countries during the first half of the year. Some of these dollars were temporarily absorbed by use of the Federal Reserve short-term swap arrangements. Since in certain cases there subsequently appeared to be little near-term prospect for any reversal in these dollar inflows, the U.S. authorities decided to draw on the Fund to acquire foreign exchange on a medium-term basis for use in paying off some of the short-term credits, and otherwise to reduce official holdings of dollars abroad by purchasing dollars with the currencies drawn. In this drawing on July 30, the first occasion on which the United States had made an ordinary, nontechnical drawing on the IMF, the Treasury acquired $300 million equivalent of five European currencies: Italian lire, $180 million; French francs, $40 million; Belgian francs, $40 million; Netherlands guilders, $25 million; and Swedish kronor, $15 million. As detailed elsewhere in this report, the Belgian francs and the bulk of the Italian lire were used to liquidate in full the Federal Reserve swap drawings in the respective currencies. The French francs, Netherlands guilders, Swedish kronor, and remaining lire were used to absorb dollars from the respective central banks.

The United States has thus drawn a total of $900 million equivalent in foreign currencies from the IMF during the last 2 years. During the same period, other Fund operations in dollars resulted in net disbursements of $508 million; consequently the U.S. repurchase obligation to the IMF as of the end of August was only $392 million.

Statements to Congress

Statement by William McChesney Martin, Jr., Chairman, Board of Governors of the Federal Reserve System, before the Subcommittee on National Security and International Operations of the Senate Committee on Government Operations, August 30, 1965.

A strong, healthy American economy is vital to our national security—both because it provides the means with which we defend ourselves and because our influence in international affairs is inextricably related to our own economic performance.

The Federal Reserve System has a host of duties and responsibilities related to the supervision of banks, the performance of fiscal agency services for the Treasury, and the efficient functioning of the payments mechanism in the United States, but far and away its major responsibility is to encourage, as best it can with the tools at its disposal, financial conditions that will, in turn, contribute to vigorous, sustained growth in output and emplyment. In other words, our overriding objective is to strengthen the U.S. economy.

I have spoken thus far of the strength of the American economy without making any special reference to the strength of the dollar as an international currency or to our balance of payments. As some of you probably know, to me these are part of the same package. We cannot have a strong economy without a strong dollar. In the long run, equilibrium in our international accounts is just as essential to our domestic prosperity as it is to the dollar's position in international commerce. It would be utterly unrealistic to think that we could have lasting prosperity in this country if we had a weak dollar, and consequently a deteriorating confidence around the world in the United States and its economic system.

Let me say just a few words about what the Federal Reserve System can do and what it has been doing to help bring about the kind of financial climate that is conducive "to maximum production, employment, and purchasing power"—the objectives of Government economic policy as set forth in the Employment Act of 1946.

Basically, our influence on economic developments stems from our authority to specify the amount of reserves that banks are required to hold and our control over the supply of these reserves. Because of short-term fluctuations in factors beyond our control, we cannot determine precisely the amount of reserves that are available to banks each day, or even each week; but we can offset these fluctuations in the longer run, and it is fair to say that from month to month and year to year the supply of reserves is determined by the policies of the Federal Open Market Committee.

We could undertake to regulate the growth of reserves available to banks in accordance with some set formula. As a practical matter, however, the Committee exercises its regulative influence by establishing and maintaining conditions as to the cost and availability of reserves befitting current economic needs. With this approach, the growth of bank reserves reflects in part market factors, which depend in turn on the strength of credit demands within the economy.

Regulation of the supply of reserves available to commercial banks has an influence on the cost and availability of credit and on the rate of growth in money and credit, which affects in turn the aggregate demand for goods and services. But these variables are also influenced by many other factors, and the impact of moderate changes in monetary policy is often hard to identify, much less quantify. Even fairly drastic changes in our policies may at times be overshadowed by the sweep of other developments.

Let me digress here to say that our staff and many other economists working independently are laboring continuously—aided considerably by the advances in recent years in computer technology—to isolate and measure more exactly the impact of changes in policy at various stages of this process so that we may think and speak with more precision about the ultimate effects of policy changes. In the meantime, the precise magnitude and timing of these effects are not subject to exact scientific determination and so remain a matter of judgment, and one on which judgments may differ.

I am stressing these limits of our knowledge in order to explain why central banking remains an art rather than a science. And as an art, it is the art of moderation, or the middle way. At all times, we must be aware of the risk that the economy might be undermined by either deflation or inflation.

What the Federal Open Market Committee does in performing its policy-making functions, can be described in infinite detail, but it can also be summarized accurately, I think, in a very few words. The Committee issues directives to the Manager of the System's Open Market Account as to the conditions of reserve availability which, in its best judgment, will be most conducive to the sound, healthy growth of the economy. Most often, over the years, there has been a substantial unanimity in the Committee as to the directive most likely to contribute to this end. Occasionally there have been sharp differences of view, but these have usually come at times when the future course of economic events was especially hard to divine, and our thinking has tended to come together again as the situation clarified.

Thus far I have described our functions and their relation to what I understand to be your interests in very general terms. I surmise from your initial memorandum and your previous hearings that it would be appropriate for me to tell you about our activities in the international field in a little more detail.

Let me say, first of all, that the Federal Reserve has neither the authority nor the inclination to make foreign policy of any kind, including foreign financial policy. As a member of the National Advisory Council on International Monetary and Financial Problems, I am called upon to advise the President on those problems. But the United States has, and can have, only one foreign policy. Any action the Federal Reserve may take in matters connected with foreign relations, any negotiation or discussion with foreign central bankers, any participation in international activities, institutions, or meetings—in short, anything we do or say in this area is carefully coordinated with those Government agencies to which the President has delegated authority, and on occasion directly with the White House.

But within the framework of U.S. foreign financial policy, and with the full approval and indeed encouragement of the administration, the Federal Reserve has greatly expanded its international activities in recent years. These activities include three different, though interconnected, categories: first, participation in international meetings, discussions, and negotiations in which representatives of the Federal Reserve form part of a U.S. delegation; second, a wide range of informational contacts, formal and informal, with foreign central banks; and third, arrangements with foreign central banks on foreign exchange operations.

Federal Reserve representatives, acting as members of a U.S. delegation, have played important roles in meetings and negotiations connected with the International Monetary Fund, with the so-called Group of Ten, and with the Organization for Economic Cooperation and Development.

Federal Reserve connection with the work of the IMF started even before that organization was established: members of the Board of Governors and of its staff participated in the drafting of the proposals that led to the Bretton Woods Conference of 1944, and in the work of the Conference and the drafting of the IMF Agreement itself. More recently, they have regularly formed part of the U.S. delegation at the annual meeting of the IMF, and of the group of officials that consults every year with the IMF on economic and monetary developments and policies in the United States.

Federal Reserve officials also play an important role as members of the various U.S. delegations in the so-called Group of Ten, which includes the ten leading member countries of the International Monetary Fund. This is the group of member countries that agreed in December 1961 "to lend the Fund amounts of their currencies up to a total of $6 billion, so as to reinforce the Fund's ability to grant drawings to participants in the Arrangements in order to forestall or cope with an impairment of the international monetary system."[1] By Act of June 19, 1962, the Congress authorized the United States to participate in an amount up to $2 billion in these Arrangements.

The Ministers and Central Bank Governors of these ten countries, together with the Managing Director of the IMF, decided in October 1963 to review the functioning of the international monetary system and the probable future needs for international liquidity. They instructed their deputies to examine these questions and to report on the progress of their studies. The Secretary of the Treasury, as the U.S. member of the Ministerial group, appointed the Under Secretary of the Treasury for Monetary Affairs, and a member of the Board of Governors, Mr. Daane, as his deputies. These U.S. deputies, and their counterparts from the central banks and finance ministries of the other countries of the Group of Ten, have been responsible for constructive work on the international payments problem, especially for important studies on problems of reserve assets and other matters of vital importance for any appraisal and reform of the international monetary system. Staff members of the Federal Reserve have participated, and still are participating, in the studies undertaken by the working parties of the deputies.

Further, Federal Reserve officials form part of the U.S. delegations to the meetings of the Economic Policy Committee of the OECD—the successor to the organization

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[1] Annex to the Ministerial Statement of the Group of Ten of August 10, 1964, section 16 (f).

set up to help implement the Marshall Plan—and of its working parties. From the point of view of the Federal Reserve, the most important of these groups is Working Party 3, which periodically discusses the balance of payments problems and policies of the participating countries.

These discussions in WP-3 are valuable as means of conveying information and fostering mutual understanding. But they have acquired particular significance since WP-3 has been charged by the Ministers of the Group of Ten with the task of providing "a basis for multilateral surveillance of the various elements of liquidity creation, with a view to avoiding excesses or shortages in the means of financing existing or anticipated surpluses and deficits in the balance of payments, and to discussing measures appropriate for each country in accordance with the general economic outlook."[2] WP-3 has also been charged by the Ministers with the task of undertaking a thorough study of the measures and instruments best suited for averting large and persistent payments imbalances.

Meetings of Federal Reserve officials with other central bankers take place periodically within the framework of the Bank for International Settlements and the Center for Latin American Monetary Studies, which is known by the initials of its Spanish title as CEMLA. The Federal Reserve, in accordance with then prevailing U.S. policies, declined formal membership in the BIS when it was first established. But it has more recently, in accordance with contemporary U.S. policies, accepted the invitation of the BIS to send observers to the monthly and annual meetings of the central bankers that form its Board of Directors. These meetings do not result in policy decisions but they permit a frank exchange of information and opinions among central banks which are useful in many ways. One of the members of the Board of Governors regularly attends the annual meeting of the BIS members. At the monthly meetings the Federal Reserve is usually represented by officials of the Federal Reserve Bank of New York—customarily Mr. Hayes, its President, or Mr. Coombs, its Vice President in charge of the Foreign Department, who also acts as Special Manager for System foreign exchange operations.

Recently, the work of the BIS—like that of Working Party 3 of the OECD—has been integrated with that of the Group of Ten, since the Ministers of the Group of Ten have asked the BIS to combine statistical data "bearing on the means utilized to finance surpluses or deficits" in the international accounts of the members of the Group and to supply them "confidentially to all participants and to Working Party 3 of OECD."[3]

The Federal Reserve is closely associated with, and provides technical and financial support to, CEMLA, which is a research organization established by the central banks of the Western Hemisphere. Again, our participation is mainly informational but we are also assisting CEMLA in the important task of helping to train central bankers for Latin American countries.

In addition, the heads of the central banks of the Americas are now meeting annually for the purpose of discussing common problems. Participation of the Federal Reserve in these gatherings demonstrates that the United States is interested in close financial collaboration with its American sister republics just as it is interested in cooperating with countries in the Group of Ten.

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[2] Annex to the Ministerial Statement of August 10, 1964, section 37.

[3] Annex to Ministerial Statement, section 37.

The day-to-day activities of the Federal Reserve have been most directly affected by its participation in foreign exchange operations. Between the early thirties and the early sixties, the Federal Reserve did not operate in the foreign exchange market for its own account, although it continued to do so as fiscal agent for the Treasury and its Stabilization Fund, and as banking correspondent of foreign central banks. After lengthy deliberation and full consultation with the Treasury, the Federal Reserve decided in February 1962 to re-enter the foreign exchange field. As set forth in the Authorization given by the Federal Open Market Committee to the Federal Reserve Bank of New York, the basic purposes of the operations are (1) to help safeguard the value of the dollar in international exchange markets; (2) to aid in making the international payments system more effective; (3) to further monetary cooperation with foreign central banks and the IMF; (4) to help moderate temporary imbalances in international payments; and (5) in the long run, to make possible growth in international liquidity in accordance with the needs of an expanding world economy.

The Federal Reserve has conducted its foreign exchange operations mainly in the form of mutual arrangements with major foreign central banks and the BIS. It also purchases or sells convertible foreign currencies outright, in the spot market, or engages in forward operations in such currencies; but the total amount of spot currencies the Special Manager is authorized to hold for System account and the total amount of forward transactions as well as the purposes for which he is permitted to engage in such transactions are strictly circumscribed in the directives given him by the FOMC. Holdings of foreign currencies through outright spot purchases are limited to an aggregate of $150 million, and forward transactions—excepting forward transactions that are merely designed to eliminate the exchange risk of spot holdings or forward commitments—are limited to $275 million equivalent.

In contrast to the modest amounts of these market transactions, the Federal Reserve has concluded with eleven foreign central banks and the BIS mutual currency agreements, the so-called swap agreements, under which the Federal Reserve could draw a total of $2.8 billion in foreign exchange, and its partners a corresponding amount in dollars. Generally, these agreements are on a standby basis; in other words, a participating central bank draws on the arrangement only when, and to the extent that, it needs an amount in foreign exchange or dollars, respectively.

Cumulatively, from the beginning of the operations to the end of July 1965, drawings under the swap agreements reached the impressive totals of $2.2 billion equivalent drawn by the Federal Reserve and $3.4 billion drawn by foreign central banks. Of course the amounts outstanding at any one time have been much smaller. At the end of 1964, for instance, outstanding drawings by the System totaled less than $300 million, and outstanding drawings by foreign central banks $200 million, leaving a net debtor position of the System of less than $100 million—which, incidentally, has since turned into a net creditor position.

Under the swap agreements, both the System and its partners make drawings only for the purpose of counteracting the effects on exchange markets and reserve positions of temporary or transitional fluctuations in payments flows. About half of the drawings ever made by the System, and most of the drawings made by foreign central banks, have been repaid within 3 months; nearly 90 per cent of the recent drawings made by the System and 100 per cent of the drawings made by foreign central banks have been repaid within 6 months.

In any event, no drawing is permitted to remain outstanding for more than 12 months. This policy ensures that drawings will be made, either by the System or by a foreign central bank, only for temporary purposes and not for the purpose of financing a persistent payments deficit.

In all swap arrangements both parties are fully protected from the danger of exchange rate fluctuations. If a foreign central bank draws dollars, its obligation to repay dollars would not be altered if in the meantime its currency were devalued. Moreover, the drawings are exchanges of currencies rather than credits. For instance, if, say, the National Bank of Belgium draws dollars, the System receives the equivalent in Belgian francs; and since the National Bank of Belgium has to make repayment in dollars, the System is at all times protected from any possibility of loss. Obviously, the same protection is given to foreign central banks whenever the System draws a foreign currency.

The interest rates for drawings are identical for both parties. Hence, until one party disburses the currency drawn, there is no net interest burden for either party. Amounts drawn and actually disbursed incur an interest cost, needless to say; the interest charge is generally close to the U.S. Treasury bill rate.

The advantages of these arrangements for the United States, and for the free world in general, can best be explained by briefly discussing two instances: Federal Reserve actions on the tragic day of President Kennedy's assassination, and at the time of the sterling crisis last November.

The initial shock of the news of the assassination of the President temporarily paralyzed the New York exchange market, and there was imminent danger of panic selling of dollars here and abroad. The Special Manager of the System foreign exchange account immediately offered in the market sizable amounts of foreign currencies at the rates prevailing before the tragedy. As the market realized that the Federal Reserve, with the cooperation of foreign central banks, was fully prepared to defend existing exchange rate levels, speculation subsided. By the end of the day, Federal Reserve intervention plus a parallel intervention of the Bank of Canada together totaled less than $50 million in all currencies. No further Federal Reserve intervention was needed on the following days.

In November 1964, sterling was hit by large waves of selling, despite actions taken by the British authorities, including an increase in bank rate to 7 per cent and the introduction of a 15 per cent import surcharge. On November 24, a massive credit package to back up sterling began to take shape. The Federal Open Market Committee approved a $250 million increase in the swap arrangement with the Bank of England; simultaneously, the Export-Import Bank granted Britain a $250 million credit. The Bank of England and Federal Reserve officials were in almost continuous telephone communication with the other major central banks that participate in the network of swap arrangements with the System, and on the afternoon of November 25 a $3 billion package of credits obtained from 11 countries and the BIS could be announced.

Federal Reserve drawings under the swap arrangements do not necessarily reflect an international payments deficit of the United States. Regardless of our over-all payments position, it is unavoidable that from time to time the United States has a substantial deficit in relation to one country, and a substantial surplus in relation to another. If the foreign surplus country traditionally converts dollar accruals into gold while the foreign deficit country holds most of its reserves in dollars, the U.S. gold stock will be reduced even in the absence of an over-all payments deficit; this actually happened last quarter, when—as you know—the United States had a payments surplus.

But insofar as the deficit in relation to the foreign surplus country might be deemed temporary, the decline in the U.S. gold stock could be avoided by means of a drawing on the swap arrangement with that country. Similarly, if the foreign deficit country is pressed for reserves, it may also prefer to make a drawing on its swap arrangement rather than reduce its reserves, provided that its deficit is considered temporary and reversible. Hence, swap drawings initiated by the System on some central bank are usually outstanding side by side with swap drawings initiated by some other central bank.

The concern of the Federal Reserve with international matters is not restricted to the international activities of the System. Our concern is most directly connected with the main purpose of our monetary policy: in view of the interrelations between our country's domestic and international monetary equilibrium, domestic policy considerations are sufficient reason for avoiding policies that would perpetuate or aggravate a payments imbalance.

It is true that the recent U.S. payments deficit has been of a character very different from that of payments difficulties of most other countries. In general, a country suffers from a payments deficit when its imports of goods and services exceed its exports. But the United States does not spend more abroad on goods and services than it earns. On the contrary, it has had record export surpluses in recent years, even after deducting all Government expenditures abroad from its export receipts. But U.S. investors have lent and invested funds overseas that were larger than the export surplus. Hence, although the international wealth of the United States has increased, its international liquidity has declined: its gold reserves have dropped, and its short-term liabilities have increased faster than its liquid claims on foreigners.

This difference between the U.S. position and the usual position of a deficit country may be important from the point of view of needed remedies; it does not alter the fact that a large and persistent decline in the international liquidity of the United States can no more be permitted to go on unchecked than could a trade deficit. There are, in my judgment, three main reasons why a continuation of the decline in our international liquidity would be extremely harmful for both the United States and the rest of the free world.

First, a large part of the free world's trade and finance is conducted in U.S. dollars. But the dollar can continue in its international role only as long as the world has full confidence in its stable value. And while the value of the dollar is ultimately based on the prosperity and stability of the U.S. economy, confidence also is deeply affected by changes in the relationship between our gold reserves and our net short-term liabilities to foreigners—especially foreign monetary authorities—which we are prepared to redeem in gold on demand. Hence, a persistent and large deterioration in that relationship—in other words, a persistent and large decline in our international liquidity—tends to undermine confidence in the dollar, and to threaten the vital role of the dollar in international commerce.

More concretely, some foreign observers have contended that the United States could have a persistent deficit in its payments only because it could rely on the international role of the dollar. Foreign merchants, bankers, and investors have been willing to accumulate dollar balances, and foreign central banks have been willing to accumulate dollar reserves only because the dollar has been generally acceptable in settlement of international transactions. Otherwise, the United States would have had to settle all payments deficits in gold, and would have had to take drastic action long ago to keep its gold stock from being depleted.

There is only a short way from this line of argument to the demand that in the future the United States be made to abide by international payments discipline in exactly the same way as a country whose currency does not circulate internationally; in other words, that all settlements of international payments deficits be made exclusively in gold, and that the dollar cease to function as a reserve currency, if not also as a key currency in private international transactions. Such a change would not only wipe out U.S. gold reserves, as foreigners would convert their dollar balances into gold. It would also greatly reduce the international liquidity of the free world as a whole, and hence pose a serious threat to any further expansion of international commerce, or even to the maintenance of its present volume.

Second, indefinite continuation of a payments deficit would increasingly impede the conduct of U.S. monetary policy. In the long run, domestic and international goals of monetary policy are, in my judgment, identical; but in an emergency situation circumstances could arise in which a sudden elimination of a payments deficit would require monetary measures of such severity that they would not be appropriate from the point of view of domestic policy goals. The longer the payments deficit remains unchecked, the greater the possibility or even probability of a sudden emergency of that kind.

Third, while the present international payments system has, in my judgment, functioned extremely well, it is—like all human institutions—in need of further improvement. The United States has the greatest interest not only in bringing about that improvement but also in seeing to it that the necessary improvement does not impair the international function of the U.S. dollar. But as long as our payments balance continues in deficit, all suggestions made by U.S. representatives will be subject to a suspicion that they aim not at improving the system but at finding new and painless ways to finance the U.S. deficit and thus to permit the United States to continue to run a deficit. This suspicion, unfounded though it is, needs to be allayed if we are to attain consensus on the problem of international payments reform; it will not be finally allayed until our payments position returns to lasting equilibrium.

The Federal Reserve is contributing to the elimination of the payments deficit primarily by a monetary policy designed to provide member banks with reserves large enough to permit them to continue to finance our present prosperity and to attain even better utilization of our manpower and capital resources but not so large as to permit either domestic inflationary pressures to develop or an excessive amount of funds to flow abroad. In accordance with the President's balance of payments message of February 10, 1965, this general policy is being supplemented by the participation of the

Federal Reserve in the voluntary efforts of commercial banks and other financial institutions to restrain the expansion of credits to foreigners. As you know, these efforts have been successful almost beyond expectation; but they clearly are a temporary remedy, and cannot be relied upon to bring about lasting equilibrium.

The Federal Reserve will continue to do its part not only in the attempts at eliminating our payments deficit for good but also in the work that will lead, I hope, to a better international monetary system. Such a system will, in my judgment, need to be based on existing institutions that have provided a framework for unprecedented economic progress at home and abroad; on expanded functions of the International Monetary Fund; on financial cooperation of the sort pioneered through our swap arrengements; and on the continued use of reserve currencies as a means of settling international transactions and as international reserves side by side with gold.

Whatever the differing attitudes of countries regarding the composition of their reserves between gold and foreign exchange, it is a fact of financial life that all countries use reserve currencies—especially the dollar—in their exchange markets. Thus countries in balance of payments surplus inevitably find their dollar balances increasing; the monetary authorities of countries in deficit must sell dollars in their exchange markets to support their exchange rates. This almost universal use of dollars by monetary authorities is a reflection of the widespread employment of the dollar by private traders and financial institutions, even in transactions that do not involve the United States. The use of the dollar as a reserve is closely related to its function as a medium of exchange, and reflects as well the predominant position of the U.S. economy and the ready convertibility of dollars into gold at the established price of $35 per ounce. Certainly any proposal for changing the international monetary system must respect these functions performed by dollars and must avoid the introduction of incentives to convert dollar holdings into gold.

Whether other countries do or do not wish to continue to use the dollar as a reserve currency is of course up to them. The United States does not insist that other nations accumulate dollars to meet their reserve needs. Nor does the United States claim that the amount of dollars that flow abroad as a result of our balance of payments position necessarily or automatically corresponds to the needs of the rest of the world for currency reserves. In this connection we at the Federal Reserve can well understand those who say in effect that international money will not manage itself.

The international monetary system must be flexible rather than rigid. It must be adaptable to the differing and, over time, changing needs of the various countries. It would be a great mistake to act as if all countries were alike in their size, structures, policies, and values. Any change in the monetary system must recognize the great diversity that exists among countries, even among the major industrial countries. And any such change must be an evolutionary one, preserving and building upon the valuable elements of the existing system.

If international agreement can be reached on such a basis, the reform of our international monetary system may be expected to contribute to world prosperity without disturbing market processes, without violating national monetary sovereignty, and without disrupting international cooperation.

Statements by members of the Board of Governors of the Federal Reserve System before the Subcommittee on Domestic Finance of the House Committee on Banking and Currency on S. 1698 and related bills.[1]

Statement by J. L. Robertson on August 23, 1965.

As passed by the Senate, S. 1698 contains two quite separate provisions, although they both rest, in part, on the same justification. The first of these relates to the mechanics of *administration* of the antitrust laws with respect to banks; the second—embodied in the last sentence of the bill—would *exempt* from antitrust prosecution virtually all bank mergers (or similar transactions) that were consummated prior to the enactment of the proposed law. Both provisions are based primarily on the disadvantages of requiring the breaking up of a banking institution—"unscrambling," in the popular jargon—after it has actually come into existence through the amalgamation of two separate institutions.

The "administrative" aspect of the bill would leave bank mergers subject to both the Sherman Act and the Clayton Act but would provide that if a proposed merger is approved by one of the Federal bank supervisory agencies, a proceeding under the antitrust laws must be commenced, if at all, within 30 days after the date of supervisory approval.

Legislation to this effect would seem to be desirable. It is a cliché, in this connection, to refer to the sword of Damocles, but the cliché is apropos. Under existing law, persons charged with responsibility for managing banking institutions may well hesitate to consider, plan, or consummate a merger, no matter how beneficial it promises to be. There is always the possibility that an antitrust suit may be instituted long after the transaction has been completed pursuant to supervisory authorization. The costs and the other adverse effects of such a suit, and particularly the possibility that the merged institution may have to be dismantled, are risks that men of sound judgment often hesitate to assume.

Under the amended bill, as others have brought out, in connection with every proposed bank merger the Department of Justice would have a period of not less than 60 days, and in most cases much longer, to study and evaluate the situation and to decide whether action under the antitrust laws appears to be appropriate. If no action was brought within the prescribed period, the transaction could be consummated with assurance that it could not thereafter be attacked under the antitrust laws. On the other hand, if a Sherman Act or Clayton Act proceeding was initiated within the prescribed time, the merger could not be consummated unless and until its legality had been judicially affirmed. In either event, the provisions of the bill would avoid the public and private disadvantages incident to a decision that a merged institution must be broken up. I consider this arrangement to be fair and in the public interest.

The bill, if enacted, would have another effect, one concerning which I have reservations. It provides that "any merger . . . which was consummated prior to the enactment of this amendment . . . shall be exempt from the antitrust laws."

The question raised by this provision concerns the appropriate relationship between the judicial and legislative branches of the

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[1] Chairman Martin's statement on S. 1698 before the same committee, on August 11, 1965, appeared in the August BULLETIN, pp. 1078-83.

Government; that is, whether the legislative branch should overrule the judicial branch or deprive it of jurisdiction over particular members of a broad group to which existing laws are applicable. I doubt the wisdom—as well as the benefit—of seeking the advice of the supervisory officials on a problem of this kind, because their views are likely to be suspect in view of their prior involvement in merger cases. Many of the mergers that would be exempted by this proposal—all that have been consummated since enactment of the Bank Merger Act in 1960—have been considered by the Federal bank supervisors from the standpoint of effect on competition, and some of the most important were approved by the Board of Governors of which I am a member. In some of these it was my conclusion that the general welfare would not be promoted by the merger. In such circumstances, it is perhaps difficult to avoid being influenced, subconsciously, by one's related convictions. But having been asked to testify on the matter I feel obliged to express my views, however reluctantly.

I am fully aware that "unscrambling" any institution months or years after it is created by the amalgamation of two separate organizations—while not impossible—involves substantial difficulties, inconveniences, and even injury not only to the corporation's stockholders and personnel but also to its customers. Nevertheless, the continued existence and enforcement of the antitrust laws evidence the conviction of Congress, confirmed again and again, that the general welfare calls for such laws and their enforcement even at the cost of some injury to individuals. Accepting that principle, I am unable to find justification for this aspect of the proposal, which would single out a particular group of mergers and confer upon them complete exemption from the laws that embody an important aspect of our national policy in favor of a vigorously competitive economy.

The principal objection to such a retroactive exemption—even more disturbing than its economic implications, in my judgment—is its potentially adverse effect upon respect for law, obedience to law, and the vigor and effectiveness of enforcement of the laws enacted by Congress. The vice of this proposal is that it amounts to an appeal to the legislature, in particular cases, in an effort to escape from general laws and their judicial enforcement. Certain transactions of a kind that presumably could not be carried out hereafter, under the provisions of this bill, would be granted a special dispensation solely on the ground that they were "consummated prior to the enactment of this amendment." If the underlying philosophy of the antitrust laws reflects the national will and belief—and this is the case, under our constitutional system, until Congress repeals those laws generally—exclusion of a particular group of situations for no other reasons than the difficulties and hardships involved in the unscrambling process and the fact that they were consummated prior to an arbitrary date seems to me impossible to justify.

From the practical viewpoint, I should perhaps express my belief that the "dangers" of antitrust law enforcement in this field have been exaggerated. It has been pointed out that 2,000 bank mergers have taken place since 1950, with the intimation that all of these institutions will continue to be in antitrust jeopardy unless they are accorded relief of this nature. On the basis of three decades of experience in bank supervision, necessarily involving some familiarity with the application and enforcement of antitrust laws in the banking field, I am satisfied that failure to grant such a special exemption from the antitrust laws will not result in wholesale antitrust litigation involving merged banks or a major disturbance and upheaval in the financial community.

These are the reasons why I support the "administrative" provisions of S. 1698 but question the advisability of the provision that would confer retrospective exemption upon a particular group of merged corporations.

Statement by George W. Mitchell on August 26, 1965.

Mr. Chairman, I thought it might be helpful to your deliberations if I offered a brief summary of my views on the substantive issues involved in commercial bank mergers. I will do this by reference to the cases considered by the Federal Reserve Board in the past 3½ years—roughly the period of my service on the Board.

As both this statement and my voting record will testify, I regard the competitive impact of mergers the most difficult and complex question posed in bank merger cases; but I also believe that, when properly analyzed, competition turns out to be significantly affected in only a minority of bank merger proposals. When competition is significantly reduced I favor denial unless the bank to be acquired is an unsound operation or woefully inadequate to meet its community's needs.

Let me explain the reasoning that underlies this conclusion. The Bank Merger Act of 1960, under which the Board operates, requires the supervisory authorities to consider a set of seven factors in each merger case. The first five are called "banking factors." They cover such considerations as the financial history and condition, the adequacy of capital, the quality of management, and the earning prospects of the institutions involved. The relevant supervisory agency is to judge such questions as whether the status of the surviving bank is strong enough to support a merger or if the position of the bank to be merged is so weak as to impel one. Since banks involved in mergers usually are operating institutions and have their performance recorded in the form of statistical, examination, and field contact reports, supervisory authorities, with such differences in judgment as reasonable men exhibit, have little difficulty in sorting out and evaluating the banking factors.

During the past 3½ years the Board of Governors has considered 107 merger cases. It has approved 97 applications and denied 10.[2] Banking factors were the major or a significant consideration in 43 approvals. The banking factor that most frequently represented a basis for approval was a needed improvement in management. In every case of approval except three where banking factors were of significance, the competitive factor was judged to be neutral or, on occasion, slightly adverse. In the three approved mergers where there was significant competition between the merging institutions, the acquired bank faced management, capital, or earnings problems that the Board felt were sufficiently pressing to warrant their resolution by merger. On the other hand, in each of our 10 denials of merger applications during this period, the banking factors, even though of concern in four cases, were finally judged of lesser importance than the competitive factors in every instance.

The record makes clear that there are very, very few cases in which the competitive factor is significantly adverse but in

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[2] I might add I have not seen eye to eye with the majority in all of these cases. I would have turned down 11 applications that were approved and approved one application that was denied.

which banking factors are nonetheless judged to provide an overriding reason for approval. Such fortunately rare cases typically involve a serious management breakdown, self-dealing, or evident incompetence.

As compared with the banking factors, the other two factors that supervisors are required to consider under the Bank Merger Act pose much knottier problems, both of information and analysis. The statute specifically refers to these factors as (1) "the convenience and needs of the community to be served" and (2) "the effects of the transaction upon competition, including any tendency toward monopoly."

How does one go about judging whether the convenience and needs of the community will be benefited by a change in banking ownership and management? This involves determining the actual breadth and intensity of community demands for various banking services, as distinct from the quantity and quality of services that the existing and proposed new combinations of banks intend supplying. To do this one needs to survey community opinion on the *status quo* to find out how both business and household customers appraise the quantity and quality of the banking services available to them.

But it is hard for bank customers to compare services they are accustomed to with those they have never had the opportunity to try out. Such survey results, therefore, must be supplemented by a more knowledgeable appraisal. In this appraisal, the broad experience of bank examiners in the qualitative and quantitative aspects of banking services can usually be helpful.

Another aspect of the impact of bank mergers upon the "convenience and needs of the community" concerns the contribution that banks can make to economic growth and stability in their own communities. A bank that is investing heavily in out-of-state business loans, tax exempt securities, or mortgages contributes less to its community than one that is playing an active role in satisfying the credit needs of local businessmen, farmers, consumers, and governments. Clearly, so far as the community's convenience and needs are concerned, a merger involving the first bank would be far less objectionable from the public point of view than would a merger involving the second. Accordingly, a careful inventory of the extent of local and nonlocal credits in the bank's loan and investment portfolio is called for in order to clarify its role in community financing.

In these ways—through surveys of community views, informed professional judgments, and a review of the record of the bank's participation in financing its community—reasonable bases for judgment can be established as to what the "convenience and needs" of the community are and how well the existing institutions have met them. Against this must be weighed the record and assurances of the merging bank as to what it can and will supply. The final balancing of these considerations remains a matter of judgment but, with evidence before them of the type I have outlined, supervisory authorities can judge with a fair degree of assurance how well a proposed merger meets the "convenience and needs" test. In the 97 approvals noted above, the convenience and needs factor was the major or a significant consideration in 51 cases. It was not a significant consideration in any denials. In my judgment, the "convenience and needs" factor should ordinarily be accorded more weight than the "banking factors."

The hardest criterion of all to apply, however, is the effect of the proposed merger on competition. At the outset it should be clear that the competitive factor cannot be disassociated from consideration of "convenience and needs," inasmuch as the over-all objective is to provide the banking services desired by the customers on reasonable terms and at fair prices. Indeed, the most conclusive way of assuring that a community's convenience and needs will be met is by the maintenance of so many alternative banking choices that the resulting competition among them will give customers all the opportunity they could wish to move from one bank to another in order to obtain whatever mix of services they desire. But this is rarely a practical criterion. There is a practical limit to the number of banking alternatives that it is possible to make available to any given community.

In dealing with a change in the *status quo* there is a popular presumption that any decrease in the number of independent banking units in a given market area will, of itself, decrease competition and increase the tendency toward monopoly. It is my own feeling that this presumption is too harsh a standard to apply without corroborating evidence. Such evidence is to be found in the extent of any unfilled needs of business and household customers in the market areas affected by the proposed merger. And it is to be found in an analysis of the markets involved in the merger—the alternative sources of banking services, the extent of market power exercised by the banks in these markets, and the role in these markets of the particular banks to be merged and the merging bank.

In contrast to the concept adopted by the Court in the Philadelphia National Bank case that "the cluster of products and services denoted by the term 'commercial bank' composes a distinct line of commerce," I am of the view that the great variety of unrelated services that banks offer are far more significant than their related services. The corollaries of this view are that banks compete with other businesses fully as much as they do among themselves and that for each service they offer there is ordinarily a different market area and a different competitive situation.

Thus, in order to evaluate the competitive factor, a reasonably accurate delineation of the areas that the merger candidates serve must be developed. From the approximate boundaries of the various service areas for each type of bank activity it is possible to identify the markets that might be affected by the merger, as they are revealed in the overlap of respective service areas.

Among all the services that banks provide, only one of major importance is truly unique and not vulnerable to nonbank competition—the checking account. In all other activities commercial banks face varying degrees of competition from other financial intermediaries or the money and capital markets. As lenders, banks compete with each other and other financial intermediaries or with capital markets in extensions of credit to business (large and small), to consumers, and to governments (Federal, State, and local).

It is quite evident that in many of these markets the merging of any but the very largest banks is unlikely to have significant anticompetitive effects. Nonbank and nonlocal-bank competition are major factors ensuring competitive performance in the Government securities market, in lending to large businesses, and in the market for most tax-exempt State and local bonds. Nonbank competition is typically vigorous in the consumer credit markets, where hard goods suppliers have their own sources of credit independent of local banks. The same is true of mortgage markets, where other specialized financial intermediaries are dominant. In whatever markets banks face substantial nonbank or non-local-bank competition, it is a fair presumption that the impact on competition of any bank merger will be negligible.

What, then, are the remaining markets in which competitive considerations must be weighed particularly carefully? The most important single market in this category is the market for demand deposit services to local business and individuals. These are services that can be provided only by a bank, and for most such customers only by a local bank. Another important local market is that for savings accounts; in this instance, however, local offices of other financial intermediaries usually offer a similar service. Lately some rate-conscious savers have escaped the orbit of local alternatives altogether and exported their savings from one end of the country to the other.

The small business borrower is another bank customer that may suffer from the removal of an alternative source of bank credit by merger. Even though such borrowers can often obtain trade or supplier credit, the price of such financing may be high and the attendant conditions can be confining. Small businessmen usually find their local banks to be their cheapest, most accessible, and most flexible source of external financing.

In considering the definition of the service area of the bank, then, particular attention should be paid to the potential service areas for small business borrowers and individual and small business depositors—these are the markets most likely to be significantly affected one way or the other by merger.

When chief concern about the possible competitive impact of bank mergers is narrowed down to these two or three market sectors, a great many merger proposals can be said not to raise the competitive issue at all. This is because the banks involved have little or no overlap in their service areas for small business and personal customers. Such is the case when the major objective of the acquiring bank is to extend its activities into another geographical market or into another service field. For example, in Virginia, a State where there has been a great deal of merger activity in the past 3 years, the preponderance of cases have involved the extension of service areas for banking institutions that are, under a recent State statute, becoming statewide in their operation. The competitive effect in these cases is not that of the withdrawal of an alternative source of banking service, but typically the substitution of a branch of a larger institution for a community bank.

It is sometimes said or implied that branches of large banks in small communities are unfair competition for local banks. But there are too many instances in which local banks have held their ground both in growth and profitability to support a broad generalization along that line. As a practical matter, it may well be that the communities that are most blessed with banking facilities are those that possess a mixture of local banks and branches of larger institutions.

This brings us down to what might be called the hard core of merger proposals—those that turn out, upon examination, to involve two or more banks with overlapping service areas for small business and individual customers. In such circumstances, consummation of the merger undeniably will eliminate one competing bank from the relevant markets. The loss of one alternative for customers in choosing their banking connections in these market areas is almost certain to lead to denial unless the number of actively competing banks is already large, or the bank to be acquired is so small or ineffective a competitor as not to create any appreciable gap in bank alternatives by its disappearance as an independent entity.

Let me turn to the record to give you some indication of how these principles have worked out in practice. The Board's 10 denials in the past 3½ years have, without exception, been based primarily on the judgment that the proposed merger would appreciably lessen competition in one form or another. Bank management factors have significantly weighed for the merger in some of these cases, but in each instance they have been relegated to a secondary consideration.

In the 97 Board approvals of mergers during this same period, the effect on competition was, in the Board's judgment, negligible in 56 cases, favorable in 16, slightly adverse in 21, and in only 4 cases approved was there significant competition between the merging banks.

You will note that I mentioned 16 cases in which it was judged that the effect of the proposed merger would be to *increase* competition. The favorable effect that a merger can have on competition, while not common, is, in my opinion, often overlooked by critics of mergers. This favorable effect may arise when the consummated merger puts an end to the monopolistic policy of "home office protection." It usually accompanies the merging of small banks in an area where a dominant competitor holding a very large proportion of the local deposits can only be effectively challenged by a larger institution.

Occasionally merger applications pose a confrontation of an adverse effect on competition, on the one hand, and a favorable effect on serving the community's convenience and needs. For example, the bank proposed to be merged may have exhibited a very limited interest in serving the credit needs of its community—then the only competition lost by merger would be the potential of a new management with a different philosophy. In these circumstances the better alternative may well be a merger.

FACTORS CONTRIBUTING TO APPROVALS AND DENIALS OF MERGER APPLICATIONS BY FEDERAL RESERVE BOARD, JANUARY 1962-JUNE 1965

Factor	1962	1963	1964	1965[1]	Total
Competitive					
Neutral	20	17	10	9	56
Somewhat adverse	7	10	2	2	21
Substantially adverse	8	3	3	......	14
Somewhat favorable	5	3	3	2	13
Substantially favorable	2	1	.....	......	3
Total	42	34	18	13	107
Convenience and needs					
Neutral	11	7	6	1	25
Broader services:					
Somewhat favorable	9	12	2	......	23
Substantially favorable	9	3	5	5	22
Higher lending limit:					
Somewhat favorable	.....	1	.....	1	2
Substantially favorable	.....	3	3	3	9
Both services and lending limit:					
Somewhat favorable	2	3	.....	1	6
Substantially favorable	11	5	2	2	20
Total	42	34	18	13	107
Banking factors					
Neutral	20	6	4	6	36
Management:					
Somewhat favorable	7	4	7	4	22
Substantially favorable	4	14	6	......	24
Earnings:					
Somewhat favorable	.....	2	.....	......	2
Substantially favorable	.....	.....	.....	2	2
Management and earnings:					
Somewhat favorable	.....	2	.....	......	2
Substantially favorable	3	2	.....	......	5
Capital:					
Somewhat favorable	.....	.....	1	......	1
Substantially favorable	2	1	.....	......	3
Management and capital:					
Somewhat favorable	.....	1	.....	......	1
Substantially favorable	2	.....	.....	......	2
Common ownership:					
Substantially favorable	4	2	.....	1	7
Total	42	34	18	13	107

[1] Through June.

In an isolated community, to take another example, it is possible that neither of two banks can meet the credit needs of local businesses and farms in the surrounding area but that their combined resources and higher lending limit would enable them to do so. In such cases, the proposed merger might eliminate substantial competition between the merging institutions for some types of banking services but at the same time the resultant bank could do a markedly better job at serving the area's convenience and needs.

My work and experience with the Bank Merger Act in the past 3½ years persuades me that even among the most sophisticated experts in law and economics, the understanding of what it takes to make a competitive market is still quite imperfect. Progress in deepening such understanding comes slowly, and it depends partly upon improvements in analytical techniques designed to define the markets affected by mergers and to appraise the possible impact of mergers upon these markets. I have tried to outline some of the complexities of this task and to indicate my own predilections.

I believe that all concerned with the regulation of bank mergers are sincerely concerned with promotion of the public welfare. It seems to me that the differences in our conclusions rest not on any lack of faith in the efficacy of competition but essentially on differing views as to the relevant markets and evaluation of the impacts of mergers on these markets. The Board is devoting considerable professional resources to solution of these problems in hopes of improving the basis for its judgments. As these efforts progress, I hope they can lay the foundation for a more widespread consensus among all authorities as to where the public interest in bank mergers lies.

Turning now to S. 1698, while I share many of Governor Robertson's reservations concerning the immunity it would grant to past mergers, I strongly support the prospective features of the bill. Even though I regard more seriously than many the troublesome problems of divestiture that have arisen, or may arise, in a few cases, I still do not conclude that the situation warrants general immunity from the antitrust laws for all bank mergers that took place before the enactment of this bill.

Clearly these difficult situations should be avoided in the future. Fortunately, cases in which a bank supervisory agency approved a merger but the Attorney General brought suit to prevent it have been infrequent. In fact, none of the 97 mergers approved by the Board in the past 3½ years has been contested under the antitrust laws, and I understand the Attorney General has said he has no intention of doing so. Nevertheless, the difficulties of undoing a merger are great enough that I believe a procedure should be established by statute to prevent such cases from arising.

One of my reasons for being concerned about the problems of divestiture is that I see no practical device for spinning off depositors in nonbranching States. A bank can spin off assets in the form of securities and loans without difficulty; it is the very essence of banking that it be in a position to do so. A bank can, neglecting the human problems of its staff and officials, spin off personnel and operating know-how. A bank can, with considerable disruption to customer relationships and convenience, sell or spin off branches and with them the propensity of local residents and business to patronize those branches. But how can a unit bank sell or spin off its depositors, assigning them to a new bank or existing institution? And how can it organize a new institution without owning it or controlling it indirectly? While spinning off assets, operating personnel, and branches involve difficulties and hardships, spinning off depositors in a nonbranching State may defy solution. S. 1698 offers an effective preventive remedy for this problem.

Statement by Sherman J. Maisel on August 30, 1965.

I am pleased to have this initial opportunity to appear before your committee. I believe that hearings such as this play a valuable role in creating understanding of the extremely complex problems involved in the area of banking and credit. This and similar efforts of your members help to improve the basic functioning of our financial system.

Because I am the fourth member of the Federal Reserve Board to appear in the current hearings, as well as its most junior member, I probably cannot add much to your knowledge. My colleagues who testified previously have done an excellent job in explaining the major problems which the Board of Governors faces under the Bank Merger Act.

My membership on the Board of Governors dates only from May 1, 1965. Therefore, I lack the long experience in these matters of your previous witnesses. During this period I have considered only 10 proposed mergers (in which I voted to approve 7 applications and to deny 3). We have also considered about 75 applications for new branches.

While my administrative experience has been short, I have long been interested in the field of workable competition. Since joining the Board, I have given considerable thought and effort to these problems. In reexamining this topic, I was particularly impressed with the careful consideration given to the problem of banking structure by your committee, especially in the actions which resulted in the Bank Merger Act of 1960.

I believe your report on that bill established proper and reasonable standards for administrative action. I agree heartily with your statement of the basic purposes of the statute: namely, that it is intended—

> To promote a sound banking system, in the interest of the Government, borrowers, depositors, and the public; and to promote competition as an indispensable element in a sound banking system.

I also believe that you established proper guidelines when you stated:

> We are convinced, also, that approval of a merger should depend on a positive showing of some benefit to be derived from it. . . . We . . . reject the philosophy that doubts are to be resolved in favor of bank mergers. At the risk of saying the same thing another way, we feel the burden should be on the proponents of a merger to show that it is in the public interest, if it is to be approved.

Equally admirable are the objectives stated in the Senate report:

> Vigorous competition between strong, aggressive, and sound banks is highly desirable; lack of competition, restraints on competition, and monopolistic practices are undesirable.

I am concerned, however, because I feel that we are not making as rapid progress as we should towards achieving these desirable goals expressed by Congress.

To explain my beliefs it may be advisable to express my general attitude on banking competition. I am convinced that in this field, as in others, vigorous competition benefits not only the economy and the general public, but the competitors themselves. As an economist I feel certain that our national policy of encouraging and maintaining competition is one of the most important forces in our country's pre-eminent record of growth and productivity in manufacturing, distribution, transportation, and finance. Strong competition is the lifeblood of our free enterprise system.

In the recent past, banking was characterized by a lack of a strongly competitive drive. Because of the enormous importance of banking stability and continuity and in order to protect the economy from the destructive effects of bank failures, an elaborate system of supervision and governmental control of entry and expansion in this field was established.

As a result of unfortunate past experiences, governmental regulation and oversight of this industry have tended to bolster existing organizations rather than to stimulate and enhance competition. The Bank Holding Company and Merger Acts indicate that a change in emphasis has been taking place, a change that I consider to be strongly in the public interest.

My present conviction—which may be refined and modified in the crucible of administrative experience—is that Federal bank supervisors can do more than they have done to improve the competitive functioning of our banking system. Particularly it appears that, on grounds of the national interest, they may well be justified in looking with greater favor on expansion by the smaller competitors in a market, and with less favor on expansion by the larger. The latter have advantages of personnel and resources that frequently enable them to step into promising areas before such action is practicable for their smaller competitors. I believe this situation should be actively recognized by supervisory agencies. Affirmative efforts should be made to increase the amount of competition in banking by placing smaller banking organizations, whether existing or new ones, on a more nearly equal basis with relatively gigantic competitors. The development of a policy stressing further competition in individual markets, its general adoption, and its realistic implementation constitute one of the most challenging tasks confronting Congress, the Board of Governors, and coordinate agencies.

I believe it should be clear that in such an attempt to maintain and improve competition among banks we must be concerned with far more than the problems of mergers alone. The banking structure is extremely dynamic. Constant change occurs in each banking market as a result of four separate influences:

1. Banks grow in their existing offices.
2. Mergers, or an expansion of group banking through the medium either of holding corporations or of individual ownership, may alter the basic framework.
3. The structure can be and has been rapidly changed by the granting to banks of the right to establish branches in new locations.
4. Finally, new banks may be brought into the market if the Comptroller of the Currency or State supervisory authorities grant charters for new institutions.

Alhadeff has shown that, in most cases,

TABLE 1

CHANGE IN NUMBER OF BANKS AND BRANCHES BY TYPE OF CHANGE, 1950-64

Item	United States			California			New York			Illinois		
	1950–54	1955–59	1960–64	1950–54	1955–59	1960–64	1950–54	1955–59	1960–64	1950–54	1955–59	1960–64
Beginning of period:												
Number of banks......	14,205	13,881	13,486	206	171	115	640	560	415	890	910	955
Number of branches....	4,665	6,443	9,790	949	1,121	1,556	759	966	1,303	3	3	4
Total number of offices..........	18,870	20,324	23,276	1,155	1,292	1,671	1,399	1,526	1,718	893	913	959
New banks organized.....	342	538	1,065	27	17	57	6	5	15	28	50	63
Reductions due to mergers, consolidations, etc..	666	933	776	62	73	17	86	150	70	8	5	[illegible]
Branches and facilities:												
Beginning operations and conversions, etc.	1,909	3,559	5,250	192	464	601	227	373	426	1	1	....
Ceasing operations, total...............	131	212	269	20	29	30	20	36	27	1	....	.....
End of period:												
Number of banks......	13,881	13,486	13,775	171	115	155	560	415	360	910	955	1,009
Number of branches....	6,443	9,790	14,771	1,121	1,556	2,127	966	1,303	1,702	3	4	4
Total number of offices...........	20,324	23,276	28,546	1,292	1,671	2,282	1,526	1,718	2,062	913	959	1,013

NOTE.—The number of banks and branches includes all commercial banks, insured and noninsured, in the United States and possessions. Facilities on military bases are included as branches.

the banking structure is influenced more strongly through branching and new entry than by merging.[3]

I have two tables that may help to illustrate this fact. Table 1 on page 1255 shows that since 1950 the number of banking offices has increased from 18,870 to 28,546. In this period, while there was a net decrease of over 400 banks caused by the excess of mergers over new charters, the number of new branches increased by over 10,000. The table also shows equivalent changes for three of our largest States—California, New York, and Illinois. The contrasts, reflecting differing patterns of development in States with statewide branch banking, with limited branching, and with unit banking, are interesting. We note again the high percentage of change arising from branch policy.

Table 2 shows related information. It makes clear that, with the exception of Illinois, in the States with the highest concentration ratio (defined as the smallest percentage of banks holding over 50 per cent of deposits) a large amount of the concentration is related to the large number and growth of branches.

The Commission on Money and Credit, and the Committee on Financial Institutions established by President Kennedy and chaired by Walter Heller which reported in April 1963, discussed this problem at length. Both pointed out that the supervisory authorities and the statutes have no consistent approach or standards in their dealings with these varied influences on competition and the banking structure. In particular they note that although the effect on competition is specified as a relevant factor in merger and holding company cases, the statutory authority to grant charters and branches does not require that the effect on competition be considered.

In your initial hearings and reports on the bank merger problem, this committee expressed concern that regulatory bodies were often approving mergers for the wrong reasons; that is, because of competition among themselves rather than among the banks. It was pointed out that since each agency acted on the basis of assumptions as to what others might do rather than upon its own judgment, a weaker policy than even the weakest of the agencies would adopt if it held sole responsibility often resulted.

I fear that this same situation still exists with respect to the over-all problem. While some coordination has resulted from your prior actions, it is still insufficient. The amount of competition, its growth or destruction, emerging at the present in each banking market results from a vast number of uncoordinated decisions. Many of these decisions are made without any recognition or consideration of the major influence the decisions themselves wield on the development of our total banking structure. There is certainly no attempt among the banking supervisory agencies to agree in any way on what a logical competitive banking structure would be like in any market. Clearly, since

TABLE 2

CONCENTRATION RATIOS IN RELATION TO BRANCHING, SELECTED STATES, AS OF DECEMBER 31, 1964

State	Banks		Averages per bank	
	Number	Per cent of all in State	Banking offices (number)	Deposits (millions of dollars)
California	2	1.0	611.5	8,590
New York	4	1.2	136.8	7,542
Michigan	5	1.4	51.2	1,241
Pennsylvania	9	1.5	48.7	1,049
Illinois	11	1.1	1.0	1,079

NOTE.—These are the States with the smallest percentage of banks holding over 50 per cent of total deposits.

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[3] D. H. Alhadeff, "Bank Mergers: Competition versus Banking Factors," *Southern Economic Journal*, vol. 29, no. 3, January 1963.

there are no agreed-upon goals, any policy or administrative action dealing with these problems can achieve a desirable result only by the purest chance.

The existing situation appears far from optimal if it is to establish the type of competitive banking structure which Congress has indicated it desires, and which I firmly believe to be most advantageous for our country. My brief experience indicates that if these goals are to be achieved, Congress will have to give more specific instructions in the spheres of branching and chartering. In addition I believe there will have to be a better defined and simpler procedure for coordination.

As to my personal views on the specific provisions of S. 1698 as passed by the Senate, I have mixed reactions. I should perhaps make it clear that I was not on the Federal Reserve Board when it took a stand on this bill, and I did not participate in the Board's discussion of this matter.

Under the Bank Merger Act of 1960, the Attorney General already is apprised of each proposed merger at least 30 days before it can be approved or disapproved by the bank supervisory agency with jurisdiction over the particular transaction. The Attorney General is required to make "a report on the competitive factors involved." Although I am not familiar with the procedures of the Antitrust Division of the Department of Justice, it appears to me not unreasonable to require, in these circumstances, that a decision to prosecute under the Sherman Act or the Clayton Act be made within 30 days after the Comptroller, the Board of Governors, or the FDIC has approved a proposed bank amalgamation. In effect, the Department would have a period of at least 60 days—and usually longer—to decide whether to initiate antitrust proceedings. Without jeopardizing the public interest, it appears that this administrative arrangement can obviate needless uncertainty and can avoid the danger that banks, their stockholders, and the banking public will be injured or inconvenienced by a subsequent "unscrambling" of a merged institution.

I believe it is also important that the bill, as I understand it, applies only to a merger as such, and does not confer continuing antitrust exemption upon any merged institution. That is to say, if the Department of Justice decides not to seek to enjoin a merger under the antitrust laws within the period prescribed, the transaction itself is thereafter immune from such attack. However, the immunity is confined to the merger alone; if the bank should thereafter engage in forbidden practices or gain monopoly power, the provisions of the antitrust laws would be applicable as in any other situation.

While I, therefore, support S. 1698 in general, I am unable to support the provision that would exempt from the antitrust laws all mergers of banks that were consummated prior to the bill's enactment. I found the statement of the Attorney General before your subcommittee on this matter extremely persuasive. I feel that he has established that this proposed section does raise a broad issue of public policy and that its passage would give special treatment to a few.

It seems to me that if I were in the position of Congress, I would be reluctant to take these cases out of court. The testimony before your subcommittee, including that of the Attorney General, indicates that the cases will be very few. I am not persuaded that there is any compelling reason, from the point of view of the banks involved or the communities they serve, to grant a special immunity from the antitrust laws for bank mergers in these cases. In the absence of some general principle justifying such an immunity, questions of fairness to the par-

TABLE 3: DENSITY OF POPULATION AND BANKING OFFICES

A. TWENTY LARGEST CITIES

	Size of city		Population per sq. mi. (thousands)	Banks			Branching permitted[3]	Banking offices		
	Population[1] (thousands)	Area (sq. mi.)		Total[2] (number)	Average served—			Total[2] (number)	Average served—	
					Area (sq. mi.)	Persons (number)			Area (sq. mi.)	Persons (number)
New York	7,782	315	24,705	99	3.18	78,606	Yes	881	.36	8,833
Chicago	3,550	224	15,850	82	2.77	43,832	No	82	2.73	43,298
Los Angeles	2,479	455	5,448	40	11.38	61,975	Yes	252	1.81	9,837
Philadelphia	2,003	127	15,768	23	5.52	87,066	Yes	207	.61	9,674
Detroit	1,670	140	11,930	8	17.50	208,768	Yes	170	.82	9,824
Baltimore	939	79	11,886	13	6.08	72,233	Yes	118	.67	7,958
Houston	938	328	2,860	59	5.66	16,176	No	59	5.56	15,902
Cleveland	876	81	10,815	8	10.13	109,506	Yes	86	.94	10,187
Washington	764	61	12,524	14	4.36	54,568	Yes	85	.72	8,988
St. Louis	750	61	12,296	28	2.18	26,787	No	28	2.18	26,787
Milwaukee	741	91	8,146	24	3.79	30,889	No	39	2.33	19,008
San Francisco	740	48	15,423	19	2.53	38,964	Yes	141	.34	5,250
Boston	697	48	14,525	29	1.66	24,041	Yes	142	.34	4,910
Dallas	680	280	2,427	43	6.67	16,183	No	43	6.51	15,807
New Orleans	628	199	3,153	6	33.17	104,588	Yes	45	4.42	13,945
Pittsburgh	604	54	11,191	12	4.50	50,361	Yes	70	.77	8,633
San Antonio	588	161	3,650	28	5.96	21,767	No	28	5.75	20,990
San Diego	573	192	2,986	10	19.20	57,322	Yes	50	3.84	11,464
Seattle	557	89	6,259	12	7.42	46,424	Yes	97	.92	5,743
Buffalo	533	39	13,660	8	4.88	66,595	Yes	80	.49	6,659

[1] 1960 census.

[2] As of June 30, 1964.

[3] Cities where branching is not presently allowed may have more offices than banks either because of branches established under prior laws or because facilities may be authorized which are not full-fledged branches.

NOTE.—Comparisons based on deposits are not shown because available figures for deposits of banking offices in most of the 20 cities include deposits held by offices located outside the city limits. Comparisons based on deposits in Standard Metropolitan Statistical Areas (which include certain areas around cities) are given in Appendix Table B.

B. STANDARD METROPOLITAN STATISTICAL AREAS OF THE TWENTY LARGEST CITIES

SMSA	Size of SMSA		Banks			Banking offices				
	Population[1] (thousands)	Area (sq. mi.)	Total[2] (number)	Average served—		Total[2] (number)	Average served—		Deposits (millions of dollars)	
				Area (sq. mi.)	Persons (number)		Area (sq. mi.)	Persons (number)	Total	Average per office
New York	10,695	2,150	158	13.61	67,688	1,455	1.48	7,350	69,322	47.6
Chicago	6,221	3,714	273	13.60	22,787	273	13.60	22,787	16,697	61.2
Los Angeles	6,039	4,060	63	64.44	95,854	749	5.42	8,062	12,015	16.0
Philadelphia	4,343	3,549	90	39.43	48,254	547	6.49	7,939	9,235	16.9
Detroit	3,762	1,965	47	41.81	80,050	408	4.82	9,221	6,924	17.0
Baltimore	1,727	1,807	32	56.47	53,969	228	7.93	7,575	2,430	10.7
Houston	1,243	1,711	79	21.66	15,736	81	21.12	15,348	3,185	39.3
Cleveland	1,909	1,519	23	66,04	83,021	222	6.84	8,601	4,458	20.1
Washington	2,002	1,485	62	23.95	32,289	289	5.14	6,927	3,181	11.0
St. Louis	2,105	4,119	135	30.51	15,590	149	27.64	14,125	4,027	27.0
Milwaukee	1,233	1,030	62	16.61	19,883	90	11.44	13,697	2,176	24.2
San Francisco	2,649	2,486	34	73.12	77,905	353	7.04	7,504	9,598	27.2
Boston[3]	2,595	1,516	180	8.42	14,419	642	2.36	4,043	8,897	13.9
Dallas	1,084	3,653	97	37.66	11,171	102	35.81	10,624	3,625	35.5
New Orleans	907	2,026	20	100.30	45,356	75	27.01	12,095	1,430	19.1
Pittsburgh	2,405	3,051	51	59.82	47,165	304	10.04	7,913	5,170	17.0
San Antonio	716	1,962	35	56.06	20,462	35	56.06	20,462	910	26.0
San Diego	1,033	4,255	8	531.88	129,126	130	32.73	7,946	1,188	9.1
Seattle	1,107	4,234	26	162.85	42,585	184	23.01	6,017	2,174	11.8
Buffalo	1,307	1,587	15	105.80	87,130	159	9.98	8,220	3,218	20.2

[1] 1960 census.

[2] Number in Standard Metropolitan Statistical Area as of June 30, 1964.

[3] Boston SMSA includes portions of counties, while the SMSA of the other 19 cities involve whole counties. Source of data is on a county basis; the data for Boston SMSA must therefore be an estimate.

ties and feasibility of divestiture plans may properly be left to courts of equity familiar with the facts of each case.

While I have been pleased to give my views on this particular bill, it should be clear that I believe the problem which your subcommittee faces is broader. More is needed than merely the single proposed improvement of the administrative procedures for regulation of competition in banking that this bill proposes. I believe that other serious shortcomings exist in our current guidelines and procedures.

Statement by J. Dewey Daane on September 2, 1965.

Mr. Chairman, you have requested my views on S. 1698. While I am afraid they will add little to the testimony already presented by the many witnesses who have preceded me, my views can be simply stated. I am one of the majority of the Board of Governors who agree with Chairman Martin in supporting all of the provisions of S. 1698, principally because it would avoid uncertainty and unscrambling inimical to the public interest in an area of business with special characteristics. I am also one of the majority of the Board who agreed with Chairman Martin in supporting the original bill, for the reasons he outlined in his statement to the Senate Subcommittee on Financial Institutions last May. Although my observation may be an academic one at this point, I still feel strongly that the approval of bank mergers should rest exclusively in the hands of the bank supervisory authorities who, as your committee pointed out in 1960, have a thorough knowledge of banks and the banking business. Those authorities should be charged, as they were in the Bank Merger Act of 1960, with considering the competitive factor—highly important though it is—as one of several factors in determining whether a merger is in the public interest. In short, on this latter point I believe that the structure of banking should be shaped by the bank supervisory authorities on the basis of broad considerations of public interest, not shaped by others looking solely toward a narrow competitive test.

As it now stands, however, and despite the emphasis of the legislative history in the adoption of the Bank Merger Act, the Sherman Act and the Clayton Act are construed as requiring the Attorney General to seek a court order to stop a merger that he believes will diminish competition to too great a degree, even though a bank supervisory agency has approved the merger as being in the public interest. Since responsibility for administering these laws—the Sherman Act, Clayton Act, and Bank Merger Act—is divided among the courts, the Attorney General, and the three banking agencies, conflicting decisions on bank merger cases are to be expected. This is particularly true since there is as yet little agreement in or out of Government on such basic questions as how the impact of a bank merger in a market is to be measured, or even how the relevant markets are to be defined.

The Congress should not be expected to supply specific criteria when there is no consensus as to what the guidelines should be. It is not surprising, therefore, that neither the antitrust laws nor the Bank Merger Act offers much help to bankers or their lawyers who are trying to discover whether the Government will approve a proposed merger. In 1960, the House Banking and Currency Committee decided against attempting to specify the "situations where a merger would benefit the public." The committee report commented that "framing a standard to guide the supervisory agencies in weighing the effects of a proposed merger on competition" was "the most difficult task [it] faced in considering the bill." The report added that "out of the hearings one principle emerged, on which all witnesses seemed to agree, as a starting point: Some bank mergers are in the public interest, even though they lessen competition to a degree." The quotations are from pages 10 and 11 of the committee report on the Bank Merger Act (H. Rept. 1416, 86th Cong., 2d sess.).

I agree wholeheartedly with the committee report's conclusion that if the Clayton Act is interpreted as "banning mergers having a given effect on competition, regardless of the benefits flowing from the merger," the Clayton Act standard is not an appropriate test. The effect on competition should be only one factor, while often the most important, to be considered in reaching a balanced judgment as to whether a merger is in the public interest.

Although I am not very sanguine as to the feasibility of harmonizing decisions under the Bank Merger Act with the conflicting standards of the antitrust laws, at the least, as Chairman Martin pointed out to you, the time left open for contradictory positions to be taken can be limited, and is limited, by this bill. Meantime perhaps some ways of reconciling the statutory requirements may be found. Along this line the Comptroller of the Currency has presented an interesting argument to the Court in the Mercantile Trust—Security Trust merger case, to the effect that the Clayton Act may be read in harmony with the Bank Merger Act, "by the Court's taking into account the banking factors enumerated in the Bank Merger Act to determine if the effect of the merger upon competition, if adverse, is sufficiently adverse as to constitute a *substantial* lessening of competition under the antitrust laws. Nothing in the Philadelphia case or the Lexington case is contrary to the construction . . ." If responsibility is to remain divided there would seem to be room in the broad language of the statutes to find some such harmonious construction.

Where responsibility is divided, responsible officials should try all the harder to reconcile their differences, to the extent that this is compatible with the discharge of their respective duties. As Governor Mitchell pointed out in his testimony before this subcommittee, the Board of Governors and the Attorney General have achieved substantial harmony on bank mergers. Only one merger approved by the Board has been challenged in court by the Attorney General. Profiting from that experience, we adopted a procedure under which a merger approved by the Board may not be consummated for 7 days, so that a reasonable time will be allowed for filing an antitrust suit, if the Attorney General concludes that it is his duty to do so. Although the Board may find that its statutory mandate under the Bank Merger Act of 1960 requires approval of a merger in the face of an imminent suit by the Attorney General under his differing responsibilities in the enforcement of the antitrust laws, I am happy to say that this has not happened since the Manufacturers–Hanover merger. And, as Governor Mitchell also pointed out, we hope that as we gain better understanding of how to analyze the competitive effects of a bank merger the possibilities of conflict will steadily diminish.

An even clearer possibility for moving closer to harmonizing standards and decisions, of course, remains open also for the bank supervisory agencies themselves. Frequently my views are solicited on how best to attain and ensure this harmonization. For my part I do not view the matter as hopeless despite the deficiencies of the existing blueprint; past experience has shown it can be workable as well as the contrary. If, however, one were to move in the direction of what on the surface appears to be a more logical blueprint—a single Federal bank supervisory agency—I would suggest that the Federal Reserve System is the best locus of authority. This view reflects not simply institutional bias, which I cheerfully concede, but a very real conviction that the System not only can perform the job most efficiently and effectively but also that the supervisory job contributes to the System's effectiveness in other areas. My own bent rests more in the area of credit policy, balance of payments, etc., than in the area of bank supervision. Were the System to lose its supervisory authority, however, the net result, in my judgment, could only be some weakening in the effectiveness of monetary policy formulation and implementation. Eliminating the supervisory and regulatory contacts would not improve our monetary policy deliberations but instead would tend to insulate us from reality in formulating policy, and this could not help but be reflected in the implementation process as well. It could only lead to a weakening of the regional character of the System which I regard as a source of strength. I think it could make the administration of discount policy more difficult. The decentralization of the System itself lends considerable weight to assigning the task to the System, avoiding unnecessary and costly duplication.

I recognize that if the supervisory responsibility were to be centered in the System it would necessitate streamlining procedures and increasing delegation of authority by the Board while retaining those contacts and authorities essential to maximizing our own present and future contributions in the monetary field. In short, the only conclusion I can come to is that despite the added workload it would entail, all of the examining, supervisory, and regulatory powers relating to banks should be placed in the Federal Reserve System.

Pending greater harmonizing of standards and decisions all around, however, the public is clearly entitled to protection against the harmful effects of breaking up a merged bank in those cases where Government officials disagree as to the relation of the merger to the public good. Although it is argued that divestiture is possible, at least in those instances where the bank has a number of branches, it is impossible to restore the situation that existed before a merger took place, and the adverse public consequences of such divestiture must be avoided. I believe, therefore, that the provisions of S. 1698 that would prevent consummation of a merger pending final determination of an antitrust suit are needed, notwithstanding the questions that have been raised as to whether it is fair to banks to subject their mergers to stricter antitrust controls than the mergers of other businesses. And in my view, immunity from divestiture for the bank mergers that have already taken place should also be granted on the same ground of clear and compelling public interest. I think it would be a mistake to decide this question on the basis of what is fair to the litigants on either side. The banks may or may not have been entitled to share the widely held belief that their mergers could not be successfully attacked under the Sherman Act or the Clayton Act. Their lawyers who said they would assume the risk of a divestiture order may or may not deserve to lie in the bed they then made.

But this is not the aspect of divestiture that concerns me; what concerns me is that breaking up the merged bank will hurt innocent bystanders. Assets can be forcibly transferred but not customers. Borrowers would undoubtedly experience hardships. And breaking up an institution that performs highly specialized services for its customers, involving confidential and fiduciary relationships, creates more serious inequities in the community than those involved in requiring a corporation that makes paint to dispose of its interests in another corporation that manufactures automobiles. I doubt that we should ask the beneficiaries of a decedent's estate to pay the court costs and legal fees connected with court proceedings to appoint a new executor or trustee, simply because a bank's lawyers thought they could win a contest that turned against them in the end. I do not believe that this is sufficient cause to penalize the public.

From the institutional standpoint, I confess that I find it very difficult to visualize reconstituting the separate banks on a viable basis. And frankly I see no public interest to be served in attempting to do so. For example, from my own fair degree of familiarity with the financial environment of Chicago and New York I would be surprised to find that any real diminution of competition had followed the mergers being contested.

I hope, Mr. Chairman, that these considerations of public interest will lead your subcommittee to favor the approach in S. 1698.

Law Department

Administrative interpretations, new regulations, and similar material

Legal Tender

The provision of law contained in section 43 (b)(1) of the Act of May 12, 1933, as amended (31 U.S.C. 462), with respect to the status of coins and currencies of the United States as legal tender for all debts, was repealed by Act of Congress approved July 23, 1965 (Public Law 89-81) and was replaced by a new provision of law, reading as follows:

> All coins and currencies of the United States (including Federal Reserve notes and circulating notes of Federal Reserve banks and national banking associations), regardless of when coined or issued, shall be legal tender for all debts, public and private, public charges, taxes, duties, and dues.

Loans Secured by Direct Obligations of the United States

The Comptroller of the Currency, effective November 3, 1964, amended the regulation pertaining to Loans Made by National Banks Secured by Direct Obligations of the United States (12 CFR, Part 6) so as to permit unlimited loans when secured by any such obligations. Section 11(m) of the Federal Reserve Act makes this regulation applicable also to State banks that are members of the Federal Reserve System. The regulation as thus amended reads as follows:

PART 6—LOANS MADE BY NATIONAL BANKS SECURED BY DIRECT OBLIGATIONS OF THE UNITED STATES [REVISED]

§ 6.1 Scope and application.

(a) This part is issued by the Comptroller of the Currency with the approval of the Secretary of the Treasury under authority of paragraph (8) of section 5200 of the Revised Statutes, as amended (12 U.S.C. 84), and section 321(b) of the Act of August 23, 1935 (49 Stat. 713).

(b) This part applies to loans made by national banks secured by direct obligations of the United States.

§ 6.2 General authorization.

The obligations to any national banking association of any person, co-partnership, association, or corporation, secured by not less than a like amount (at par or face value) of direct obligations of the United States, shall not be subject to any limitation based upon the capital and surplus of the association.

Order Under Section 3 of Bank Holding Company Act

The following Order and Statement were issued in connection with action by the Board of Governors on an application by a bank holding company for approval of the acquisition of voting shares of a bank:

VIRGINIA COMMONWEALTH CORPORATION, RICHMOND, VIRGINIA

In the matter of the application of Virginia Commonwealth Corporation, Richmond, Virginia, for approval of the acquisition of voting shares of First National Bank of Vienna, Vienna, Virginia.

ORDER APPROVING APPLICATION UNDER BANK HOLDING COMPANY ACT

There has come before the Board of Governors, pursuant to section 3(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842 (a)(2)), and section 222.4(a)(2) of Federal Reserve Regulation Y (12 CFR 222.4(a)(2)), an application by Virginia Commonwealth Corporation, Richmond, Virginia, a registered bank holding company, for the Board's prior approval of the acquisition of more than 80 per cent of the voting shares of First National Bank of Vienna, Vienna, Virginia.

In accordance with section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application and requested his views and recommendation with respect to the application. The Comptroller recommended approval of the application.

Notice of receipt of the application was published in the Federal Register of April 23, 1965 (30 F.R. 5771), providing an opportunity for interested persons to submit comments and views with respect to the proposed acquisition. The time for filing such comments and views has expired, and all those received have been considered by the Board.

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that the acquisition so approved shall not be consummated (a) within seven calendar days after the date of this Order or (b) later than three months after said date.

Dated at Washington, D. C., this 27th day of August, 1965.

By order of the Board of Governors.

Voting for this action: Unanimous, with all members present.

(Signed) KENNETH A. KENYON,
Assistant Secretary.

[SEAL]

STATEMENT

Virginia Commonwealth Corporation, Richmond, Virginia ("Applicant"), a registered bank holding company, has filed with the Board, pursuant to section 3(a)(2) of the Bank Holding Company Act of 1956 ("the Act"), an application for approval of the acquisition of more than 80 per cent of the voting shares of First National Bank of Vienna, Vienna, Virginia ("Bank").

Views and recommendation of supervisory authority. As required by section 3(b) of the Act, notice of receipt of the application was given to, and views and recommendation requested of, the Comptroller of the Currency. The Comptroller recommended approval of the application.

Statutory factors. Section 3(c) of the Act requires the Board to take into consideration the following five factors in acting on this application: (1) the financial history and condition of the holding company and the banks concerned; (2) their prospects; (3) the character of their management; (4) the convenience, needs, and welfare of the communities and the area concerned; and (5) whether or not the effect of the acquisition would be to expand the size or extent of the bank holding company system involved beyond limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking.

Financial history, condition, and prospects of Applicant and the banks concerned. Applicant became a bank holding company on December 21, 1962, through an exchange of its stock for stock in five banks. At December 31, 1964,[1] Applicant, with total assets of $20.4 million, controlled six banks operating 42 banking offices with total deposits of $260.3 million. Though Applicant's financial history has been relatively brief, it is considered satisfactory and its financial condition, largely determined by the condition of its six subsidiary banks, is also satisfactory.

Bank opened for business in February 1962, and presently operates its main office and one branch in Vienna. Bank has been given permission to operate a second branch that would be located three miles northeast of Vienna. After 34 months of operation, Bank had total deposits of $4.2 million, the amount Bank's organizers projected would be attained after three years of operation. Offsetting the favorable condition suggested by Bank's deposit growth is the unfavorable circumstance of its heavy loan position. At year-end 1964, Bank's total loans amounted to approximately 88 per cent of deposits and more than 5 times total capital accounts. These facts, and others of record, require the conclusion that Bank's financial history and condition are somewhat less than satisfactory.

Applicant's assets consist almost entirely of shares of its six subsidiary banks. Consequently, Applicant's prospects depend largely upon the prospects of these subsidiary banks, particularly, Bank of Virginia, by far the largest in the group. Applicant has recently contributed additional capital to the Bank of Virginia. With this contribution and with that bank's successful efforts, commencing in 1963, to reduce operating expenditures, it is reasonable to conclude that the bank's prospects are generally satisfactory. Viewing the asset condition, the quality of management, and the anticipated growth of each of Applicant's banks, their prospects and those of Applicant are considered to be generally satisfactory.

Bank is located in Fairfax County, which is one of the fastest growing communities in the Virginia portion of the Washington, D. C. Metropolitan Statistical Area ("WMSA"). Although Bank's $4.2 million of deposits after less than three years of operation reflect a deposit growth

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[1] Unless otherwise indicated, all banking data noted are as of this date.

reasonably commensurate with the economic growth and development of the area in which it operates, and suggest the probability of Bank's future successful operation as an independent institution, the Board finds that affiliation with Applicant will sufficiently better Bank's prospects as to lend some support for approval.

Management. Applicant's management appears capable and experienced. It is noted that its officers serve also as the senior officers of Bank of Virginia. The managements of the subsidiary banks also appear satisfactory—a conclusion based principally upon the sound asset condition of each of the banks.

At the time this application was filed, Bank had five senior officers, only one of whom was an active operating officer. This officer was the only one of the five senior officers who had previous banking experience prior to their association with Bank. Subsequent to the filing of the application, this one officer has left the Bank. In order to provide Bank with essential top management, Applicant has loaned one of its subsidiary's operating officers to Bank where he is presently serving. It is proposed that if this application is approved, this officer will continue in his position as chief executive officer of Bank, but that, if the application is denied, this officer will return to his former position in Applicant's system. The foregoing arrangement whereby Bank has been assured, at least on a temporary basis, top management direction, exemplifies the type of assistance that Applicant can, and has, rendered to the banks within its system. Bank's affiliation with Applicant, as proposed, offers reasonable assurance of the installation and continuity of competent, experienced, executive management, as well as access to needed, second line management talent. Although Applicant's proposal is not the only solution to Bank's managerial problem, it appears to be an immediate and reasonable solution. Accordingly, Applicant's proposal in respect to management succession at Bank constitutes a somewhat favorable consideration toward approval of the application.

Convenience, needs, and welfare of the communities and the area concerned. Bank and its one branch are located in Vienna, Fairfax County, Virginia. The population of Fairfax County has increased by an estimated 55,000 over its 1960 figure of 275,000. Vienna, situated about 15 miles west of Washington, D. C., had a 1960 population of 11,500. Bank, including its branch, has a primary service area[2] population of about 90,000, based on the 1960 census and estimates of population growth since that time made by the Fairfax County Planning Commission. Thirteen banking offices are located in Bank's primary service area in addition to Bank's two offices. Five of the thirteen offices are those of bank holding company subsidiaries; the remaining eight are offices of four independent banks, three of which are larger than Bank. In addition, banks in Washington, D. C., Arlington and Fairfax Counties, and the cities of Alexandria, Fairfax, and Falls Church, are fairly convenient to those businesses and individuals located in Bank's primary service area, and to residents thereof who work in the areas mentioned above.

Applicant asserts several benefits that it believes would accrue to the public as a result of its acquisition of Bank. According to Applicant, the proposed affiliation would result in Bank's having immediate access to advice and assistance from Applicant regarding the furnishing of specialized banking services, and a source of management personnel which would enable Bank to offer immediately a more complete line of services and, in turn, to develop a service potential that would assure its ability to meet the further needs for banking services which are anticipated as Bank's primary service area expands and develops.

The record before the Board reflects that, in the areas concerned, the public presently has convenient alternative banking sources that are adequately serving the needs of those areas. However, the Board concurs in Applicant's position that Bank's proposed affiliation with Applicant would better somewhat Bank's ability to offer a more complete line of services to the public. Accordingly, considerations bearing on the convenience and needs of the areas involved are consistent with approval of the application, and offer some weight for such approval.

Effect of proposed acquisition on adequate and sound banking, public interest, and banking competition. The principal market areas involved in the Board's determination of the probable competitive effects of Applicant's proposal encom-

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[2] The area from which 79 per cent of its IPC deposits are derived.

pass the City of Vienna in Fairfax County and the Virginia-D.C. portion of the WMSA.

None of Applicant's subsidiary banks' offices are located in Bank's primary service area, and none compete to any measurable extent with Bank. The closest to Bank of an office of Applicant's banks is in Springfield, Virginia, about 11 miles from Bank's location. There are several other banking offices situated between these offices. The Board concludes that the elimination or foreclosure of competition between Bank and Applicant's subsidiaries is not a consideration adverse to approval of this application.

At June 30, 1964, Bank operated 14.3 per cent (2 of 14) of the banking offices and held 7.2 per cent ($3.5 of $47.8 million) of the total deposits in its primary service area. Bank is substantially smaller than five of the other seven banks with offices in its primary service area, and is the smallest of the banks with offices in Vienna. All banks, other than Bank, with offices in Vienna are affiliated with bank holding companies. There is no reason to believe that Applicant's acquisition and operation of Bank will afford Bank any significantly competitive advantage over banks located in its primary service area. The Virginia banks that are located outside of Bank's primary service area, but that are competing therein, have met the competition offered both by subsidiaries of the two bank holding companies located in Bank's service area and by banks in Washington, D. C., Arlington, and Alexandria that compete for accounts originating within Bank's service area. No adverse competitive effect on the aforementioned banks is reasonably foreseen following consummation of Applicant's proposal.

Applicant's subsidiary banks hold combined deposits of $261.7 million.[3] Applicant's acquisition of Bank would increase this figure to $265.9 million. There has been approved a merger of Farmers Bank of Boydton, Boydton, Virginia (deposits of $3.4 million), into Applicant's Bank of Virginia. Consummation of this merger would bring the aggregate deposits of Applicant's banks to $269.3 million. Bank's deposits represent, respectively, less than 1/10 and 2/10 of 1 per cent of the deposits of all banks in the State and in the Virginia-D.C. portion of the WMSA. Following Applicant's acquisition of Bank, Applicant would remain the fourth in size of the banking organizations in Virginia, controlling less than 6 per cent of the bank deposits in the State. Bank holding company subsidiaries, combined, would control approximately 26 per cent of such deposits.

In the Virginia portion of the WMSA, which portion includes Arlington and Fairfax Counties and the cities of Alexandria, Fairfax, and Falls Church, four holding company groups[4] operate. Following consummation of Applicant's proposal, the percentage of the deposits in that area controlled by these groups would increase from 73.5 to 74.2. While these data reflect a considerable concentration of banking resources in holding company groups, any potentially adverse effect from such concentration is significantly lessened by the fact earlier mentioned of the extent to which banks in Washington, D. C., serve the area under discussion. Within the Virginia-D.C. portion of the WMSA, the four holding company groups now control 72 banking officers and combined deposits of $648 million, or 24.2 per cent of the deposits of all banks in the area. Consummation of this proposal would increase the total deposits controlled by holding company groups by only 2/10 of 1 per cent.

Measured within the geographic area last discussed, the degree to which banking resources would be concentrated in holding company groups, were Applicant's acquisition of Bank to be consummated, is not viewed by the Board as a consideration requiring denial of the application. In sum, the Board concludes that Applicant's acquisition of Bank would not expand the size or extent of Applicant's system beyond limits consistent with adequate and sound banking, the public interest, and the preservation of competition in the field of banking.

On the basis of all relevant facts as contained in the record before the Board, and in light of the factors set forth in section 3(c) of the Act, it is the Board's judgment that the proposed acquisition would be consistent with the public interest and that the application should therefore be approved.

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[3] Includes $1.4 million of deposits acquired as a result of the merger on May 17, 1965, of The Guardian National Bank of Fairfax County, Springfield, into Bank of Prince William, Woodbridge.

[4] Three are registered bank holding companies, the fourth is a nonregistered bank holding company.

Orders Under Bank Merger Act

The following Orders and Statements were issued in connection with actions by the Board of Governors with respect to applications for approval of the merger, consolidation, or acquisition of assets of banks:

CITIZENS TRUST AND SAVINGS BANK, SOUTH HAVEN, MICHIGAN

In the matter of the applications of Citizens Trust and Savings Bank for approval of consolidation with The Fruit Growers State Bank of Saugatuck, Michigan., and for approval of acquisition of assets of The Old State Bank.

ORDER APPROVING CONSOLIDATION OF BANKS AND ACQUISITION OF BANK'S ASSETS

There has come before the Board of Governors, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), applications by Citizens Trust and Savings Bank, South Haven, Michigan, a State member bank of the Federal Reserve System, for the Board's prior approval of: (1) the consolidation of that bank and The Fruit Growers State Bank of Saugatuck, Mich., Saugatuck, Michigan, under the charter and name of the applicant (as an incident to the transaction, the sole office of the Saugatuck bank would become a branch of the applicant bank); (2) its acquisition of the assets and assumption of the liabilities of The Old State Bank, Fennville, Michigan. As an incident to the latter transaction, the applicant has applied, under section 9 of the Federal Reserve Act, for the Board's prior approval of the establishment of a branch at the location of the sole office of the Fennville bank. Notices of the proposed consolidation and the proposed acquisition of assets and assumption of liabilities, in form approved by the Board, have been published pursuant to the Bank Merger Act.

Upon consideration of all relevant material in the light of the factors set forth in said Act, including reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Attorney General on the competitive factors involved in the proposed transactions,

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said applications be and hereby are approved, provided that the transactions shall not be consummated (a) within seven calendar days after the date of this Order or (b) later than three months after said date.

Dated at Washington, D. C., this 13th day of August, 1965.

By order of the Board of Governors.

Voting for this action: Unanimous, with all members present.

(Signed) KARL E. BAKKE,
Assistant Secretary.

[SEAL]

STATEMENT

Citizens Trust and Savings Bank, South Haven, Michigan ("South Haven Bank"), with total deposits of about $19 million, has applied, pursuant to the Bank Merger Act of 1960 (12 U.S.C. § 1828 (c)), for the Board's prior approval of its consolidation with The Fruit Growers State Bank of Saugatuck, Mich., Saugatuck, Michigan ("Saugatuck Bank"), and of its acquisition of the assets and assumption of the liabilities of The Old State Bank, Fennville, Michigan ("Fennville Bank"), with deposits of about $6 million and $2 million, respectively.[1] As an incident to the transaction, the offices of Saugatuck Bank and Fennville Bank would become branches of South Haven Bank, increasing the number of its offices from 2 to 4.

Under the law, the Board is required to consider, as to each of the banks involved, (1) its financial history and condition, (2) the adequacy of its capital structure, (3) its future earnings prospects, (4) the general character of its management, (5) whether its corporate powers are consistent with the purposes of 12 U.S.C., Chapter 16 (the Federal Deposit Insurance Act), (6) the convenience and needs of the community to be served, and (7) the effect of the transaction on competition (including any tendency toward monopoly). The Board may not approve the transactions unless, after considering all of these factors, it finds the transactions to be in the public interest.

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[1] Deposit figures are as of December 31, 1964.

Banking factors. The financial histories of the proponent banks are satisfactory, and each bank has a satisfactory asset condition and an adequate capital structure. South Haven Bank has a good earnings record and favorable future earnings prospects; the earnings record and future earnings prospects of Fennville Bank are satisfactory. The earnings of Saugatuck have been only fair and its future earnings prospects appear to be unfavorable. The death of the senior executive officer of Saugatuck Bank has resulted in a management succession problem that is made more difficult by the bank's earnings problem. The president of Fennville Bank, a family-owned institution, recently suffered a serious illness and will not resume the responsibility of operating the bank as an independent unit. The management of South Haven Bank is strong and has adequate depth. In addition to capable management, the resulting bank would have a sound asset condition, an adequate capital structure, and good future earnings prospects.

There is no indication that the corporate powers of the banks are, or would be, inconsistent with the purposes of 12 U.S.C., Chapter 16.

Convenience and needs of the communities. South Haven, Michigan, is located on the eastern shore of Lake Michigan, about 40 miles west of Kalamazoo, and has a population of slightly over 6,000. The area's economy is dependent on local industry, agriculture, and summer resort business. Bloomingdale, Michigan, the site of South Haven Bank's branch, is 19 miles east of South Haven and has a population of about 500; its economy is almost entirely dependent on agriculture. Saugatuck is 20 miles north of South Haven and has a population of about 900; although there is some local industry, its economy is largely dependent on summer tourism and agriculture. Fennville (population 700) is 18 miles northeast of South Haven and 10 miles southeast of Saugatuck. The local economy is principally dependent on agriculture.

South Haven Bank would make available through the offices now operated by Saugatuck Bank and Fennville Bank a broader range of banking services than is presently provided there. Among others, South Haven Bank would provide trust services and the services of its agricultural representative. The most significant and immediate benefit for the banking public would appear to be in the area now served by Fennville Bank where, because of the restrictive and nonprogressive policies of the bank's management, the routine banking needs of many people are not being adequately met. Further, the increased single loan limit of South Haven Bank resulting from the consolidation with Saugatuck Bank would be of some benefit for each of the communities involved.

Competition. The service area[2] of South Haven Bank overlaps slightly the service areas of Saugatuck Bank and Fennville Bank, and the town of Fennville lies within the service area of Saugatuck Bank. A relatively large (deposits of $31 million) and aggressive bank headquartered in Zeeland recently established a branch in Douglas, 2 miles south of Saugatuck, and has a branch at Hamilton on the periphery of Saugatuck Bank's service area. There are offices of three commercial banks, all larger than South Haven Bank, in Holland, 11 miles north of Saugatuck, and two much larger Kalamazoo banks (total deposits of $126 million and $86 million, respectively) have branches in Allegan, 15 miles southeast of Fennville. Offices of these and other competing, or potentially competing, banks surround the combined service areas of the proponent banks. Although the proposed transactions would eliminate a small amount of competition between the banks involved and increase the deposit holdings of South Haven Bank by about $8 million, it does not appear that banking competition in the relevant area would be adversely affected; indeed, it seems probable that banking competition would be enhanced in the long run.

Summary and conclusion. The proposed transactions would not adversely affect any bank, but potentially more effective competition for the larger banks in the relevant area would result.

South Haven Bank would provide expanded banking services which would be of some benefit to the banking public in Saugatuck and of significant benefit to customers of Fennville Bank. Further, the proposed transactions would resolve the management succession problems at Fennville Bank and at Saugatuck Bank, where the problem appears to be more significant.

Accordingly, the Board finds that the proposed transactions would be in the public interest.

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[2] The area from which a bank derives 75 per cent or more of its deposits of individuals, partnerships, and corporations.

NEW JERSEY BANK AND TRUST COMPANY, CLIFTON, NEW JERSEY

In the matter of the application of New Jersey Bank and Trust Company for approval of merger with Wayne State Bank.

ORDER APPROVING MERGER OF BANKS

There has come before the Board of Governors, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), an application by New Jersey Bank and Trust Company, Clifton, New Jersey, a State member bank of the Federal Reserve System, for the Board's prior approval of the merger of that bank and Wayne State Bank, Wayne, New Jersey, under the charter and title of the former. As an incident to the merger, the two offices of Wayne State Bank would become branches of the resulting bank. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

Upon consideration of all relevant material in the light of the factors set forth in said Act, including reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Attorney General on the competitive factors involved in the proposed merger,

IT IS HEREBY ORDERED, for the reasons set forth in the Board's Statement of this date, that said application be and hereby is approved, provided that said merger shall not be consummated (a) within seven calendar days after the date of this Order or (b) later than three months after said date.

Dated at Washington, D. C., this 3rd day of September, 1965.

By order of the Board of Governors.

Voting for this action: Chairman Martin, and Governors Balderston, Shepardson, Mitchell, and Daane. Voting against this action: Governors Robertson and Maisel.

(Signed) KENNETH A. KENYON,
Assistant Secretary.

[SEAL]

STATEMENT

New Jersey Bank and Trust Company, Clifton, New Jersey ("Jersey Bank"), with total deposits of $319 million, has applied, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), for the Board's prior approval of the merger of that bank and Wayne State Bank, Wayne, New Jersey ("State Bank"), which has total deposits of $8 million.[1] The banks would merge under the charter and title of Jersey Bank, which is a member of the Federal Reserve System. As an incident to the merger, the two offices of State Bank would become offices of Jersey Bank, increasing the number of its authorized offices from 18 to 20.

Under the law, the Board is required to consider, as to each of the banks involved, (1) its financial history and condition, (2) the adequacy of its capital structure, (3) its future earnings prospects, (4) the general character of its management, (5) whether its corporate powers are consistent with the purposes of 12 U.S.C., Ch. 16 (the Federal Deposit Insurance Act), (6) the convenience and needs of the community to be served, and (7) the effect of the transaction on competition (including any tendency toward monopoly). The Board may not approve the proposed merger unless, after considering all of these factors, it finds the transaction to be in the public interest.

Banking factors. The financial history and condition of Jersey Bank and State Bank are satisfactory. Jersey Bank's capital structure is adequate, as is its management, and its earnings prospects are favorable. State Bank opened for business a little more than three years ago. Its capital structure is satisfactory and the growth of the bank has exceeded original projections, but has not been based on broad community support. Earnings have been slightly above average for banks of its class, but the bank has achieved this result by avoiding loans which require specialized personnel, and by purchasing a high proportion of its portfolio from other banks. Earnings of State Bank would probably continue to be satisfactory, were the application denied.

Management of State Bank has rested chiefly in the hands of its president, a man of dominant personality but not a professional banker, who is beyond normal retirement age. The bank has been unable to solve the problem of obtaining a satisfactory full-time executive officer who can work with the president. Were the proposal consummated, Jersey Bank would be able to supply appropriate executive personnel. While the problem could undoubtedly be solved in other ways, this

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[1] Deposit figures are as of June 30, 1965.

factor provides some slight support for approval of the application.

The condition of the resulting bank would be sound, its capital structure satisfactory, its earnings prospects favorable, and its management competent. Neither the corporate powers of the two existing banks nor those of the resulting bank are, or would be, inconsistent with the purposes of 12 U.S.C., Ch. 16.

Convenience and needs of the communities. On a map, Passaic County shows a wasp-waisted or hourglass figure. The only banking offices in the northern and larger portion, which is mainly rural, are those of First National Bank of Passaic County ("First National"), the second largest bank in the county. The southeastern two-thirds of the southern portion, where Jersey Bank's offices are scattered, is densely populated and heavily industrialized, with the older manufacturing cities of Paterson and Passaic losing inhabitants to the growing residential sectors of Wayne Township.

Because State Bank is too small for consummation of the proposal to affect the services the larger bank can render, the effects of the merger would be felt only in Wayne Township.

Wayne, the middle ground, covers about 25 square miles and lies just south of the county's narrow waist. While it is the fastest growing area in the county, with a number of new industrial parks and residential developments, it remains almost completely fragmented as to its commercial life, with neighborhood instead of regional shopping centers, and inconvenient local road communication. As a result, the head office of State Bank serves very little more of the township than the two miles surrounding it. State Bank's new branch, operating in a trailer on the site of a projected shopping center which, it is claimed, will be the world's largest, serves only a very limited area at present.

The township's banking needs are being met, to a considerable extent, by two offices of First National, a $305 million bank capable of meeting the needs of all but the largest customers located in the county. Jersey Bank, with four offices located not far across the township border, also offers a full range of banking services. Five other banks located in Passiac County, ranging in size from $98 to about $11 million, as well as several in neighboring counties, are reasonably accessible to Wayne customers.

Were State Bank to remain as an independent institution, local customers would have a choice of banking services from a wider range of sources. However, State Bank has been making very little effort to serve community needs. These needs can be allocated, roughly, to three strata. The largest customers, represented by such national firms as U.S. Rubber Company, American Cyanimid, W. R. Grace and Company, and Owen-Illinois Glass Company, have requirements far beyond the capacity of any of the county's banks. No rearrangement of local banking facilities is likely to make any difference to their convenience and needs.

A second stratum contains customers whose needs are within the capacity of either Jersey Bank or First National to serve, but who are far larger than a $8 million bank can hope to deal with, even on a participation basis. This stratum would contain some local industrial concerns, real estate developers, merchants in need of substantial floor-plan credit, and the like. While customers in this stratum can, and undoubtedly do, range over Passaic and neighboring counties for alternative sources of banking services, the presence of a second bank capable of serving them, within Wayne Township itself, will contribute, to some extent, to their convenience.

However, it is the third stratum whose needs and convenience are most directly concerned in the proposed merger. This group includes individual homeowners in need of mortgages, customers wanting installment loans to purchase automobiles, appliances, and for other purposes, small commercial and industrial concerns, and the like. State Bank has chosen not to attempt to serve this market. The bank has no FHA or GI mortgages, and has generally avoided committing bank funds in the mortgage market. Such few mortgages as it has made were accommodations to customers connected with the board of directors. It has made few automobile loans in the community, preferring to purchase paper from other institutions. Indeed, it has followed a similar policy as to all loans, originating only a minor portion in Wayne, obtaining some from directors' contacts outside the community, and purchasing a large majority. In sum, only about 20 per cent of the bank's total loan volume is derived from its own community. Jersey Bank has specialized in mortgage and installment lending, and would provide a genuine alternative for customers who do not wish to bank with First National and for whom it is, perhaps, something more than inconvenient to bank outside their own community.

Competition. As discussed above, Passiac County is served by eight banks, Jersey State and First National in the $300 million class, and the others ranging downward from $100 million. In addition, banks in neighboring counties compete in Passiac, as do, to a considerable extent, larger New York City and other metropolitan banks which actively advertise, in newspapers and on radio and television, for business over the entire area, and are accessible by mail and to commuters from the county and from Wayne, itself.

Nevertheless, despite customer mobility, particularly as to larger accounts, and the fact that banking connections may be made elsewhere by commuters or by mail, office location is probably still a dominant factor in banking competition, at least as to the lower and middle strata described above. However, under present State law, it is extremely difficult for meaningful office competition to occur, especially in smaller communities, or in developing areas, such as Wayne. Under the local form of office protection, only a bank headquartered in a municipality can establish a de novo branch there if any other bank already has an office in the community. Thus, local office competition for First National in Wayne is limited to that State Bank can provide, a burden the smaller bank is unable to assume. Its single new branch is operating at a loss, despite the loan of paid personnel from Jersey Bank, and it lacks resources to open another. Moreover, the record indicates that competitive tactics of First National have been aggressively calculated to prevent the smaller bank from establishing itself on a firm community basis, even had it shown a healthier disposition to do so.

That the community would welcome competition for First National is shown by the amount of business Jersey Bank drew from Wayne before State Bank was established. Partly because of the extent of this business, amounting to $4 million in some three thousand deposit accounts and $6 million in over a thousand loans, and partly because of the location of four Jersey Bank offices near Wayne's borders, there would have been a potentiality for substantial competition between the two banks, had the smaller institution followed different policies. However, such competition has not developed, nor does it seem likely to develop unless State Bank were radically to alter its policies.

The relative absence of competition between State Bank and Jersey Bank is evidenced by a number of circumstances. First, the smaller bank has not developed business in Wayne beyond the immediate environs of its home office. The balance of the township has remained unaffected. Second, about three-quarters of Jersey Bank's loans in Wayne are mortgages, a type of loan which State Bank generally avoids. Of these, more than half originated before State Bank opened for business, and about 60 per cent were made to home purchasers moving from Jersey Bank's service area[2] in lower Passiac County into Wayne Township. In fact, according to the 1960 Census, about 40 per cent of the persons moving into Wayne during the five preceding years came from Passiac, Paterson, or Clifton, all in Jersey Bank's service area. Customer inertia, and the failure of the smaller bank to make any real effort to attract their business, have evidently caused Jersey Bank's customers to leave their accounts with their former bank on moving to Wayne.

It is a disturbing factor in the competitive picture that effectuation of the proposal would increase, although to an insubstantial extent, the proportion of county loans and deposits held by the slightly larger of the two largest banks in Passiac County. Jersey Bank's share of IPC[3] deposits will rise from 36.5 to 37.3 per cent, and of total loans from 38.2 to 39.2 per cent, as opposed to First National's 33 per cent of IPC deposits and 32.3 per cent of loans. Banking concentration in the county will be increased, and the only small independent bank in an area dominated by First National will disappear. However, under present State law, there seems to be no other way in which meaningful banking competition can be provided through offices located in Wayne.

It does not appear that consummation of the merger will have any adverse competitive effect on the remaining banks located in southern and southeastern Passiac County, which are already competing successfully with Jersey Bank.

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[2] The area from which a bank derives 75 per cent or more of its deposits of individuals, partnerships, and corporations ("IPC" deposits).

[3] Based on data for December 31, 1964.

Summary and conclusion. While consummation of the merger would increase banking concentration in Passiac County, this effect is more apparent than real, due to the failure of State Bank to provide meaningful competition for either of its larger neighbors. Under State law, a merger of this kind is the only means by which First National's virtual local-office monopoly can be broken, and the entrance of a second large and vigorous bank into the community will improve both the competitive picture and the way in which community needs and convenience are served. A management problem in the smaller bank will incidentally be solved.

Accordingly, the Board finds that the proposed merger would be in the public interest.

DISSENTING STATEMENT OF GOVERNOR MAISEL IN WHICH GOVERNOR ROBERTSON CONCURS

It is difficult to understand, let alone to justify, the decision announced today by the Board, which grants the two largest banks in Passiac County a duopoly position in the county's fastest growing market. There is general agreement that nothing in the banking factors justifies this merger. On the other hand, the competitive factors are strongly adverse. Under New Jersey law, once this merger is consummated no third bank can enter Wayne Township except for a bank that is newly organized. Prospects for establishing a new local competitor, when two large banks are so firmly entrenched in the field, seem very unpromising.

Today, three banks are competing in Wayne Township, one of them, the acquiring bank in the application before the Board, very effectively from just across the township line. The smaller bank, it is true, may not be competing with great energy. But it *is* an alternative source of banking services, it is competing, and, in fact, is making money. The amount of loans and deposits which Jersey Bank and State Bank draw from one another's territory is evidence that competition exists. State Bank offers more attractive rates to individual customers both with respect to interest on savings deposits and charges on checking accounts, than Jersey Bank does; this is competition. In fact, whenever a member of the public, Mr. A. or Mrs. X, makes a choice whether to drive to an office of State Bank or First National, or just across the line to an office of Jersey Bank in, say, Haledon, competition occurs. And the potential for future competition, were the application denied, is far stronger.

The majority complains that State Bank is not competing in a vigorous healthy way, and is not serving the needs of its community, as if this were an unalterable state of affairs. The fact remains, however, that *some* competition is far greater than *none.* Even if one assumes that State Bank's board of directors has determined to dispose of the bank, it is plain that they have a very attractive, salable article. A location in what is advertised to become a giant shopping center is inherently very desirable. Given, in addition, the projected growth of Wayne Township, and that a location there is protected from much competition, what State Bank's directors have to sell becomes extremely valuable. That this is so is demonstrated by the premium offered by Jersey Bank, the highest ever to come before the Board in a merger application. The record shows that this high offer was made to outbid other institutions anxious to acquire State Bank.

There can be no doubt that, if the application were denied, a less dominant Passiac County bank would be found willing to purchase on satisfactory terms and merge State Bank. After all, at least two of the others are in the $75 to $100 million class, not exactly Lilliputians. Thus, denial of the application would assure Wayne Township of continuing access to three banks located in it or so close to the line as to be conveniently available.

There are two troubling fallacies in the majority's reasoning, both indicating a failure to analyze and apply what Congress meant by "the effect of the transaction on competition (including any tendency toward monopoly)". The first, and by far the most important, is the assumption—not only here, but in earlier decisions on merger applications—that competition is improved by increasing the size of the competing banks. This argument has perhaps been made most often where the bank to be aggrandized is already one of the largest in the community, and is particularly fallacious in such a case. The Board is to concern itself with competition in respect to its effect on community welfare. The competition offered by a pair of powerful banks is of a different character and does not have the therapeutic effect on the public welfare usually implied by the term competition. This is particularly true as to customers in the lower and lower-middle strata described by the majority. A third choice for these groups is certain to be better than only two.

The second fallacy is a weakness for having things both ways. In other statements on merger applications, where the question was whether offices of two merging banks were in competition, the majority has solemnly stated that the fact that offices of other banks were located in between the two prevented any serious amount of competition from occurring. Here, where the question is whether Wayne Township will be subject to a duopoly if the application is approved, the majority with equal solemnity assures us that banks outside Passiac County, and even in New York City, compete effectively within the township, despite myriad intervening offices!

In sum, what the majority has done is to grant an assured duopoly position in a protected market to the two largest banks already present there, on the pretext that this will "improve competition" by eliminating a small bank that has failed to exert itself. This has been done in the face of the virtual certainty that a more eligible applicant would have appeared if the application had been denied, and that the merger will foreclose the possibility of a stronger, third competitor appearing in Wayne Township for quite some time in the future.

I would disapprove the application.

Announcements

ELECTION OF DIRECTOR

The Federal Reserve Bank of Kansas City on August 31 announced the election of Kenneth H. Peters as a Class A director of the Bank to serve for the remainder of a term expiring December 31, 1967. Mr. Peters is President, The State Bank of Larned, Larned, Kansas. As a director of the Kansas City Bank he succeeds Mr. William S. Kennedy, who died June 7, 1965.

FEDERAL FUNDS

Trading in Federal Funds—Findings of a Three-Year Survey, by Dorothy M. Nichols, is available for distribution.

This is the second technical paper on the Federal funds market to be published by the Board and presents some major findings of a survey of daily transactions in Federal funds from data supplied by nearly 250 banks throughout the country for three full years ending in September 1962. These data also provided a basis for the development of the continuing series on Federal funds now being shown in the BULLETIN and in statistical releases on the reserve positions of selected banks. The approach in the paper is mainly descriptive, with emphasis on variations in the size and distribution of flows of Federal funds. It shows the continued growth in the importance of these transactions in the money market and the key role of certain groups of banks both because of their activities in maintaining a wide and flexible market for Federal funds and because of the influence of their reserve positions on the supply of and demand for these funds.

Requests for copies should be sent to the Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. Remittance should accompany order and be made payable to the order of the Board of Governors of the Federal Reserve System (prices shown on page 1363).

SUPPLEMENT TO BANKING AND MONETARY STATISTICS

Consumer credit statistics covering periods from 1919 through 1963 are contained in a new pamphlet now available, "Consumer Credit," Section 16 (New) of *Supplement to Banking and Monetary Statistics.* This pamphlet also includes detailed descriptions for components of the consumer credit series. Copies may be obtained from the Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D. C. 20551 (prices shown on page 1363).

REVISIONS IN INDUSTRIAL PRODUCTION INDEXES

The Board's industrial production indexes have been revised back to January 1964 incorporating some revisions in seasonal adjustment factors and in basic figures for certain series. Data for color television receiving sets have been added to the console television series; these changes and the other revisions have been carried through to all components and the total index. The 1964 revisions have been combined with a reprint of the pamphlet *Industrial Production Indexes* for 1961-63. This pamphlet has been distributed with the September 1965 Business Indexes (G. 12.3). Copies are available on request to Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington, D. C. 20551.

National Summary of Business Conditions

Released for publication September 15

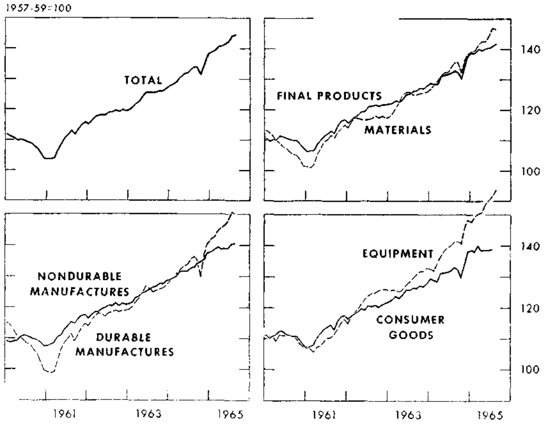
Industrial production changed little in August, following sizable increases in June and July. Employment rose somewhat further, but the unemployment rate remained at 4.5 per cent. Retail sales declined slightly. Construction activity remained at an advanced level. Bank credit rose in August, after a decline in July. The money supply increased moderately and time and savings deposits rose sharply. Between mid-August and mid-September, yields rose on public and private bonds; stock prices advanced in unseasonably active trading.

INDUSTRIAL PRODUCTION

Industrial production in August was 144.4 of the 1957-59 average, compared with a revised July level of 144.2 per cent. The August figure was 8 per cent above a year ago. Declines in iron and steel output were offset by some further increases in other industrial materials and business equipment. The 0.4 per cent upward revision in the July index reflected in part revisions in data for some series extending back to January 1964.

Output of consumer goods was maintained in August at the advanced levels prevailing since the beginning of the year. Auto assemblies, after allowance for the model changeover, continued at the July rate. Production of home goods and apparel changed little, while output of consumer staples increased somewhat. In the business equipment industries, output of commercial and industrial machinery continued to set new records.

INDUSTRIAL PRODUCTION



F.R. indexes, seasonally adjusted. Latest figures shown are for August.

Iron and steel production declined 4 per cent in August and, following settlement of the wage contract on September 5, output has fallen off further. Production of some construction materials and nondurable materials increased somewhat.

CONSTRUCTION

New construction put in place in August remained near the record seasonally adjusted annual rate of $69 billion reached in June. Private residential construction, which had shown some recovery in the first half of the year, continued to edge off. Business construction expenditures continued to increase, however, and public construction—revised downward to show a 3 per cent decrease for July—returned to its advanced June level.

EMPLOYMENT

Nonfarm employment increased further in August, but the increase was less than in recent months reflecting a leveling off in durable goods manufacturing. Declines in primary and fabricated metals were largely offset by advances in other metal-working industries. Increases in nonmanufacturing employment were widespread. The average workweek in manufacturing was 40.9 hours, almost the same as in the preceding two months and ½ hour below the high first quarter average. The unemployment rate was unchanged at 4.5 per cent.

AGRICULTURE

Favorable weather during August improved pastures and raised prospective crops by 1 per cent. September 1 indications are for an output increase of 7 per cent over last year and 4 per cent above the previous high of 1963. Record corn and soybean harvests are in prospect and the cotton crop, estimated at 15.1 million bales, is almost equal to that of last year.

Meat production rose in August and was 2 per cent above last August following four months of output below year-earlier rates. Increases in beef and poultry were responsible for the improved supply.

COMMODITY PRICES

The industrial commodity price index changed little from mid-August to mid-September, although price increases were announced for some machine tools and a number of paper products. Copper scrap advanced while steel scrap declined. Wholesale prices of livestock and meats fell in response to increased supplies.

DISTRIBUTION

Retail sales in August declined 1 per cent according to advance estimates. Substantial declines occurred at furniture, appliance and apparel stores. Smaller declines were widespread among nondurable goods stores. Sales of new autos continued at the relatively high June and July rates. Total retail sales had increased in July, and the value of July-August sales averaged 2 per cent larger than in the second quarter.

BANK CREDIT, MONEY SUPPLY, AND RESERVES

Seasonally adjusted commercial bank credit rose $4.5 billion in August following a small decline in July. In the three months through August, the annual rate of increase was about 10 per cent, or about the same as earlier this year. In August, loans and holdings of municipal and agency securities rose substantially and holdings of U.S. Government securities increased moderately. The money supply rose less than in the two previous months. Expansion in time and savings deposits at commercial banks accelerated, however, to about the high rate of the first two months of the year. U. S. Government deposits declined sharply.

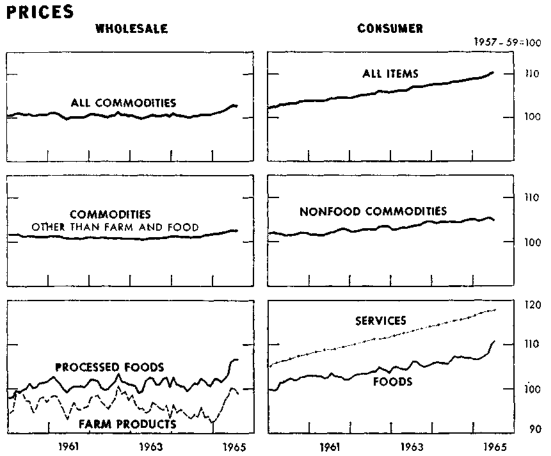
Seasonally adjusted total and required reserves declined in August following increases over the two previous months. Member bank borrowings continued to rise but excess reserves also increased, resulting in some decline in net borrowed reserves.

SECURITY MARKETS

Yields on corporate and State and local bonds as well as on short- and long-term U.S. Government securities rose between mid-August and mid-September. The 3-month Treasury bill advanced from about 3.80 per cent to about 3.90 per cent. In mid-September U.S. Government and corporate bond yields were at the highest levels since early 1960 while yields on municipal bonds were the highest since early 1962.

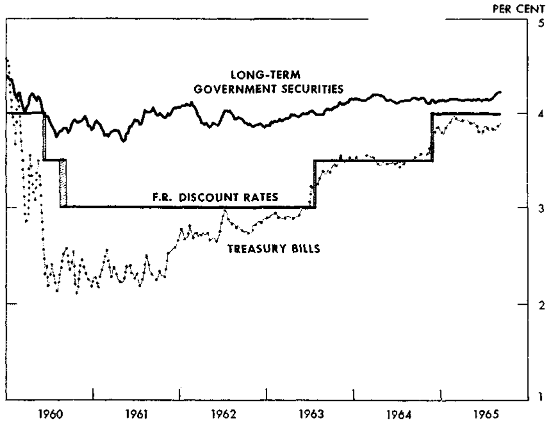
Common stock prices advanced in active trading and by mid-September were only slightly below their all-time high of mid-May.

PRICES



Bureau of Labor Statistics indexes. Latest figures shown for consumer prices, July; for wholesale prices, August estimates.

INTEREST RATES



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

Guide to Tabular Presentation

SYMBOLS AND ABBREVIATIONS

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

GENERAL INFORMATION

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

A heavy vertical rule is used (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.

LIST OF TABLES PUBLISHED QUARTERLY, SEMIANNUALLY, OR ANNUALLY, WITH LATEST BULLETIN REFERENCE

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Financial and Business Statistics

★ United States ★

The data for F.R. Banks and member banks and for consumer credit are derived from regular reports made to the Board; production indexes are compiled by the Board on the basis of data collected by other agencies; and flow of funds figures are compiled on the basis of materials from a combination of sources, including the Board. Figures for gold stock, currency, Federal finance, and Federal credit agencies are obtained from Treasury statements. The remaining data are obtained largely from other sources. For many of the banking and monetary series back data and descriptive text are available in *Banking and Monetary Statistics* and its *Supplements* (see list of publications at end of the BULLETIN).

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

(In millions of dollars)

Period or date	Factors supplying reserve funds								Factors absorbing reserve funds								
	F.R. Bank credit outstanding						Gold stock	Treasury currency outstanding	Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F.R. Banks			Other F.R. accounts	Member bank reserves		
	U.S. Govt. securities			Discounts and advances	Float [1]	Total [2]					Treasury	Foreign	Other [1]		With F.R. Banks	Currency and coin [3]	Total
	Total	Bought outright	Repurchase agreements														
Averages of daily figures																	
1929—June	179	179	......	978	61	1,317	4,024	2,018	4,400	210	30	30		376	2,314	......	2,314
1933—June	1,933	1,933	......	250	12	2,208	4,030	2,295	5,455	272	81	164		350	2,211	......	2,211
1939—Dec.	2,510	2,510	......	8	83	2,612	17,518	2,956	7,609	2,402	616	739		248	11,473	......	11,473
1941—Dec.	2,219	2,219	......	5	170	2,404	22,759	3,239	10,985	2,189	592	1,531		292	12,812	......	12,812
1945—Dec.	23,708	23,708	......	381	652	24,744	20,047	4,322	28,452	2,269	625	1,247		493	16,027	......	16,027
1950—Dec.	20,345	20,336	9	142	1,117	21,606	22,879	4,629	27,806	1,290	615	920	353	739	17,391	......	17,391
1955—Dec.	24,602	24,318	284	840	1,389	26,853	21,689	5,008	31,265	777	434	459	394	983	19,240	......	19,240
1956—Dec.	24,765	24,498	267	706	1,633	27,156	21,942	5,064	31,775	772	463	372	247	998	19,535	......	19,535
1957—Dec.	23,982	23,615	367	716	1,443	26,186	22,769	5,144	31,932	768	385	345	186	1,063	19,420	......	19,420
1958—Dec.	26,312	26,216	96	564	1,496	28,412	20,563	5,230	32,371	691	470	262	337	1,174	18,899	......	18,899
1959—Dec.	27,036	26,993	43	911	1,426	29,435	19,482	5,311	32,775	396	524	361	348	1,195	18,628	304	18,932
1960—Dec.	27,248	27,170	78	94	1,665	29,060	17,954	5,396	33,019	408	522	250	495	1,029	16,688	2,595	19,283
1961—Dec.	29,098	29,061	37	152	1,921	31,217	16,929	5,587	33,954	422	514	229	244	1,112	17,259	2,859	20,118
1962—Dec.	30,546	30,474	72	305	2,298	33,218	15,978	5,561	35,281	398	587	222	290	1,048	16,932	3,108	20,040
1963—Dec.	33,729	33,626	103	360	2,434	36,610	15,562	5,583	37,603	389	879	160	206	1,215	17,303	3,443	20,746
1964—June	34,631	34,530	101	271	1,784	36,760	15,462	5,584	37,541	414	886	135	200	1,273	17,356	3,202	20,558
1964—Aug.	35,118	34,996	122	334	1,670	37,170	15,462	5,562	38,033	421	909	145	194	1,151	17,340	3,226	20,566
Sept.	35,273	35,143	130	332	1,914	37,578	15,462	5,564	38,224	437	893	143	189	1,129	17,589	3,339	20,928
Oct.	35,334	35,257	77	311	2,027	37,747	15,462	5,533	38,362	471	863	133	189	1,009	17,716	3,317	21,033
Nov.	36,036	35,867	169	433	1,874	38,421	15,442	5,494	38,937	529	613	148	200	1,119	17,812	3,347	21,159
Dec.	37,126	36,895	231	266	2,423	39,873	15,388	5,401	39,698	595	944	181	186	1,093	17,964	3,645	21,609
1965—Jan.	36,684	36,457	227	340	2,126	39,245	15,258	5,395	39,013	652	875	180	223	949	18,006	3,613	21,619
Feb.	37,052	36,957	95	450	1,650	39,244	14,984	5,394	38,641	696	943	145	211	1,166	17,820	3,407	21,227
Mar.	37,315	37,267	48	441	1,659	39,535	14,687	5,396	38,777	727	890	144	194	1,049	17,836	3,412	21,248
Apr.	37,637	37,482	155	487	1,658	39,882	14,472	5,405	38,942	744	865	170	207	783	18,047	3,458	21,505
May	38,111	37,749	362	520	1,633	40,340	14,358	5,402	39,052	755	908	142	187	985	18,070	3,406	21,476
June	38,840	38,610	230	543	1,714	41,153	14,277	5,402	39,508	772	844	142	182	1,196	18,187	3,522	21,709
July	39,249	38,891	358	527	1,831	41,651	13,924	5,412	40,005	r780	805	160	196	740	18,301	3,564	21,865
Aug.	39,318	39,074	244	566	1,581	41,504	13,858	5,433	40,103	811	924	215	185	480	18,076	p3,545	p21,621
Week ending— 1964																	
July 1	34,841	34,823	18	221	1,818	36,960	15,462	5,582	37,618	404	873	140	195	1,276	17,498	3,347	20,845
8	35,335	35,215	120	263	1,882	37,588	15,463	5,574	37,916	416	842	134	222	1,256	17,840	2,965	20,805
15	35,304	35,030	274	460	1,787	37,636	15,463	5,562	38,099	425	885	123	204	1,223	17,703	3,291	20,994
22	34,392	34,392	......	159	2,195	36,789	15,463	5,566	37,969	444	770	131	191	1,158	17,154	3,275	20,429
29	34,518	34,357	161	179	1,626	36,381	15,463	5,567	37,814	440	711	133	190	1,148	16,975	3,350	20,325
Aug. 5	35,112	34,980	132	262	1,460	36,892	15,462	5,570	37,893	433	769	137	199	1,132	17,363	3,197	20,560
12	35,397	35,097	300	376	1,554	37,393	15,462	5,554	38,114	417	964	141	193	1,113	17,467	3,130	20,597
19	34,855	34,855	......	279	2,024	37,197	15,461	5,558	38,113	412	932	144	199	1,102	17,314	3,269	20,583
26	35,051	34,929	122	329	1,719	37,137	15,462	5,563	37,998	429	918	145	188	1,214	17,270	3,341	20,611
Sept. 2	35,162	35,144	18	315	1,451	36,968	15,462	5,572	38,007	423	858	164	191	1,199	17,159	3,372	20,531
9	35,611	35,234	377	478	1,563	37,716	15,462	5,566	38,243	426	857	131	188	1,220	17,679	3,000	20,679
16	35,397	35,262	135	225	1,846	37,524	15,462	5,564	38,425	435	906	142	194	1,163	17,285	3,454	20,739
23	34,904	34,904	......	410	2,465	37,820	15,462	5,569	38,192	448	962	131	193	1,054	17,870	3,386	21,256
30	35,186	35,157	29	280	1,943	37,487	15,461	5,556	38,075	440	914	161	186	1,066	17,662	3,478	21,140
Oct. 7	35,759	35,549	210	372	1,820	38,051	15,463	5,554	38,209	457	838	131	204	1,103	18,125	3,134	21,259
14	35,663	35,532	131	241	1,875	37,876	15,462	5,541	38,465	470	865	133	177	1,028	17,739	3,246	20,985
21	34,909	34,909	......	382	2,548	37,878	15,463	5,538	38,432	489	1,012	130	189	966	17,660	3,341	21,001
28	34,911	34,911	......	233	1,995	37,203	15,462	5,513	38,333	467	810	137	185	925	17,321	3,448	20,769
Nov. 4	35,711	35,642	69	479	1,634	37,910	15,462	5,505	38,446	484	666	122	197	1,111	17,851	3,359	21,210
11	35,986	35,671	315	429	1,711	38,201	15,463	5,497	38,793	503	546	139	205	1,153	17,823	3,192	21,015
18	35,913	35,698	215	593	1,962	38,532	15,462	5,497	38,975	533	563	130	215	1,150	17,926	3,389	21,315
25	35,992	35,867	125	162	2,136	38,388	15,430	5,494	39,071	552	521	148	183	1,245	17,592	3,467	21,059
Dec. 2	36,667	36,667	......	377	1,860	38,969	15,387	5,456	39,277	554	827	224	196	886	17,848	3,528	21,376
9	37,335	37,335	......	124	1,950	39,480	15,387	5,400	39,476	571	873	186	186	1,231	17,745	3,397	21,142
16	37,335	37,020	315	162	2,084	39,632	15,388	5,402	39,743	593	1,024	142	176	1,106	17,637	3,750	21,387
23	36,926	36,660	266	291	2,907	40,175	15,387	5,404	39,834	608	978	144	183	1,057	18,160	3,681	21,841
30	36,936	36,570	366	535	2,884	40,409	15,388	5,397	39,852	620	990	221	177	996	18,338	3,653	21,991

For notes see opposite page.

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

(In millions of dollars)

Period or date	Factors supplying reserve funds								Factors absorbing reserve funds								
	F. R. Bank credit outstanding						Gold stock	Treasury currency outstanding	Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F. R. Banks			Other F. R. accounts	Member bank reserves		
	U.S. Govt. securities			Discounts and advances	Float [1]	Total [2]											
	Total	Bought outright	Repurchase agreements								Treasury	Foreign	Other [1]		With F.R. Banks	Currency and coin [3]	Total
Averages of daily figures																	
Week ending—																	
1965																	
Jan. 6	37,058	36,515	543	340	2,622	40,111	15,388	5,407	39,552	630	674	228	283	1,026	18,513	3,686	22,199
13	36,816	36,515	301	460	2,149	39,522	15,330	5,394	39,282	649	780	186	205	970	18,174	3,671	21,845
20	36,460	36,403	57	322	2,249	39,112	15,187	5,393	38,927	662	1,015	178	212	902	17,797	3,643	21,440
27	36,440	36,334	106	252	1,841	38,631	15,187	5,387	38,644	657	997	151	213	877	17,668	3,591	21,259
Feb. 3	36,876	36,769	107	323	1,611	38,923	15,157	5,396	38,565	664	940	148	216	1,032	17,912	3,489	21,401
10	37,272	37,133	139	517	1,472	39,384	15,045	5,391	38,641	679	924	152	207	1,158	18,060	3,252	21,312
17	37,151	37,088	63	398	1,540	39,189	14,937	5,397	38,715	699	1,001	141	220	1,158	17,589	3,460	21,049
24	36,812	36,718	94	565	1,730	39,162	14,938	5,391	38,613	719	878	139	204	1,195	17,744	3,442	21,186
Mar. 3	36,911	36,835	76	315	1,924	39,226	14,902	5,400	38,625	706	922	159	217	1,224	17,675	3,461	21,136
10	37,319	37,211	108	426	1,624	39,475	14,813	5,394	38,756	715	806	150	209	1,202	17,844	3,218	21,062
17	37,371	37,308	63	388	1,597	39,484	14,741	5,397	38,894	717	912	132	191	1,061	17,714	3,454	21,168
24	37,305	37,305	......	482	2,005	39,900	14,562	5,393	38,796	735	956	139	186	980	18,064	3,448	21,512
31	37,419	37,401	18	502	1,376	39,444	14,562	5,397	38,714	746	898	146	181	875	17,843	3,523	21,366
Apr. 7	37,725	37,496	229	586	1,409	39,863	14,563	5,398	38,862	732	728	176	207	835	18,283	3,220	21,503
14	37,881	37,623	258	412	1,487	39,883	14,519	5,406	39,092	741	910	158	202	804	17,899	3,389	21,288
21	37,594	37,486	108	589	1,956	40,230	14,412	5,408	39,058	761	881	178	228	720	18,224	3,492	21,716
28	37,361	37,343	18	360	1,767	39,548	14,413	5,406	38,802	744	921	166	190	767	17,777	3,623	21,400
May 5	37,894	37,501	393	494	1,641	40,137	14,411	5,409	38,825	747	837	164	205	827	18,353	3,390	21,743
12	38,190	37,565	625	514	1,557	40,332	14,395	5,399	39,071	744	1,010	134	191	821	18,154	3,311	21,465
19	37,843	37,546	297	515	1,915	40,333	14,353	5,407	39,095	762	1,060	138	186	885	17,966	3,476	21,442
26	37,980	37,788	192	497	1,598	40,146	14,335	5,397	39,047	762	791	142	172	1,142	17,821	3,543	21,364
June 2	38,717	38,462	255	532	1,446	40,772	14,291	5,399	39,239	759	856	142	190	1,285	17,992	3,422	21,414
9	38,889	38,515	374	494	1,556	41,006	14,293	5,394	39,472	765	840	127	178	1,293	18,017	3,352	21,369
16	38,817	38,527	290	626	1,632	41,131	14,292	5,394	39,555	771	816	151	177	1,231	18,115	3,534	21,649
23	38,775	38,696	79	596	2,037	41,455	14,292	5,409	39,528	778	892	129	185	1,153	18,491	3,569	22,060
30	38,870	38,740	130	500	1,678	41,102	14,227	5,413	39,513	777	803	162	184	1,082	18,221	3,673	21,894
July 7	39,588	39,050	538	594	1,718	41,955	13,934	5,418	39,895	775	569	162	208	781	18,917	3,254	22,171
14	39,570	38,987	583	623	1,883	42,128	13,934	5,405	40,201	762	842	146	196	829	18,491	3,614	22,105
21	38,864	38,766	98	427	2,206	41,535	13,934	5,412	40,065	785	888	179	194	725	18,046	3,616	21,662
28	39,013	38,799	214	479	1,674	41,201	13,923	5,408	39,901	792	873	156	186	710	17,914	3,683	21,597
Aug. 4	39,400	38,903	497	544	1,440	41,418	13,857	5,423	39,944	797	903	155	196	500	18,204	3,573	21,777
11	39,651	39,259	392	619	1,480	41,786	13,858	5,422	40,125	800	1,050	198	191	470	18,230	3,372	21,602
18	39,136	39,037	99	493	1,770	41,434	13,858	5,426	40,202	812	848	235	190	466	17,965	3,549	21,514
25	39,134	38,971	163	547	1,692	41,409	13,858	5,441	40,118	824	908	218	178	578	17,885	p3,633	p21,518
End of month																	
1965																	
June	39,100	38,882	218	657	1,349	41,159	13,934	5,412	39,720	747	672	179	198	762	18,229	3,997	22,226
July	39,207	38,804	403	536	1,388	41,166	13,857	5,421	39,897	786	947	147	202	455	18,008	3,314	21,322
Aug.	39,049	39,049	......	237	1,278	40,619	p13,857	p5,460	p40,140	p812	916	356	182	339	17,191	3,957	21,148
Wednesday																	
1965																	
July 7	39,518	39,050	468	465	1,796	41,832	13,934	5,418	40,228	771	973	153	202	850	18,008	3,637	21,645
14	39,067	38,766	301	212	1,903	41,228	13,934	5,407	40,196	766	920	156	203	728	17,600	4,053	21,653
21	38,979	38,766	213	271	1,651	40,937	13,934	5,412	40,024	796	670	151	202	710	17,731	3,950	21,681
28	39,231	38,804	427	571	1,307	41,145	13,859	5,411	39,931	793	799	157	192	705	17,838	4,057	21,895
Aug. 4	39,812	39,127	685	472	1,281	41,601	13,859	5,429	40,043	811	808	158	184	476	18,409	3,707	22,116
11	39,459	39,185	274	292	1,281	41,068	13,859	5,421	40,238	810	916	245	192	467	17,480	3,836	21,316
18	38,949	38,949	......	328	1,756	41,069	13,859	5,434	40,212	829	949	217	188	586	17,381	3,863	21,244
25	39,200	39,026	174	454	1,317	41,007	13,859	5,453	40,124	822	812	217	184	540	17,619	4,040	21,659

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

[2] Includes industrial loans and acceptances, when held. (Industrial loan program discontinued Aug. 21, 1959.) For holdings of acceptances on Wed. and end-of-month dates, see subsequent tables on F.R. Banks. See also note 1.

[3] Part allowed as reserves Dec. 1, 1959–Nov. 23, 1960; all allowed thereafter. Beginning with Jan. 1963 figures are estimated except for weekly averages.

RESERVES AND BORROWINGS OF MEMBER BANKS

(In millions of dollars)

Period	All member banks					Reserve city banks									
						New York City					City of Chicago				
	Reserves			Borrowings at F. R. Banks	Free reserves	Reserves			Borrowings at F. R. Banks	Free reserves	Reserves			Borrowings at F. R. Banks	Free reserves
	Total held	Required	Excess			Total held	Required	Excess			Total held	Required	Excess		
1929—June	2,314	2,275	42	974	−932	762	755	7	174	−167	161	161	1	63	−62
1933—June	[1]2,160	1,797	363	184	179	861	792	69	......	69	211	133	78	......	78
1939—Dec.	11,473	6,462	5,011	3	5,008	5,623	3,012	2,611	......	2,611	1,141	601	540	......	540
1941—Dec.	12,812	9,422	3,390	5	3,385	5,142	4,153	989	......	989	1,143	848	295	......	295
1945—Dec.	16,027	14,536	1,491	334	1,157	4,118	4,070	48	192	−144	939	924	14	......	14
1947—Dec.	17,261	16,275	986	224	762	4,404	4,299	105	38	67	1,024	1,011	13	6	7
1950—Dec.	17,391	16,364	1,027	142	885	4,742	4,616	125	58	67	1,199	1,191	8	5	3
1955—Dec.	19,240	18,646	594	839	−245	4,432	4,397	35	197	−162	1,166	1,164	2	85	−83
1956—Dec.	19,535	18,883	652	688	−36	4,448	4,392	57	147	−91	1,149	1,138	12	97	−86
1957—Dec.	19,420	18,843	577	710	−133	4,336	4,303	34	139	−105	1,136	1,127	8	85	−77
1958—Dec.	18,899	18,383	516	557	−41	4,033	4,010	23	102	−81	1,077	1,070	7	39	−31
1959—Dec.	18,932	18,450	482	906	−424	3,920	3,930	−10	99	−109	1,038	1,038	......	104	−104
1960—Dec.	19,283	18,527	756	87	669	3,687	3,658	29	19	10	958	953	4	8	−4
1961—Dec.	20,118	19,550	568	149	419	3,834	3,826	7	57	−50	987	987	......	22	−22
1962—Dec.	20,040	19,468	572	304	268	3,863	3,817	46	108	−62	1,042	1,035	7	18	−11
1963—Dec.	20,746	20,210	536	327	209	3,951	3,895	56	37	19	1,056	1,051	5	26	−21
1964—June	20,558	20,168	390	270	120	3,984	3,945	39	39	......	1,033	1,033	......	13	−13
1964—Aug.	20,566	20,149	417	334	83	3,876	3,858	18	39	−21	1,039	1,033	6	13	−7
Sept.	20,928	20,508	420	331	89	3,983	3,954	29	45	−16	1,061	1,060	1	34	−33
Oct.	21,033	20,618	415	309	106	3,962	3,942	20	54	−34	1,058	1,055	3	29	−26
Nov.	21,159	20,763	396	430	−34	3,893	3,882	11	97	−86	1,076	1,072	4	20	−16
Dec.	21,609	21,198	411	243	168	4,083	4,062	21	35	−14	1,083	1,086	−3	28	−31
1965—Jan.	21,619	21,217	402	299	103	4,117	4,073	43	113	−70	1,094	1,099	−5	12	−17
Feb.	21,227	20,790	437	405	32	3,966	3,961	5	95	−90	1,096	1,083	13	50	−37
Mar.	21,248	20,908	340	416	−76	4,026	4,004	23	120	−97	1,082	1,077	5	50	−45
Apr.	21,505	21,146	359	471	−112	4,111	4,087	25	75	−50	1,085	1,086	−1	39	−40
May	21,476	21,149	327	505	−178	4,135	4,127	8	21	−13	1,116	1,110	6	10	−4
June	21,709	21,366	343	528	−185	4,206	4,185	21	135	−114	1,100	1,096	4	19	−15
July	21,865	21,516	349	524	−175	4,155	4,164	−9	126	−135	1,102	1,100	2	27	−25
Aug.	[p]21,621	[p]21,190	[p]431	564	[p]−133	[p]4,097	[p]4,026	[p]71	103	[p]−32	[p]1,077	[p]1,075	[p]2	38	[p]−36
Week ending—															
1964—Aug. 5	20,560	20,209	351	260	91	3,931	3,934	−2	14	−16	1,037	1,036	1	6	−5
12	20,597	20,123	474	376	98	3,850	3,833	17	3	13	1,028	1,029	−1	20	−21
19	20,583	20,192	391	278	113	3,885	3,875	10	49	−39	1,033	1,037	−3	10	−13
26	20,611	20,140	471	329	142	3,851	3,839	12	56	−43	1,035	1,035	......	14	−14
1965—Mar. 3	21,136	20,924	212	270	−58	4,049	4,028	20	117	−96	1,106	1,104	3	2	1
10	21,062	20,695	367	385	−18	3,929	3,920	9	82	−73	1,064	1,065	−1	10	−11
17	21,168	20,843	325	370	−45	3,998	4,000	−2	88	−90	1,078	1,066	12	9	2
24	21,512	21,058	454	463	−9	4,056	4,024	32	196	−164	1,086	1,085	1	20	−19
31	21,366	21,000	366	487	−121	4,105	4,039	65	104	−38	1,101	1,081	21	180	−160
Apr. 7	21,503	21,130	373	570	−197	4,139	4,122	17	128	−111	1,087	1,089	−2	79	−80
14	21,288	21,012	276	397	−121	4,017	3,999	19	57	−38	1,064	1,061	3	14	−11
21	21,716	21,249	467	572	−105	4,093	4,081	12	133	−121	1,078	1,081	−3	65	−68
28	21,400	21,164	236	345	−109	4,118	4,108	9	3	6	1,105	1,101	4	7	−3
May 5	21,743	21,411	332	478	−146	4,296	4,291	5	7	−2	1,163	1,152	11	5	6
12	21,465	21,118	347	498	−151	4,109	4,079	30	30	......	1,116	1,113	3	8	−5
19	21,442	21,104	338	500	−162	4,109	4,110	−1	48	−49	1,093	1,098	−5	17	−22
26	21,364	21,059	305	483	−178	4,102	4,077	25	8	17	1,102	1,094	8	3	6
June 2	21,414	21,087	327	518	−191	4,124	4,109	15	20	−5	1,099	1,096	3	15	−12
9	21,369	21,067	302	474	−172	4,069	4,064	5	52	−46	1,070	1,065	4	6	−2
16	21,649	21,249	400	611	−211	4,164	4,163	1	175	−173	1,083	1,079	4	13	−9
23	22,060	21,644	416	583	−167	4,358	4,271	87	225	−138	1,128	1,119	9	38	−29
30	21,894	21,558	336	486	−150	4,256	4,253	3	111	−108	1,112	1,120	−8	19	−27
July 7	22,171	21,822	349	582	−233	4,352	4,320	32	233	−201	1,132	1,129	3	30	−27
14	22,105	21,576	529	620	−91	4,148	4,137	11	200	−189	1,094	1,094	......	23	−23
21	21,662	21,470	192	425	−233	4,139	4,119	20	68	−48	1,105	1,100	5	18	−13
28	21,597	21,274	323	479	−156	4,107	4,093	14	37	−23	1,079	1,081	−2	35	−37
Aug. 4	21,777	21,399	378	544	−166	4,175	4,158	17	135	−118	1,113	1,103	11	21	−10
11	21,602	21,183	419	616	−197	4,031	4,022	8	175	−167	1,070	1,066	3	22	−19
18	21,514	21,188	326	491	−165	4,028	4,009	19	7	12	1,068	1,070	−2	68	−70
25	[p]21,518	[p]21,116	[p]402	545	[p]−143	[p]4,003	[p]3,995	[p]8	61	[p]−53	[p]1,073	[p]1,068	[p]4	57	[p]−53

For notes see opposite page.

RESERVES AND BORROWINGS OF MEMBER BANKS—Continued

(In millions of dollars)

Period	Other reserve city banks					Country banks				
	Reserves			Borrowings at F. R. Banks	Free reserves	Reserves			Borrowings at F. R. Banks	Free reserves
	Total held	Required	Excess			Total held	Required	Excess		
1929—June	761	749	12	409	−397	632	610	22	327	−305
1933—June	648	528	120	58	62	441	344	96	126	−30
1939—Dec.	3,140	1,953	1,188	....	1,188	1,568	897	671	3	668
1941—Dec.	4,317	3,014	1,303	1	1,302	2,210	1,406	804	4	800
1945—Dec.	6,394	5,976	418	96	322	4,576	3,566	1,011	46	965
1947—Dec.	6,861	6,589	271	123	148	4,972	4,375	597	57	540
1950—Dec.	6,689	6,458	232	50	182	4,761	4,099	663	29	634
1955—Dec.	7,924	7,865	60	398	−338	5,716	5,220	497	159	338
1956—Dec.	8,078	7,983	96	300	−203	5,859	5,371	488	144	344
1957—Dec.	8,042	7,956	86	314	−228	5,906	5,457	449	172	277
1958—Dec.	7,940	7,883	57	254	−198	5,849	5,419	430	162	268
1959—Dec.	7,954	7,912	41	490	−449	6,020	5,569	450	213	237
1960—Dec.	7,950	7,851	100	20	80	6,689	6,066	623	40	583
1961—Dec.	8,367	8,308	59	39	20	6,931	6,429	502	31	471
1962—Dec.	8,178	8,100	78	130	−52	6,956	6,515	442	48	394
1963—Dec.	8,393	8,325	68	190	−122	7,347	6,939	408	74	334
1964—June	8,318	8,290	28	142	−114	7,224	6,900	324	76	248
1964—Aug.	8,349	8,312	37	191	−154	7,302	6,946	356	91	265
Sept.	8,480	8,441	39	179	−140	7,404	7,053	351	73	278
Oct.	8,530	8,483	47	163	−116	7,483	7,138	345	63	282
Nov.	8,612	8,565	47	225	−178	7,578	7,244	334	88	246
Dec.	8,735	8,713	22	125	−103	7,707	7,337	370	55	315
1965—Jan.	8,713	8,676	37	120	−83	7,695	7,369	327	54	273
Feb.	8,548	8,485	63	207	−144	7,617	7,262	355	53	302
Mar.	8,563	8,547	15	163	−148	7,577	7,279	298	83	215
Apr.	8,680	8,648	32	271	−239	7,628	7,326	303	86	217
May	8,604	8,554	50	383	−333	7,621	7,358	263	91	172
June	8,649	8,636	13	287	−274	7,751	7,450	301	87	214
July	8,774	8,725	50	264	−214	7,833	7,528	306	107	199
Aug.	^{p}8,658	^{p}8,626	^{p}32	263	^{p}−231	^{p}7,788	^{p}7,464	^{p}324	160	^{p}164
Week ending—										
1964—Aug. 5	8,350	8,316	33	151	−118	7,242	6,924	318	89	229
12	8,340	8,301	39	246	−207	7,379	6,960	420	107	313
19	8,347	8,315	31	145	−114	7,318	6,965	353	74	279
26	8,353	8,321	32	187	−155	7,371	6,944	427	72	355
Mar. 3	8,527	8,527	....	89	−89	7,455	7,265	190	62	128
10	8,491	8,455	37	209	−172	7,577	7,255	322	84	238
17	8,527	8,502	26	180	−154	7,565	7,275	290	93	197
24	8,659	8,632	27	182	−155	7,711	7,317	394	65	328
31	8,665	8,599	66	104	−38	7,495	7,281	214	99	115
Apr. 7	8,665	8,645	19	293	−274	7,613	7,274	339	70	269
14	8,671	8,635	36	248	−212	7,536	7,317	218	78	140
21	8,717	8,696	21	279	−257	7,826	7,390	437	95	342
28	8,653	8,626	26	227	−201	7,524	7,328	197	108	88
May 5	8,697	8,662	35	397	−362	7,587	7,306	280	69	211
12	8,610	8,563	48	375	−327	7,629	7,363	267	85	182
19	8,516	8,511	5	351	−346	7,724	7,385	338	84	254
26	8,558	8,522	37	366	−329	7,602	7,367	235	106	128
June 2	8,555	8,530	26	381	−355	7,635	7,352	282	102	181
9	8,571	8,539	32	313	−280	7,659	7,399	260	103	157
16	8,603	8,571	32	338	−306	7,799	7,436	363	85	278
23	8,804	8,734	70	238	−167	7,770	7,520	250	82	168
30	8,772	8,719	53	282	−229	7,751	7,450	301	87	214
July 7	8,869	8,841	28	218	−190	7,818	7,532	286	101	185
14	8,800	8,768	32	293	−261	8,063	7,577	486	104	382
21	8,731	8,704	26	225	−199	7,687	7,547	140	114	26
28	8,654	8,621	33	319	−286	7,757	7,479	278	88	190
Aug. 4	8,710	8,677	33	238	−205	7,779	7,461	318	150	168
11	8,649	8,612	38	274	−236	7,853	7,482	370	145	225
18	8,671	8,638	33	251	−218	7,747	7,471	276	165	111
25	^{p}8,635	^{p}8,597	^{p}38	265	^{p}−227	^{p}7,807	^{p}7,455	^{p}351	162	^{p}189

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[1] This total excludes, and that in the preceding table includes, $51 million in balances of unlicensed banks.

NOTE.—Averages of daily figures. Monthly data are averages of daily figures within the calendar month; they are not averages of the 4 or 5 weeks ending on Wed. that fall within the month. Beginning with Jan. 1964 reserves are estimated except for weekly averages.

Total reserves held: Based on figures at close of business through Nov. 1959; thereafter on closing figures for balances with F.R. Banks and opening figures for allowable cash; see also note 3 to preceding table.

Required reserves: Based on deposits as of opening of business each day.

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

BASIC RESERVE POSITION, AND FEDERAL FUNDS AND RELATED TRANSACTIONS

(In millions of dollars unless otherwise noted)

Reporting banks and week ending—	Basic reserve position					Interbank Federal funds transactions					Related transactions with U.S. Govt. securities dealers		
		Less:		Net:		Gross transactions			Net transactions				
	Excess reserves[1]	Borrowings at F.R. Banks	Net interbank Federal funds trans.	Surplus or deficit	Per cent of avg. required reserves	Purchases	Sales	Total 2-way transactions[2]	Purchases of net buying banks	Sales of net selling banks	Loans to dealers[3]	Borrowings from dealers[4]	Net loans
Total—46 banks													
1965—July	41	299	850	−1,108	11.1	2,223	1,373	1,041	1,183	333	1,359	145	1,214
14	21	329	1,152	−1,460	15.1	2,148	997	873	1,275	124	1,148	92	1,056
21	27	161	1,001	−1,135	11.8	2,191	1,190	1,050	1,141	141	1,235	113	1,122
28	16	185	139	−308	3.2	1,895	1,756	996	898	760	873	90	783
Aug. 4	34	235	438	−639	6.6	2,003	1,565	1,104	899	461	1,030	95	935
11	30	338	554	−862	9.1	1,978	1,424	978	1,000	446	614	70	544
18	31	214	679	−862	9.2	2,051	1,372	1,100	952	272	792	71	721
25	27	244	388	−605	6.4	1,753	1,365	897	857	469	723	61	662
8 in New York City													
1965—July 7	23	181	338	−497	12.3	930	592	500	430	92	1,065	136	929
14	6	172	481	−648	16.8	922	441	418	504	22	746	92	654
21	15	43	244	−272	7.1	866	622	541	325	81	809	113	696
28	5	7	−429	427	11.2	660	1,089	444	217	645	569	90	479
Aug. 4	11	115	−78	−26	.7	753	831	543	210	288	779	95	684
11	9	167	6	−164	4.4	773	767	486	287	281	442	70	372
18	13	4	239	−230	6.1	857	618	554	303	64	602	71	531
25	5	52	−45	−2	.1	668	713	469	199	244	520	61	459
38 outside New York City													
1965—July 7	18	118	512	−611	10.3	1,293	781	541	752	240	295	9	285
14	15	157	670	−812	13.9	1,227	556	455	772	101	402	....	402
21	13	119	756	−862	14.8	1,324	568	509	816	59	426	....	426
28	11	178	568	−735	12.7	1,234	667	552	682	114	304	....	304
Aug. 4	23	120	516	−613	10.5	1,250	734	561	689	173	251	....	251
11	20	170	548	−698	12.1	1,204	657	492	713	165	172	....	172
18	18	209	441	−632	11.2	1,194	754	546	649	208	190	....	190
25	22	192	433	−603	10.5	1,085	652	427	658	225	203	....	203
5 in Chicago													
1965—July 7	....	28	220	−247	24.5	368	148	134	233	13	53	....	53
14	−1	17	267	−285	29.2	402	135	113	289	22	47	....	47
21	3	15	158	−170	17.3	356	198	176	180	22	42	....	42
28	−2	19	193	−215	22.2	311	118	102	209	16	12	....	12
Aug. 4	7	4	219	−216	21.9	348	129	119	229	9	11	....	11
11	2	13	222	−233	24.5	352	130	105	247	25	22	....	22
18	−2	66	143	−211	22.1	308	165	134	174	31	18	....	18
25	3	57	156	−210	22.1	296	140	121	174	19	23	....	23
33 others													
1965—July 7	18	90	292	−364	7.4	926	633	406	519	227	242	9	233
14	16	140	403	−527	10.8	825	422	342	483	80	355	....	355
21	10	104	599	−692	14.3	969	370	333	636	37	384	....	384
28	13	159	374	−521	10.8	923	549	450	473	98	292	....	292
Aug. 4	16	116	296	−397	8.2	902	605	442	460	164	240	....	240
11	18	157	326	−465	9.7	853	527	387	465	140	150	....	150
18	20	143	298	−421	9.0	887	589	412	475	177	173	....	173
25	19	134	277	−392	8.2	789	512	306	483	206	180	....	180

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[1] Based upon reserve balances including all adjustments applicable to the reporting period. Carryover reserve deficiencies, if any, are deducted.

[2] Derived from averages for individual banks for entire week. Figure for each bank indicates extent to which its 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 August 1964 BULLETIN, pp. 944–74.

FEDERAL RESERVE BANK DISCOUNT RATES

(Per cent per annum)

Federal Reserve Bank	Discounts for and advances to member banks						Advances to all others under last par. Sec. 13 [3]		
	Advances and discounts under Secs. 13 and 13a [1]			Advances under Sec. 10(b) [2]					
	Rate on Aug. 31	Effective date	Previous rate	Rate on Aug. 31	Effective date	Previous rate	Rate on Aug. 31	Effective date	Previous rate
Boston	4	Nov. 24, 1964	3½	4½	Nov. 24, 1964	4	5½	Nov. 24, 1964	4½
New York	4	Nov. 24, 1964	3½	4½	Nov. 24, 1964	4	5	Nov. 24, 1964	4½
Philadelphia	4	Nov. 24, 1964	3½	4½	Nov. 24, 1964	4	5	Nov. 24, 1964	4½
Cleveland	4	Nov. 27, 1964	3½	4½	Nov. 27, 1964	4	5½	Nov. 27, 1964	5
Richmond	4	Nov. 27, 1964	3½	4½	Nov. 27, 1964	4	5	Nov. 27, 1964	4½
Atlanta	4	Nov. 25, 1964	3½	4½	Nov. 25, 1964	4	6	Nov. 25, 1964	5
Chicago	4	Nov. 24, 1964	3½	4½	Nov. 24, 1964	4	5	July 19, 1963	4½
St. Louis	4	Nov. 24, 1964	3½	4½	Nov. 24, 1964	4	5	Nov. 24, 1964	4½
Minneapolis	4	Nov. 30, 1964	3½	4½	Nov. 30, 1964	4	5	Nov. 30, 1964	4
Kansas City	4	Nov. 30, 1964	3½	4½	Nov. 30, 1964	4	5	Nov. 30, 1964	4½
Dallas	4	Nov. 27, 1964	3½	4½	Nov. 27, 1964	4	5	Nov. 27, 1964	4½
San Francisco	4	Nov. 27, 1964	3½	4½	Nov. 27, 1964	4	5	Nov. 27, 1964	4½

[1] Advances secured by U.S. Govt. securities and discounts of and advances secured by eligible paper. Rates shown also apply to advances secured by securities of Federal intermediate credit banks maturing within 6 months. Maximum maturity: 90 days except that discounts of certain bankers' acceptances and of agricultural paper may have maturities not over 6 months and 9 months, respectively, and advances secured by FICB securities are limited to 15 days.

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

[3] Advances to individuals, partnerships, or corporations other than member banks secured by U.S. Govt. direct securities. Maximum maturity: 90 days.

FEDERAL RESERVE BANK DISCOUNT RATES

(Per cent per annum)

Effective date	Range (or level)—all F.R. Banks	F.R. Bank of N.Y.
In effect Dec. 31, 1932	2½-3½	2½
1933		
Mar. 3	2½-3½	3½
4	3½	3½
Apr. 7	3 -3½	3
May 26	2½-3½	2½
Oct. 20	2 -3½	2
1934		
Feb. 2	1½-3½	1½
Mar. 16	1½-3	1½
1935		
Jan. 11	1½-2½	1½
May 14	1½-2	1½
1937		
Aug. 27	1 -2	1
Sept. 4	1 -1½	1
1942		
Apr. 11	1	1
Oct. 15	†½-1	1
30	†½	†½
1946		
Apr. 25	†½-1	1
May 10	1	1
1948		
Jan. 12	1 -1¼	1¼
19	1¼	1¼
Aug. 13	1¼-1½	1½
23	1½	1½
1950		
Aug. 21	1½-1¾	1¾
25	1¾	1¾
1953		
Jan. 16	1¾-2	2
23	2	2
1954		
Feb. 5	1¾-2	1¾
15	1¾	1¾
Apr. 14	1½-1¾	1¾
16	1½-1¾	1½
May 21	1½	1½
1955		
Apr. 14	1½-1¾	1½
15	1½-1¾	1¾
May 2	1¾	1¾
Aug. 4	1¾-2¼	1¾
5	1¾-2¼	2
12	2 -2¼	2
Sept. 9	2 -2¼	2¼
13	2¼	2¼
Nov. 18	2¼-2½	2½
23	2½	2½
1956		
Apr. 13	2½-3	2¾
20	2¾-3	2¾
Aug. 24	2¾-3	3
31	3	3
1957		
Aug. 9	3 -3½	3
23	3½	3½
Nov. 15	3 -3½	3
Dec. 2	3	3
1958		
Jan. 22	2¾-3	3
24	2¾-3	2¾
Mar. 7	2¼-3	2¼
13	2¼-2¾	2¼
21	2¼	2¼
Apr. 18	1¾-2¼	1¾
May 9	1¾	1¾
Aug. 15	1¾-2	1¾
Sept. 12	1¾-2	2
23	2	2
Oct. 24	2 -2½	2
Nov. 7	2½	2½
1959		
Mar. 6	2½-3	3
16	3	3
May 29	3 -3½	3½
June 12	3½	3½
Sept. 11	3½-4	4
18	4	4
1960		
June 3	3½-4	4
10	3½-4	3½
14	3½	3½
Aug. 12	3 -3½	3
Sept. 9	3	3
1963		
July 17	3 -3½	3½
26	3½	3½
1964		
Nov. 24	3½-4	4
30	4	4
1965		
In effect Aug. 31	4	4

†Preferential rate of ½ of 1 per cent for advances secured by U.S. Govt. securities maturing in 1 year or less. The rate of 1 per cent was continued for discounts of and advances secured by eligible paper.

NOTE.—Discount rates under Secs. 13 and 13a (as described in table above). For data before 1933, see *Banking and Monetary Statistics*, 1943, pp. 439–42.

The rate charged by the F.R. Bank of N.Y. on repurchase contracts against U.S. Govt. securities was the same as its discount rate except in the following periods (rates in percentages): 1955—May 4–6, 1.65; Aug. 4, 1.85; Sept. 1–2, 2.10; Sept. 8, 2.15; Nov. 10, 2.375; 1956—Aug. 24–29, 2.75; 1957—Aug. 22, 3.50; 1960—Oct. 31–Nov. 17, Dec. 28–29, 2.75; 1961—Jan. 9, Feb. 6–7, 2.75; Apr. 3–4, 2.50; June 29, 2.75; July 20, 31, Aug. 1–3, 2.50; Sept. 28–29, 2.75; Oct. 5, 2.50; Oct. 23, Nov.3, 2.75; 1962—Mar. 20–21, 2.75; 1964—Dec. 10, 3.85; Dec. 15, 17, 22, 24, 28, 30, 31, 3.875; 1965—Jan. 4–8, 3.875.

MAXIMUM INTEREST RATES PAYABLE ON TIME AND SAVINGS DEPOSITS

(Per cent per annum)

Type and maturity of deposit	Effective date				
	Jan. 1, 1936	Jan. 1, 1957	Jan. 1, 1962	July 17, 1963	Nov. 24, 1964
Savings deposits:					
1 year or more	2½	3	4	4	4
Less than 1 year			3½	3½	4
Postal savings deposits:					
1 year or more	2½	3	4	4	4
Less than 1 year			3½	3½	4
Other time deposits:[1]					
1 year or more	2½	3	4	4	4½
6 months-1 year			3½		
90 days-6 months	2	2½	2½		
Less than 90 days	1	1	1	1	4

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[1] For exceptions with respect to foreign time deposits, see Oct. 1962 BULLETIN, p. 1279 and Aug. 1965 BULLETIN, p. 1084.

NOTE.—Maximum rates that may be paid by member banks as established by the Board of Governors under provisions of Regulation Q. Under this Regulation the rate payable by a member bank may not in any event exceed the maximum rate payable by State banks or trust cos. on like deposits under the laws of the State in which the member bank is located. Effective Feb. 1, 1936, maximum rates that may be paid by insured nonmember commercial banks, as established by the FDIC, have been the same as those in effect for member banks.

Maximum rate payable on all types of time and savings deposits: Nov. 1, 1933-Jan. 31, 1935, 3 per cent; Feb. 1, 1935-Dec. 31, 1935, 2½ per cent.

MARGIN REQUIREMENTS

(Per cent of market value)

Regulation	Effective date		
	July 28, 1960	July 10, 1962	Nov. 6, 1963
Regulation T:			
For extensions of credit by brokers and dealers on listed securities	70	50	70
For short sales	70	50	70
Regulation U:			
For loans by banks on stocks	70	50	70

NOTE.—Regulations T and U, prescribed in accordance with Securities Exchange Act of 1934, limit the amount of credit that may be extended on a security by prescribing a maximum loan value, which is a specified percentage of its market value at the time of extension; margin requirements are the difference between the market value (100 per cent) and the maximum loan value.

RESERVE REQUIREMENTS OF MEMBER BANKS

(Per cent of deposits)

Effective date[1]	Net demand deposits[2]			Time deposits	
	Central reserve city banks[3]	Reserve city banks	Country banks	Central reserve and reserve city banks	Country banks
In effect Dec. 31, 1948	26	22	16	7½	7½
1949—May 1, 5	24	21	15	7	7
June 30, July 1	....	20	14	6	6
Aug. 1, 11	23½	19½	13	5	....
Aug. 16, 18	23	19	12	....	5
Aug. 25	22½	18½	....	....	....
Sept. 1	22	18	....	....	....
1951—Jan. 11, 16	23	19	13	6	6
Jan. 25, Feb. 1	24	20	14	....	....
1953—July 1, 9	22	19	13	....	....
1954—June 16, 24	21	....	....	5	5
July 29, Aug. 1	20	18	12	....	....
1958—Feb. 27, Mar. 1	19½	17½	11½	....	....
Mar. 20, Apr. 1	19	17	11	....	....
Apr. 17	18½	....	....	....	....
Apr. 24	18	16½	....	....	....
1960—Sept. 1	17½	....	....	....	....
Nov. 24	....	....	12	....	....
Dec. 1	16½	....	....	....	....
1962—Oct. 25, Nov. 1	....	....	....	4	4
In effect Sept. 1, 1965	....	16½	12	4	4
Present legal requirement:					
Minimum		10	7	3	3
Maximum		22	14	6	6

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[1] When two dates are shown, a first-of-month or midmonth date records changes at country banks, and any other date (usually a Thurs.) records changes at central reserve and reserve city banks.

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

[3] Authority of the Board of Governors to classify or reclassify cities as central reserve cities was terminated effective July 28, 1962.

NOTE.—All required reserves were held on deposit with F.R. Banks, June 21, 1917, until late 1959. Since then, member banks have been allowed to count vault cash also as reserves, as follows: country banks—in excess of 4 and 2½ per cent of net demand deposits effective Dec. 1, 1959, and Aug. 25, 1960, respectively; central reserve city and reserve city banks—in excess of 2 and 1 per cent effective Dec. 3, 1959, and Sept. 1 1960, respectively; all member banks were allowed to count all vault cash as reserves effective Nov. 24, 1960.

DEPOSITS, CASH, AND RESERVES OF MEMBER BANKS

(In millions of dollars)

Item	All member banks	Reserve city banks			Country banks
		New York City	City of Chicago	Other	
	Four weeks ending July 21, 1965				
Gross demand—Total	142,553	27,605	6,741	53,467	54,740
Interbank	15,152	4,736	1,309	7,180	1,927
U.S. Govt	9,228	2,138	592	3,723	2,775
Other	118,173	20,731	4,841	42,563	50,038
Net demand[1]	116,106	21,297	5,575	42,658	46,576
Time	113,623	17,329	4,774	42,989	48,531
Demand balances due from dom. banks	7,523	169	104	1,944	5,307
Currency and coin	3,539	286	60	1,065	2,128
Balances with F. R. Banks	18,419	3,938	1,051	7,728	5,702
Total reserves held	21,958	4,224	1,111	8,793	7,830
Required	*21,607*	*4,207*	*1,111*	*8,758*	*7,530*
Excess	*351*	*17*	....	*35*	*300*

Item	All member banks	Reserve city banks			Country banks
		New York City	City of Chicago	Other	
	Four weeks ending August 18, 1965				
Gross demand—Total	138,037	25,958	6,458	51,916	53,704
Interbank	14,498	4,497	1,220	6,905	1,877
U.S. Govt	6,590	1,518	414	2,701	1,957
Other	116,949	19,943	4,824	42,311	49,871
Net demand[1]	113,465	20,389	5,368	41,788	45,920
Time	115,142	17,668	4,856	43,548	49,070
Demand balances due from dom. banks	7,245	156	107	1,880	5,102
Currency and coin	3,545	282	62	1,060	2,141
Balances with F. R. Banks	18,078	3,803	1,021	7,611	5,643
Total reserves held	21,623	4,085	1,083	8,671	7,784
Required	*21,261*	*4,071*	*1,080*	*8,637*	*7,473*
Excess	*362*	*14*	*3*	*34*	*311*

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

NOTE.—Averages of daily figures. Balances with F.R. Banks are as of close of business; all other items (excluding total reserves held and excess reserves) are as of opening of business.

TRANSACTIONS OF THE SYSTEM OPEN MARKET ACCOUNT

(In millions of dollars)

Month	Outright transactions in U.S. Govt. securities by maturity								
	Total			Treasury bills			Others within 1 year		
	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Redemptions	Gross purchases	Gross sales	Exch., maturity shifts, or redemptions
1964—July	1,264	610	447	1,264	610	447	....	....	....
Aug.	574	413	....	145	413	....	....	....	2,030
Sept.	620	534	....	388	534	....	....	....	....
Oct.	1,347	888	....	1,275	888	....	....	....	....
Nov.	1,197	131	....	1,197	131	....	....	....	−28
Dec.	813	866	215	706	866	215	5	....	....
1965—Jan.	388	261	12	388	261	12	....	....	....
Feb.	865	198	464	784	198	464	....	....	1,752
Mar.	642	....	7	551	....	7	....	....	....
Apr.	466	290	126	466	290	111	....	....	−15
May	984	26	....	876	26	....	....	....	2,521
June	755	115	224	361	115	224	....	....	....
July	206	284	....	206	284	....	....	....	....

Month	Outright transactions in U.S. Govt. securities by maturity—Continued								
	1–5 years			5–10 years			Over 10 years		
	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts	Gross purchases	Gross sales	Exch. or maturity shifts
1964—July	....	....	....	....	....	....	....	....	....
Aug.	187	....	−2,030	202	....	....	41	....	....
Sept.	108	....	....	89	....	....	34	....	....
Oct.	33	....	102	29	....	−102	11	....	....
Nov.	....	....	28	....	....	35	....	....	−35
Dec.	52	....	335	45	....	−335	5	....	....
1965—Jan.	....	....	....	....	....	....	....	....	....
Feb.	46	....	−1,752	23	....	....	12	....	....
Mar.	36	....	574	45	....	−574	10	....	....
Apr.	....	....	....	....	....	....	....	....	....
May	65	....	−2,521	32	....	....	12	....	....
June	185	....	....	166	....	....	43	....	....
July	....	....	....	....	....	....	....	....	....

Month	Repurchase agreements (U.S. Govt. securities)		Net change in U.S. Govt. securities	Bankers' acceptances		Net change in U.S. Govt. securities and acceptances
	Gross purchases	Gross sales		Outright, net	Under repurchase agreements, net	
1964—July	1,070	1,021	257	−7	−21	229
Aug.	684	733	113	−4	−16	93
Sept.	812	712	186	2	61	249
Oct.	682	782	359	....	−18	341
Nov.	1,313	1,313	1,065	6	−23	1,048
Dec.	2,194	1,657	269	15	15	300
1965—Jan.	1,753	2,171	−303	−1	22	−281
Feb.	983	1,019	166	−4	−40	122
Mar.	482	434	684	1	71	756
Apr.	1,831	1,717	163	−1	−38	124
May	1,207	1,233	932	−3	−20	909
June	1,894	1,895	415	−10	−19	386
July	2,734	2,549	106	−6	−12	88

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

CONSOLIDATED STATEMENT OF CONDITION OF ALL FEDERAL RESERVE BANKS

(In millions of dollars)

Item	Wednesday					End of month		
	1965					1965		1964
	Aug. 25	Aug. 18	Aug. 11	Aug. 4	July 28	Aug.	July	Aug.
Assets								
Gold certificate account	11,957	11,939	11,950	11,950	11,962	11,955	11,961	13,727
Redemption fund for F.R. notes	1,639	1,641	1,634	1,637	1,629	1,641	1,630	1,465
Total gold certificate reserves	13,596	13,580	13,584	13,587	13,591	13,596	13,591	15,192
Cash	111	111	110	117	120	109	119	167
Discounts and advances:								
Member bank borrowings	454	328	292	472	571	237	536	185
Other	....	....	....	....	....	....	....	....
Acceptances:								
Bought outright	36	36	36	36	36	36	35	36
Held under repurchase agreements	....	....	....	....	....	19	....	....
U.S. Govt. securities:								
Bought outright:								
Bills	7,868	7,828	8,064	8,006	7,683	7,823	7,683	5,112
Certificates—Special	....	....	....	....	....	....	....	....
Other	....	....	....	....	....	....	....	....
Notes	24,750	24,737	25,737	25,737	25,737	24,759	25,737	25,032
Bonds	6,408	6,384	5,384	5,384	5,384	6,467	5,384	5,020
Total bought outright	39,026	38,949	39,185	39,127	38,804	39,049	38,804	35,164
Held under repurchase agreements	174	....	274	685	427	....	403	....
Total U.S. Govt. securities	39,200	38,949	39,459	39,812	39,231	39,049	39,207	35,164
Total loans and securities	39,690	39,313	39,787	40,320	39,838	39,341	39,778	35,385
Cash items in process of collection	5,655	6,654	5,913	5,920	5,674	5,163	5,173	4,683
Bank premises	102	102	101	102	102	102	102	102
Other assets:								
Denominated in foreign currencies	679	624	624	621	370	884	620	195
All other	220	201	448	422	404	243	413	266
Total assets	60,053	60,585	60,567	61,089	60,099	59,438	59,796	55,990
Liabilities								
F.R. notes	35,342	35,439	35,462	35,270	35,165	35,340	35,117	32,749
Deposits:								
Member bank reserves	17,619	17,381	17,480	18,409	17,838	17,191	18,008	17,055
U.S. Treasurer—General account	812	949	916	808	799	916	947	939
Foreign	217	217	245	158	157	356	147	163
Other	184	188	192	184	192	182	202	208
Total deposits	18,832	18,735	18,833	19,559	18,986	18,645	19,304	18,365
Deferred availability cash items	4,338	4,898	4,632	4,639	4,367	3,885	3,785	3,127
Other liabilities and accrued dividends	362	363	403	412	396	368	395	105
Total liabilities	58,874	59,435	59,330	59,880	58,914	58,238	58,601	54,346
Capital Accounts								
Capital paid in	544	543	543	542	542	544	542	517
Surplus	524	524	524	524	524	524	524	990
Other capital accounts	111	83	170	143	119	132	129	137
Total liabilities and capital accounts	60,053	60,585	60,567	61,089	60,099	59,438	59,796	55,990
Contingent liability on acceptances purchased for foreign correspondents	147	148	148	149	152	145	151	132
U.S. Govt. securities held in custody for foreign account	7,146	7,159	7,113	7,253	7,192	7,264	7,221	8,247

Federal Reserve Notes—Federal Reserve Agents' Accounts

F.R. notes outstanding (issued to Bank)	38,091	38,077	38,004	37,915	37,884	38,112	37,896	35,079
Collateral held against notes outstanding:								
Gold certificate account	6,350	6,350	6,350	6,430	6,430	6,350	6,430	6,607
Eligible paper	32	19	19	17	29	39	47	15
U.S. Govt. securities	32,855	32,815	32,815	32,715	32,715	32,855	32,715	29,465
Total collateral	39,237	39,184	39,184	39,162	39,174	39,244	39,192	36,087

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON AUGUST 31, 1965

(In millions of dollars)

Item	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Assets													
Gold certificate account	11,955	712	3,000	667	1,055	1,104	670	2,129	398	196	483	267	1,274
Redemption fund for F.R. notes	1,641	95	384	90	141	137	92	304	62	30	63	55	188
Total gold certificate reserves	13,596	807	3,384	757	1,196	1,241	762	2,433	460	226	546	322	1,462
F.R. notes of other Banks	681	73	142	58	37	69	73	70	27	31	22	26	53
Other cash	109	10	18	5	9	6	12	20	6	4	3	5	11
Discounts and advances:													
Secured by U.S. Govt. securities	207	15	48	6	9	25	13	26	16	6	30	13	......
Other	30	......	......	......	......	6	1	......	18	1	1	3	......
Acceptances:													
Bought outright	36	......	36	......	......	......	......	......	......	......	......	......	......
Held under repurchase agreements	19	......	19	......	......	......	......	......	......	......	......	......	......
U.S. Govt. securities:													
Bought outright	39,049	2,006	9,577	2,026	3,219	2,652	2,144	6,523	1,449	865	1,571	1,626	5,391
Held under repurchase agreements	......	......	......	......	......	......	......	......	......	......	......	......	......
Total loans and securities	39,341	2,021	9,680	2,032	3,228	2,683	2,158	6,549	1,483	872	1,602	1,642	5,391
Cash items in process of collection	6,473	395	1,186	418	470	526	602	1,072	299	195	411	321	578
Bank premises	102	3	8	3	5	5	20	21	7	3	6	11	10
Other assets:													
Denominated in foreign currencies	884	40	[1] 261	47	76	42	50	120	29	19	38	49	113
All other	243	12	60	13	20	17	13	37	8	6	12	10	35
Total assets	61,429	3,361	14,739	3,333	5,041	4,589	3,690	10,322	2,319	1,356	2,640	2,386	7,653
Liabilities													
F.R. notes	36,021	2,145	8,138	2,120	3,070	3,177	2,060	6,593	1,385	667	1,389	1,140	4,137
Deposits:													
Member bank reserves	17,191	639	4,811	693	1,330	814	1,023	2,542	578	430	779	826	2,726
U.S. Treasurer—General account	916	75	130	69	77	102	61	84	50	57	93	69	49
Foreign	356	10	[2] 198	12	19	11	13	30	7	5	10	12	29
Other	182	*	116	*	1	4	1	1	*	*	3	1	55
Total deposits	18,645	724	5,255	774	1,427	931	1,098	2,657	635	492	885	908	2,859
Deferred availability cash items	5,195	416	937	355	405	398	441	841	245	161	298	250	448
Other liabilities and accrued dividends	368	18	94	20	32	21	21	56	13	9	16	19	49
Total liabilities	60,229	3,303	14,424	3,269	4,934	4,527	3,620	10,147	2,278	1,329	2,588	2,317	7,493
Capital Accounts													
Capital paid in	544	26	143	29	49	27	32	78	19	13	24	32	72
Surplus	524	25	137	29	47	26	31	75	18	12	23	31	70
Other capital accounts	132	7	35	6	11	9	7	22	4	2	5	6	18
Total liabilities and capital accounts	61,429	3,361	14,739	3,333	5,041	4,589	3,690	10,322	2,319	1,356	2,640	2,386	7,653
Ratio of gold certificate reserves to F.R. note liability (per cent):													
Aug. 31, 1965	37.7	37.6	41.6	35.7	39.0	39.1	37.0	36.9	33.2	33.9	39.3	28.2	35.3
July 31, 1965	38.0	35.8	34.2	37.7	37.2	39.5	42.1	37.6	39.7	41.8	43.7	45.9	39.3
Aug. 31, 1964	45.6	42.7	49.6	41.0	39.3	37.6	46.0	42.2	45.1	59.4	45.4	51.2	53.5
Contingent liability on acceptances purchased for foreign correspondents	145	7	[3] 37	8	13	7	9	21	5	3	7	8	20
Federal Reserve Notes—Federal Reserve Agent's Accounts													
F.R. notes outstanding (issued to Bank)	38,112	2,243	8,530	2,212	3,279	3,315	2,216	7,034	1,462	707	1,445	1,238	4,431
Collateral held against notes outstanding:													
Gold certificate account	6,350	420	1,000	465	600	803	400	1,100	295	127	225	180	735
Eligible paper	39	......	......	6	......	......	......	......	33	......	......	......	......
U.S. Govt. securities	32,855	1,865	7,700	1,800	2,775	2,560	1,850	6,100	1,260	595	1,250	1,100	4,000
Total collateral	39,244	2,285	8,700	2,271	3,375	3,363	2,250	7,200	1,588	722	1,475	1,280	4,735

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[1] After deducting $623 million participations of other F.R. Banks.

[2] After deducting $158 million participations of other F.R. Banks.

[3] After deducting $108 million participations of other F.R. Banks.

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

(In millions of dollars)

Item	Wednesday					End of month		
	1965					1965		1964
	Aug. 25	Aug. 18	Aug. 11	Aug. 4	July 28	August	July	August
Discounts and advances—Total	454	328	292	472	571	237	536	185
Within 15 days	444	322	286	465	563	227	525	179
16 days to 90 days	10	6	6	7	8	10	11	5
91 days to 1 year	....	....	....	....	....	....	....	1
Acceptances—Total	36	36	36	36	36	55	35	36
Within 15 days	11	10	8	7	8	30	7	8
16 days to 90 days	25	26	28	29	28	25	28	28
U.S. Government securities—Total	39,200	38,949	39,459	39,812	39,231	39,049	39,207	35,164
Within 15 days[1]	1,386	1,283	5,246	5,728	1,698	717	5,033	420
16 days to 90 days	10,096	10,005	3,977	3,902	7,570	10,409	4,078	9,396
91 days to 1 year	17,619	17,599	18,238	18,184	17,965	17,756	18,098	10,183
Over 1 year to 5 years	8,341	8,317	10,138	10,138	10,138	8,378	10,138	12,848
Over 5 years to 10 years	1,387	1,374	1,489	1,489	1,489	1,408	1,489	2,037
Over 10 years	371	371	371	371	371	381	371	280

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

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	Netherlands guilders	Swiss francs
1964—Nov.	727	717	1	2	1	1	2	1	3	*
Dec.	295	234	51	2	1	1	2	1	3	*
1965—Jan.	287	235	36	2	1	1	2	1	3	6
Feb.	165	131	16	2	1	4	2	1	2	5
Mar.	375	347	11	2	1	2	2	1	2	7
Apr.	315	297	1	2	1	1	2	1	3	8
May	80	17	41	2	1	1	1	1	2	12

BANK DEBITS AND DEPOSIT TURNOVER

(Seasonally adjusted annual rates)

Period	Debits to demand deposit accounts[1] (In billions of dollars)					Turnover of demand deposits				
	Total 225 SMAS's	Leading SMAS's		Total 224 centers (excl. N.Y.)	218 other SMAS's	Total 225 SMAS's	Leading SMAS's		Total 224 SMAS's (excl. N.Y.)	218 other SMAS's
		N.Y.	6 others[2]				N.Y.	6 others[2]		
1964—June	4,535.4	1,928.0	992.5	2,607.4	1,614.9	45.0	91.2	40.9	32.9	29.3
July	4,833.7	2,087.0	1,058.9	2,746.7	1,687.8	46.3	95.8	42.3	33.3	29.4
Aug.	4,579.9	1,898.2	1,021.3	2,681.7	1,660.4	44.7	89.3	42.4	33.0	29.1
Sept.	4,763.5	2,007.6	1,049.5	2,755.9	1,706.4	44.3	88.5	41.4	32.9	29.2
Oct.	4,698.2	1,926.7	1,060.6	2,771.5	1,710.9	44.6	89.8	40.9	32.8	29.3
Nov.	4,648.0	1,917.7	1,023.7	2,730.3	1,706.6	45.1	91.3	41.0	33.2	29.5
Dec.	4,816.5	2,013.0	1,065.4	2,803.5	1,738.1	45.5	90.7	41.7	33.4	30.0
1965—Jan.	4,870.9	2,067.6	1,065.5	2,803.3	1,737.8	46.3	94.8	42.8	33.8	30.0
Feb.	4,842.5	1,997.4	1,077.2	2,845.1	1,767.9	47.1	96.1	44.3	34.6	30.5
Mar.	4,995.6	2,071.8	1,115.4	2,923.8	1,808.4	47.9	96.9	44.8	35.4	31.2
Apr.	5,113.3	2,151.3	1,131.7	2,962.0	1,830.3	48.4	100.0	44.5	35.2	31.2
May	4,825.6	1,954.1	1,082.7	2,871.5	1,788.8	47.0	96.0	44.3	34.7	30.6
June	5,327.8	2,308.4	1,146.8	3,019.4	1,872.6	50.9	107.0	45.5	36.3	32.2
July	5,302.6	2,281.6	1,149.5	3,021.0	1,871.5	49.3	104.9	44.4	35.1	31.1
Aug.	5,146.8	2,128.0	1,141.0	3,018.8	1,877.8	48.4	99.4	44.9	35.5	31.7

[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 a description of the revised series see Mar. 1965 BULLETIN, p. 390.

DENOMINATIONS IN CIRCULATION

(In millions of dollars)

End of period	Total in circulation [1]	Coin and small denomination currency							Large denomination currency						
		Total	Coin	$1 [2]	$2	$5	$10	$20	Total	$50	$100	$500	$1,000	$5,000	$10,000
1939	7,598	5,553	590	559	36	1,019	1,772	1,576	2,048	460	919	191	425	20	32
1941	11,160	8,120	751	695	44	1,355	2,731	2,545	3,044	724	1,433	261	556	24	46
1945	28,515	20,683	1,274	1,039	73	2,313	6,782	9,201	7,834	2,327	4,220	454	801	7	24
1947	28,868	20,020	1,404	1,048	65	2,110	6,275	9,119	8,850	2,548	5,070	428	782	5	17
1950	27,741	19,305	1,554	1,113	64	2,049	5,998	8,529	8,438	2,422	5,043	368	588	4	12
1955	31,158	22,021	1,927	1,312	75	2,151	6,617	9,940	9,136	2,736	5,641	307	438	3	12
1958	32,193	22,856	2,182	1,494	83	2,186	6,624	10,288	9,337	2,792	5,886	275	373	3	9
1959	32,591	23,264	2,304	1,511	85	2,216	6,672	10,476	9,326	2,803	5,913	261	341	3	5
1960	32,869	23,521	2,427	1,533	88	2,246	6,691	10,536	9,348	2,815	5,954	249	316	3	10
1961	33,918	24,388	2,582	1,588	92	2,313	6,878	10,935	9,531	2,869	6,106	242	300	3	10
1962	35,338	25,356	2,782	1,636	97	2,375	7,071	11,395	9,983	2,990	6,448	240	293	3	10
1963	37,692	26,807	3,030	1,722	103	2,469	7,373	12,109	10,885	3,221	7,110	249	298	3	4
1964—July	37,835	26,859	3,223	1,668	108	2,359	7,262	12,239	10,976	3,231	7,202	245	291	3	4
Aug.	38,014	26,972	3,249	1,668	109	2,364	7,272	12,310	11,041	3,249	7,248	245	292	3	4
Sept.	38,166	27,068	3,285	1,693	111	2,361	7,280	12,339	11,098	3,253	7,302	246	291	3	4
Oct.	38,373	27,201	3,321	1,716	111	2,385	7,328	12,339	11,172	3,262	7,367	246	291	3	4
Nov.	39,248	27,925	3,359	1,749	108	2,455	7,568	12,687	11,323	3,314	7,468	246	289	3	4
Dec.	39,619	28,100	3,405	1,806	111	2,517	7,543	12,717	11,519	3,381	7,590	248	293	2	4
1965—Jan.	38,540	27,158	3,435	1,709	110	2,381	7,256	12,267	11,382	3,321	7,519	246	290	2	4
Feb.	38,593	27,227	3,468	1,702	110	2,375	7,282	12,289	11,366	3,310	7,517	245	288	2	4
Mar.	38,816	27,424	3,520	1,704	111	2,391	7,327	12,371	11,392	3,316	7,536	245	288	2	4
Apr.	38,760	27,365	3,566	1,714	112	2,381	7,275	12,317	11,394	3,313	7,544	244	288	2	4
May	39,207	27,758	3,608	1,740	114	2,427	7,375	12,494	11,449	3,332	7,579	244	289	2	4
June	39,720	28,188	3,662	1,752	116	2,447	7,489	12,723	11,532	3,361	7,635	243	287	3	4
July	39,897	28,311	3,689	1,748	116	2,431	7,493	12,833	11,586	3,376	7,674	243	287	3	4

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

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

NOTE.—Condensed from Circulation Statement of United States Money, issued by the Treasury.

KINDS OUTSTANDING AND IN CIRCULATION

(In millions of dollars)

Kind of currency	Total outstanding July 31, 1965	Held in the Treasury			Held by F.R. Banks and Agents	Currency in circulation [1]		
		As security against gold and silver certificates	Treasury cash	For F.R. Banks and Agents		July 31, 1965	June 30, 1965	July 31, 1964
Gold	13,857	(13,591)	[2]266	....	....	....	....	....
Gold certificates	(13,591)	....	....	[3]13,590	1	....	....	....
F.R. notes	37,895	....	100	....	2,779	35,016	34,820	32,489
Treasury currency—Total	5,421	(847)	420	....	120	4,881	4,900	5,346
Standard silver dollars	485	....	3	....	*	482	482	482
Silver bullion	1,235	847	387	....	....	....	....	....
Silver certificates	(847)	....	6	....	56	785	829	1,644
Subsidiary silver coin	2,407	....	9	....	14	2,383	2,355	2,000
Minor coin	864	....	13	....	27	824	825	741
United States notes	323	....	1	....	22	299	302	319
In process of retirement[4]	108	....	*	....	*	107	108	161
Total—July 31, 1965	[5]57,174	(14,438)	786	13,590	2,901	39,897	....	....
June 30, 1965	[5]56,690	(14,559)	747	13,669	2,554	....	39,720	....
July 31, 1964	[5]55,859	(16,952)	422	12,372	5,230	....	....	37,835

[1] Outside Treasury and F.R. Banks. Includes any paper currency held outside the United States and currency and coin held by banks. Estimated totals for Wed. dates shown in table on p. 1281.

[2] Includes $156 million reserve against United States notes.

[3] Consists of credits payable in gold certificates: (1) the Gold Certificate Fund—Board of Governors, FRS, and (2) the Redemption Fund for F.R. notes.

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

[5] Does not include all items shown, as some items represent the security for other items; gold certificates are secured by gold, and silver certificates by standard silver dollars and monetized silver bullion. Duplications are shown in parentheses.

NOTE.—Condensed from Circulation Statement of United States Money, issued by the Treasury. For explanation of currency reserves and security features, see the Circulation Statement or the Aug. 1961 BULLETIN, p. 936.

MONEY SUPPLY AND RELATED DATA

(In billions of dollars)

Period	Seasonally adjusted				Not seasonally adjusted				
	Money supply			Time deposits adjusted [1]	Money supply			Time deposits adjusted [1]	U.S. Govt. demand deposits [1]
	Total	Currency component	Demand deposit component		Total	Currency component	Demand deposit component		
1957—Dec.	135.9	28.3	107.6	57.4	139.3	28.9	110.4	56.7	3.5
1958—Dec.	141.1	28.6	112.6	65.4	144.7	29.2	115.5	64.6	3.9
1959—Dec.	141.9	28.9	113.1	67.4	145.6	29.5	116.1	66.6	4.9
1960—Dec.	141.1	28.9	112.1	72.9	144.7	29.6	115.2	72.1	4.7
1961—Dec.	145.5	29.6	116.0	82.7	149.4	30.2	119.2	81.8	4.9
1962—Dec.	147.5	30.6	116.9	97.8	151.6	31.2	120.3	96.7	5.6
1963—Dec.	153.1	32.5	120.6	112.2	157.3	33.1	124.1	111.0	5.1
1964—Dec.	159.7	34.2	125.4	126.6	164.0	35.0	129.1	125.2	5.5
1964—July	156.6	33.6	123.0	119.4	155.0	33.7	121.3	120.0	6.9
Aug.	157.1	33.8	123.3	121.0	155.0	33.9	121.1	121.1	6.3
Sept.	158.2	33.9	124.3	122.1	157.1	33.9	123.2	122.0	6.5
Oct.	158.8	34.0	124.8	123.5	159.0	34.1	124.9	123.4	5.5
Nov.	159.1	34.2	124.8	125.1	160.7	34.6	126.1	124.1	5.8
Dec.	159.7	34.2	125.4	126.6	164.0	35.0	129.1	125.2	5.5
1965—Jan.	160.0	34.5	125.5	128.8	164.4	34.4	130.1	128.3	4.2
Feb.	159.7	34.7	125.1	131.0	159.5	34.2	125.3	130.8	5.7
Mar.	160.3	34.7	125.6	132.1	159.0	34.3	124.6	132.7	6.7
Apr.	161.1	34.7	126.4	133.5	161.6	34.5	127.1	134.0	5.6
May	160.0	34.9	125.1	134.6	157.6	34.6	123.0	135.4	9.7
June	161.8	35.0	126.8	135.9	159.6	34.9	124.6	136.6	9.3
July	162.5	35.2	127.3	137.6	160.9	35.4	125.6	138.3	9.1
Aug.	162.7	35.4	127.3	140.1	160.5	35.5	125.0	140.2	7.4
Week ending—									
1965—Mar. 3	160.6	34.7	125.9	131.5	159.0	34.1	124.8	131.7	6.7
10	160.4	34.7	125.7	131.9	159.2	34.6	124.6	132.3	5.2
17	160.3	34.6	125.7	132.2	160.6	34.4	126.2	132.7	4.7
24	159.9	34.6	125.3	132.3	157.9	34.3	123.5	132.8	8.3
31	160.0	34.7	125.4	132.6	157.8	34.1	123.6	133.3	8.4
Apr. 7	161.6	34.8	126.8	132.9	160.1	34.6	125.4	133.6	7.1
14	161.4	34.8	126.6	133.2	161.9	34.7	127.2	133.9	4.6
21	161.7	34.8	126.9	133.5	164.1	34.6	129.5	133.9	4.4
28	160.3	34.7	125.5	133.8	160.9	34.1	126.8	134.4	5.8
May 5	160.4	34.8	125.6	134.1	160.3	34.4	125.9	134.8	8.5
12	159.9	34.9	125.1	134.3	158.9	34.7	124.1	135.1	8.4
19	159.6	34.9	124.7	134.6	156.6	34.6	122.0	135.4	10.3
26	159.7	34.9	124.9	134.8	155.7	34.4	121.2	135.6	10.8
June 2	161.0	34.9	126.1	135.2	157.5	34.8	122.8	136.1	9.7
9	161.5	34.9	126.6	135.6	158.8	35.1	123.7	136.4	8.1
16	162.0	35.0	127.0	135.8	161.2	35.0	126.2	136.7	7.2
23	162.1	35.0	127.2	136.1	160.2	34.9	125.3	136.6	10.2
30	161.7	35.0	126.7	136.3	158.4	34.7	123.7	137.0	11.5
July 7	162.7	35.1	127.6	136.7	160.4	35.6	124.8	137.5	12.0
14	163.0	35.2	127.7	137.2	161.4	35.5	125.9	137.9	9.3
21	162.4	35.3	127.2	137.7	161.1	35.4	125.7	138.4	8.4
28	162.2	35.3	126.9	138.2	160.6	35.1	125.5	138.9	7.6
Aug. 4	162.9	35.3	127.7	138.9	162.1	35.3	126.8	139.3	7.5
11	162.5	35.4	127.1	139.5	161.4	35.7	125.7	139.8	6.6
18	162.5	35.4	127.1	140.0	160.3	35.6	124.7	140.1	7.6
25	162.4	35.4	126.9	140.4	158.8	35.4	123.4	140.5	8.1
Sept. 1	163.1	35.3	127.8	141.0	160.4	35.2	125.2	141.0	6.9

[1] At all commercial banks.

NOTE.—Revised data. For description of revision of series and back databeginning Jan. 1959, see July 1965 BULLETIN, pp. 933–43; for monthly data 1947–58, see June 1964 BULLETIN, pp. 679–89.

Averages of daily figures. Money supply consists of (1) demand deposits at all commercial banks other than those due to domestic commercial banks and the U.S. Govt., less cash items in process of collection and F.R. float; (2) foreign demand balances at F.R. Banks; and (3) currency outside the Treasury, the FRS, and the vaults of all commercial banks. Time deposits adjusted are time deposits at all commercial banks other than those due to domestic commercial banks and the U.S. Govt.

CONSOLIDATED CONDITION STATEMENT

(In millions of dollars)

Date	Assets									Total assets, net—Total liabilities and capital, net	Liabilities and capital	
	Gold	Treasury currency outstanding	Bank credit								Total deposits and currency	Capital and misc. accounts, net
			Total	Loans, net	U. S. Government securities				Other securities			
					Total	Commercial and savings banks	Federal Reserve Banks	Other				
1929—June 29	4,037	2,019	58,642	41,082	5,741	5,499	216	26	11,819	64,698	55,776	8,922
1933—June 30	4,031	2,286	42,148	21,957	10,328	8,199	1,998	131	9,863	48,465	42,029	6,436
1939—Dec. 30	17,644	2,963	54,564	22,157	23,105	19,417	2,484	1,204	9,302	75,171	68,359	6,812
1941—Dec. 31	22,737	3,247	64,653	26,605	29,049	25,511	2,254	1,284	8,999	90,637	82,811	7,826
1945—Dec. 31	20,065	4,339	167,381	30,387	128,417	101,288	24,262	2,867	8,577	191,785	180,806	10,979
1947—Dec. 31	22,754	4,562	160,832	43,023	107,086	81,199	22,559	3,328	10,723	188,148	175,348	12,800
1950—Dec. 30	22,706	4,636	171,667	60,366	96,560	72,894	20,778	2,888	14,741	199,008	184,384	14,624
1962—Dec. 28	15,978	5,568	309,389	170,693	103,684	72,563	30,478	643	35,012	330,935	302,195	28,739
1963—Dec. 20	15,582	5,586	333,203	189,433	103,273	69,068	33,552	653	40,497	354,371	323,251	31,118
1964—June 30	15,461	5,578	343,988	201,161	100,879	65,337	34,794	748	41,948	365,027	333,114	31,915
1964—Aug. 26	15,500	5,600	344,000	200,600	100,700	64,900	35,100	800	42,700	365,100	331,100	34,000
Sept. 30	15,500	5,600	351,300	205,000	102,900	66,800	35,400	700	43,400	372,300	338,500	33,700
Oct. 28	15,500	5,500	351,000	204,100	103,300	67,200	35,200	900	43,600	372,000	338,100	33,900
Nov. 25	15,400	5,500	356,100	206,700	105,700	68,500	36,300	1,000	43,700	377,000	342,100	34,900
Dec. 31	15,388	5,405	365,366	214,254	106,825	68,779	37,044	1,002	44,287	386,159	352,964	33,193
1965—Jan. 27	15,200	5,400	360,600	210,900	105,100	67,400	36,700	1,000	44,600	381,100	347,200	34,000
Feb. 24	14,900	5,400	362,600	213,100	104,300	66,500	36,700	1,100	45,200	382,900	347,600	35,300
Mar. 31^{p}	14,600	5,400	367,200	217,600	103,800	65,100	37,600	1,100	45,800	387,200	351,900	35,300
Apr. 28^{p}	14,400	5,400	368,900	219,300	102,600	64,200	37,400	1,100	47,000	388,700	354,000	34,700
May 26^{p}	14,300	5,400	371,000	221,900	102,400	62,900	38,300	1,100	46,700	390,600	354,400	36,200
June 30^{p}	13,900	5,400	378,700	228,100	102,900	62,600	39,100	1,200	47,700	398,100	361,900	36,200
July 28^{p}	13,900	5,400	376,300	226,200	101,800	61,900	39,200	600	48,300	395,500	360,000	35,500
Aug. 25^{p}	13,900	5,500	378,500	228,000	101,200	61,100	39,200	1,000	49,200	397,800	361,100	36,700

DETAILS OF DEPOSITS AND CURRENCY

Date	Money supply						Related deposits (not seasonally adjusted)							
	Seasonally adjusted [1]			Not seasonally adjusted			Time				Foreign net [4]	U. S. Government		
	Total	Currency outside banks	Demand deposits adjusted [2]	Total	Currency outside banks	Demand deposits adjusted [2]	Total	Commercial banks	Mutual savings banks [3]	Postal Savings System		Treasury cash holdings	At commercial and savings banks	At F.R. Banks
1929—June 29	....	....	....	26,179	3,639	22,540	28,611	19,557	8,905	149	365	204	381	36
1933—June 30	....	....	....	19,172	4,761	14,411	21,656	10,849	9,621	1,186	50	264	852	35
1939—Dec. 30	....	....	....	36,194	6,401	29,793	27,059	15,258	10,523	1,278	1,217	2,409	846	634
1941—Dec. 31	....	....	....	48,607	9,615	38,992	27,729	15,884	10,532	1,313	1,498	2,215	1,895	867
1945—Dec. 31	....	....	....	102,341	26,490	75,851	48,452	30,135	15,385	2,932	2,141	2,287	24,608	977
1947—Dec. 31	110,500	26,100	84,400	113,597	26,476	87,121	56,411	35,249	17,746	3,416	1,682	1,336	1,452	870
1950—Dec. 30	114,600	24,600	90,000	117,670	25,398	92,272	59,246	36,314	20,009	2,923	2,518	1,293	2,989	668
1962—Dec. 28	147,600	29,600	118,000	153,162	30,904	122,258	139,448	97,440	41,478	530	1,488	405	7,090	602
1963—Dec. 20	153,100	31,700	121,400	158,104	33,468	124,636	155,713	110,794	44,467	452	1,206	392	6,986	850
1964—June 30	153,500	32,700	120,800	153,331	33,020	120,311	166,627	119,330	46,882	415	1,324	391	10,502	939
1964—Aug. 26	154,300	32,900	121,400	152,900	33,100	119,800	169,000	121,200	47,400	400	1,400	400	6,300	1,100
Sept. 30	156,900	33,100	123,800	155,900	33,200	122,700	170,500	122,100	47,900	400	1,400	400	9,400	900
Oct. 28	157,800	33,300	124,500	158,400	33,200	125,200	172,100	123,600	48,100	400	1,400	500	5,000	700
Nov. 25	156,900	33,400	123,500	159,300	34,300	125,000	172,700	124,000	48,300	400	1,500	600	7,300	800
Dec. 31	159,300	33,500	125,800	167,140	34,882	132,258	175,898	126,447	49,065	386	1,724	612	6,770	820
1965—Jan. 27	158,700	33,900	124,800	160,800	33,400	127,400	179,000	129,200	49,400	400	1,500	700	4,300	900
Feb. 24	157,400	33,900	123,500	156,600	33,500	123,100	180,900	131,000	49,600	400	1,500	700	7,000	900
Mar. 31^{p}	161,300	34,100	127,200	156,800	33,800	123,000	183,300	132,800	50,100	400	1,600	700	8,600	900
Apr. 28^{p}	159,000	33,800	125,200	159,100	33,500	125,600	184,600	134,100	50,100	400	1,500	800	7,100	1,000
May 26^{p}	157,400	33,900	123,500	155,400	33,800	121,600	185,900	135,200	50,300	400	1,500	800	10,200	700
June 30^{p}	160,700	34,000	126,700	158,600	34,400	124,200	188,000	136,900	50,700	400	1,700	800	12,100	700
July 28^{p}	159,800	34,400	125,400	159,600	34,500	125,100	189,900	138,500	51,000	300	1,600	800	7,300	800
Aug. 25^{p}	159,900	34,600	125,300	158,500	34,800	123,700	191,800	140,200	51,300	300	1,600	800	7,600	800

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[1] Series begin in 1946; data are available only for last Wed. of month.

[2] Other than interbank and U.S. Govt., less cash items in process of collection.

[3] Includes relatively small amounts of demand deposits. Beginning with June 1961, also includes certain accounts previously classified as other liabilities.

[4] Reclassification of deposits of foreign central banks in May 1961 reduced this item by $1,900 million ($1,500 million to time deposits and $400 million to demand deposits).

NOTE.—For back figures and descriptions of the consolidated condition statement and the seasonally adjusted series on currency outside banks and demand deposits adjusted, see "Banks and the Monetary System," Section 1 of *Supplement to Banking and Monetary Statistics*, 1962, and Jan. 1948 and Feb. 1960 BULLETINS.

Except on call dates, figures are partly estimated and are rounded to the nearest $100 million.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER, BY CLASS OF BANK

(Amounts in millions of dollars)

Class of bank and date	Loans and investments				Cash assets[1]	Total assets—Total liabilities and capital accounts[2]	Deposits						Borrowings	Total capital accounts	Number of banks
	Total	Loans	Sesritiecu				Total[1]	Interbank[1]		Other					
			U.S. Govt.	Other				Demand	Time	Demand		Time[3]			
										U.S. Govt.	Other				
All banks															
1941—Dec. 31	61,126	26,615	25,511	8,999	27,344	90,908	81,816	10,982		44,355		26,479	23	8,414	14,826
1945—Dec. 31	140,227	30,361	101,288	8,577	35,415	177,332	165,612	14,065		105,935		45,613	227	10,542	14,553
1947—Dec. 31[4]	134,924	43,002	81,199	10,723	38,388	175,091	161,865	12,793	240	1,346	94,381	53,105	66	11,948	14,714
1962—Dec. 28	280,397	172,822	72,563	35,012	54,939	343,201	303,653	16,008	535	6,839	141,084	139,188	3,635	28,046	13,940
1963—Dec. 20	302,251	192,686	69,068	40,497	51,536	362,394	319,636	15,267	528	6,734	141,576	155,531	3,702	29,882	14,079
1964—June 30	310,404	203,119	65,337	41,948	54,073	[c]373,909	331,843	15,272	678	10,263	139,160	166,469	2,120	31,037	14,175
1964—Aug. 26	311,540	203,920	64,900	42,720	48,810	369,080	324,710	14,390	680	6,040	134,760	168,840	3,540	31,110	14,203
Nov. 25	323,150	210,990	68,460	43,700	53,100	385,810	338,970	15,460	710	7,090	143,180	172,530	4,500	31,800	14,251
Dec. 31	329,739	216,674	68,779	44,287	61,493	401,161	356,308	17,938	821	6,517	155,248	175,785	2,700	32,196	14,266
1965—Jan. 27	326,880	214,920	67,380	44,580	51,960	388,570	342,250	14,800	890	4,060	143,630	178,870	4,400	32,040	14,290
Feb. 24	328,920	217,270	66,470	45,180	52,580	391,080	343,770	14,890	940	6,710	140,420	180,810	4,330	32,200	14,290
Mar. 31[p]	331,950	221,040	65,140	45,770	55,520	397,650	350,890	16,300	950	8,350	142,150	183,140	3,670	32,610	14,292
Apr. 28[p]	335,020	223,890	64,180	46,950	52,580	397,710	349,320	14,450	920	6,850	142,600	184,500	5,020	32,670	14,297
May 26[p]	336,100	226,450	62,940	46,710	52,200	398,500	349,420	14,240	970	9,920	138,490	185,800	4,970	32,920	14,300
June 30[p]	341,260	230,930	62,610	47,720	58,060	409,840	361,820	16,080	990	11,890	145,000	187,860	3,500	33,680	14,295
July 28[p]	340,660	230,450	61,920	48,290	52,310	403,330	353,700	14,420	960	7,020	141,510	189,790	4,850	33,810	14,291
Aug. 25[p]	342,910	232,610	61,070	49,230	51,670	404,900	354,320	14,850	980	7,380	139,430	191,680	5,060	34,000	14,293
Commercial banks:															
1941—Dec. 31	50,746	21,714	21,808	7,225	26,551	79,104	71,283	10,982		44,349		15,952	23	7,173	14,278
1945—Dec. 31	124,019	26,083	90,606	7,331	34,806	160,312	150,227	14,065		105,921		30,241	219	8,950	14,011
1947—Dec. 31[4]	116,284	38,057	69,221	9,006	37,502	155,377	144,103	12,792	240	1,343	94,367	35,360	65	10,059	14,181
1962—Dec. 28	235,839	140,106	66,434	29,298	54,049	297,116	262,122	16,008	535	6,829	141,041	97,709	3,627	24,094	13,429
1963—Dec. 20	254,162	156,006	63,196	34,959	50,711	312,773	275,120	15,267	526	6,729	141,534	111,064	3,664	25,677	13,570
1964—June 30	260,179	164,463	59,322	36,394	53,168	321,909	284,903	15,272	677	10,257	139,110	119,587	2,099	26,768	13,669
1964—Aug. 26	260,330	164,400	58,800	37,130	47,910	316,090	277,230	14,390	680	6,040	134,710	121,410	3,540	26,760	13,697
Nov. 25	271,120	170,330	62,670	38,120	52,200	331,980	290,580	15,460	710	7,090	143,130	124,190	4,500	27,380	13,746
Dec. 31	277,376	175,589	62,991	38,796	60,489	346,921	307,170	17,938	819	6,510	155,184	126,720	2,679	27,795	13,761
1965—Jan. 27	274,000	173,420	61,520	39,060	51,010	333,810	292,770	14,800	890	4,060	143,580	129,440	4,400	27,640	13,785
Feb. 24	275,730	175,530	60,520	39,680	51,580	336,010	294,130	14,890	940	6,710	140,370	131,220	4,330	27,750	13,786
Mar. 31[p]	278,350	179,040	59,040	40,270	54,510	342,110	300,770	16,300	950	8,350	142,100	133,070	3,670	28,100	13,789
Apr. 28[p]	281,240	181,530	58,320	41,390	51,640	342,060	299,140	14,450	920	6,850	142,550	134,370	5,020	28,210	13,793
May 26[p]	281,970	183,720	57,100	41,150	51,230	342,490	299,050	14,240	970	9,920	138,430	135,490	4,970	28,410	13,796
June 30[p]	286,870	187,910	56,800	42,160	57,040	353,500	311,030	16,080	990	11,890	144,940	137,130	3,500	29,150	13,791
July 28[p]	285,820	187,000	56,090	42,730	51,330	346,560	302,620	14,420	960	7,020	141,450	138,770	4,850	29,270	13,787
Aug. 25[p]	287,630	188,800	55,260	43,570	50,720	347,720	303,010	14,850	980	7,380	139,370	140,430	5,060	29,390	13,789
Member banks:															
1941—Dec. 31	43,521	18,021	19,539	5,961	23,123	68,121	61,717	10,385	140	1,709	37,136	12,347	4	5,886	6,619
1945—Dec. 31	107,183	22,775	78,338	6,070	29,845	138,304	129,670	13,576	64	22,179	69,640	24,210	208	7,589	6,884
1947—Dec. 31	97,846	32,628	57,914	7,304	32,845	132,060	122,528	12,353	50	1,176	80,609	28,340	54	8,464	6,923
1962—Dec. 28	195,698	118,637	52,968	24,092	47,427	249,488	219,468	15,309	358	6,086	117,999	79,716	3,550	19,854	6,049
1963—Dec. 20	210,127	131,712	49,342	29,073	44,395	261,469	229,376	14,518	382	5,986	117,562	90,929	3,499	21,054	6,112
1964—June 30	215,132	138,649	46,235	30,249	46,767	269,437	238,052	14,527	525	9,342	115,624	98,034	1,936	22,060	6,180
1964—Aug. 26	215,030	138,478	45,651	30,901	41,830	263,825	230,642	13,661	531	5,411	111,458	99,581	3,354	22,088	6,188
Nov. 25	223,153	143,241	48,383	31,529	45,689	276,406	241,141	14,646	551	6,319	118,030	101,595	4,297	22,560	6,221
Dec. 31	228,497	147,690	48,717	32,089	52,737	289,142	255,724	17,007	664	5,838	128,539	103,676	2,481	22,901	6,225
1965—Jan. 27	225,493	145,830	47,297	32,366	44,461	277,606	242,781	14,016	731	3,662	118,307	106,065	4,186	22,799	6,236
Feb. 24	227,093	147,818	46,364	32,911	44,750	279,488	244,018	14,138	779	5,958	115,601	107,542	3,978	22,888	6,236
Mar. 31	229,456	150,921	45,120	33,415	47,749	285,300	250,277	15,556	795	7,510	117,349	109,067	3,509	23,173	6,235
Apr. 28	231,866	152,951	44,555	34,360	45,106	285,023	248,563	13,710	759	6,263	117,569	110,262	4,802	23,253	6,237
May 26	232,373	154,705	43,615	34,053	44,804	285,331	248,494	13,525	817	8,881	114,025	111,246	4,701	23,406	6,239
June 30[p]	236,858	158,402	43,502	34,954	50,029	295,309	259,263	15,314	831	10,715	119,788	112,615	3,380	24,104	6,235
July 28	235.644	157,345	42.863	35.436	44.703	288.568	251,216	13,671	803	6,296	116,404	114,042	4,598	24,193	6,230
Aug. 25[p]	237,093	158,885	42,064	36,144	43,951	289,232	251,232	14,073	825	6,565	114,426	115,343	4,732	24,279	6,227
Mutual savings banks:															
1941—Dec. 31	10,379	4,901	3,704	1,774	793	11,804	10,533	....		6		10,527	......	1,241	548
1945—Dec. 31	16,208	4,279	10,682	1,246	609	17,020	15,385	....		14		15,371	7	1,592	542
1947—Dec. 31[4]	18,641	4,944	11,978	1,718	886	19,714	17,763	......	1	3	14	17,745	......	1,889	533
1962—Dec. 28	44,558	32,716	6,129	5,714	890	46,086	41,531	......	1	10	43	41,478	8	3,951	511
1963—Dec. 20	48,089	36,679	5,872	5,539	826	49,621	44,516	......	1	6	42	44,467	38	4,205	509
1964—June 30	50,226	38,656	6,016	5,554	905	52,000	46,940	......	1	7	50	46,882	21	4,269	506
1964—Aug. 26	51,210	39,520	6,100	5,590	900	52,990	47,480	......	......	......	50	47,430	......	4,350	506
Nov. 25	52,030	40,660	5,790	5,580	900	53,830	48,390	......	......	......	50	48,340	......	4,420	505
Dec. 31	52,363	41,085	5,788	5,490	1,004	54,239	49,138	......	2	7	64	49,065	21	4,401	505
1965—Jan. 27	52,880	41,500	5,860	5,520	950	54,760	49,480	......	......	......	50	49,430	......	4,400	505
Feb. 24	53,190	41,740	5,950	5,500	1,000	55,070	49,640	......	......	......	50	49,590	......	4,450	504
Mar. 31	53,600	42,000	6,100	5,500	1,010	55,540	50,120	......	......	......	50	50,070	......	4,510	503
Apr. 28	53,780	42,360	5,860	5,560	940	55,650	50,180	......	......	......	50	50,130	......	4,460	504
May 26	54,130	42,730	5,840	5,560	970	56,010	50,370	......	......	......	60	50,310	......	4,510	504
June 30[p]	54,390	43,020	5,810	5,560	1,020	56,340	50,790	......	......	......	60	50,730	......	4,530	504
July 28	54.840	43.450	5.830	5,560	980	56,770	51,080	......	......	......	60	51,020	......	4,540	504
Aug. 25[p]	55,280	43,810	5,810	5,660	950	57,180	51,310	......	......	......	60	51,250	......	4,610	504

For notes see end of table.

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

(Amounts in millions of dollars)

Class of bank and date	Loans and investments				Cash assets[1]	Total assets—Total liabilities and capital accounts[2]	Deposits						Borrowings	Total capital accounts	Number of banks
	Total	Loans	Securities				Total[1]	Interbank[1]		Other					
			U. S. Govt.	Other				Demand	Time	Demand		Time			
										U. S. Govt.	Other				
Reserve city member banks															
New York City: [5,6]															
1941—Dec. 31	12,896	4,072	7,265	1,559	6,637	19,862	17,932	4,202	6	866	12,051	807	......	1,648	36
1945—Dec. 31	26,143	7,334	17,574	1,235	6,439	32,887	30,121	4,640	17	6,940	17,287	1,236	195	2,120	37
1947—Dec. 31	20,393	7,179	11,972	1,242	7,261	27,982	25,216	4,453	12	267	19,040	1,445	30	2,259	37
1962—Dec. 28	32,989	21,954	7,017	4,017	11,050	46,135	37,885	4,783	207	1,408	22,231	9,256	1,728	3,898	17
1963—Dec. 20	34,827	23,577	6,154	5,095	9,372	46,434	38,327	4,289	214	1,419	20,960	11,446	1,438	3,984	13
1964—June 30	36,693	25,490	5,779	5,424	10,550	49,716	41,545	4,711	317	2,112	21,224	13,181	924	4,402	14
1964—Aug. 26	35,936	24,648	5,691	5,597	8,621	46,929	38,338	4,000	336	992	19,383	13,627	1,365	4,421	14
Nov. 25	37,594	26,051	5,954	5,589	10,103	50,171	40,753	4,394	333	1,261	20,679	14,086	1,784	4,434	13
Dec. 31	39,507	27,301	6,178	6,028	11,820	53,867	45,191	5,088	436	1,486	23,896	14,285	1,224	4,471	13
1965—Jan. 27	38,271	26,573	5,630	6,068	9,427	50,166	40,890	4,274	457	795	20,670	14,694	1,781	4,465	13
Feb. 24	38,950	27,570	5,122	6,258	9,218	50,803	41,574	4,359	499	1,083	20,447	15,186	1,281	4,487	13
Mar. 31	39,905	28,894	4,788	6,223	11,597	54,198	44,997	4,852	518	1,778	22,123	15,726	1,506	4,526	13
Apr. 28	40,325	29,173	4,764	6,388	9,844	52,852	43,502	4,226	492	1,666	20,842	16,276	1,655	4,517	13
May 26	40,201	29,558	4,674	5,969	10,230	53,184	43,820	4,308	549	1,989	20,289	16,685	1,498	4,548	13
June 30[p]	42,202	30,947	4,906	6,349	12,229	57,263	47,366	5,061	563	2,560	22,426	16,756	1,388	5,087	13
July 28	40,802	29,438	4,834	6,530	9,639	52,998	43,263	4,300	525	1,409	19,934	17,095	1,426	5,091	13
Aug. 25[p]	41,207	29,896	4,566	6,745	9,233	53,106	42,890	4,123	534	1,287	19,557	17,389	1,586	5,114	12
City of Chicago: [5]															
1941—Dec. 31	2,760	954	1,430	376	1,566	4,363	4,057	1,035	......	127	2,419	476	......	288	13
1945—Dec. 31	5,931	1,333	4,213	385	1,489	7,459	7,046	1,312	......	1,552	3,462	719	......	377	12
1947—Dec. 31	5,088	1,801	2,890	397	1,739	6,866	6,402	1,217	......	72	4,201	913	......	426	14
1962—Dec. 28	8,957	5,418	2,129	1,409	2,280	11,432	9,993	1,277	18	410	5,264	3,025	262	948	13
1963—Dec. 20	9,615	6,220	1,705	1,690	1,970	11,776	10,296	1,211	17	395	4,887	3,787	255	996	12
1964—June 30	9,636	6,266	1,750	1,620	2,121	12,046	10,630	1,182	25	587	4,744	4,090	210	1,017	12
1964—Aug. 26	9,638	6,311	1,717	1,610	1,930	11,817	10,351	1,229	23	298	4,652	4,149	197	1,024	12
Nov. 25	10,021	6,600	1,786	1,635	2,232	12,537	11,009	1,251	22	380	4,906	4,450	256	1,044	12
Dec. 31	10,562	7,102	1,873	1,587	2,366	13,289	11,807	1,448	22	396	5,362	4,578	204	1,056	12
1965—Jan. 27	10,245	6,767	1,850	1,628	2,163	12,703	11,177	1,153	26	259	5,076	4,663	232	1,046	12
Feb. 24	10,296	6,963	1,678	1,655	2,184	12,842	11,153	1,238	28	349	4,905	4,633	322	1,053	12
Mar. 31	10,310	7,129	1,546	1,635	2,089	12,801	11,088	1,977	28	501	3,985	4,597	278	1,060	11
Apr. 28	10,425	7,073	1,669	1,683	2,318	13,095	11,395	1,182	22	463	5,047	4,681	355	1,065	11
May 26	10,363	7,108	1,643	1,612	2,232	12,961	11,282	1,169	23	576	4,800	4,714	333	1,071	11
June 30[p]	10,802	7,381	1,743	1,678	2,310	13,501	11,687	1,292	25	697	4,921	4,752	415	1,097	11
July 28	10,558	7,183	1,659	1,716	2,206	13,153	11,312	1,133	19	395	4,936	4,829	415	1,096	11
Aug. 25[p]	10,592	7,316	1,521	1,755	2,110	13,098	11,211	1,221	19	380	4,720	4,871	447	1,102	11
Other reserve city: [5, 6]															
1941—Dec. 31	15,347	7,105	6,467	1,776	8,518	24,430	22,313	4,356	104	491	12,557	4,806	......	1,967	351
1945—Dec. 31	40,108	8,514	29,552	2,042	11,286	51,898	49,085	6,418	30	8,221	24,655	9,760	2	2,566	359
1947—Dec. 31	36,040	13,449	20,196	2,396	13,066	49,659	46,467	5,627	22	405	28,990	11,423	1	2,844	353
1962—Dec. 28	73,130	46,567	18,398	8,165	19,539	94,914	84,248	7,477	82	2,337	43,609	30,743	1,388	7,263	191
1963—Dec. 20	78,370	51,891	16,686	9,792	18,778	99,643	87,994	7,225	95	2,212	43,459	35,004	1,417	7,697	190
1964—June 30	80,466	54,604	15,488	10,375	19,143	102,245	91,145	6,894	118	3,771	42,387	37,974	572	8,110	183
1964—Aug. 26	80,662	55,049	14,922	10,691	17,185	100,348	88,169	6,732	116	2,151	40,740	38,430	1,415	8,173	185
Nov. 25	83,044	56,292	15,986	10,766	18,646	104,306	91,299	7,102	132	2,580	42,851	38,634	1,845	8,360	182
Dec. 31	84,670	57,555	16,326	10,789	21,607	109,053	97,145	8,289	134	2,195	46,883	39,645	841	8,488	182
1965—Jan. 27	83,987	57,428	15,541	11,018	18,353	104,997	92,273	6,758	184	1,580	42,848	40,903	1,756	8,504	184
Feb. 24	84,567	57,966	15,410	11,191	18,114	105,275	92,428	6,789	188	2,546	41,590	41,315	1,663	8,529	184
Mar. 31	85,374	58,771	15,032	11,571	19,011	107,146	94,519	6,976	185	3,035	42,615	41,708	1,413	8,646	186
Apr. 28	86,265	59,701	14,629	11,935	18,522	107,609	94,001	6,573	181	2,538	42,651	42,058	2,310	8,675	185
May 26	86,034	60,015	14,123	11,896	17,984	106,851	93,130	6,366	174	3,548	40,969	42,073	2,329	8,676	180
June 30[p]	87,204	61,069	14,003	12,132	19,908	110,037	97,405	7,157	172	4,322	42,963	42,791	1,343	8,733	181
July 28	87,272	61,417	13,640	12,215	18,133	108,359	94,621	6,473	188	2,566	42,141	43,253	2,257	8,756	181
Aug. 25[p]	87,832	61,993	13,377	12,462	17,613	108,284	94,656	6,882	201	2,724	41,124	43,725	2,049	8,762	179
Country member banks: [5, 6]															
1941—Dec. 31	12,518	5,890	4,377	2,250	6,402	19,466	17,415	792	30	225	10,109	6,258	4	1,982	6,219
1945—Dec. 31	35,002	5,596	26,999	2,408	10,632	46,059	43,418	1,207	17	5,465	24,235	12,494	11	2,525	6,476
1947—Dec. 31	36,324	10,199	22,857	3,268	10,778	47,553	44,443	1,056	17	432	28,378	14,560	23	2,934	6,519
1962—Dec. 28	80,623	44,698	25,425	10,501	14,559	97,008	87,342	1,773	51	1,931	46,895	36,692	172	7,744	5,828
1963—Dec. 20	87,316	50,023	24,797	12,496	14,274	103,615	92,759	1,793	56	1,960	48,256	40,693	390	8,377	5,897
1964—June 30	88,337	52,289	23,218	12,830	14,953	105,430	94,733	1,739	64	2,872	47,270	42,788	230	8,531	5,971
1964—Aug. 26	88,794	52,470	23,321	13,003	14,094	104,731	93,784	1,700	56	1,970	46,683	43,375	377	8,470	5,977
Nov. 25	92,494	54,298	24,657	13,539	14,708	109,392	98,080	1,899	64	2,098	49,594	44,425	412	8,722	6,014
Dec. 31	93,759	55,733	24,341	13,685	16,944	112,932	101,581	2,182	71	1,760	52,398	45,169	213	8,886	6,018
1965—Jan. 27	92,990	55,062	24,276	13,652	14,518	109,740	98,441	1,831	64	1,028	49,713	45,805	417	8,784	6,027
Feb. 24	93,280	55,319	24,154	13,807	15,234	110,568	98,863	1,752	64	1,980	48,659	46,408	712	8,819	6,027
Mar. 31	93,867	56,127	23,754	13,986	15,052	111,155	99,673	1,751	64	2,196	48,626	47,036	312	8,941	6,025
Apr. 28	94,851	57,004	23,493	14,354	14,422	111,467	99,665	1,729	64	1,596	49,029	47,247	482	8,996	6,028
May 26	95,775	58,024	23,175	14,576	14,358	112,335	100,262	1,682	71	2,768	47,967	47,774	541	9,111	6,035
June 30[p]	96,650	59,005	22,850	14,795	15,582	114,508	102,805	1,804	71	3,136	49,478	48,316	234	9,187	6,030
July 28	97,012	59,307	22,730	14,975	14,725	114,058	102,020	1,765	71	1,926	49,393	48,865	500	9,250	6,025
Aug. 25[p]	97,462	59,680	22,600	15,182	14,995	114,744	102,475	1,847	71	2,174	49,025	49,358	650	9,301	6,025

For notes see end of table.

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

(Amounts in millions of dollars)

Class of bank and date	Loans and investments				Cash assets [1]	Total assets—Total liabilities and capital accounts [2]	Deposits						Borrowings	Total capital accounts	Number of banks
	Total	Loans	Securities				Total [1]	Interbank [1]		Other					
			U. S. Govt.	Other				Demand	Time	Demand		Time [3]			
										U. S. Govt.	Other				
Insured commercial banks:															
1941—Dec. 31..	49,290	21,259	21,046	6,984	25,788	76,820	69,411	10,654		1,762	41,298	15,699	10	6,844	13,426
1945—Dec. 31..	121,809	25,765	88,912	7,131	34,292	157,544	147,775	13,883		23,740	80,276	29,876	215	8,671	13,297
1947—Dec. 31..	114,274	37,583	67,941	8,750	36,926	152,733	141,851	12,615	54	1,325	92,975	34,882	61	9,734	13,398
1962—Dec. 28..	234,243	139,449	65,891	28,903	53,702	295,093	260,609	15,844	402	6,815	140,169	97,380	3,584	23,712	13,119
1963—Dec. 20..	252,579	155,261	62,723	34,594	50,337	310,730	273,657	15,077	443	6,712	140,702	110,723	3,571	25,277	13,284
1964—June 30..	258,597	163,715	58,880	36,002	52,845	319,913	283,463	15,072	591	10,234	138,323	119,243	2,035	26,358	13,394
Dec. 31..	275,053	174,234	62,499	38,320	59,911	343,876	305,113	17,664	733	6,487	154,043	126,185	2,580	27,377	13,486
National member banks:															
1941—Dec. 31..	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786		1,088	23,262	8,322	4	3,640	5,117
1945—Dec. 31..	69,312	13,925	51,250	4,137	20,114	90,220	84,939	9,229		14,013	45,473	16,224	78	4,644	5,017
1947—Dec. 31..	65,280	21,428	38,674	5,178	22,024	88,182	82,023	8,375	35	795	53,541	19,278	45	5,409	5,005
1962—Dec. 28..	127,254	75,548	35,663	16,042	29,684	160,657	142,825	9,155	127	3,735	76,075	53,733	1,636	12,750	4,505
1963—Dec. 20..	137,447	84,845	33,384	19,218	28,635	170,233	150,823	8,863	146	3,691	76,836	61,288	1,704	13,548	4,615
1964—June 30..	141,198	89,469	31,560	20,168	29,511	175,250	155,978	8,488	161	5,822	75,369	66,137	841	14,262	4,702
Dec. 31..	151,406	96,688	33,405	21,312	34,064	190,289	169,615	10,521	211	3,604	84,534	70,746	1,109	15,048	4,773
State member banks:															
1941—Dec. 31..	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739		621	13,874	4,025	1	2,246	1,502
1945—Dec. 31..	37,871	8,850	27,089	1,933	9,731	48,084	44,730	4,411		8,166	24,168	7,986	130	2,945	1,867
1947—Dec. 31..	32,566	11,200	19,240	2,125	10,822	43,879	40,505	3,978	15	381	27,068	9,062	9	3,055	1,918
1962—Dec. 28..	68,444	43,089	17,305	8,050	17,744	88,831	76,643	6,154	231	2,351	41,924	25,983	1,914	7,104	1,544
1963—Dec. 20..	72,680	46,866	15,958	9,855	15,760	91,235	78,553	5,655	236	2,295	40,725	29,642	1,795	7,506	1,497
1964—June 30..	73,934	49,179	14,675	10,080	17,256	95,186	82,074	6,038	364	3,520	40,255	31,897	1,095	7,799	1,478
Dec. 31..	77,091	51,002	15,312	10,777	18,673	98,852	86,108	6,486	453	2,234	44,005	32,931	1,372	7,853	1,452
Insured nonmember commercial banks:															
1941—Dec. 31..	5,776	3,241	1,509	1,025	2,668	8,708	7,702		129	53	4,162	3,360	6	959	6,810
1945—Dec. 31..	14,639	2,992	10,584	1,063	4,448	19,256	18,119		244	1,560	10,635	5,680	7	1,083	6,416
1947—Dec. 31..	16,444	4,958	10,039	1,448	4,083	20,691	19,340	262	4	149	12,366	6,558	7	1,271	6,478
1962—Dec. 28..	38,557	20,811	12,932	4,814	6,276	45,619	41,142	535	43	729	22,170	17,664	34	3,870	7,072
1963—Dec. 20..	42,464	23,550	13,391	5,523	5,942	49,275	44,280	559	61	726	23,140	19,793	72	4,234	7,173
1964—June 30..	43,476	25,066	12,654	5,755	6,078	50,488	45,411	546	66	892	22,699	21,209	99	4,309	7,215
Dec. 31..	46,567	26,544	13,790	6,233	7,174	54,747	49,389	658	70	649	25,504	22,509	99	4,488	7,262
Noninsured nonmember commercial banks:															
1941—Dec. 31..	1,457	455	761	241	763	2,283	1,872		329	1,291		253	13	329	852
1945—Dec. 31..	2,211	318	1,693	200	514	2,768	2,452		181	1,905		365	4	279	714
1947—Dec. 31[4].	2,009	474	1,280	255	576	2,643	2,251	177	185	18	1,392	478	4	325	783
1962—Dec. 28..	1,584	657	534	392	346	2,009	1,513	164	133	14	872	330	44	371	308
1963—Dec. 20..	1,571	745	463	362	374	2,029	1,463	190	83	17	832	341	93	389	285
1964—June 30..	1,571	748	432	390	323	1,984	1,439	200	85	23	787	344	64	399	274
Dec. 31..	2,312	1,355	483	474	578	3,033	2,057	273	86	23	1,141	534	99	406	274
Nonmember commercial banks:															
1941—Dec. 31..	7,233	3,696	2,270	1,266	3,431	10,992	9,573		457	5,504		3,613	18	1,288	7,662
1945—Dec. 31..	16,849	3,310	12,277	1,262	4,962	22,024	20,571		425	14,101		6,045	11	1,362	7,130
1947—Dec. 31..	18,454	5,432	11,318	1,703	4,659	23,334	21,591	439	190	167	13,758	7,036	12	1,596	7,261
1962—Dec. 28 .	40,141	21,469	13,466	5,206	6,622	47,628	42,654	699	176	743	23,042	17,994	77	4,240	7,380
1963—Dec. 20..	44,035	24,295	13,854	5,885	6,316	51,304	45,743	749	144	743	23,972	20,134	165	4,623	7,458
1964—June 30..	45,047	25,815	13,087	6,145	6,401	52,472	46,850	745	151	915	23,486	21,553	163	4,708	7,489
Dec. 31..	48,879	27,899	14,273	6,707	7,752	57,780	51,447	931	156	672	26,645	23,043	198	4,894	7,536
Insured mutual savings banks:															
1941—Dec. 31..	1,693	642	629	421	151	1,958	1,789	......	......	......	......	1,789	......	164	52
1945—Dec. 31..	10,846	3,081	7,160	606	429	11,424	10,363	......	......	12		10,351	1	1,034	192
1947—Dec. 31..	12,683	3,560	8,165	958	675	13,499	12,207	......	1	2	12	12,192	......	1,252	194
1962—Dec. 28..	38,597	28,778	4,639	5,180	784	39,951	36,104	......	1	9	267	35,827	7	3,343	331
1963—Dec. 20..	41,664	32,300	4,324	5,041	722	43,019	38,657	......	1	5	292	38,359	38	3,572	330
1964—June 30..	43,431	34,050	4,316	5,064	799	45,022	40,797	......	1	6	333	40,456	20	3,618	327
Dec. 31..	45,358	36,233	4,110	5,015	893	47,044	42,751	......	2	7	326	42,416	20	3,731	327

For notes see end of table.

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

(Amounts in millions of dollars)

Class of bank and date	Loans and investments				Cash assets[1]	Total assets—Total liabilities and capital accounts[2]	Deposits						Borrowings	Total capital accounts	Number of banks
	Total	Loans	Securities				Total[1]	Interbank[1]		Other					
			U. S. Govt.	Other				Demand	Time	Demand		Time[3]			
										U. S. Govt.	Other				
Noninsured mutual savings banks:															
1941—Dec. 31	8,687	4,259	3,075	1,353	642	9,846	8,744	......	......	6	......	8,738	......	1,077	496
1945—Dec. 31	5,361	1,198	3,522	641	180	5,596	5,022	......	......	2	......	5,020	6	558	350
1947—Dec. 31[4]	5,957	1,384	3,813	760	211	6,215	5,556	......	......	1	2	5,553	......	637	339
1962—Dec. 28	5,961	3,938	1,490	533	106	6,134	5,427	......	......	1	6	5,420	1	608	180
1963—Dec. 20	6,425	4,380	1,548	498	104	6,602	5,859	......	......	1	8	5,851	......	633	179
1964—June 30	6,795	4,605	1,700	490	105	6,977	6,143	......	......	1	15	6,128	1	651	179
Dec. 31	7,005	4,852	1,678	475	111	7,195	6,387	......	......	......	6	6,381	......	670	178

[1] Reciprocal balances excluded beginning with 1942.

[2] Includes other assets and liabilities not shown separately.

[3] Figures for mutual savings banks include relatively small amounts of demand deposits. Beginning with June 1961, also includes certain accounts previously classified as other liabilities.

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

[5] Regarding reclassification of New York City and Chicago as reserve cities, see Aug. 1962 BULLETIN, p. 993. For various changes between reserve city and country status in 1960–63, see note 6, p. 587, May 1964 BULLETIN.

[6] Beginning with May 18, 1964, one New York City country bank with loans and investments of $1,034 million and total deposits of $982 million was reclassified as a reserve city bank. Beginning with May 13, 1965 (Toledo, Ohio) reserve city banks with total loans and investments of $530 million and total deposits of $576 million were reclassified as country banks.

NOTE.—Data are for all commercial and mutual savings banks in the United States (including Alaska and Hawaii, beginning with 1959). For definition of "commercial banks" as used in this table, and for other banks that are included under member banks, see NOTE, p. 643, May 1964 BULLETIN.

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

Data for June 30 and Dec. 31, 1964, for national banks have been adjusted to make them comparable with State bank data. (Dec. 20, 1963, data also adjusted to lesser extent.)

Figures are partly estimated except on call dates.

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

LOANS AND INVESTMENTS AT COMMERCIAL BANKS

(In billions of dollars)

Period	Seasonally adjusted				Not seasonally adjusted			
	Total[1]	Loans[1]	Securities		Total[1]	Loans[1]	Securities	
			U. S. Govt.	Other			U. S. Govt.	Other
1957—Dec. 31	166.4	91.4	57.1	17.9	169.3	93.2	58.2	17.9
1958—Dec. 31	181.2	95.6	65.1	20.5	184.4	97.5	66.4	20.6
1959—Dec. 31	185.9	107.6	57.8	20.5	189.5	110.0	58.9	20.5
1960—Dec. 31	194.5	113.8	59.9	20.8	198.5	116.7	61.0	20.9
1961—Dec. 30	209.8	120.5	65.4	23.9	214.4	123.9	66.6	23.9
1962—Dec. 31	228.3	133.9	65.2	29.2	233.6	137.9	66.4	29.3
1963—Dec. 31	246.5	149.4	62.1	35.0	252.4	153.9	63.4	35.1
1964—Dec. 31	267.2	167.1	61.4	38.7	273.9	172.1	63.0	38.8
1964—July 29	254.5	159.7	58.4	36.4	254.2	159.4	58.3	36.5
Aug. 26	258.7	161.5	60.2	37.0	256.1	160.2	58.8	37.1
Sept. 30	261.7	163.0	61.2	37.5	262.2	163.7	60.7	37.8
Oct. 28	261.1	163.2	60.0	37.9	262.4	163.0	61.4	38.0
Nov. 25	265.5	165.4	61.6	38.5	266.3	165.5	62.7	38.1
Dec. 31	267.2	167.1	61.4	38.7	273.9	172.1	63.0	38.8
1965—Jan. 27	269.6	170.2	59.9	39.5	269.1	168.5	61.5	39.1
Feb. 24	272.1	171.9	60.2	40.0	270.7	170.5	60.5	39.7
Mar. 31^{p}	275.5	175.8	59.6	40.1	273.9	174.5	59.0	40.3
Apr. 28^{p}	277.3	177.1	59.1	41.1	275.9	176.2	58.3	41.4
May 26^{p}	279.1	179.3	58.5	41.3	276.9	178.6	57.1	41.2
June 30^{p}	282.2	182.6	57.6	42.0	283.4	184.4	56.8	42.2
July 28^{p}	281.5	182.8	56.1	42.6	281.2	182.4	56.1	42.7
Aug. 25^{p}	286.0	185.8	56.7	43.5	283.1	184.3	55.3	43.6

[1] Adjusted to exclude interbank loans.

NOTE.—Data are for last Wed. 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.

For back data see June 1964 BULLETIN, pp. 693–97; for description of seasonally adjusted series, see July 1962 BULLETIN, pp. 797–802.

LOANS AND INVESTMENTS BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Total loans [1] and investments	Loans [1]										Investments						
		Total [2]	Commercial and industrial	Agricultural	For purchasing or carrying securities		To financial institutions		Real estate	Other to individuals	Other	U. S. Government securities					State and local govt. securities	Other securities
					To brokers and dealers	To others	To banks	To others				Total	Bills	Certificates	Notes	Bonds		
Total: [2]																		
1947—Dec. 31..	116,284	38,057	18,167	1,660	830	1,220	115	......	9,393	5,723	947	69,221	2,193	7,789	6,034	53,205	5,276	3,729
1962—Dec. 28..	235,839	140,106	48,673	7,097	5,144	2,131	2,578	8,459	34,259	30,553	3,909	66,434	11,674	3,932	23,841	26,987	24,755	4,543
1963—Dec. 20..	254,162	156,006	52,947	7,470	5,353	2,509	3,605	9,479	39,056	34,550	4,034	63,196	11,059	1,658	22,415	28,065	29,786	5,173
1964—June 30..	260,179	164,463	55,061	7,688	5,526	2,704	2,881	10,450	41,388	37,594	4,421	59,322	9,061	35	23,141	27,085	31,419	4,975
Dec. 31..	277,376	175,589	60,217	7,505	5,542	2,843	3,491	10,913	43,675	39,809	5,152	62,991	13,377	......	19,039	30,574	33,533	5,263
All insured																		
1941—Dec. 31..	49,290	21,259	9,214	1,450	614	662	40	......	4,773	4,505		21,046	988	......	3,159	16,899	3,651	3,333
1945—Dec. 31..	121,809	25,765	9,461	1,314	3,164	3,606	49	......	4,677	2,361	1,132	88,912	2,455	19,071	16,045	51,342	3,873	3,258
1947—Dec. 31..	114,274	37,583	18,012	1,610	823	1,190	114	......	9,266	5,654	914	67,941	2,124	7,552	5,918	52,347	5,129	3,621
1962—Dec. 28..	234,243	139,449	48,458	7,060	5,119	2,103	2,551	8,434	34,123	30,402	3,890	65,891	11,514	3,916	23,715	26,746	24,547	4,356
1963—Dec. 20..	252,579	155,261	52,743	7,444	5,321	2,476	3,594	9,415	38,861	34,383	4,015	62,723	10,952	1,649	22,316	27,806	29,559	5,035
1964—June 30..	258,597	163,715	54,855	7,663	5,492	2,671	2,839	10,414	41,190	37,432	4,403	58,880	8,970	32	23,044	26,835	31,184	4,818
Dec. 31..	275,053	174,234	59,746	7,482	5,355	2,794	3,419	10,812	43,436	39,627	5,112	62,499	13,275	......	18,939	30,285	33,294	5,026
Member, total																		
1941—Dec. 31..	43,521	18,021	8,671	972	594	598	39	......	3,494	3,653		19,539	971	......	3,007	15,561	3,090	2,871
1945—Dec. 31..	107,183	22,775	8,949	855	3,133	3,378	47	......	3,455	1,900	1,057	78,338	2,275	16,985	14,271	44,807	3,254	2,815
1947—Dec. 31..	97,846	32,628	16,962	1,046	811	1,065	113	......	7,130	4,662	839	57,914	1,987	5,816	4,815	45,295	4,199	3,105
1962—Dec. 28..	195,698	118,637	43,843	4,419	4,954	1,777	2,445	7,936	27,162	24,799	3,657	52,968	8,862	3,249	19,443	21,414	20,773	3,319
1963—Dec. 20..	210,127	131,712	47,403	4,659	5,124	2,136	3,439	8,875	31,009	27,908	3,765	49,342	8,032	1,307	18,072	21,932	25,210	3,864
1964—June 30..	215,132	138,649	49,217	4,755	5,341	2,320	2,733	9,887	32,794	30,275	4,137	46,235	6,707	16	18,572	20,940	26,579	3,670
Dec. 31..	228,497	147,690	53,717	4,643	5,142	2,411	3,250	10,179	34,587	32,024	4,824	48,717	9,932	......	15,238	23,548	28,374	3,715
New York City:																		
1941—Dec. 31..	12,896	4,072	2,807	8	412	169	32	......	123	522		7,265	311	......	1,623	5,331	729	830
1945—Dec. 31..	26,143	7,334	3,044	.....	2,453	1,172	26	......	80	287	272	17,574	477	3,433	3,325	10,339	606	629
1947—Dec. 31..	20,393	7,179	5,361	.....	545	267	93	......	111	564	238	11,972	1,002	640	558	9,772	638	604
1962—Dec. 28..	32,989	21,954	11,943	17	2,766	425	572	2,087	1,329	2,143	1,196	7,017	1,998	508	2,488	2,023	3,585	432
1963—Dec. 20..	34,827	23,577	12,332	26	2,677	569	1,007	2,247	1,968	2,257	1,068	6,154	1,711	147	2,341	1,955	4,653	442
1964—June 30..	36,693	25,490	12,647	21	3,045	625	1,014	2,762	2,296	2,548	1,128	5,779	1,333	......	2,625	1,821	4,952	472
Dec. 31..	39,507	27,301	14,189	30	2,742	623	1,179	2,615	2,546	2,654	1,371	6,178	1,958	......	1,972	2,248	5,579	449
City of Chicago:																		
1941—Dec. 31..	2,760	954	732	6	48	52	1	......	22	95		1,430	256	......	153	1,022	182	193
1945—Dec. 31..	5,931	1,333	760	2	211	233	......	......	36	51	40	4,213	133	1,467	749	1,864	181	204
1947—Dec. 31..	5,088	1,801	1,418	3	73	87	......	......	46	149	26	2,890	132	235	248	2,274	213	185
1962—Dec. 28..	8,957	5,418	2,941	35	407	152	89	703	362	523	369	2,129	377	115	849	788	1,242	168
1963—Dec. 20..	9,615	6,220	3,378	40	497	181	242	751	401	594	318	1,705	347	42	599	717	1,361	329
1964—June 30..	9,636	6,266	3,332	26	498	192	200	893	409	600	318	1,750	418	......	652	680	1,370	251
Dec. 31..	10,562	7,102	3,870	24	510	203	227	948	465	669	430	1,873	564	......	397	911	1,392	195
Other reserve city:																		
1941—Dec. 31..	15,347	7,105	3,456	300	114	194	4	......	1,527	1,508		6,467	295	......	751	5,421	956	820
1945—Dec. 31..	40,108	8,514	3,661	205	427	1,503	17	......	1,459	855	387	29,552	1,034	6,982	5,653	15,883	1,126	916
1947—Dec. 31..	36,040	13,449	7,088	225	170	484	15	......	3,147	1,969	351	20,196	373	2,358	1,901	15,563	1,342	1,053
1962—Dec. 28..	73,130	46,567	17,660	1,179	1,053	752	1,020	3,583	11,030	9,860	1,266	18,398	2,343	1,403	7,257	7,395	7,252	913
1963—Dec. 20..	78,370	51,891	18,862	1,219	1,243	891	1,224	4,286	12,525	11,106	1,462	16,686	2,152	545	6,600	7,390	8,810	981
1964—June 30..	80,466	54,604	19,624	1,173	1,155	970	953	4,706	13,207	12,063	1,753	15,488	2,206	......	6,566	6,715	9,449	925
Dec. 31..	84,670	57,555	21,102	1,095	1,060	986	1,134	4,887	13,611	12,802	1,977	16,326	3,200	......	5,662	7,463	9,871	918
Country:																		
1941—Dec. 31..	12,518	5,890	1,676	659	20	183	2	......	1,823	1,528		4,377	110	......	481	3,787	1,222	1,028
1945—Dec. 31..	35,002	5,596	1,484	648	42	471	4	......	1,881	707	359	26,999	630	5,102	4,544	16,722	1,342	1,067
1947—Dec. 31..	36,324	10,199	3,096	818	23	227	5	......	3,827	1,979	224	22,857	480	2,583	2,108	17,687	2,006	1,262
1962—Dec. 28..	80,623	44,698	11,299	3,187	728	447	764	1,563	14,441	12,273	826	25,425	4,144	1,223	8,849	11,209	8,694	1,807
1963—Dec. 20..	87,316	50,023	12,831	3,374	708	496	966	1,591	16,114	13,951	917	24,797	3,822	573	8,531	11,871	10,385	2,111
1964—June 30..	88,337	52,289	13,614	3,535	644	534	565	1,525	16,883	15,063	939	23,218	2,749	15	8,728	11,725	10,808	2,022
Dec. 31..	93,759	55,733	14,556	3,493	830	599	710	1,730	17,964	15,899	1,047	24,341	4,209	......	7,206	12,925	11,531	2,154
Nonmember																		
1947—Dec. 31..	18,454	5,432	1,205	614	20	156	2	......	2,266	1,061	109	11,318	206	1,973	1,219	7,920	1,078	625
1962—Dec. 28..	40,141	21,469	4,830	2,678	190	354	132	523	7,097	5,754	252	13,466	2,812	683	4,398	5,573	3,982	1,224
1963—Dec. 20 [c].	44,035	24,295	5,544	2,811	229	373	166	604	8,047	6,643	269	13,854	3,027	351	4,343	6,133	4,576	1,309
1964—June 30..	45,047	25,815	5,844	2,933	185	384	149	563	8,594	7,320	284	13,087	2,354	19	4,569	6,144	4,841	1,305
Dec. 31..	48,879	27,899	6,500	2,862	400	432	241	733	9,088	7,786	328	14,273	3,445	......	3,801	7,026	5,159	1,548

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[1] Beginning with June 30, 1948, figures for various loan items are shown gross (i.e., before deduction of valuation reserves); they do not add to the total and are not entirely comparable with prior figures. Total loans continue to be shown net.

[2] Breakdowns of loan, investment, and deposit classifications are not available before 1947; summary figures for earlier dates appear in the preceding table.

For other notes see opposite page.

RESERVES AND LIABILITIES BY CLASS OF BANK

(In millions of dollars)

Class of bank and call date	Reserves with F.R. Banks	Currency and coin	Balances with domestic banks[3]	Demand deposits adjusted[4]	Demand deposits						Time deposits				Borrowings	Capital accounts
					Interbank		U.S. Govt.	State and local govt.	Certified and officers' checks, etc.	IPC	Interbank	U.S. Govt. and Postal Savings	State and local govt.	IPC		
					Domestic[3]	Foreign[5]										
Total:[2]																
1947—Dec. 31....	17,796	2,216	10,216	87,123	11,362	1,430	1,343	6,799	2,581	84,987	240	111	866	34,383	65	10,059
1962—Dec. 28....	17,680	4,252	13,099	124,342	14,713	1,295	6,829	12,071	4,511	124,459	535	269	6,450	90,991	3,627	24,094
1963—Dec. 20....	17,150	4,048	12,312	126,579	14,048	1,218	6,729	12,256	4,494	124,784	526	269	7,908	102,886	3,664	25,677
1964—June 30....	16,774	4,539	12,693	122,537	13,909	1,363	10,257	12,583	4,832	121,695	677	257	8,680	110,650	2,099	26,768
Dec. 31....	17,581	4,532	15,111	134,671	16,369	1,569	6,510	13,519	5,970	135,694	819	272	9,812	116,635	2,679	27,795
All insured:																
1941—Dec. 31....	12,396	1,358	8,570	37,845	9,823	673	1,762	3,677	1,077	36,544	158	59	492	15,146	10	6,844
1945—Dec. 31....	15,810	1,829	11,075	74,722	12,566	1,248	23,740	5,098	2,585	72,593	70	103	496	29,277	215	8,671
1947—Dec. 31....	17,796	2,145	9,736	85,751	11,236	1,379	1,325	6,692	2,559	83,723	54	111	826	33,946	61	9,734
1962—Dec. 28....	17,680	4,232	12,795	123,361	14,579	1,265	6,815	11,991	4,434	123,744	402	269	6,397	90,714	3,584	23,712
1963—Dec. 20....	17,150	4,033	11,984	125,615	13,900	1,177	6,712	12,175	4,429	124,098	443	269	7,853	102,600	3,571	25,277
1964—June 30....	16,774	4,524	12,409	121,608	13,756	1,316	10,234	12,491	4,781	121,051	591	257	8,634	110,352	2,035	26,358
Dec. 31....	17,581	4,515	14,613	133,336	16,210	1,454	6,487	13,423	5,856	134,764	733	272	9,766	116,147	2,580	27,377
Member, total:																
1941—Dec. 31....	12,396	1,087	6,246	33,754	9,714	671	1,709	3,066	1,009	33,061	140	50	418	11,878	4	5,886
1945—Dec. 31....	15,811	1,438	7,117	64,184	12,333	1,243	22,179	4,240	2,450	62,950	64	99	399	23,712	208	7,589
1947—Dec. 31....	17,797	1,672	6,270	73,528	10,978	1,375	1,176	5,504	2,401	72,704	50	105	693	27,542	54	8,464
1962—Dec. 28....	17,680	3,263	7,897	101,528	14,071	1,237	6,086	9,270	4,083	104,646	358	243	5,158	74,316	3,550	19,854
1963—Dec. 20....	17,150	3,131	7,359	102,816	13,378	1,140	5,986	9,376	4,055	104,130	382	240	6,364	84,326	3,499	21,054
1964—June 30....	16,774	3,511	7,807	99,288	13,247	1,280	9,342	9,639	4,379	101,605	525	227	7,045	90,762	1,936	22,060
Dec. 31....	17,581	3,490	9,057	108,324	15,604	1,403	5,838	10,293	5,368	112,878	664	239	8,012	95,425	2,481	22,901
New York City:																
1941—Dec. 31....	5,105	93	141	10,761	3,595	607	866	319	450	11,282	6	......	29	778	.....	1,648
1945—Dec. 31....	4,015	111	78	15,065	3,535	1,105	6,940	237	1,338	15,712	17	10	20	1,206	195	2,120
1947—Dec. 31....	4,639	151	70	16,653	3,236	1,217	267	290	1,105	17,646	12	12	14	1,418	30	2,259
1962—Dec. 28....	4,121	251	156	17,095	3,854	929	1,408	366	2,237	19,628	207	53	266	8,937	1,728	3,898
1963—Dec. 20....	3,625	264	96	16,763	3,487	801	1,419	368	2,119	18,473	214	76	449	10,920	1,438	3,984
1964—June 30....	3,919	273	82	16,389	3,791	920	2,112	420	2,323	18,480	317	71	528	12,582	924	4,402
Dec. 31....	3,730	278	180	17,729	4,112	976	1,486	441	2,940	20,515	436	74	677	13,534	1,224	4,471
City of Chicago:																
1941—Dec. 31....	1,021	43	298	2,215	1,027	8	127	233	34	2,152	......	......	......	476	.....	288
1945—Dec. 31....	942	36	200	3,153	1,292	20	1,552	237	66	3,160	......	......	......	719	.....	377
1947—Dec. 31....	1,070	30	175	3,737	1,196	21	72	285	63	3,853	......	2	9	902	.....	426
1962—Dec. 28....	1,071	44	99	4,262	1,235	41	410	351	109	4,804	18	7	16	3,001	262	948
1963—Dec. 20....	1,019	49	98	4,144	1,169	43	395	275	112	4,500	17	6	185	3,595	255	996
1964—June 30....	923	53	151	3,845	1,135	47	587	311	114	4,319	25	5	199	3,887	210	1,017
Dec. 31....	1,006	55	150	4,294	1,389	59	396	312	122	4,929	22	5	213	4,361	204	1,056
Other reserve city:																
1941—Dec. 31....	4,060	425	2,590	11,117	4,302	54	491	1,144	286	11,127	104	20	243	4,542	.....	1,967
1945—Dec. 31....	6,326	494	2,174	22,372	6,307	110	8,221	1,763	611	22,281	30	38	160	9,563	2	2,566
1947—Dec. 31....	7,095	562	2,125	25,714	5,497	131	405	2,282	705	26,003	22	45	332	11,045	1	2,844
1962—Dec. 28....	7,671	1,021	2,253	35,481	7,229	248	2,337	3,216	980	39,413	82	83	2,633	28,027	1,388	7,263
1963—Dec. 20....	7,587	935	2,105	35,859	6,958	267	2,212	3,144	1,034	39,281	95	72	2,950	31,982	1,416	7,697
1964—June 30....	7,106	1,072	2,296	34,281	6,616	278	3,771	3,234	1,086	38,067	118	69	3,362	34,544	572	8,110
Dec. 31....	7,680	1,065	2,433	37,047	7,962	326	2,195	3,508	1,238	42,137	134	77	3,840	35,728	841	8,488
Country:																
1941—Dec. 31....	2,210	526	3,216	9,661	790	2	225	1,370	239	8,500	30	31	146	6,082	4	1,982
1945—Dec. 31....	4,527	796	4,665	23,595	1,199	8	5,465	2,004	435	21,797	17	52	219	12,224	11	2,525
1947—Dec. 31....	4,993	929	3,900	27,424	1,049	7	432	2,647	528	25,203	17	45	337	14,177	23	2,934
1962—Dec. 28....	4,817	1,947	5,389	44,689	1,753	19	1,931	5,337	756	40,801	51	100	2,242	34,350	172	7,744
1963—Dec. 20....	4,919	1,884	5,060	46,049	1,764	29	1,960	5,590	790	41,877	56	86	2,778	37,829	390	8,377
1964—June 30....	4,826	2,113	5,278	44,773	1,705	34	2,872	5,674	856	40,740	64	83	2,956	39,749	230	8,531
Dec. 31....	5,165	2,092	6,295	49,253	2,141	41	1,760	6,031	1,068	45,298	71	83	3,282	41,803	213	8,886
Nonmember:[2]																
1947—Dec. 31....	....	544	3,947	13,595	385	55	167	1,295	180	12,284	190	6	172	6,858	12	1,596
1962—Dec. 28....	....	989	5,202	22,814	642	57	743	2,802	428	19,813	176	26	1,292	16,675	77	4,240
1963—Dec. 20....	....	917	4,953	23,763	671	78	743	2,880	438	20,654	144	29	1,545	18,560	165	4,623
1964—June 30....	....	1,028	4,886	23,249	661	84	915	2,943	453	20,090	151	30	1,635	19,888	163	4,708
Dec. 31....	....	1,042	6,054	26,348	765	166	672	3,227	602	22,816	156	33	1,800	21,210	198	4,894

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[3] Beginning with 1942, excludes reciprocal bank balances.

[4] Through 1960, demand deposits other than interbank and U.S. Govt., less cash items in process of collection; beginning with 1961, demand deposits other than domestic commercial interbank and U.S. Govt., less cash items in process of collection.

[5] For reclassification of certain deposits in 1961, see note 6, p. 589, May 1964 BULLETIN.

NOTE.—Data are for all commercial banks in the United States. (For definition of "commercial banks" as used in this table and for other banks that are included under member banks, see NOTE, p. 589, May 1964 BULLETIN.) These figures exclude data for banks in U.S. possessions except for member banks. Comparability of figures for classes of banks is affected somewhat by changes in F.R. membership, deposit insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.

Data for June 30 and Dec. 31, 1964, for national banks have been adjusted to make them comparable with State bank data. (Data for Dec. 20, 1963, also adjusted to lesser extent.)

For other notes see opposite page.

ASSETS AND LIABILITIES OF BANKS IN LEADING CITIES

(In millions of dollars)

Wednesday	Total loans and investments[1]	Loans and investments adjusted[2]	Loans														
			Loans adjusted[2]	Commercial and industrial	Agricultural	For purchasing or carrying securities				To financial institutions				Real estate	All other	Valuation reserves
						To brokers and dealers		To others		Bank		Nonbank				
						U. S. Govt. securities	Other securities	U. S. Govt. securities	Other securities	Foreign	Domestic commercial	Pers. and sales finan. cos., etc.	Other			
Total—Leading cities																
1964																
Aug. 5	143,676	141,660	95,374	38,700	1,557	1,181	3,381	87	1,866	1,182	2,016	4,476	3,968	19,157	21,877	2,058
12	143,584	141,237	95,177	38,874	1,546	919	3,337	71	1,867	1,190	2,347	4,322	3,995	19,227	21,882	2,053
19	144,408	142,192	95,666	38,915	1,550	1,118	3,324	74	1,916	1,150	2,216	4,448	4,068	19,276	21,920	2,093
26	143,688	141,389	94,962	38,902	1,542	686	3,303	69	1,909	1,178	2,299	4,278	3,965	19,292	21,933	2,095
1965																
July 7	159,966	157,499	110,220	46,688	1,601	1,231	3,669	71	1,963	1,585	2,467	5,361	4,365	21,193	24,794	2,301
14	159,373	156,991	109,766	46,706	1,619	1,137	3,319	69	1,962	1,594	2,382	5,192	4,393	21,262	24,809	2,296
21	158,291	156,086	108,996	^{r}46,455	1,632	906	3,190	68	1,967	1,553	2,205	4,953	4,393	21,336	^{r}24,837	2,294
28	158,019	155,795	108,551	^{r}46,282	1,640	585	3,088	69	1,970	1,555	2,224	4,974	4,510	21,368	^{r}24,807	2,297
Aug. 4	159,307	156,656	109,286	46,590	1,578	594	3,141	66	1,967	1,550	2,651	5,305	4,494	21,418	24,882	2,299
11	158,686	156,349	109,111	46,706	1,588	487	3,062	65	1,967	1,551	2,337	5,082	4,502	21,505	24,894	2,298
18	159,393	156,970	109,921	47,002	1,588	758	3,051	66	1,961	1,571	2,423	5,124	4,528	21,617	24,953	2,298
25	159,022	156,834	109,853	46,897	1,585	664	3,046	68	1,988	1,533	2,188	5,214	4,556	21,681	24,916	2,295
New York City																
1964																
Aug. 5	34,642	34,077	23,466	12,268	18	740	1,911	12	599	628	565	1,470	819	2,085	3,477	561
12	34,511	33,673	23,150	12,259	18	567	1,860	12	606	636	838	1,371	837	2,083	3,462	561
19	34,558	34,050	23,321	12,274	18	627	1,894	11	605	614	508	1,458	848	2,094	3,453	575
26	34,313	33,615	22,977	12,282	17	398	1,867	11	603	625	698	1,353	841	2,101	3,453	574
1965																
July 7	40,240	39,480	28,811	15,663	14	675	2,253	17	518	832	760	1,820	972	2,612	4,045	610
14	39,826	39,050	28,257	15,617	15	566	1,975	17	522	841	776	1,666	960	2,613	4,075	610
21	39,301	38,315	27,600	15,454	15	369	1,843	17	529	802	986	1,528	969	2,618	4,066	610
28	39,068	38,148	27,421	15,365	15	290	1,794	16	529	805	920	1,543	1,013	2,621	4,040	610
Aug. 4	39,436	38,649	27,917	15,550	18	266	1,868	16	531	787	787	1,783	1,027	2,635	4,046	610
11	39,291	38,476	27,787	15,620	17	220	1,819	16	530	791	815	1,655	1,027	2,659	4,043	610
18	39,478	38,728	28,164	15,695	17	450	1,822	16	527	818	750	1,630	1,041	2,690	4,068	610
25	39,431	38,877	28,226	15,731	16	376	1,824	16	549	788	554	1,725	1,058	2,703	4,050	610
Outside New York City																
1964																
Aug. 5	109,034	107,583	71,908	26,432	1,539	441	1,470	75	1,267	554	1,451	3,006	3,149	17,072	18,400	1,497
12	109,073	107,564	72,027	26,615	1,528	352	1,477	59	1,261	554	1,509	2,951	3,158	17,144	18,420	1,492
19	109,850	108,142	72,345	26,641	1,532	491	1,430	63	1,311	536	1,708	2,990	3,220	17,182	18,467	1,518
26	109,375	107,774	71,985	26,620	1,525	288	1,436	58	1,306	553	1,601	2,925	3,124	17,191	18,480	1,521
1965																
July 7	119,726	118,019	81,409	31,025	1,587	556	1,416	54	1,445	753	1,707	3,541	3,393	18,581	20,749	1,691
14	119,547	117,941	81,509	31,089	1,604	571	1,344	52	1,440	753	1,606	3,526	3,433	18,649	20,734	1,686
21	118,990	117,771	81,396	^{r}31,001	1,617	537	1,347	51	1,438	751	1,219	3,425	3,424	18,718	^{r}20,771	1,684
28	118,951	117,647	81,130	^{r}30,917	1,625	295	1,294	53	1,441	750	1,304	3,431	3,497	18,747	^{r}20,767	1,687
Aug. 4	119,871	118,007	81,369	31,040	1,560	328	1,273	50	1,436	763	1,864	3,522	3,467	18,783	20,836	1,689
11	119,395	117,873	81,324	31,086	1,571	267	1,243	49	1,437	760	1,522	3,427	3,475	18,846	20,851	1,688
18	119,915	118,242	81,757	31,307	1,571	308	1,229	50	1,434	753	1,673	3,494	3,487	18,927	20,885	1,688
25	119,591	117,957	81,627	31,166	1,569	288	1,222	52	1,439	745	1,634	3,489	3,498	18,978	20,866	1,685

For notes see p. 1302

ASSETS AND LIABILITIES OF BANKS IN LEADING CITIES—Continued

[In millions of dollars]

Wednesday	Investments							Cash assets[3]					All other assets	Total assets—Total liabilities and capital accounts
	U.S. Government securities						Other securities	Total	Balances with domestic banks	Balances with foreign banks	Currency and coin	Reserves with F. R. Banks		
	Total	Bills	Certificates	Notes and bonds maturing—										
				Within 1 year	1 to 5 years	After 5 years								
Total—Leading cities														
1964														
Aug. 5	26,049	4,021	....	3,043	11,255	7,730	20,237	18,024	3,008	254	1,654	13,108	5,633	181,364
12	25,805	3,800	....	3,069	11,186	7,750	20,255	17,456	3,084	246	1,822	12,304	5,670	181,638
19	26,205	3,773	....	3,434	11,274	7,724	20,321	17,465	3,046	256	1,820	12,343	5,523	181,858
26	25,961	3,632	....	3,446	11,267	7,616	20,466	17,228	2,940	255	1,854	12,179	5,526	179,767
1965														
July 7	23,829	3,204	....	3,664	9,857	7,104	23,450	18,391	3,150	211	1,910	13,120	6,431	202,010
14	23,745	3,046	....	3,760	9,803	7,136	23,480	18,252	3,083	203	2,059	12,907	6,373	201,563
21	23,604	2,976	....	3,748	9,755	7,125	23,486	18,410	2,988	201	2,005	13,216	6,300	198,422
28	23,667	2,990	....	3,755	9,776	7,146	23,577	18,509	2,883	201	2,050	13,375	6,386	197,430
Aug. 4	23,562	2,956	....	3,690	9,782	7,134	23,808	18,747	3,056	199	1,834	13,658	6,525	199,949
11	23,325	2,680	....	3,674	9,825	7,146	23,913	17,850	2,904	213	1,962	12,771	6,480	197,960
18	23,043	2,455	....	3,893	9,754	6,941	24,006	18,072	3,035	223	1,973	12,841	6,344	199,127
25	22,885	2,404	....	3,967	9,631	6,883	24,096	18,196	2,868	199	2,039	13,090	6,372	197,465
New York City														
1964														
Aug. 5	5,408	1,465	....	636	1,864	1,443	5,203	3,985	82	115	254	3,534	2,328	45,264
12	5,333	1,381	....	661	1,870	1,421	5,190	3,753	142	110	265	3,236	2,372	45,187
19	5,528	1,402	....	729	1,970	1,427	5,201	4,105	138	118	257	3,592	2,295	45,781
26	5,406	1,328	....	718	1,970	1,390	5,232	3,955	106	120	264	3,465	2,297	45,059
1965														
July 7	4,625	1,010	....	603	1,465	1,547	6,044	4,075	106	106	297	3,566	2,587	52,653
14	4,702	1,087	....	616	1,458	1,541	6,091	4,200	138	97	296	3,669	2,546	52,177
21	4,625	1,004	....	634	1,441	1,546	6,090	4,404	146	92	283	3,883	2,477	51,123
28	4,623	970	....	641	1,456	1,556	6,104	4,601	103	95	296	4,107	2,482	51,015
Aug. 4	4,578	818	....	714	1,482	1,564	6,154	4,692	123	93	280	4,196	2,589	51,596
11	4,546	747	....	726	1,501	1,572	6,143	4,189	133	104	292	3,660	2,570	50,754
18	4,369	687	....	640	1,535	1,507	6,195	4,407	135	114	281	3,877	2,582	51,358
25	4,350	694	....	666	1,513	1,477	6,301	4,397	79	93	294	3,931	2,589	51,078
Outside New York City														
1964														
Aug. 5	20,641	2,556	....	2,407	9,391	6,287	15,034	14,039	2,926	139	1,400	9,574	3,305	136,100
12	20,472	2,419	....	2,408	9,316	6,329	15,065	13,703	2,942	136	1,557	9,068	3,298	136,451
19	20,677	2,371	....	2,705	9,304	6,297	15,120	13,360	2,908	138	1,563	8,751	3,228	136,077
26	20,555	2,304	....	2,728	9,297	6,226	15,234	13,273	2,834	135	1,590	8,714	3,229	134,708
1965														
July 7	19,204	2,194	....	3,061	8,392	5,557	17,406	14,316	3,044	105	1,613	9,554	3,844	149,357
14	19,043	1,959	....	3,144	8,345	5,595	17,389	14,052	2,945	106	1,763	9,238	3,827	149,386
21	18,979	1,972	....	3,114	8,314	5,579	17,396	14,006	2,842	109	1,722	9,333	3,823	147,299
28	19,044	2,020	....	3,114	8,320	5,590	17,473	13,908	2,780	106	1,754	9,268	3,904	146,415
Aug. 4	18,984	2,138	....	2,976	8,300	5,570	17,654	14,055	2,933	106	1,554	9,462	3,936	148,353
11	18,779	1,933	....	2,948	8,324	5,574	17,770	13,661	2,771	109	1,670	9,111	3,910	147,206
18	18,674	1,768	....	3,253	8,219	5,434	17,811	13,665	2,900	109	1,692	8,964	3,762	147,769
25	18,535	1,710	....	3,301	8,118	5,406	17,795	13,799	2,789	106	1,745	9,159	3,783	146,387

For notes see the following page.

ASSETS AND LIABILITIES OF BANKS IN LEADING CITIES—Continued

(In millions of dollars)

Wednesday	Deposits													Borrowings		Other liabilities	Capital accounts
	Total unadjusted[4]	Demand deposits adjusted[5]	Demand						Time					From F.R. Banks	From others		
			Total[6]	IPC	State and local govt.	Foreign[7]	U.S. Govt.	Domestic commercial banks	Total[8]	Savings	Other time[9]						
											IPC	State and local govt.	Foreign[7]				
Total— Leading cities																	
1964																	
Aug. 5......	156,645	62,952	92,827	66,198	5,215	1,988	4,160	11,684	63,818	39,242	15,818	4,492	3,740	644	2,854	5,994	15,227
12......	156,978	62,613	92,957	67,213	4,897	1,905	3,831	11,585	64,021	39,302	15,935	4,483	3,775	92	3,224	6,102	15,242
19......	156,995	61,332	92,832	65,611	4,596	1,876	5,453	11,585	64,163	39,369	15,940	4,533	3,801	118	3,321	6,190	15,234
26......	155,064	62,393	90,735	65,413	4,889	1,920	4,021	10,996	64,329	39,421	16,026	4,557	3,800	75	3,125	6,245	15,258
1965																	
July 7......	173,854	63,035	100,182	68,624	4,936	2,047	7,043	12,882	73,672	43,137	19,972	5,656	4,196	395	4,130	6,824	16,807
14......	173,276	63,116	99,067	69,917	4,723	2,012	6,005	12,381	74,209	43,287	20,240	5,734	4,233	179	4,328	7,003	16,777
21......	170,558	63,313	96,154	68,459	4,563	1,981	5,936	11,484	74,404	43,376	20,322	5,752	4,242	220	4,002	6,890	16,752
28......	169,339	64,179	94,579	68,102	4,900	2,002	5,022	10,862	74,760	43,429	20,542	5,766	4,302	486	3,877	6,955	16,773
Aug. 4......	171,139	63,285	96,234	67,407	5,320	1,958	5,318	12,261	74,905	43,544	20,571	5,760	4,306	368	4,557	7,033	16,852
11......	169,483	62,888	94,305	67,186	4,841	1,976	4,853	11,620	75,178	43,644	20,610	5,876	4,330	222	4,264	7,131	16,860
18......	170,079	61,589	94,704	66,575	4,710	1,910	5,962	11,835	75,375	43,719	20,753	5,872	4,301	266	4,604	7,349	16,829
25......	168,805	62,791	93,102	66,415	4,758	1,866	5,082	11,354	75,703	43,779	20,923	5,932	4,324	374	4,096	7,358	16,832
New York City																	
1964																	
Aug. 5......	36,988	15,799	24,196	16,277	256	1,493	1,150	2,938	12,792	4,477	4,953	395	2,639	30	1,295	2,712	4,239
12......	36,839	15,577	24,017	16,310	347	1,416	1,041	2,848	12,822	4,488	4,931	404	2,671	8	1,345	2,750	4,245
19......	37,234	15,188	24,387	16,104	256	1,393	1,388	2,988	12,847	4,500	4,924	415	2,686	2	1,578	2,732	4,235
26......	36,724	15,524	23,855	16,189	282	1,409	980	2,857	12,869	4,509	4,936	422	2,677	5	1,359	2,738	4,233
1965																	
July 7......	42,817	15,553	26,740	16,672	305	1,483	2,036	3,400	16,077	5,022	7,018	576	2,964	163	1,512	3,236	4,925
14......	42,269	15,351	25,949	16,809	315	1,463	1,670	3,323	16,320	5,046	7,185	599	2,998	......	1,747	3,246	4,915
21......	41,669	15,489	25,295	16,498	268	1,427	1,693	3,172	16,374	5,058	7,227	608	2,993	......	1,382	3,160	4,912
28......	41,561	15,721	25,072	16,624	256	1,455	1,394	3,093	16,489	5,062	7,284	614	3,037	62	1,332	3,146	4,914
Aug. 4......	41,625	15,412	25,118	16,198	263	1,426	1,542	3,285	16,507	5,083	7,274	615	3,045	110	1,698	3,214	4,949
11......	40,927	15,276	24,331	15,895	333	1,427	1,367	2,984	16,596	5,097	7,292	679	3,043	47	1,609	3,219	4,952
18......	41,144	14,966	24,496	15,948	283	1,373	1,552	3,087	16,648	5,107	7,369	662	3,022	......	1,821	3,451	4,942
25......	41,168	15,437	24,393	16,184	317	1,348	1,272	3,023	16,775	5,114	7,459	667	3,039	109	1,421	3,444	4,936
Outside New York City																	
1964																	
Aug. 5......	119,657	47,153	68,631	49,921	4,959	495	3,010	8,746	51,026	34,765	10,865	4,097	1,101	614	1,559	3,282	10,988
12......	120,139	47,036	68,940	50,903	4,550	489	2,790	8,737	51,199	34,814	11,004	4,079	1,104	84	1,879	3,352	10,997
19......	119,761	46,144	68,445	49,507	4,340	483	4,065	8,597	51,316	34,869	11,016	4,118	1,115	116	1,743	3,458	10,999
26......	118,340	46,869	66,880	49,224	4,607	511	3,041	8,139	51,460	34,912	11,090	4,135	1,123	70	1,766	3,507	11,025
1965																	
July 7......	131,037	47,482	73,442	51,952	4,631	564	5,007	9,482	57,595	38,115	12,954	5,080	1,232	232	2,618	3,588	11,882
14......	131,007	47,765	73,118	53,108	4,408	549	4,335	9,058	57,889	38,241	13,055	5,135	1,235	179	2,581	3,757	11,862
21......	128,889	47,824	70,859	51,961	4,295	554	4,243	8,312	58,030	38,318	13,095	5,144	1,249	220	2,620	3,730	11,840
28......	127,778	48,458	69,507	51,478	4,644	547	3,628	7,769	58,271	38,367	13,258	5,152	1,265	424	2,545	3,809	11,859
Aug. 4......	129,514	47,873	71,116	51,209	5,057	532	3,776	8,976	58,398	38,461	13,297	5,145	1,261	258	2,859	3,819	11,903
11......	128,556	47,612	69,974	51,291	4,508	549	3,486	8,636	58,582	38,547	13,318	5,197	1,287	175	2,655	3,912	11,908
18......	128,935	46,623	70,208	50,627	4,427	537	4,410	8,748	58,727	38,612	13,384	5,210	1,279	266	2,783	3,898	11,887
25......	127,637	47,354	68,709	50,231	4,441	518	3,810	8,331	58,928	38,665	13,464	5,265	1,285	265	2,675	3,914	11,896

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[1] After deduction of valuation reserves.

[2] Exclusive of loans to domestic commercial banks and after deduction of valuation reserves; individual loans items are shown gross.

[3] Excludes cash items in process of collection.

[4] Total demand and total time deposits.

[5] Demand deposits other than domestic commercial interbank and U.S. Govt., less cash items in process of collection.

[6] Includes certified and officers' checks and deposits of mutual savings banks, not shown separately.

[7] Deposits of foreign governments and official institutions, central banks, international institutions, banks in foreign countries, and foreign branches of U.S. banks other than reporting bank.

[8] Includes U.S. Govt., postal savings, domestic commercial interbank and mutual savings banks, not shown separately.

[9] Includes certificates of deposit outstanding in following amounts (in millions of dollars):

	Aug. 4	Aug. 11	Aug. 18	Aug. 25
Total—Leading Cities.....	15,822	16,003	16,014	16,177
New York City...........	6,622	6,734	6,766	6,847
Outside New York City...	9,200	9,269	9,248	9,330

COMMERCIAL AND INDUSTRIAL LOANS OF WEEKLY REPORTING MEMBER BANKS

(In millions of dollars)

Industry	Outstanding					Net change during—							
	1965					1965			1965		1964	1965	1964
	Aug. 25	Aug. 18	Aug. 11	Aug. 4	July 28	Aug.	July	June	II	I	IV	1st half	2nd half
Durable goods manufacturing:													
Primary metals	806	804	787	770	770	36	−31	24	68	92	−18	160	−99
Machinery	2,733	2,740	2,726	2,713	2,700	33	−41	20	77	457	93	534	12
Transportation equipment	1,145	1,140	1,141	1,118	1,103	42	37	38	55	64	60	119	47
Other fabricated metal products	1,321	1,329	1,331	1,297	1,282	39	−3	98	154	169	−36	323	−36
Other durable goods	1,472	1,461	1,461	1,440	1,427	45	−11	59	142	143	−66	285	−9
Nondurable goods manufacturing:													
Food, liquor, and tobacco	1,516	1,539	1,511	1,527	1,513	3	−117	69	−191	−179	527	−370	704
Textiles, apparel, and leather	1,877	1,826	1,800	1,767	1,733	144	39	129	176	248	−359	424	−295
Petroleum refining	1,289	1,248	1,239	1,236	1,227	62	−4	29	23	166	33	189	−11
Chemicals and rubber	1,636	1,669	1,654	1,659	1,656	−20	−47	66	109	190	232	299	249
Other nondurable goods	1,174	1,165	1,145	1,125	1,110	64	15	19	106	97	−94	203	−63
Mining, including crude petroleum and natural gas	3,327	3,343	3,334	3,333	3,326	1	−24	35	3	218	295	221	435
Trade: Commodity dealers	1,041	1,025	1,020	1,021	1,015	26	−24	−76	−370	−20	391	−390	545
Other wholesale	2,547	2,563	2,573	2,560	2,540	7	7	18	144	126	81	270	156
Retail	2,986	3,050	2,982	3,066	2,953	33	−221	123	267	414	−211	681	−68
Transportation, communication, and other public utilities	5,146	5,132	5,148	5,161	5,216	−70	47	439	520	−15	237	505	637
Construction	2,557	2,565	2,541	2,525	2,525	32	4	88	257	2	38	259	142
All other:[1]													
Bankers' acceptances	793	826	819	813	800	−7	−82	21	94	−307	174	−213	235
All other types of business, mainly services	6,055	6,050	5,995	6,010	5,939	116	−19	144	136	428	394	564	355
Total classified loans	39,421	39,475	39,207	39,141	38,835	586	−475	1,343	1,770	2,293	1,771	4,063	2,936
Commercial and industrial loans—All weekly reporting banks	46,897	47,002	46,706	46,590	r46,282	615	r−565	1,624	2,227	2,501	2,166	4,728	3,371

[1] Beginning Dec. 31, 1963, bankers' acceptances for the creation of dollar exchange are excluded from commercial and industrial loans and those relating to commercial transactions are shown in a separate category. Current figures are therefore not strictly comparable with figures previously reported, but differences are relatively small.

NOTE.—About 200 of the weekly reporting member banks are included in this series; these banks classify, by industry, commercial and industrial loans amounting to about 85 per cent of such loans held by all weekly reporting member banks, and about 60 per cent of those held by all commercial banks.

BANK RATES ON SHORT-TERM BUSINESS LOANS

(Per cent per annum)

Area and period	All loans	Size of loan (thousands of dollars)			
		1–10	10–100	100–200	200 and over
Year:					
19 large cities:					
1956	4.2	5.2	4.8	4.4	4.0
1957	4.6	5.5	5.1	4.8	4.5
1958	4.3	5.5	5.0	4.6	4.1
1959	5.0	5.8	5.5	5.2	4.9
1960	5.2	6.0	5.7	5.4	5.0
1961	5.0	5.9	5.5	5.2	4.8
1962	5.0	5.9	5.5	5.2	4.8
1963	5.0	5.9	5.5	5.2	4.8
1964	5.0	5.9	5.6	5.3	4.8
Quarter:[1]					
19 large cities:					
1964—June	4.99	5.84	5.53	5.24	4.81
Sept.	4.98	5.86	5.57	5.23	4.79
Dec.	5.00	5.85	5.56	5.31	4.82
1965—Mar.	4.97	5.89	5.56	5.26	4.78
June	4.99	5.88	5.59	5.29	4.79
Quarter—cont.:[1]					
New York City:					
1964—June	4.74	5.64	5.36	5.05	4.63
Sept.	4.72	5.64	5.40	5.01	4.61
Dec.	4.77	5.59	5.35	5.08	4.66
1965—Mar.	4.74	5.62	5.36	5.10	4.62
June	4.74	5.62	5.39	5.07	4.62
7 other northern and eastern cities:					
1964—June	5.03	5.83	5.55	5.27	4.89
Sept.	5.01	5.88	5.56	5.25	4.86
Dec.	5.03	5.84	5.58	5.31	4.88
1965—Mar.	5.00	5.85	5.55	5.26	4.85
June	5.01	5.88	5.58	5.32	4.85
11 southern and western cities:					
1964—June	5.29	5.93	5.61	5.34	5.07
Sept.	5.31	5.95	5.67	5.36	5.09
Dec.	5.31	5.96	5.67	5.46	5.06
1965—Mar.	5.27	6.02	5.68	5.36	4.99
June	5.31	6.00	5.71	5.42	5.06

[1] Based on new loans and renewals for first 15 days of month.

NOTE.—Weighted averages. For description see Mar. 1949 BULL., pp. 228–37. Bank prime rate was 3 per cent Jan. 1, 1955—Aug. 3, 1955. Changes thereafter occurred on the following dates (new levels shown in per cent): 1955—Aug. 4, 3¼; Oct. 14, 3½; 1956—Apr. 13, 3¾; Aug. 21, 4; 1957—Aug. 6, 4½; 1958—Jan. 22, 4; Apr. 21, 3½; Sept. 11, 4; 1959—May 18, 4½; Sept. 1, 5; and 1960—Aug. 23, 4½.

MONEY MARKET RATES

(Per cent per annum)

Period	Prime coml. paper, 4- to 6-months [1]	Finance co. paper placed directly, 3- to 6-months [2]	Prime bankers' accept-ances, 90 days [1]	Federal funds rate [3]	U.S. Government securities (taxable) [4]						
					3-month bills [5]		6-month bills [5]		9- to 12-month issues		3- to 5-year issues [7]
					Rate on new issue	Market yield	Rate on new issue	Market yield	Bills (market yield) [5]	Other [6]	
1962	3.26	3.07	3.01	2.68	2.778	2.77	2.908	2.90	3.01	3.02	3.57
1963	3.55	3.40	3.36	3.18	3.157	3.16	3.253	3.25	3.30	3.28	3.72
1964	3.97	3.83	3.77	3.50	3.549	3.54	3.686	3.68	3.74	3.76	4.06
1964—Aug.	3.88	3.76	3.75	3.50	3.506	3.50	3.618	3.61	3.67	3.73	3.99
Sept.	3.89	3.75	3.75	3.45	3.527	3.53	3.666	3.68	3.73	3.82	4.03
Oct.	4.00	3.91	3.75	3.36	3.575	3.57	3.729	3.72	3.79	3.83	4.04
Nov.	4.02	3.89	3.79	3.52	3.624	3.64	3.794	3.81	3.86	3.88	4.04
Dec.	4.17	3.98	4.00	3.85	3.856	3.84	3.971	3.94	3.96	3.96	4.07
1965—Jan.	4.25	4.05	4.00	3.90	3.828	3.81	3.944	3.94	3.91	3.87	4.06
Feb.	4.27	4.12	4.10	3.98	3.929	3.93	4.003	4.00	4.00	3.97	4.08
Mar.	4.38	4.25	4.15	4.04	3.942	3.93	4.003	4.00	4.02	4.03	4.12
Apr.	4.38	4.25	4.19	4.09	3.932	3.93	3.992	3.99	4.00	4.00	4.12
May	4.38	4.25	4.25	4.10	3.895	3.89	3.950	3.95	3.96	3.99	4.11
June	4.38	4.25	4.25	4.04	3.810	3.80	3.872	3.86	3.89	3.98	4.09
July	4.38	4.25	4.22	4.09	3.831	3.83	3.887	3.89	3.89	3.96	4.10
Aug.	4.38	4.25	4.14	4.12	3.836	3.84	3.938	3.95	3.96	4.00	4.19
Week ending—											
1965—July 31	4.38	4.25	4.13	4.09	3.803	3.81	3.873	3.88	3.87	3.97	4.12
Aug. 7	4.38	4.25	4.13	4.11	3.832	3.84	3.927	3.94	3.94	4.00	4.16
14	4.38	4.25	4.13	4.13	3.846	3.82	3.948	3.93	3.94	4.02	4.17
21	4.38	4.25	4.13	4.13	3.813	3.82	3.923	3.93	3.95	3.98	4.20
28	4.38	4.25	4.15	4.13	3.855	3.86	3.955	3.96	4.00	4.00	4.21

[1] Averages of daily offering rates of dealers.

[2] Averages of daily rates, published by finance cos., for varying maturities in the 90–179 day range.

[3] Seven-day average for week ending Wed.

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

[5] Bills quoted on bank discount rate basis.

[6] Certificates of indebtedness and selected note and bond issues.

[7] Selected note and bond issues.

BOND AND STOCK YIELDS

(Per cent per annum)

Period	Government bonds				Corporate bonds						Stocks		
	United States (long-term)	State and local			Total[1]	By selected rating		By group			Dividend/price ratio		Earnings/price ratio
		Total[1]	Aaa	Baa		Aaa	Baa	Indus-trial	Rail-road	Public utility	Pre-ferred	Com-mon	Com-mon
1962	3.95	3.30	3.03	3.67	4.61	4.33	5.02	4.47	4.86	4.51	4.50	3.37	6.06
1963	4.00	3.28	3.06	3.58	4.50	4.26	4.86	4.42	4.65	4.41	4.30	3.17	5.68
1964	4.15	3.28	3.09	3.54	4.57	4.40	4.83	4.52	4.67	4.53	4.32	3.01	5.54
1964—Aug.	4.14	3.27	3.08	3.54	4.57	4.41	4.82	4.52	4.65	4.54	4.29	3.03	....
Sept.	4.16	3.30	3.09	3.57	4.57	4.42	4.82	4.52	4.65	4.53	4.25	3.00	5.60
Oct.	4.16	3.31	3.11	3.58	4.57	4.42	4.81	4.53	4.66	4.52	4.25	2.95	....
Nov.	4.12	3.27	3.08	3.52	4.58	4.43	4.81	4.53	4.67	4.53	4.25	2.96	....
Dec.	4.14	3.23	3.01	3.51	4.58	4.44	4.81	4.54	4.68	4.54	4.23	3.05	5.36
1965—Jan.	4.14	3.18	2.97	3.44	4.57	4.43	4.80	4.53	4.66	4.52	4.18	2.99	....
Feb.	4.16	3.18	2.97	3.42	4.55	4.41	4.78	4.52	4.62	4.51	4.22	2.99	....
Mar.	4.15	3.28	3.09	3.51	4.56	4.42	4.78	4.52	4.63	4.51	4.26	2.99	5.69
Apr.	4.15	3.28	3.09	3.51	4.56	4.43	4.80	4.54	4.64	4.51	4.28	2.95	....
May	4.14	3.28	3.09	3.51	4.57	3.44	4.81	4.55	4.64	4.53	4.30	2.92	....
June	4.14	3.32	3.15	3.54	4.60	4.46	4.85	4.59	4.66	4.56	4.38	3.07	....
July	4.15	3.34	3.16	3.56	4.64	4.48	4.88	4.62	4.71	4.58	4.38	3.09	....
Aug.	4.19	3.32	3.16	3.55	4.65	4.49	4.89	4.63	4.73	4.60	4.34	3.06	....
Week ending—													
1965—July 31	4.15	3.33	3.16	3.55	4.64	4.48	4.88	4.62	4.72	4.58	4.36	3.11	....
Aug. 7	4.16	3.32	3.16	3.55	4.64	4.47	4.88	4.63	4.72	4.58	4.38	3.06	....
14	4.18	3.31	3.15	3.55	4.64	4.48	4.87	4.63	4.72	4.59	4.36	3.07	....
21	4.20	3.31	3.15	3.55	4.66	4.50	4.89	4.63	4.73	4.60	4.29	3.04	....
28	4.21	3.33	3.17	3.56	4.67	4.51	4.89	4.64	4.75	4.61	4.33	3.05	....
Number of issues	6–12	20	5	5	120	30	30	40	40	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.

NOTE.—Annual yields are averages of monthly or quarterly data. Monthly and weekly yields are computed as follows: *U.S. Govt. bonds:* Averages of daily figures for bonds maturing or callable in 10 years or more. *State and local govt. bonds:* General obligations only, based on Thurs. figures. *Corp. bonds:* Averages of daily figures. Both of these series are from Moody's Investors Service series.

Stocks: Standard and Poor's Corp. series. Dividend/price ratios are based on Wed. figures; earnings/price ratios are as of end of period. Preferred stock ratio is 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.

MORTGAGES: NEW HOMES

Period	FHA-insured	Conventional first mortgages				
	Yield (per cent)	Interest rate (per cent)	Fees, etc. (per cent)	Maturity (yrs.)	Loan/ price ratio (per cent)	Avg. loan (thou. dollars)
1961	[1]5.69	(5.98)	......	......	......	......
1962	5.60	(5.93)	......	......	......	......
1963	......	(5.81)	......	......	......	......
1963	5.46	5.84	.64	24.0	73.3	16.3
1964	5.45	5.78	.57	24.8	74.1	17.3
1964—July	5.46	5.76	.52	24.5	73.9	17.4
Aug.	5.46	5.77	.58	24.7	74.4	17.8
Sept.	5.46	5.77	.57	25.0	74.2	17.6
Oct.	5.45	5.75	.58	24.5	73.2	17.4
Nov.	5.45	5.75	.55	24.7	73.5	17.4
Dec.	5.45	5.76	.59	25.2	73.9	17.8
1965—Jan.	5.45	5.79	.59	24.7	74.0	17.5
Feb.	5.45	5.79	.61	24.9	74.0	17.6
Mar.	5.45	5.72	.49	24.9	73.7	18.5
Apr.	5.45	5.74	.51	24.9	73.7	18.1
May	5.45	5.77	.53	24.9	74.4	18.2
June	5.44	5.76	.49	24.6	73.9	17.5
July	5.44	5.77	.55	25.0	75.0	18.3
Aug.	5.45	......	......	......	......	......

[1] Last 6 months only.

NOTE.—Annual data are averages of monthly figures. Yields on FHA-insured mortgages are derived from weighted averages of FHA field-office opinions on private secondary market prices for Sec. 203, 30-year mortgages, with the minimum down payment, a maximum permissible interest rate of 5¼ per cent, and an assumed prepayment period of 15 years. Price data are reported as of the first of the succeeding month.

Conventional first mortgages, Home Loan Bank Board in cooperation with Federal Deposit Insurance Corporation beginning in late 1962; interest rate data for earlier years—in parentheses—are based on estimates from Federal Housing Administration.

SECURITY PRICES

Period	Bond prices			Common stock prices (1941–43 = 10)				Volume of trading (thou. shares)
	U.S. Govt. (long-term)	State and local	Corporate AAA	Total	Industrial	Railroad	Public utility	
1962	86.94	112.1	96.2	62.38	65.54	30.56	59.16	r3,818
1963	86.31	111.3	96.8	69.87	73.39	37.58	64.99	4,573
1964	84.46	111.5	95.1	81.37	86.19	45.46	69.91	4,888
1964—Aug.	84.59	111.8	95.3	82.00	86.70	47.17	71.17	3,919
Sept.	84.31	111.0	95.1	83.41	88.27	47.14	72.07	5,228
Oct.	84.37	110.9	95.1	84.85	89.75	48.69	73.37	4,843
Nov.	84.81	112.0	95.2	85.44	90.36	48.01	74.39	4,928
Dec.	84.65	112.6	95.3	83.96	88.71	45.75	74.24	4,729
1965—Jan.	84.56	114.0	95.5	86.12	91.04	46.79	75.87	5,457
Feb.	84.40	113.3	95.5	86.75	91.64	46.76	77.04	5,910
Mar.	84.48	112.0	95.2	86.83	91.75	46.98	76.92	5,427
Apr.	84.53	112.2	95.0	87.97	93.08	46.63	77.24	5,673
May	84.58	111.9	94.7	89.28	94.69	45.53	77.50	5,510
June	84.57	110.8	94.3	85.04	90.19	42.52	74.19	5,828
July	84.51	110.8	r93.9	84.91	89.92	43.31	74.63	4,056
Aug.	84.00	111.0	93.5	86.49	91.68	46.13	74.71	4,962
Week Ending—								
July. 31	84.46	111.1	93.8	84.38	89.37	43.76	73.87	4,527
Aug. 7	84.31	111.1	93.7	85.71	90.80	45.37	74.53	4,566
14	84.16	111.1	93.6	86.20	91.33	45.82	74.79	4,976
21	83.92	111.1	93.4	86.88	92.10	46.53	74.89	4,965
28	83.73	110.7	93.2	86.88	92.15	46.53	74.55	5,411

NOTE.—Annual data are averages of monthly figures. Monthly and weekly data are averages of daily figures unless otherwise noted and are computed as follows: *U.S. Govt. bonds*, derived from average market yields in preceding table 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*, Standard and Poor's index. *Volume of trading*, average daily trading in stocks on the N.Y. Stock Exchange for a 5½-hour trading day.

STOCK MARKET CREDIT

(In millions of dollars)

Months	Customer credit					Broker and dealer credit				
	Total securities other than U.S. Govt.	Net debit balances with N. Y. Stock Exchange firms secured by—		Bank loans to other than brokers and dealers for purchasing or carrying—		Money borrowed on—				Customers' net free credit balances
		U.S. Govt. securities	Other securities	U.S. Govt. securities	Other securities	U.S. Govt. securities	Other securities			
							Total	Customer collateral	Other collateral	
1961—Dec.	5,602	35	4,259	125	1,343	48	2,954	2,572	382	1,219
1962—Dec.	5,494	24	4,125	97	1,369	35	2,785	2,434	351	1,216
1963—Dec.	7,242	26	5,515	140	1,727	32	4,449	3,852	597	1,210
1964—Aug.	7,096	21	5,187	69	1,909	191	4,090	3,618	472	1,077
Sept.	7,142	19	5,221	81	1,921	109	4,122	3,568	554	1,145
Oct.	7,101	20	5,185	69	1,916	102	4,053	3,528	525	1,155
Nov.	7,108	20	5,160	64	1,948	184	3,951	3,469	482	1,131
Dec.	7,053	21	5,079	72	1,974	222	3,910	3,393	517	1,169
1965—Jan.	6,940	33	4,986	70	1,954	177	3,763	3,317	446	1,207
Feb.	6,872	31	5,007	76	1,865	132	3,748	3,259	489	1,254
Mar.	6,941	30	5,055	129	1,886	106	3,894	3,303	591	1,264
Apr.	7,001	30	5,066	67	1,935	213	3,853	3,326	527	1,207
May	7,085	26	5,129	75	1,956	157	4,030	3,397	633	1,208
June	7,084	26	5,114	73	1,970	225	4,211	3,396	815	1,297
July	6,833	24	4,863	69	1,970	82	3,594	3,099	495	1,233
Aug.	6,874	22	4,886	68	1,988	145	3,626	3,108	518	1,193

NOTE.—Data in first 3 cols. and last col. are for end of month; in other cols. for last Wed.

Net debit balances and broker and dealer credit: Ledger balances of member firms of N.Y. Stock Exchange carrying margin accounts, as reported to Exchange. Customers' debit and free credit balances exclude balances maintained with reporting firm by other member firms of national securities exchanges and balances of reporting firm and of general partners of reporting firm. Balances are net for each customer—i.e., all accounts of one customer are consolidated. Money borrowed includes borrowings from banks and from other lenders except member firms of national securities exchanges.

Bank loans to others than brokers and dealers: Figures are for weekly reporting member banks.

COMMERCIAL AND FINANCE COMPANY PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

(In millions of dollars)

End of period	Commercial and finance company paper			Dollar acceptances											
					Held by—						Based on—				
	Total	Placed through dealers [1]	Placed directly [2]	Total	Accepting banks			F.R. Banks		Others	Imports into United States	Exports from United States	Dollar exchange	Goods stored in or shipped between points in—	
					Total	Own bills	Bills bought	Own acct.	Foreign corr.					United States	Foreign countries
1957	2,672	551	2,121	1,307	287	194	94	66	76	878	278	456	46	296	232
1958	[3]2,751	840	[3]1,911	1,194	302	238	64	49	68	775	254	349	83	244	263
1959	3,202	677	2,525	1,151	319	282	36	75	82	675	357	309	74	162	249
1960	4,497	1,358	3,139	2,027	662	490	173	74	230	1,060	403	669	122	308	524
1961	4,686	1,711	2,975	2,683	1,272	896	376	51	126	1,234	485	969	117	293	819
1962	6,000	2,088	3,912	2,650	1,153	865	288	110	86	1,301	541	778	186	171	974
1963	6,747	1,928	4,819	2,890	1,291	1,031	260	162	92	1,345	567	908	56	41	1,317
1964—July	8,879	2,006	6,873	3,137	1,455	1,121	334	56	137	1,489	576	949	74	24	1,513
Aug.	8,879	2,070	6,809	3,127	1,486	1,145	341	36	132	1,473	586	922	82	22	1,514
Sept.	8,444	2,220	6,224	3,175	1,423	1,127	297	99	127	1,525	609	918	113	36	1,499
Oct.	9,343	2,431	6,912	3,222	1,400	1,164	236	81	126	1,614	647	935	106	34	1,500
Nov.	9,146	2,438	6,708	3,217	1,458	1,195	263	63	125	1,570	657	955	102	40	1,463
Dec.	8,361	2,223	6,138	3,385	1,671	1,301	370	94	122	1,498	667	999	111	43	1,565
1965—Jan.	8,928	2,143	6,785	3,276	1,535	1,308	227	115	122	1,504	662	956	79	34	1,545
Feb.	9,033	2,239	6,794	3,232	1,439	1,247	193	71	118	1,604	660	916	59	26	1,571
Mar.	9,077	2,070	7,007	3,325	1,297	1,138	159	143	134	1,751	725	924	31	22	1,622
Apr.	9,533	2,047	7,486	3,384	1,394	1,171	223	104	139	1,747	744	936	25	21	1,659
May	9,934	1,976	7,958	3,467	1,452	1,187	264	82	160	1,774	761	965	23	21	1,698
June	9,370	1,965	7,405	3,355	1,443	1,127	316	53	157	1,702	736	960	13	18	1,627
July	10,439	2,046	8,393	3,337	1,357	1,094	263	35	151	1,794	782	949	11	16	1,580

[1] As reported by dealers; includes financo co. paper as well as other commercial paper sold in the open market.

[2] As reported by finance cos. that place their paper directly with investors.

[3] Beginning with Nov. 1958, series includes all paper with maturity of 270 days or more. Figures on old basis for Dec. were (in millions): total $2,739; placed directly $1,899.

MUTUAL SAVINGS BANKS

(Amounts in millions of dollars)

End of period	Loans		Securities			Cash assets	Other assets	Total assets—Total liabilities and surplus accts.	Deposits [2]	Other liabilities	Surplus accounts	Mortgage loan commitments [3]	
	Mortgage	Other	U. S. Govt.	State and local govt.	Corporate and other [1]							Number	Amount
1941	4,787	89	3,592	1,786		829	689	11,772	10,503	38	1,231	....	....
1945	4,202	62	10,650	1,257		606	185	16,962	15,332	48	1,582	....	....
1956	19,559	248	7,982	675	3,549	920	448	33,381	30,026	369	2,986	....	....
1957	20,971	253	7,583	685	4,344	889	490	35,215	31,683	427	3,105	....	....
1958	23,038	320	7,270	729	4,971	921	535	37,784	34,031	526	3,227	89,912	1,664
1959 [4]	24,769	358	6,871	721	4,845	829	552	38,945	34,977	606	3,362	65,248	1,170
1960	26,702	416	6,243	672	5,076	874	589	40,571	36,343	678	3,550	58,350	1,200
1961	28,902	475	6,160	667	5,040	937	640	42,829	38,277	781	3,771	61,855	1,654
1962	32,056	602	6,107	527	5,177	956	695	46,121	41,336	828	3,957	114,985	2,548
1963	36,007	607	5,863	440	5,074	912	799	49,702	44,606	943	4,153	104,326	2,549
1964—June	37,971	676	6,024	409	5,145	906	871	52,001	46,624	1,102	4,275	132,625	2,690
July	38,407	705	6,025	409	5,142	863	867	52,417	46,918	1,222	4,277	132,726	2,701
Aug.	38,764	764	6,095	407	5,179	895	879	52,983	47,274	1,356	4,352	134,371	2,743
Sept.	39,146	739	6,082	409	5,193	883	887	53,339	47,757	1,200	[c]4,383	134,277	2,736
Oct.	39,538	727	5,849	403	5,178	898	889	53,482	47,982	1,146	4,354	139,066	2,825
Nov.	39,898	760	5,785	399	5,180	905	898	53,825	48,188	1,223	4,414	136,470	2,811
Dec.	40,328	739	5,791	391	5,099	1,004	886	54,238	48,849	989	4,400	135,992	2,820
1965—Jan.	40,640	800	5,907	388	5,105	977	895	54,713	49,222	1,085	4,405	132,992	2,745
Feb.	40,924	786	6,016	383	5,123	992	909	55,133	49,444	1,214	4,476	138,062	2,838
Mar.	41,265	820	6,054	381	5,144	1,007	931	55,602	49,989	1,108	4,505	138,853	2,873
Apr.	41,563	798	5,857	379	5,183	944	928	55,652	49,978	1,216	4,459	141,959	2,930
May	41,853	882	5,841	367	5,188	968	913	56,013	50,166	1,334	4,512	142,676	3,025
June	42,187	849	5,821	360	5,199	1,019	946	56,382	50,623	1,226	4,533	141,299	3,094

[1] Also includes securities of foreign governments and international organizations and nonguaranteed issues of U.S. Govt. agencies.

[2] See note 3, p. 1293.

[3] Commitments outstanding of banks in N.Y. State as reported to the Savings Bank Assn. of the State of N.Y.

[4] Data reflect consolidation of a large mutual savings bank with a commercial bank.

NOTE.—National Assn. of Mutual Savings Banks data; figures are estimates for all savings banks in the United States and differ somewhat from those shown elsewhere in the BULLETIN; the latter are for call dates and are based on reports filed with U.S. Govt. and State bank supervisory agencies. Loans are shown net of valuation reserves.

LIFE INSURANCE COMPANIES

(In millions of dollars)

End of period	Total assets	Government securities				Business securities			Mort-gages	Real estate	Policy loans	Other assets
		Total	United States	State and local	Foreign[1]	Total	Bonds	Stocks				
Statement value:												
1941	32,731	9,478	6,796	1,995	687	10,174	9,573	601	6,442	1,878	2,919	1,784
1945	44,797	22,545	20,583	722	1,240	11,059	10,060	999	6,636	857	1,962	1,534
1959	113,650	11,581	6,868	3,200	1,513	49,666	45,105	4,561	39,197	3,651	4,618	4,937
1960	119,576	11,679	6,427	3,588	1,664	51,857	46,876	4,981	41,771	3,765	5,231	5,273
1961	126,816	11,896	6,134	3,888	1,874	55,294	49,036	6,258	44,203	4,007	5,733	5,684
1962	133,291	12,448	6,170	4,026	2,252	57,576	51,274	6,302	46,902	4,107	6,234	6,025
1963	141,121	12,438	5,813	3,852	2,773	60,780	53,645	7,135	50,544	4,319	6,655	6,383
1964	149,470	12,322	5,594	3,774	2,954	63,579	55,641	7,938	55,152	4,528	7,140	6,749
Book value:												
1962—Dec.	133,291	12,469	6,171	4,037	2,261	56,565	51,389	5,176	46,957	4,114	6,235	6,951
1963—Dec.	141,121	12,464	5,813	3,868	2,783	59,434	53,770	5,664	50,596	4,325	6,656	7,646
1964—June r	144,978	12,428	5,715	3,816	2,897	60,893	54,899	5,994	52,538	4,403	6,912	7,804
July	145,823	12,476	5,758	3,809	2,909	61,275	55,213	6,062	52,832	4,446	6,947	7,847
Aug.	146,475	12,507	5,763	3,822	2,922	61,355	55,228	6,127	53,173	4,462	6,986	7,992
Sept.	147,172	12,557	5,787	3,846	2,924	61,458	55,262	6,196	53,560	4,487	7,024	8,086
Oct.	147,977	12,555	5,769	3,866	2,920	61,722	55,487	6,235	53,984	4,499	7,060	8,157
Nov.	148,746	12,509	5,699	3,841	2,969	61,968	55,658	6,310	54,404	4,514	7,094	8,257
Dec.	149,318	12,274	5,511	3,808	2,955	62,087	55,697	6,390	55,179	4,521	7,133	8,124
1965—Jan.	150,392	12,518	5,724	3,821	2,973	62,484	56,024	6,460	55,626	4,534	7,162	8,068
Feb.	151,028	12,549	5,761	3,797	2,991	62,704	56,183	6,521	55,941	4,543	7,201	8,090
Mar.	151,663	12,337	5,557	3,787	2,993	63,008	56,399	6,609	56,343	4,568	7,258	8,149
Apr.	152,266	12,312	5,521	3,767	3,024	63,156	56,535	6,621	56,687	4,570	7,314	8,227
May	152,918	12,268	5,490	3,754	3,024	63,525	56,851	6,674	56,997	4,580	7,359	8,189
June	153,497	12,043	5,273	3,724	3,046	63,855	57,113	6,742	57,384	4,614	7,408	8,193

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

NOTE.—Institute of Life Insurance data; figures are estimates for all life insurance cos. in the United States.

Year-end figures: Annual statement asset values, with bonds carried on an amortized basis and stocks at year-end market value. *Month-end figures:* Book value of ledger assets. 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[2]—Total liabilities	Liabilities					Mortgage loan commit-ments
	Mort-gages	U. S. Govt. securi-ties	Cash	Other[1]		Savings capital	Reserves and undivided profits[3]	Borrowed money[4]	Loans in process	Other	
1941	4,578	107	344	775	6,049	4,682	475	256	636		....
1945	5,376	2,420	450	356	8,747	7,365	644	336	402		....
1958	45,627	3,819	2,585	3,108	55,139	47,976	3,845	1,444	1,161	713	1,475
1959	53,141	4,477	2,183	3,729	63,530	54,583	4,393	2,387	1,293	874	1,285
1960	60,070	4,595	2,680	4,131	71,476	62,142	4,983	2,197	1,186	968	1,359
1961	68,834	5,211	3,315	4,775	82,135	70,885	5,708	2,856	1,550	1,136	1,908
1962	78,770	5,563	3,926	5,346	93,605	80,236	6,520	3,629	1,999	1,221	2,230
1963	90,944	6,445	3,979	6,191	107,559	91,308	7,209	5,015	2,528	1,499	2,614
1964—June	96,168	6,688	3,813	6,736	113,405	96,695	7,509	4,984	2,546	1,670	3,108
July	97,211	6,690	3,364	6,537	113,802	96,712	7,528	4,995	2,567	2,000	3,075
Aug.	98,159	6,739	3,378	6,651	114,927	97,485	7,548	4,996	2,495	2,403	2,983
Sept.	98,995	6,781	3,411	6,757	115,944	98,558	7,552	5,069	2,396	2,369	2,912
Oct.	99,832	6,823	3,434	6,828	116,917	99,309	7,564	5,033	2,314	2,697	2,897
Nov.	100,519	6,965	3,520	7,054	118,058	100,168	7,580	5,003	2,244	3,063	2,822
Dec.	101,314	6,973	4,025	6,983	119,295	101,847	7,903	5,596	2,221	1,728	2,589
1965—Jan.	101,844	7,098	3,593	6,827	119,362	102,101	8,014	5,146	2,113	1,988	2,642
Feb.	102,351	7,305	3,609	6,964	120,229	102,680	8,029	5,040	2,085	2,395	2,843
Mar.	103,151	7,386	3,558	7,139	121,234	103,735	8,000	4,938	2,182	2,379	3,124
Apr.	103,975	7,356	3,398	7,293	122,022	103,642	8,017	5,456	2,281	2,626	3,281
May r	104,816	7,406	3,433	7,680	123,335	104,434	8,027	5,465	2,366	3,043	3,379
June	105,827	7,235	3,710	7,694	124,466	106,037	8,313	5,887	2,441	1,788	3,266

[1] Includes other loans, stock in the Federal home loan banks, other investments, real estate owned and sold on contract, and office buildings and fixtures.

[2] Before 1958 mortgages are net of mortgage-pledged shares. Asset items will not add to total assets, which include gross mortgages with no deductions for mortgage-pledged shares. Beginning with Jan. 1958, no deduction is made for mortgage-pledged shares. These have declined consistently in recent years and amounted to $42 million at the end of 1957.

[3] The decline in reserves and surplus from Feb. to Mar. 1964 is concentrated in state-chartered savings and loan assns. in Calif. where the accounting system is being revised.

[4] Consists of advances from FHLB and other borrowing.

NOTE.—Federal Savings and Loan Insurance Corp. data; figures are estimates for all savings and loan assns. in the United States. Data beginning with 1954 are based on monthly reports of insured assns. and annual reports of noninsured assns. Data before 1954 are based entirely on annual reports. Data for current and preceding year are preliminary even when revised.

FEDERAL FISCAL OPERATIONS: SUMMARY

(In millions of dollars)

Period	Derivation of U. S. Government cash transactions												
	Receipts from the public, other than debt				Payments to the public, other than debt				Net rects. or payts.	Net cash borrowing or repayment			
	Budget net	Plus: Trust funds	Less: Intra-govt.[1]	Equals: Total rects.[2]	Budget	Plus: Trust funds[3]	Less: Adjust-ments[4]	Equals: Total payts.		Change in debt (direct & agen.)	Less: Invest. by agen. & trusts	Less: Non-cash debt	Equals: Net
Cal. year—1962	84,709	25,471	3,928	106,206	91,907	25,386	5,419	111,874	−5,668	9,055	1,109	1,386	6,560
1963	87,516	29,255	4,144	112,575	94,188	28,348	5,313	117,222	−4,647	7,672	2,535	883	4,255
1964	88,696	30,742	4,324	115,035	96,944	28,396	5,069	120,270	−5,235	9,084	2,685	619	5,779
Fiscal year—1962	81,409	24,290	3,776	101,865	87,787	25,141	5,266	107,662	−5,797	11,010	492	923	9,594
1963	86,376	27,689	4,281	109,739	92,642	26,545	5,436	113,751	−4,012	8,681	2,069	1,033	5,579
1964	89,459	30,331	4,190	115,530	97,684	28,885	6,237	120,332	−4,802	7,733	2,775	1,099	3,859
1965^{p}	93,044	31,055	4,302	119,685	96,518	29,627	3,776	122,369	−2,684	6,933	2,362	267	4,304
Half year:													
1963—July-Dec.	40,266	13,404	1,792	51,847	48,832	14,812	2,072	61,572	−9,725	5,135	−403	714	4,824
1964—Jan.-June	49,193	16,927	2,398	63,683	48,852	14,073	4,165	58,760	4,923	2,598	3,178	385	−965
July-Dec.	39,503	13,815	1,926	51,352	48,092	14,323	904	61,510	−10,158	6,486	−493	234	6,744
1965—Jan.-June^{p}	53,541	17,240	2,376	68,333	48,426	15,304	2,872	60,859	7,474	447	2,855	33	−2,440
Month:													
1964—July	3,847	1,532	^{r}268	^{r}4,747	7,410	2,713	^{r}−97	^{r}10,219	−5,472	−594	−1,205	38	572
Aug.	6,653	4,171	267	10,552	8,083	2,602	−611	11,296	−744	3,284	1,882	67	1,335
Sept.	10,072	1,994	320	11,739	8,450	1,966	1,016	9,400	2,339	1,412	49	82	1,281
Oct.	3,398	1,224	271	4,344	8,329	2,286	298	10,317	−5,973	93	−1,360	16	1,437
Nov.	7,037	2,928	240	9,716	7,051	2,191	−156	9,398	318	2,976	691	153	2,132
Dec.	8,856	1,966	557	10,256	8,770	2,565	453	10,882	−626	−685	−550	−122	−13
1965—Jan.	5,642	1,016	262	6,387	7,676	2,207	774	9,109	−2,722	−240	−1,537	110	1,187
Feb.	7,518	3,746	27	11,227	7,146	2,183	−277	9,606	1,621	1,884	1,353	60	471
Mar.	11,188	2,175	285	13,065	8,139	2,064	637	9,566	3,499	−1,859	292	−43	−2,108
Apr.	8,549	2,201	244	10,492	8,268	2,949	741	10,476	16	−891	−1,471	57	523
May	7,268	4,885	284	11,857	8,116	2,323	−128	10,567	1,290	3,119	3,597	−151	−327
June^{p}	13,377	3,217	1,274	15,306	9,081	3,579	1,125	11,535	3,771	−1,566	621	....	−2,187
July	3,807	1,417	233	4,981	7,240	2,418	−37	9,696	−4,714	−677	−1,045	50	318

Period	Effects of operations on Treasurer's account											
	Net operating transactions			Net financing transactions			Change in cash balances		Treasurer's account (end of period)			
				Agencies & trusts						Operating bal.		
	Budget surplus or deficit	Trust funds[3]	Clearing accounts	Market issuance of sec.[3]	Invest. in U. S. Govt. sec.[3]	Change in gross direct public debt	Held outside Treasury	Treas-urer's account	Balance	F. R. banks	Tax and loan accts.	Other net assets
Fiscal year—1962	−6,378	−851	566	1,780	−492	9,230	118	3,736	10,430	612	8,815	1,003
1963	−6,266	1,143	122	1,022	−2,069	7,659	−74	1,686	12,116	806	10,324	986
1964	−8,226	1,446	948	1,880	−2,775	5,853	206	−1,080	11,036	939	9,180	917
1965^{p}	−3,474	1,428	−793	1,372	−2,362	5,561	158	1,575	12,610	672	10,689	1,249
Half year:												
1963—July-Dec.	−8,567	−1,408	−434	1,648	403	3,487	−129	−4,741	7,375	880	5,621	874
1964—Jan.-June	341	2,854	1,381	232	−3,178	2,366	334	3,661	11,036	939	9,180	917
July-Dec.	−8,589	−507	−1,256	258	493	6,228	367	−3,741	7,295	820	5,377	1,098
1965—Jan.-June^{p}	5,115	1,935	463	1,114	−2,855	−667	−209	5,316	12,610	672	10,689	1,249
Month:												
1964—July	−3,923	−1,181	−403	−64	1,205	−530	−10	−4,886	6,150	785	4,505	860
Aug.	−1,430	1,570	−946	378	−1,882	2,906	−43	640	6,789	939	5,085	765
Sept.	1,622	28	613	−108	−49	1,520	226	3,400	10,189	933	8,339	917
Oct.	−4,930	−1,062	11	67	1,360	26	−30	−4,498	5,691	687	4,155	849
Nov.	−15	737	−549	125	−691	2,851	46	2,412	8,104	974	6,182	948
Dec.	86	−599	17	−139	550	−546	178	−809	7,295	820	5,377	1,098
1965—Jan.	−2,033	−1,191	402	−282	1,537	42	25	−1,550	5,745	914	3,612	1,219
Feb.	372	1,563	−364	−16	−1,353	1,900	−95	2,197	7,942	988	5,800	1,154
Mar.	3,049	110	396	327	−292	−2,186	116	1,289	9,231	867	7,271	1,093
Apr.	280	−748	439	249	1,471	−1,140	447	105	9,336	944	6,934	1,458
May	−848	2,562	−261	458	−3,597	2,661	−504	1,480	10,816	875	8,822	1,119
June^{p}	4,296	−362	−150	378	−621	−1,944	−197	1,795	12,610	672	10,689	1,249
July	−3,434	−1,001	−320	15	1,045	−692	−263	−4,124	8,486	947	6,333	1,206

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[1] Primarily interest payments by Treasury to trust accounts and accumulations to U.S. employee trust funds.

[2] Includes small adjustments not shown separately.

[3] Includes net transactions of Govt.-sponsored enterprises.

[4] Primarily (1) intragovt. transactions, (2) noncash debt, (3) clearing accounts.

[5] Includes technical adjustments not allocated by functions.

[6] Yearly totals for fiscal 1962-65 and all monthly figures reflect a shift of the Food for Peace program from agriculture to international affairs. Half-yearly totals before fiscal 1965 have not been adjusted for this reclassification.

NOTE.—Based on Treasury Dept. and Bureau of the Budget data.

FEDERAL FISCAL OPERATIONS: DETAIL

(In millions of dollars)

Period	Cash receipts from the public														
	Total	Income taxes			Excise taxes			Social ins. taxes			Estate and gift	Customs	Int. and repayments	Refunds	Other
		Individual		Corp.	Total	Liquor and tobacco	Highway	Total	OASI and R.R.	Unempl.					
		Withheld	Other												
Fiscal year—1962...	101,865	36,246	14,403	21,296	12,752	5,367	3,080	17,032	13,197	3,334	2,035	1,171	1,358	6,266	1,838
1963...	109,739	38,719	14,269	22,336	13,410	5,521	3,405	19,729	15,128	4,107	2,187	1,241	1,815	6,571	2,604
1964...	115,530	39,259	15,331	24,301	13,950	5,630	3,646	21,936	17,405	4,037	2,416	1,284	1,702	7,148	2,499
1965^{p}..	119,685	36,830	16,820	26,130	14,798	n.a.	3,782	22,140	17,833	3,816	2,744	1,478	2,094	6,028	2,679
Half year:															
1963—July-Dec...	51,847	20,120	3,465	9,242	7,043	2,940	1,898	9,209	7,373	1,588	992	661	943	1,044	1,216
1964—Jan.-June..	63,683	19,139	11,866	15,059	6,907	2,690	1,748	12,727	10,032	2,449	1,424	623	759	6,104	1,283
July-Dec...	51,352	17,732	3,598	9,989	7,398	3,089	1,947	9,378	7,535	1,594	1,170	729	900	1,008	1,466
1964—Jan.-June^{p}.	68,334	19,098	13,223	16,142	7,400	n.a.	1,786	12,759	10,297	2,221	1,574	749	1,193	5,021	1,217
Month:															
1964—July.......	4,745	1,172	377	646	1,234	456	328	904	623	233	219	120	143	219	149
Aug.......	10,552	4,809	159	419	1,284	496	380	3,455	2,732	684	219	112	123	207	179
Sept.......	11,739	2,669	2,255	3,950	1,203	502	324	1,256	1,158	56	166	122	132	216	202
Oct.......	4,344	1,158	264	572	1,176	n.a.	298	639	478	121	205	126	130	176	250
Nov.......	9,716	4,956	112	449	1,244	n.a.	336	2,238	1,766	435	168	124	220	100	305
Dec.......	10,256	2,969	430	3,953	1,257	555	280	885	778	65	192	125	152	90	383
1965—Jan........	6,387	1,181	2,506	607	1,045	384	296	508	305	161	183	76	155	107	233
Feb.......	11,227	5,302	872	473	1,214	360	340	3,369	2,537	797	213	106	173	653	158
Mar.......	13,065	3,207	928	6,759	1,303	573	286	1,580	1,453	81	308	155	249	1,582	158
Apr.......	10,492	1,091	5,852	1,187	1,150	461	271	1,570	1,309	221	370	139	214	1,286	205
May......	11,857	5,371	696	520	1,325	489	296	4,211	3,285	888	283	128	205	1,071	189
June^{p}.....	15,306	2,946	2,369	6,596	1,363	n.a.	347	1,521	1,408	73	217	145	197	322	274
July.......	4,981	1,299	362	727	1,221	n.a.	333	773	631	94	232	137	198	223	255

Period	Cash payments to the public												
	Total[5]	National defense	Intl. affairs[6]	Space research	Agriculture[6]	Natural resources	Commerce and transp.	Housing & com. devel.	Health, labor & welfare	Education	Veterans	Interest	General Govt.
Fiscal year—1962.....	107,662	51,462	3,976	1,257	4,458	2,223	5,487	1,691	23,975	1,052	6,092	6,940	1,837
1963.....	113,751	53,429	3,805	2,552	5,703	2,456	5,777	—268	25,698	1,214	5,971	7,427	1,953
1964.....	120,332	54,514	3,492	4,171	5,846	2,595	6,545	1,674	27,285	1,299	6,107	8,011	2,221
1965^{p}....	122,369	50,767	4,622	5,094	5,413	2,723	7,420	862	28,285	1,493	6,087	8,684	2,348
Half year:													
1963—July-Dec.....	61,572	26,359	1,031	1,857	4,302	1,455	3,657	1,850	13,162	563	2,956	3,481	1,052
1964—Jan.-June....	58,761	28,158	962	2,313	3,038	1,139	2,890	−175	14,126	732	3,150	4,170	1,168
July-Dec.....	61,510	24,569	1,818	2,333	3,642	1,543	4,288	516	13,722	639	2,943	4,258	1,138
1965—Jan.-June^{p}...	60,859	26,198	2,804	2,761	1,777	1,176	3,133	344	14,560	851	3,143	4,426	1,209
Month:													
1964—July.........	^{r}10,219	3,592	210	334	672	235	702	246	2,277	78	485	360	184
Aug.........	11,296	3,869	336	385	1,049	287	740	16	2,249	129	501	1,378	183
Sept.........	9,400	4,243	324	386	491	293	759	35	2,229	126	525	317	189
Oct..........	10,317	4,301	448	387	694	244	779	−48	2,261	94	505	436	200
Nov.........	9,398	4,052	−53	406	220	229	657	−193	2,299	90	398	1,337	164
Dec.........	10,882	4,512	562	435	516	255	651	460	2,407	122	529	430	218
1965—Jan..........	9,109	4,018	439	407	210	164	539	−176	2,422	118	658	315	202
Feb.........	9,606	3,885	311	423	288	166	465	−126	2,423	122	497	1,353	172
Mar.........	9,566	4,583	86	461	386	203	472	−99	2,319	146	501	446	197
Apr.........	10,476	4,384	609	529	370	185	449	562	2,448	142	488	450	195
May........	10,567	4,282	734	433	163	179	489	65	2,439	141	486	1,326	219
June^{p}.......	11,535	5,046	625	508	360	279	719	118	2,509	182	513	536	224
July.........	9,696	3,855	48	427	543	264	586	281	2,465	73	250	325	212

Item	1963		1964				1965		1963		1964				1965	
	III	IV	I	II	III	IV	I	II^{p}	III	IV	I	II	III	IV	I	II^{p}
	Seasonally adjusted								Not seasonally adjusted							
Cash budget:																
Receipts.....	28.5	29.0	29.5	28.6	28.2	28.7	29.8	32.3	27.3	24.5	30.3	33.4	27.0	24.3	30.7	37.7
Payments....	30.2	29.9	30.5	29.7	30.2	29.8	30.1	32.3	31.0	30.6	28.7	30.1	30.9	30.6	28.3	32.6
Net.......	−1.7	−.9	−1.1	−1.1	−2.0	−1.1	−.3	*	−3.6	−6.1	1.6	3.3	−3.9	−6.3	2.4	5.1

For notes, see opposite page.

TOTAL DEBT, BY TYPE OF SECURITY

(In billions of dollars)

End of period	Total gross debt [1]	Total gross direct debt [2]	Public issues [3]										Special issues [6]
			Total	Marketable					Convertible bonds	Nonmarketable			
				Total	Bills	Certificates	Notes	Bonds [4]		Total [5]	Savings bonds		
1941—Dec.	64.3	57.9	50.5	41.6	2.0	....	6.0	33.6	....	8.9	6.1	7.0
1945—Dec.	278.7	278.1	255.7	198.8	17.0	38.2	23.0	120.6	....	56.9	48.2	20.0
1947—Dec.	257.0	256.9	225.3	165.8	15.1	21.2	11.4	118.0	....	59.5	52.1	29.0
1957—Dec.	275.0	274.9	227.1	164.2	26.9	34.6	20.7	82.1	9.5	53.4	52.5	45.8
1958—Dec.	283.0	282.9	236.0	175.6	29.7	36.4	26.1	83.4	8.3	52.1	51.2	44.8
1959—Dec.	290.9	290.8	244.2	188.3	39.6	19.7	44.2	84.8	7.1	48.9	48.2	43.5
1960—Dec.	290.4	290.2	242.5	189.0	39.4	18.4	51.3	79.8	5.7	47.8	47.2	44.3
1961—Dec.	296.5	296.2	249.2	196.0	43.4	5.5	71.5	75.5	4.6	48.6	47.5	43.5
1962—Dec.	304.0	303.5	255.8	203.0	48.3	22.7	53.7	78.4	4.0	48.8	47.5	43.4
1963—Dec.	310.1	309.3	261.6	207.6	51.5	10.9	58.7	86.4	3.2	50.7	48.8	43.7
1964—Aug.	314.9	314.1	262.2	207.7	52.0	....	58.6	97.1	3.1	51.4	49.4	47.4
Sept.	316.5	315.6	263.8	209.0	53.3	....	58.6	97.1	3.1	51.7	49.5	47.4
Oct.	316.5	315.6	265.0	210.1	55.0	....	58.1	97.0	3.1	51.8	49.6	46.3
Nov.	319.3	318.5	267.4	212.4	56.5	....	58.9	97.0	3.1	51.9	49.7	46.7
Dec.	318.7	317.9	267.5	212.5	56.5	....	59.0	97.0	3.0	52.0	49.7	46.1
1965—Jan.	318.6	318.0	269.4	214.4	58.4	....	53.2	102.8	3.0	52.1	49.8	44.2
Feb.	320.6	319.9	270.0	214.9	58.8	....	55.5	100.6	3.0	52.1	49.9	45.6
Mar.	318.4	317.7	267.7	212.5	56.5	....	55.5	100.5	2.9	52.2	49.9	45.7
Apr.	317.2	316.6	267.8	212.5	56.9	....	55.1	100.5	2.9	52.5	50.0	44.4
May	319.8	319.2	266.3	211.0	55.9	....	52.5	102.5	2.9	52.5	50.0	47.8
June	317.9	317.3	264.5	208.7	53.7	....	52.5	102.5	2.9	52.9	50.0	48.6
July	317.1	316.5	264.4	208.7	53.7	....	52.5	102.5	2.9	52.9	50.1	47.8
Aug.	318.7	318.2	264.1	208.4	53.7	....	50.4	104.3	2.9	52.8	50.2	49.8

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[1] Includes noninterest-bearing debt (of which $282 million, on Aug. 31, 1965, was not subject to statutory debt limitation) and guaranteed securities not shown separately.

[2] Excludes guaranteed securities.

[3] Includes amounts held by U.S. Govt. agencies and trust funds, which totaled $14,508 million on July 31, 1965.

[4] Includes Treasury bonds and minor amounts of Panama Canal and postal savings bonds.

[5] Includes Series A investment bonds, depositary bonds, armed forces leave bonds, adjusted service bonds, foreign currency series, foreign series, Rural Electrification Administration bonds, and before 1956, tax and savings notes, not shown separately.

[6] Held only by U.S. Govt. agencies and trust funds.

NOTE.—Based on Daily Statement of U.S. Treasury.

OWNERSHIP OF DIRECT AND FULLY GUARANTEED SECURITIES

(Par value in billions of dollars)

End of period	Total gross debt	Held by—		Held by the public									
		U. S. Govt. agencies and trust funds [1]	F.R. banks	Total	Commercial banks	Mutual savings banks	Insurance companies	Other corporations	State and local govts.	Individuals		Foreign and international [2]	Other misc. investors [3]
										Savings bonds	Other securities		
1941—Dec.	64.3	9.5	2.3	52.5	21.4	3.7	8.2	4.0	.7	5.4	8.2	.4	.5
1945—Dec.	278.7	27.0	24.3	227.4	90.8	10.7	24.0	22.2	6.5	42.9	21.2	2.4	6.6
1947—Dec.	257.0	34.4	22.6	200.1	68.7	12.0	23.9	14.1	7.3	46.2	19.4	2.7	5.7
1957—Dec.	275.0	55.2	24.2	195.5	59.5	7.6	12.5	17.7	16.6	48.2	16.7	7.6	9.0
1958—Dec.	283.0	54.4	26.3	202.3	67.5	7.3	12.7	18.1	16.5	47.7	16.0	7.7	8.9
1959—Dec.	290.9	53.7	26.6	210.6	60.3	6.9	12.5	21.4	18.0	45.9	23.5	12.0	10.1
1960—Dec.	290.4	55.1	27.4	207.9	62.1	6.3	11.9	18.7	18.7	45.7	20.5	13.0	11.2
1961—Dec.	296.5	54.5	28.9	213.1	67.2	6.1	11.4	18.5	19.0	46.4	19.5	13.4	11.6
1962—Dec.	304.0	55.6	30.8	217.6	67.2	6.1	11.5	18.6	20.1	46.9	19.2	15.3	12.7
1963—Dec.	310.1	58.0	33.6	218.5	64.3	5.8	11.3	18.7	21.1	48.1	20.1	15.9	13.3
July	312.0	59.9	35.1	217.0	59.3	6.0	10.9	19.0	22.2	48.6	20.9	15.8	14.4
Aug.	314.9	61.8	35.2	218.0	60.1	6.0	11.0	19.0	22.6	48.6	20.4	16.0	14.3
Sept.	316.5	61.8	35.4	219.3	61.9	6.0	11.2	17.7	22.1	48.7	20.9	16.3	14.6
Oct.	316.5	60.5	35.7	220.2	62.2	5.8	11.2	18.7	21.9	48.8	21.0	16.3	14.4
Nov.	319.3	61.2	36.8	221.4	63.6	5.7	11.2	18.5	21.6	48.9	20.8	16.4	14.6
Dec.	318.7	60.6	37.0	221.1	64.0	5.7	11.1	17.9	21.1	48.9	21.2	16.7	14.5
1965—Jan.	318.6	59.1	36.7	222.8	62.8	5.8	11.3	18.6	22.0	49.0	21.8	16.5	15.0
Feb.	320.6	60.4	36.9	223.3	61.6	5.9	11.2	19.0	22.7	49.1	22.2	16.6	14.8
Mar.	318.4	60.7	37.6	220.2	60.3	6.0	11.1	17.2	22.8	49.2	22.8	16.0	14.8
Apr.	317.2	59.2	37.8	220.3	59.5	5.8	11.0	17.3	24.0	49.2	22.2	16.0	15.3
May	319.8	62.7	38.7	218.5	58.1	5.8	10.9	18.1	24.0	49.2	22.2	[r]15.8	[r]14.4
June	317.9	63.4	39.1	215.4	57.9	5.8	10.6	15.9	[r]23.6	49.2	[r]21.9	[r]15.7	[r]14.8
July	317.1	62.3	39.2	215.6	57.0	5.7	10.6	17.1	23.5	49.3	22.0	15.7	14.6

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[1] Includes the Postal Savings System.

[2] Includes investments of foreign balances and international accounts in the United States.

[3] Includes savings and loan assns., dealers and brokers, nonprofit institutions, and corp. pension funds.

NOTE.—Reported data for F.R. Banks and U.S. Govt. agencies and trust funds; Treasury estimates for other groups.

OWNERSHIP OF MARKETABLE SECURITIES, BY MATURITY

(Par value in millions of dollars)

Type of holder and date	Total	Within 1 year			1–5 years	5–10 years	10–20 years	Over 20 years
		Total	Bills	Other				
All holders:								
1962—Dec. 31	203,011	87,284	48,250	39,034	61,640	33,983	4,565	15,539
1963—Dec. 31	207,571	89,403	51,539	37,864	58,487	35,682	8,357	15,642
1964—Dec. 31	212,454	88,451	56,476	31,974	64,007	36,421	6,108	17,467
1965—June 30	208,695	87,637	53,665	33,972	56,198	39,169	8,450	17,241
July 31	208,664	87,635	53,662	33,973	56,192	39,166	8,448	17,222
U.S. Govt. agencies and trust funds:								
1962—Dec. 31	9,638	1,591	865	726	1,425	2,731	1,309	2,583
1963—Dec. 31	11,889	1,844	1,366	478	1,910	3,021	2,178	2,936
1964—Dec. 31	12,146	1,731	1,308	424	2,422	3,147	1,563	3,282
1965—June 30	12,374	1,315	1,045	270	2,276	3,506	2,053	3,224
July 31	12,181	1,145	815	330	2,269	3,491	2,052	3,224
Federal Reserve Banks:								
1962—Dec. 31	30,820	17,741	2,723	15,018	10,834	2,094	68	83
1963—Dec. 31	33,593	22,580	4,146	18,434	8,658	2,136	88	131
1964—Dec. 31	37,044	21,388	6,487	14,901	13,564	1,797	58	237
1965—June 30	39,100	27,100	7,949	19,151	10,140	1,489	146	225
July 31	39,207	27,185	7,994	19,191	10,154	1,491	146	230
Held by public:								
1962—Dec. 31	162,553	67,952	44,662	23,290	49,381	29,158	3,188	12,873
1963—Dec. 31	162,089	64,979	46,027	18,952	47,919	30,525	6,091	12,575
1964—Dec. 31	163,264	65,331	48,682	16,650	48,021	31,477	4,487	13,948
1965—June 30	157,221	59,222	44,671	14,551	43,782	34,174	6,251	13,792
July 31	157,276	59,305	44,853	14,452	43,769	34,184	6,250	13,768
Commercial banks:								
1962—Dec. 31	58,004	19,885	9,838	10,047	26,348	11,163	191	417
1963—Dec. 31	54,881	16,703	9,290	7,413	26,107	11,075	533	463
1964—Dec. 31	53,752	18,509	10,969	7,540	23,507	11,049	187	501
1965—June 30	48,483	13,945	7,058	6,887	20,672	12,827	334	705
July 31	47,688	13,140	6,340	6,800	20,603	12,917	321	707
Mutual savings banks:								
1962—Dec. 31	5,793	635	252	383	1,337	2,210	306	1,305
1963—Dec. 31	5,502	690	268	422	1,211	2,009	377	1,215
1964—Dec. 31	5,434	608	344	263	1,536	1,765	260	1,266
1965—June 30	5,527	766	568	198	1,384	1,814	332	1,231
July 31	5,499	766	555	211	1,360	1,817	346	1,209
Insurance companies:								
1962—Dec. 31	9,265	1,259	552	707	2,175	2,223	718	2,890
1963—Dec. 31	9,254	1,181	549	632	2,044	2,303	939	2,787
1964—Dec. 31	9,160	1,002	480	522	2,045	2,406	818	2,890
1965—June 30	8,854	662	347	315	1,990	2,384	1,118	2,699
July 31	8,841	683	389	294	1,942	2,388	1,117	2,711
Nonfinancial corporations:								
1962—Dec. 31	10,750	9,063	6,551	2,512	1,524	149	5	9
1963—Dec. 31	10,427	7,671	6,178	1,493	2,397	290	9	60
1964—Dec. 31	9,136	6,748	5,043	1,705	2,001	272	3	112
1965—June 30	7,701	5,482	4,270	1,212	1,845	249	53	73
July 31	8,297	5,986	4,832	1,154	1,924	254	51	82
Savings and loan associations:								
1962—Dec. 31	2,862	437	254	183	817	1,030	105	473
1963—Dec. 31	3,253	378	236	142	919	1,202	253	501
1964—Dec. 31	3,418	490	343	148	1,055	1,297	129	447
1965—June 30	3,581	432	314	118	950	1,492	247	461
July 31	3,553	416	286	130	938	1,492	245	461
State and local governments:								
1962—Dec. 31	11,716	4,447	3,282	1,165	1,059	1,505	688	4,017
1963—Dec. 31	12,453	4,637	3,869	768	941	1,502	1,591	3,782
1964—Dec. 31	15,022	4,863	3,961	902	2,014	2,010	1,454	4,680
1965—June 30	16,953	6,657	5,691	966	1,890	1,962	2,019	4,426
July 31	16,886	6,646	5,632	1,014	1,866	1,965	1,996	4,413
All others:								
1962—Dec. 31	64,162	32,227	23,935	8,292	16,121	10,877	1,175	3,761
1963—Dec. 31	66,320	33,719	25,637	8,082	14,301	12,144	2,389	3,767
1964—Dec. 31	67,341	33,111	27,542	5,570	15,863	12,678	1,637	4,052
1965—June 30	66,122	31,279	26,422	4,857	15,051	13,446	2,148	4,198
July 31	66,512	31,667	26,818	4,849	15,135	13,349	2,174	4,186

NOTE.—Direct public issues only. Based on Treasury Survey of Ownership.

Data complete for U.S. Govt. agencies and trust funds and F.R. Banks but for other groups are based on Treasury Survey data. Of total marketable issues held by groups, the proportion held on latest date by those reporting in the Survey and the number of owners surveyed were: (1) about 90 per cent by the 5,968 commercial banks, 501 mutual savings banks, and 774 insurance cos. combined; (2) about 50 per cent by the 469 nonfinancial corps. and 488 savings and loan assns.; and (3) about 70 per cent by 507 State and local govts.

Holdings of "all others," a residual, include holdings of all those not reporting in the Treasury Survey, including investor groups not listed separately.

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				
						Dealers and brokers				
		Within 1 year	1–5 years	5–10 years	Over 10 years	U.S. Govt. securities	Other	Commercial banks	All other	
1964—July	1,936	1,433	216	208	79	581	38	784	532	131
Aug.	1,453	1,099	197	123	34	406	26	604	417	113
Sept.	1,510	1,214	155	102	39	443	20	616	432	117
Oct.	1,749	1,476	141	92	41	529	25	719	475	114
Nov.	1,864	1,426	271	127	40	533	28	805	499	131
Dec.	2,052	1,596	261	146	49	615	38	835	564	85
1965—Jan.	2,405	1,763	307	177	158	689	44	1,036	637	93
Feb.	1,814	1,434	219	91	69	516	29	750	518	101
Mar.	1,690	1,369	184	83	53	523	24	672	471	108
Apr.	1,769	1,467	172	91	38	562	38	708	460	155
May	1,670	1,379	151	108	32	448	33	698	491	143
June	1,786	1,453	200	103	31	584	45	696	462	204
July	1,519	1,284	125	82	28	452	37	615	415	152
Week ending—										
1965—July 7	1,689	1,472	103	88	28	467	47	660	515	120
14	1,342	1,109	121	81	32	359	30	572	382	188
21	1,539	1,307	117	91	24	530	40	602	367	156
28	1,291	1,088	101	75	27	409	27	502	353	152
Aug. 4	2,093	1,635	318	107	33	508	44	893	647	112
11	1,568	1,252	186	96	34	519	41	591	418	226
18	1,420	1,156	160	67	38	479	35	548	358	130
25	1,307	986	168	102	52	452	40	473	341	135

Note.—The transactions data combined market purchases and sales of U.S. Govt. securities dealers reporting to the F.R. Bank of N.Y. 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 agreements, reverse repurchase (resale), or similar contracts. Averages of daily figures based on the number of trading days in the period.

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	Over 5 years	
1964—July	3,817	3,121	229	468	225
Aug.	4,313	2,978	552	782	275
Sept.	3,954	3,302	373	280	250
Oct.	3,358	2,966	231	160	262
Nov.	3,692	3,073	479	140	313
Dec.	3,252	2,675	419	159	282
1965—Jan.	3,812	2,882	196	734	246
Feb.	3,420	2,688	163	569	237
Mar.	3,034	2,590	112	332	268
Apr.	3,471	3,118	115	238	327
May	3,398	2,508	149	741	378
June	3,651	2,838	115	697	509
July	4,180	3,472	100	609	446
Week ending—					
1965—June 2	3,609	2,826	73	710	426
9	3,466	2,707	68	692	495
16	3,665	2,856	101	708	518
23	3,517	2,654	149	714	538
30	3,915	3,076	161	679	513
July 7	4,358	3,557	164	638	481
14	4,153	3,424	134	595	422
21	4,057	3,376	86	596	403
28	4,087	3,422	56	609	477

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.

DEALER FINANCING

(In millions of dollars)

Period	All sources	Commercial banks		Corporations [1]	All other
		New York City	Elsewhere		
1964—July	4,156	1,250	871	1,671	364
Aug.	4,186	1,144	924	1,703	416
Sept.	4,011	1,255	1,069	1,253	434
Oct.	3,299	845	835	1,258	361
Nov.	3,706	1,020	963	1,192	531
Dec.	3,399	1,029	781	1,056	533
1965—Jan.	4,354	1,323	1,229	1,206	596
Feb.	3,495	856	902	1,278	459
Mar.	3,181	626	807	1,350	398
Apr.	3,594	918	885	1,369	422
May	3,635	765	828	1,327	716
June	4,094	1,251	776	1,457	609
July	4,459	1,293	1,009	1,468	688
Week ending—					
1965—June 2	3,611	886	644	1,436	645
9	3,793	815	593	1,619	766
16	4,107	1,425	716	1,326	640
23	4,078	1,408	881	1,377	411
30	3,957	1,320	846	1,305	486
July 7	4,559	1,516	1,014	1,220	810
14	4,564	1,291	1,049	1,347	878
21	4,358	1,268	1,102	1,533	454
28	4,302	1,064	905	1,723	610

[1] All business corps. except commercial banks and insurance cos.

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 opposite table on this page.

U.S. GOVERNMENT MARKETABLE AND CONVERTIBLE, AUGUST 31, 1965

(In millions of dollars)

Issue and coupon rate	Amount
Treasury bills	
Sept. 2, 1965..........	2,203
Sept. 9, 1965..........	2,201
Sept. 16, 1965..........	2,203
Sept. 23, 1965..........	2,206
Sept. 30, 1965..........	3,203
Oct. 7, 1965..........	2,203
Oct. 14, 1965..........	2,203
Oct. 21, 1965..........	2,203
Oct. 28, 1965..........	2,204
Oct. 31, 1965..........	1,000
Nov. 4, 1965..........	2,202
Nov. 12, 1965..........	2,202
Nov. 18, 1965..........	2,203
Nov. 26, 1965..........	2,201
Nov. 30, 1965..........	1,001
Dec. 2, 1965..........	1,001
Dec. 9, 1965..........	1,000
Dec. 16, 1965..........	1,001
Dec. 23, 1965..........	1,002
Dec. 30, 1965..........	1,000
Dec. 31, 1965..........	1,003
Jan. 6, 1966..........	1,001
Jan. 13, 1966..........	1,001
Jan. 20, 1966..........	1,005
Jan. 27, 1966..........	1,001
Jan. 31, 1966..........	1,000
Feb. 3, 1966..........	1,001
Treasury bills—Cont.	
Feb. 10, 1966..........	1,000
Feb. 17, 1966..........	1,001
Feb. 24, 1966..........	1,000
Feb. 28, 1966..........	1,001
Mar. 31, 1966..........	1,000
Apr. 30, 1966..........	1,001
May 31, 1966..........	1,001
June 30, 1966..........	1,001
July 31, 1966..........	1,000
Aug. 31, 1966..........	1,000
Treasury notes	
Oct. 1, 1965......1½	315
Nov. 15, 1965......3½	1,617
Nov. 15, 1965......4	8,099
Feb. 15, 1966......3⅝	2,195
Feb. 15, 1966......3⅞	2,597
Apr. 1, 1966......1½	675
May 15, 1966......4	9,519
Aug. 15, 1966......4	11,060
Oct. 1, 1966......1½	357
Nov. 15, 1966......4	2,254
Feb. 15, 1967......3⅝	2,358
Feb. 15, 1967......4	5,151
Apr. 1, 1967......1½	270
Aug. 15, 1967......3¾	2,929
Treasury notes—Cont.	
Oct. 1, 1967......1½	457
Apr. 1, 1968......1½	212
Oct. 1, 1968......1½	115
Apr. 1, 1969......1½	61
Oct. 1, 1969......1½	159
Apr. 1, 1970......1½	35
Treasury bonds	
June 15, 1962–67...2½	1,431
Dec. 15, 1963–68...2½	1,792
June 15, 1964–69...2½	2,573
Dec. 15, 1964–69...2½	2,534
Mar. 15, 1965–70...2½	2,411
May 15, 1966......3¾	1,688
Aug. 15, 1966......3	1,024
Nov. 15, 1966......3⅜	1,851
Mar. 15, 1966–71...2½	1,399
June 15, 1967–72...2½	1,280
Sept. 15, 1967–72...2½	1,952
Nov. 15, 1967......3⅝	2,019
Dec. 15, 1967–72...2½	2,695
May 15, 1968......3⅞	2,460
Aug. 15, 1968......3¾	3,747
Nov. 15, 1968......3⅞	1,591
Feb. 15, 1969......4	3,728
Oct. 1, 1969......4	6,261
Treasury bonds—Cont.	
Feb. 15, 1970......4	4,381
Aug. 15, 1970......4	4,129
Aug. 15, 1971......4	2,806
Nov. 15, 1971......3⅞	2,760
Feb. 15, 1972......4	2,344
Aug. 15, 1972......4	2,579
Aug. 15, 1973......4	3,894
Nov. 15, 1973......4⅛	4,357
Feb. 15, 1974......4⅛	3,130
May 15, 1974......4¼	3,594
Nov. 15, 1974......3⅞	2,243
May 15, 1975–85...4¼	1,218
June 15, 1978–83...3¼	1,583
Feb. 15, 1980......4	2,608
Nov. 15, 1980......3½	1,912
May 15, 1985......3¼	1,127
Feb. 15, 1990......3½	4,901
Aug. 15, 1987–92...4¼	3,818
Feb. 15, 1988–93...4	250
May 15, 1989–94...4⅛	1,560
Feb. 15, 1995......3	2,263
Nov. 15, 1998......3½	4,417
Convertible bonds	
Investment Series B	
Apr. 1, 1975–80...2¾	2,871

NOTE.—Direct public issues only. Based on Daily Statement of U.S. Treasury.

FEDERALLY SPONSORED AGENCIES, JULY 31, 1965

Agency, type and date of issue, and coupon rate	Maturity	Amount (millions of dollars)
Federal home loan banks		
Notes:		
Sept. 15, 1964...............4.05	Aug. 16, 1965	552
Oct. 15, 1964...............4.05	Sept. 15, 1965	172
Nov. 16, 1964...............4.10	Oct. 15, 1965	400
May 17, 1965...............4.25	Nov. 24, 1965	300
Feb. 15, 1965...............4.20	Jan. 17, 1966	220
Apr. 15, 1965...............4.30	Feb. 15, 1966	524
June 15, 1965...............4.35	Mar. 22, 1966	273
May 17, 1965...............4.30	Apr. 25, 1966	525
July 17, 1965...............4.35	May 25, 1966	496
Bonds:		
Sept. 17, 1962...............3¾	Sept. 15, 1965	175
July 15, 1964...............4⅛	May 15, 1966	260
Dec. 9, 1963...............4⅛	Aug. 15, 1966	200
June 15, 1964...............4¼	Nov. 15, 1966	275
Mar. 15, 1965...............4¼	Sept. 15, 1967	185
June 15, 1965...............4⅜	Mar. 1, 1968	250
Federal National Mortgage Association—secondary market operations		
Discount notes....................	....	456
Debentures:		
Sept. 10, 1962...............3¾	Mar. 10, 1966	108
Dec. 12, 1960...............4⅛	Dec. 12, 1966	93
Mar. 10, 1958...............3⅜	Mar. 11, 1968	87
Apr. 10, 1959...............4⅜	Apr. 10, 1969	88
Apr. 11, 1960...............4⅝	Apr. 10, 1970	142
Sept. 12, 1960...............4⅛	Sept. 10, 1970	119
Aug. 23, 1960...............4⅛	Aug. 10, 1971	64
Sept. 11, 1961...............4½	Sept. 10, 1971	96
Feb. 10, 1960...............5⅛	Feb. 10, 1972	99
Dec. 11, 1961...............4⅜	June 12, 1972	100
June 12, 1961...............4¼	June 12, 1973	146
Feb. 13, 1962...............4½	Feb. 10, 1977	198
Banks for cooperatives		
Debentures:		
Feb. 1, 1965...............4⅛	Aug. 2, 1965	204
Apr. 1, 1965...............4¼	Oct. 4, 1965	175
May 3, 1965...............4¼	Nov. 1, 1965	108
June 1, 1965...............4¼	Dec. 1, 1965	201
Federal intermediate credit banks		
Debentures:		
Nov. 2, 1964...............4.05	Aug. 2, 1965	223
Dec. 1, 1964...............4.05	Sept. 1, 1965	229
Jan. 1, 1965...............4.20	Oct. 4, 1965	301
Feb. 1, 1965...............4.15	Nov. 1, 1965	345
Mar. 1, 1965...............4.20	Dec. 1, 1965	319
Apr. 1, 1965...............4¼	Jan. 3, 1966	298
May 3, 1965...............4.30	Feb. 1, 1966	289
June 1, 1965...............4.30	Mar. 1, 1966	272
July 1, 1965...............4.35	Apr. 4, 1966	272
Federal land banks		
Bonds:		
Aug. 20, 1964...............4	Aug. 23, 1965	159
Oct. 20, 1960...............4	Oct. 20, 1965	160
June 20, 1961...............4	Dec. 20, 1965	140
Apr. 3, 1961...............3⅝	Feb. 21, 1966	150
June 21, 1965...............4.35	May 2, 1966	117
May 1, 1958...............3¼	May 2, 1966	108
Sept. 20, 1961...............4¼	July 20, 1966	193
Feb. 15, 1957...............4⅛	Feb. 15, 1967–72	72
Apr. 20, 1965...............4¼	Feb. 20, 1967	126
May 1, 1962...............4	May 22, 1967	180
Oct. 1, 1957...............4½	Oct. 1, 1967–70	75
Oct. 22, 1963...............4⅛	Oct. 23, 1967	174
Apr. 1, 1959...............4¼	Mar. 20, 1968	111
May 1, 1963...............4	June 20, 1968	186
Aug. 20, 1964...............4¼	Aug. 20, 1968	160
Feb. 2, 1959...............4⅜	Mar. 20, 1969	100
Feb. 23, 1965...............4¼	July 15, 1969	130
July 15, 1957...............4⅝	July 15, 1969	60
Oct. 20, 1964...............4¼	Oct. 20, 1969	209
Feb. 1, 1960...............5⅛	Feb. 20, 1970	82
Feb. 14, 1958...............3½	Apr. 1, 1970	83
Jan. 5, 1960...............5⅛	July 20, 1970	85
May 1, 1956...............3½	May 1, 1971	60
Sept. 14, 1956...............3⅞	Sept. 15, 1972	109
Feb. 20, 1963...............4⅛	Feb. 20, 1973–78	148
Feb. 20, 1962...............4½	Feb. 20, 1974	155
Apr. 20, 1965...............4⅜	Apr. 21, 1975	200
Tennessee Valley Authority		
Short-term notes....................	....	80
Bonds:		
Nov. 15, 1960...............4.40	Nov. 15, 1985	50
July 1, 1961...............4⅝	July 1, 1986	50
Feb. 1, 1962...............4½	Feb. 1, 1987	45

NOTE.—These securities are not guaranteed by the U.S. Govt.; see also NOTE to table at top of following page.

MAJOR BALANCE SHEET ITEMS OF SELECTED FEDERALLY SPONSORED CREDIT AGENCIES

(In millions of dollars)

End of period	Federal home loan banks						Federal National Mortgage Assn. (secondary market operations)		Banks for cooperatives		Federal intermediate credit banks		Federal land banks	
	Assets			Liabilities and capital										
	Advances to members	Investments	Cash and deposits	Bonds and notes	Member deposits	Capital stock	Mortgage loans (A)	Debentures and notes (L)	Loans to cooperatives (A)	Debentures (L)	Loans and discounts (A)	Debentures (L)	Mortgage loans (A)	Bonds (L)
1956	1,228	1,027	62	963	683	607	628	200	457	143	747	705	1,744	1,437
1957	1,265	908	63	825	653	685	1,562	1,315	454	222	932	886	919	1,599
1958	1,298	999	75	714	819	769	1,323	1,100	510	252	1,157	1,116	2,089	1,743
1959	2,134	1,093	103	1,774	589	866	1,967	1,640	622	364	1,391	1,356	2,360	1,986
1960	1,981	1,233	90	1,266	938	989	2,788	2,523	649	407	1,501	1,454	2,564	2,210
1961	2,662	1,153	159	1,571	1,180	1,107	2,770	2,453	697	435	1,650	1,585	2,828	2,431
1962	3,479	1,531	173	2,707	1,214	1,126	2,752	2,422	735	505	1,840	1,727	3,052	2,628
1963	4,784	1,906	159	4,363	1,151	1,171	2,000	1,788	840	589	2,099	1,952	3,310	2,834
1964—July	4,763	1,476	106	4,042	936	1,208	1,940	1,698	782	498	2,561	2,396	3,551	2,973
Aug.	4,781	1,622	75	4,169	926	1,210	1,936	1,696	787	538	2,561	2,433	3,586	3,102
Sept.	4,837	1,597	99	4,165	989	1,212	1,926	1,549	809	538	2,516	2,424	3,620	3,102
Oct.	4,797	1,614	94	4,144	978	1,214	1,934	1,707	924	576	2,377	2,352	3,652	3,169
Nov.	4,784	1,889	84	4,369	989	1,216	1,930	1,701	975	638	2,241	2,174	3,680	3,169
Dec.	5,325	1,523	141	4,369	1,199	1,227	1,940	1,601	958	686	2,247	2,112	3,718	3,169
1965—Jan.	4,944	1,491	75	4,078	1,013	1,232	1,954	1,723	1,020	686	2,252	2,102	3,765	3,169
Feb.	4,851	1,425	77	3,905	1,013	1,237	1,958	1,739	1,037	670	2,308	2,143	3,818	3,298
Mar.	4,747	1,761	80	4,090	1,048	1,247	1,974	1,739	1,007	723	2,380	2,206	3,889	3,298
Apr.	5,219	1,386	95	4,184	1,026	1,254	1,990	1,795	978	696	2,480	2,278	3,950	3,415
May	5,227	1,687	73	4,484	1,024	1,257	2,004	1,898	940	678	2,577	2,367	4,011	3,415
June	5,586	1,691	110	4,757	1,174	1,260	2,014	1,797	931	687	2,687	2,462	4,058	3,532
July	5,793	1,299	75	4,807	913	1,265	2,032	1,794	935	687	2,772	2,546	4,097	3,532

NOTE.—Data from Federal Home Loan Bank Board, Federal National Mortgage Assn., and Farm Credit Admin. Among the omitted balance sheet items are capital accounts of all agencies, except for stock of home loan banks. Bonds, debentures, and notes are valued at par. They include only publicly offered securities (excluding, for the home loan banks, bonds held within the FHLB System), and are not guaranteed by the U.S. Govt.; for a listing of these securities, see 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	PHA[1]	U.S. Govt. loans	State	Special district and stat. auth.	Other[2]			Education	Roads and bridges	Utilities[4]	Housing[5]	Veterans' aid	Other purposes
1959	7,697	4,782	2,407	332	176	1,686	2,121	3,890	7,423	7,589	2,318	844	1,985	401	355	1,685
1960	7,292	4,771	2,095	302	125	1,110	1,984	4,198	7,102	7,247	2,405	1,007	1,316	426	201	1,891
1961	8,566	5,724	2,407	315	120	1,928	2,165	4,473	8,301	8,463	2,821	1,167	1,700	385	478	1,913
1962	8,845	5,582	2,681	437	145	1,419	2,600	4,825	8,732	8,568	2,963	1,114	1,668	521	125	2,177
1963	10,538	5,855	4,180	254	249	1,620	3,636	5,281	10,496	9,151	3,029	812	2,344	598	....	2,369
1964	10,847	6,417	3,585	637	208	1,628	3,812	5,407	10,069	10,201	3,392	688	2,437	727	120	2,838
1964—June	939	537	260	120	23	71	339	529	696	903	362	43	183	134	....	181
July	943	563	369	....	11	116	341	487	948	906	401	25	169	*	....	311
Aug.	799	267	520	....	12	13	534	252	829	780	161	73	440	....	....	105
Sept.	920	510	260	130	20	101	374	445	925	892	207	50	248	133	....	254
Oct.	852	662	178	....	13	191	133	529	717	801	245	12	240	37	....	268
Nov.	578	376	195	....	7	106	126	346	912	529	166	18	137	7	....	201
Dec.	1,078	604	345	104	26	218	397	463	722	948	424	30	93	107	30	264
1965—Jan.	848	606	234	....	7	182	247	419	964	803	378	38	167	*	....	220
Feb.	965	666	288	....	11	191	289	484	754	872	308	20	277	1	....	265
Mar.	1,079	546	406	116	12	84	451	544	1,018	946	392	28	152	127	....	248
Apr.	993	687	290	....	16	295	275	422	1,036	824	288	120	83	17	....	317
May	984	506	345	126	8	180	370	434	846	921	392	70	125	133	....	202
June	1,034	565	455	....	14	192	397	445	1,192	943	435	61	195	13	....	239

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[1] Only bonds sold pursuant to 1949 Housing Act; secured by contract requiring the Public Housing Administration to make annual contributions to the local authority.

[2] Municipalities, counties, townships, school districts.

[3] Excludes U.S. Govt. loans. Based on date of delivery to purchaser (and payment to issuer), which occurs after date of sale.

[4] Water, sewer, and other utilities.

[5] Includes urban redevelopment loans.

NOTE.—The figures in the first column differ from those shown on the following page, which are based on *Bond Buyer* data. The principal difference is in the treatment of U.S. Govt. loans.

Investment Bankers Assn. data; par amounts of long-term issues based on date of sale unless otherwise indicated.

TOTAL NEW ISSUES

(In millions of dollars)

Period	Gross proceeds, all issues [1]											Proposed use of net proceeds, all corporate issues [6]				
	Total	Noncorporate				Corporate						Total	New capital			Retirement of securities
		U. S. Govt. [2]	U. S. Govt. agency [3]	U. S. State and local [4]	Other [5]	Total	Bonds			Stock			Total	New money [7]	Other purposes	
							Total	Publicly offered	Privately placed	Preferred	Common					
1957	30,571	9,601	572	6,958	557	12,884	9,957	6,118	3,839	411	2,516	12,661	12,447	11,784	663	214
1958	34,443	12,063	2,321	7,449	1,052	11,558	9,653	6,332	3,320	571	1,334	11,372	10,823	9,907	915	549
1959	31,074	12,322	707	7,681	616	9,748	7,190	3,557	3,632	531	2,027	9,527	9,392	8,578	814	135
1960	27,541	7,906	1,672	7,230	579	10,154	8,081	4,806	3,275	409	1,664	9,924	9,653	8,758	895	271
1961	35,527	12,253	1,448	8,360	303	13,165	9,420	4,700	4,720	450	3,294	12,885	12,017	10,715	1,302	868
1962	29,956	8,590	1,188	8,558	915	10,705	8,969	4,440	4,529	422	1,314	10,501	9,747	8,240	1,507	754
1963	31,616	7,213	1,168	10,107	891	12,237	10,872	4,714	6,158	342	1,022	12,081	10,553	8,993	1,561	1,528
1964r	37,122	10,656	1,205	10,544	760	13,957	10,865	3,623	7,243	412	2,679	13,792	13,038	11,233	1,805	754
1964r—June	3,084	383	275	900	37	1,489	1,119	468	651	82	289	1,469	1,405	1,317	89	64
July	2,500	387	260	922	29	902	677	234	443	59	166	887	812	684	128	75
Aug.	4,148	2,449	160	767	23	748	636	183	453	54	58	738	680	587	93	58
Sept.	2,548	358	....	952	13	1,226	1,069	376	693	23	133	1,212	1,130	807	323	82
Oct.	2,914	367	510	816	186	1,036	823	181	642	25	188	1,019	953	754	199	67
Nov.	4,631	3,242	....	566	97	727	675	30	645	9	43	720	669	553	116	51
Dec.	3,339	373	....	1,097	64	1,805	1,662	320	1,342	49	94	1,787	1,642	1,322	320	145
1965—Jan.	2,333	433	....	811	232	858	727	161	565	47	84	850	795	700	95	54
Feb.	3,997	2,129	129	933	14	791	637	187	450	24	130	779	746	687	59	33
Mar.	3,003	413	185	1,003	45	1,358	1,215	557	658	60	82	1,343	1,197	1,039	157	146
Apr.	r3,050	390	325	971	r131	r1,233	r1,070	422	r648	35	r127	r1,214	r1,152	r939	r213	r61
May	r3,160	356	....	1,020	11	r1,773	r1,324	694	r630	r65	384	r1,746	r1,691	r1,560	r132	r55
June	4,297	362	775	1,000	122	2,038	1,729	748	980	155	154	2,018	1,946	1,665	281	72

Period	Proposed uses of net proceeds, major groups of corporate issuers											
	Manufacturing		Commercial and miscellaneous		Transportation		Public utility		Communication		Real estate and financial	
	New capital [8]	Retirement of securities	New capital [8]	Retirement of securities	New capital [8]	Retirement of securities	New capital [8]	Retirement of securities	New capital [8]	Retirement of securities	New capital [8]	Retirement of securities
1957	4,104	49	579	29	802	14	3,821	51	1,441	4	1,701	67
1958	3,265	195	867	13	778	38	3,605	138	1,294	118	1,014	47
1959	1,941	70	812	28	942	15	3,189	15	707	*	1,801	6
1960	1,997	79	794	30	672	39	2,754	51	1,036	1	2,401	71
1961	3,691	287	1,109	36	651	35	2,883	106	1,435	382	2,248	22
1962	2,958	228	803	32	543	16	2,341	444	1,276	11	1,825	23
1963	3,312	190	774	55	873	83	1,935	699	726	356	2,933	144
1964r	2,772	243	1,024	82	941	32	2,445	280	2,133	36	3,723	80
1964r—June	332	39	50	1	44	1	264	4	260	5	456	14
July	150	40	45	1	90	*	207	16	23	4	297	13
Aug.	176	12	45	1	20	1	138	27	16	15	285	3
Sept.	234	36	176	2	59	*	296	38	19	2	345	4
Oct.	250	17	88	5	44	1	297	37	82	6	191	1
Nov.	203	24	134	17	62	1	40	6	21	1	208	3
Dec.	607	26	121	49	127	8	172	31	32	*	582	31
1965—Jan.	385	23	70	5	40	....	97	21	21	1	182	4
Feb.	192	15	35	2	47	....	215	13	44	....	213	3
Mar.	494	56	104	4	108	17	229	57	26	4	236	9
Apr.	r540	r16	r120	6	r58	r1	r176	r34	r15	r3	r244	r2
May	r698	r22	r75	r4	163	....	r248	r23	r143	1	r364	r6
June	441	41	151	15	44	1	184	8	98	*	1,028	7

[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, International Bank for Reconstruction and Development, and domestic nonprofit organizations.

[6] Estimated gross proceeds less cost of flotation.

[7] For plant and equipment and working capital.

[8] All issues other than those for retirement of securities.

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											
	All securities			Bonds and notes			Common and preferred stocks					
							New issues		Retirements		Net change	
	New issues	Retirements	Net change	New issues	Retirements	Net change	Invest. cos.[1]	Other	Invest. cos.[1]	Other	Invest. cos.[1]	Other
1959	13,338	4,845	8,492	7,122	3,049	4,073	2,838	3,378	794	1,002	2,044	2,376
1960	13,485	4,962	8,523	8,072	3,078	4,994	2,688	2,725	855	1,029	1,833	1,696
1961	17,503	6,999	10,503	9,194	4,024	5,170	3,855	4,454	1,171	1,804	2,684	2,650
1962	14,206	6,457	7,750	8,613	3,749	4,864	3,338	2,255	1,140	1,567	2,198	688
1963	15,552	8,711	6,841	10,556	4,979	5,577	3,049	1,948	1,536	2,197	1,513	−249
1964	18,610	8,290	10,320	10,715	4,077	6,637	4,147	3,748	1,895	2,317	2,252	1,431
1964—I	4,302	1,960	2,343	2,197	914	1,283	920	1,185	536	510	384	675
II	5,139	1,795	3,344	2,987	940	2,046	917	1,235	469	385	448	850
III	4,011	1,946	2,065	2,297	1,033	1,265	1,010	704	475	438	535	265
IV	5,158	2,590	2,568	3,233	1,191	2,043	1,300	625	415	984	885	−360
1965—I	4,162	2,058	2,103	2,272	967	1,305	1,275	615	485	606	790	8

Period	Type of issuer											
	Manufacturing		Commercial and other[2]		Transportation[3]		Public utility		Communication		Real estate and financial[4]	
	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks	Bonds & notes	Stocks
1959	316	442	217	162	332	2	1,738	1,028	475	445	994	2,342
1960	399	462	261	−46	173	−42	1,689	635	901	356	1,572	2,164
1961	2,012	415	516	−447	71	−7	1,648	704	149	1,457	775	3,212
1962	1,355	−242	294	−201	−85	−25	1,295	479	1,172	357	833	2,517
1963	1,804	−664	339	−352	316	−19	876	245	438	447	1,806	1,607
1964	1,303	−516	507	−483	317	−30	1,408	476	458	1,699	2,644	2,537
1964—I	92	−253	65	16	131	−6	156	70	234	811	606	422
II	291	−65	84	−21	59	31	606	156	229	681	775	516
III	232	28	93	−34	38	−47	290	149	42	92	569	613
IV	689	−226	265	−444	88	−7	356	101	−47	115	693	986
1965—I	574	−256	−5	−1	39	9	281	97	64	100	351	850

[1] Open-end and closed-end cos.

[2] Extractive and commercial and misc. cos.

[3] Railroad and other transportation cos.

[4] Includes investment cos.

NOTE.—Securities and Exchange Commission estimates of cash transactions only. As contrasted with data shown on p. 1315, new issues exclude foreign and include offerings of open-end investment cos., sales of securities held by affiliated cos. or RFC, special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements include the same types of issues, and also securities retired with internal funds or with proceeds of issues for that purpose shown on p. 1315.

OPEN-END INVESTMENT COMPANIES

(In millions of dollars)

Year	Sales and redemption of own shares			Assets (market value at end of period)		
	Sales[1]	Redemptions	Net sales	Total[2]	Cash position[3]	Other
1953	672	239	433	4,146	....	....
1954	863	400	463	6,109	309	5,800
1955	1,207	443	765	7,838	438	7,400
1956	1,347	433	914	9,046	492	8,554
1957	1,391	406	984	8,714	523	8,191
1958	1,620	511	1,109	13,242	634	12,608
1959	2,280	786	1,494	15,818	860	14,958
1960	2,097	842	1,255	17,026	973	16,053
1961	2,951	1,160	1,791	22,789	980	21,809
1962	2,699	1,123	1,576	21,271	1,315	19,956
1963	2,460	1,504	952	25,214	1,341	23,873
1964	3,404	1,875	1,528	29,116	1,329	27,787

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
1964—July	308	168	140	28,319	1,471	26,848
Aug.	260	149	110	28,164	1,457	26,707
Sept.	299	149	149	29,130	1,436	27,694
Oct.	306	142	164	29,087	1,312	27,775
Nov.	317	134	184	29,062	1,300	27,762
Dec.	336	136	200	29,116	1,329	27,787
1965—Jan.	407	152	254	30,349	1,545	28,804
Feb.	313	159	154	30,749	1,605	29,144
Mar.	356	168	188	30,464	1,597	28,867
Apr.	351	155	196	31,521	1,523	29,998
May.	301	158	143	31,431	1,551	29,880
June.	417	186	231	30,036	1,447	28,589
July.	332	147	185	30,749	1,616	29,133

[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 Co. Institute data based on reports of members, which comprise substantially all open-end investment cos. registered with the Securities and Exchange Commission. Data reflect newly formed cos. after their intial offering of securities.

SALES, PROFITS, AND DIVIDENDS OF LARGE CORPORATIONS

(In millions of dollars)

Industry	1960	1961	1962	1963	1964	1963	1964				1965	
						IV	I	II	III	IV	I	II
Manufacturing												
Total (177 corps.):												
Sales	123,911	123,669	136,545	147,380	157,633	38,990	38,326	40,784	37,697	40,827	r42,742	45,378
Profits before taxes	13,543	13,268	15,330	17,337	18,821	4,877	4,781	5,333	4,077	4,631	r5,517	6,034
Profits after taxes	7,161	7,167	8,215	9,138	10,520	2,587	2,603	2,898	2,335	2,684	r3,081	3,405
Dividends	4,485	4,730	5,048	5,444	5,930	1,770	1,285	1,448	1,324	1,873	r1,411	1,628
Nondurable goods industries (78 corps.): [1]												
Sales	47,372	49,362	52,245	55,372	59,256	14,057	14,220	14,823	14,915	15,298	r15,453	16,165
Profits before taxes	5,579	5,602	5,896	6,333	6,896	1,646	1,643	1,752	1,740	1,761	r1,804	1,993
Profits after taxes	3,215	3,225	3,403	3,646	4,137	972	992	1,028	1,037	1,080	r1,112	1,216
Dividends	1,948	2,031	2,150	2,265	2,404	649	561	569	584	690	r606	607
Durable goods industries (99 corps.): [2]												
Sales	76,540	74,307	84,300	92,008	98,377	24,933	24,106	25,961	22,782	25,528	r27,289	29,213
Profits before taxes	7,964	7,666	9,434	11,004	11,925	3,230	3,138	3,581	2,336	2,870	r3,713	4,042
Profits after taxes	3,946	3,942	4,812	5,492	6,383	1,615	1,611	1,871	1,299	1,603	1,970	2,189
Dividends	2,536	2,699	2,898	3,179	3,526	1,121	724	879	740	1,183	804	1,021
Selected industries:												
Foods and kindred products (25 corps.):												
Sales	12,202	12,951	13,457	14,301	15,209	3,632	3,598	3,721	3,863	4,027	r3,868	4,082
Profits before taxes	1,342	1,440	1,460	1,546	1,589	407	345	401	420	424	388	434
Profits after taxes	639	682	698	747	807	199	173	202	214	219	201	225
Dividends	372	397	425	448	479	118	117	119	119	124	124	125
Chemicals and allied products (20 corps.):												
Sales	12,205	12,606	13,759	14,623	16,077	3,751	3,791	4,114	4,067	4,104	r4,238	4,492
Profits before taxes	2,005	1,979	2,162	2,286	2,596	572	636	682	654	623	r679	758
Profits after taxes	1,058	1,034	1,126	1,182	1,404	301	347	366	349	342	r386	424
Dividends	786	833	868	904	924	299	207	209	212	296	r214	213
Petroleum refining (16 corps.):												
Sales	13,815	14,483	15,106	16,043	16,583	4,006	4,132	4,111	4,123	4,217	4,404	4,476
Profits before taxes	1,267	1,237	1,319	1,487	1,558	388	400	361	373	424	440	477
Profits after taxes	1,026	1,025	1,099	1,204	1,309	321	336	298	318	358	363	386
Dividends	521	528	566	608	670	154	158	159	169	184	182	183
Primary metals and products (34 corps.):												
Sales	20,828	20,234	21,260	22,116	24,114	5,405	5,540	6,046	6,042	6,486	6,614	7,091
Profits before taxes	2,214	1,999	1,838	2,178	2,577	572	560	674	605	738	r768	872
Profits after taxes	1,169	1,067	1,013	1,183	1,485	330	315	384	349	437	436	497
Dividends	838	843	820	734	763	191	186	187	187	204	195	200
Machinery (24 corps.):												
Sales	16,681	17,446	19,057	21,144	22,653	5,576	5,401	5,673	5,584	5,995	5,772	6,305
Profits before taxes	1,509	1,701	1,924	2,394	2,733	673	673	702	701	657	747	817
Profits after taxes	768	859	966	1,177	1,399	323	338	357	373	331	385	426
Dividends	494	508	531	577	673	154	157	170	171	175	192	187
Automobiles and equipment (14 corps.):												
Sales	26,275	23,314	29,156	32,927	35,323	9,736	9,275	10,028	7,137	8,883	r10,898	11,450
Profits before taxes	3,197	2,786	4,337	5,004	4,997	1,591	1,573	1,775	589	1,060	1,828	1,883
Profits after taxes	1,534	1,404	2,143	2,387	2,625	752	782	900	338	604	942	1,004
Dividends	837	973	1,151	1,447	1,630	648	276	419	276	659	305	520
Public utility												
Railroad:												
Operating revenue	9,514	9,189	9,440	9,560	9,857	2,447	2,362	2,481	2,486	2,526	2,385	....
Profits before taxes	648	625	729	816	836	252	188	245	211	192	145	....
Profits after taxes	445	382	572	651	698	225	144	196	175	182	121	....
Dividends	385	359	367	356	451	125	110	101	109	132	198	....
Electric power:												
Operating revenue	11,906	12,478	13,489	14,294	14,968	3,567	3,961	3,572	3,686	3,749	r4,227	3,797
Profits before taxes	3,163	3,349	3,583	3,735	3,947	862	1,106	893	998	949	1,154	949
Profits after taxes	1,793	1,883	2,062	2,187	2,385	531	660	542	583	600	712	597
Dividends	1,307	1,374	1,462	1,567	1,672	415	424	412	426	410	467	438
Telephone:												
Operating revenue	8,111	8,615	9,196	9,796	10,550	2,526	2,543	2,619	2,654	2,734	r2,732	2,790
Profits before taxes	2,326	2,478	2,639	2,815	3,069	707	726	796	773	774	783	766
Profits after taxes	1,155	1,233	1,327	1,417	1,590	356	377	408	402	403	420	419
Dividends	806	867	935	988	1,065	256	261	262	268	274	279	284

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[1] Includes 17 cos. in groups not shown separately.

[2] Includes 27 cos. in groups not shown separately.

NOTE.—*Manufacturing corps.* Data are obtained primarily from published co. reports.

Railroads. Interstate Commerce Commission data for Class I line-haul railroads.

Electric power. Federal Power Commission data for Class A and B electric utilities, except that quarterly figures on operating revenue and profits before taxes are partly estimated by the Federal Reserve to include affiliated nonelectric operations.

Telephone. Data obtained from Federal Communications Commission on revenues and profits for telephone operations of the Bell System Consolidated (including the 20 operating subsidiaries and the Long Lines and General Depts. of American Telephone and Telegraph Co.) and for 2 affiliated telephone cos. Dividends are for the 20 operating subsidiaries and the 2 affiliates.

All series. Profits before taxes are income after all charges and Federal income taxes and dividends.

Back data available from the Division of Research and Statis

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]
1957 r	47.2	21.2	26.0	11.7	14.2	20.8	1963 r—IV	60.8	27.0	33.8	16.1	17.7	32.8
1958 r	41.4	19.0	22.3	11.6	10.8	22.0							
1959 r	52.1	23.7	28.5	12.6	15.9	23.5	1964 r—I	64.0	27.3	36.7	16.7	20.0	33.2
1960 r	49.7	23.0	26.7	13.4	13.2	24.9	II	64.5	27.5	37.0	17.1	19.9	33.6
							III	65.3	27.8	37.5	17.4	20.1	34.3
1961 r	50.3	23.1	27.2	13.8	13.5	26.2	IV	65.9	28.1	37.8	17.7	20.0	34.8
1962 r	55.4	24.2	31.2	15.2	16.0	30.1							
1963 r	58.6	26.0	32.6	15.8	16.8	32.0	1965—I r	73.1	29.1	44.0	17.8	26.2	35.4
1964 r	64.8	27.6	37.2	17.2	19.9	34.0	II	73.7	29.4	44.3	18.2	26.1	35.8

[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 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		
1957	111.6	244.7	34.9	18.6	2.8	99.4	82.2	6.7	133.1	2.3	84.3	15.4	31.1
1958	118.7	255.3	37.4	18.8	2.8	106.9	81.9	7.5	136.6	1.7	88.7	12.9	33.3
1959	124.2	277.3	36.3	22.8	2.9	117.7	88.4	9.1	153.1	1.7	99.3	15.0	37.0
1960	128.6	289.0	37.2	20.1	3.1	126.1	91.8	10.6	160.4	1.8	105.0	13.5	40.1
1961	135.6	306.8	41.1	20.0	3.4	135.8	95.2	11.4	171.2	1.8	112.8	14.1	42.5
1962	142.8	326.7	42.9	20.2	3.7	146.7	100.9	12.4	184.0	2.0	121.2	15.0	45.7
1963	151.2	349.9	44.5	20.6	3.6	159.7	107.3	14.3	198.8	2.5	131.8	16.3	48.2
1964—II	157.1	356.7	42.5	20.2	3.0	165.6	109.6	15.9	199.6	2.6	131.7	15.2	50.1
III	159.4	364.3	43.1	19.1	3.2	171.6	111.2	16.1	204.9	2.7	135.0	16.0	51.2
IV	161.1	371.0	45.0	19.1	3.4	173.8	114.3	15.5	209.9	2.7	140.0	17.0	50.2
1965—I	163.5	376.4	42.5	18.5	3.3	177.5	117.3	17.2	212.9	2.8	141.4	16.6	52.1
II	166.2	384.3	43.7	16.3	3.2	182.8	119.7	18.4	218.0	2.9	145.9	15.9	53.2

[1] Receivables from, and payables to, the U.S. Govt. exclude amounts offset against each other on corps.' books.

NOTE.—Securities and Exchange Commission estimates; excludes banks, savings and loan assns., and insurance cos.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT

(In billions of dollars)

Period	Total	Manufacturing		Mining	Transportation		Public utilities	Communications	Other [1]	Total (S. A. annual rate)
		Durable	Nondurable		Railroad	Other				
1957	36.96	8.02	7.94	1.24	1.40	1.77	6.20	3.03	7.37	....
1958	30.53	5.47	5.96	.94	.75	1.50	6.09	2.62	7.20	....
1959	32.54	5.77	6.29	.99	.92	2.02	5.67	2.67	8.21	....
1960	35.68	7.18	7.30	.99	1.03	1.94	5.68	3.13	8.44	....
1961	34.37	6.27	7.40	.98	.67	1.85	5.52	3.22	8.46	....
1962	37.31	7.03	7.65	1.08	.85	2.07	5.48	3.63	9.52	....
1963	39.22	7.85	7.84	1.04	1.10	1.92	5.65	3.79	10.03	....
1964	44.90	9.43	9.16	1.19	1.41	2.38	6.22	4.30	10.83	....
1965[2] r	50.92	10.96	10.92	1.31	1.62	2.79	6.69	16.63		....
1963—IV	11.09	2.31	2.25	.28	.33	.54	1.61	1.06	2.72	41.20
1964—I	9.40	1.93	1.87	.26	.32	.51	1.18	.97	2.37	42.55
II	11.11	2.30	2.23	.29	.36	.63	1.58	1.10	2.61	43.50
III	11.54	2.37	2.30	.30	.37	.59	1.71	1.06	2.84	45.65
IV	12.84	2.83	2.76	.33	.35	.64	1.76	1.17	3.01	47.75
1965—I	10.79	2.25	2.28	.29	.39	.58	1.32	1.08	2.59	49.00
II r	12.81	2.76	2.70	.33	.44	.77	1.71	1.24	2.85	50.35
III[2] r	13.02	2.71	2.77	.33	.40	.70	1.82	4.30		51.15
IV[2]	14.30	3.24	3.17	.35	.39	.73	1.84	4.58		52.95

[1] Includes trade, service, finance, and construction.

[2] Anticipated by business.

NOTE.—Dept. of Commerce and Securities and Exchange Commission estimates for corp. and noncorp. business, excluding agriculture.

MORTGAGE DEBT OUTSTANDING

(In billions of dollars)

End of period	All properties				Farm			Nonfarm								
			Other holders[2]						1- to 4-family houses			Multifamily and commercial properties[4]			Mortgage type[5]	
	All holders	Financial institutions[1]	U.S. agencies	Individuals and others	All holders	Financial institutions[1]	Other holders[3]	All holders	Total	Finan. institutions	Other holders	Total	Finan. institutions	Other holders	FHA-VA-underwritten	Conventional
1941	37.6	20.7	4.7	12.2	6.4	1.5	4.9	31.2	18.4	11.2	7.2	12.9	8.1	4.8	3.0	28.2
1945	35.5	21.0	2.4	12.1	4.8	1.3	3.4	30.8	18.6	12.2	6.4	12.2	7.4	4.7	4.3	26.5
1957	156.5	119.7	7.4	29.3	10.4	4.0	6.4	146.1	107.6	89.9	17.7	38.5	25.8	12.7	51.6	94.5
1958	171.8	131.5	7.8	32.5	11.1	4.2	6.9	160.7	117.7	98.5	19.2	43.0	28.8	14.2	55.2	105.5
1959	190.8	145.5	10.0	35.4	12.1	4.5	7.6	178.7	130.9	109.2	21.6	47.9	31.8	16.1	59.2	119.4
1960	206.8	157.6	11.2	38.0	12.8	4.7	8.2	194.0	141.3	117.9	23.4	52.7	35.0	17.7	62.3	131.7
1961	226.3	172.6	11.8	41.9	13.9	5.0	8.9	212.4	153.1	128.2	24.9	59.3	39.4	19.9	65.5	146.9
1962	251.6	192.5	12.2	47.0	15.2	5.5	9.7	236.4	166.5	140.4	26.0	69.9	46.6	23.4	^{r}69.4	^{r}167.0
1963	280.8	217.1	11.2	52.5	16.8	6.2	10.6	264.0	182.2	156.3	25.9	81.8	54.6	27.1	^{r}73.4	^{r}190.6
1964^{p}	311.4	241.0	11.4	59.1	18.9	7.0	11.9	292.5	197.7	170.5	27.2	94.9	63.5	31.4	77.2	215.4
1963—I	257.0	197.2	11.8	48.0	15.5	5.6	9.9	241.5	169.2	143.4	25.8	72.2	48.1	24.1	^{r}70.3	^{r}171.2
II	265.0	204.1	11.2	49.8	16.1	5.9	10.2	248.9	173.7	148.1	25.6	75.2	50.2	25.0	^{r}71.2	^{r}177.7
III	273.0	210.8	11.1	51.1	16.5	6.1	10.5	256.5	178.2	152.5	25.8	78.3	52.3	26.0	^{r}72.1	^{r}184.4
IV	280.8	217.1	11.2	52.5	16.8	6.2	10.6	264.0	182.2	156.3	25.9	81.8	54.6	27.1	^{r}73.4	^{r}190.6
1964—I^{p}	286.8	221.9	11.2	53.7	17.3	6.4	10.9	269.5	185.2	159.2	26.0	84.3	56.4	28.0	74.2	195.3
II^{p}	295.5	228.4	11.2	55.8	18.0	6.7	11.3	277.4	189.6	163.0	26.6	87.8	58.7	29.1	74.9	202.5
III^{p}	303.6	234.8	11.3	57.4	18.5	6.9	11.6	285.1	193.9	167.0	26.9	91.2	61.0	30.2	76.2	208.9
IV^{p}	311.4	241.0	11.4	59.1	18.9	7.0	11.9	292.5	197.7	170.5	27.2	94.9	63.5	31.4	77.2	215.4
1965—I^{p}	317.5	245.6	11.5	60.3	19.4	7.2	12.3	298.0	200.3	173.0	27.3	97.7	65.5	32.3	77.9	220.1
II^{p}	325.1	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......

[1] Commercial banks (including nondeposit trust cos. but not trust depts.), mutual savings banks, life insurance cos., and savings and loan assns.

[2] U.S. agencies are FNMA, FHA, VA, PHA, Farmers Home Admin., and Federal land banks, and in earlier years, RFC, HOLC, and FFMC, Other U.S. agencies (amounts small or current separate data not readily available) included with "individuals and others."

[3] Derived figures; includes debt held by Federal land banks and farm debt held by Farmers Home Admin.

[4] Derived figures; includes small amounts of farm loans held by savings and loan assns.

[5] Data by type of mortgage on nonfarm 1- to 4-family properties alone are shown on second page following.

NOTE.—Based on data from Federal Deposit Insurance Corp., Federal Home Loan Bank Board, Institute of Life Insurance, Depts. of Agriculture and Commerce, Federal National Mortage Assn., Federal Housing Admin., Public Housing Admin., Veterans Admin., and Comptroller of the Currency.

Figures for first 3 quarters of each year are F.R. estimates.

MORTGAGE LOANS HELD BY BANKS

(In millions of dollars)

End of period	Commercial bank holdings[1]							Mutual savings bank holdings[2]						
	Total	Residential				Other nonfarm	Farm	Total	Residential				Other nonfarm	Farm
		Total	FHA-insured	VA-guaranteed	Conventional				Total	FHA-insured	VA-guaranteed	Conventional		
1941	4,906	3,292	......	......	......	1,048	566	4,812	3,884	......	......	......	900	28
1945	4,772	3,395	......	......	......	856	521	4,208	3,387	......	......	......	797	24
1957	23,337	17,147	4,823	3,589	8,735	4,823	1,367	21,169	19,010	4,669	7,790	6,551	2,102	57
1958	25,523	18,591	5,476	3,335	9,780	5,461	1,471	23,263	20,935	5,501	8,360	7,073	2,275	53
1959	28,145	20,320	6,122	3,161	11,037	6,237	1,588	24,992	22,486	6,276	8,589	7,622	2,451	55
1960	28,806	20,362	5,851	2,859	11,652	6,796	1,648	26,935	24,306	7,074	8,986	8,246	2,575	54
1961	30,442	21,225	5,975	2,627	12,623	7,470	1,747	29,145	26,341	8,045	9,267	9,029	2,753	51
1962	34,476	23,482	6,520	2,654	14,308	8,972	2,022	32,320	29,181	9,238	9,787	10,156	3,088	51
1963	39,414	26,476	7,105	2,862	16,509	10,611	2,327	36,224	32,718	10,684	10,490	11,544	3,454	52
1964	43,976	28,933	7,315	2,742	18,876	12,405	2,638	40,556	36,487	12,287	11,121	13,079	4,016	53
1963—I	35,243	23,846	6,627	2,651	14,568	9,270	2,127	33,368	30,143	9,724	10,046	10,373	3,174	51
II	36,939	24,958	6,861	2,837	15,260	9,740	2,241	34,309	30,969	10,023	10,218	10,728	3,290	50
III	38,360	25,855	7,007	2,870	15,978	10,203	2,302	35,191	31,775	10,328	10,335	11,112	3,365	51
IV	39,414	26,476	7,105	2,862	16,509	10,611	2,327	36,224	32,718	10,684	10,490	11,544	3,454	52
1964—I	40,200	26,894	7,110	2,824	16,960	10,894	2,412	37,155	33,506	11,004	10,639	11,863	3,597	52
II	41,648	27,750	7,158	2,793	17,799	11,340	2,558	38,199	34,407	11,376	10,826	12,205	3,739	53
III	42,948	28,432	7,250	2,786	18,396	11,896	2,620	39,381	35,449	11,826	10,977	12,646	3,879	53
IV	43,976	28,933	7,315	2,742	18,876	12,405	2,638	40,556	36,487	12,287	11,121	13,079	4,016	53
1965—I^{p}	44,627	......	......	......	......	......	......	41,513	......	......	......	......	......	......

[1] Includes loans held by nondeposit trust cos., but not bank trust depts.

[2] Data for 1941 and 1945, except for totals, are special F.R. estimates.

NOTE.—Second and fourth quarters, Federal Deposit Insurance Corp. series for all commercial and mutual savings banks in the United States and possessions. First and third quarters, estimates based on FDIC data for insured banks for 1962 and part of 1963 and on special F.R. interpolations thereafter. For earlier years, the basis for first and third quarter estimates included F.R. commercial bank call data and data from the National Assn. of Mutual Savings Banks.

MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES

(In millions of dollars)

Period	Loans acquired						Loans outstanding (end of period)					
	Total	Nonfarm				Farm [1]	Total	Nonfarm				Farm
		Total	FHA-insured	VA-guaranteed	Other [1]			Total	FHA-insured	VA-guaranteed	Other	
1945	976	....	....	....	....	....	6,637	5,860	1,394	....	4,466	776
1958	5,277	4,839	1,301	195	3,343	438	37,062	34,395	7,443	7,433	19,519	2,667
1959	5,970	5,472	1,549	201	3,722	498	39,197	36,370	8,273	7,086	21,011	2,827
1960	6,086	5,622	1,401	291	3,930	464	41,771	38,789	9,032	6,901	22,856	2,982
1961	6,785	6,233	1,388	220	4,625	552	44,203	41,033	9,665	6,553	24,815	3,170
1962	7,478	6,859	1,355	469	5,035	619	46,902	43,502	10,176	6,395	26,931	3,400
1963	9,172	8,306	1,598	678	6,030	866	50,544	46,752	10,756	6,401	29,595	3,792
1964	^{r}10,432	^{r}9,385	^{r}1,811	^{r}674	^{r}6,900	^{r}1,047	55,152	50,848	11,484	6,403	32,961	4,304
1964^{r}—June	877	791	151	50	590	86	52,538	48,452	11,109	6,423	30,920	4,086
July	841	767	156	54	557	74	52,833	48,708	11,161	6,410	31,137	4,125
Aug.	821	755	157	56	542	66	53,177	49,015	11,222	6,408	31,385	4,162
Sept.	891	826	165	57	604	65	53,571	49,374	11,291	6,402	31,681	4,197
Oct.	921	853	168	60	625	68	54,001	49,768	11,371	6,403	31,994	4,233
Nov.	890	825	165	64	596	65	54,422	50,164	11,446	6,410	32,308	4,258
Dec.	1,340	1,228	162	52	1,014	112	55,197	50,893	11,512	6,413	32,968	4,304
1965—Jan.	915	808	175	67	566	107	55,626	51,307	11,625	6,433	33,249	4,319
Feb.	748	655	123	50	482	93	55,941	51,593	11,676	6,439	33,478	4,348
Mar.	939	786	154	51	581	153	56,343	51,923	11,742	6,432	33,749	4,420
Apr.	880	772	134	40	598	108	56,687	52,213	11,786	6,419	34,008	4,474
May	749	662	117	37	508	87	56,997	52,482	11,821	6,404	34,257	4,515
June	939	840	142	41	657	99	57,384	52,806	11,860	6,384	34,562	4,578

[1] Certain mortgage loans secured by land on which oil drilling or extracting operations in process were classified with farm through June 1959 and with "other" nonfarm thereafter. These loans totaled $38 million on July 31, 1959.

NOTE.—Institute of Life Insurance data. For loans acquired, the monthly figures may not add to annual totals and for loans outstanding, the end-of-Dec. figures may differ from end-of-year figures, because (1) monthly figures represent book value of ledger assets whereas year-end figures represent annual statement asset values, and (2) data for year-end adjustments are more complete.

MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS

(In millions of dollars)

Period	Loans made			Loans outstanding (end of period)			
	Total [1]	New construction	Home purchase	Total [2]	FHA-insured	VA-guaranteed	Conventional
1945	1,913	181	1,358	5,376	....	....	....
1958	12,182	4,050	5,172	45,627	2,206	7,077	36,344
1959	15,151	5,201	6,613	53,141	2,995	7,186	42,960
1960	14,304	4,678	6,132	60,070	3,524	7,222	49,324
1961	17,364	5,081	7,207	68,834	4,167	7,152	57,515
1962	20,754	5,979	8,524	78,770	4,476	7,010	67,284
1963	24,735	7,039	9,920	90,944	4,696	6,960	79,288
1964	24,505	6,515	10,397	101,314	4,896	6,686	89,732
1964							
July	2,363	635	1,037	97,211	4,760	6,777	85,674
Aug.	2,164	537	1,025	98,159	4,769	6,750	86,640
Sept.	2,048	498	970	98,995	4,793	6,729	87,473
Oct.	2,051	531	893	99,832	4,811	6,706	88,315
Nov.	1,791	462	770	100,519	4,830	6,690	88,999
Dec.	1,969	522	784	101,314	4,896	6,686	89,732
1965							
Jan.	1,527	370	638	101,844	4,906	6,683	90,255
Feb.	1,541	379	638	102,351	4,921	6,654	90,776
Mar.	2,056	544	824	103,151	4,939	6,629	91,583
Apr.	2,068	558	850	103,975	4,952	6,590	92,433
May	2,022	526	861	104,816	4,975	6,568	93,273
June	2,399	614	1,099	105,827	5,001	6,560	94,266
July^{p}	2,185	524	1,063	106,677	5,040	6,549	95,088

[1] Includes loans for repairs, additions and alterations, refinancing, etc., not shown separately.

[2] Beginning with 1958 includes shares pledged against mortgage loans.

NOTE.—Federal Home Loan Bank Board data.

NONFARM MORTGAGE RECORDINGS OF $20,000 OR LESS

(In millions of dollars)

Period	Total [1] N.S.A.	By type of lender (N.S.A.)			
		Savings & loan assns.	Insurance companies	Commercial banks	Mutual savings banks
1945	5,650	2,017	250	1,097	217
1958	27,388	10,516	1,460	5,204	1,640
1959	32,235	13,094	1,523	5,832	1,780
1960	29,341	12,158	1,318	4,520	1,557
1961	31,157	13,662	1,160	4,997	1,741
1962	34,187	15,144	1,212	5,851	1,957
1963	36,925	16,716	1,339	6,354	2,061
1964	36,921	15,759	1,408	6,656	2,182
1963					
Dec.	2,987	1,322	110	504	166
1964					
Jan.	2,758	1,170	103	483	145
Feb.	2,575	1,128	90	465	129
Mar.	2,935	1,290	102	540	140
Apr.	3,089	1,350	109	567	154
May	3,090	1,349	116	560	176
June	3,388	1,485	126	607	197
July	3,519	1,508	137	618	233
Aug.	3,277	1,398	130	581	213
Sept.	3,281	1,386	131	597	215
Oct.	3,225	1,332	129	590	201
Nov.	2,847	1,174	114	514	192
Dec.	2,936	1,198	120	533	185

[1] Includes amounts for other lenders, not shown separately.

NOTE.—Federal Home Loan Bank Board data.

GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

(In millions of dollars)

Period	FHA-insured					VA-guaranteed		
	Total	Mortgages		Projects[1]	Property improvements[2]	Total[3]	Mortgages	
		New homes	Existing homes				New homes	Existing homes
1945	665	257	217	20	171	192	....	....
1957	3,715	880	1,371	595	869	3,761	2,890	863
1958	6,349	1,666	2,885	929	868	1,865	1,311	549
1959	7,694	2,563	3,507	628	997	2,787	2,051	730
1960	6,293	2,197	2,403	711	982	1,985	1,554	428
1961	6,546	1,783	2,982	926	855	1,829	1,170	656
1962	7,184	1,849	3,421	1,079	834	2,652	1,357	1,292
1963	7,216	1,664	3,905	843	804	3,045	1,272	1,770
1964	8,130	1,608	4,965	895	663	2,846	1,023	1,821
1964—July	782	141	476	108	57	251	81	171
Aug.	740	137	468	68	67	246	78	167
Sept.	720	138	467	66	49	270	85	185
Oct.	790	159	491	81	58	271	93	178
Nov.	688	135	422	81	50	258	91	167
Dec.	683	135	428	67	54	242	88	153
1965—Jan.	630	138	405	34	54	225	84	141
Feb.	517	115	328	40	34	200	72	128
Mar.	640	137	396	62	45	216	77	139
Apr.	634	128	413	51	42	179	64	115
May	625	116	399	57	53	182	57	125
June	716	127	484	40	66	217	65	152
July	776	140	506	71	58	217	65	152

[1] Monthly figures do not reflect mortgage amendments included in annual totals.

[2] Not ordinarily secured by mortgages.

[3] Includes a small amount of alteration and repair loans, not shown separately; only such loans in amounts of more than $1,000 need be secured.

NOTE.—Federal Housing Admin. and Veterans Admin. data. FHA-insured loans represent gross amount of insurance written; VA-guaranteed loans, gross amounts of loans closed. Figures do not take into account principal repayments on previously insured or guaranteed loans. For VA-guaranteed loans, amounts by type are derived from data on number and average amount of loans closed.

MORTGAGE DEBT OUTSTANDING ON NONFARM 1- TO 4-FAMILY PROPERTIES

(In billions of dollars)

End of period	Total	Government-underwritten			Conventional
		Total	FHA-insured	VA-guaranteed 1	
1945	18.6	4.3	4.1	.2	14.3
1957	107.6	47.2	16.5	30.7	60.4
1958	117.7	50.1	19.7	30.4	67.6
1959	130.9	53.8	23.8	30.0	77.0
1960	141.3	56.4	26.7	29.7	84.8
1961	153.1	59.1	29.5	29.6	93.9
1962	166.5	^{r}62.2	32.3	^{r}29.9	^{r}104.3
1963	182.2	65.9	35.0	30.9	116.3
1964^{p}	197.7	69.2	38.3	30.9	128.4
1963—I	169.2	63.0	33.0	30.0	106.2
II	173.7	63.8	33.5	30.3	109.9
III	178.2	64.6	34.3	30.4	113.6
IV	182.2	65.9	35.0	30.9	116.3
1964—I^{p}	185.2	66.6	35.7	31.0	118.5
II^{p}	189.6	67.3	36.3	30.9	122.3
III^{p}	193.9	68.4	37.4	31.1	125.4
IV^{p}	197.7	69.2	38.3	30.9	128.4
1965—I^{p}	200.3	70.1	39.0	31.0	130.2

[1] Includes outstanding amount of VA vendee accounts held by private investors under repurchase agreement.

NOTE.—For total debt outstanding, figures are FHLBB and F.R. estimates. For conventional, figures are derived.

Based on data from Federal Home Loan Bank Board, Federal Housing Admin., and Veterans Admin.

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY

(In millions of dollars)

End of period	Mortgage holdings			Mortgage transactions (during period)		Commitments undisbursed
	Total	FHA-insured	VA-guaranteed	Purchases	Sales	
1956	3,047	978	2,069	609	5	360
1957	3,974	1,237	2,737	1,096	3	764
1958	3,901	1,483	2,418	623	482	1,541
1959	5,531	2,546	2,985	1,907	5	568
1960	6,159	3,356	2,803	1,248	357	576
1961	6,093	3,490	2,603	815	541	631
1962	5,923	3,571	2,353	740	498	355
1963	4,650	3,017	1,634	290	1,114	191
1964	4,412	2,996	1,416	424	251	313
1964—July	4,516	3,033	1,482	41	30	222
Aug.	4,477	3,008	1,469	44	43	230
Sept.	4,453	2,998	1,455	34	24	245
Oct.	4,440	2,997	1,443	36	14	260
Nov.	4,439	3,011	1,428	40	11	292
Dec.	4,412	2,996	1,416	40	31	313
1965—Jan.	4,417	3,009	1,408	40	4	316
Feb.	4,394	3,005	1,388	48	41	316
Mar.	4,364	2,986	1,378	45	43	320
Apr.	4,341	2,989	1,352	51	43	321
May	4,326	2,997	1,329	47	32	327
June	4,303	2,992	1,311	44	27	360
July	4,309	3,012	1,297	49	9	376

NOTE.—Federal National Mortgage Assn. data including mortgages subject to participation pool of Government Mortgage Liquidation Trust, but excluding conventional mortgage loans acquired by FNMA from the RFC Mortgage Co., the Defense Homes Corp., the Public Housing Admin., and Community Facilities Admin.

FEDERAL HOME LOAN BANKS

(In millions of dollars)

Period	Advances	Repayments	Advances outstanding (end of period)			Members' deposits
			Total	Short-term[1]	Long-term[2]	
1945	278	213	195	176	19	46
1956	745	934	1,228	798	430	683
1957	1,116	1,079	1,265	731	534	653
1958	1,364	1,331	1,298	685	613	819
1959	2,067	1,231	2,134	1,192	942	589
1960	1,943	2,097	1,981	1,089	892	938
1961	2,882	2,220	2,662	1,447	1,216	1,180
1962	4,111	3,294	3,479	2,005	1,474	1,213
1963	5,601	4,296	4,784	2,863	1,921	1,151
1964	5,563	5,023	5,325	2,846	2,479	1,199
1964—July	584	590	4,763	2,699	2,064	936
Aug.	369	351	4,781	2,662	2,119	926
Sept.	382	327	4,837	2,635	2,202	989
Oct.	401	441	4,797	2,605	2,192	978
Nov.	379	392	4,784	2,572	2,212	989
Dec.	791	250	5,325	2,846	2,479	1,199
1965—Jan.	412	793	4,944	2,590	2,354	1,013
Feb.	309	402	4,851	2,420	2,431	1,013
Mar.	348	452	4,747	2,277	2,470	1,048
Apr.	735	264	5,219	2,565	2,653	1,026
May	350	342	5,227	2,480	2,748	1,017
June	602	243	5,586	2,867	2,719	1,172
July	613	406	5,793	3,176	2,617	912

[1] Secured or unsecured loans maturing in 1 year or less.

[2] Secured loans, amortized quarterly, having maturities of more than 1 year but not more than 10 years.

NOTE.—Federal Home Loan Bank Board data.

TOTAL CREDIT

(In millions of dollars)

End of period	Total	Instalment					Noninstalment			
		Total	Automobile paper	Other consumer goods paper	Repair and modernization loans[1]	Personal loans	Total	Single-payment loans	Charge accounts	Service credit
1939	7,222	4,503	1,497	1,620	298	1,088	2,719	787	1,414	518
1941	9,172	6,085	2,458	1,929	376	1,322	3,087	845	1,645	597
1945	5,665	2,462	455	816	182	1,009	3,203	746	1,612	845
1957	44,970	33,867	15,340	8,844	2,101	7,582	11,103	3,364	5,146	2,593
1958	45,129	33,642	14,152	9,028	2,346	8,116	11,487	3,627	5,060	2,800
1959	51,542	39,245	16,420	10,630	2,809	9,386	12,297	4,129	5,104	3,064
1960	56,028	42,832	17,688	11,525	3,139	10,480	13,196	4,507	5,329	3,360
1961	57,678	43,527	17,223	11,857	3,191	11,256	14,151	5,136	5,324	3,691
1962	63,164	48,034	19,540	12,605	3,246	12,643	15,130	5,456	5,684	3,990
1963	69,890	53,745	22,199	13,766	3,389	14,391	16,145	5,959	5,871	4,315
1964	76,810	59,397	24,521	15,303	3,502	16,071	17,413	6,473	6,300	4,640
1964—July	72,456	56,496	24,024	13,813	3,426	15,233	15,960	6,218	5,240	4,502
Aug.	73,069	57,055	24,251	13,923	3,466	15,415	16,014	6,299	5,231	4,484
Sept.	73,495	57,446	24,295	14,046	3,493	15,612	16,049	6,354	5,223	4,472
Oct.	73,928	57,826	24,423	14,222	3,509	15,672	16,102	6,333	5,352	4,417
Nov.	74,371	58,085	24,367	14,431	3,516	15,771	16,286	6,412	5,394	4,480
Dec.	76,810	59,397	24,521	15,303	3,502	16,071	17,413	6,473	6,300	4,640
1965—Jan.	76,145	59,342	24,574	15,204	3,473	16,091	16,803	6,412	5,724	4,667
Feb.	75,741	59,363	24,743	14,984	3,446	16,190	16,378	6,442	5,154	4,782
Mar.	76,085	59,788	25,063	14,944	3,440	16,341	16,297	6,518	4,977	4,802
Apr.	77,483	60,803	25,615	15,056	3,439	16,693	16,680	6,606	5,210	4,864
May	78,687	61,739	26,109	15,229	3,484	16,917	16,948	6,686	5,453	4,809
June	79,887	62,790	26,685	15,422	3,524	17,159	17,097	6,776	5,528	4,793
July	80,686	63,609	27,171	15,573	3,553	17,312	17,077	6,781	5,534	4,762

[1] Holdings of financial institutions; holdings of retail outlets are included in "other consumer goods paper."

NOTE.—Consumer credit estimates cover loans to individuals for household, family, and other personal expenditures, except real estate mortgage loans. The estimates include data for Alaska beginning with Jan. 1959 (except for instalment credit held by sales finance cos.) and for Hawaii beginning with Aug. 1959. For a description of the series see Apr. 1953 BULLETIN. Back data are available upon request.

INSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Financial institutions						Retail outlets					
		Total	Commercial banks	Sales finance cos.	Credit unions	Consumer finance[1]	Other[1]	Total	Department stores[2]	Furniture stores	Appliance stores	Automobile dealers[3]	Other
1939	4,503	3,065	1,079	1,197	132	....	657	1,438	354	439	183	123	339
1941	6,085	4,480	1,726	1,797	198	....	759	1,605	320	496	206	188	395
1945	2,462	1,776	745	300	102	....	629	686	131	240	17	28	270
1957	33,867	29,200	12,843	9,609	2,429	3,124	1,195	4,668	1,393	1,210	361	478	1,226
1958	33,642	28,659	12,780	8,844	2,668	3,085	1,282	4,983	1,882	1,128	292	506	1,175
1959	39,245	33,570	15,227	10,319	3,280	3,337	1,407	5,676	2,292	1,225	310	481	1,368
1960	42,832	37,218	16,672	11,472	3,923	3,670	1,481	5,615	2,414	1,107	333	359	1,402
1961	43,527	37,935	17,008	11,273	4,330	3,799	1,525	5,595	2,421	1,058	293	342	1,481
1962	48,034	41,782	19,005	12,194	4,902	4,131	1,550	6,252	3,013	1,073	294	345	1,527
1963	53,745	46,992	21,610	13,523	5,622	4,590	1,647	6,753	3,427	1,086	287	328	1,625
1964	59,397	51,990	23,943	14,762	6,458	5,078	1,749	7,407	3,922	1,152	286	370	1,677
1964—July	56,496	50,082	23,176	14,359	6,109	4,748	1,690	6,414	3,267	1,037	273	360	1,477
Aug.	57,055	50,583	23,389	14,475	6,204	4,797	1,718	6,472	3,332	1,044	273	363	1,460
Sept.	57,446	50,937	23,527	14,553	6,283	4,845	1,729	6,509	3,371	1,048	275	365	1,450
Oct.	57,826	51,220	23,663	14,625	6,334	4,870	1,728	6,606	3,444	1,062	276	367	1,457
Nov.	58,085	51,341	23,680	14,622	6,378	4,919	1,742	6,744	3,541	1,088	279	367	1,469
Dec.	59,397	51,990	23,943	14,762	6,458	5,078	1,749	7,407	3,922	1,152	286	370	1,677
1965—Jan.	59,342	52,159	24,091	14,797	6,429	5,078	1,764	7,183	3,791	1,128	285	373	1,606
Feb.	59,363	52,352	24,246	14,782	6,465	5,101	1,758	7,011	3,713	1,101	282	377	1,538
Mar.	59,788	52,837	24,537	14,831	6,569	5,132	1,768	6,951	3,673	1,085	277	384	1,532
Apr.	60,803	53,828	25,117	14,991	6,739	5,202	1,779	6,975	3,701	1,077	275	395	1,527
May	61,739	54,694	25,602	15,158	6,871	5,243	1,820	7,045	3,745	1,076	277	405	1,542
June	62,790	55,666	26,154	15,372	7,032	5,287	1,821	7,124	3,785	1,084	281	417	1,557
July	63,609	56,442	26,610	15,565	7,124	5,334	1,809	7,167	3,811	1,090	284	425	1,557

[1] Consumer finance cos. included with "other" financial institutions until 1950.

[2] Includes mail-order houses.

[3] Automobile paper only; other instalment credit held by automobile dealers is included with "other" retail outlets.

See also NOTE to table above.

INSTALMENT CREDIT HELD BY COMMERCIAL BANKS

(In millions of dollars)

End of period	Total	Automobile paper		Other consumer goods paper	Repair and modernization loans	Personal loans
		Purchased	Direct			
1939	1,079	237	178	166	135	363
1941	1,726	447	338	309	161	471
1945	745	66	143	114	110	312
1957	12,843	4,130	2,225	2,557	1,580	2,351
1958	12,780	4,014	2,170	2,269	1,715	2,612
1959	15,227	4,827	2,525	2,640	2,039	3,196
1960	16,672	5,316	2,820	2,759	2,200	3,577
1961	17,008	5,391	2,860	2,761	2,198	3,798
1962	19,005	6,184	3,451	2,824	2,261	4,285
1963	21,610	7,246	4,003	3,123	2,361	4,877
1964	23,943	8,300	4,451	3,380	2,427	5,385
1964—July	23,176	7,979	4,371	3,234	2,380	5,212
Aug.	23,389	8,090	4,389	3,244	2,405	5,261
Sept.	23,527	8,143	4,390	3,255	2,422	5,317
Oct.	23,663	8,233	4,396	3,273	2,437	5,324
Nov.	23,680	8,242	4,393	3,281	2,438	5,326
Dec.	23,943	8,300	4,451	3,380	2,427	5,385
1965—Jan.	24,091	8,325	4,503	3,455	2,400	5,408
Feb.	24,246	8,405	4,568	3,457	2,378	5,438
Mar.	24,537	8,539	4,673	3,461	2,368	5,496
Apr.	25,117	8,769	4,814	3,506	2,364	5,664
May	25,602	8,982	4,935	3,554	2,391	5,740
June	26,154	9,201	5,078	3,616	2,420	5,839
July	26,610	9,421	5,181	3,672	2,446	5,890

See NOTE to first table on previous page.

INSTALMENT CREDIT HELD BY OTHER FINANCIAL INSTITUTIONS

(In millions of dollars)

End of period	Total	Automobile paper	Other consumer goods paper	Repair and modernization loans	Personal loans
1939	789	81	24	15	669
1941	957	122	36	14	785
1945	731	54	20	14	643
1957	6,748	1,114	588	490	4,555
1958	7,035	1,152	565	595	4,723
1959	8,024	1,400	681	698	5,244
1960	9,074	1,665	771	800	5,837
1961	9,654	1,819	743	832	6,257
1962	10,583	2,111	751	815	6,906
1963	11,859	2,394	835	870	7,760
1964	13,285	2,699	997	933	8,656
1964—July	12,547	2,573	911	897	8,166
Aug.	12,719	2,610	927	912	8,270
Sept.	12,857	2,633	941	923	8,360
Oct.	12,932	2,654	956	926	8,396
Nov.	13,039	2,667	969	934	8,469
Dec.	13,285	2,699	997	933	8,656
1965—Jan.	13,271	2,689	996	933	8,653
Feb.	13,324	2,700	1,006	929	8,689
Mar.	13,469	2,744	1,019	935	8,771
Apr.	13,720	2,813	1,042	939	8,926
May	13,934	2,868	1,058	959	9,049
June	14,140	2,934	1,076	971	9,159
July	14,267	2,970	1,092	974	9,231

NOTE.—Institutions represented are consumer finance cos., credit unions, industrial loan cos., mutual savings banks, savings and loan assns., and other lending institutions holding consumer instalment loans.

See also NOTE to first table on previous page.

INSTALMENT CREDIT HELD BY SALES FINANCE COMPANIES

(In millions of dollars)

End of period	Total	Automobile paper	Other consumer goods paper	Repair and modernization loans	Personal loans
1939	1,197	878	115	148	56
1941	1,797	1,363	167	201	66
1945	300	164	24	58	54
1957	9,609	7,393	1,509	31	676
1958	8,844	6,310	1,717	36	781
1959	10,319	7,187	2,114	72	946
1960	11,472	7,528	2,739	139	1,066
1961	11,273	6,811	3,100	161	1,201
1962	12,194	7,449	3,123	170	1,452
1963	13,523	8,228	3,383	158	1,754
1964	14,762	8,701	3,889	142	2,030
1964—July	14,359	8,741	3,614	149	1,855
Aug.	14,475	8,799	3,643	149	1,884
Sept.	14,553	8,764	3,706	148	1,935
Oct.	14,625	8,773	3,754	146	1,952
Nov.	14,622	8,698	3,804	144	1,976
Dec.	14,762	8,701	3,889	142	2,030
1965—Jan.	14,797	8,684	3,943	140	2,030
Feb.	14,782	8,693	3,887	139	2,063
Mar.	14,831	8,723	3,897	137	2,074
Apr.	14,991	8,824	3,978	136	2,103
May	15,158	8,919	3,977	134	2,128
June	15,372	9,055	4,023	133	2,161
July	15,565	9,174	4,067	133	2,191

See NOTE to first table on previous page.

NONINSTALMENT CREDIT

(In millions of dollars)

End of period	Total	Single-payment loans		Charge accounts			Service credit
		Commercial banks	Other financial institutions	Department stores[1]	Other retail outlets	Credit cards[2]	
1939	2,719	625	162	236	1,178	......	518
1941	3,087	693	152	275	1,370	......	597
1945	3,203	674	72	290	1,322	......	845
1957	11,103	2,937	427	876	3,953	317	2,593
1958	11,487	3,156	471	907	3,808	345	2,800
1959	12,297	3,582	547	958	3,753	393	3,064
1960	13,196	3,884	623	941	3,952	436	3,360
1961	14,151	4,413	723	948	3,907	469	3,691
1962	15,130	4,690	766	927	4,252	505	3,990
1963	16,145	5,047	912	895	4,456	520	4,315
1964	17,413	5,469	1,004	909	4,756	635	4,640
1964—July	15,960	5,329	889	576	4,008	656	4,502
Aug.	16,014	5,335	964	588	3,960	683	4,484
Sept.	16,049	5,361	993	624	3,928	671	4,472
Oct.	16,102	5,361	972	660	4,055	637	4,417
Nov.	16,286	5,377	1,035	703	4,065	626	4,480
Dec.	17,413	5,469	1,004	909	4,756	635	4,640
1965—Jan.	16,803	5,409	1,003	793	4,280	651	4,667
Feb.	16,378	5,436	1,006	660	3,857	637	4,782
Mar.	16,297	5,495	1,023	601	3,743	633	4,802
Apr.	16,680	5,572	1,034	626	3,942	642	4,864
May	16,948	5,628	1,058	647	4,142	664	4,809
June	17,097	5,707	1,069	627	4,218	683	4,793
July	17,077	5,718	1,063	591	4,217	726	4,762

[1] Includes mail-order houses.

[2] Service station and misc. credit-card accounts and home-heating oil accounts.

See also NOTE to first table on previous page.

INSTALMENT CREDIT EXTENDED AND REPAID, BY TYPE OF CREDIT

(In millions of dollars)

Period	Total		Automobile paper		Other consumer goods paper		Repair and modernization loans		Personal loans	
	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.
	Extensions									
1957	....	42,016	....	16,465	....	11,807	....	1,674	....	12,069
1958	....	40,119	....	14,226	....	11,747	....	1,871	....	12,275
1959	....	48,052	....	17,779	....	13,982	....	2,222	....	14,070
1960	....	49,560	....	17,654	....	14,470	....	2,213	....	15,223
1961	....	48,396	....	16,007	....	14,578	....	2,068	....	15,744
1962	....	55,126	....	19,796	....	15,685	....	2,051	....	17,594
1963	....	60,822	....	22,013	....	17,007	....	2,178	....	19,624
1964	....	66,070	....	23,565	....	19,162	....	2,182	....	21,161
1964—July	5,541	5,747	1,996	2,166	1,546	1,543	189	208	1,810	1,830
Aug.	5,529	5,519	2,017	1,984	1,570	1,540	186	210	1,756	1,785
Sept.	5,617	5,393	2,024	1,830	1,588	1,592	186	200	1,819	1,771
Oct.	5,507	5,552	1,924	1,999	1,582	1,657	180	191	1,821	1,705
Nov.	5,456	5,323	1,858	1,727	1,631	1,672	175	175	1,792	1,749
Dec.	5,816	6,767	2,043	1,992	1,719	2,404	180	161	1,874	2,210
1965—Jan.	5,883	5,023	2,120	1,836	1,729	1,440	181	134	1,853	1,613
Feb.	6,022	5,007	2,228	1,915	1,760	1,338	175	132	1,859	1,622
Mar.	6,030	6,173	2,229	2,382	1,698	1,619	186	176	1,917	1,996
Apr.	6,189	6,480	2,272	2,496	1,645	1,614	189	190	2,083	2,180
May	6,105	6,189	2,215	2,384	1,728	1,682	190	214	1,972	1,909
June	6,139	6,780	2,250	2,608	1,717	1,804	199	225	1,973	2,143
July	6,278	6,429	2,301	2,465	1,792	1,755	179	200	2,006	2,009
	Repayments									
1957	....	39,868	....	15,545	....	11,569	....	1,477	....	11,276
1958	....	40,344	....	15,415	....	11,563	....	1,626	....	11,741
1959	....	42,603	....	15,579	....	12,402	....	1,765	....	12,857
1960	....	45,972	....	16,384	....	13,574	....	1,883	....	14,130
1961	....	47,700	....	16,472	....	14,246	....	2,015	....	14,967
1962	....	50,620	....	17,478	....	14,939	....	1,996	....	16,206
1963	....	55,111	....	19,354	....	15,846	....	2,035	....	17,876
1964	....	60,418	....	21,243	....	17,625	....	2,069	....	19,481
1964—July	5,058	5,165	1,781	1,844	1,448	1,460	171	177	1,658	1,684
Aug.	5,094	4,960	1,789	1,757	1,496	1,430	172	170	1,637	1,603
Sept.	5,104	5,002	1,802	1,786	1,491	1,469	172	173	1,639	1,574
Oct.	5,097	5,172	1,788	1,871	1,456	1,481	167	175	1,686	1,645
Nov.	5,155	5,064	1,818	1,783	1,509	1,463	174	168	1,654	1,650
Dec.	5,256	5,455	1,864	1,838	1,505	1,532	177	175	1,710	1,910
1965—Jan.	5,213	5,078	1,830	1,783	1,526	1,539	171	163	1,686	1,593
Feb.	5,381	4,986	1,897	1,746	1,632	1,558	172	159	1,680	1,523
Mar.	5,393	5,748	1,924	2,062	1,567	1,659	171	182	1,731	1,845
Apr.	5,445	5,465	1,936	1,944	1,487	1,502	190	191	1,832	1,828
May	5,435	5,253	1,940	1,890	1,564	1,509	172	169	1,759	1,685
June	5,537	5,729	1,960	2,032	1,587	1,611	179	185	1,811	1,901
July	5,612	5,610	1,972	1,979	1,612	1,604	169	171	1,859	1,856
	Net change in credit outstanding[2]									
1957	....	2,148	....	920	....	238	....	197	....	793
1958	....	−225	....	−1,189	....	184	....	245	....	534
1959	....	5,601	....	2,268	....	1,602	....	463	....	1,269
1960	....	3,588	....	1,270	....	896	....	330	....	1,093
1961	....	696	....	−465	....	332	....	53	....	777
1962	....	4,506	....	2,318	....	746	....	55	....	1,388
1963	....	5,711	....	2,659	....	1,161	....	143	....	1,748
1964	....	5,652	....	2,322	....	1,537	....	113	....	1,680
1964—July	483	582	215	322	98	83	18	31	152	146
Aug.	435	559	228	227	74	110	14	40	119	182
Sept.	513	391	222	44	97	123	14	27	180	197
Oct.	410	380	136	128	126	176	13	16	135	60
Nov.	301	259	40	−56	122	209	1	7	138	99
Dec.	560	1,312	179	154	214	872	3	−14	164	300
1965—Jan.	670	−55	290	53	203	−99	10	−29	167	20
Feb.	641	21	331	169	128	−220	3	−27	179	99
Mar.	637	425	305	320	131	−40	15	−6	186	151
Apr.	744	1,015	336	552	158	112	−1	−1	251	352
May	670	936	275	494	164	173	18	45	213	224
June	602	1,051	290	576	130	193	20	40	162	242
July	666	819	329	486	180	151	10	29	147	153

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[1] Includes adjustments for differences in trading days.

[2] Net changes in credit outstanding equal extensions less repayments except in 1959, when the differences do not reflect the introduction of outstanding balances for Alaska and Hawaii.

NOTE.—Estimates are based on accounting records and often include financing charges. Renewals and refinancing of loans, purchases and sales of instalment paper, and certain other transactions may increase the amount of extensions and repayments without affecting the amount outstanding.

For a description of the series in this and the following table see Jan. 1954 BULLETIN, pp. 9–17. Back data upon request.

INSTALMENT CREDIT EXTENDED AND REPAID, BY HOLDER

(In millions of dollars)

Period	Total		Commercial banks		Sales finance companies		Other financial institutions		Retail outlets	
	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.	S.A.[1]	N.S.A.
	Extensions									
1957	....	42,016	....	15,355	....	10,250	....	9,915	....	6,495
1958	....	40,119	....	14,860	....	9,043	....	9,654	....	6,563
1959	....	48,052	....	17,976	....	11,196	....	10,940	....	7,940
1960	....	49,560	....	18,269	....	11,456	....	12,073	....	7,762
1961	....	48,396	....	17,711	....	10,667	....	12,282	....	7,736
1962	....	55,126	....	20,474	....	11,999	....	13,525	....	9,128
1963	....	60,822	....	22,871	....	12,664	....	14,894	....	10,393
1964	....	66,070	....	24,515	....	14,020	....	16,251	....	11,284
1964—July	5,541	5,747	2,065	2,199	1,158	1,242	1,397	1,426	921	880
Aug.	5,529	5,519	2,084	2,063	1,157	1,172	1,355	1,382	933	902
Sept.	5,617	5,393	2,104	1,989	1,191	1,142	1,405	1,348	917	914
Oct.	5,507	5,552	2,030	2,044	1,156	1,192	1,402	1,319	919	997
Nov.	5,456	5,323	2,036	1,873	1,114	1,070	1,370	1,365	936	1,015
Dec.	5,816	6,767	2,186	2,176	1,191	1,317	1,443	1,704	996	1,570
1965—Jan.	5,883	5,023	2,224	2,020	1,175	1,027	1,459	1,219	1,025	757
Feb.	6,022	5,007	2,262	1,974	1,281	1,060	1,427	1,217	1,052	756
Mar.	6,030	6,173	2,286	2,414	1,276	1,292	1,487	1,551	981	916
Apr.	6,189	6,480	2,362	2,591	1,243	1,284	1,607	1,653	977	952
May	6,105	6,189	2,343	2,459	1,242	1,239	1,494	1,487	1,026	1,004
June	6,139	6,780	2,370	2,687	1,237	1,393	1,504	1,654	1,028	1,046
July	6,278	6,429	2,411	2,540	1,253	1,318	1,538	1,557	1,076	1,014
	Repayments									
1957	....	39,868	....	14,360	....	9,759	....	9,250	....	6,499
1958	....	40,344	....	14,647	....	9,842	....	9,365	....	6,490
1959	....	42,603	....	15,560	....	9,742	....	10,020	....	7,281
1960	....	45,972	....	16,832	....	10,442	....	11,022	....	7,676
1961	....	47,700	....	18,294	....	10,943	....	11,715	....	6,749
1962	....	50,620	....	18,468	....	11,434	....	12,593	....	8,125
1963	....	55,111	....	20,266	....	12,211	....	13,618	....	9,016
1964	....	60,418	....	22,268	....	13,161	....	14,825	....	10,164
1964—July	5,058	5,165	1,857	1,930	1,097	1,111	1,267	1,287	837	837
Aug.	5,094	4,960	1,889	1,850	1,087	1,056	1,237	1,210	881	844
Sept.	5,104	5,002	1,860	1,851	1,118	1,097	1,266	1,210	860	844
Oct.	5,097	5,172	1,868	1,908	1,071	1,120	1,284	1,244	874	900
Nov.	5,155	5,064	1,916	1,856	1,103	1,073	1,255	1,258	881	877
Dec.	5,256	5,455	1,944	1,913	1,129	1,177	1,303	1,458	880	907
1965—Jan.	5,213	5,078	1,921	1,872	1,059	992	1,299	1,233	934	981
Feb.	5,381	4,986	1,956	1,819	1,157	1,075	1,286	1,164	982	928
Mar.	5,393	5,748	1,972	2,123	1,136	1,243	1,328	1,406	957	976
Apr.	5,445	5,465	2,002	2,011	1,108	1,124	1,396	1,402	939	928
May	5,435	5,253	2,020	1,974	1,113	1,072	1,329	1,273	973	934
June	5,537	5,729	2,048	2,135	1,137	1,179	1,377	1,448	975	967
July	5,612	5,610	2,070	2,084	1,152	1,125	1,421	1,430	969	971
	Net change in credit outstanding [2]									
1957	....	2,148	....	1,066	....	491	....	665	....	−75
1958	....	−225	....	−63	....	−765	....	289	....	315
1959	....	5,601	....	2,447	....	1,475	....	986	....	693
1960	....	3,588	....	1,446	....	1,152	....	1,051	....	−61
1961	....	696	....	335	....	−199	....	578	....	−20
1962	....	4,506	....	1,997	....	921	....	932	....	656
1963	....	5,711	....	2,605	....	1,329	....	1,276	....	501
1964	....	5,652	....	2,333	....	1,239	....	1,426	....	654
1964—July	483	582	208	269	61	131	130	139	84	43
Aug.	435	559	195	213	70	116	118	172	52	58
Sept.	513	391	244	138	106	78	139	138	24	37
Oct.	410	380	162	136	85	72	118	75	45	97
Nov.	301	259	120	17	11	−3	115	107	55	138
Dec.	560	1,312	242	263	62	140	140	246	116	663
1965—Jan.	670	−55	303	148	116	35	160	−14	91	−224
Feb.	641	21	306	155	124	−15	141	53	70	−172
Mar.	637	425	314	291	140	49	159	145	24	−60
Apr.	744	1,015	360	580	135	160	211	251	38	24
May	670	936	323	485	129	167	165	214	53	70
June	602	1,051	322	552	100	214	127	206	53	79
July	666	819	341	456	101	193	117	127	107	43

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[1] Includes adjustment for differences in trading days.

[2] Net changes in credit outstanding are equal to extensions less repayments except: (1) in 1959, when the differences do not reflect the introduction of outstanding balances for Alaska and Hawaii, and (2) in certain months when data for extensions and repayments have been adjusted to eliminate duplication resulting from large transfers of paper. In those months the differences between extensions and repayments for some particular holders do not equal the changes in their outstanding credit. Such transfers do not affect total instalment credit extended, repaid, or outstanding.

See also NOTE to previous table.

MARKET GROUPING

(1957–59 = 100)

Grouping	1957–59 proportion	1964 average	[1]1964						[1]1965						
			July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
Total index	100.00	132.3	133.3	134.0	134.0	131.6	135.4	138.1	138.6	139.2	140.7	140.9	141.6	142.7	144.2
Final products, total	*47.35*	*131.8*	*132.3*	*133.1*	*132.8*	*130.5*	*135.2*	*138.1*	*138.4*	*138.5*	*140.1*	*139.4*	*140.2*	*140.6*	*141.2*
Consumer goods	32.31	131.7	132.2	133.1	132.5	129.5	134.5	138.0	138.4	138.0	140.0	138.5	138.6	138.6	138.6
Equipment, including defense	15.04	132.0	132.5	133.2	133.5	132.5	136.7	138.4	138.2	139.4	140.4	141.2	143.7	144.9	146.8
Materials	52.65	132.8	134.5	135.3	135.6	132.6	135.9	138.0	138.8	139.7	141.7	142.6	142.6	144.5	146.9
Consumer goods															
Automotive products	*3.21*	*145.1*	*152.6*	*155.8*	*144.7*	*105.9*	*143.0*	*166.2*	*165.7*	*163.8*	*173.1*	*166.9*	*168.1*	*168.1*	*167.8*
Autos	1.82	150.6	162.6	165.0	146.0	83.0	145.1	183.0	182.8	178.9	194.2	183.5	184.9	187.1	184.6
Auto parts and allied products	1.39	138.0	139.3	143.8	143.0	136.1	140.2	144.0	143.1	143.9	145.2	145.1	146.0	143.0	145.7
Home goods and apparel	*10.00*	*131.9*	*131.7*	*132.6*	*132.6*	*134.8*	*137.0*	*139.1*	*140.8*	*141.4*	*142.4*	*141.1*	*141.4*	*141.5*	*140.6*
Home goods	4.59	141.1	140.9	141.7	140.6	144.0	147.7	150.5	151.7	152.7	154.0	152.1	151.8	151.3	150.2
Appliances, TV, and radios	1.81	137.1	134.2	137.4	138.9	143.1	145.6	149.4	147.2	148.7	150.8	149.0	147.6	148.8	144.6
Appliances	1.33	141.1	138.3	142.1	143.4	146.8	148.9	150.9	148.5	150.8	152.3	151.7	149.7	152.1	145.9
TV and home radios	.47	125.7	122.5	124.1	126.1	132.7	136.1	145.3	143.6	142.9	146.8	141.3	141.6	139.2	141.0
Furniture and rugs	1.26	142.4	144.7	144.2	141.0	145.5	148.3	149.7	150.6	152.6	152.7	152.0	154.4	153.5	153.5
Miscellaneous home goods	1.52	144.7	145.9	144.8	142.3	143.7	149.7	152.3	157.9	157.5	158.9	155.8	154.7	152.6	154.2
Apparel, knit goods, and shoes	5.41	124.2	123.9	124.8	125.8	127.1	128.0	129.4	131.6	131.8	132.5	131.8	132.5	133.1	......
Consumer staples	*19.10*	*129.3*	*129.0*	*129.6*	*130.4*	*130.7*	*131.8*	*132.7*	*132.6*	*131.9*	*133.2*	*132.4*	*132.2*	*132.7*	*133.2*
Processed foods	8.43	119.9	117.8	118.7	118.7	120.0	122.0	122.5	122.3	121.3	122.1	122.1	121.1	120.7	121.5
Beverages and tobacco	2.43	123.2	126.2	124.1	125.2	121.5	126.0	127.5	128.3	126.1	128.1	121.5	124.8	126.2	......
Drugs, soap, and toiletries	2.97	146.9	146.7	149.1	152.6	151.9	149.7	151.8	154.2	152.8	154.2	152.6	151.9	152.9	154.7
Newspapers, magazines, and books	1.47	123.7	123.5	123.2	121.3	121.8	122.8	124.3	125.8	125.3	128.6	126.9	126.6	125.6	125.6
Consumer fuel and lighting	3.67	142.3	143.7	144.4	145.8	147.2	147.0	146.9	143.9	145.4	146.5	148.8	148.2	150.6	......
Fuel oil and gasoline	1.20	119.6	121.4	118.8	120.4	122.2	119.9	120.1	118.0	119.9	118.6	122.4	119.9	122.8	122.2
Residential utilities	2.46	153.4	154.5	156.9	158.2	159.4	160.2	159.9	156.5	157.8	160.0	161.7	162.0	164.1	......
Electricity	1.72	159.6	160.6	163.4	164.8	165.9	166.6	165.9	163.7	164.3	167.0	169.1	169.3	172.2	......
Gas	.74	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Equipment															
Business equipment	*11.63*	*139.1*	*140.0*	*141.1*	*141.4*	*140.6*	*146.1*	*148.5*	*147.7*	*149.2*	*150.1*	*150.9*	*153.5*	*154.6*	*156.0*
Industrial equipment	6.85	137.0	138.5	139.6	140.4	140.4	144.5	145.9	144.8	147.1	148.3	148.4	150.6	151.9	154.6
Commercial equipment	2.42	145.3	145.7	145.5	147.6	149.3	151.0	152.4	152.5	156.2	159.1	161.3	162.3	164.1	165.8
Freight and passenger equipment	1.76	141.0	141.9	141.9	139.0	128.6	149.1	155.2	154.0	150.7	148.2	150.8	157.1	157.8	154.4
Farm equipment	.61	133.1	127.9	138.0	134.1	142.2	135.1	142.1	142.5	141.3	140.4	138.3	141.7	143.7	......
Defense equipment	*3.41*	......	......	......	......	......	......	......	......	......	......	......	......	......	...
Materials															
Durable goods materials	*26.73*	*131.2*	*133.8*	*135.2*	*135.3*	*128.6*	*134.9*	*136.8*	*138.0*	*139.0*	*142.6*	*142.9*	*143.4*	*146.1*	*148.8*
Consumer durable	3.43	145.8	150.3	167.6	153.1	112.8	147.4	156.1	159.6	164.9	166.3	163.4	162.3	169.9	172.3
Equipment	7.84	134.4	134.0	136.0	137.1	137.7	139.2	141.5	142.6	143.8	146.9	147.5	148.7	150.0	153.0
Construction	9.17	124.5	125.7	125.9	125.8	124.1	126.8	127.5	128.3	130.8	133.5	130.5	131.4	131.3	132.6
Metal materials n.e.c.	6.29	129.2	130.7	131.4	128.5	131.7	135.1	139.1	141.9	140.5	142.5	141.8	139.7	142.3	147.8
Nondurable materials	*25.92*	*134.3*	*135.2*	*135.3*	*135.8*	*136.7*	*137.0*	*139.2*	*139.5*	*140.5*	*140.6*	*142.4*	*141.8*	*143.5*	*145.4*
Business supplies	9.11	127.4	127.5	127.6	126.4	129.3	129.0	132.7	133.2	135.6	134.2	135.1	134.1	135.3	138.1
Containers	3.03	127.9	125.2	125.9	125.4	131.8	132.3	135.3	136.3	138.0	129.7	137.3	132.0	132.0	136.3
General business supplies	6.07	127.1	128.6	128.5	126.9	128.0	127.3	131.4	131.6	134.4	136.5	134.0	135.2	136.9	139.0
Nondurable materials n.e.c.	7.40	157.7	158.9	159.3	162.1	162.2	163.3	165.2	167.0	167.5	167.6	170.8	168.8	171.0	173.2
Business fuel and power	9.41	122.6	124.0	123.8	124.3	124.0	124.0	125.1	124.1	123.9	125.7	127.2	127.9	129.7	130.7
Mineral fuels	6.07	112.2	113.4	113.0	113.4	113.3	113.0	113.3	112.1	111.1	112.3	114.3	115.1	116.6	118.6
Nonresidential utilities	2.86	149.6	151.0	151.3	152.1	151.0	151.2	154.6	153.8	155.6	158.5	159.6	160.1	162.4	......
Electricity	2.32	149.6	151.0	151.1	152.0	150.4	150.5	154.6	154.7	156.1	159.1	160.2	160.7	163.4	......
General industrial	1.03	142.8	144.6	145.1	147.1	144.1	147.4	149.7	148.7	150.9	154.9	155.8	156.0	159.8	......
Commercial and other	1.21	159.7	161.3	161.1	161.1	160.6	158.1	164.2	165.3	166.0	168.3	169.8	170.5	172.4	......
Gas	.54	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Supplementary groups of consumer goods															
Automotive and home goods	7.80	142.8	145.7	147.5	142.3	128.3	145.7	156.9	157.4	157.3	161.9	158.2	158.5	158.2	157.5
Apparel and staples	24.51	128.1	127.8	128.5	129.4	129.9	131.0	132.0	132.4	131.9	133.0	132.3	132.2	132.8	......

For notes see opposite page.

INDUSTRY GROUPINGS

(1957–59 = 100)

Grouping	1957–59 proportion	1964 average	1964[1]						1965[1]						
			July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
Total index	100.00	132.3	133.3	134.0	134.0	131.6	135.4	138.1	138.6	139.2	140.7	140.9	141.6	142.7	144.2
Manufacturing, total	*86.45*	*133.1*	*134.2*	*134.9*	*134.8*	*132.0*	*136.4*	*139.4*	*140.2*	*140.8*	*142.3*	*142.4*	*143.1*	*144.1*	*145.7*
Durable	48.07	133.5	135.4	136.2	135.3	129.9	137.0	140.9	142.0	142.7	144.8	145.5	146.4	148.1	150.1
Nondurable	38.38	132.6	132.8	133.2	134.2	134.6	135.6	137.6	137.9	138.4	139.1	138.5	138.8	139.1	140.3
Mining	8.23	111.3	111.7	112.1	112.2	112.0	112.8	112.5	111.8	111.8	112.5	113.0	114.0	115.1	117.1
Utilities	5.32	151.3	152.7	153.9	155.0	154.9	155.4	157.1	155.1	156.6	159.2	160.6	160.9	163.2	161.5
Durable manufactures															
Primary and fabricated metals	*12.32*	*130.7*	*132.5*	*134.6*	*133.5*	*132.3*	*136.4*	*139.1*	*140.0*	*140.4*	*142.5*	*144.0*	*142.7*	*144.5*	*149.4*
Primary metals	6.95	129.1	131.8	134.4	132.9	133.6	136.1	138.6	139.6	136.9	140.4	141.4	140.2	143.0	150.3
Iron and steel	5.45	126.5	130.9	133.8	129.1	132.5	135.2	136.4	137.1	137.0	139.5	141.2	139.7	143.3	151.6
Nonferrous metals and products	1.50	138.3	137.0	134.4	139.0	133.9	140.6	150.9	148.0	149.0	151.0	153.6	153.4	146.1	148.1
Fabricated metal products	5.37	132.7	133.4	134.9	134.3	130.7	136.9	139.7	140.6	145.0	145.2	147.4	146.0	146.5	148.3
Structural metal parts	2.86	130.3	131.2	132.3	131.7	128.6	135.8	137.2	137.0	140.9	144.1	144.3	142.7	144.3	145.6
Machinery and related products	*27.98*	*136.4*	*138.4*	*139.1*	*138.2*	*129.0*	*139.2*	*144.6*	*145.4*	*145.9*	*148.5*	*149.3*	*151.2*	*153.4*	*154.6*
Machinery	14.80	141.4	142.2	143.2	144.4	145.2	147.7	150.1	150.7	152.5	153.9	155.4	156.9	159.0	160.4
Nonelectrical machinery	8.43	142.1	143.8	144.2	145.0	145.4	148.1	150.7	151.3	152.7	153.8	155.2	157.0	159.4	161.6
Electrical machinery	6.37	140.6	140.2	141.9	143.7	144.9	147.2	149.2	150.0	152.3	154.1	155.8	156.8	158.4	158.8
Transportation equipment	10.19	130.7	135.3	135.9	131.3	105.3	129.2	140.3	141.4	139.7	144.4	144.6	147.3	149.5	149.8
Motor vehicles and parts	4.68	150.1	160.9	162.4	151.0	96.2	143.9	167.4	169.1	167.7	176.4	173.2	175.5	178.0	176.9
Aircraft and other equipment	5.26	112.4	111.7	111.5	112.7	110.8	114.5	115.0	115.5	114.1	115.3	118.6	121.7	123.3	124.7
Instruments and related products	1.71	136.4	136.4	137.4	138.6	137.6	140.2	142.0	142.7	145.3	146.9	145.5	147.0	149.8	152.1
Ordnance and accessories	1.28	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Clay, glass, and lumber	*4.72*	*121.1*	*122.6*	*121.4*	*120.7*	*121.0*	*120.9*	*121.1*	*124.9*	*125.9*	*126.0*	*124.1*	*125.5*	*124.7*	*126.1*
Clay, glass, and stone products	2.99	126.0	126.4	125.6	127.0	126.9	127.7	130.2	132.4	131.8	129.2	129.9	130.3	131.6	132.6
Lumber and products	1.73	112.6	116.1	114.1	109.7	110.8	109.2	105.5	111.9	115.6	120.5	114.2	117.1	112.8	114.9
Furniture and miscellaneous	*3.05*	*138.4*	*138.5*	*139.0*	*138.4*	*141.7*	*143.4*	*145.4*	*145.2*	*147.6*	*148.4*	*149.5*	*150.1*	*150.3*	*148.7*
Furniture and fixtures	1.54	143.4	143.2	144.4	144.1	147.4	149.3	151.5	150.6	154.3	154.3	155.6	156.5	156.8	156.2
Miscellaneous manufactures	1.51	133.4	133.8	133.4	132.6	135.9	137.4	139.1	139.6	140.8	142.4	143.2	143.6	143.6	141.1
Nondurable manufactures															
Textiles, apparel, and leather	*7.60*	*125.2*	*125.5*	*126.4*	*127.0*	*128.9*	*130.2*	*131.5*	*133.3*	*133.8*	*133.7*	*133.9*	*135.0*	*134.3*	*134.7*
Textile mill products	2.90	122.9	122.0	123.7	125.5	127.8	128.7	130.3	131.7	132.0	131.5	132.2	131.6	131.9	132.0
Apparel products	3.59	134.1	134.4	135.1	135.8	137.2	139.1	140.6	142.2	143.7	144.0	144.3	145.3	145.3	......
Leather and products	1.11	102.6	105.8	105.5	102.7	104.8	105.4	105.6	108.7	106.6	106.1	105.0	110.9	105.2	......
Paper and printing	*8.17*	*127.5*	*128.0*	*127.9*	*127.4*	*128.8*	*128.2*	*132.1*	*132.0*	*131.8*	*132.9*	*133.2*	*134.2*	*134.0*	*135.8*
Paper and products	3.43	133.4	132.8	132.8	133.5	137.0	133.8	140.2	139.1	137.5	139.0	140.0	140.9	139.4	141.6
Printing and publishing	4.74	123.3	124.5	124.3	123.0	123.0	124.2	126.2	126.8	127.7	128.5	128.3	129.3	130.0	131.5
Newspapers	1.53	117.0	120.0	118.3	115.9	114.3	117.0	122.6	121.4	120.9	121.0	120.7	121.5	124.7	126.2
Chemicals, petroleum, and rubber	*11.54*	*152.5*	*152.8*	*154.0*	*157.1*	*156.2*	*156.2*	*158.5*	*158.2*	*160.4*	*162.0*	*160.8*	*161.2*	*161.9*	*165.0*
Chemicals and products	7.58	159.6	158.7	160.7	165.1	163.0	163.2	166.4	166.7	167.8	169.5	169.2	169.3	169.9	171.3
Industrial chemicals	3.84	178.4	177.1	178.6	185.2	181.0	182.9	187.9	186.0	188.2	190.8	191.6	191.7	192.9	......
Petroleum products	1.97	121.0	124.4	121.0	120.2	122.7	121.7	120.9	119.0	121.5	122.2	121.5	122.9	121.8	125.6
Rubber and plastics products	1.99	156.3	158.1	161.2	163.0	163.2	163.7	165.7	164.7	171.1	172.6	167.7	168.2	171.1	......
Foods, beverages, and tobacco	*11.07*	*120.8*	*120.5*	*120.2*	*120.4*	*120.5*	*123.3*	*123.9*	*124.2*	*123.4*	*123.7*	*122.4*	*121.5*	*122.3*	*122.9*
Foods and beverages	10.25	120.8	120.0	120.1	120.4	120.3	123.5	123.8	124.3	123.4	123.4	122.5	121.9	122.3	123.0
Food manufactures	8.64	120.1	118.9	119.1	119.1	120.2	122.6	122.9	123.0	122.6	122.4	122.6	120.6	121.2	121.7
Beverages	1.61	124.4	125.6	125.4	127.6	120.6	128.5	128.6	131.4	127.4	128.6	121.8	129.0	128.5	......
Tobacco products	.82	120.8	127.5	121.4	120.6	123.3	121.0	125.4	122.2	123.5	127.2	120.9	116.5	121.8	......
Mining															
Coal, oil, and gas	*6.80*	*109.8*	*111.0*	*111.0*	*111.4*	*110.7*	*110.2*	*110.4*	*109.4*	*109.4*	*110.0*	*111.3*	*112.1*	*113.0*	*115.1*
Coal	1.16	107.1	110.2	109.5	107.0	108.9	109.6	110.1	107.7	103.2	103.1	107.9	113.0	117.2	117.1
Crude oil and natural gas	5.64	110.4	111.1	111.3	112.3	111.1	110.4	110.4	109.8	110.6	111.4	112.0	111.9	112.2	114.7
Oil and gas extraction	4.91	113.4	114.2	113.8	114.9	114.3	113.8	114.0	113.2	113.0	114.5	115.8	115.6	116.5	118.9
Crude oil	4.25	109.9	110.3	109.8	111.1	110.8	110.2	110.9	109.8	108.6	110.5	111.4	111.3	112.2	114.9
Gas and gas liquids	.66	136.1	139.0	139.6	139.1	136.8	136.5	133.8	134.6	141.0	140.2	144.0	......	......	......
Oil and gas drilling	.73	90.1	90.5	94.0	94.4	89.2	87.3	86.4	86.9	94.7	90.2	86.0	87.4	82.9	86.0
Metal, stone, and earth minerals	*1.43*	*118.1*	*114.9*	*117.6*	*116.0*	*117.9*	*125.1*	*122.7*	*123.3*	*123.1*	*124.3*	*121.4*	*122.9*	*124.9*	*126.5*
Metal mining	.61	117.4	107.8	112.1	111.1	115.4	126.6	121.8	126.7	123.4	124.6	125.8	121.6	123.7	124.3
Stone and earth minerals	.82	118.7	120.2	121.7	119.6	119.7	123.9	123.4	120.8	122.9	124.1	118.2	123.9	125.8	128.1
Utilities															
Electric	4.04	153.9	155.1	156.4	157.5	157.0	157.4	159.4	158.5	159.6	162.4	164.0	164.3	167.1	......
Gas	1.28	143.4	145.0	146.0	147.1	148.4	149.0	149.6	144.2	147.5	149.2	......	......	......	......

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[1] For description of revision see announcement on page 1274.

NOTE.—Published groupings include some series and subtotals not shown separately. A description and historical data are available in *Industrial Production 1957–59 Base.* Figures for individual series and subtotals (N.S.A.) are published in the monthly Business Indexes release.

MARKET GROUPINGS

(1957–59 = 100)

Grouping	1957–59 proportion	1964 average	[1] 1964						[1] 1965						
			July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
Total index	100.00	132.3	127.9	133.2	136.8	135.3	136.2	135.5	136.7	139.1	141.7	141.6	142.6	145.2	139.6
Final products, total	*47.35*	*131.8*	*127.7*	*131.7*	*136.6*	*135.1*	*135.5*	*135.1*	*136.7*	*138.3*	*140.9*	*138.5*	*139.8*	*143.2*	*138.4*
Consumer goods	32.31	131.7	126.7	132.0	137.7	136.4	135.4	133.3	136.0	137.7	140.5	136.9	137.8	141.6	135.6
Equipment, including defense	15.04	132.0	130.0	131.0	134.1	132.4	135.7	139.1	138.3	139.8	141.6	142.0	144.2	146.8	144.3
Materials	52.65	132.8	128.1	134.6	137.0	135.5	136.8	135.9	136.7	139.8	142.5	144.3	145.0	147.1	140.7
Consumer goods															
Automotive products	*3.21*	*145.1*	*131.1*	*89.5*	*139.1*	*114.7*	*153.4*	*169.5*	*175.5*	*173.9*	*182.9*	*176.7*	*178.8*	*180.3*	*158.5*
Autos	1.82	150.6	130.1	46.2	132.9	95.4	165.4	192.2	201.1	196.8	213.6	200.0	203.4	208.6	171.7
Auto parts and allied products	1.39	138.0	132.4	146.7	147.2	140.2	137.6	139.7	141.7	143.8	142.4	146.0	146.5	143.1	141.1
Home goods and apparel	*10.00*	*131.9*	*120.7*	*135.2*	*135.8*	*142.5*	*139.1*	*130.4*	*135.1*	*144.6*	*147.2*	*141.8*	*142.6*	*145.2*	*130.6*
Home goods	4.59	141.1	127.9	137.9	148.4	151.7	152.9	147.7	143.7	152.8	157.3	152.8	153.0	155.6	138.5
Appliances, TV, and radios	1.81	137.1	113.0	123.9	146.6	149.5	151.7	140.4	138.8	156.7	163.1	154.5	154.7	158.1	124.0
Appliances	1.33	141.1	120.2	123.1	147.1	143.9	150.2	145.1	141.7	159.8	170.8	161.5	161.8	165.4	126.9
TV and home radios	.47	125.7	92.7	126.1	145.0	165.2	156.1	127.0	130.7	148.0	141.4	134.7	134.7	137.5	115.9
Furniture and rugs	1.26	142.4	137.0	146.1	147.1	152.3	152.3	154.5	147.3	150.0	150.9	149.3	148.5	151.7	146.9
Miscellaneous home goods	1.52	144.7	137.9	147.7	151.6	153.8	154.9	150.8	146.5	150.4	155.7	153.5	154.7	155.7	148.8
Apparel, knit goods, and shoes	5.41	124.2	114.6	132.9	125.2	134.7	127.4	115.8	127.7	137.7	138.5	132.5	133.8	136.4	......
Consumer staples	*19.10*	*129.3*	*129.1*	*137.4*	*138.5*	*136.8*	*130.5*	*128.7*	*129.9*	*127.9*	*129.9*	*127.6*	*128.4*	*133.1*	*134.4*
Processed foods	8.43	119.9	117.8	129.4	135.2	134.3	125.1	118.7	115.6	112.1	113.8	112.7	114.4	118.8	121.5
Beverages and tobacco	2.43	123.2	131.9	135.3	126.8	127.6	119.0	109.9	112.6	114.8	124.6	123.9	133.6	144.4	......
Drugs, soap, and toiletries	2.97	146.9	140.8	152.4	154.1	154.9	150.1	148.8	153.0	152.3	155.0	151.1	152.1	156.3	153.9
Newspapers, magazines, and books	1.47	123.7	121.6	124.8	124.7	123.5	122.8	124.8	124.5	124.4	128.3	125.9	125.6	124.6	126.5
Consumer fuel and lighting	3.67	142.3	146.6	150.1	146.6	138.8	137.4	148.9	156.8	154.0	150.2	145.1	138.5	142.8	......
Fuel oil and gasoline	1.20	119.6	123.5	122.3	120.4	119.0	119.2	122.9	123.0	123.0	117.4	116.0	115.9	121.4	124.2
Residential utilities	2.46	153.4	......	......	......	......	......	......	......	......	......	......	......	......	......
Electricity	1.72	159.6	165.4	173.2	166.4	150.1	146.6	168.4	187.6	180.4	175.7	165.7	151.5	156.7	......
Gas	.74	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Equipment															
Business equipment	*11.63*	*139.1*	*137.1*	*138.7*	*142.2*	*140.1*	*144.1*	*148.5*	*147.3*	*149.7*	*151.9*	*152.2*	*154.4*	*157.3*	*153.1*
Industrial equipment	6.85	137.0	137.1	139.2	141.7	139.6	142.5	146.8	145.1	146.4	148.4	148.4	150.8	153.3	153.1
Commercial equipment	2.42	145.3	142.8	145.8	149.8	151.8	152.8	155.0	152.7	155.1	157.7	158.2	160.4	164.6	162.5
Freight and passenger equipment	1.76	141.0	136.2	136.2	139.0	128.6	146.1	149.8	149.4	152.2	154.9	156.8	161.8	164.1	148.2
Farm equipment	.61	133.1	115.8	111.9	125.9	133.5	122.1	138.7	145.0	157.8	158.9	157.6	149.2	152.8	......
Defense equipment	*3.41*	......	......	......	......	......	......	......	......	......	......	......	......	......	...
Materials															
Durable goods materials	*26.73*	*131.2*	*127.8*	*133.0*	*136.3*	*131.8*	*135.8*	*135.2*	*135.7*	*138.7*	*142.9*	*144.4*	*146.9*	*149.5*	*143.2*
Consumer durable	3.43	145.8	135.3	140.8	153.1	115.6	151.8	163.9	165.2	167.4	171.3	168.3	168.8	171.6	158.4
Equipment	7.84	134.4	129.8	131.9	135.7	137.3	139.3	143.6	143.9	145.1	148.5	149.1	149.7	151.5	148.3
Construction	9.17	124.5	129.5	134.7	133.3	130.9	126.5	118.6	115.9	120.3	125.5	129.2	136.0	141.2	139.2
Metal materials n.e.c.	6.29	129.2	118.9	127.6	132.4	134.9	136.2	133.0	138.2	141.8	145.9	147.5	147.4	146.9	134.5
Nondurable materials	*25.92*	*134.3*	*128.3*	*136.3*	*137.6*	*139.3*	*137.9*	*136.6*	*137.8*	*140.9*	*142.0*	*144.3*	*143.1*	*144.6*	*138.0*
Business supplies	9.11	127.4	120.6	129.7	130.8	134.9	130.2	127.3	128.0	133.3	134.2	138.7	136.3	137.5	128.9
Containers	3.03	127.9	125.2	138.5	133.6	138.4	125.0	117.7	128.1	135.2	129.7	141.4	133.3	138.6	130.8
General business supplies	6.07	127.1	118.3	125.3	129.4	133.1	132.8	132.1	127.9	132.4	136.5	137.4	137.9	136.9	127.9
Nondurable materials n.e.c.	7.40	157.7	147.5	157.9	161.4	163.0	164.9	161.9	166.2	170.8	171.8	174.2	173.0	173.6	162.5
Business fuel and power	9.41	122.6	120.5	125.6	125.4	125.0	124.2	125.6	124.9	124.8	126.1	126.2	126.0	128.6	127.5
Mineral fuels	6.07	112.2	105.4	111.6	112.2	114.1	114.4	114.9	114.0	114.6	114.9	115.6	113.9	114.6	110.9
Nonresidential utilities	2.86	149.6	......	......	......	......	......	......	......	......	......	......	......	......	......
Electricity	2.32	149.6	158.9	162.9	159.9	152.6	147.7	151.4	152.3	150.0	153.6	152.7	156.3	164.8	......
General industrial	1.03	142.8	143.9	148.0	149.3	147.3	147.4	148.2	148.0	147.0	153.4	153.8	156.8	161.2	......
Commercial and other	1.21	159.7	177.0	181.2	174.3	162.2	152.7	159.3	161.2	157.7	159.2	157.1	161.5	174.1	......
Gas	.54	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Supplementary groups of consumer goods															
Automotive and home goods	7.80	142.8	129.2	118.0	144.6	136.5	153.1	156.7	156.8	161.5	167.8	162.6	163.6	165.8	146.7
Apparel and staples	24.51	128.1	125.9	136.4	135.5	136.4	129.8	125.8	129.4	130.1	131.8	128.7	129.6	133.9	......

For notes see opposite page.

INDUSTRY GROUPINGS

(1957–59 = 100)

Grouping	1957–59 proportion	1964 average	[1]1964						[1]1965						
			July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
Total index	100.00	132.3	127.9	133.2	136.8	135.3	136.2	135.5	136.7	139.1	141.7	141.6	142.6	145.2	139.6
Manufacturing, total	*86.45*	*133.1*	*128.0*	*133.3*	*137.6*	*136.3*	*137.7*	*136.4*	*137.7*	*140.5*	*143.5*	*143.4*	*144.6*	*147.2*	*140.4*
Durable	48.07	133.5	128.9	130.0	136.9	132.6	139.0	140.7	140.7	143.5	147.1	147.5	149.0	151.7	144.8
Nondurable	38.38	132.6	126.8	137.5	138.5	141.0	136.0	131.1	133.8	136.8	139.0	138.2	139.0	141.6	134.9
Mining	8.23	111.3	107.5	113.2	113.6	114.5	113.4	112.1	110.8	111.1	111.1	113.0	114.4	115.7	113.4
Utilities	5.32	151.3	......	......	......	......	......	......	......	......	......	......	......	......	......
Durable manufactures															
Primary and fabricated metals	*12.32*	*130.7*	*123.8*	*132.4*	*135.5*	*134.8*	*137.6*	*136.4*	*139.4*	*142.7*	*145.9*	*148.4*	*146.0*	*147.4*	*139.6*
Primary metals	6.95	129.1	118.0	127.4	131.4	134.9	137.5	134.4	141.0	144.7	149.1	150.9	146.6	145.9	134.5
Iron and steel	5.45	126.5	116.5	125.8	129.1	134.5	136.6	133.0	139.8	142.9	146.5	148.3	142.5	143.3	134.9
Nonferrous metals and products	1.50	138.3	123.3	133.1	140.0	136.4	140.6	139.4	145.5	151.2	158.5	160.4	161.5	155.2	133.3
Fabricated metal products	5.37	132.2	131.4	138.9	140.7	134.6	137.7	139.0	137.2	140.2	141.7	145.2	145.3	149.4	146.1
Structural metal parts	2.86	130.3	131.2	135.6	137.0	132.5	137.8	138.6	134.3	135.3	138.5	140.0	142.0	147.2	145.6
Machinery and related products	*27.98*	*136.4*	*131.0*	*127.1*	*137.9*	*130.5*	*141.6*	*147.1*	*146.9*	*148.9*	*152.9*	*151.6*	*153.7*	*156.5*	*148.9*
Machinery	14.80	141.4	135.6	138.9	145.6	145.7	147.9	151.5	150.3	154.8	158.2	157.5	158.6	161.7	154.1
Nonelectrical machinery	8.43	142.6	140.2	138.9	143.1	142.8	145.0	151.8	152.1	155.4	159.6	159.9	160.9	163.2	157.6
Electrical machinery	6.37	140.6	129.5	138.9	149.0	149.6	151.7	151.0	148.1	153.9	156.3	154.4	155.7	159.8	149.4
Transportation equipment	10.19	130.7	125.1	109.1	128.5	108.3	135.0	144.7	146.1	144.8	150.6	148.3	151.9	153.9	144.0
Motor vehicles and parts	4.68	150.1	142.0	106.7	145.8	102.3	155.0	174.8	178.9	177.3	187.7	179.8	185.0	189.0	168.0
Aircraft and other equipment	5.26	112.4	109.0	109.5	112.2	111.4	116.2	117.3	116.7	115.5	117.0	119.2	121.2	121.6	121.7
Instruments and related products	1.71	136.4	135.0	138.5	140.1	139.1	142.7	143.7	141.7	143.1	144.7	143.3	145.5	151.3	150.6
Ordnance and accessories	1.28	......	......	......	......	......	......	......	......	......	......	......	......	......	......
Clay, glass, and lumber	*4.72*	*121.1*	*126.0*	*132.4*	*129.9*	*128.2*	*121.1*	*110.5*	*108.3*	*114.4*	*117.3*	*122.9*	*130.6*	*135.5*	*132.9*
Clay, glass, and stone products	2.99	126.0	133.4	136.3	134.6	134.5	129.6	120.4	113.9	116.4	118.9	129.3	136.2	142.1	141.9
Lumber and products	1.73	112.6	113.2	125.5	121.8	117.4	106.5	93.4	98.5	111.0	114.5	111.9	121.0	124.1	117.2
Furniture and miscellaneous	*3.05*	*138.4*	*135.5*	*143.4*	*144.8*	*149.2*	*148.2*	*146.7*	*139.5*	*142.9*	*145.6*	*145.2*	*146.7*	*150.5*	*146.2*
Furniture and fixtures	1.54	143.4	141.8	149.2	149.6	153.0	152.0	154.2	147.6	150.4	152.4	151.4	151.8	156.5	154.6
Miscellaneous manufactures	1.51	133.4	129.1	137.4	139.9	145.4	144.3	139.1	131.2	135.2	138.8	138.9	141.4	144.3	137.6
Nondurable manufactures															
Textiles, apparel, and leather	*7.60*	*125.2*	*113.5*	*131.8*	*126.2*	*132.8*	*129.4*	*119.4*	*131.2*	*139.3*	*139.4*	*135.5*	*136.5*	*137.2*	*122.6*
Textile mill products	2.90	122.9	110.8	126.8	126.1	127.8	129.3	121.2	131.0	134.6	134.1	135.5	137.5	136.5	119.9
Apparel products	3.59	134.1	121.6	141.9	133.1	144.7	137.7	124.4	138.6	150.9	151.9	145.0	145.3	147.5	......
Leather and products	1.11	102.6	94.7	112.4	104.2	107.4	103.3	98.5	108.2	114.0	112.5	105.0	105.9	106.3	......
Paper and printing	*8.17*	*127.5*	*120.9*	*127.8*	*129.4*	*134.9*	*130.9*	*127.5*	*128.6*	*131.8*	*134.6*	*136.1*	*135.2*	*134.7*	*127.2*
Paper and products	3.43	133.4	124.8	137.3	135.5	145.9	134.5	126.6	137.0	140.9	141.8	144.2	141.6	142.2	130.3
Printing and publishing	4.74	123.3	118.2	121.0	124.9	126.9	128.4	128.2	122.6	125.3	129.5	130.2	130.5	129.3	125.0
Newspapers	1.53	117.0	104.4	107.1	116.7	122.6	128.7	123.2	111.2	116.9	123.4	129.3	129.5	125.3	109.8
Chemicals, petroleum, and rubber	*11.54*	*152.5*	*145.6*	*155.0*	*158.2*	*158.6*	*155.3*	*154.6*	*156.9*	*161.3*	*163.2*	*163.4*	*162.9*	*165.7*	*159.1*
Chemicals and products	7.58	159.6	152.9	160.9	164.6	164.1	162.8	162.4	164.7	168.2	171.5	173.2	171.7	174.1	168.1
Industrial chemicals	3.84	178.4	170.9	176.5	183.3	181.9	184.4	186.0	185.1	190.1	192.7	196.4	192.8	195.8	......
Petroleum products	1.97	121.0	128.1	127.1	125.0	123.3	119.9	119.1	117.2	119.7	117.9	116.6	121.1	125.5	129.4
Rubber and plastics products	1.99	156.3	135.2	160.4	166.8	172.3	162.1	159.9	166.3	176.2	176.4	172.9	170.7	173.7	......
Foods, beverages, and tobacco	*11.07*	*120.8*	*120.8*	*130.4*	*133.1*	*133.0*	*124.2*	*117.2*	*115.4*	*113.2*	*116.7*	*115.4*	*118.8*	*124.4*	*123.8*
Foods and beverages	10.25	120.8	121.4	130.3	133.7	132.9	124.3	118.4	115.0	112.5	116.0	115.0	118.6	123.9	125.1
Food manufactures	8.64	120.1	117.7	129.0	134.9	134.6	125.7	119.2	116.2	112.8	114.4	113.0	114.6	118.7	121.1
Beverages	1.61	124.4	141.6	137.3	127.6	124.2	116.7	113.9	108.4	110.7	124.2	125.5	140.1	151.6	......
Tobacco products	.82	120.8	112.8	131.4	125.3	134.3	123.4	102.1	120.9	122.9	125.3	120.7	120.7	130.3	......
Mining															
Coal, oil, and gas	*6.80*	*109.8*	*103.9*	*110.0*	*110.5*	*111.6*	*111.7*	*112.3*	*111.7*	*112.2*	*111.5*	*112.0*	*110.6*	*111.0*	*108.3*
Coal	1.16	107.1	81.0	115.2	113.2	118.7	114.1	108.1	105.5	104.4	103.9	108.7	114.1	116.6	90.2
Crude oil and natural gas	5.64	110.4	108.5	108.9	109.9	110.2	111.3	113.1	113.0	113.8	113.1	112.6	109.9	109.9	112.0
Oil and gas extraction	4.91	113.4	111.1	110.8	111.9	113.0	114.5	116.5	116.0	116.9	117.5	117.2	113.8	114.1	115.7
Crude oil	4.25	109.9	108.1	107.6	108.9	109.7	110.2	112.0	111.4	111.9	112.7	113.2	110.2	111.1	112.6
Gas and gas liquids	.66	136.1	130.7	131.1	131.3	133.9	141.6	144.9	145.6	149.0	147.8	143.3	......	......	......
Oil and gas drilling	.73	90.1	91.1	96.2	96.4	91.4	89.5	90.5	92.6	92.4	83.6	81.5	83.6	81.2	86.6
Metal, stone, and earth minerals	*1.43*	*118.1*	*125.0*	*128.8*	*128.3*	*127.9*	*121.5*	*111.1*	*106.2*	*105.8*	*109.1*	*117.7*	*132.4*	*138.0*	*137.6*
Metal mining	.61	117.4	115.3	121.1	125.5	123.5	116.5	109.6	111.5	111.1	110.9	117.0	133.8	139.8	133.0
Stone and earth minerals	.82	118.7	132.3	134.5	130.4	131.1	125.1	112.3	102.2	101.9	107.7	118.2	131.3	136.7	141.0
Utilities															
Electric	4.04	153.9	161.6	167.3	162.6	151.5	147.3	158.6	167.3	163.0	163.0	158.2	154.2	161.4	....
Gas	1.28	143.4	......	......	......	......	......	......	......	......	......	......	......	......	......

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[1] For description of revision see announcement on page 1274.

NOTE.—Published groupings include some series and subtotals not shown separately. A description and historical data are available in *Industrial Production—1957–59 Base*. Figures for individual series and subtotals (N.S.A.) are published in the monthly Business Indexes release.

SELECTED BUSINESS INDEXES

(1957–59=100)

Period	Industrial production[5]								Construction contracts	Nonagricultural employment—Total[1]	Manufacturing[2]		Freight carloadings	Total Retail Sales[3]	Prices[4]	
	Total	Major market groupings				Major industry groupings					Employment	Payrolls			Consumer	Wholesale commodity
		Final products			Materials											
		Total	Consumer goods	Equipment		Mfg.	Mining	Utilities								
1950	74.9	72.8	78.6	56.4	76.9	75.8	83.2	49.5	61	86.1	99.4	68.9	117.1	72	83.8	86.8
1951	81.3	78.6	77.8	78.4	83.8	81.9	91.3	56.4	63	91.1	106.1	80.2	121.5	76	90.5	96.7
1952	84.3	84.3	79.5	94.1	84.3	85.2	90.5	61.2	67	93.0	106.1	84.5	115.0	79	92.5	94.0
1953	91.3	89.9	85.0	100.5	92.6	92.7	92.9	66.8	70	95.6	111.6	93.6	116.6	83	93.2	92.7
1954	85.8	85.7	84.3	88.9	85.9	86.3	90.2	71.8	76	93.3	101.8	85.4	104.6	82	93.6	92.9
1955	96.6	93.9	93.3	95.0	99.0	97.3	99.2	80.2	91	96.5	105.5	94.8	115.3	89	93.3	93.2
1956	99.9	98.1	95.5	103.7	101.6	100.2	104.8	87.9	92	99.8	106.7	100.2	115.9	92	94.7	96.2
1957	100.7	99.4	97.0	104.6	101.9	100.8	104.6	93.9	93	100.7	104.7	101.4	108.2	97	98.0	99.0
1958	93.7	94.8	96.4	91.3	92.7	93.2	95.6	98.1	102	97.8	95.2	93.5	93.8	98	100.7	100.4
1959	105.6	105.7	106.6	104.1	105.4	106.0	99.7	108.0	105	101.5	100.1	105.1	97.9	105	101.5	100.6
1960	108.7	109.9	111.0	107.6	107.6	108.9	101.6	115.6	105	103.2	99.9	106.7	95.3	106	103.1	100.7
1961	109.7	111.2	112.6	108.3	108.4	109.6	102.6	122.3	108	102.8	95.9	105.4	91.2	107	104.2	100.3
1962	118.3	119.7	119.7	119.6	117.0	118.7	105.0	131.4	120	105.7	99.1	113.8	92.4	115	105.4	100.6
1963	124.3	124.9	125.2	124.2	123.7	124.9	107.9	140.0	132	107.9	99.7	117.9	93.3	120	106.7	100.3
1964	132.3	131.8	131.7	132.0	132.8	133.1	111.3	151.3	137	110.8	101.7	124.7	95.5	127	108.1	100.5
1964—July	133.3	132.3	132.2	132.5	134.5	134.2	111.7	152.7	140	110.9	101.9	124.3	94.5	128	108.3	100.4
Aug.	134.0	133.1	133.1	133.2	135.3	134.9	112.1	153.9	121	111.0	102.0	126.0	93.2	130	108.2	100.3
Sept.	134.0	132.8	132.5	133.5	135.6	134.8	112.2	155.0	131	111.3	102.9	127.6	96.4	130	108.4	100.7
Oct.	131.6	130.5	129.5	132.5	132.6	132.0	112.0	154.9	136	111.2	100.5	122.9	94.6	125	108.5	100.8
Nov.	135.4	135.2	134.5	136.7	135.9	136.4	112.8	155.4	143	112.1	103.2	127.9	98.5	127	108.7	100.7
Dec.	138.1	138.1	138.0	138.4	138.0	139.4	112.5	157.1	154	112.7	104.0	130.9	99.1	133	108.8	100.7
1965—Jan.	138.6	138.4	138.4	138.2	138.8	140.2	111.8	155.1	137	113.0	104.5	132.8	100.4	134	108.9	101.0
Feb.	139.2	138.5	138.0	139.4	139.7	140.8	111.8	156.6	140	113.6	105.0	133.5	96.4	136	108.9	101.2
Mar.	140.7	140.1	140.0	140.4	141.7	142.3	112.5	159.2	141	114.2	105.6	135.1	98.1	133	109.0	101.3
Apr.	140.9	139.4	138.5	141.2	142.6	142.4	113.0	160.6	152	114.1	105.7	133.6	98.6	134	109.3	101.7
May	141.6	140.2	138.6	143.7	142.6	143.1	114.0	160.9	145	114.5	105.8	134.7	100.5	137	109.6	102.1
June	142.7	140.6	138.6	144.9	144.5	144.1	115.1	163.2	139	^{r}115.0	106.6	135.5	93.8	136	110.1	102.8
July	144.2	141.2	138.6	146.8	146.9	145.7	117.1	161.5	149	115.4	107.3	136.2	95.1	139	110.2	102.9
Aug.^{p}	144.4	141.9	138.8	148.4	146.6	145.9	117.5	162.5	....	115.6	107.3	136.6	94.3	138	....	102.9

[1] Employees only; excludes personnel in the armed forces.
[2] Production workers only.
[3] Federal Reserve index based on Census Bureau figures.
[4] Prices are not seasonally adjusted.
[5] For description of revisions see announcement on page 1274.

NOTE.—Data are seasonally adjusted unless otherwise noted.
Construction contracts: F. W. Dodge Co. monthly index of dollar value of total construction contracts, including residential, nonresidential, and heavy engineering; does not include data for Alaska and Hawaii.

Employment and payrolls: Based on Bureau of Labor Statistics data; includes data for Alaska and Hawaii beginning with 1959.

Prices: Bureau of Labor Statistics data.

Freight carloadings: Based on data from Association of American Railroads.

CONSTRUCTION CONTRACTS

(In millions of dollars)

Type of ownership and type of construction	1963	1964	1964						1965						
			July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
Total construction	**45,546**	**47,330**	**4,604**	**3,761**	**3,763**	**4,033**	**3,758**	**3,598**	**3,131**	**3,226**	**4,224**	**4,770**	**4,864**	**4,625**	4,795
By type of ownership:															
Public	14,653	15,374	1,619	1,102	1,124	1,311	1,174	1,230	1,105	1,113	1,356	1,539	1,517	1,553	....
Private	30,893	31,956	2,985	2,660	2,639	2,722	2,584	2,368	2,026	2,113	2,867	3,231	3,348	3,072	....
By type of contruction:															
Residential building	20,502	20,565	2,001	1,679	1,717	1,703	1,482	1,306	1,275	1,300	1,877	2,139	2,074	2,080	1,952
Nonresidential building	14,377	15,522	1,549	1,276	1,229	1,429	1,264	1,299	1,156	1,062	1,384	1,546	1,775	1,551	1,691
Nonbuilding	10,667	11,244	1,054	807	817	902	1,012	994	700	864	962	1,086	1,015	993	1,151

NOTE.—Dollar value of total contracts as reported by the F. W. Dodge Co. does not include data for Alaska or Hawaii. Totals of monthly data exceed annual totals because adjustments—negative—are made to accumulated monthly data after original figures have been published.

VALUE OF NEW CONSTRUCTION ACTIVITY

(In millions of dollars)

Period	Total	Private							Public				
		Total	Nonfarm residential	Business				Other nonresidential	Total	Military	Highway	Sewer and water	Other
				Total	Industrial	Commercial	Public utility						
1956	47,601	34,869	20,178	11,076	3,084	3,631	4,361	3,615	12,732	1,360	4,415	1,275	5,682
1957	49,139	35,080	19,006	12,029	3,557	3,564	4,908	4,045	14,059	1,287	4,934	1,344	6,494
1958	50,153	34,696	19,789	10,659	2,382	3,589	4,688	4,248	15,457	1,402	5,545	1,387	7,123
1959[1]	55,305	39,235	24,251	10,557	2,106	3,930	4,521	4,427	16,070	1,465	5,761	1,467	7,377
1960	53,941	38,078	21,706	11,652	2,851	4,180	4,621	4,720	15,863	1,366	5,437	1,487	7,573
1961	55,447	38,299	21,680	11,789	2,780	4,674	4,335	4,830	17,148	1,371	5,854	1,581	8,342
1962	59,576	41,707	24,292	12,234	2,949	4,955	4,330	5,181	17,869	1,266	6,365	1,754	8,484
1963	62,755	43,859	25,843	12,758	2,962	5,200	4,596	5,258	18,896	1,227	6,948	1,966	8,755
1964	65,817	45,891	26,507	13,809	3,303	5,656	4,850	5,575	19,926	968	7,182	2,298	9,478
1964—Aug.	65,480	45,508	26,252	13,615	3,361	5,493	4,761	5,641	19,972	988	7,262	2,290	9,432
Sept.	65,968	45,571	25,934	14,058	3,400	5,587	5,071	5,579	20,397	1,068	7,414	2,236	9,679
Oct.	64,861	45,294	25,685	14,088	3,445	5,653	4,990	5,521	19,567	1,097	6,739	2,195	9,536
Nov.	65,153	45,368	25,638	14,242	3,521	5,709	5,012	5,488	19,785	1,033	7,087	2,189	9,426
Dec.	66,178	45,684	25,953	14,416	3,610	5,641	5,165	5,315	20,494	756	7,583	2,187	9,968
1965—Jan.	66,055	46,333	26,676	14,278	3,792	5,662	4,824	5,379	19,722	785	7,010	2,167	9,769
Feb.	66,881	46,846	26,713	14,647	3,871	5,701	5,075	5,486	20,035	776	7,151	2,164	9,944
Mar.	67,598	47,171	26,602	15,044	3,934	5,903	5,207	5,525	20,427	912	7,541	2,110	9,864
Apr.	67,590	47,544	26,675	15,267	3,997	6,089	5,181	5,602	20,046	888	7,396	2,074	9,688
May	67,572	47,982	27,070	15,300	4,012	6,254	5,034	5,612	19,590	887	6,862	2,042	9,799
June	68,950	48,616	27,224	15,801	4,040	6,574	5,187	5,591	20,334	833	7,546	2,014	9,941
July^{p}	68,262	48,491	26,945	16,010	4,073	6,826	5,111	5,536	19,771	....	7,156	1,995	....
Aug.^{p}	68,650	48,335	26,712	16,119	4,118	6,872	5,129	5,504	20,315	....	....	1,996	....

[1] Beginning with 1959, includes data for Alaska and Hawaii.

NOTE.—Monthly data are at seasonally adjusted annual rates. Beginning with 1959, figures are Census Bureau estimates. Data before 1959 are joint estimates of the Depts. of Commerce and Labor.

NEW HOUSING STARTS

(In thousands of units)

Period	Annual rate, S.A. (private only)		Total	By area		By type of ownership					Government-underwritten		
				Metropolitan	Nonmetropolitan	Private				Public			
	Total	Nonfarm				Total	1-family	2-family	Multifamily		Total	FHA	VA
1955	....	....	1,646	....	....	1,627	....	....	....	19	670	277	393
1956	....	....	1,349	....	....	1,325	....	....	....	24	465	195	271
1957	....	....	1,224	....	....	1,175	....	....	....	49	322	193	128
1958	....	....	1,382	....	....	1,314	....	....	....	68	439	337	102
1959	....	....	1,554	1,077	477	1,517	1,234	56	227	37	458	349	109
1960	....	....	1,296	889	407	1,252	995	44	213	44	336	261	75
1961	....	....	1,365	948	417	1,313	975	44	295	52	328	244	83
1962	....	....	1,492	1,054	439	1,463	992	49	422	30	339	261	78
1963	....	....	1,641	1,151	490	1,609	1,021	53	535	32	292	221	71
1964	....	....	1,591	1,119	472	1,557	972	54	532	33	264	205	59
1964—July	1,500	1,475	146	103	43	144	92	5	47	3	26	20	6
Aug.	1,513	1,489	146	98	48	142	90	4	48	3	23	18	5
Sept.	1,445	1,422	127	91	37	124	79	4	41	3	23	18	5
Oct.	1,522	1,495	146	101	45	144	92	5	47	2	24	19	5
Nov.	1,505	1,480	115	78	37	112	69	4	39	3	21	16	5
Dec.	1,610	1,575	98	70	28	97	59	3	35	2	17	13	4
1965—Jan.	1,442	1,417	86	59	27	82	52	3	27	4	17	13	4
Feb.	1,482	1,468	88	63	25	85	51	3	31	2	16	12	4
Mar.	1,489	1,465	125	91	34	121	77	4	40	4	20	16	4
Apr.	1,552	1,532	155	103	52	152	100	5	48	3	22	17	5
May	1,516	1,501	162	111	52	158	102	5	50	5	24	19	5
June	^{p}1,562	^{p}1,535	^{p}162	114	48	^{p}155	100	6	50	^{p}7	25	19	5
July	^{p}1,459	^{p}1,433	^{p}143	94	49	^{p}140	96	5	40	^{p}3	22	17	5

NOTE.—Beginning with 1959, Census Bureau series includes both farm and nonfarm series developed initially by the Bureau of Labor Statistics. Series before 1959 reflect recent Census Bureau revisions which are not available by area or type of structure. Data from Federal Housing Admin. and Veterans Admin. represent units started, based on field office reports of first compliance inspections.

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

(In thousands of persons unless otherwise indicated)

Period	Total noninstitutional population N.S.A.	Not in the labor force N.S.A.	Total labor force S.A.	Civilian labor force, S.A.					Unemployment rate[2] (per cent) S.A.
				Total	Employed[1]			Unemployed	
					Total	In nonagricultural industries	In agriculture		
1959	123,366	51,420	71,946	69,394	65,581	59,745	5,836	3,813	5.5
1960 [3]	125,368	52,242	73,126	70,612	66,681	60,958	5,723	3,931	5.6
1961	127,852	53,677	74,175	71,603	66,796	61,333	5,463	4,806	6.7
1962	130,081	55,400	74,681	71,854	67,846	62,657	5,190	4,007	5.6
1963	132,125	56,412	75,712	72,975	68,809	63,863	4,946	4,166	5.7
1964	134,143	57,172	76,971	74,233	70,357	65,596	4,761	3,876	5.2
1964—Aug.	134,400	55,891	77,006	74,255	70,458	65,641	4,817	3,797	5.1
Sept.	134,586	57,721	77,023	74,280	70,465	65,650	4,815	3,815	5.1
Oct.	134,772	57,661	76,996	74,259	70,379	65,658	4,721	3,880	5.2
Nov.	134,952	58,055	77,140	74,409	70,755	66,084	4,671	3,654	4.9
Dec.	135,135	58,568	77,432	74,706	71,004	66,463	4,541	3,702	5.0
1965—Jan.	135,302	59,603	77,621	74,914	71,284	66,771	4,513	3,630	4.8
Feb.	135,469	59,051	77,755	75,051	71,304	66,709	4,595	3,747	5.0
Mar.	135,651	59,039	77,647	74,944	71,440	66,890	4,550	3,504	4.7
Apr.	135,812	58,504	78,063	75,377	71,717	66,874	4,843	3,660	4.9
May	135,982	57,556	78,127	75,443	71,937	66,979	4,958	3,506	4.6
June	136,160	55,477	78,356	75,676	72,118	67,459	4,659	3,558	4.7
July	136,252	55,102	78,874	76,181	72,766	68,092	4,674	3,415	4.5
Aug.	136,473	56,310	78,465	75,772	72,397	67,821	4,576	3,375	4.5

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[1] Includes self-employed, unpaid family, and domestic service workers.

[2] Per cent of civilian labor force.

[3] Inclusion of figures for Alaska and Hawaii beginning with 1960 increased population by about 500,000 and total labor force by about 300,000. Most of the increase was in nonagricultural industries.

NOTE.—Information relating to persons 14 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, Bureau of Labor Statistics.

EMPLOYMENT IN NONAGRICULTURAL ESTABLISHMENTS, BY INDUSTRY DIVISION

(In thousands of persons)

Period	Total	Manufacturing	Mining	Contract construction	Transportation & public utilities	Trade	Finance	Service	Government
1959 [1]	53,297	16,675	732	2,960	4,011	11,127	2,594	7,115	8,083
1960	54,203	16,796	712	2,885	4,004	11,391	2,669	7,392	8,353
1961	53,989	16,326	672	2,816	3,903	11,337	2,731	7,610	8,594
1962	55,515	16,853	650	2,902	3,906	11,566	2,800	7,947	8,890
1963	56,643	17,005	635	2,983	3,914	11,803	2,873	8,230	9,199
1964	58,188	17,303	635	3,106	3,976	12,188	2,944	8,533	9,502
SEASONALLY ADJUSTED									
1964—Aug.	58,301	17,339	634	3,103	3,999	12,231	2,951	8,573	9,471
Sept.	58,458	17,449	634	3,080	4,005	12,229	2,960	8,592	9,509
Oct.	58,382	17,171	638	3,106	3,996	12,278	2,964	8,633	9,596
Nov.	58,878	17,505	639	3,162	3,997	12,311	2,970	8,634	9,660
Dec.	59,206	17,622	637	3,244	4,020	12,362	2,975	8,654	9,692
1965—Jan.	59,334	17,705	633	3,235	3,939	12,447	2,979	8,689	9,707
Feb.	59,676	17,772	635	3,281	3,997	12,532	2,987	8,730	9,742
Mar.	59,992	17,849	633	3,304	4,042	12,622	2,997	8,754	9,791
Apr.	59,913	17,896	629	3,186	4,044	12,563	2,997	8,763	9,835
May	60,110	17,915	629	3,207	4,057	12,636	3,005	8,797	9,864
June	60,382	18,045	630	3,220	4,068	12,673	3,013	8,814	9,919
July^{p}	60,589	18,147	637	3,175	4,071	12,707	3,018	8,887	9,947
Aug.^{p}	60,711	18,155	632	3,214	4,090	12,712	3,021	8,906	9,981
NOT SEASONALLY ADJUSTED									
1964—Aug.	58,680	17,498	647	3,482	4,043	12,201	2,998	8,676	9,135
Sept.	59,258	17,792	645	3,391	4,045	12,243	2,972	8,661	9,509
Oct.	59,164	17,428	644	3,376	4,028	12,341	2,961	8,676	9,710
Nov.	59,441	17,638	643	3,273	4,013	12,518	2,958	8,608	9,790
Dec.	59,938	17,601	635	3,053	4,024	13,166	2,957	8,585	9,917
1965—Jan.	58,271	17,456	619	2,837	3,880	12,275	2,949	8,515	9,740
Feb.	58,398	17,538	616	2,756	3,933	12,209	2,960	8,564	9,822
Mar.	58,847	17,643	615	2,865	3,985	12,262	2,973	8,623	9,881
Apr.	59,545	17,732	623	3,020	4,004	12,517	2,985	8,754	9,910
May	60,058	17,826	632	3,245	4,041	12,528	3,002	8,859	9,925
June	60,884	18,109	642	3,429	4,109	12,665	3,034	8,964	9,932
July^{p}	60,736	18,096	644	3,499	4,120	12,655	3,069	9,029	9,624
Aug.^{p}	61,070	18,299	645	3,606	4,135	12,681	3,069	9,013	9,622

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[1] Data include Alaska and Hawaii beginning with 1959.

NOTE.—Bureau of Labor Statistics; data include all full- and part-time employees who worked during, or received pay for, the pay period that includes the 12th of the month. Proprietors, self-employed persons, domestic servants, unpaid family workers, and members of the armed forces are excluded.

PRODUCTION WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES

(In thousands of persons)

Industry group	Seasonally adjusted				Not seasonally adjusted			
	1964	1965			1964	1965		
	Aug.	June	July^p	Aug.^{p}	Aug.	June	July^p	Aug.^{p}
Total	**12,847**	**13,428**	**13,510**	**13,511**	**12,966**	**13,486**	**13,433**	**13,616**
Durable goods	**7,279**	**7,731**	**7,808**	**7,792**	**7,211**	**7,808**	**7,759**	**7,713**
Ordnance and accessories	104	103	104	107	103	102	103	106
Lumber and wood products	531	529	535	535	561	557	560	565
Furniture and fixtures	335	352	354	353	341	351	349	359
Stone, clay, and glass products	498	500	506	508	519	517	523	530
Primary metal industries	1,012	1,068	1,089	1,076	1,009	1,080	1,074	1,073
Fabricated metal products	932	987	997	980	931	999	987	979
Machinery except electrical	1,129	1,200	1,216	1,228	1,118	1,213	1,211	1,216
Electrical machinery	1,040	1,145	1,153	1,145	1,037	1,137	1,132	1,142
Transportation equipment	1,145	1,265	1,268	1,276	1,027	1,268	1,241	1,145
Instruments and related products	234	246	252	250	235	246	248	251
Miscellaneous manufacturing industries	319	336	334	334	331	339	330	347
Nondurable goods	**5,568**	**5,697**	**5,702**	**5,719**	**5,755**	**5,678**	**5,674**	**5,903**
Food and kindred products	1,142	1,121	1,123	1,137	1,262	1,113	1,160	1,256
Tobacco manufactures	72	73	74	66	82	62	62	75
Textile-mill products	799	824	826	824	808	831	821	833
Apparel and other finished textiles	1,165	1,233	1,209	1,219	1,194	1,217	1,176	1,249
Paper and allied products	493	501	507	507	499	506	505	513
Printing, publishing, and allied industries	604	619	625	623	603	618	620	622
Chemicals and allied products	530	542	549	550	532	544	548	552
Products of petroleum and coal	115	113	115	114	119	115	117	117
Rubber products	337	355	359	364	337	355	351	364
Leather and leather products	311	316	315	315	320	317	314	323

NOTE.—Bureau of Labor Statistics; data cover production and related workers only (full- and part-time) who worked during, or received pay for the pay period that includes the 12th of the month.

HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING INDUSTRIES

Industry group	Average hours worked (per week; S.A.)				Average weekly earnings (dollars per week; N.S.A.)				Average hourly earnings (dollars per hour; N.S.A.)			
	1964	1965			1964	1965			1964	1965		
	Aug.	June	July^p	Aug.^{p}	Aug.	June	July^p	Aug.^{p}	Aug.	June	July^p	Aug.^{p}
Total	**40.8**	**41.0**	**40.9**	**40.9**	**103.07**	**108.21**	**107.01**	**106.60**	**2.52**	**2.62**	**2.61**	**2.60**
Durable goods	**41.5**	**41.9**	**41.6**	**41.6**	**112.47**	**118.16**	**116.06**	**115.65**	**2.71**	**2.80**	**2.79**	**2.78**
Ordnance and accessories	40.4	41.8	42.5	41.2	121.10	128.44	129.89	127.20	3.02	3.08	3.10	3.11
Lumber and wood products	40.4	39.7	40.1	40.3	89.98	90.54	89.47	90.98	2.20	2.23	2.22	2.23
Furniture and fixtures	41.2	41.4	41.3	41.6	85.48	86.94	86.31	90.10	2.04	2.10	2.10	2.13
Stone, clay, and glass products	41.3	41.5	41.6	41.6	107.78	110.99	110.99	111.51	2.56	2.63	2.63	2.63
Primary metal industries	42.2	42.1	42.3	42.3	130.00	135.89	135.68	132.82	3.11	3.19	3.20	3.17
Fabricated metal products	41.7	41.9	41.8	41.8	112.98	117.02	114.95	116.20	2.69	2.76	2.75	2.76
Machinery except electrical	42.5	42.9	42.8	43.0	121.11	127.74	125.54	125.54	2.87	2.95	2.94	2.94
Electrical machinery	40.6	40.9	40.7	40.7	102.31	106.45	104.23	105.01	2.52	2.59	2.58	2.58
Transportation equipment	42.6	43.0	42.1	42.1	129.38	137.60	133.56	130.70	3.11	3.20	3.18	3.18
Instruments and related products	41.0	41.5	41.4	41.4	103.98	109.25	107.53	108.32	2.53	2.62	2.61	2.61
Miscellaneous manufacturing industries	40.0	39.6	39.8	40.2	82.80	85.17	84.10	86.03	2.07	2.14	2.14	2.14
Nondurable goods	**39.7**	**39.8**	**39.8**	**39.9**	**91.83**	**94.24**	**94.64**	**94.71**	**2.29**	**2.35**	**2.36**	**2.35**
Food and kindred products	40.8	40.9	41.1	40.9	97.23	101.11	101.33	99.53	2.36	2.46	2.43	2.41
Tobacco manufactures	38.4	37.2	38.3	37.2	75.47	83.16	83.10	78.79	1.94	2.20	2.21	2.09
Textile-mill products	41.2	41.4	41.3	41.7	73.10	77.10	77.23	78.58	1.77	1.84	1.87	1.88
Apparel and other finished textiles	35.9	36.4	36.2	36.3	66.06	66.61	66.43	68.26	1.80	1.82	1.82	1.84
Paper and allied products	43.0	42.9	42.9	42.9	111.71	114.05	114.38	114.48	2.58	2.64	2.66	2.65
Printing, publishing, and allied industries	38.6	38.5	38.4	38.5	114.55	117.43	116.43	118.12	2.96	3.05	3.04	3.06
Chemicals and allied products	41.3	41.7	41.4	41.5	116.47	120.54	119.94	119.94	2.82	2.87	2.89	2.89
Products of petroleum and coal	42.1	41.9	42.0	42.6	133.88	137.80	138.78	138.02	3.18	3.25	3.25	3.24
Rubber products	41.8	41.7	41.6	41.9	107.26	109.46	108.84	109.20	2.56	2.60	2.61	2.60
Leather and leather products	37.9	37.7	37.9	37.6	70.46	71.62	71.80	72.20	1.83	1.87	1.86	1.89

NOTE.—Bureau of Labor Statistics; data are for production and related workers only.

CONSUMER PRICES

(1957–59 = 100)

Period	All items	Food	Housing						Apparel and upkeep	Transportation	Health and recreation				
			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	59.7	55.6	......	85.4	......	......	......	......	......	......	......	......	......	......	......
1933	45.1	35.3	......	60.8	......	......	......	......	......	......	......	......	......	......	......
1941	51.3	44.2	61.4	64.3	......	45.2	88.3	......	......	51.2	......	50.6	47.6	57.3	58.2
1945	62.7	58.4	67.5	66.1	......	53.6	86.4	......	......	55.4	......	57.5	63.6	75.0	67.3
1956	94.7	94.7	95.5	96.5	94.1	95.9	95.9	97.3	97.8	91.3	93.6	91.8	93.7	93.4	95.8
1957	98.0	97.8	98.5	98.3	98.2	100.8	96.9	99.4	99.5	96.5	97.0	95.5	97.1	96.9	98.5
1958	100.7	101.9	100.2	100.1	100.4	99.0	100.3	99.9	99.8	99.7	100.3	100.1	100.4	100.8	99.8
1959	101.5	100.3	101.3	101.6	101.4	100.2	102.8	100.7	100.6	103.8	102.8	104.4	102.4	102.4	101.8
1960	103.1	101.4	103.1	103.1	103.7	99.5	107.0	101.5	102.2	103.8	105.4	108.1	104.1	104.9	103.8
1961	104.2	102.6	103.9	104.4	104.4	101.6	107.9	101.4	103.0	105.0	107.3	111.3	104.6	107.2	104.6
1962	105.4	103.6	104.8	105.7	105.6	102.1	107.9	101.5	103.6	107.2	109.4	114.2	106.5	109.6	105.3
1963	106.7	105.1	106.0	106.8	107.0	104.0	107.8	102.4	104.8	107.8	111.4	117.0	107.9	111.5	107.1
1964	108.1	106.4	107.2	107.8	109.1	103.5	107.9	102.8	105.7	109.3	113.6	119.4	109.2	114.1	108.8
1964—July	108.3	107.2	107.1	107.8	108.9	100.9	107.9	102.8	105.5	109.4	113.7	119.5	109.3	114.1	108.9
Aug.	108.2	106.9	107.2	107.9	109.2	100.9	108.2	102.6	105.3	109.3	113.8	119.8	109.4	114.2	108.9
Sept.	108.4	107.2	107.4	107.9	109.5	101.5	108.2	102.8	105.9	108.9	113.9	119.7	109.5	114.3	109.0
Oct.	108.5	106.9	107.6	108.2	109.6	102.9	108.2	102.8	106.2	109.4	114.0	119.9	109.7	114.5	109.1
Nov.	108.7	106.8	107.7	108.3	109.8	103.7	108.1	102.9	106.4	110.0	114.2	120.2	109.7	114.9	109.1
Dec.	108.8	106.9	107.8	108.4	110.0	105.8	108.3	102.9	106.6	110.5	114.3	120.3	110.0	114.9	109.2
1965—Jan.	108.9	106.6	108.1	108.4	110.6	106.5	108.0	102.8	105.6	111.1	114.5	120.6	110.0	115.0	109.3
Feb.	108.9	106.6	108.2	108.5	110.9	106.7	107.8	102.8	105.8	110.6	114.7	121.0	110.1	115.2	109.4
Mar.	109.0	106.9	108.2	108.7	110.8	106.5	107.7	103.1	106.0	110.6	114.9	121.4	110.4	115.4	109.5
Apr.	109.3	107.3	108.2	108.8	110.8	105.4	107.7	103.1	106.3	111.0	115.4	121.6	110.7	115.9	110.3
May	109.6	107.9	108.2	108.8	110.8	104.6	107.7	103.1	106.8	111.4	115.6	121.8	111.0	115.9	110.6
June	110.1	110.1	108.2	108.8	111.0	103.4	107.8	103.1	106.9	111.2	115.7	122.2	111.0	115.7	111.0
July	110.2	110.9	108.3	108.9	111.2	103.2	106.9	102.9	106.1	111.5	115.3	122.7	108.7	114.6	111.5

NOTE.—Bureau of Labor Statistics index for city wage-earners and clerical workers.

The new series index begins with January 1964.

WHOLESALE PRICES: SUMMARY

(1957–59 = 100)

Period	All commodities	Farm products	Processed foods	Other commodities													
				Total	Textiles, etc.	Hides, etc.	Fuel, etc.	Chemicals, etc.	Rubber, etc.	Lumber, etc.	Paper, etc.	Metals etc.	Machinery	Furniture, etc.	Nonmetallic minerals	Tobacco etc.	Miscellaneous
1956	96.2	96.6	94.3	96.5	100.7	94.8	97.4	97.5	100.6	103.8	97.2	97.8	92.1	96.9	95.2	95.1	98.1
1957	99.0	99.2	97.9	99.2	100.8	94.9	102.7	99.6	100.2	98.5	99.0	99.7	97.7	99.4	98.9	98.0	96.6
1958	100.4	103.6	102.9	99.5	98.9	96.0	98.7	100.4	100.1	97.4	100.1	99.1	100.1	100.2	99.9	99.7	101.5
1959	100.6	97.2	99.2	101.3	100.4	109.1	98.7	100.0	99.7	104.1	101.0	101.2	102.2	100.4	101.2	102.2	101.9
1960	100.7	96.9	100.0	101.3	101.5	105.2	99.6	100.2	99.9	100.4	101.8	101.3	102.4	100.1	101.4	102.5	99.3
1961	100.3	96.0	100.7	100.8	99.7	106.2	100.7	99.1	96.1	95.9	98.8	100.7	102.3	99.5	101.8	103.2	103.9
1962	100.6	97.7	101.2	100.8	100.6	107.4	100.2	97.5	93.3	96.5	100.0	100.0	102.3	98.8	101.8	104.1	107.3
1963	100.3	95.7	101.1	100.7	100.5	104.2	99.8	96.3	93.8	98.6	99.2	100.1	102.2	98.1	101.3	106.1	110.4
1964	100.5	94.3	101.0	101.2	101.2	104.6	97.1	96.7	92.5	100.6	99.0	102.8	102.9	98.5	101.5	107.4	109.2
1964—July	100.4	94.1	101.2	101.1	101.1	105.4	96.7	96.6	91.8	101.2	98.7	102.5	103.1	98.6	101.5	107.3	107.5
Aug.	100.3	93.6	101.0	101.1	101.2	105.6	96.4	96.5	91.8	100.9	98.7	103.0	102.9	98.6	101.7	107.5	107.3
Sept.	100.7	95.7	102.2	101.1	101.2	105.4	95.2	96.6	91.9	100.6	98.7	103.0	102.9	98.6	101.8	107.5	109.2
Oct.	100.8	93.8	101.7	101.5	101.4	106.0	96.7	96.9	92.1	100.3	99.1	103.8	103.0	98.5	101.8	107.6	110.1
Nov.	100.7	94.0	100.9	101.6	101.4	105.5	97.6	97.1	92.2	99.6	98.9	104.3	103.2	98.5	101.8	107.5	108.5
Dec.	100.7	92.7	100.8	101.8	101.5	105.4	98.1	97.2	92.2	99.4	98.9	104.7	103.1	98.4	101.6	107.5	110.7
1965—Jan.	101.0	93.0	102.2	101.9	101.5	104.9	98.5	97.3	92.3	100.8	99.0	104.5	103.3	98.3	101.7	107.5	110.0
Feb.	101.2	94.5	102.1	101.9	101.5	105.1	97.9	97.5	92.2	100.8	99.0	104.6	103.5	98.2	101.8	107.6	109.6
Mar.	101.3	95.4	101.8	102.0	101.5	105.7	97.9	97.5	92.2	100.7	99.5	104.8	103.5	98.3	101.9	107.5	109.5
Apr.	101.7	97.6	102.3	102.1	101.5	106.3	97.6	97.6	92.3	100.5	99.8	105.2	103.7	98.0	101.9	107.8	110.3
May	102.1	98.4	103.3	102.3	101.6	107.4	98.4	97.6	92.9	100.4	100.0	105.7	103.7	98.0	101.9	108.1	108.9
June	102.8	100.3	^{r}106.1	^{r}102.5	101.9	^{r}108.2	98.7	97.4	^{r}92.8	100.3	100.0	^{r}105.9	^{r}103.8	98.0	^{r}102.0	107.6	111.0
July	102.9	100.0	106.7	102.5	101.9	109.2	98.7	97.4	92.7	100.4	99.9	105.8	103.8	97.8	101.9	107.6	112.5

See next page for composition of other commodities.

WHOLESALE PRICES: DETAIL

(1957-59=100)

Group	1964	1965		
	July	May	June	July
Farm Products:				
Fresh and dried produce	108.9	118.5	^{r}109.0	104.0
Grains	85.7	91.0	89.6	88.4
Livestock and poultry	87.7	96.2	104.6	105.0
Plant and animal fibers	99.4	91.8	92.0	91.8
Fluid milk	100.5	100.2	100.7	102.5
Eggs	87.3	79.0	82.0	84.7
Hay and seeds	105.6	115.4	114.7	113.8
Other farm products	98.3	94.8	95.6	95.4
Processed Foods:				
Cereal and bakery products	108.6	108.3	108.5	109.3
Meat, poultry, and fish	93.3	97.7	^{r}105.5	106.3
Dairy products and ice cream	107.0	106.8	107.1	107.8
Canned and frozen fruits and vegetables	105.1	100.4	^{r}101.5	101.7
Sugar and confectionery	106.6	108.9	109.4	109.3
Packaged beverage materials	98.4	94.2	94.2	94.2
Animal fats and oils	90.8	107.4	^{r}108.4	116.3
Crude vegetable oils	80.4	96.9	94.4	91.2
Refined vegetable oils	79.2	93.7	89.2	89.4
Vegetable oil end products	87.9	102.3	^{r}101.2	101.2
Miscellaneous processed foods	108.8	112.2	^{r}112.7	113.3
Textile Products and Apparel:				
Cotton products	98.3	99.9	100.2	100.3
Wool products	102.6	103.8	104.0	104.4
Man-made fiber textile products	96.2	96.0	95.9	95.7
Silk products	117.0	135.1	132.2	127.6
Apparel	103.3	103.2	^{r}103.6	103.7
Other textile products	117.2	121.7	123.3	120.5
Hides, Skins, Leather, and Products:				
Hides and skins	92.6	105.9	103.1	117.4
Leather	104.7	104.2	107.6	105.9
Footwear	108.3	109.7	109.8	109.8
Other leather products	103.9	104.9	^{r}106.9	107.3
Fuels and Related Products, and Power:				
Coal	96.1	94.6	^{r}94.7	95.1
Coke	107.3	107.3	107.3	107.3
Gas fuels (Jan. 1958=100)	120.2	122.2	^{r}122.7	122.7
Electric power (Jan. 1958=100)	100.6	100.8	100.8	100.7
Petroleum products, refined	92.5	95.4	96.0	96.0
Chemicals and Allied Products:				
Industrial chemicals	94.3	94.8	94.8	95.0
Prepared paint	104.1	105.7	105.7	105.7
Paint materials	90.7	90.1	89.3	89.6
Drugs and pharmaceuticals	94.8	95.0	94.7	94.9
Fats and oils, inedible	95.9	116.7	114.0	110.5
Mixed fertilizers	103.5	^{r}104.9	^{r}104.8	104.8
Fertilizer materials	101.1	104.3	104.3	103.3
Other chemicals and products	99.6	99.8	99.8	99.8
Rubber and Products:				
Crude rubber	90.0	91.8	90.1	89.2
Tires and tubes	88.0	89.7	90.2	90.2
Miscellaneous rubber products	96.4	96.8	^{r}96.6	96.8
Lumber and Wood Products:				
Lumber	101.5	101.0	101.1	101.1
Millwork	109.1	107.9	107.8	107.8
Plywood	92.3	91.3	90.5	90.7
Pulp, Paper, and Allied Products:				
Woodpulp	95.5	98.1	98.1	98.1
Wastepaper	93.4	100.3	98.0	98.3
Paper	103.7	104.0	104.1	104.1
Paperboard	96.5	96.3	96.3	96.3
Converted paper and paperboard	97.5	99.5	^{r}99.5	99.4
Building paper and board	94.4	92.7	92.7	93.0
Metals and Metal Products:				
Iron and steel	100.7	101.5	101.3	101.5
Nonferrous metals	104.4	115.2	^{r}116.2	115.5
Metal containers	105.6	108.3	^{r}108.3	108.3
Hardware	104.9	105.8	105.9	106.1
Plumbing equipment	101.3	104.2	104.3	104.3
Heating equipment	91.9	91.6	^{r}92.0	92.1
Fabricated structural metal products	99.3	101.2	101.2	101.3
Fabricated nonstructural metal products	108.0	109.2	109.2	109.2
Machinery and Motive Products:				
Agricultural machinery and equip.	112.9	114.7	114.7	114.9
Construction machinery and equip.	112.3	115.1	115.2	115.4
Metalworking machinery and equip.	113.3	116.2	^{r}116.4	116.5
General purpose machinery and equipment	104.4	104.7	104.7	104.8
Miscellaneous machinery	104.7	105.4	105.5	105.2
Special industry machinery and equipment (Jan. 1961=100)	106.0	107.8	107.9	107.9
Electrical machinery and equip.	96.5	97.1	97.1	97.0
Motor vehicles	100.9	100.8	100.7	100.7
Transportation equip., R.R. rolling stock (Jan. 1961=100)	100.6	100.6	101.0	101.0
Furniture and Other Household Durables:				
Household furniture	105.2	106.0	105.9	105.9
Commercial furniture	103.2	103.7	103.7	103.7
Floor coverings	99.0	97.7	97.7	97.5
Household appliances	91.2	89.4	89.4	89.5
Television, radios, and phonographs	87.3	85.9	85.9	84.0
Other household durable goods	104.4	104.9	104.9	104.9
Nonmetallic Mineral Products:				
Flat glass	102.4	101.7	101.7	100.2
Concrete ingredients	102.7	103.2	103.1	103.1
Concrete products	100.9	101.3	101.6	101.7
Structural clay products	104.4	105.1	105.1	105.1
Gypsum products	108.6	108.1	107.5	107.5
Asphalt roofing	88.9	92.1	92.1	92.1
Other nonmetallic minerals	101.8	101.6	101.6	101.7
Tobacco Products and Bottled Beverages:				
Tobacco products	106.0	107.4	106.1	106.1
Alcoholic beverages	100.3	100.8	100.7	100.7
Nonalcoholic beverages	127.4	128.1	128.1	128.1
Miscellaneous Products:				
Toys, sporting goods, small arms	101.0	102.2	102.2	102.6
Manufactured animal feeds	110.7	112.9	116.6	118.8
Notions and accessories	99.1	99.1	99.1	99.1
Jewelry, watches, photo equipment	103.9	103.8	104.3	104.3
Other miscellaneous products	102.5	103.4	103.5	105.2

NOTE.—Bureau of Labor Statistics.

GROSS NATIONAL PRODUCT

(In billions of dollars)

Item	1929[r]	1933[r]	1941[r]	1950[r]	1960[r]	1961[r]	1962[r]	1963[r]	1964[r]	1964[r]			1965[r]	
										II	III	IV	I	II
Gross national product	103.1	55.6	124.5	284.8	503.8	520.1	560.3	589.2	628.7	624.2	634.8	641.1	656.4	665.9
Final purchases	*101.4*	*57.2*	*120.1*	*278.0*	*500.2*	*518.1*	*554.3*	*583.5*	*623.9*	*620.1*	*631.0*	*633.6*	*647.6*	*659.2*
Personal consumption expenditures	77.2	45.8	80.6	191.0	325.2	335.2	355.1	373.8	398.9	396.0	404.6	405.9	416.9	424.4
Durable goods	9.2	3.5	9.6	30.5	45.3	44.2	49.5	53.4	58.7	59.1	60.5	57.9	63.9	63.7
Nondurable goods	37.7	22.3	42.9	98.1	151.3	155.9	162.6	168.0	177.5	175.7	179.8	180.9	183.0	187.6
Services	30.3	20.1	28.1	62.4	128.7	135.1	143.0	152.3	162.6	161.2	164.3	167.1	170.0	173.1
Gross private domestic investment	16.2	1.4	17.9	54.1	74.8	71.7	83.0	86.9	92.9	90.9	92.6	97.7	102.4	101.1
Fixed investment	14.5	3.0	13.4	47.3	71.3	69.7	77.0	81.2	88.1	86.8	88.8	90.2	93.7	94.4
Nonresidential	10.6	2.4	9.5	27.9	48.4	47.0	51.7	54.3	60.5	58.9	61.6	63.5	66.0	66.4
Structures	5.0	.9	2.9	9.2	18.1	18.4	19.2	19.7	21.1	21.1	21.1	21.5	21.8	22.7
Producers' durable equipment	5.6	1.5	6.6	18.7	30.3	28.6	32.5	34.6	39.4	37.9	40.5	42.0	44.2	43.7
Residential structures	4.0	.6	3.9	19.4	22.8	22.6	25.3	26.9	27.5	27.9	27.2	26.7	27.7	28.0
Nonfarm	3.8	.5	3.7	18.6	22.2	22.0	24.8	26.3	27.0	27.3	26.6	26.2	27.1	27.5
Change in business inventories	1.7	−1.6	4.5	6.8	3.6	2.0	6.0	5.7	4.8	4.1	3.8	7.5	8.7	6.7
Nonfarm	1.8	−1.4	4.0	6.0	3.3	1.7	5.3	4.9	5.4	5.1	4.6	7.8	9.3	7.1
Net exports of goods and services	1.1	.4	1.3	1.8	4.1	5.6	5.1	5.9	8.6	7.7	8.8	8.9	6.2	7.5
Exports	7.0	2.4	5.9	13.8	27.2	28.6	30.3	32.4	37.0	36.0	37.3	38.4	34.8	39.8
Imports	5.9	2.0	4.6	12.0	23.2	22.9	25.1	26.4	28.5	28.2	28.5	29.5	28.6	32.3
Government purchases of goods and services	8.5	8.0	24.8	37.9	99.6	107.6	117.1	122.6	128.4	129.7	128.7	128.6	130.9	132.9
Federal	*1.3*	*2.0*	*16.9*	*18.4*	*53.5*	*57.4*	*63.4*	*64.4*	*65.3*	*67.0*	*64.9*	*64.3*	*64.9*	*65.9*
National defense	......	......	13.8	14.1	44.9	47.8	51.6	50.8	49.9	51.7	49.5	48.8	48.9	49.4
Other	......	......	3.1	4.3	8.6	9.6	11.8	13.6	15.4	15.3	15.4	15.5	16.0	16.5
State and local	7.2	6.0	7.9	19.5	46.1	50.2	53.7	58.3	63.1	62.7	63.8	64.3	66.0	67.0
Gross national product in constant (1958) dollars	203.6	141.5	263.7	355.3	487.8	497.3	530.0	550.0	577.6	575.9	582.6	584.7	597.5	601.4

NOTE.—Dept. of Commerce estimates. Revised estimates; concepts of components may not be definitionally consistent with those published prior to September 1965. (See 1965 and 1966 publications listed below.) Quarterly data are seasonally adjusted totals at annual rates. For back data and explanation of series see *National Income* 1954 Edition, *A Supplement to the Survey of Current Business; U.S. Income and Output, A Supplement to the Survey of Current Business* (1958); a forthcoming (1966) report to be issued by the Dept. of Commerce as a supplement to the *Survey of Current Business,* which will describe the conceptual framework of these revised estimates; and the August 1965 *Survey of Current Business.*

NATIONAL INCOME

(In billions of dollars)

Item	1929[r]	1933[r]	1941[r]	1950[r]	1960[r]	1961[r]	1962[r]	1963[r]	1964[r]	1964[r]			1965[r]	
										II	III	IV	I	II
National income	86.8	40.3	104.2	241.1	414.5	427.3	457.7	481.1	514.4	510.5	519.5	526.3	541.4	550.4
Compensation of employees	51.1	29.5	64.8	154.6	294.2	302.6	323.6	341.0	365.3	361.9	369.0	375.4	383.1	388.7
Wages and salaries	*50.4*	*29.0*	*62.1*	*146.8*	*270.8*	*278.1*	*296.1*	*311.2*	*333.5*	*330.4*	*336.8*	*342.6*	*349.8*	*355.0*
Private	45.5	23.9	51.9	124.4	222.1	225.9	240.1	251.6	269.2	266.9	271.7	276.5	282.9	287.3
Military	.3	.3	1.9	5.0	9.9	10.2	10.8	10.8	11.7	11.6	11.7	11.9	11.8	11.8
Government civilian	4.6	4.9	8.3	17.4	38.8	42.0	45.2	48.8	52.6	51.9	53.3	54.3	55.0	55.9
Supplements to wages and salaries	*.7*	*.5*	*2.7*	*7.8*	*23.4*	*24.6*	*27.5*	*29.8*	*31.8*	*31.5*	*32.2*	*32.7*	*33.4*	*33.8*
Employer contributions for social insurance	.1	.1	2.0	4.0	11.4	11.8	13.7	15.0	15.4	15.2	15.5	15.7	16.1	16.3
Other labor income	.6	.4	.7	3.8	12.0	12.7	13.9	14.8	16.5	16.3	16.7	17.1	17.3	17.5
Proprietors' income	15.1	5.9	17.5	37.5	46.2	48.4	50.1	50.8	51.1	51.0	51.4	51.8	51.9	54.6
Business and professional	9.0	3.3	11.1	24.0	34.2	35.6	37.1	37.8	39.1	39.0	39.4	39.6	39.9	40.1
Farm	6.2	2.6	6.4	13.5	12.0	12.8	13.0	13.0	12.0	12.0	12.0	12.2	12.0	14.5
Rental income of persons	5.4	2.0	3.5	9.4	15.8	16.0	16.7	17.6	18.2	18.1	18.3	18.5	18.5	18.6
Corporate profits and inventory valuation adjustment	10.5	−1.2	15.2	37.7	49.9	50.3	55.7	58.1	64.5	64.5	65.5	64.9	71.7	72.1
Profits before tax	*10.0*	*1.0*	*17.7*	*42.6*	*49.7*	*50.3*	*55.4*	*58.6*	*64.8*	*64.5*	*65.3*	*65.9*	*73.1*	*73.8*
Profits tax liability	1.4	.5	7.6	17.8	23.0	23.1	24.2	26.0	27.6	27.5	27.8	28.1	29.1	29.4
Profits after tax	*8.6*	*.4*	*10.1*	*24.9*	*26.7*	*27.2*	*31.2*	*32.6*	*37.2*	*37.0*	*37.5*	*37.8*	*44.0*	*44.4*
Dividends	5.8	2.0	4.4	8.8	13.4	13.8	15.2	15.8	17.2	17.1	17.4	17.7	17.8	18.2
Undistributed profits	2.8	−1.6	5.7	16.0	13.2	13.5	16.0	16.8	19.9	19.9	20.1	20.0	26.2	26.2
Inventory valuation adjustment	.5	−2.1	−2.5	−5.0	.2	−.1	.3	−.4	−.3	.0	.2	−1.0	−1.4	−1.7
Net interest	4.7	4.1	3.2	2.0	8.4	10.0	11.6	13.6	15.2	15.0	15.4	15.7	16.1	16.4

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to previous table.

RELATION OF GROSS NATIONAL PRODUCT, NATIONAL INCOME, AND PERSONAL INCOME AND SAVING

(In billions of dollars)

Item	1929^r	1933^r	1941^r	1950^r	1960^r	1961^r	1962^r	1963^r	1964^r	1964^r			1965^r	
										II	III	IV	I	II
Gross national product	**103.1**	**55.6**	**124.5**	**284.8**	**503.8**	**520.1**	**560.3**	**589.2**	**628.7**	**624.2**	**634.8**	**641.1**	**656.4**	**665.9**
Less: Capital consumption allowances	7.9	7.0	8.2	18.3	43.4	45.2	50.0	52.8	55.7	55.2	56.1	56.9	57.7	58.3
Indirect business tax and nontax liability	7.0	7.1	11.3	23.3	45.2	47.7	51.5	54.6	58.0	57.6	58.8	59.3	60.7	61.0
Business transfer payments	.6	.7	.5	.8	1.9	2.0	2.1	2.2	2.3	2.3	2.3	2.4	2.3	2.3
Statistical discrepancy	.7	.6	.4	1.5	−1.0	−.7	.5	−.7	−.5	−.3	−.7	−2.2	−4.2	−4.7
Plus: Subsidies less current surplus of government enterprises	−.1	.....	.1	.2	.2	1.4	1.4	.7	1.2	1.2	1.3	1.5	1.5	1.5
Equals: National income	**86.8**	**40.3**	**104.2**	**241.1**	**414.5**	**427.3**	**457.7**	**481.1**	**514.4**	**510.5**	**519.5**	**526.3**	**541.4**	**550.4**
Less: Corporate profits and inventory valuation adjustment	10.5	−1.2	15.2	37.7	49.9	50.3	55.7	58.1	64.5	64.5	65.5	64.9	71.7	72.1
Contributions for social insurance	.2	.3	2.8	6.9	20.7	21.4	24.0	26.8	27.8	27.6	28.0	28.4	29.1	29.4
Excess of wage accruals over disbursements	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.1	−.1	.....	...
Plus: Government transfer payments	.9	1.5	2.6	14.3	26.6	30.4	31.2	33.0	34.2	33.9	34.1	34.4	36.0	35.1
Net interest paid by government and consumer	2.5	1.6	2.2	7.2	15.1	15.0	16.1	17.5	19.1	18.8	19.4	19.5	19.9	20.4
Dividends	5.8	2.0	4.4	8.8	13.4	13.8	15.2	15.8	17.2	17.1	17.4	17.7	17.8	18.2
Business transfer payments	.6	.7	.5	.8	1.9	2.0	2.1	2.2	2.3	2.3	2.3	2.4	2.3	2.3
Equals: Personal income	**85.9**	**47.0**	**96.0**	**227.6**	**401.0**	**416.8**	**442.6**	**464.8**	**495.0**	**490.6**	**499.1**	**507.1**	**516.6**	**524.9**
Less: Personal tax and nontax payments	2.6	1.5	3.3	20.7	50.9	52.4	57.4	60.9	59.2	56.9	58.8	60.7	64.8	66.0
Equals: Disposable personal income	**83.3**	**45.5**	**92.7**	**206.9**	**350.0**	**364.4**	**385.3**	**403.8**	**435.8**	**433.6**	**440.3**	**446.4**	**451.9**	**458.9**
Less: Personal outlays	79.1	46.5	81.7	193.9	333.0	343.2	363.7	383.4	409.5	406.3	415.3	416.9	428.1	436.0
Personal consumption expenditures	77.2	45.8	80.6	191.0	325.2	335.2	355.1	373.8	398.9	396.0	404.6	405.9	416.9	424.4
Consumer interest payments	1.5	.5	.9	2.4	7.3	7.6	8.1	9.0	10.0	9.8	10.2	10.4	10.6	11.0
Personal transfer payments to foreigners	.3	.2	.2	.4	.5	.5	.5	.6	.6	.5	.5	.6	.6	.6
Equals: Personal saving	**4.2**	**−.9**	**11.0**	**13.1**	**17.0**	**21.2**	**21.6**	**20.5**	**26.3**	**27.3**	**25.0**	**29.5**	**23.8**	**23.0**
Disposable personal income in constant (1958) dollars	**150.6**	**112.2**	**190.3**	**249.6**	**340.2**	**350.7**	**367.6**	**380.6**	**406.5**	**404.9**	**410.7**	**414.5**	**418.4**	**422.2**

NOTE.—Dept. of Commerce estimates. Quarterly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of previous page.

PERSONAL INCOME

(In billions of dollars)

Item	1963^r	1964^r	1964^r						1965^r						
			July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
Total personal income	**464.8**	**495.0**	**496.1**	**499.5**	**501.7**	**502.8**	**506.6**	**512.0**	**[1]515.8**	**515.7**	**518.4**	**520.7**	**525.3**	**528.8**	**530.6**
Wage and salary disbursements	311.2	333.5	334.3	337.1	338.7	339.4	342.6	346.2	347.2	349.8	352.2	352.7	355.2	356.9	359.2
Commodity-producing industries	125.7	133.9	134.2	135.2	136.2	135.2	137.4	139.8	140.3	141.4	142.6	142.3	143.3	144.2	145.3
Manufacturing only	*100.6*	*107.2*	*107.3*	*108.3*	*109.6*	*107.9*	*110.1*	*111.9*	*112.6*	*113.6*	*114.6*	*114.4*	*115.0*	*115.7*	*117.0*
Distributive industries	76.0	81.1	81.7	82.0	81.9	82.6	83.3	83.8	84.0	84.9	85.8	85.8	86.5	86.7	87.1
Service industries	49.9	54.1	54.3	54.6	55.1	55.6	55.8	56.2	56.4	56.7	56.9	57.2	57.7	57.9	58.4
Government	59.6	64.3	64.1	65.2	65.6	66.1	66.1	66.4	66.6	66.8	67.0	67.4	67.7	68.0	68.3
Other labor income	14.8	16.5	16.6	16.7	16.8	17.0	17.1	17.1	17.2	17.3	17.4	17.4	17.5	17.6	17.7
Proprietors' income	50.8	51.1	51.2	51.3	51.5	51.4	51.8	52.3	52.2	51.9	51.8	52.9	54.8	56.0	55.1
Business and professional	37.8	39.1	39.4	39.3	39.4	39.4	39.6	39.9	39.8	39.9	40.1	40.0	40.1	40.1	40.2
Farm	13.0	12.0	11.8	12.0	12.1	12.0	12.2	12.4	12.4	12.0	11.7	12.9	14.7	15.9	14.9
Rental income	17.6	18.2	18.3	18.3	18.4	18.4	18.5	18.5	18.5	18.5	18.5	18.6	18.6	18.6	18.6
Dividends	15.8	17.2	17.4	17.3	17.4	17.5	17.7	18.1	17.8	17.8	17.8	18.0	18.1	18.6	18.5
Personal interest income	31.1	34.3	34.5	34.8	35.0	35.1	35.2	35.5	35.7	36.0	36.2	36.5	36.7	37.0	37.2
Transfer payments	35.2	36.6	36.4	36.4	36.4	36.6	36.5	37.0	[1]40.1	37.4	37.6	37.8	37.4	37.2	37.5
Less: Personal contributions for social insurance	11.8	12.4	12.5	12.5	12.6	12.6	12.7	12.8	13.0	13.0	13.1	13.1	13.1	13.2	13.2
Nonagricultural income	**447.4**	**478.7**	**479.9**	**483.1**	**485.5**	**486.5**	**490.4**	**495.3**	**[1]499.1**	**499.5**	**502.7**	**503.4**	**506.1**	**508.5**	**511.3**
Agricultural income	**17.4**	**16.3**	**16.2**	**16.4**	**16.2**	**16.3**	**16.2**	**16.7**	**16.7**	**16.2**	**15.7**	**17.3**	**19.2**	**20.3**	**19.3**

[1] Includes stepped-up rate of Govt. life insurance dividend payments to veterans in the amount of $2.4 billion.

NOTE.—Dept. of Commerce estimates. Monthly data are seasonally adjusted totals at annual rates. See also NOTE to table at top of previous page.

SAVING, INVESTMENT, AND FINANCIAL FLOWS

(In billions of dollars)

	Transaction category, or sector	1960	1961	1962	1963	1964	1963			1964				1965		
							II	III	IV	I	II	III	IV	I	II^{p}	
	I. Saving and investment															
1	**Gross national saving**	**119.4**	**115.9**	**129.8**	**138.7**	**148.7**	**138.0**	**140.1**	**146.1**	**144.6**	**148.2**	**150.4**	**151.8**	**162.9**	**164.1**	1
2	Households	73.5	78.0	83.9	88.2	98.3	87.4	87.8	92.4	94.4	100.1	98.7	100.1	101.1	102.9	2
3	Farm and noncorp. business	11.9	11.5	11.8	12.3	12.3	12.3	12.4	12.5	11.6	12.1	12.6	12.9	12.9	12.9	3
4	Corporate nonfinan. business	32.6	33.1	38.4	39.4	44.9	38.7	40.4	39.9	44.2	45.1	45.5	44.9	49.1	49.0	4
5	U.S. Government	2.4	−5.2	−5.2	−2.9	−6.7	−2.8	−2.0	−.8	−4.0	−9.6	−7.0	−6.5	−1.0	−2.4	5
6	State and local govt	−3.3	−3.8	−2.2	−2.4	−2.6	−2.2	−2.3	−2.1	−2.5	−2.6	−2.8	−2.5	−3.2	−3.3	6
7	Financial sectors	2.3	2.2	3.1	4.1	2.6	4.7	3.9	4.2	.9	3.2	3.4	2.9	4.0	4.8	7
8	**Gross national investment**	**117.4**	**114.5**	**128.8**	**136.7**	**148.9**	**134.6**	**136.5**	**145.5**	**147.3**	**148.2**	**149.9**	**150.2**	**160.5**	**158.4**	8
9	Consumer durable goods	44.9	43.7	48.4	52.1	56.9	51.5	52.2	53.6	55.9	56.9	58.5	56.1	62.0	60.6	9
10	Business inventories	3.5	1.9	5.9	4.4	3.5	3.6	4.2	6.4	2.4	3.6	2.5	5.5	6.8	5.7	10
11	Gross pvt. fixed investment	68.3	66.9	73.3	77.7	84.0	76.7	78.7	80.8	83.5	83.5	84.3	84.6	87.8	88.6	11
12	Households	21.6	20.0	21.4	21.9	22.7	21.5	22.2	22.4	22.9	22.8	22.6	22.4	21.7	22.7	12
13	Nonfinan. business	46.2	46.2	51.3	54.8	60.7	54.4	55.3	57.1	59.4	60.2	61.4	61.8	65.6	65.6	13
14	Financial sectors	.5	.7	.6	1.0	.6	.9	1.2	1.3	1.2	.4	.4	.4	.5	.4	14
15	Net financial investment	.7	2.0	1.3	2.5	4.6	2.7	1.4	4.8	5.5	4.2	4.5	4.0	3.9	3.5	15
16	Discrepancy (1-8)	2.0	1.4	.9	2.0	−.2	3.4	3.6	.6	−2.7	*	.4	1.6	2.4	5.7	16
	II. Financial flows—Summary															
17	**Net funds raised—Nonfinan. sectors**	**35.0**	**46.9**	**58.3**	**62.3**	**70.9**	**72.5**	**53.7**	**63.7**	**68.2**	**78.5**	**65.7**	**71.3**	**82.5**	**75.3**	17
18	Loans and short-term securities	15.0	16.3	15.4	18.5	26.9	28.4	4.5	23.5	26.1	28.6	14.6	38.3	41.8	n.a.	18
19	Long-term securities and mtgs	20.0	30.7	42.9	43.8	44.0	44.1	49.2	40.2	42.1	49.9	51.1	33.0	40.7	n.a.	19
	By sector															
20	U.S. Government	−2.0	7.6	7.5	4.8	6.8	11.6	−5.0	1.7	11.6	7.9	5.1	2.6	11.3	.8	20
21	Short-term mkt. securities	3.1	8.8	.5	1.4	4.1	9.0	−10.4	.3	9.1	.8	−2.0	8.4	12.7	n.a.	21
22	Other securities	−5.6	−1.4	6.8	3.8	2.2	3.3	6.4	1.6	3.5	5.5	6.5	−6.7	−1.3	n.a.	22
23	Loan participation certs	.5	.2	.2	−.4	.5	−.7	−1.0	−.2	−1.0	1.7	.6	.9	−.2	−.3	23
24	Foreign borrowers	2.0	2.8	2.3	3.4	4.7	5.0	1.4	3.2	4.1	4.0	3.0	7.5	6.0	.7	24
25	Loans	1.4	2.0	1.2	2.3	3.9	3.1	1.0	3.5	4.1	3.2	3.0	5.3	4.8	−.1	25
26	Securities	.6	.8	1.0	1.0	.8	1.8	.5	−.2	*	.9	*	2.2	1.1	.8	26
27	Pvt. domestic nonfin. sectors	35.0	36.6	48.6	54.2	59.4	55.9	57.3	58.8	52.4	66.5	57.5	61.2	65.2	73.7	27
28	Loans	10.0	5.3	13.5	15.2	18.4	16.9	15.0	19.9	13.8	22.9	13.0	23.7	24.5	30.8	28
29	*Consumer credit*	*4.5*	*1.7*	*5.5*	*6.7*	*6.8*	*6.9*	*7.1*	*6.5*	*6.5*	*7.3*	*7.5*	*6.0*	*9.6*	*8.7*	29
30	*Bank loans n.e.c.*	*2.9*	*2.2*	*5.1*	*5.9*	*7.2*	*6.5*	*5.2*	*11.4*	*4.3*	*8.4*	*3.1*	*13.1*	*11.7*	*16.2*	30
31	*Other loans*	*2.6*	*1.4*	*2.9*	*2.6*	*4.3*	*3.5*	*2.6*	*2.0*	*3.0*	*7.2*	*2.4*	*4.6*	*3.1*	*6.0*	31
32	Securities and mortgages	25.0	31.3	35.1	38.9	41.1	39.0	42.4	38.9	38.6	43.6	44.6	37.5	40.8	42.9	32
33	*State and local obligations*	*3.6*	*4.9*	*5.0*	*6.7*	*5.9*	*7.0*	*7.5*	*6.6*	*4.2*	*5.9*	*7.8*	*5.6*	*8.0*	*7.4*	33
34	*Corporate securities*	*5.3*	*7.3*	*5.3*	*3.4*	*5.4*	*2.8*	*4.2*	*1.7*	*6.6*	*7.0*	*5.2*	*2.8*	*5.1*	*7.4*	34
35	*1- to 4-family mortgages*	*10.5*	*11.4*	*13.0*	*15.2*	*16.0*	*15.8*	*16.3*	*15.1*	*15.3*	*16.5*	*16.9*	*15.3*	*13.6*	*15.0*	35
36	*Other mortgages*	*5.6*	*7.7*	*11.9*	*13.6*	*13.8*	*13.4*	*14.3*	*15.4*	*12.5*	*14.3*	*14.7*	*13.9*	*14.1*	*13.1*	36
37	**Net sources of credit (= 17)**	**35.0**	**46.9**	**58.3**	**62.3**	**70.9**	**72.5**	**53.7**	**63.7**	**68.2**	**78.5**	**65.7**	**71.3**	**82.5**	**75.3**	37
38	Chg. in U.S. Govt. cash balance	.9	*	1.3	−.4	.1	2.9	−7.7	−1.5	8.0	−1.1	−4.1	−2.4	11.0	1.2	38
39	U.S. Govt. lending	2.3	2.8	3.5	2.7	3.6	2.6	3.6	4.5	2.8	5.1	3.0	3.4	4.5	5.5	39
40	Foreign funds	3.2	2.0	2.9	2.5	2.5	7.1	−.4	*	2.8	2.7	.5	4.0	2.4	4.6	40
41	Pvt. insur. & pension reserves	8.2	8.7	9.0	10.2	10.4	10.5	11.3	10.5	9.9	10.7	9.4	11.8	10.0	11.6	41
42	Sources n.e.c.	4.0	3.7	2.6	4.0	5.0	2.2	5.7	1.0	6.5	4.9	5.7	3.2	9.6	4.3	42
43	Pvt. domestic nonfin. sectors	16.5	29.7	39.0	43.3	49.3	47.3	41.2	49.3	38.2	56.3	51.1	51.3	45.0	48.0	43
44	Liquid assets	9.2	24.7	31.2	36.2	32.8	41.5	29.0	40.7	27.5	35.9	28.7	39.0	34.9	n.a.	44
45	Deposits	13.8	24.2	29.8	33.0	34.7	35.9	28.1	38.7	24.6	36.3	33.9	43.8	27.4	37.0	45
46	Demand dep. and currency	−1.3	4.1	1.8	5.0	6.5	10.6	2.1	9.8	−3.0	9.5	5.9	13.7	−8.9	11.0	46
47	Time and svgs. accounts	15.0	20.1	28.0	28.1	28.1	25.3	26.0	28.9	27.6	26.8	28.1	30.1	36.3	26.0	47
48	*At commercial banks*	*5.4*	*9.0*	*15.0*	*13.1*	*12.6*	*10.6*	*13.0*	*13.6*	*12.5*	*11.4*	*12.0*	*14.5*	*22.7*	*14.5*	48
49	*At savings instit*	*9.6*	*11.1*	*12.9*	*14.9*	*15.5*	*14.7*	*13.0*	*15.3*	*15.1*	*15.4*	*16.1*	*15.6*	*13.6*	*11.6*	49
50	Short-term U.S. Govt. sec	−4.6	.5	1.4	3.2	−1.8	5.6	.9	2.1	3.0	−.4	−5.2	−4.8	7.5	n.a.	50
51	Other U.S. Govt. securities	−.5	−1.3	.6	1.9	3.4	2.1	5.8	1.3	1.2	6.9	7.4	−2.1	.7	n.a.	51
52	Pvt. credit mkt. instruments	7.5	7.6	7.0	7.2	12.9	6.6	8.2	8.6	9.3	14.1	14.0	14.0	9.6	10.2	52
53	Less security debt	−.3	1.3	−.2	2.0	−.2	2.9	1.8	1.4	−.1	.6	−.9	−.4	.2	.9	53
	III. Direct lending in credit markets															
54	**Total funds raised**	**35.0**	**46.9**	**58.3**	**62.3**	**70.9**	**72.5**	**53.7**	**63.7**	**68.2**	**78.5**	**65.7**	**71.3**	**82.5**	75.3	54
55	Less change in U.S. Govt. cash	.9	*	1.3	−.4	.1	2.9	−7.7	−1.5	8.0	−1.1	−4.1	−2.4	11.0	1.2	55
56	Total net of U.S. Govt. cash	34.2	46.9	57.0	62.7	70.8	69.6	61.4	65.2	60.2	79.6	69.7	73.7	71.5	74.0	56
57	**Funds supplied directly to cr. mkts**	**34.2**	**46.9**	**57.0**	**62.7**	**70.8**	**69.6**	**61.4**	**65.2**	**60.2**	**79.6**	**69.7**	**73.7**	**71.5**	**74.0**	57
58	Monetary authorities	.8	1.5	1.9	2.6	3.2	2.6	1.0	2.6	5.5	1.4	.8	5.0	6.0	3.8	58
59	Total	.7	1.5	2.0	2.9	3.4	2.2	1.9	2.1	5.1	2.1	1.2	5.1	6.4	3.5	59
60	Less change in U.S. Govt. cash	*	*	.1	.3	.2	−.4	.9	−.5	−.4	.7	.4	.1	.3	−.3	60
61	Commercial banks, net	8.0	15.5	18.1	19.7	20.6	22.3	18.1	23.0	10.4	23.8	19.4	28.9	18.6	27.5	61
62	Total	9.0	15.7	19.5	19.3	21.1	25.7	9.7	22.9	19.6	22.6	15.5	26.8	29.7	31.6	62
63	Less chg. in U.S. Govt. cash	.9	*	1.3	−.7	−.1	3.3	−8.5	−1.0	8.4	−1.8	−4.5	−2.5	10.6	1.6	63
64	Security issues	.1	.2	.1	.3	.6	.1	.1	.9	.9	.5	.6	.4	.5	2.6	64
65	Nonbank finance, net	19.2	21.0	23.1	26.8	28.5	25.7	27.8	25.4	28.4	27.3	31.4	27.2	27.3	23.8	65
66	Total	21.5	23.4	27.8	33.6	32.7	36.3	38.7	30.7	31.1	38.5	32.7	28.9	32.6	36.9	66
67	Less credit raised	2.4	2.4	4.7	6.9	4.2	10.6	10.9	5.3	2.7	11.1	1.3	1.7	5.3	13.1	67
68	U.S. Government	2.3	2.8	3.5	2.7	3.6	2.6	3.6	4.5	2.8	5.1	3.0	3.4	4.5	5.5	68
69	Foreign	1.2	.7	1.3	.8	.4	5.1	−2.2	−.7	−.4	2.1	−2.0	1.7	−2.5	2.4	69
70	Pvt. domestic nonfin	2.7	5.5	9.2	10.3	14.6	11.4	13.1	10.6	13.6	20.0	17.2	7.5	17.6	11.1	70
71	Households	1.0	4.1	4.2	7.2	10.4	6.0	9.5	10.4	5.7	14.3	10.9	10.6	11.8	6.9	71
72	Business	−1.9	.2	2.3	2.1	1.3	4.4	1.1	2.1	2.9	1.5	1.9	−1.0	−2.4	−.2	72
73	State and local govts	3.3	2.5	2.6	2.9	2.7	3.9	4.3	−.4	4.9	4.8	3.4	−2.5	8.4	5.3	73
74	Less net security credit	−.3	1.3	−.2	2.0	−.2	2.9	1.8	1.4	−.1	.6	−.9	−.4	.2	.9	74

NOTE.—Quarterly data are seasonally adjusted totals at annual rates. For other notes, see Apr. 1965 BULLETIN, p. 607.

PRINCIPAL FINANCIAL TRANSACTIONS

(In billions of dollars)

	Transaction category, or sector	1960	1961	1962	1963	1964	1963			1964				1965		
							II	III	IV	I	II	III	IV	I	II^{p}	
	I. Demand deposits and currency															
1	**Net incr. in banking system liability**	*	5.4	4.4	5.0	7.3	14.1	−4.5	8.7	6.4	8.4	2.8	11.7	3.4	10.7	1
2	U.S. Govt. deposits	.9	*	1.3	−.4	.1	2.9	−7.7	−1.5	8.0	−1.1	−4.1	−2.4	11.0	1.2	2
3	Other	−.8	5.3	3.1	5.5	7.3	11.2	3.1	10.2	−1.6	9.6	6.9	14.1	−7.5	9.4	3
4	Domestic sectors	−.7	5.1	3.0	5.2	6.6	10.6	2.9	10.5	−3.2	10.2	5.3	14.0	−8.5	10.8	4
5	Households	−.9	1.1	.4	2.1	2.1	5.5	.8	−.2	2.1	−.4	2.4	4.2	−1.0	7.8	5
6	Nonfinancial business	−1.0	1.7	.8	−2.5	.5	−2.6	−1.7	−1.3	−5.0	7.9	*	−.9	−3.6	5.8	6
7	State and local govts	−1.1	.3	.9	3.2	2.4	3.6	2.3	7.2	2.0	1.5	2.6	3.4	.2	1.0	7
8	Financial sectors	.5	1.1	1.1	.3	.1	*	.8	.7	−.2	.7	−.5	.3	.4	−.2	8
9	Mail float	1.7	1.0	−.2	2.1	1.6	4.1	.7	4.1	−2.1	.6	.9	7.0	−4.4	−3.7	9
10	Rest of the world	−.1	.2	.1	.3	.7	.6	.3	−.3	1.6	−.6	1.5	.2	1.0	−1.3	10
	II. Time and savings accounts															
11	**Net increase—Total**	15.3	20.7	28.7	29.2	29.7	26.1	26.7	29.9	29.4	28.5	28.9	32.0	37.0	27.2	11
12	At commercial banks—Total	5.8	9.4	15.6	14.1	14.0	11.6	13.8	14.4	14.0	12.9	12.9	16.0	23.3	15.7	12
13	Corporate business	.8	1.3	2.6	3.9	3.3	2.4	3.2	5.2	6.5	1.5	1.9	3.2	8.3	7.1	13
14	State and local govts	1.4	.9	1.0	1.6	1.7	.3	1.5	1.9	.5	.8	2.5	3.1	2.2	.4	14
15	Foreign depositors	.3	.3	.6	1.0	1.4	.9	.8	.8	1.5	1.5	1.0	1.4	.6	1.2	15
16	Households	3.3	6.8	11.5	7.6	7.6	8.0	8.3	6.4	5.5	9.1	7.6	8.2	12.2	7.0	16
17	At savings institutions	9.5	11.3	13.1	15.1	15.7	14.4	12.9	15.5	15.4	15.6	16.0	15.9	13.7	11.4	17
18	Memo: Households total	12.8	17.9	24.4	22.6	23.2	22.6	21.3	21.8	20.6	24.4	23.7	23.8	25.7	18.5	18
	III. U.S. Govt. securities															
19	**Total net issues**	−2.5	7.3	7.3	5.2	6.3	12.4	−4.0	1.9	12.6	6.2	4.5	1.7	11.4	1.1	19
20	Short-term marketable	3.1	8.8	.5	1.4	4.1	9.0	−10.4	.3	9.1	.8	−2.0	8.4	12.7	n.a.	20
21	Other	−5.3	−2.9	4.8	1.1	.9	−1.2	2.5	−3.0	5.0	1.6	5.1	−8.3	−2.5	n.a.	21
22	**Net acquisitions, by sector**	−2.5	7.3	7.3	5.2	6.3	12.4	−4.0	1.9	12.7	6.3	4.5	1.8	11.5	1.1	22
23	Monetary authorities	.7	1.5	1.9	2.8	3.4	2.4	1.8	1.6	5.4	2.1	1.3	5.0	6.2	3.9	23
24	Short-term	−1.0	−1.1	2.0	4.9	2.1	7.8	.4	−1.9	5.1	−2.9	5.9	.4	17.2	n.a.	24
25	Commercial banks	1.7	5.4	.8	−2.5	−.8	*	−13.3	−1.0	2.5	−5.3	−1.8	1.4	−.1	−7.7	25
26	Short-term direct	7.0	9.3	−5.2	−3.6	3.7	−3.2	−10.1	4.2	2.7	2.3	−1.0	11.0	−5.2	n.a.	26
27	Other direct	−5.2	−4.1	5.2	.5	−4.3	2.0	−3.9	−6.3	1.5	−8.7	−.2	−9.8	5.2	n.a.	27
28	Nonguaranteed	−.1	.3	.8	.5	−.2	1.3	.7	1.1	−1.7	1.1	−.6	.3	−.1	−.1	28
29	Nonbank finance	−.3	.8	1.3	−.7	1.6	−1.2	3.2	−2.2	2.2	2.2	3.0	−1.0	.1	2.0	29
30	Short-term direct	1.2	1.6	.7	−1.3	.8	−1.3	2.1	−1.8	.5	2.3	.3	.2	−3.5	n.a.	30
31	Other direct	−1.7	−.8	.5	.5	.5	*	.6	−.6	1.6	−.4	2.4	−1.7	3.7	n.a.	31
32	Nonguaranteed	.2	.1	.1	.2	.3	.1	.6	.2	.1	.3	.3	.4	−.1	.1	32
33	Foreign	.5	.4	1.2	.6	.5	3.4	−2.4	.2	−1.6	.8	−.2	3.1	−3.0	1.2	33
34	Short-term	.2	−.7	2.0	−.7	.2	1.2	−2.6	−1.1	−1.3	.4	−1.0	2.7	−2.5	−.1	34
35	Pvt. domestic nonfinan. sectors	−5.1	−.8	2.0	5.1	1.5	7.7	6.7	3.4	4.2	6.5	2.2	−6.9	8.2	1.8	35
36	Short-term direct	−4.3	−.3	1.0	2.0	−2.7	4.6	−.2	.9	2.1	−1.3	−6.0	−5.9	6.7	n.a.	36
37	Other direct	−.4	−1.6	*	1.0	3.0	*	4.2	−.7	1.9	5.3	6.6	−1.9	*	n.a.	37
38	Nonguaranteed	−.1	.3	.6	.9	.4	2.1	1.5	2.1	−.6	1.6	.8	−.2	.7	4.8	38
39	Savings bonds—Households	−.3	.8	.4	1.2	.9	1.1	1.1	1.2	.8	.9	.8	1.0	.8	1.2	39
	IV. Other securities															
40	**Total net issues, by sector**	11.1	13.7	11.7	13.0	14.7	13.6	14.0	11.4	13.4	17.0	15.5	12.8	15.8	20.4	40
41	State and local govts	3.6	4.9	5.0	6.7	5.9	7.0	7.5	6.6	4.2	5.9	7.8	5.6	8.0	7.4	41
42	Nonfinancial corporations	5.3	7.3	5.3	3.4	5.4	2.8	4.2	1.7	6.6	7.0	5.2	2.8	5.1	7.4	42
43	Commercial banks	.1	.2	.1	.3	.6	.1	.1	.9	.9	.5	.6	.4	.5	2.6	43
44	Finance companies	1.5	.5	.3	1.6	2.1	1.9	1.7	2.4	1.8	2.8	1.9	1.9	1.1	2.1	44
45	Rest of the world	.6	.8	1.0	1.0	.8	1.8	.5	−.2	*	.9	*	2.2	1.1	.8	45
46	**Net purchases**	11.1	13.7	11.7	13.0	14.7	13.6	14.0	11.4	13.4	17.0	15.5	12.8	15.8	20.4	46
47	Households	2.2	2.4	−.6	−.5	3.4	−3.4	1.0	.9	2.4	4.3	3.7	3.1	2.7	2.2	47
48	State and local govts	2.1	1.8	1.2	1.3	1.4	1.5	1.0	1.0	1.0	1.5	1.5	1.6	.9	1.5	48
49	Corporate business	−.2	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	49
50	Commercial banks	.4	2.6	4.4	5.2	3.5	5.8	6.1	3.3	2.5	3.0	5.6	3.1	4.9	7.8	50
51	Insurance and pension funds	7.1	8.0	7.5	7.7	8.3	8.4	7.7	7.1	8.8	8.7	7.4	8.2	7.2	7.5	51
52	Finance n.e.c.	−.9	−1.3	−.7	−.7	−1.7	1.1	−2.0	−.7	−1.3	−.5	−2.2	−2.8	−.1	1.0	52
53	Security brokers and dealers	−.4	−.7	*	−.2	−1.2	1.0	−1.1	.2	−1.0	.6	−2.0	−2.2	1.2	1.1	53
54	Investment cos.—Net	−.5	−.6	−.8	−.5	−.5	.1	−.9	−1.0	−.3	−1.1	−.2	−.6	−1.3	−.1	54
55	Portfolio purchases	1.0	1.4	1.1	.8	1.1	.9	.9	.9	.1	.6	1.6	2.1	2.1	2.7	55
56	Net issues of own shares	1.5	2.0	1.9	1.3	1.6	.8	1.8	1.8	.4	1.6	1.9	2.7	3.3	2.8	56
57	Rest of the world	.3	.2	.1	.2	−.2	.5	.1	.2	−.2	.1	−.4	−.1	.1	......	57
	V. Mortgages															
58	**Total net lending**	16.0	19.5	25.3	29.3	29.5	29.7	31.2	31.0	27.6	30.3	31.2	29.0	27.6	28.2	58
59	1- to 4-family	10.4	11.8	13.4	15.7	15.7	16.4	16.9	15.6	15.0	16.0	16.6	15.1	13.6	15.1	59
60	In process	−.1	.4	.4	.5	−.3	.6	.5	.5	−.3	−.4	−.4	−.2	−.1	.1	60
61	Disbursed	10.5	11.4	13.0	15.2	16.0	15.8	16.3	15.1	15.3	16.5	16.9	15.3	13.6	15.0	61
62	Other	5.6	7.7	11.9	13.6	13.8	13.4	14.3	15.4	12.5	14.3	14.7	13.9	14.1	13.1	62
63	**Net acquisitions**	16.0	19.5	25.3	29.3	29.5	29.7	31.2	31.0	27.6	30.3	31.2	29.0	27.6	28.2	63
64	Households	2.1	2.4	4.0	4.3	4.9	4.5	4.3	4.9	3.8	4.0	5.3	6.4	3.7	3.7	64
65	U.S. Government	1.2	.6	.3	−1.0	.2	−1.9	−.4	−.3	.3	.8	.1	−.3	.6	1.2	65
66	Commercial banks	.7	1.6	4.0	4.9	4.4	5.6	5.2	4.5	4.5	4.6	4.7	3.9	4.0	4.4	66
67	Savings institutions	8.9	11.0	13.2	16.0	14.4	16.4	16.5	16.0	14.6	14.8	15.4	13.0	13.2	13.0	67
68	Insurance	2.9	2.7	3.0	3.9	4.8	3.7	4.1	4.4	4.2	4.5	5.1	5.3	5.3	4.3	68
69	Mortgage companies	*	.6	.5	.8	.4	1.1	1.1	1.0	−.2	1.2	.2	.3	.5	1.2	69
	VI. Bank loans n.e.c.															
70	**Total net borrowing**	2.8	3.0	6.5	8.1	10.1	8.5	8.0	14.6	6.3	12.6	3.4	17.9	16.8	17.8	70
71	Nonfinancial business	2.7	1.7	4.6	5.6	7.0	6.1	5.1	11.5	4.3	8.3	2.9	12.7	11.7	16.0	71
72	Nonbank finance	−.3	.1	1.0	1.7	1.0	1.3	2.1	1.9	−.3	3.6	−1.4	2.0	2.2	3.1	72
73	Rest of the world	.1	.7	.4	.6	1.9	.5	.7	1.3	2.2	.7	1.6	2.9	2.8	−1.5	73

NOTE.—Quarterly data are seasonally adjusted totals at annual rates.
For other notes see Apr. 1965 BULLETIN, p. 607.

DETAILED DEBIT AND CREDIT BALANCES AND RELATED ITEMS OF MEMBER FIRMS OF THE N.Y. STOCK EXCHANGE CARRYING MARGIN ACCOUNTS JUNE 1958-65

(In millions of dollars)

Item	1958	1959	1960	1961	1962	1963	1964	1965
DEBIT BALANCES								
Cash on hand and in banks	324	363	366	422	437	422	466	515
Securities—								
Borrowed	134	129	96	152	151	181	201	255
Sold, delivery pending (failed to deliver)	170	291	334	530	368	275	369	448
Net debit balances due from—								
Member firms of national securities exchanges:								
N.Y. Stock Exchange	132	159	134	216	169	219	199	201
Other exchanges	15	18	22	36	22	25	25	20
All other customers exclusive of firms' own partners secured by—								
U.S. Govt. securities	253	165	104	48	32	31	33	24
Other collateral	2,926	3,370	3,081	4,024	3,604	4,916	5,351	5,149
Net debit balances in partners' individual investment & trading accounts	35	36	37	58	74	70	78	84
Debit balances in—								
Firm investment accounts	335	286	309	293	243	247	264	325
Firm trading & underwriting accounts	486	336	374	582	520	694	959	1,445
Commodity margins on deposit with banks & commodity guaranty funds on deposit	23	39	23	22	30	31	28	41
All other debit balances	151	190	218	309	303	347	389	410
Total	4,985	5,382	5,097	6,694	5,954	7,460	8,364	8,917
CREDIT BALANCES								
Money borrowed	2,387	2,508	2,331	2,880	2,305	4,027	4,499	4,541
From banks and trust companies:								
U.S. agencies of foreign banks	622	605	806	817	525	815	859	711
U.S. banks	1,743	1,871	1,473	2,016	1,739	3,156	3,626	3,803
In New York City	*1,402*	*1,428*	*1,157*	*1,515*	*1,007*	*1,852*	*2,273*	*2,622*
Elsewhere	*341*	*444*	*316*	*501*	*732*	*1,303*	*1,353*	*1,180*
From other lenders (not including members of national securities exchanges)	21	31	52	47	41	56	14	28
Securities—								
Loaned	187	204	167	233	211	244	268	340
Bought, delivery pending (failed to receive)	181	294	352	568	363	289	393	433
Net credit balances due to member firms of national securities exchanges:								
N.Y. Stock Exchange	120	132	120	174	153	202	192	187
Other exchanges	9	13	11	23	17	12	14	12
Credit balances of other customers exclusive of firms' own partners:								
Free credit balances	1,034	1,070	1,006	1,264	1,330	1,115	1,126	1,298
Other net credit balances	367	277	246	335	441	369	405	477
Credit balances & money borrowed which are subordinated to general creditors under approved agreements	20	22	25	31	51	90	111	141
Net credit balances in partners' individual investment & trading accounts	34	38	37	47	43	36	37	48
Credit balances in firm investment & trading accounts	82	71	61	100	76	116	173	214
All other credit balances (except those included in next item)	83	149	129	241	193	200	866	919
Net balance in capital, profit & loss, & partners' drawing accounts	483	604	612	797	771	759	279	306
Total	4,985	5,382	5,097	6,694	5,954	7,460	8,364	8,917
Money borrowed, according to collateral:								
Customer collateral:								
Exempt securities (under Sec. 3(a) of Securities Exchange Act—1934:)								
U.S. Govt. or agency	245	156	96	38	23	27	10	12
Other securities	150	161	123	108	93	188	156	104
Nonexempt securities or mixed collateral	1,451	1,824	1,722	2,289	1,833	3,181	3,616	3,301
Firm or partners' collateral:								
Exempt securities (under Sec. 3(a) of Securities Exchange Act—1934):								
U.S. Govt. or agency	204	105	107	41	24	19	166	320
Other securities	98	64	99	104	106	119	125	116
Nonexempt securities or mixed collateral	239	198	182	300	227	492	425	686
Unsecured	1	....	1	1	1	1	*	2
Value of securities sold under repurchase agreements	24	24	24	27	42	44	134	137
Number of firms	316	320	328	336	337	335	331	331

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[r] NOTE.—End of month figures. For explanation of these figures see "Statistics on Margin Accounts," Sept. 1936 BULL. The items "net debit balances due from all other customers exclusive of firms' own partners," "money borrowed," and "credit balances of other customers exclusive of firms' own partners—free credit balances" are conceptually identical to these items (including debit balances secured by and money borrowed on U.S. Governmental obligations), as shown in the table on Stock Market Credit, p. 1305, but the data differ somewhat because of minor differences in coverage, statistical discrepancies in reporting, and —for the item "money borrowed"—the date of reporting.

Financial Statistics

★ International ★

The figures on international capital transactions are collected by the F.R. Banks from reports made on Treasury foreign exchange forms collected by the F.R. Banks in accordance with Executive Orders No. 6560, dated Jan. 15, 1934, and No. 10033, dated Feb. 8, 1949, and Treasury regulations thereunder. Other data are compiled largely from regularly published sources such as central bank statements and official statistical bulletins. For some of the series, back data are available in *Banking and Monetary Statistics* and its *Supplements* (see list of publications at the end of the BULLETIN).

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

(In millions of dollars)

End of period	Estimated total world[1]	Intl. Monetary Fund	United States	Estimated rest of world[1]	Afghanistan	Argentina	Australia	Austria	Belgium	Brazil	Burma	Canada	Chile
1958	39,445	1,332	20,582	17,530	n.a.	60	162	194	1,270	325	....	1,078	40
1959	40,195	2,407	19,507	18,280	n.a.	56	154	292	1,134	327	....	960	43
1960	40,540	2,439	17,804	20,295	n.a.	104	147	293	1,170	287	....	885	45
1961	41,140	2,077	16,947	22,115	36	190	162	303	1,248	285	....	946	48
1962	41,470	2,194	16,057	23,220	36	61	190	454	1,365	225	42	708	43
1963	42,310	2,312	15,596	24,400	36	78	208	536	1,371	150	42	817	43
1964—July	....	2,359	15,629	....	36	74	219	592	1,393	120	42	949	43
Aug.	....	2,424	15,657	....	36	73	221	592	1,395	120	42	969	43
Sept.	43,070	2,425	15,643	25,000	36	73	223	592	1,395	120	42	990	43
Oct.	....	2,425	15,606	....	36	73	224	592	1,404	92	42	1,001	43
Nov.	....	2,430	15,566	....	36	73	224	592	1,434	92	42	1,007	43
Dec.	43,060	2,179	15,471	25,410	36	71	226	600	1,451	92	84	1,026	43
1965—Jan.	....	2,181	15,208	....	36	71	228	600	1,461	92	84	1,036	43
Feb.	....	2,188	14,993	....	36	70	228	613	1,473	92	84	1,041	42
Mar.	42,810	2,189	14,639	25,980	36	70	229	625	1,484	92	84	1,044	43
Apr.	....	2,217	14,480	....	36	70	230	638	1,490	62	84	1,045	43
May	....	1,822	14,362	....	36	68	230	650	1,532	62	84	1,081	42
June	^{p}[2]42,995	[3]1,832	14,049	^{p}26,855	36	68	230	663	1,563	62	84	1,089	42
July	....	[3]1,847	13,969	....	36	68	231	675	1,564	....	84	1,096	44

End of period	Colombia	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	India	Indonesia	Iran	Iraq	Israel	Italy	Japan
1958	72	48	35	750	2,639	17	247	37	141	34	2	1,086	124
1959	71	57	38	1,290	2,637	26	247	33	140	84	2	1,749	244
1960	78	107	41	1,641	2,971	76	247	58	130	98	*	2,203	247
1961	88	107	47	2,121	3,664	87	247	43	130	84	10	2,225	287
1962	57	92	61	2,587	3,679	77	247	44	129	98	41	2,243	289
1963	62	92	61	3,175	3,843	77	247	35	142	98	60	2,343	289
1964—July	66	92	65	3,489	4,117	77	247	....	141	112	56	2,153	....
Aug.	67	92	65	3,527	4,139	77	247	....	141	112	56	2,100	....
Sept.	57	92	65	3,564	4,149	93	247	....	141	112	56	2,104	290
Oct.	58	92	64	3,598	4,149	98	247	....	141	112	56	2,104	....
Nov.	58	92	64	3,632	4,149	98	247	....	141	112	56	2,104	....
Dec.	58	92	85	3,729	4,248	77	247	....	141	112	56	2,107	304
1965—Jan.	59	92	85	3,913	4,250	77	270	....	141	112	56	2,107	....
Feb.	60	92	85	3,974	4,251	78	281	....	141	112	56	2,101	....
Mar.	60	92	85	4,197	4,243	82	281	....	141	112	56	2,093	304
Apr.	45	92	85	4,255	4,243	80	281	....	141	122	56	2,351	....
May	36	97	85	4,400	4,378	80	281	....	141	122	56	2,384	....
June	31	97	85	4,433	4,378	84	281	....	141	122	56	2,384	327
July	....	97	85	4,471	4,383	81	281	....	141	122	56	2,388	....

End of period	Kuwait	Lebanon	Mexico	Morocco	Netherlands	Nigeria	Norway	Pakistan	Peru	Philippines	Portugal	Saudi Arabia	South Africa
1958	n.a.	91	143	16	1,050	....	43	49	19	10	493	....	211
1959	n.a.	102	142	23	1,132	....	30	50	28	9	548	18	238
1960	n.a.	119	137	29	1,451	....	30	52	42	15	552	18	178
1961	43	140	112	29	1,581	20	30	53	47	27	443	65	298
1962	49	172	95	29	1,581	20	30	53	47	41	471	78	499
1963	48	172	139	29	1,601	20	31	53	57	28	497	78	630
1964—July	48	172	172	34	1,601	20	31	53	67	28	510	78	615
Aug.	46	172	170	34	1,601	20	31	53	67	29	523	78	597
Sept.	46	172	170	34	1,601	20	31	53	67	30	523	78	589
Oct.	45	172	169	34	1,611	20	31	53	67	31	523	78	601
Nov.	45	....	167	34	1,621	20	31	53	67	32	523	78	592
Dec.	48	183	169	34	1,688	20	31	53	67	23	523	78	574
1965—Jan.	48	....	174	34	1,688	20	31	53	67	24	523	78	545
Feb.	48	....	171	34	1,723	20	31	53	67	26	532	78	519
Mar.	49	182	170	34	1,723	20	31	53	67	27	538	78	498
Apr.	48	....	168	34	1,723	20	31	53	67	28	540	78	453
May	48	....	....	34	1,756	20	31	53	67	30	544	78	408
June	49	143	....	34	1,756	20	31	53	67	31	547	78	375
July	49	173	....	32	1,756	20	31	53	67	32	548	78	359

For notes see end of table.

GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS—Continued

(In millions of dollars)

End of period	Spain	Sweden	Switzer-land	Tai-wan	Thai-land	Turkey	U.A.R. (Egypt)	United King-dom	Uru-guay	Vene-zuela	Yugo-slavia	Bank for Intl. Settle-ments [4]	EPU-EF [5]
1958	57	204	1,925	43	112	144	174	2,808	180	719	17	−42	126
1959	68	191	1,934	41	104	133	174	2,514	180	652	10	−134	40
1960	178	170	2,185	41	104	134	174	2,800	180	401	4	−19	55
1961	316	180	2,560	43	104	139	174	2,268	180	401	6	115	56
1962	446	181	2,667	43	104	140	174	2,582	180	401	4	−50	56
1963	573	182	2,820	50	104	115	174	2,484	171	401	14	−279	47
1964—July	577	182	2,560	55	104	115	174	....	171	401	16	64	....
Aug.	576	182	2,530	55	104	105	174	....	171	401	16	95	....
Sept.	576	182	2,532	55	104	105	174	2,302	171	401	16	66	28
Oct.	575	182	2,532	55	104	105	174	....	171	401	17	71	....
Nov.	576	182	2,532	55	104	105	174	....	171	401	17	79	....
Dec.	616	189	2,725	55	104	104	139	2,136	171	401	17	−50	43
1965—Jan.	646	189	2,702	55	104	111	139	....	171	401	17	−111	....
Feb.	677	189	2,702	55	104	115	139	....	171	401	16	−159	....
Mar.	706	189	2,702	55	104	115	139	2,111	171	401	17	−104	53
Apr.	735	189	2,713	55	104	116	139	....	171	401	18	−98	....
May	780	202	2,688	55	104	126	139	....	171	401	^{r}18	−164	....
June	780	202	2,789	54	96	126	139	2,226	171	401	^{r}19	−249	54
July	810	202	2,655	....	96	116	....	....	....	401	18	−92	....

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[1] Includes reported or estimated gold holdings of international and regional organizations, central banks and govts. of countries listed in this table and also of a number not shown separately here, and gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; excludes holdings of the U.S.S.R., other Eastern European countries, and China Mainland.

The figures included for the Bank for International Settlements are the Bank's gold assets net of gold deposit liabilities. This procedure avoids the overstatement of total world gold reserves since most of the gold deposited with the BIS is included in the gold reserves of individual countries.

[2] Includes U.S. gold subscription payment of $259 million to the IMF.

[3] Excludes gold subscription payment of $259 million by the U.S. in anticipation of increase in Fund quota.

[4] Net gold assets of BIS, i.e., gold in bars and coins and other gold assets minus gold deposit liabilities.

[5] European Payments Union for 1958 and European Fund thereafter.

NOTE.—For back figures and description of the data in this and the following tables on gold (except production), see "Gold," Section 14 of *Supplement to Banking and Monetary Statistics*, 1962.

GOLD PRODUCTION

(In millions of dollars at $35 per fine troy ounce)

Period	World produc-tion [1]	Africa				North and South America					Asia		Other	
		South Africa	Rho-desia	Ghana	Congo (Leo-pold-ville)	United States	Can-ada	Mex-ico	Nica-ragua	Colom-bia	India	Philip-pines	Aus-tralia	All other [1]
1958	1,050.0	618.0	19.4	29.8	12.3	61.6	158.8	11.6	7.2	13.0	6.0	14.8	38.6	58.9
1959	1,125.0	702.2	19.8	32.0	12.2	57.2	156.9	11.0	7.3	13.9	5.8	14.1	38.1	54.5
1960	1,175.0	748.4	19.6	30.8	11.1	58.8	162.0	10.5	7.0	15.2	5.6	14.4	38.0	53.6
1961	1,215.0	803.1	20.1	29.2	8.1	54.8	156.6	9.4	7.9	14.0	5.5	14.8	37.7	53.8
1962	1,290.0	892.2	19.4	31.1	7.1	54.5	146.2	8.3	7.8	13.9	5.7	14.8	37.4	51.6
1963	1,350.0	960.1	19.8	32.2	7.5	51.4	139.0	8.3	7.2	11.4	4.8	13.2	35.8	59.3
1964	1,395.0	1,019.8	20.1	30.3	4.4	51.4	133.4	7.4	7.4	12.8	5.2	14.9	33.7	54.2
1964—June	....	85.4	1.6	2.4	[2]2.5	....	10.8	.3	....	1.1	.4	1.2	3.0	....
July	....	86.9	1.7	2.4	....	....	11.3	.4	....	1.0	.4	1.2	3.0	....
Aug.	....	87.2	1.7	2.5	....	....	11.3	.7	....	1.0	.4	^{r}1.2	3.1	....
Sept.	....	88.2	1.6	....	....	....	10.9	.5	....	.9	.4	1.2	2.5	....
Oct.	....	89.9	1.6	....	....	....	11.5	.8	....	1.0	.5	1.3	2.8	....
Nov.	....	88.0	1.8	....	....	....	11.5	.6	....	1.1	.4	1.3	3.0	....
Dec.	....	84.2	1.9	....	....	....	10.8	.5	....	.8	.4	1.3	2.8	....
1965—Jan.	....	87.4	1.6	....	....	....	10.8	.7	....	.9	.4	....	2.8	....
Feb.	....	85.3	1.6	....	....	....	9.8	....	....	1.1	.4	....	2.5	....
Mar.	....	86.8	1.5	....	....	....	10.8	....	....	.8	....	....	2.6	....
Apr.	....	88.0	1.7	....	....	....	11.3	....	....	....	....	....	2.5	....
May	....	....	1.6	....	....	....	10.4	....	....	....	....	....	....	....
June	....	....	....	....	....	....	10.8	....	....	....	....	....	....	....

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[1] Estimated; excludes U.S.S.R., other Eastern European countries, China Mainland, and North Korea.

[2] Quarterly data.

NOTE.—Estimated world production based on report of the U.S. Bureau of Mines. Country data based on reports from individual countries and Bureau of Mines. Data for the United States are from the Bureau of the Mint.

NET GOLD PURCHASES OR SALES BY THE UNITED STATES, BY COUNTRY

(In millions of dollars at $35 per fine troy ounce)

Area and country	1956	1957	1958	1959	1960	1961	1962	1963	1964	1964			1965	
										II	III	IV	I	II
Western Europe:														
Austria	......	......	−84	−83	−1	......	−143	−82	−55	−23	......	......	−25	−38
Belgium	3	3	−329	−39	−141	−144	−63	......	−40	......	......	−40	−40	−22
France	−34	......	......	−266	−173	......	−456	−518	−405	−101	−101	−101	−482	−148
Germany, Fed. Rep. of	......	......	......	......	−34	−23	......	......	−225	......	−25	......	......	......
Italy	......	......	−349	......	......	100	......	......	200	......	......	......	......	−80
Netherlands	......	25	−261	−30	−249	−25	......	......	−60	......	......	−60	−35	......
Portugal	......	......	−20	−10	......	......	......	......	......	......	......	......	......	......
Spain	......	31	32	......	−114	−156	−146	−130	−32	−2	......	−30	−90	−60
Switzerland	−8	......	−215	20	−324	−125	102	......	−81	−30	......	−51	−37	−13
United Kingdom	100	......	−900	−350	−550	−306	−387	329	618	221	163	125	−76	29
Bank for Intl. Settlements	......	......	−178	−32	−36	−23	......	......	......	......	......	......	......	......
Other	18	8	−21	−38	−96	−53	−12	1	−7	14	−1	−14	−17	−4
Total	80	68	−2,326	−827	−1,718	−754	−1,105	−399	−88	79	35	−171	−802	−334
Canada	15	5	......	......	......	......	190	......	......	......	......	......	......	...
Latin American republics:														
Argentina	115	75	67	......	−50	−90	85	−30	......	......	......	......	......	......
Brazil	−1	......	......	−11	−2	−2	57	72	54	28	−1	28	−1	28
Colombia	28	......	......	......	−6	......	38	......	10	......	10	*	......	30
Mexico	......	......	......	−30	−20	......	......	−4	......	......	......	......	......	......
Venezuela	−200	......	......	65	......	......	......	......	......	......	......	......	......	......
Other	29	6	2	−5	−22	−17	−5	−7	−9	−3	−2	−2	−7	*
Total	−28	81	69	19	−100	−109	175	32	56	25	7	27	−8	58
Asia:														
Japan	......	......	−30	−157	−15	......	......	......	......	......	......	......	......	......
Other	*	18	−4	−28	−97	[1]−101	[2]−93	[3]12	3	......	−1	−1	*	−15
Total	*	18	−34	−186	−113	−101	−93	12	3	......	−1	−1	*	−15
All other	14	......	−3	−5	−38	−6	−1	−36	−7	−9	−1	1	−1	−9
Total foreign countries	80	172	−2,294	−998	−1,969	−970	−833	−392	−36	95	41	−145	−811	−299
Intl. Monetary Fund	[4]200	600	......	[5]−44	[4]300	150	......	......	......	......	......	......	......	[6]−259
Grand total	280	772	−2,294	−1,041	−1,669	−820	−833	−392	−36	95	41	−145	−811	−558

[1] Includes sales of $21 million to Lebanon and $48 million to Saudi Arabia.

[2] Includes sales of $21 million to Burma, $32 million to Lebanon, and $13 million to Saudi Arabia.

[3] Includes purchases of $25 million from the Philippines.

[4] Proceeds from this sale invested by the IMF in U.S. Govt. securities; upon termination of the investment the IMF can reacquire the same amount of gold from the United States.

[5] Payment to the IMF of $344 million as increase in U.S. gold subscription less sale by the IMF of $300 million (see also note 4).

[6] Payment to the IMF as increase in U.S. gold subscription.

U.S. GOLD STOCK AND HOLDINGS OF CONVERTIBLE FOREIGN CURRENCIES BY U.S. MONETARY AUTHORITIES

(In millions of dollars)

Year	End of period				Changes in—		Month	End of period				Changes in—	
	Total	Gold stock[1]		Foreign currency holdings	Total	Total gold		Total	Gold stock[1]		Foreign currency holdings[3]	Total	Total gold
		Total[2]	Treasury						Total[2]	Treasury			
1952	23,252	23,252	23,187	....	379	379	1964—Aug.	15,890	15,657	15,460	233	50	28
1953	22,091	22,091	22,030	....	−1,161	−1,161	Sept.	15,870	15,643	15,463	227	−20	−14
1954	21,793	21,793	21,713	....	−298	−298	Oct.	15,702	15,606	15,461	96	−168	−37
1955	21,753	21,753	21,690	....	−40	−40	Nov.	16,324	15,566	15,386	758	622	−40
1956	22,058	22,058	21,949	....	305	305	Dec.	15,903	15,471	15,388	432	−421	−95
1957	22,857	22,857	22,781	....	799	799							
							1965—Jan.	15,572	15,208	15,185	364	−331	−263
1958	20,582	20,582	20,534	....	−2,275	−2,275	Feb.	15,220	14,993	14,937	227	−352	−215
1959	19,507	19,507	19,456	....	−1,075	[4]−1,075	Mar.	15,129	14,639	14,563	490	−91	−354
1960	17,804	17,804	17,767	....	−1,703	−1,703	Apr.	14,884	14,480	14,410	404	−245	−159
1961	17,063	16,947	16,889	116	−741	−857	May	14,511	14,362	14,290	149	−373	−118
1962	16,156	16,057	15,978	99	−907	−890	June	14,595	14,049	13,934	546	84	[5]−313
1963	15,808	15,596	15,513	212	−348	−461	July	14,697	13,969	13,857	728	102	−80
1964	15,903	15,471	15,388	432	95	−125	Aug.[p]	14,952	13,915	13,857	1,037	255	−54

[1] Includes gold sold to the United States by the International Monetary Fund with the right of repurchase, which amounted to $800 million on Aug. 31, 1965.

[2] Includes gold in Exchange Stabilization Fund.

[3] For holdings of F.R. Banks only, see pp. 1288 and 1290.

[4] Includes payment of $344 million increase in U.S. gold subscription to the IMF.

[5] Includes payment of $259 million increase in U.S. gold subscription to the IMF.

NOTE.—See Table 11 on p. 1353 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.

See also NOTE to table on gold reserves.

HOLDINGS OF FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

(In millions of dollars)

Area and country	Dec. 31, 1963		June 30, 1964		Sept. 30, 1964		Dec. 31, 1964		Mar. 31, 1965		June 30, 1965^{p}	
	Gold & short-term dollars	U.S. Govt. bonds & notes	Gold & short-term dollars	U.S. Govt. bonds & notes	Gold & short-term dollars	U.S. Govt. bonds & notes	Gold & short-term dollars	U.S. Govt. bonds & notes	Gold & short-term dollars	U.S. Govt. bonds & notes	Gold & short-term dollars	U.S. Govt. bonds & notes
Western Europe:												
Austria	901	3	902	3	947	3	923	3	872	3	885	3
Belgium	1,791	*	1,832	*	1,821	*	1,887	*	1,897	*	1,983	*
Denmark	253	14	289	14	352	14	428	14	430	14	368	14
Finland	160	1	167	1	174	1	212	1	201	1	189	1
France	4,653	6	5,003	7	5,093	7	5,392	7	5,530	7	5,644	7
Germany, Fed. Rep. of	6,884	1	6,616	1	6,437	1	6,258	1	^{r}6,137	1	5,918	1
Greece	265	*	227	*	225	*	252	*	232	*	235	*
Italy	3,146	1	3,039	1	3,225	1	3,729	1	3,539	1	3,824	1
Netherlands	1,961	4	1,824	5	1,964	4	2,055	5	2,036	5	2,034	5
Norway	164	131	188	131	205	101	215	98	234	68	263	68
Portugal	688	*	698	*	747	*	780	*	802	*	795	*
Spain	778	2	839	2	972	2	1,010	2	984	2	1,011	2
Sweden	591	129	615	130	733	90	833	40	928	40	921	24
Switzerland	3,726	75	3,737	77	3,653	78	4,095	79	3,927	78	4,088	87
Turkey	136	*	129	*	123	*	140	*	142	*	145	*
United Kingdom	3,967	328	4,153	402	4,222	402	4,020	414	4.308	407	4,715	502
Other[1]	369	46	514	48	491	49	508	49	^{r}391	49	347	50
Total	30,433	741	30,772	822	31,384	753	32,737	714	^{r}32,590	676	33,365	765
Canada	3,805	687	3,674	686	3,863	695	4,010	690	3,565	735	3,492	727
Latin American republics:												
Argentina	453	*	424	*	386	*	362	*	371	*	378	*
Brazil	329	*	294	*	330	*	350	*	421	*	400	*
Chile	186	*	227	*	224	*	219	*	207	*	240	*
Colombia	231	1	238	1	226	1	267	1	229	1	190	1
Cuba	12	*	11	*	10	*	12	*	11	*	11	*
Mexico	808	2	817	1	808	1	904	1	913	1	853	*
Panama, Republic of	129	10	105	*	89	1	99	1	111	1	124	1
Peru	215	*	271	*	271	*	273	1	334	1	329	1
Uruguay	284	*	276	*	280	*	282	*	294	*	295	*
Venezuela	992	*	1,057	*	1,076	*	1,135	*	1,103	*	1,097	*
Other	424	1	487	2	465	2	478	2	538	1	538	2
Total	4,063	14	4,207	4	4,165	5	4,381	6	4,532	5	4,455	5
Asia:												
India	298	*	311	*	307	*	306	*	342	*	353	*
Indonesia	83	1	77	1	63	1	73	1	62	1	58	1
Japan	2,773	5	2,757	5	2,882	5	3,044	5	3,137	9	3,130	9
Philippines	237	*	230	*	260	*	256	*	^{r}279	*	281	*
Thailand	486	*	529	*	546	*	562	*	592	*	592	*
Other	1,687	41	1,943	42	1,994	45	2,059	43	2,222	43	2,199	43
Total	5,564	47	5,847	48	6,052	51	6,300	49	^{r}6,634	53	6,613	53
Africa:												
South Africa	671	*	645	*	635	*	621	*	547	*	424	*
U.A.R. (Egypt)	188	......	196	......	196	......	163	......	163	......	161	......
Other	296	9	287	10	288	14	283	16	317	16	373	16
Total	1,155	9	1,128	10	1,119	14	1,067	16	1,027	16	958	16
Other countries:												
Australia	388	*	384	*	392	*	402	*	411	*	433	*
All other	313	26	350	26	358	28	374	26	421	31	415	28
Total	701	26	734	26	750	28	776	26	832	31	848	28
Total foreign countries[2]	45,721	1,524	46,362	1,596	47,333	1,546	49,271	1,501	^{r}49,180	1,516	49,731	1,594
International and regional[3]	6,958	1,218	7,294	1,068	7,499	923	7,162	904	7,279	798	6,688	799
Grand total[2]	52,679	2,742	53,656	2,664	54,832	2,469	56,433	2,405	^{r}56,459	2,314	56,419	2,393

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[1] Includes, in addition to other Western European countries, unpublished gold reserves of certain Western European countries; gold to be distributed by the Tripartite Commission for the Restitution of Monetary Gold; European Fund; and the Bank for International Settlements (the figures for the gold reserves of the BIS represent the Bank's net gold assets.)

[2] Excludes gold reserves of the U.S.S.R., other Eastern European countries, and China Mainland.

[3] Includes international organizations and Latin American and European regional organizations, except the Bank for International Settlements and European Fund, which are included in "Other Western Europe."

NOTE.—Gold and short-term dollars include reported and estimated official gold reserves, and official and private short-term dollar holdings (principally deposits and U.S. Treasury bills and certificates); excludes nonnegotiable, non-interest-bearing special U.S. notes held by the Inter-American Development Bank and the International Development Assn. U.S. Govt. bonds and notes are official and private holdings of U.S. Govt. securities with an original maturity of more than 1 year; excludes nonmarketable U.S. Treasury bonds and notes held by official institutions of foreign countries as shown in Table 8 on p. 1352.

See also NOTE to table on gold reserves.

1. LIABILITIES TO FOREIGN OFFICIAL INSTITUTIONS AND INTERNATIONAL ORGANIZATIONS

(Amounts outstanding; in millions of dollars)

End of period	Grand total	Intl. and regional [1]	Foreign countries	Western Europe [2]	Canada	Latin American republics	Asia	Africa	Other countries
1963—Dec.	19,505	5,855	13,650	7,867	1,664	1,058	2,731	154	176
1964—July	19,318	5,979	13,339	7,426	1,472	1,239	2,889	146	167
Aug.	19,415	5,925	13,490	7,636	1,492	1,152	2,906	139	165
Sept.	19,518	5,989	13,529	7,714	1,495	1,074	2,928	146	172
Oct.	19,429	5,964	13,465	7,517	1,533	1,175	2,904	158	178
Nov.	19,802	5,954	13,848	7,824	1,577	1,191	2,930	152	174
Dec.	20,225	5,876	14,349	8,270	1,483	1,238	3,020	160	178
1965—Jan.	19,519	5,822	13,697	7,551	1,449	1,265	3,096	159	177
Feb.	19,606	5,780	13,826	7,644	1,419	1,278	3,124	180	181
Mar.	19,317	5,879	13,438	7,255	1,316	1,296	3,213	178	180
Apr.	[r]18,994	5,883	[r]13,111	[r]6,955	1,308	1,305	3,175	180	188
May	18,745	5,660	13,085	6,822	1,304	1,389	3,178	191	201
June[p]	18,970	5,646	13,324	7,200	1,275	1,292	3,167	193	197
July[p]	18,820	5,944	12,876	6,712	1,281	1,308	3,198	181	196

[1] Includes international organizations, and Latin American and European regional organizations, except the Bank for International Settlements and the European Fund which are included in Western Europe.

[2] Includes Bank for International Settlements and European Fund.

NOTE.—Data represent short-term liabilities to the official institutions of foreign countries and to official international and regional organizations, as reported by banks in the United States, and estimated foreign official holdings of marketable U.S. Govt. securities with an original maturity of more than 1 year. Data exclude nonnegotiable, non-interest-bearing special notes held by the Inter-American Development Bank and the International Development Association, and also nonmarketable U.S. Treasury notes and bonds, payable in dollars and in foreign currencies.

2. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(Amounts outstanding; in millions of dollars)

End of period	Grand total	International and regional [1]				Foreign			Europe	Canada	Latin America	Asia	Africa	Other countries
		Total	Intl.	European regional [2]	L.A. regional	Total	Official [3]	Other						
1960	21,272	4,012	3,897	....	115	17,260	10,212	7,048	9,046	2,439	2,308	3,115	227	125
1961	[4]22,533	3,752	3,695	....	57	[4]18,781	10,940	[4]7,841	10,322	2,758	2,340	[4]2,974	283	104
1962	25,019	5,145	4,938	34	173	19,874	11,963	7,911	10,162	3,349	2,448	3,444	319	152
1963	25,967	4,637	4,501	18	118	21,330	12,467	8,863	10,770	2,988	3,137	4,001	241	194
1964—July	26,894	4,911	4,748	18	144	21,983	12,121	9,862	10,791	3,030	3,400	4,339	233	190
Aug.	27,277	4,918	4,757	18	143	22,359	12,312	10,047	11,148	3,064	3,358	4,383	224	183
Sept.	27,406	5,065	4,910	17	138	22,341	12,351	9,990	11,285	2,873	3,290	4,474	231	189
Oct.	28,039	5,061	4,900	18	143	22,978	12,300	10,678	11,233	3,405	3,411	4,497	244	188
Nov.	28,975	5,051	4,889	18	144	23,924	12,723	11,201	12,012	3,461	3,480	4,553	238	181
Dec. [5]	28,843	4,974	4,802	22	150	23,869	13,224	10,645	12,240	2,984	3,556	4,660	238	192
1965—Jan.	28,777	4,986	4,811	19	156	23,791	12,588	11,203	11,990	2,961	3,611	4,765	246	218
Feb.	[r]28,915	4,982	4,815	17	150	[r]23,933	12,685	[r]11,248	[r]12,017	2,941	3,668	4,834	273	199
Mar.	[r]28,288	5,081	4,916	19	146	[r]23,207	12,297	[r]10,910	[r]11,527	2,521	3,739	4,953	263	204
Apr.	[r]27,841	5,085	4,914	15	157	[r]22,756	[r]11,970	[r]10,786	[r]11,014	2,549	3,767	4,948	268	210
May	27,420	4,863	4,696	13	153	22,557	11,959	10,598	10,751	2,509	3,849	4,945	283	221
June[p]	27,733	4,848	4,689	15	144	22,886	12,198	10,688	11,312	2,403	3,719	4,947	277	228
July[p]	27,779	5,146	4,994	12	140	22,633	11,750	10,883	10,757	2,585	3,762	5,049	262	219

2a. Europe

End of period	Total	Austria	Belgium	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	Italy	Netherlands	Norway	Portugal	Spain	Sweden
1960	9,046	243	142	54	46	519	3,476	63	877	328	82	84	149	227
1961	10,322	255	326	52	91	989	2,842	67	1,234	216	105	99	153	406
1962	10,162	329	177	67	73	1,157	2,730	119	1,384	248	125	161	177	490
1963	10,770	365	420	161	99	1,478	3,041	188	803	360	133	191	205	409
1964—July	10,791	327	396	213	105	1,558	2,360	146	928	310	167	216	296	451
Aug.	11,148	355	424	229	105	1,525	2,361	133	1,057	317	171	230	376	509
Sept.	11,285	355	426	260	109	1,529	2,288	132	1,121	363	174	224	396	551
Oct.	11,233	293	444	269	112	1,524	2,184	159	1,263	356	186	228	409	563
Nov.	12,012	349	473	280	110	1,600	2,152	172	1,434	447	182	228	410	653
Dec.	12,240	323	436	336	127	1,663	2,010	175	1,622	367	184	257	394	644
1965—Jan.	11,990	296	470	344	129	1,530	1,928	165	1,592	355	153	257	408	682
Feb.	[r]12,017	269	459	334	126	1,584	[r]1,916	152	1,571	339	174	267	338	717
Mar.	[r]11,527	247	413	338	116	1,333	[r]1,894	150	1,446	313	203	264	278	739
Apr.	[r]11,014	215	460	318	122	1,273	[r]1,879	148	1,345	328	197	264	244	724
May,	10,751	206	463	255	113	1,174	1,711	148	1,357	285	205	246	197	748
June[p]	11,312	222	420	271	104	1,211	1,540	151	1,440	278	232	248	231	719
July[p]	10,757	248	425	269	104	1,089	1,363	148	1,300	308	214	241	234	724

For notes see following two pages.

2. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(Amounts outstanding; in millions of dollars)

	2a. Europe—Continued							2b. Latin America						
End of period	Switzer-land	Turkey	United King-dom	Yugo-slavia	Other Western Europe[6]	U.S.S.R.	Other Eastern Europe	Total	Argen-tina	Brazil	Chile	Colom-bia	Cuba	Mexico
1960	678	18	1,667	10	357	12	14	2,308	315	194	135	158	77	397
1961	875	26	2,227	12	325	5	16	2,340	235	228	105	147	43	495
1962	908	25	1,609	11	351	3	19	2,448	210	204	135	148	[7]15	531
1963	906	21	1,483	16	465	2	24	3,137	375	179	143	169	11	669
1964—July	1,121	13	1,864	14	278	4	23	3,400	336	176	168	164	10	666
Aug.	1,102	12	1,951	13	254	3	21	3,358	307	221	172	149	10	674
Sept.	1,121	18	1,920	16	260	3	20	3,290	313	210	181	169	10	638
Oct.	1,083	22	1,848	12	254	2	23	3,411	305	233	163	162	10	663
Nov.	1,199	27	2,004	15	251	3	21	3,480	279	253	151	177	10	773
Dec.	1,370	36	1,884	32	358	3	19	3,556	291	258	176	209	12	735
1965—Jan.	1,321	26	2,035	21	253	3	24	3,611	298	280	189	177	12	699
Feb.	1,308	21	2,074	17	324	2	24	3,668	301	305	161	197	11	710
Mar.	1,225	27	2,197	21	296	2	24	3,739	301	329	164	169	11	743
Apr.	1,209	19	1,890	17	^{r}341	3	21	3,767	314	298	159	171	11	700
May	1,199	22	2,055	16	328	2	19	3,849	337	370	161	180	11	726
June^{p}	1,299	19	2,489	18	395	2	21	3,719	310	338	198	159	11	685
July^{p}	1,271	15	2,464	15	296	4	25	3,762	327	339	187	162	11	623

	2b. Latin America—Continued								2c. Asia					
End of period	Panama	Peru	Uru-guay	Vene-zuela	Other L.A. rep.	Bahamas & Bermuda[8]	Neth. Antilles & Surinam	Other Latin America[8]	Total	China Main-land	Hong Kong	India	In-do-nesia	Israel
1960	123	72	51	398	235	69	72	12	3,115	35	57	54	178	75
1961	87	84	57	418	226	111	89	15	[4]2,974	35	56	78	76	63
1962	98	105	101	405	267	123	97	10	3,444	36	65	41	28	81
1963	129	158	113	591	355	136	93	15	4,001	35	66	51	48	112
1964—July	85	218	106	769	427	171	93	14	4,339	35	75	62	40	133
Aug.	92	214	112	707	419	166	96	19	4,383	35	80	56	27	129
Sept.	89	204	109	675	404	175	98	16	4,474	36	77	60	28	134
Oct.	96	199	113	763	405	178	105	16	4,497	36	74	55	36	132
Nov.	103	196	111	714	410	174	113	15	4,553	35	85	63	37	140
Dec.	99	206	111	734	416	181	114	14	4,660	35	95	59	38	133
1965—Jan.	102	242	115	764	419	183	115	16	4,765	35	96	65	26	131
Feb.	111	244	119	720	446	209	118	16	4,834	35	100	70	30	134
Mar.	111	267	123	702	474	212	114	19	4,953	35	95	61	27	128
Apr.	105	248	128	800	482	222	110	21	4,948	35	97	65	28	116
May	113	262	118	761	463	211	112	23	4,945	35	100	67	29	107
June^{p}	124	262	124	696	472	206	115	19	4,947	35	94	72	23	111
July^{p}	114	259	123	794	497	196	109	20	5,049	36	97	86	34	114

	2c. Asia—Continued						2d. Africa						2e. Other countries		
End of period	Japan	Korea	Philip-pines	Tai-wan	Thai-land	Other Asia	Total	Congo (Leopold-ville)	Mo-rocco[8]	South Africa	U.A.R. (Egypt)	Other Africa	Total	Aus-tralia	All other[8]
1960	1,887	152	203	84	186	204	227	32	64	29	22	80	125	88	37
1961	[4]1,672	199	185	92	264	254	283	34	93	32	15	109	104	98	6
1962	2,195	136	174	75	333	280	319	35	68	41	14	161	152	147	5
1963	2,484	113	209	149	382	353	241	26	49	41	14	112	194	180	13
1964—July	2,478	100	218	249	426	523	233	24	20	44	24	119	190	168	22
Aug.	2,545	101	216	248	439	507	224	23	18	38	20	124	183	162	20
Sept.	2,592	103	230	238	442	533	231	24	17	46	22	123	189	169	20
Oct.	2,587	103	227	240	437	571	244	26	8	48	23	139	188	165	23
Nov.	2,608	106	228	221	444	585	238	25	7	51	19	135	181	163	18
Dec.	2,740	104	233	221	458	543	238	26	7	47	24	135	192	176	15
1965—Jan.	2,738	116	243	225	471	618	246	23	8	57	28	131	218	201	18
Feb.	2,765	111	259	230	484	615	273	33	8	62	28	142	199	178	21
Mar.	2,833	100	252	232	488	703	263	37	9	49	24	143	204	182	22
Apr.	2,766	93	252	232	488	774	268	35	10	53	25	146	210	184	25
May	2,771	91	248	227	494	776	283	31	16	54	27	154	221	198	23
June^{p}	2,803	88	250	229	496	747	277	30	18	49	22	158	228	203	25
July^{p}	2,786	88	280	226	501	803	262	18	17	52	24	151	219	195	24

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[1] International Bank for Reconstruction and Development, International Monetary Fund, International Finance Corp., International Development Assn., and other international organizations; Inter-American Development Bank, European Coal and Steel Community, European Investment Bank and other Latin American and European regional organizations, except Bank for International Settlements and European Fund which are included in "Europe."

[2] Not reported separately until 1962.

[3] Foreign central banks and foreign central govts. and their agencies, and Bank for International Settlements and European Fund.

[4] Includes $82 million reported by banks initially included as of Dec. 31, 1961, of which $81 million reported for Japan.

[5] Includes revisions arising from changes in reporting coverage as follows (in millions of dollars): Total +20; Europe −13; Canada +1; Latin America +19; Asia +22; Africa −9.

[6] Includes Bank for International Settlements and European Fund.

[7] Decline from end of 1961 reflects principally reclassification of deposits for changes in domicile over the past few years from Cuba to other countries.

[8] Data based on reports by banks in the Second F.R. District only for year-end 1960–1962.

For NOTE see end of Table 2.

2. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(Amounts outstanding; in millions of dollars)

2f. Supplementary Data[9]; (end of period)

Area or country	1963	1964		1965
	Dec.	Apr.	Dec.	Apr.
Other Western Europe:				
Iceland	7.0	4.7	5.2	7.1
Ireland, Rep. of	10.7	6.0	8.7	6.3
Luxembourg	7.4	8.6	17.4	20.1
Monaco	2.7	2.4	4.1	3.6
Other Latin American republics:				
Bolivia	32.6	35.1	43.2	53.1
Costa Rica	29.1	35.9	31.5	28.6
Dominican Republic	58.0	40.6	55.8	47.3
Ecuador	53.4	62.1	67.1	65.2
El Salvador	41.7	57.8	56.0	71.7
Guatemala	47.9	65.1	48.7	71.6
Haiti	12.9	17.3	14.3	15.4
Honduras	20.0	26.3	26.0	33.0
Jamaica	6.5	4.7	7.0	7.8
Nicaragua	35.0	52.3	42.4	67.4
Paraguay	8.9	8.4	11.4	12.1
Trinidad & Tobago	5.7	5.5	7.4	8.6
Other Latin America:				
British West Indies	7.3	6.3	8.0	16.0
French West Indies & French Guiana	1.3	.6	1.1	1.4
Other Asia:				
Afghanistan	5.0	4.2	5.5	6.3
Burma	9.9	22.1	32.5	n.a.
Cambodia	6.9	2.1	1.5	1.7
Ceylon	3.1	3.7	2.4	2.7
Other Asia (Cont.):				
Iran	23.5	33.4	23.4	62.0
Iraq	19.8	22.9	21.6	n.a.
Jordan	2.8	2.7	2.7	n.a.
Kuwait	46.5	49.9	56.4	52.0
Laos	8.8	6.5	5.0	5.0
Lebanon	76.3	108.1	84.2	113.2
Malaysia	24.1	24.3	22.2	36.3
Pakistan	17.3	16.1	23.1	24.8
Ryukyu Islands (incl. Okinawa)	21.7	31.6	25.6	32.7
Saudi Arabia	61.7	151.0	197.2	288.0
Syria	2.1	5.7	7.6	3.2
Viet-Nam	12.1	17.9	19.0	19.7
Other Africa:				
Algeria	.9	1.0	1.5	2.1
Ethopia, incl. Eritrea	22.3	32.1	33.7	45.2
Ghana	6.4	6.3	5.6	5.1
Liberia	22.0	17.8	20.0	17.6
Libya	14.1	14.9	28.9	26.8
Mozambique	1.4	1.4	2.5	1.6
Nigeria	17.8	17.3	15.7	n.a.
Somali Republic	.8	.8	.5	.8
Southern Rhodesia	3.6	3.5	3.0	2.6
Sudan	2.5	2.0	2.2	2.2
Tunisia	1.0	.8	.9	1.0
All other:				
New Zealand	10.5	18.8	12.0	19.7

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[9] Represent a partial breakdown of the amounts shown in the "other" categories (except "Other Eastern Europe") in Tables 2a-2e.

NOTE.—Short-term liabilities are principally deposits (demand and time) and U.S. Govt. securities maturing in not more than 1 year from their date of issue; the latter, however, exclude nonnegotiable, non-interest-bearing special U.S. notes held by the International Development Assn. and the Inter-American Development Bank. For data on long-term liabilities, see Table 6. For back figures and further description of the data in this and the following tables on international capital transactions of the United States, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

3. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars											Payable in foreign currencies
		To banks and official institutions						To all other foreigners					
		Total	Deposits		U.S. Treasury bills and certificates	Special U.S. notes [2]	Other [3]	Total	Deposits		U.S. Treasury bills and certificates	Other [3]	
			Demand	Time [1]					Demand	Time [1]			
1960	21,272	18,929	7,568		7,491	2,469	1,401	2,230	1,849		148	233	113
1961	22,450	19,944	8,644		7,363	2,388	1,549	2,356	1,976		149	231	150
1961 [4]	22,533	20,025	8,707		7,363	2,388	1,567	2,358	1,977		149	232	150
1962	25,019	22,311	8,528		9,214	3,012	1,557	2,565	2,096		116	352	143
1963	25,967	22,787	5,629	3,673	8,571	3,036	1,878	3,047	1,493	966	119	469	134
1964—July	26,894	23,638	6,210	3,787	7,914	3,289	2,438	3,132	1,464	1,095	86	487	123
Aug.	27,277	23,993	6,359	3,769	8,163	3,275	2,427	3,161	1,450	1,135	91	485	124
Sept.	27,406	24,038	6,243	3,752	8,180	3,425	2,439	3,237	1,478	1,178	101	480	132
Oct.	28,039	24,683	6,764	3,856	8,133	3,394	2,536	3,250	1,449	1,196	105	500	106
Nov.	28,975	25,563	7,310	3,880	8,470	3,385	2,518	3,302	1,500	1,206	84	512	111
Dec.[5]	28,843	25,376	6,713	3,994	8,727	3,308	2,634	3,377	1,531	1,271	72	503	90
1965—Jan.	28,777	25,297	6,849	4,047	8.560	3,303	2,538	3,383	1,509	1,295	81	497	97
Feb.	^{r}28,915	^{r}25,411	6,753	4,032	^{r}8,607	3,303	2,716	3,431	1,516	1,320	79	515	73
Mar.	^{r}28,288	^{r}24,742	6,628	3,970	^{r}7,978	3,373	2,793	3,482	1,541	1,362	79	501	64
Apr.	^{r}27,841	^{r}24,280	6,226	3,982	^{r}7,767	3,367	2,938	3,478	1,546	1,393	77	461	84
May	27,420	23,888	6,081	3,933	7,690	3,167	3,017	3,441	1,517	1,400	79	445	90
June^{p}	27,733	24,163	6,461	3,911	7,640	3,167	2,984	3,469	1,523	1,414	86	446	101
July^{p}	27,779	24,199	6,545	3,962	7,165	3,462	3,065	3,484	1,536	1,423	89	436	97

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[1] Excludes negotiable time certificates of deposit which are included in "Other."

[2] Nonnegotiable, non-interest-bearing special U.S. notes held by the International Monetary Fund; excludes such notes held by the International Development Assn. and the Inter-American Development Bank, which amounted to $288 million on July 31, 1965.

[3] Principally bankers' acceptances, commercial paper, and negotiable time certificates of deposit.

[4] These figures reflect the inclusion of data for banks initially included as of Dec. 31, 1961.

[5] Includes revisions arising from changes in reporting coverage as follows (in millions of dollars): Total +20; foreign banks, etc. +26; other foreigners +22; payable in foreign currencies −28.

4. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY

(Amounts outstanding; in millions of dollars)

End of period	Grand total	Intl. and regional	Europe	Canada	Latin America	Asia	Africa [1]	Other countries [2]
1960	3,614	....	717	421	1,356	1,052	....	69
1961	[3]4,820	....	767	556	1,522	[3]1,891	....	85
1962	5,163	....	877	526	1,606	2,017	....	137
1963	5,975	1	939	638	1,742	2,493	104	58
1964—July	6,727	1	1,075	746	1,912	2,837	98	58
Aug.	6,775	1	1,048	746	1,932	2,891	98	60
Sept.	6,806	1	1,064	675	1,984	2,923	101	58
Oct.	6,912	1	1,164	629	2,020	2,925	108	66
Nov.	6,964	1	1,129	627	2,098	2,934	109	67
Dec.	7,469	1	1,217	725	2,212	3,137	120	58
Dec.[4]	[r]7,861	*	1,230	[r]927	2,230	3,278	131	63
1965—Jan.	[r]7,651	2	1,174	[r]902	2,201	3,203	112	56
Feb.	[r]7,767	1	1,185	[r]955	2,239	[r]3,219	118	51
Mar.	[r]7,834	*	1,185	[r]895	2,190	[r]3,381	130	53
Apr.	[r]7,699	*	1,167	[r]816	2,173	[r]3,357	129	57
May	7,675	*	1,173	767	2,185	3,356	136	57
June[p]	7,653	*	1,163	724	2,166	3,394	146	61
July[p]	7,474	1	1,124	704	2,113	3,318	151	64

4a. Europe

End of period	Total	Austria	Belgium	Denmark	Finland	France	Germany, Fed. Rep. of	Greece	Italy	Netherlands	Norway	Portugal	Spain	Sweden
1960	717	2	65	13	9	32	82	6	34	33	17	4	8	28
1961	767	5	20	11	23	42	165	6	35	54	27	5	11	35
1962	877	7	32	14	30	68	186	6	54	27	35	9	19	18
1963	939	8	26	13	52	70	121	9	97	33	40	14	26	30
1964—July	1,075	7	29	17	65	79	114	11	100	46	34	19	31	31
Aug.	1,048	8	31	18	62	72	133	10	94	40	33	20	32	31
Sept.	1,064	9	31	17	65	74	127	10	92	40	33	17	31	36
Oct.	1,164	9	35	15	69	76	173	10	113	40	36	21	28	43
Nov.	1,129	7	34	16	71	76	175	10	122	42	41	20	32	41
Dec.	1,217	10	42	28	85	79	159	9	109	39	43	19	40	47
Dec.[4]	1,230	11	48	26	84	81	152	10	114	36	43	23	40	49
1965—Jan.	1,174	9	57	18	77	89	189	11	106	33	46	28	32	51
Feb.	1,185	9	72	20	76	84	203	9	125	42	44	26	26	45
Mar.	1,185	10	49	21	77	75	186	10	138	46	49	34	32	44
Apr.	1,167	9	49	27	77	82	173	10	123	47	49	36	43	47
May	1,173	9	43	23	75	83	184	14	116	44	51	36	46	38
June[p]	1,163	9	40	19	74	86	167	11	113	46	50	34	38	42
July[p]	1,124	8	39	20	71	72	174	11	109	40	44	32	52	40

	4a. Europe—Continued							4b. Latin America						
End of period	Switzerland	Turkey	United Kingdom	Yugoslavia	Other Western Europe [5]	U.S.S.R.	Other Eastern Europe [6]	Total	Argentina	Brazil	Chile	Colombia	Cuba	Mexico
1960	60	49	245	11	11	*	8	1,356	121	225	73	80	26	343
1961	105	16	181	9	9	*	8	1,522	192	186	127	125	19	425
1962	75	42	221	6	19	*	8	1,606	181	171	186	131	17	408
1963	70	48	237	7	23	*	16	1,742	188	163	187	208	18	465
1964—July	91	52	285	26	22	*	16	1,912	174	147	187	251	16	571
Aug.	88	35	277	23	21	*	20	1,932	175	153	187	250	16	568
Sept.	82	49	290	21	22	*	18	1,984	187	158	196	273	16	565
Oct.	90	31	312	17	26	*	20	2,020	196	155	183	291	16	580
Nov.	92	15	278	15	21	*	20	2,098	205	146	188	300	17	604
Dec.	97	36	319	15	20	*	20	2,212	210	145	188	319	17	630
Dec.[4]	111	37	310	16	20	*	20	2,230	200	126	175	338	17	[r]644
1965—Jan.	114	36	223	16	20	*	21	2,201	206	125	164	[r]313	16	658
Feb.	118	32	196	15	21	*	23	2,239	206	119	155	314	16	685
Mar.	116	30	199	20	23	*	24	2,190	198	119	141	292	16	684
Apr.	98	7	213	24	24	1	28	2,173	201	108	140	295	17	683
May	95	17	216	28	25	*	30	2,185	205	112	135	294	16	691
June[p]	99	31	222	29	26	1	28	2,166	201	112	145	285	16	692
July[p]	87	42	195	31	26	2	27	2,113	208	113	139	276	16	670

For notes see following page.

4. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRY—Continued

(Amounts outstanding; in millions of dollars)

End of period	4b. Latin America—Continued								4c. Asia					
	Panama	Peru	Uruguay	Venezuela	Other L.A. Republics [7]	Bahamas & Bermuda [1]	Neth. Antilles & Surinam	Other Latin America [8]	Total	China Mainland	Hong Kong	India	Indonesia	Israel
1960	23	44	57	234	55	....	8	66	1,052	2	9	9	*	24
1961	32	74	55	144	56	....	13	74	[3]1,891	2	9	8	*	36
1962	30	85	122	102	66	....	9	98	2,017	2	13	20	*	37
1963	35	99	65	114	135	42	9	16	2,493	2	11	17	*	22
1964—July	40	112	55	140	160	38	11	10	2,837	2	16	20	*	44
Aug.	38	104	62	137	169	41	19	13	2,891	2	16	19	*	39
Sept.	37	102	63	140	173	42	18	13	2,923	2	20	24	*	39
Oct.	35	96	62	140	188	44	19	16	2,925	2	21	20	*	40
Nov.	38	99	67	153	199	50	17	16	2,934	2	20	19	3	45
Dec.	41	102	76	165	222	58	18	20	3,137	2	26	22	7	44
Dec.[4]	48	108	78	168	224	65	18	21	3,278	2	28	21	7	45
1965—Jan.	48	109	78	158	221	68	19	18	3,203	2	21	22	7	35
Feb.	56	112	84	161	230	63	19	19	[r]3,219	1	21	16	7	44
Mar.	48	116	84	164	229	62	19	18	[r]3,381	1	25	28	7	53
Apr.	48	112	81	173	221	58	19	19	[r]3,357	1	24	28	7	55
May	50	119	78	173	216	58	19	19	3,356	1	27	28	4	53
June[p]	49	117	72	167	213	59	19	18	3,394	1	34	26	1	52
July[p]	46	115	67	164	208	56	17	20	3,318	1	32	21	1	52

End of period	4c. Asia—Continued						4d. Africa						4e. Other countries		
	Japan	Korea	Philippines	Taiwan	Thailand	Other Asia	Total [1]	Congo (Leopoldville)	Morocco [1]	South Africa	U.A.R. (Egypt)	Other Africa [1]	Total [2]	Australia	All other [9]
1960	806	2	19	7	24	150	....	3	....	11	3	....	69	28	24
1961	[3]1,528	4	114	10	34	145	....	6	....	10	13	....	85	29	27
1962	1,740	3	70	9	41	80	....	2	....	10	26	....	137	41	57
1963	2,171	25	113	8	52	71	104	1	1	15	28	59	58	48	9
1964—July	2,416	27	174	7	53	78	98	1	2	19	26	50	58	49	9
Aug.	2,472	23	179	7	56	77	98	1	2	19	26	50	60	50	9
Sept.	2,493	25	179	8	53	80	101	1	2	18	29	52	58	49	10
Oct.	2,488	25	185	9	54	81	108	1	2	18	29	58	66	56	10
Nov.	2,496	25	183	8	55	79	109	1	2	19	28	60	67	58	9
Dec.	2,653	21	202	9	64	88	120	1	2	19	42	56	58	48	10
Dec.[4]	[r]2,797	21	203	9	65	82	131	1	2	20	42	67	63	48	16
1965—Jan.	[r]2,732	20	205	10	70	80	112	1	1	15	31	63	56	43	13
Feb.	2,737	20	208	12	73	80	118	1	2	15	29	71	51	39	12
Mar.	2,854	20	212	12	71	97	130	1	3	19	35	72	53	41	12
Apr.	[r]2,825	20	212	13	73	99	129	1	2	21	35	70	57	45	13
May	2,824	21	209	13	76	100	136	1	2	20	38	75	57	45	13
June[p]	2,868	20	198	12	77	106	146	1	3	22	43	77	61	48	13
July[p]	2,822	20	191	11	74	94	151	*	2	32	40	77	64	50	14

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[1] Not reported separately until 1963.

[2] Includes Africa until 1963.

[3] Includes $58 million reported by banks initially included as of Dec. 1961, of which $52 million reported for Japan.

[4] Differs from December data in line above because of the exclusion as of Dec. 31, 1964, of $58 million of short-term U.S. Govt. claims previously included; and because of the addition of $450 million of short-term claims arising from the inclusion of claims previously held but first reported as of Dec. 31, 1964, and revision of preliminary data.

[5] Until 1963 includes Eastern European countries other than U.S.S.R., Czechoslovakia, Poland, and Rumania.

[6] Czechoslovakia, Poland, and Rumania only until 1963.

[7] Bolivia, Dominican Republic, El Salvador, and Guatemala only until 1963.

[8] Until 1963 includes also the following Latin American republics: Costa Rica, Ecuador, Haiti, Honduras, Jamaica, Nicaragua, Paraguay, and Trinidad and Tobago.

[9] Until 1963 includes also African countries other than Congo (Leopoldville), South Africa, and U.A.R. (Egypt).

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.

See also NOTE to Table 2.

5. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY TYPE

(Amounts outstanding; in millions of dollars)

End of period	Total	Payable in dollars								Payable in foreign currencies			
		Total	Loans to—				Collections outstanding	Acceptances made for acct. of foreigners[2]	Other[3]	Total	Deposits with foreigners	Foreign govt. securities, comml. and finance paper[2]	Other[4]
			Total	Official institutions[1]	Banks	Others							
1960	3,614	3,135	1,296	290	524	482	605	....	1,233	480	242	....	238
1961	4,762	4,177	1,646	329	699	618	694	....	1,837	586	385	....	200
1961[5]	4,820	4,234	1,660	329	709	622	700	....	1,874	586	386	....	200
1962	5,163	4,606	1,954	359	953	642	686	....	1,967	557	371	....	186
1963	5,975	5,344	1,915	186	955	774	832	2,214	384	631	432	157	42
1964—July	6,727	6,039	2,233	168	1,152	913	956	2,401	448	688	419	207	62
Aug.	6,775	6,083	2,265	151	1,176	938	956	2,403	460	692	416	202	74
Sept.	6,806	6,132	2,310	159	1,207	944	980	2,414	428	674	416	176	83
Oct.	6,912	6,242	2,379	164	1,251	964	986	2,431	446	670	410	177	83
Nov.	6,964	6,303	2,461	165	1,316	980	990	2,420	432	662	394	183	84
Dec.	7,469	6,810	2,652	223	1,374	1,055	1,007	2,600	552	659	400	182	77
Dec.[6]	^{r}7,861	^{r}7,240	2,772	221	1,403	1,148	1,129	2,621	^{r}718	621	338	181	102
1965—Jan.	^{r}7,651	^{r}7,031	2,788	^{r}221	1,427	1,139	1,051	2,511	^{r}680	621	345	169	107
Feb.	^{r}7,767	^{r}7,118	2,947	250	1,491	1,206	1,007	2,499	^{r}664	649	350	176	123
Mar.	^{r}7,834	^{r}7,243	2,954	243	1,504	1,206	1,076	2,590	^{r}623	591	327	147	117
Apr.	^{r}7,699	^{r}7,158	2,908	208	1,493	1,207	1,082	^{r}2,584	^{r}584	541	311	129	100
May	7,675	7,110	2,818	213	1,462	1,143	1,091	2,607	594	565	330	137	98
June^p	7,653	7,101	2,851	231	1,475	1,145	1,122	2,605	523	553	329	126	98
July^p	7,474	6,954	2,803	241	1,422	1,140	1,126	2,531	494	520	310	125	85

[1] Includes central banks.

[2] Not reported separately until 1963.

[3] Until 1963 includes acceptances made for account of foreigners.

[4] Until 1963 includes foreign government securities, commercial and finance paper.

[5] These figures reflect the inclusion of data for banks *initially* included as of Dec. 31, 1961.

[6] Differs from December data in line above because of the exclusion as of Dec. 31, 1964, of $58 million of short-term U.S. Govt. claims previously included; and because of the addition of $450 million of short-term claims arising from the inclusion of claims previously held but first reported as of Dec. 31, 1964, and revision of preliminary data.

6. LONG-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES

(Amounts outstanding; in millions of dollars)

End of period	Total liabilities	Claims											
		Total claims	Type			Country or area							
			Payable in dollars		Payable in foreign currencies	United Kingdom	Other Europe	Canada	Latin America	Japan	Other Asia	Africa[1]	All other[2]
			Loans	All other									
1960	7	1,698	....	....	....	15	351	76	914	19	115	....	208
1961	2	2,034	....	....	....	11	482	274	931	24	146	....	166
1962	7	2,160	....	....	....	25	552	304	886	74	148	....	171
1963	69	[3]3,030	2,811	217	2	38	[3]1,063	290	[3]1,015	[3]249	[3]194	113	68
1964—July	175	3,414	3,219	194	1	61	1,302	283	1,030	329	210	115	85
Aug.	174	3,480	3,282	198	1	72	1,307	294	1,058	332	216	115	86
Sept.	171	3,589	3,392	197	*	73	1,358	292	1,073	351	229	120	92
Oct.	164	3,693	3,490	203	*	76	1,408	292	1,099	352	229	131	105
Nov.	298	3,853	3,652	201	*	77	1,493	291	1,153	369	238	125	107
Dec.	305	3,971	3,777	195	*	77	1,611	273	1,162	385	238	123	103
Dec.[4]		^{r}4,270	^{r}3,982	^{r}286	1	87	1,625	^{r}325	1,272	430	255	153	122
1965—Jan.	309	^{r}4,498	4,215	^{r}281	2	86	1,679	^{r}349	^{r}1,367	455	259	183	119
Feb.	493	^{r}4,720	^{r}4,413	^{r}302	5	90	1,783	^{r}397	1,400	454	276	186	133
Mar.	458	^{r}4,732	4,445	282	5	96	1,763	^{r}362	1,403	472	297	202	136
Apr.	441	^{r}4,666	^{r}4,363	^{r}298	6	95	1,764	^{r}375	1,332	479	295	191	135
May	441	4,605	4,303	297	5	91	1,691	359	1,358	483	295	194	133
June^p	501	4,532	4,228	299	5	92	1,649	352	1,323	479	307	201	128
July^p	441	4,518	4,220	293	5	89	1,613	356	1,308	482	322	206	141

[1] Not reported separately until 1963.

[2] Includes Africa until 1963.

[3] Includes claims previously held, but reported for the first time as of May 1963; on that date such claims were $86 million. Also includes $193 million reported for the first time as of Dec. 1963, representing in part claims previously held but not reported by banks. Included in this amount are claims on: Europe $5 million, Latin America $134 million, and Asia $54 million.

[4] Differs from Dec. data in line above because of the addition of $299 million of long-term claims arising from the inclusion of claims previously held but first reported as of Dec. 31, 1964, and revision of preliminary data.

7. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPE

(In millions of dollars)

Period	U.S. Govt. 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									
1961	512	532	−20	....	....	3,384	3,161	223	802	1,262	−460	596	966	−370
1962	−728	−521	−207	....	....	2,568	2,508	60	1,093	2,037	−944	702	806	−104
1963	671	302	369	....	....	2,980	2,773	207	991	2,086	−1,095	696	644	51
1964	−338	−315	−23	−59	36	3,537	3,710	−173	915	1,838	−923	748	548	200
1964—July	−16	1	−17	−23	6	284	353	−68	70	76	−5	61	42	19
Aug.	−98	−61	−37	−40	3	260	262	−2	37	32	6	49	32	16
Sept.	−81	−84	3	....	3	267	301	−34	51	97	−46	49	42	7
Oct.	−30	−21	−9	−13	4	335	353	−17	252	399	−148	60	59	1
Nov.	−37	*	−37	−40	3	297	292	5	86	342	−256	55	50	5
Dec.	2	*	2	*	2	289	302	−13	94	221	−127	72	59	13
1965—Jan.	−66	−68	2	−15	17	240	249	−9	49	107	−58	86	48	38
Feb.	−7	−38	30	32	−1	r282	292	−9	r55	269	r−214	r79	r45	34
Mar.	−17	*	−17	*	−17	427	395	32	46	r157	r−111	78	r55	r23
Apr.	65	*	65	....	65	338	342	−4	88	183	−95	93	69	23
May	−1	*	−1	−15	14	346	342	4	117	146	−28	70	52	18
June^{p}	14	*	14	*	14	326	562	−236	97	250	−153	71	36	35
July^{p}	20	*	20	....	20	244	355	−112	72	113	−42	64	47	18

[1] Excludes nonmarketable U.S. Treasury bonds and notes held by official institutions of foreign countries; see Table 8.

[2] Includes small amounts of State and local govt. securities.

NOTE.—Statistics include transactions of international and regional organizations.

See also NOTE to Table 2.

8. NONMARKETABLE U.S. TREASURY BONDS AND NOTES HELD BY OFFICIAL INSTITUTIONS OF FOREIGN COUNTRIES

(In millions of dollars)

End of period	Payable in foreign currencies						Payable in dollars			
	Total	Austria	Belgium	Germany	Italy	Switzerland	Total	Canada	Italy	Sweden
1962—Dec.	251	....	....	....	200	51	....	....	....	....
1963—Dec.	730	50	30	275	200	175	163	125	13	25
1964—Aug.	1,005	50	30	628	....	[1] 297	152	125	2	25
Sept.	1,005	50	30	628	....	[1] 297	354	[2] 329	....	25
Oct.	1,086	50	30	679	....	[1] 327	354	[2] 329	....	25
Nov.	1,086	50	30	679	....	[1] 327	354	[2] 329	....	25
Dec.	1,086	50	30	679	....	[1] 327	354	[2] 329	....	25
1965—Jan.	1,086	50	30	679	....	[1] 327	354	[2] 329	....	25
Feb.	1,112	75	30	679	....	[1] 327	354	[2] 329	....	25
Mar.	1,137	101	30	679	....	[1] 327	354	[2] 329	....	25
Apr.	1,137	101	30	679	....	[1] 327	354	[2] 329	....	25
May	1,137	101	30	679	....	[1] 327	354	[2] 329	....	25
June	1,137	101	30	679	....	[1] 327	354	[2] 329	....	25
July	1,259	101	30	653	125	[3] 350	354	[2] 329	....	25
Aug.	1,259	101	30	653	125	[3] 350	354	[2] 329	....	25

[1] Includes the equivalent of $70 million payable in Swiss francs to the Bank for International Settlements.

[2] Includes $204 million of nonmarketable bonds issued to the Government of Canada in connection with transactions under the Columbia River treaty.

[3] Includes the equivalent of $93 million payable in Swiss francs to the Bank for International Settlements.

9. NET PURCHASES OR SALES BY FOREIGNERS OF U.S. CORPORATE SECURITIES, BY TYPE OF SECURITY AND BY COUNTRY

(In millions of dollars)

Period	Total	Type of security		Country or area										
		Stocks	Bonds	France	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	Africa[1]	Other countries[2]	Intl. and regional
1961	223	323	−99	21	166	−17	61	232	−112	44	44	....	3	12
1962	60	111	−51	4	129	−33	24	124	−43	−20	−18	....	1	17
1963	207	198	9	−8	−14	206	16	199	−47	14	17	....	1	22
1964	−173	−349	176	−37	−200	−4	14	−228	3	25	10	*	−1	18
1964—July	−68	−74	6	−4	−32	−32	8	−61	−8	−4	3	*	*	1
Aug.	−2	−50	48	−3	−22	19	2	−4	3	−3	*	*	*	2
Sept.	−34	−43	9	−5	−15	4	*	−16	−18	*	−2	*	*	1
Oct.	−17	−25	8	−6	−19	14	−1	−13	−7	*	2	*	*	1
Nov.	5	−27	32	−2	−26	41	−15	−2	5	*	2	*	*	1
Dec.	−13	−37	24	−3	−14	−5	−1	−22	3	4	*		*	1
1965—Jan.	−9	*	−9	*	−2	−3	−1	−6	−3	−1	*	*	*	1
Feb.	−9	8	^{r}−17	2	−2	7	−3	4	−11	−3	*	*	*	*
Mar.	32	9	23	8	−2	−7	23	22	7	−2	3	*	*	1
Apr.	−4	−49	45	−2	−13	*	−4	−19	10	1	1	*	*	3
May	4	−42	45	3	−5	−9	−1	−12	11	3	1	*	*	2
June^p	−236	−65	−172	6	−41	−219	−7	−262	29	−3	−2	*	*	2
July^p	−112	−96	−16	−4	−22	−90	−1	−117	11	−7	2	−3	*	3

[1] Not reported separately until May 1963.
[2] Yearly figures through 1963 include Africa.

NOTE.—Statistics include small amounts of State and local govt. securities.

10. NET PURCHASES OR SALES BY FOREIGNERS OF LONG-TERM FOREIGN SECURITIES, BY AREA

(In millions of dollars)

Period	Total	Intl. and regional	Total foreign countries	Europe	Canada	Latin America	Asia	Africa[1]	Other countries[2]
1961	−830	1	−832	−262	−318	−58	−121	......	−73
1962	−1,048	−235	−813	−188	−360	−41	−175	......	−50
1963	−1,044	−96	−949	−49	−614	−26	−252	......	−8
1964	−723	−140	−583	163	−665	−36	−77	7	25
1964—July	14	4	9	19	6	−13	−5	1	2
Aug.	22	1	20	4	16	1	−2	1	1
Sept.	−39	*	−39	−5	−35	1	−1	*	1
Oct.	−147	7	−153	2	−171	12	−5	2	6
Nov.	−251	−95	−156	15	−129	−30	−15	*	2
Dec.	−114	−22	−92	16	−98	5	−18	1	2
1965—Jan.	−20	5	−25	14	−23	1	−20	1	3
Feb.	^{r}−180	−178	^{r}−1	^{r}2	2	−4	−3	*	1
Mar.	^{r}−89	3	^{r}−92	−6	^{r}−81	−6	−1	*	2
Apr.	−72	4	−75	22	−28	−26	−47	*	5
May	−10	3	−13	14	−16	10	*	*	−21
June^p	−118	9	−126	−41	−61	−6	−23	1	3
July^p	−24	−13	−11	33	−24	−4	−21	1	4

[1] Not reported separately until May 1963.
[2] Yearly figures through 1963 include Africa.

11. DEPOSITS, U.S. GOVT. SECURITIES, AND GOLD HELD AT F. R. BANKS FOR FOREIGNERS

(In millions of dollars)

End of period	Deposits	Assets in custody	
		U.S. Govt. securities[1]	Earmarked gold
1961	279	6,006	11,905
1962	247	6,990	12,700
1963	171	8,675	12,954
1964—Aug.	163	8,247	12,741
Sept.	148	8,373	12,738
Oct.	120	8,201	12,707
Nov.	256	8,278	12,672
Dec.	229	8,389	12,698
1965—Jan.	143	7,952	12,871
Feb.	154	8,100	12,940
Mar.	162	7,741	13,187
Apr.	146	7,626	13,174
May	142	7,713	13,050
June	179	7,599	12,951
July	147	7,221	13,108
Aug.	356	7,263	13,065

[1] U.S. Treasury bills, certificates of indebtedness, notes, and bonds; includes securities payable in foreign currencies.

NOTE.—Excludes deposits and U.S. Govt. securities held for international organizations. Earmarked gold is gold held for foreign and international accounts (for back figures, see "Gold," Section 14 of *Supplement to Banking and Monetary Statistics*, 1962).

12. SHORT-TERM LIABILITIES TO AND CLAIMS ON FOREIGNERS REPORTED BY NONFINANCIAL CONCERNS

(End of period; in millions of dollars)

Area and country	Liabilities to foreigners						Claims on foreigners					
	1964					1965	1964					1965
	Mar.	June	June[1]	Sept.	Dec.	Mar.^{p}	Mar.	June	June[1]	Sept.	Dec.	Mar.^{p}
Europe:												
Austria	2	3	3	3	2	2	7	6	5	5	7	7
Belgium	19	21	20	22	20	25	18	21	20	17	19	16
Denmark	1	1	1	1	2	2	6	7	7	6	6	9
Finland	1	1	1	1	1	1	7	5	5	8	7	6
France	31	28	27	31	31	35	52	69	67	50	52	56
Germany, Fed. Rep. of	32	36	34	44	63	69	114	82	79	95	140	114
Greece	2	5	5	4	4	5	13	9	9	10	10	7
Italy	26	24	22	27	26	16	101	101	99	90	95	84
Netherlands	43	46	46	31	33	40	34	30	30	32	31	28
Norway	2	3	2	2	1	2	6	7	6	7	8	6
Portugal	1	1	1	2	2	2	8	10	10	9	4	8
Spain	7	9	8	12	10	5	32	47	46	45	42	39
Sweden	7	7	7	7	8	6	20	17	17	19	19	21
Switzerland	20	19	18	36	33	34	23	19	17	16	22	29
Turkey	4	5	4	5	6	7	5	5	5	4	9	12
United Kingdom	110	102	97	108	102	98	248	284	280	407	310	341
Yugoslavia	6	1	1	1	1	1	4	3	3	3	3	6
Other Western Europe	1	3	2	4	5	6	5	6	6	6	9	7
U.S.S.R.	*	*	*	*	*	*	*	*	*	*	*	1
Other Eastern Europe	1	1	*	1	1	1	4	2	2	3	2	2
Total	319	316	301	341	350	356	706	731	714	832	794	799
Canada	68	62	57	60	76	71	910	932	923	1,035	1,060	840
Latin America:												
Argentina	6	6	5	4	3	3	23	20	20	26	30	33
Brazil	13	11	10	11	11	11	118	126	125	128	145	113
Chile	3	3	3	4	5	4	24	23	21	25	25	25
Colombia	6	8	7	7	10	12	21	23	22	25	25	26
Cuba	*	*	*	*	*	*	5	5	5	4	4	4
Mexico	11	8	7	8	7	6	59	62	58	64	69	69
Panama	29	21	21	26	28	25	10	10	10	9	12	11
Peru	5	6	5	5	7	7	23	23	22	23	26	21
Uruguay	1	1	1	1	1	1	5	6	6	8	10	9
Venezuela	20	22	21	20	16	19	37	40	38	45	46	40
Other L.A. republics	10	9	8	11	15	13	42	45	42	47	51	49
Bahamas and Bermuda	2	2	2	2	2	3	20	21	20	19	11	8
Neth. Antilles & Surinam	6	7	7	9	6	5	5	5	5	4	4	3
Other Latin America	5	6	6	4	6	1	10	11	9	10	10	9
Total	118	112	104	111	116	108	403	422	404	438	468	420
Asia:												
China Mainland	2	2	2	1	1	1	*	*	*	*	*	*
Hong Kong	2	2	2	2	2	2	6	5	5	7	9	9
India	14	14	13	16	21	22	39	39	38	37	41	45
Indonesia	3	5	5	3	4	6	5	5	5	4	4	5
Israel	2	1	1	1	1	2	7	8	7	7	7	6
Japan	23	27	25	31	28	22	170	161	160	174	180	181
Korea	1	1	1	*	1	*	5	4	4	5	4	5
Philippines	5	5	4	6	5	6	12	11	11	14	11	15
Taiwan	1	1	1	*	3	2	3	4	4	5	5	5
Thailand	1	1	1	1	1	1	7	7	7	7	5	7
Other Asia	22	21	19	21	21	24	46	53	51	55	60	62
Total	76	80	73	82	88	87	300	298	294	315	327	339
Africa:												
Congo (Leopoldville)	1	1	1	3	4	*	2	2	2	5	6	2
Morocco	*	*	*	1	*	*	1	1	1	2	1	1
South Africa	9	10	10	11	14	22	8	13	12	11	11	19
U.A.R. (Egypt)	4	2	2	1	3	1	14	13	13	12	13	17
Other Africa	6	6	5	5	10	10	23	26	25	27	26	24
Total	21	19	18	22	31	34	50	55	53	57	57	63
Other countries:												
Australia	25	27	27	26	25	23	33	37	36	38	38	33
All other	4	6	5	8	9	8	5	6	6	7	7	8
Total	30	33	32	34	34	32	38	43	41	45	45	41
International and regional	*	1	1	*	*	*	1	1	1	*	*	*
Grand total	631	622	585	650	695	687	2,407	2,482	2,430	2,722	2,751	2,502

[1] Ninth revised series; includes reports from firms having $500,000 or more of liabilities or of claims; for previous series the exemption level was $100,000.

NOTE.—Reported by exporters, importers, and industrial and commercial concerns in the United States. Data exclude claims held through U.S. banks, and intercompany accounts between U.S. companies and their foreign affiliates.

See also NOTE to Table 2.

CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS

(Per cent per annum)

Country	Rate as of Aug. 31, 1964		Changes during the last 12 months												Rate as of Aug. 31, 1965
			1964				1965								
	Per cent	Month effective	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	
Argentina	6.0	Dec. 1957													6.0
Austria	4.5	June 1963													4.5
Belgium	4.75	July 1964													4.75
Brazil	10.0	Apr. 1958					12.0								12.0
Burma	4.0	Feb. 1962													4.0
Canada [1]	4.0	Aug. 1963			4.25										4.25
Ceylon	4.0	Aug. 1960									5.0				5.0
Chile [2]	14.63	July 1964					15.09								15.09
Colombia	8.0	May 1963													8.0
Costa Rica	3.0	Apr. 1939													3.0
Denmark	6.5	June 1964													6.5
Ecuador	5.0	Nov. 1956													5.0
El Salvador	4.0	Aug. 1964													4.0
Finland	7.0	Apr. 1962													7.0
France	4.0	Nov. 1963								3.5					3.5
Germany, Fed. Rep. of	3.0	May 1961					3.5							4.0	4.0
Ghana	4.5	Oct. 1961													4.5
Greece	5.5	Jan. 1963													5.5
Honduras [3]	3.0	Jan. 1962													3.0
Iceland	9.0	Dec. 1960					8.0								8.0
India	4.5	Jan. 1963	5.0					6.0							6.0
Indonesia	9.0	Aug. 1963													9.0
Iran	4.0	Oct. 1963													4.0
Ireland	4.87	July 1964	4.89	4.94	6.87	6.81		6.75	6.81	6.69	6.50	5.92	6.00		6.00
Israel	6.0	Feb. 1955													6.0
Italy	3.5	June 1958													3.5
Jamaica	4.0	Nov. 1963			5.0										5.0
Japan	6.57	Mar. 1964					6.21			5.84		5.48			5.48
Korea	10.5	Mar. 1964													10.5
Mexico	4.5	June 1942													4.5
Netherlands	4.5	June 1964													4.5
New Zealand	7.0	Mar. 1961													7.0
Nicaragua	6.0	Apr. 1954													6.0
Norway	3.5	Feb. 1955													3.5
Pakistan	4.0	Jan. 1959										5.0			5.0
Peru	9.5	Nov. 1959													9.5
Philippine Republic [4]	6.0	Jan. 1962													6.0
Portugal	2.0	Jan. 1944													2.0
South Africa	4.0	July 1964				4.5			5.0						5.0
Spain	4.0	June 1961													4.0
Sweden	4.5	Jan. 1964			5.0					5.5					5.5
Switzerland	2.5	July 1964													2.5
Taiwan [5]	14.04	July 1963													14.04
Thailand	7.0	Feb. 1945													7.0
Tunisia	4.0	Oct. 1962													4.0
Turkey	7.5	May 1961													7.5
United Arab Rep. (Egypt)	5.0	May 1962													5.0
United Kingdom	5.0	Feb. 1964			7.0							6.0			6.0
Venezuela	4.5	Dec. 1960													4.5

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[1] On June 24, 1962, the bank rate on advances to chartered banks was fixed at 6 per cent. Rates on loans to money market dealers will continue to be .25 of 1 per cent above latest weekly Treasury bill tender average rate but will not be more than the bank rate.

[2] Beginning with Apr. 1, 1959, new rediscounts have been granted at the average rate charged by banks in the previous half year. Old rediscounts remain subject to old rates provided their amount is reduced by one-eighth each month beginning with May 1, 1959, but the rates are raised by 1.5 per cent for each month in which the reduction does not occur.

[3] Rate shown is for advances only.

[4] Beginning with June 1, 1962, the rediscount rate for commercial bank loans financing the purchase of surplus agricultural commodities under U.S. Law 480 was reduced from 6 to 3 per cent; and on Aug. 22, 1962, the rediscount rate for commercial bank financing of 9 categories of development loans was reduced from 6 to 3 per cent.

[5] Rate shown is for call loans.

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;

Colombia—5 per cent for warehouse receipts covering approved lists of products, 6 and 7 per cent for agricultural bonds, and 12 and 18 per cent for rediscounts in excess of an individual bank's quota;

Costa Rica—5 per cent for paper related to commercial transactions (rate shown is for agricultural and industrial paper);

Ecuador—6 per cent for bank acceptances for commercial purposes;

Indonesia—various rates depending on type of paper, collateral, commodity involved, etc.;

Japan—penalty rates (exceeding the basic rate shown) for borrowings from the central bank in excess of an individual bank's quota;

Peru—8 per cent for agricultural, industrial and mining paper; and

Venezuela—4 per cent for rediscounts of certain agricultural paper and for advances against govt. bonds or gold and 5 per cent on advances against securities of Venezuelan companies.

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]	Bankers' acceptances, 3 months	Treasury bills, 3 months	Day-to-day money	Bankers' allowance on deposits	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
1962—Dec.	3.88	3.75	3.86	3.64	3.30	2.50	3.51	2.63	3.50	1.98	1.24	2.00
1963—Dec.	3.71	3.55	3.91	3.74	3.00	2.00	4.66	2.63	2.56	2.25	1.56	2.00
1964—July	3.60	3.49	4.73	4.57	3.67	3.00	4.83	2.63	3.38	4.26	3.72	2.50
Aug.	3.80	3.79	4.84	4.65	3.92	3.00	4.70	2.63	3.38	3.74	2.06	2.50
Sept.	3.79	3.77	4.84	4.65	3.94	3.00	4.74	2.63	3.69	3.70	2.09	2.50
Oct.	3.69	3.60	4.88	4.69	3.99	3.00	4.30	2.63	3.25	3.80	3.24	2.50
Nov.	3.73	3.68	5.42	5.18	4.54	3.56	4.13	2.63	3.13	3.84	2.88	2.50
Dec.	3.85	3.84	6.84	6.62	5.87	5.00	4.16	2.63	2.88	3.68	2.09	2.68
1965—Jan.	3.78	3.83	6.84	6.60	5.92	5.00	3.77	3.13	2.44	3.29	2.43	3.00
Feb.	3.72	3.57	6.74	6.48	5.92	5.00	4.11	3.13	3.56	3.34	3.69	3.00
Mar.	3.69	3.45	6.74	6.45	5.92	5.00	4.45	3.13	4.06	3.05	3.39	3.00
Apr.	3.67	3.51	6.78	6.45	5.90	5.00	4.00	3.13	4.19	3.39	3.54	3.00
May	3.84	3.79	6.73	6.31	5.90	5.00	4.22	3.13	3.44	4.05	3.67	3.00
June	3.95	3.80	6.04	5.59	5.02	4.08	4.36	3.13	4.44	4.08	2.69	3.00
July	4.00	3.76	5.97	5.59	4.93	4.00	4.34	3.13	4.06	4.13	3.53	3.00

[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] Based on average of lowest and highest quotation during month.

NOTE.—For description of rates and back data, see "International Finance," Section 15 of *Supplement to Banking and Monetary Statistics*, 1962.

ARBITRAGE ON TREASURY BILLS

(Per cent per annum)

Date	United States and United Kingdom					United States and Canada					
	Treasury bill rates			Premium (+) or discount (−) on forward pound	Net incentive (favor of London)	Treasury bill rates				Premium (+) or discount (−) on forward Canadian dollar	Net incentive (favor of Canada)
						Canada					
	United Kingdom (adj. to U.S. quotation basis)	United States	Spread (favor of London)			As quoted in Canada	Adj. to U.S. quotation basis	United States	Spread (favor of Canada)		
1965											
Apr. 2	6.35	3.91	2.44	−3.02	−.58	3.60	3.52	3.91	−.39	+.54	+.15
9	6.32	3.90	2.42	−2.97	−.55	3.58	3.50	3.90	−.40	+.47	+.07
15	6.29	3.91	2.38	−2.55	−.17	3.62	3.54	3.91	−.37	+.47	+.10
23	6.26	3.92	2.34	−2.29	+.05	3.67	3.59	3.92	−.33	+.40	+.07
30	6.20	3.90	2.30	−2.33	−.03	3.80	3.71	3.90	−.19	+.34	+.15
May 7	6.13	3.87	2.26	−2.01	+.25	3.82	3.73	3.87	−.14	+.20	+.06
14	6.13	3.88	2.25	−1.96	+.29	3.81	3.72	3.88	−.16	+.20	+.04
21	6.10	3.88	2.22	−1.82	+.40	3.85	3.76	3.88	−.12	+.27	+.15
28	6.20	3.85	2.35	−2.44	−.09	3.93	3.84	3.85	−.01	+.27	+.26
June 4	5.49	3.82	1.67	−1.82	−.15	3.98	3.89	3.82	+.07	+.34	+.41
11	5.42	3.79	1.63	−1.68	−.05	3.97	3.88	3.79	+.09	+.41	+.50
18	5.42	3.77	1.65	−1.96	−.31	3.96	3.87	3.77	+.10	+.47	+.57
25	5.39	3.74	1.65	−1.60	+.05	3.94	3.85	3.74	+.11	+.41	+.52
July 2	5.36	3.80	1.56	−1.93	−.37	3.92	3.83	3.80	+.03	+.27	+.30
9	5.42	3.84	1.58	−1.82	−.24	3.96	3.87	3.84	+.03	+.27	+.30
16	5.46	3.82	1.64	−1.85	−.21	3.96	3.87	3.82	+.05	+.14	+.19
23	5.46	3.79	1.67	−1.98	−.31	4.01	3.92	3.79	+.13	+.14	+.27
30	5.46	3.78	1.68	−2.09	−.41	4.06	3.96	3.78	+.18	−.20	−.02
Aug. 6	5.46	3.82	1.64	−2.54	−.90	4.09	3.99	3.82	+.17	−.07	+.10
13	5.36	3.81	1.55	−2.49	−.94	4.10	4.00	3.81	+.19	+.14	+.33
20	5.36	3.81	1.55	−2.51	−.96	4.08	3.98	3.81	+.17	.00	+.17
27	5.39	3.83	1.56	−2.49	−.93	4.09	3.99	3.83	+.16	−.14	+.02
Sept. 3	5.36	3.84	1.52	−2.59	−1.07	4.10	4.00	3.84	+.16	−.34	−.18
10	5.36	3.87	1.49	−2.09	−.60	4.13	4.03	3.87	+.16	−.54	−.38

NOTE.—*Treasury bills:* All rates are on the latest issue of 91-day bills. U.S. and Canadian rates are market offer rates 11 a.m. Friday; U.K. rates are Friday opening market offer rates in London.

Premium or discount on forward pound and on forward Canadian dollar: Rates per annum computed on basis of midpoint quotations (between bid and offer) at 11 a.m. Friday in New York for both spot and forward pound sterling and for both spot and forward Canadian dollars.

All series: Based on quotations reported to Federal Reserve Bank of New York by market sources.

For description of series and for back figures see Oct. 1964 BULLETIN, pp. 1241–60. For description of adjustments to U.K. and Canadian Treasury bill rates, see notes to Table 1, p. 1257, and to Table 2, p. 1260, Oct. 1964 BULLETIN.

FOREIGN EXCHANGE RATES

(In cents per unit of foreign currency)

Period	Argentina (peso)	Australia (pound)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Ceylon (rupee)	Denmark (krone)	Finland (markka)	France (franc)
1959	1.2730	223.81	3.8619	2.0012	104.267	21.055	14.508	.3115	.2038
1960	1.2026	223.71	3.8461	2.0053	103.122	21.048	14.505	.3112	20.389
1961	1.2076	223.28	3.8481	2.0052	98.760	21.023	14.481	.3110	20.384
1962	.9080	223.73	3.8685	2.0093	93.561	21.034	14.490	.3107	20.405
1963	.7245	223.10	3.8690	2.0052	92.699	21.015	14.484	[3] 31.057	[4] 20.404
1964	.7179	222.48	3.8698	2.0099	92.689	20.988	14.460	31.067	20.404
1964—Aug.	.7075	222.04	3.8725	2.0103	92.690	20.953	14.438	31.059	20.405
Sept.	.6980	221.79	3.8712	2.0126	92.913	20.955	14.435	31.056	20.402
Oct.	.6979	221.79	3.8699	2.0146	92.984	20.954	14.430	31.054	20.403
Nov.	.6725	221.90	3.8693	2.0149	93.100	20.953	14.430	31.076	20.405
Dec.	.6652	222.36	3.8707	2.0144	93.039	20.944	14.459	31.084	20.405
1965—Jan.	.6628	222.42	3.8697	2.0148	93.109	20.943	14.458	31.079	20.404
Feb.	.6615	222.72	3.8681	2.0147	92.943	20.967	14.460	31.081	20.404
Mar.	.6629	222.50	3.8694	2.0144	92.480	20.950	14.453	31.080	20.400
Apr.	[1] .6627	222.80	3.8700	2.0147	92.654	20.948	14.462	31.081	20.401
May	[2] .5814	222.87	3.8701	2.0147	92.627	20.951	14.456	31.098	20.397
June	.5805	222.49	3.8713	2.0147	92.381	20.939	14.429	31.062	20.405
July	.5802	222.39	3.8726	2.0145	92.280	20.935	14.418	31.061	20.405
Aug.	.5806	222.37	3.8724	2.0146	92.714	20.934	14.405	31.061	20.403

Period	Germany (deutsche mark)	India (rupee)	Ireland (pound)	Italy (lira)	Japan (yen)	Malaysia (dollar)	Mexico (peso)	Netherlands (guilder)	New Zealand (pound)
1959	23.926	21.031	280.88	.16099	.27781	32.857	8.0056	26.492	278.10
1960	23.976	20.968	280.76	.16104	.27785	32.817	8.0056	26.513	277.98
1961	24.903	20.980	280.22	.16099	.27690	32.659	8.0056	27.555	277.45
1962	25.013	21.026	280.78	.16107	.27712	32.757	8.0056	27.755	278.00
1963	25.084	20.966	280.00	.16087	.27663	32.664	8.0056	27.770	277.22
1964	25.157	20.923	279.21	.16014	.27625	32.566	8.0056	27.724	276.45
1964—Aug.	25.152	20.886	278.66	.16002	.27580	32.474	8.0056	27.674	275.91
Sept.	25.154	20.862	278.34	.16002	.27665	32.431	8.0056	27.712	275.59
Oct.	25.158	20.859	278.35	.16003	.27658	32.467	8.0056	27.772	275.59
Nov.	25.148	20.867	278.48	.16003	.27686	32.507	8.0056	27.824	275.73
Dec.	25.149	20.898	279.06	.16003	.27837	32.569	8.0056	27.831	276.30
1965—Jan.	25.135	20.894	279.13	.16003	.27856	32.575	8.0056	27.827	276.37
Feb.	25.137	20.915	279.51	.16003	.27830	32.602	8.0056	27.825	276.75
Mar.	25.144	20.912	279.24	.16003	.27710	32.553	8.0056	27.780	276.47
Apr.	25.149	20.935	279.62	.16004	.27609	32.582	8.0856	27.780	276.85
May	25.097	20.939	279.71	.16004	.27585	32.617	8.0056	27.768	276.94
June	25.003	20.924	279.23	.16003	.27638	32.583	8.0056	27.735	276.46
July	24.960	20.914	279.10	.16005	.27599	32.579	8.0056	27.761	276.33
Aug.	24.923	20.913	279.08	.16005	.27598	32.565	8.0056	27.791	276.32

Period	Norway (krone)	Philippine Republic (peso)	Portugal (escudo)	South Africa		Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
				(pound)	(rand)				
1959	14.028	49.721	3.4967	279.83	....	2.0579	19.324	23.142	280.88
1960	14.018	49.770	3.4937	279.71	....	1.6635	19.349	23.152	280.76
1961	14.000	....	3.4909	279.48	139.57	1.6643	19.353	23.151	280.22
1962	14.010	....	3.4986	....	139.87	1.6654	19.397	23.124	280.78
1963	13.987	....	3.4891	....	139.48	1.6664	19.272	23.139	280.00
1964	13.972	....	3.4800	....	139.09	1.6663	19.414	23.152	279.21
1964—Aug.	13.962	....	3.4746	....	138.81	1.6662	19.466	23.145	278.66
Sept.	13.956	....	3.4714	....	138.65	1.6661	19.461	23.148	278.34
Oct.	13.956	....	3.4680	....	138.65	1.6662	19.376	23.164	278.35
Nov.	13.956	....	3.4686	....	138.72	1.6665	19.396	23.172	278.48
Dec.	13.980	....	3.4777	....	139.01	1.6666	19.439	23.172	279.06
1965—Jan.	13.977	....	3.4783	....	139.05	1.6665	19.465	23.149	279.13
Feb.	13.982	....	3.4826	....	139.23	1.6665	19.469	23.102	279.51
Mar.	13.976	....	3.4817	....	139.10	1.6663	19.468	23.020	279.24
Apr.	13.983	....	3.4822	....	139.29	1.6663	19.434	23.019	279.62
May	13.982	....	3.4819	....	139.33	1.6662	19.411	23.004	279.71
June	13.976	....	3.4804	....	139.09	1.6662	19.369	23.075	279.23
July	13.975	....	3.4798	....	139.03	1.6662	19.355	23.128	279.10
Aug.	13.978	....	3.4775	....	139.02	1.6658	19.332	23.161	279.08

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[1] Based on quotations through April 16, 1965.

[2] Based on quotations beginning May 5, 1965.

[3] A new markka, equal to 100 old markkaa, was introduced on Jan. 1, 1963.

[4] Effective Jan. 1, 1963, the franc again became the French monetary unit. It replaces, at a 1 to 1 ratio, the new franc introduced Jan. 1, 1960.

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.

U.S. BALANCE OF PAYMENTS

(In millions of dollars)

Item	1962	1963	1964	1963	1964				1965
				IV	I	II	III	IV	I[p]
A. Transactions other than changes in foreign liquid assets in U.S. and in U.S. monetary reserve assets, and other than special U.S. Govt. transactions—Seasonally adjusted									
Exports of goods and services—Total[1]	**30,278**	**32,353**	**37,017**	**8,603**	**9,084**	**8,991**	**9,335**	**9,607**	**8,700**
Merchandise	20,604	22,069	25,288	5,960	6,149	6,067	6,382	6,690	5,589
Military sales	656	659	762	148	194	191	168	209	179
Investment income receipts, private	3,954	4,156	5,003	1,061	1,266	1,263	1,260	1,214	1,417
Investment income receipts, Govt	471	498	454	126	130	132	132	60	139
Other services	4,593	4,971	5,510	1,308	1,345	1,338	1,393	1,434	1,376
Imports of goods and services—Total	**−25,129**	**−26,436**	**−28,457**	**−6,779**	**−6,878**	**−7,061**	**−7,136**	**−7,382**	**−7,151**
Merchandise	−16,173	−16,992	−18,619	−4,372	−4,410	−4,599	−4,709	−4,901	−4,663
Military expenditures	−3,078	−2,929	−2,824	−715	−732	−720	−691	−681	−664
Investment income payments	−1,056	−1,271	−1,404	−351	−341	−345	−347	−371	−376
Other services	−4,822	−5,244	−5,610	−1,341	−1,395	−1,397	−1,389	−1,429	−1,448
Balance on goods and services [1]	**5,149**	**5,917**	**8,560**	**1,824**	**2,206**	**1,930**	**2,199**	**2,225**	**1,549**
Remittances and pensions	**−738**	**−837**	**−839**	**−208**	**−209**	**−203**	**−207**	**−220**	**−221**
1. Balance on goods, services, remittances and pensions	**4,411**	**5,080**	**7,721**	**1,616**	**1,997**	**1,727**	**1,992**	**2,005**	**1,328**
2. U.S. Govt. grants and capital flow, net, excluding advance debt repayments	−3,547	−3,813	−3,636	−942	−813	−888	−921	−1,014	−814
Grants [2, 3]	−1,919	−1,917	−1,884	−504	−470	−538	−425	−451	−438
Long-term loans and subscriptions [3]	−2,129	−2,187	−2,349	−568	−521	−697	−601	−530	−632
Change in foreign currency holdings and short-term claims, net (increase, −) [3]	−245	−447	−27	−100	72	69	21	−189	159
Seasonal adjustment on three preceding items combined	....	....	....	38	−47	83	−80	44	−48
Change in associated liabilities	147	94	49	29	−8	35	4	18	−18
Scheduled loan repayments	599	644	575	163	161	160	160	94	163
3. U.S. private capital, net	−3,425	−4,456	−6,462	−1,142	−1,327	−1,344	−1,569	−2,222	−1,399
Direct investments abroad	−1,654	−1,976	−2,376	−618	−464	−540	−551	−821	−1,003
Other long-term capital	−1,227	−1,695	−1,975	−228	−274	−256	−612	−833	−684
Short-term capital	−544	−785	−2,111	−296	−589	−548	−406	−568	288
4. Foreign capital, net, excluding liquid assets in U.S.	153	303	432	−52	14	112	196	110	246
Foreign long-term investments in U.S.	272	326	110	26	6	94	−72	82	245
Foreign short-term capital	−115	−24	115	−76	4	19	64	28	*
Miscellaneous U.S. Govt. nonliquid liabilities	−4	1	207	−2	4	−1	204	*	1
5. Errors and unrecorded transactions	−1,197	−401	−1,161	103	−288	−152	−291	−430	−94
Balance of A (= 1+2+3+4+5)	−3,605	−3,287	−3,106	−417	−417	−545	−593	−1,551	−733
Less: Net seasonal adjustments	....	....	....	25	−481	50	428	3	−517
Balance of A before seasonal adjustment	−3,605	−3,287	−3,106	−442	64	−595	−1,021	−1,554	−216
B. Changes in foreign liquid assets in U.S. and in U.S. monetary reserve assets, and special U.S . Govt. transactions—Not seasonally adjusted									
Total	**3,605**	**3,287**	**3,106**	**442**	**−64**	**595**	**1,021**	**1,554**	**216**
Advance repayments on U.S. Govt. loans [4]	681	326	122	26	52	33	30	7	10
Advances on U.S. military exports, net	470	334	222	239	163	−62	−28	149	55
Sales of nonconvertible nonmarketable securities, net. [5]	*251*	*−43*	*−36*	*−1*	*−55*	*−8*	*−2*	*29*	....
Dollar securities [6]	....	31	−16	−1	−5	−8	−2	−1	....
Foreign currency securities	251	−74	−20	....	−50	*	*	30	....
Sales of convertible nonmarketable securities, net [5]	....	*703*	*375*	*25*	....	*122*	*203*	*50*	*51*
Dollar securities	....	150	....	....	....	....	....	....	....
Foreign currency securities	....	553	375	25	....	122	203	50	51
Change in U.S. short-term liabilities reported by U.S. banks [7] *and foreign holdings of marketable U.S. Govt. bonds and notes*	*670*	*1,589*	*2,252*	*158*	*−173*	*207*	*748*	*1,470*	*−742*
International and regional organizations [8]	211	−236	−245	−109	−86	−25	−140	6	−66
Foreign private holders excluding banks [9]	131	393	359	109	35	57	122	145	68
Foreign commercial banks	−129	462	1,440	32	278	82	580	500	168
Foreign official holders	457	970	698	126	−400	93	186	819	−912
Change in U.S. monetary reserve assets (increase, −)	*1,533*	*378*	*171*	*−5*	*−51*	*303*	*70*	*−151*	*842*
IMF position	626	30	266	15	131	118	135	−118	68
Convertible currencies	17	−113	−220	−58	−228	258	−45	−205	−58
Gold	890	461	125	38	46	−73	−20	172	832

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[1] Excludes military transfers under grants.

[2] Excludes military grants.

[3] Not seasonally adjusted separately.

[4] Includes sell-offs.

[5] With maturities over 12 months.

[6] Includes certificates sold abroad by Export-Import Bank.

[7] Includes official liabilities.

[8] Includes, for International Monetary Fund, only changes in its holdings of income-earning U.S. Govt. securities.

[9] Includes undetermined holders.

NOTE.—Dept. of Commerce data. Minus sign indicates net payments (debits); absence of sign indicates net receipts (credits).

MERCHANDISE EXPORTS AND IMPORTS

(In millions of dollars, seasonally adjusted)

Period	Exports [1]				Imports [2]				Export surplus			
	1962	1963	1964	1965	1962	1963	1964	1965	1962	1963	1964	1965
Month:												
Jan.	1,668	[3]986	2,043	[3]1,217	1,327	[3]1,100	1,434	[3]1,206	341	[3]−114	609	[3]11
Feb.	1,809	[3]2,124	2,046	[3]1,593	1,320	[3]1,510	1,460	[3]1,601	489	[3]614	586	[3]−8
Mar.	1,672	[3]1,958	2,074	[3]2,753	1,342	[3]1,485	1,520	[3]1,869	330	[3]473	554	[3]884
Apr.	1,795	[3]1,914	2,061	[3]2,380	1,365	[3]1,415	1,541	[3]1,835	430	[3]499	520	[3]545
May	1,762	1,895	2,062	[3]2,278	1,404	1,416	1,539	[3]1,799	358	479	523	[3]479
June	1,836	1,803	2,034	2,185	1,351	1,431	1,518	1,835	485	372	516	350
July	1,748	1,841	2,123	2,263	1,347	1,450	1,578	1,670	401	391	545	593
Aug.	1,703	1,922	2,109	....	1,346	1,497	1,575	....	357	425	534	....
Sept.	[3]1,908	1,958	2,235	....	[3]1,471	1,443	1,546	....	[3]437	515	689	....
Oct.	[3]1,523	1,967	2,155	....	[3]1,312	1,455	1,548	....	[3]211	512	607	....
Nov.	1,725	1,966	2,197	....	1,425	1,466	[3]1,698	....	300	500	[3]499	....
Dec.	[3]1,839	2,091	[3]2,430	....	[3]1,377	1,480	[3]1,642	....	[3]462	611	[3]788	....
Quarter:												
I	5,149	[3]5,068	6,163	[3]5,563	3,989	[3]4,095	4,414	[3]4,676	1,160	[3]973	1,749	[3]887
II	5,393	[3]5,612	6,157	[3]6,843	4,120	[3]4,262	4,598	[3]5,469	1,273	[3]1,350	1,559	[3]1,374
III	[3]5,359	5,721	6,467	....	[3]4,164	4,390	4,699	....	[3]1,195	1,331	1,768	....
IV	[3]5,087	6,024	[3]6,782	....	[3]4,114	4,401	[3]4,888	....	[3]973	1,623	[3]1,894	....
Year[4]	20,945	22,424	25,620	....	16,389	17,142	18,685	....	4,556	5,282	6,935	....

[1] Exports of domestic and foreign merchandise; excludes Dept. of Defense shipments of grant-aid military equipment and supplies under Mutual Security Program.

[2] General imports including imports for immediate consumption plus entries into bonded warehouses.

[3] Significantly affected by strikes.

[4] Sum of unadjusted figures.

NOTE.—Bureau of the Census data.

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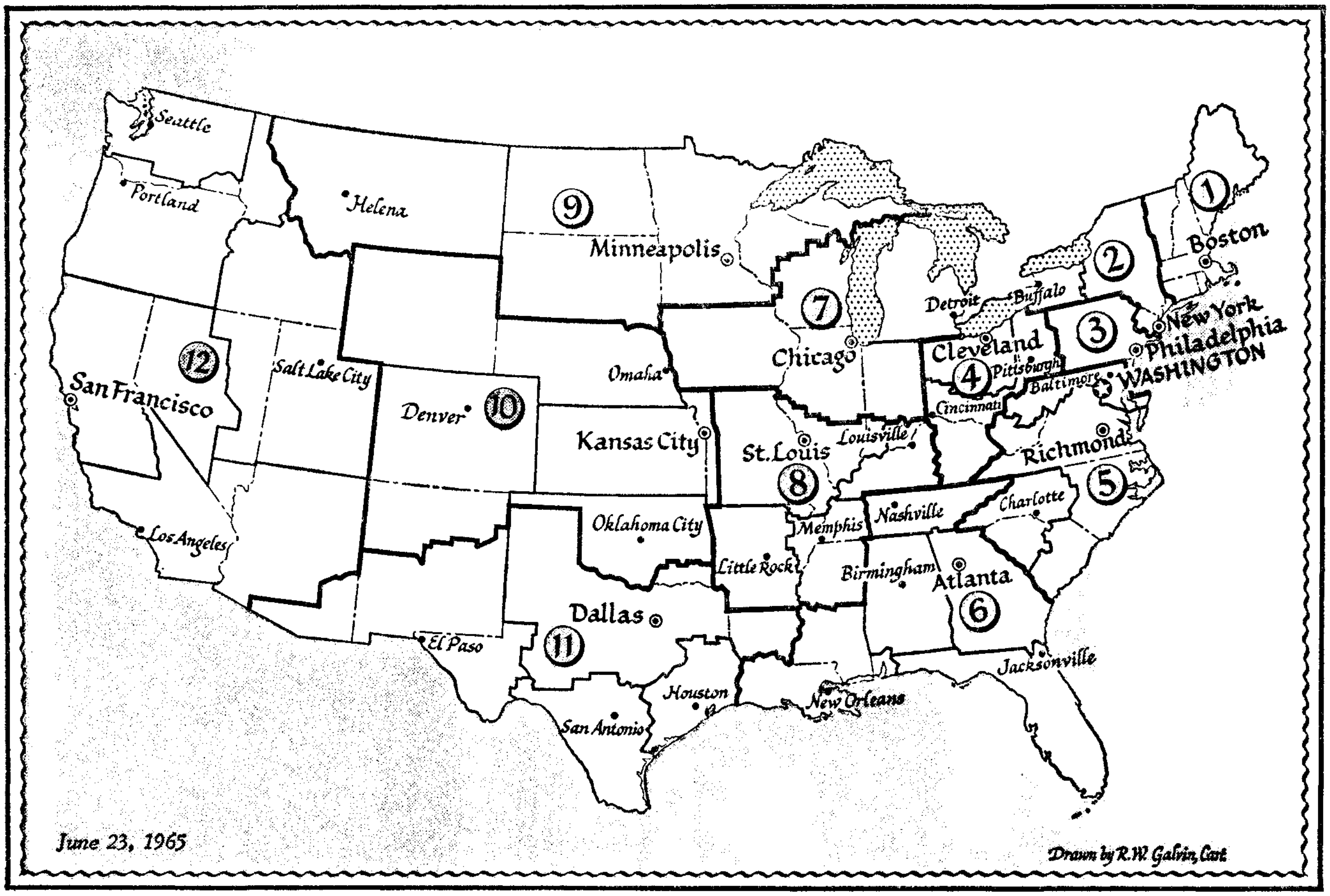

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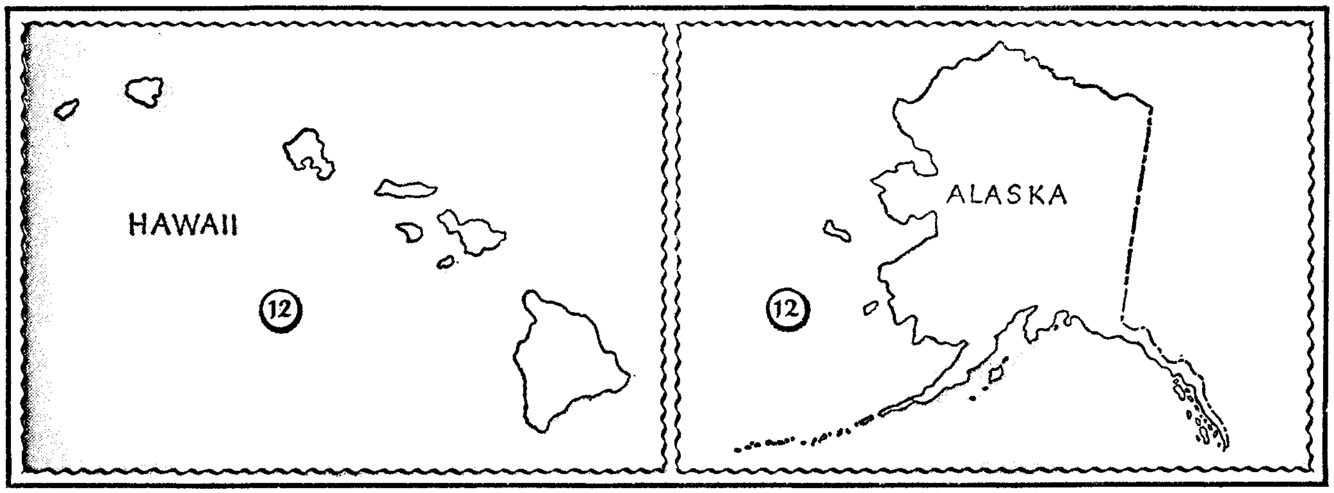

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▬ Boundaries of Federal Reserve Districts — Boundaries of Federal Reserve Branch Territories

✪ Board of Governors of the Federal Reserve System

⊙ Federal Reserve Bank Cities • Federal Reserve Branch Cities